Metro——Dynamics

C&P Start and Grow: A Community Renewal Fund Project

Evaluation Report

Prepared for the Cambridgeshire and Peterborough Combined Authority

April 2023

Final Report

November 2022

Contents

Metro——Dynamics

Summary

Outputs

245	295
People supported	Businesses supported
(109% of target)	(101% of target)

Outcomes

292	119	49	107	108	£536,745
Number of businesses supported	Employment increase in supported businesses	Jobs safeguarded	New businesses created	New products or services	Investment attracted
(111% of target)	(116% of target)	(153% of target)	(104% of target)	(105% of target)	(92% of target)

Impacts

- More growing businesses supporting increased employment in deprived areas
- Increased confidence for beneficiaries and development of a growth mindset
- Increased business investment stimulating increased private sector demand
- Improved awareness of the business support landscape for beneficiaries
- Sustained increase in employment, investment and revenue growth for supported businesses.

Key Findings	Lessons for future delivery
- On the whole, the programme has performed very well against contracted outcome targets and is expected to contribute to positive longer-term outcomes. - Start and Grow filled a market gap in new enterprise support. The programme was appropriately designed for the context and market conditions. - There was considerable variation in the level of intensive support some beneficiaries required, which was not fully anticipated during programme design. - Programme management and governance supported the programme to be delivered to a high quality despite challenges, including uncertain timescales. Delivery occurred in the way it was expected to and largely achieved the targets it set out to achieve.	- Areas with more deprivation require significantly higher levels of support to achieve the same outcomes as places with lower deprivation. This should be considered and built into delivery during the design phase of future programmes, both in terms of the support for individuals and the marketing activity required. - Ensure there is sufficient time during the application process to involve all delivery partners in design, so that roles, responsibilities and communication plans are clearly set out, agreed to and followed from the outset. - More direct relationships between the delivery partner and commissioning body would support delivery, particularly in a fast moving, changing delivery environment where decisions need to be made in response to factors beyond local control.

Metro——Dynamics

Introduction

Metro Dynamics were commissioned to provide an independent evaluation of the CRF Start and Grow programme delivered for the Cambridgeshire and Peterborough Combined Authority (CPCA) in the Local Authorities of Fenland, Huntingdonshire and Peterborough. This report presents the findings of the evaluation which was undertaken between February 2022 and March 2023.

UK Community Renewal Fund

The UK Community Renewal Fund (CRF) is a £220 million scheme launched in May 2021 with the aim of supporting the transition between the end of the EU structural funds (culminating in 2023) and launch of the UK Shared Prosperity Fund. The CRF was designed and administered by the Department for Housing, Levelling Up and Communities (DHLUC). The CRF was designed to pilot innovative approaches to addressing local challenges and local need across the UK, and to test a greater flexibility across the following investment themes:

- investment in skills;
- investment for local businesses;
- investment in community and place; and,
- supporting people into employment.

To ensure CRF funding reached the communities most in need, 100 priority places were identified for investment. Fenland and Peterborough were identified as priority places. As assigned Lead Authority, CPCA led the initial application to the CRF, ultimately preparing an application for the Start and Grow programme to be delivered across Fenland, Peterborough and Huntingdonshire. CPCA's application was successful and the Start and Grow programme received the single largest allocation of funding from the CRF in the country, for a fund value of £2,480,00 with a further £1,386,000 of match funding from Local Authorities and induced private sector investment as a result of programme activities.

Start and Grow was aligned to the investment priorities of the Community Renewal Fund by increasing start-up success through investment in local business, equipping new and existing enterprises with the business skills they need for sustainable growth, and in turn safeguarding jobs and increasing employment opportunities across Peterborough, Fenland and Huntingdonshire.

Evaluation objectives and approach

In line with UK Community Renewal Fund assessment criteria guidance, the evaluation considers:

- the relevance and consistency of the project, its positioning with the local support network, and the programme's rationale given current and future economic and political context;
- performance against contractual targets and value for money;

Metro——Dynamics

- the effectiveness of programme delivery and management processes with lessons to inform future programmes; and,
- key programme outcomes and impacts realised to date.

