

BUSINESS GATEWAY MORAY ACTIVITY & PERFORMANCE REPORT

QUARTER 1

1 APRIL - 30 JUNE 2018



moray
council

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Quarter 1 in Review

This report reflects Quarter 1 Business Gateway activity in Moray in 2018. There have been an encouraging number of start-up and existing business enquiries during this period. This activity has resulted in a significant mix of start-up businesses which have been supported by BG Moray. Many people will have delayed starting their new ventures to coincide with the new tax year and subsequently register with HMRC in April. This year is no exception with BG Moray recording 17 businesses receiving support to get started. This brings the total in Q1 to 36.

Established businesses continue to show growth aspirations to increase their market share and target markets out with Moray and into the wider UK and Europe. Enquiries from these existing businesses and companies with potential to grow come from a wide variety of sectors and BG Moray will continue to work with them to help achieve their growth ambitions. Although during Q1 of this year, we have seen enquiries at a similar level to last year, we have seen fewer companies going ahead with their plans at this time. Although we only have anecdotal feedback from growing companies as to why this may be happening, indications are, that they are unable to raise the % of capital needed to meet lenders criteria. This may be up to 30% with traditional lenders and if investment is substantial then this could be a barrier to their growth plans going ahead within their anticipated timelines. What we find is that when taking these businesses through the growth planning process, many want to invest in equipment or premises to they can expand. This inevitably means employing more people or upskilling their current workforce and subsequently puts pressure on the company's cashflow during this growth period, if their order books are not at full capacity.

We are also mindful that as the Brexit deadline edges ever nearer, many businesses are displaying a cautious side to their usually ebullient nature. The fact is no one yet knows what 'Brexit' will look like is resulting in nervousness regarding investment amongst SME's. We have to help these businesses to assess the risk and decide whether that risk is right for them to take at this time. Collaborations with our key stakeholders to ensure Moray businesses are supported at all stages in their development remains a priority. Meetings are held regularly with stakeholder partners including HIE, Elgin BID and Moray Chamber of Commerce to discuss collaborative support where possible.

Following up on my last report, we started working with a number of businesses during May 2018 where we felt the implementation of 'destination marketing strategies' might work better for them. We believe this formula could work for sectors such as retailers, activity/experience providers, accommodation providers and food and drink outlets. Our first session at a Moray Visitor Centre involving 11 individual businesses, was delivered in May and discussions were based around 'Destination Clustering'. We worked with these retailers firstly to scope out what they already had in place such as marketing tools and strategy. The outcome of this session resulted in the production of a strong SWOT analysis. This is likely to lead to some digital upskilling for these businesses as well as them working with lead partners to drive their strategy forward. *E.g. Major issues occur at the Visitor Centre around peak-time catering creating 'bottle necks' - this can sometimes deter customers from spending as much time at that facility as they could which results in lower overall spend. This is not uncommon at this type of facility and could also be true of villages in Moray.* We will continue to work with them to achieve a positive outcome and solutions which enable increased footfall without diminishing spend. If it has the desired impact we hope to continue to roll out the programme in other parts of Moray.

Regeneration of our High Streets continues to be challenging, but overall Moray towns are performing well and businesses seek to diversify into niche markets to ensure a viable market share is achieved. We continue to work with our stakeholder partners in to ensure any proposed new businesses have the best opportunity to access / negotiate suitable premises resulting in sustainable businesses and vibrant High Streets. With the Conservation Area Regeneration Scheme (2013-2018) now complete amongst other things there is a tangible improvement to the external facia of buildings in the centre of Elgin making it a more attractive place to do business.



Your Chair Styling was started by Lois Morris in the old Post Office building in Lossiemouth in December 2017. Funding of £20K was secured through DSL Business Finance after working with BG on their business plan.

In May this year she achieved her ambition to open a Quiet Room which provides a more comfortable salon experience to adults and children with 'hidden' disabilities.

Available are sensory wall and toys, Netflix, YouTube and Xbox games to entertain the young, distracting them from the anxiety of a haircut.

Lois has also invested in specialist equipment including quiet clippers to ensure the experience is as relaxed as possible.

Crafted is an exciting Elgin based shop recently purchased by Gillian Henry & Charlie Nichols where you can find over 50 different local crafters products all in one place. The couple purchased the business from the original owner and have injected their own style of creativity into shop with an eclectic range of quality locally made products. They received support on all aspects of starting a new business including marketing and financial planning from BG.



What Box Interiors manufacture lighting & furniture from things not normally associated with interior furnishings. For example, this image illustrates an occasional table upcycled from a car crankshaft.

They now have a range of stock available online on their website and also in Unique Ness Eastgate Shopping Centre in Inverness and Logie Steading near Forres.