A mixed-method approach has been utilised to address key lines of enquiry and triangulate findings, as set out in the table below.

Stage	Task
Desk-based research	- Review of programme documentation - Review of delivery context and strategic positioning - Analysis of programme monitoring information
Primary research	- Ongoing engagement with programme management - Stakeholder interviews - Beneficiary interviews
Reporting	Draft report and final report

Report Structure

The remainder of the report adheres to the following structure:

- **Scheme overview:** provides a brief description of the Start and Grow programme, in terms of its activities, intended outcomes and delivery approach, and the theory of change underpinning the programme.
- **Programme design**: evaluating the rationale behind the programme, the design and set up of the programme, and any contextual changes that occurred during the programme and their impact.
- **Performance**: analysis of the programme's progress and performance against targets.
- **Management and Delivery**: examination of programme management and the delivery model.
- **Outcomes and Impact**: discussion of outcomes and impact derived from the programme
- **Conclusions**: conclusions and recommendations.

Metro——Dynamics

Scheme overview

Start and Grow was a programme focused on providing individuals thinking about starting a business, and micro-businesses looking to grow, with tailored, intensive support services delivered as part of a pre-qualification process for grant funding. In this sense the programme brought together two elements of common business support programmes: support for entrepreneurs and business owners on how to start or grow their business, and access to the capital that would enable growth to happen.

The programme aimed to support 224 individuals and 293 early-stage / micro businesses across two strands of activity: **pre-start support for individuals**, and **growth support for early stage / micro businesses**.

- The **'Start'** component was aimed at anyone wanting to explore enterprise within the geographic region for delivery. It provided pre-start support for individuals wanting to start their own business by first connecting with individuals in harder-to-reach and 'socially disadvantaged' groups with an offer to support them through their business start-up journey.
  - The programme combined information sessions, workshops, online learning and materials, mentoring, networking and peer support. Those who completed the course undertook an intensive programme of structured support to develop a viable to plan to start their business, or be connected to alternative programmes of support and other routes to realising their economic potential, such as employment schemes, training and education.
  - Upon completion of the intensive support programme individuals were then able to apply for a grant up with a 10% in-kind contribution required from the individual to secure investment.
  - The Start component was based on YTKO's existing Outset programme, but with different eligibility rules.
- The **'Grow'** component supported existing businesses up to 3 years old or with fewer than 3 employees with the desire to grow and increase employment, profitability and productivity, but without the skills and experience to do so.
  - The programme worked in a similar way to 'Start' but for early-stage businesses whose scale and age precludes them from mainstream growth services. Participating businesses undertook an equivalent support programme to address gaps in business planning, understand their opportunities for growth and put the support in place to maximise the potential of realising that growth. They also received support to pre-qualify for grant funding through the programme.
    Upon completion of the support programme businesses were then able to apply for a grant with a 20% in-kind contribution required from the individual to secure investment.
  - The Grow component was based on YTKO's existing GetSet for Growth programme, but with different eligibility rules.

Metro——Dynamics

The **intended outcomes** of the programme were:

- For people: 103 jobs created in supported enterprises, and 32 jobs safeguarded.
- For businesses: 103 new businesses created, 103 businesses introducing new to the firm products, and £586,000 in investment attracted as a result of support.

The programme was scheduled to run from September 2021 to March 2022. However, a decision was taken by DHLUC to delay the delivery window for CRF programmes, and the delivery window was changed or extended a number of times throughout the programme, with the uncertainty regarding timelines creating challenges for delivery. Delivery ultimately commenced in March 2022 and finished in December 2022.

A Theory of Change for the programme (prepared during initial design) is set out on the following page.

Metro——Dynamics

Figure 1. **Start and Grow Theory of Change**

Situation	The business support offer available across Fenland, Huntingdonshire and Peterborough is fragmented and difficult to navigate due to the breadth of providers, support offers and eligibility criteria, and a lack of wraparound support to provide a gateway to entering and progressing through available interventions. This is particularly case for harder to reach groups who often feel alienated by mainstream, academic or overly "business speak" style programmes, not seeing it as intended for them.
Aims	Start and Grow will target individuals in harder-to-reach and socially disadvantaged groups and individuals who typically do not engage with enterprise support interventions, or do not qualify for existing support due to the size or age of the business.

Inputs	Activities	Outputs	Outcomes	Impact
Process			**Impact**	
£2,480,000 CRF contribution £1,386,000 of match funding (£800,000 from local authorities, £586,000 private sector contribution secured over the life time of the programme) YTKO management and delivery expertise Delivery partner experience and expertise	Targeted outreach Tailored support and wrap around provision as delivered • 1:1 coaching • Workshop provision • Masterclasses • Peer-to-peer learning • Mentoring • Networking opportunities • Grant support	Engagement of 293 small businesses £2,859,000 grants £586,000 investment attracted as a result of Start and Grow support	103 new businesses created a as result of support 103 businesses introducing new to firm products as a result of support 32 jobs safeguarded **People:** increased confidence to access employment or further enterprise support **Business:** enhanced business planning practices	103 FTEs created in beneficiary businesses Increased business resilience

Rationale & Assumptions	The programme is correctly positioned to address longstanding and pandemic-related challenges experienced by individuals and small businesses; there is demand for the support provision offered through the programme; programme marketing and outreach activities have been sufficient to engage the intended beneficiaries; programme resourcing is sufficient to meet applicant support needs; delivery processes are effective and proportionate; delivery staff and partners have the necessary skills and expertise to support applicants and outcome/impact realisation.

Metro——Dynamics

Delivery model

Who delivered services

CPCA procured delivery of Start and Grow through its existing Growth Works consortium contract. Growth Works is Cambridgeshire and Peterborough's business growth service, funded by the Combined Authority, HM Government and ESIF.

YTKO is the lead partner delivering business support throughout Cambridgeshire and Peterborough as part of the Growth Works consortium and led delivery of the Start and Grow programme. YTKO has delivered extensive enterprise support services and is well-established in Cambridgeshire and Peterborough.

YTKO's initial delivery team consisted of a Programme Director, two Business Advisors and two admin support staff. Changes to the delivery timeframes for the programme necessitated changes to the delivery team's structure, as discussed in the Programme Design section.

Where services were delivered

Start and Grow's activities spanned three geographies within Cambridgeshire and Peterborough, with a portion of services intended to be delivered in each, as set out below:

- 49.0% Peterborough City Council (priority area)
- 25.5% Fenland District Council (priority area)
- 25.5% Huntingdonshire District Council (non-priority area)

Each Local Authority district contributed match funding equivalent to the amount of delivery intended for delivery in the district. This amounted to £400,000 in Peterborough, and £200,000 each in Fenland and Huntingdonshire.

How delivery was set up to happen

Intensive, tailored support for individuals and micro businesses

Start and Grow dovetailed with YTKO's existing offer around pre-start and early-stage growth support delivered through its Outset services. It also fit with its business growth support offer, delivered through its GetSet for Growth provision. The Start and Grow programme specifically targeted those who were not eligible for these existing support programmes.

YTKO delivered the 'Start' component through its Outset support service focused on disadvantaged individuals and under-represented client groups who are looking to start a business. The 'Grow' component for existing micro businesses was delivered through its GetSet for Growth service for businesses up to 3 years old.

These components were set up to provide an intensive, integrated and rolling support programme on all the critical learning and knowledge required to plan, start up and develop a successful business in a variety of locations and hubs across Fenland, Huntingdonshire and Peterborough. Support was delivered through:

- 1:1 sessions with individuals online and in-person, particularly in the early months of the programme. This included intensive support for individuals with higher needs.
- A series of workshops, with three separate workshops focused on developing a business plan, cash flow, and applying for a grant. Workshops would run for 2 – 3 hours with up to approximately 20 participants.

Metro——Dynamics

- Masterclasses, peer-to-peer, mentoring and networking support, online and in person.
- Access to Business Advisors in the delivery team via phone and email for beneficiaries to seek informal advice and troubleshoot problems.