Performance Statistics

Core Service						
2018/19	Apr 18	May 18	June 18	Progress to date	2018/19 Target	Progress comparator Q1 17/18
Business Start ups	17	12	7	36	125	36
Approved Growth Advisory Services (GAS)	6	4	2	12	30	20
Approved Growth Pipeline (GP) - HIE	0	0	0	0	2	1
Approved Account Management (AM) HIE	0	0	0	0	1	0
Start Up Workshops	2	3	1	6	26	6
Total activities (enquiry actions /appointments)	60	89	59	208	800	212
LGAP						
LOT 1 - Specialist	Apr 18	May 18	June 18	Progress to date	2018/19 Target	Progress comparator Q1 17/18
Businesses assisted with one to one advice	2	1	1	4	18	3
LOT 2 - HR Advisory Service						
Businesses assisted with one to one advice	0	0	0	0	18	5
No of jobs created	0	0	0	0	18	12
LOT 3 - Growth Workshops						
Half day workshops delivered	0	0	0	0	16	1
Full Day Workshops Delivered	0	0	1	1	8	0
Number Workshop Attendees	0	0	11	11	70	6
Unique businesses assisted	0	0	11	11	70	6
Digital Boost Half day workshops delivered	0	2	2	4	20	*0
Digital Boost Workshop attendees	0	29	28	57	160	*0
Digital Boost 121 Support	1	1	1	3	4	*0
LOT 4 - Key Sector Entrepreneurial Support						
Programmes per annum	0	0	0	0	2	0
Business assisted	0	0	0	0	16	0
Additional Local Events delivered				Progress to date	2018/19 Target	Progress comparator Q1 17/18
No. of Events				3	10	3
No of Businesses Attending				86	500	223

*DB only started Q2 2017

Business Start ups

The year has started well in terms of supporting start-up businesses, with 36 new businesses confirmed and evidenced by methodology such as HMRC/Companies House registrations and/or Business bank accounts being opened. A total of 41 FTE jobs have been either retained or created in Q1 by these start-up businesses as well as business purchases. Job creation and retention remains a key element of BG's KPI's.

FLAVOUR OF START-UPS THIS QUARTER

Plant hire, *Outside Catering*, Trades including Joiners, Painter and Decorators, *Plumber*, Dog Accessories, *Wedding Planner / Events Organiser*, Whisky Blender, *Car Body Shop*, Café, *Car Restoration Centre*, Interior Furnishings and Respite Accommodation, *Photographers*, Accountant, *Personal Trainer*, HGV Logistics Operator, *Pop-Up Bar*, Digital Security App, *Cosmetics*, Digital Media Production.

Business Growth Support / LGAP/ Digital Boost Programme

Q1 saw 12 businesses engage in more depth with BG to investigate growth opportunities. They have been supported to produce Growth Action Plans including investor ready financial projections through the LGAP (Local Growth Accelerator Programme). These plans are used to support and drive ambitious businesses to significantly increase their turnover over 3 years. The types of businesses supported include:

- Musician
- Artist
- Food retailers
- Steel Fabricator
- Tour Operator
- Security Consultants
- Marketing Specialists
- Educator

Although this an encouraging trend and we will continue to work with these businesses and others to help them achieve their full potential over the next 12-18 months, these may not all be the type of businesses which grow substantially enough to employ significant employee numbers or have a real impact in the local economy. However that said, we have also worked with 4 additional businesses which *do* have the potential to achieve significant growth and we have had joint client meetings with HIE. We are confident that they will move into Growth Pipeline, accessing significant support from BG and HIE and that 2 will move into Account Management with HIE during Q2, once the transition process has been completed.

3 businesses have also received 121 support to help digitise their businesses having completed the Digital Boost (*a Scottish Government Initiative delivered nationally by Business Gateway*) Health Check on the BG website. These health checks throw up any significant skills gaps which can then be addressed by BG specialists.

Marketing/PR Wave PR delivers Business Gateway PR at a National level with the Moray team supplying the contacts and background information on local businesses they wish to put forward as potential case studies. This quarter these included: Dragonfly Productions and a former HMRC Tax Specialist

BG Moray's Facebook Page continues to be a useful platform to market business skills workshops, events and share stakeholder events as appropriate. Published or shared in Q1 were:

- BG LGAP growth workshops
- BG Digital Marketing Workshops
- Moray Growth Deal
- BG/ MEL Employment Law Surgeries
- Launch of the new Scotland Food & Drink £5K grant
- BG GDPR online webcasts and tutorials
- Supplier Development Programme – 'Meet the Buyer North Event' Inverness 5 Sept 2018
- Macallan Visitor Centre Opening
- Small business Market Insights into the Whisky Industry
- Launch of £250k Regional Food Fund Supporting Scotland's Food & Drink Sector
- Launch of the new Scottish Government £2m Digital Development Loan
- BG Cyber Security Workshop
- BG National Annual Review
- Moray Tourism news via MST

The BG National marketing team are focusing on digital platforms. They have created a three month digital plan to help local office media tie into national campaigns. Proposal is that more of their current budget allocation may be spent on sponsored posts on Facebook which seems to have a high market penetration rate. Bus advertising in Moray with 8 Street-liners is proving to be effective branding and a call to action for core activities.