Start up and early-stage growth grants

Delivery recognised that a lack of investible capital is a major barrier preventing individuals from starting their own business, and is a critical contributing factor to business failure or stagnation. The programme therefore underpinned the business support provision with access to grants for those that became pre-qualified through the programme (a 90% grant for start-ups and 80% grant for eligible existing businesses). Access to significant grants, combined with pre and post investment support, intended to de-risk investment decisions for individuals and businesses and maximise return. The requirement of a private sector match contribution (10% for start ups and 20% for existing business) encouraged the client to have 'skin in the game', increasing ownership and generating a higher return on investment for public funds.

Figure 2.   **Start and Grow Delivery Model**
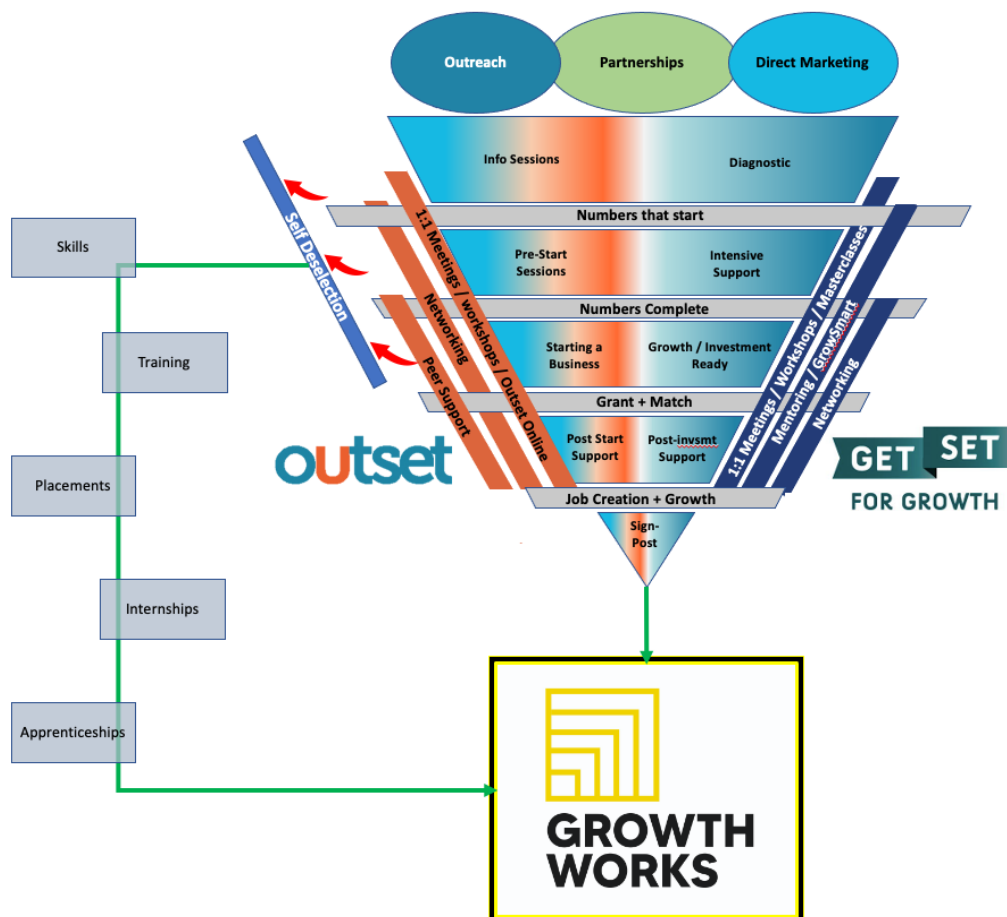
At the conclusion of their engagement with the programme, individuals and businesses were signposted to other forms of support available through Growth Works. This applied to individuals who completed the programme and received grant funding, and also those who self-deselected from the programme before that stage.

Programme Design

Introduction

This section presents learning regarding the programme rationale and explores the policy and economic context Start and Grow was delivered in. The analysis is drawn from stakeholder interviews and desk-based research to explore:

- whether the initial rationale for intervention was justified and key learning regarding the market failures impacting scaling businesses;
- the economic and policy context, and the implications for forward strategy;
- programme positioning in relation to other support; and
- How contextual changes impacted delivery.

Economic and Policy Context

Context and rationale for the programme

Start and Grow aimed to fill a market void in new enterprise support that inhibits the participation of underrepresented and disadvantaged groups. People from this demographic are often alienated from mainstream, academic or overly "business speak" style programmes, not seeing it as intended for them. Financial expectations of the new businesses are set much too high for many aspiring sole traders and new businesses when at the exploration stage, particularly those who are financially and socially excluded, or who have low skills, or a background of unemployment and disadvantage.

For new businesses with little track record or collateral, there remains a market weakness and information asymmetry in accessing finance across the UK following the pandemic, the subsequent economic downturn and the significant uncertainty around Brexit. Start and Grow aimed to improve awareness of, and understanding about, the different types of finance available, and how to create robust and viable business plans, and in turn help address imperfect information market failures on the part of both lenders and businesses. Start and Grow set out to support the participants to be better equipped to apply for funds should this be the right route for them.

The geographical balance of Start and Grow's delivery reflected the concentration of need and potential to make an impact across the CPCA area. For instance, Peterborough and Fenland both have greater shares of people who go from 16-18 education to not in employment, education and training (NEET) than the England average (15.3% and 13.9% respectively vs 13%). There are fewer self-employed people as a share of the population in

Peterborough (5.5%) than the UK average (6.8%). And in 2020 the business formation rate in Fenland (8.6%) was well below the UK average (12.7%).

Strategic fit

Start and Grow was designed to deliver on Cambridgeshire and Peterborough's strategic mission to prioritise investment in enterprise programmes that support economic recovery over 2021-22. Cambridgeshire and Peterborough's economy was hit hard by the Covid-19 pandemic, with almost 102,000 furloughs over the year March 2020 to March 2021, and a doubling in Job Seeker's Allowance and Universal Credit claims over the period.

The programme was aligned with The Local Economic Recovery Strategy (LERS) of Cambridgeshire and Peterborough and its partners. The LERS is a rolling programme of live priorities, most recently updated in March 2021, and at the time the programme was designed was the primary reference document for local growth initiatives across Cambridgeshire and Peterborough, prioritising investment in enterprise programmes that support economic recovery over the timeframe of the CRF.

Start and Grow contributed to each of Cambridgeshire and Peterborough's missions for the three phases of its Local Economic Recovery Strategy:

- Response (2021): Help people and businesses at risk of unemployment by accelerating re-training and upskilling.
- Recover and Rebound (2021-2022/3): Build back faster by accelerating start-ups, scale-ups and set-ups.
- Renewal and Future Growth (2023-): Build back better and greener by accelerating hi-tech jobs and cluster growth, focussing on green, digital and net zero technologies.

The options analysis undertaken for this programme considered alternative LERS interventions for creating start-ups among disadvantaged groups and displaced employees. However the proposed configuration was selected as having both the greatest potential impact, value for money and least risk, as pre-qualification allows for business plans to evolve with feedback and reflect acquired knowledge, increasing the return on investment on CRF investment.

Market position

Start and Grow dovetailed with YTKO's existing offer around pre-start and early-stage growth support delivered through its Outset services. It also fit with its business growth support offer, delivered through its GetSet for Growth provision. Start and Grow targeted those that were not otherwise eligible for existing support.

The programme addressed a market need that fell between ERDF, ESF, LGF, BEIS, DWP and local authority funded provisions. It was structured so that it would add to the existing infrastructure of support, overcoming typically siloed client groups and activities and focusing on the needs of beneficiaries. The programme was designed so that it would deliver support not already available, in a way not already being delivered, to beneficiaries not previously engaged.