There's been newspaper advertising in the Scottish Provisional Press group titles across Moray and also from the first quarter bookings in the Press and Journal Moray edition only. The latter has moved across from regional to local

spend. This was previously a shared print advert with Aberdeenshire and locally it was felt that it didn't always focus on the initiatives delivered by BG Moray.

Digital advertising has included a Twitter campaign that has focused on three main themes of Business Planning, Free market insights with business guides, Workshops and events locally. The digital platform has also been used extensively with boosted Facebook posts signposting core activities and Digital Boost delivery. There has also been pay per click Google advertising for the main Business Gateway services on the Google search engine.

Q1 Activities and Events

- **Moray Business Week 5 - 9 November 2018** – BG continues to hold meetings with key stakeholders generate ideas on format and content for this year. As a consequence, the event has been developed to incorporate Seminars and workshops to support new and existing businesses, an Internationalisation Lunch, Awards Lunch, Moray Tourism Conference and DRONES AND UAVs a Scottish Industry Expo Day – a first for the area! The full programme has been developed in draft and will be detailed in the Q2 report.
- **LGAP** – Meetings with Framework suppliers took place to develop a 'Destination Cluster' programme. This is **now in place and the first session delivered in May (details in the overview section)**
- **Local Export Partnership Fund** – Meeting took place discuss working with Moray and Inverness Chambers' to roll out this newly launched fund which enables businesses in Moray thinking about exporting for the first time to access grant funding to help them attend International Trade Shows as a scoping exercise .
- **Moray Employment Law (MEL) / BG Moray collaboration** - Surgeries took place in April 18 and a number of businesses met with MEL at the BG Moray office which resulted in many issues being resolved. BG Moray will continue to work with these businesses as appropriate. Topics covered on the day included:
 - hiring your first employee
 - contracts of employment and staff handbooks
 - handling disciplinary/ grievances
 - sickness absence, maternity, holidays
 - What happens to your staff if you want to sell your business?
- Joint business growth meetings with HIE - site visits
- Consultation with **Moray Council GDPR Team** to ensure local BG processes are compliant with new regulations(*Confirmed as compliant*)
- Meeting with Grant Eckersley from the **HIE Internationalisation Team** regarding developing joint Export Advisor Clinics
- Meeting with **Moray Foodbank** to discuss holding a Living Wage Breakfast event during Poverty Week -with an emphasis on encouraging Moray Business to deliver on the Scottish Business Pledge. BG - invited to host. Other speakers to be confirmed.
- 3 Conference calls into **BLS Board** to discuss Tender for contract to deliver Phase 2.
- Meeting with **Life Skills** in Elgin to discuss potential client referrals
- Meeting at **Horizon Scotland** to discuss MBW '18 logistics
- BG Moray and Highland Team meeting Inverness
- Supplier Development strategy meeting
- Attended **HIE Business Breakfast** with Scottish Investment Bank
- Started work on identifying businesses for the proposed **Moray Comfort Scheme**
- Completed response to **Enterprise Review from the Economy, Jobs and Fair Work Committee** Scottish Parliament
- Presentation on Entrepreneurship to students at **Glasgow School Of Art Campus Forres**
- Meeting to discuss attendance at **1st Meet the Buyer North Event** in Inverness in September with MC Procurement team – BG will run a bus for Moray Businesses to attend –BG National have confirmed that they will cover cost. This idea is being trialled to try and encourage Moray SME's to tender for Public Sector Contracts.

Workshops:

Core workshops

- Start your Own Business
- Successful Marketing & Promotion
- Effective Business Record Keeping

Digital Boost / LGAP Workshops

- Web & Social Analytics
- Developing a Digital Marketing Strategy
- Facebook for Business (Intermediate)
- LinkedIn for Business (Intermediate)
- Destination Marketing

Next Quarter Visibility

Digital Boost Programme





- 3 new workshops will be developed and delivered in Moray covering the following topics:
- Video Production for Business Online
 - Pinterest, Instagram and Photography for Business Online
 - Enhance Your Business With Digital

LGAP Programme

Managing for the First Time

This new workshop is for business owners who now have to manage staff or for newly promoted staff now managing others. Topics covered:

- Your role as a Manager
- Rights and responsibilities of staff
- How to lead, motivate and communicate with staff
- How to deal with difficult issues
- Ways of managing the workload
- Staff performance management
- What makes people tick?

-  **1-2-1 Meet the Export Adviser Sessions** - @ BG in collaboration with HIE
-  **Business Loan Scotland** – Conference calls to refine and complete BLS Tender for Phase 2 of the SME Holding Fund
-  **Moray Chamber of Commerce Annual Awards Dinner** – Gordon Castle, Fochabers
-  **The Roberts Partnership** – meeting in Inverness to discuss future growth workshop topics