Other programmes delivering services which were similar but did not apply to the target beneficiaries include:

Metro——Dynamics

- Growth Works activities, focusing on the top 1,000 high-growth potential SMEs across Cambridgeshire and Peterborough.
- NEA, which delivers light touch start-up mentoring support.
- The Restart Programme, which focused on the welfare to work agenda (and includes a start-up strand).
- Start Up Loans Company, which provides debt finance to start-up businesses.
- DIT, which provides generic inward investment and internationalisation support.
- Universities and colleges, which provide internship / apprenticeship and business start-up support.
- Serco, who deliver Skills Support for the Workforce and Skills Support for Apprenticeships.

Contextual changes and implications

Delays to programme start date and continued uncertainty over delivery timeframes

The programme was scheduled to run from September 2021 to March 2022. However, a decision was taken by DHLUC to delay the delivery window for CRF programmes, and the delivery window was changed or extended a number of times throughout the programme. Extensions were often communicated at short notice and the general uncertainty about timelines complicated delivery. Delivery ultimately commenced in March 2022 and finished in December 2022.

When the programme commenced the initial end date for delivery was set for June 2022 and it was unclear whether the CRF delivery window would be extended. The compressed initial delivery window meant the delivery model needed to adapt. Specifically, more one-to-one support was provided in the initial months of the programme, rather than support through large workshops as was originally planned. This was because the workshops took longer to design, set up and run, and concerns about the short delivery window and the time required to apply, draw down, defray and claim the grant meant the delivery team focused on supporting beneficiaries as quickly as possible, which was easier for the client beneficiaries through one-to-one support.

When the time extension for delivery was granted in July 2022, the delivery team noted this afforded them an opportunity to 'reset' how delivery was occurring and bring it fully into line with delivery as it was originally envisaged, including greater use of workshops to provide support.

The delay also had an impact on team structure. The initial plan was to deliver activities from within the Growth Works team. However, the delay to the programme start date and subsequent ongoing uncertainty about the window for delivery meant this wasn't possible so YTKO went out to the market to recruit. There were difficulties associated with finding appropriately-qualified individuals who would be willing to take on a short contract (at the time expected to be for four months), which meant resourcing the project was more difficult than expected, but ultimately a highly skilled and experienced delivery team was established which enabled effective delivery of the programme.

Metro——Dynamics

Appropriateness of the offer

Consulted stakeholders agreed that the Start and Grow programme was appropriately designed to meet local needs, and that remained the case despite the contextual changes described above. They noted that:

- The programme was **appropriately designed for the economic and policy context** which existed at the time.
- **The programme filled a clear gap in market provision** and was well targeted at very early start-ups who would typically not have access to support or funding; those who "*wanted to have a go at something and would see what happened*".
- Activities were appropriately targeted at more disadvantaged areas and did a good job of reaching the right beneficiaries. However, **the initial design for the programme underestimated the level of one to one support required to support beneficiaries in the most disadvantaged areas.** The extent of the support required consumed significant resources for delivery.
- **The initial design underestimated the amount of marketing and engagement required to promote the programme in some communities, particularly in Fenland.** However, consultees noted that once the programme was established and the delivery team had a base to communicate with individuals it became much easier. Consultees suggested this partially explained why the programme was such a success in Huntingdonshire – business networks there were well-established, which made engagement easier and allowed the programme to deliver more quickly and effectively. Across the programme as a whole, there was significant success in stimulating demand, including over 1,000 expressions of interest received in the first four weeks.
- **The programme was very large to deliver in a very tight timeframe**. Some consultees involved in delivery noted a smaller scope may have been more appropriate, particularly given the programme was a pilot trialling new approaches and working with beneficiary groups who were relatively unfamiliar with enterprise support programmes and applying for grant funding.

Metro——Dynamics

Performance

Introduction

Chapter Three provides a quantitative assessment of programme performance based on monitoring data and the CRF Final claim form submitted by CPCA to DHLUC in January 2023. It includes analysis of:

- financial performance;
- progress against contracted outcomes;
- service take-up; and,
- value for money

Programme targets

Start and Grow set targets to deliver the following Community Renewal Fund outcomes.

Outcome	Target
Employment increase in supported businesses as a result of support	103
Jobs safeguarded as a result of support	32
Number of new businesses created as a result of support	103
Businesses introducing new products to the market as a result of support	103
Investment attracted as a result of support	£586,000

The targets were based on the following:

- **Employment increases in supported enterprises**: all new start / sole traders counted as an employment increase (based on their FTE) i.e. undertaking has no employees and founder works within the undertaking full time = 1 employee. It was also expected that jobs would be created in the 161 SMEs that draw down a grant, but these outcomes would only be delivered with any certainty after the completion of the CRF programme.
- **Jobs safeguarded**: 20% of the 161 SMEs that will draw down grants.
- **Number of new businesses created**: the number of engaged individuals and the share that self-deselect. The standard attrition rate for the existing Outset programme was 77%, but this does not include a grant incentive to engage with or complete the support activities. Here the 23% baseline was doubled to 46%, giving 103 new businesses from 224 pre-start individuals receiving support.
- **Businesses introducing new to the firm products**: all 103 start-ups are classified as developing products new to the firm.

Metro——Dynamics

- **Investment attracted as a result of support**: the £586k contribution from clients to leverage grant based on a £9,000 average grant claim for new businesses and a £12,500 average grant claim for established businesses.

Financial Performance

Programme funding is set out in the table below. The private match contribution came from individuals and businesses as a condition of accessing grants.

Programme funding and expenditure

The table below sets out planned vs actual funding for the programme. Start and Grow sought to leverage £1.386m of match from public sources (via Additional Restricted Grant (ARG) funding) and private sources to complement the funding sought through the CRF.

Figure 3.　**Planned funding vs actual expenditure**

Source	Planned funding	Actual expenditure	% achieved
CRF *(programme delivery and grant expenditure)*	£2,481,607	£2,481,607	100%
CRF *(CPCA contract management fee at 2%)*	£49,632	£49,632	100%
Public match			
Fenland DC	£200,000	£128,666	64%
Huntingdonshire DC	£200,000	£200,000	100%
Peterborough CC	£400,000	£400,000	100%
Private match *(beneficiary in-kind contributions)*	£586,000	£536,746	92%
Total	**£3,917,239**	**£3,796,651**	**97%**

Total actual expenditure was £3,796,651. Despite achieving the grant volume and over committing on grant value, there was a small underspend overall in grant funding claimed through the programme, as set out further below, which explains the underspend. Non-grant expenditure (delivery costs) for the programme totalled £460,441, including staff costs, overheads, travel, PMO management fees, material and venue hire, marketing, office costs, recruitment and evaluation costs.

The expenditure available to support delivery was not increased in line with the delivery window for the programme, requiring the delivery team to reprofile financial expenditure over the programme, including restructuring their team to deliver the programme so that delivery could continue up to the end of the available time window.

Grant Expenditure

The delivery team intentionally over-subscribed the fund by issuing more grant offer letters than the grant target amount on the expectation that not all grants would be fully claimed. This approach was justified by the final grant expenditure for the programme: the target was

Metro—Dynamics

for £2.859m (including £2.481m of direct CRF expenditure), grants were issued to the value of £2.923m (102.2% of target), and £2.748m was claimed (96.0% of target). This approach of slightly oversubscribing the fund maximised the overall amount of grant expenditure delivered through the programme, although there was still a slight underspend overall.

Figure 4. **Target grant expenditure, grants claimed and total spend realised**

Area	Target (CRF + public match)	Grant Offer Letters Issued	Grant claimed	Private match leveraged	Total spend realised
Priority areas	£2,144,250	£1,943,637	£1,803,796	£347,914	£2,151,710
Non-priority areas	£729,045	£980,057	£944,429	£188,832	£1,133,261
Total	**£2,859,000**	**£2,923,694**	**£2,748,225**	**£536,746**	**£3,284,971**

Source: data captured by YTKO delivery team provided for the evaluation

Grant expenditure was particularly high in Huntingdonshire, exceeding initial targets. Consultees noted this was due to very high demand for the programme in Huntingdonshire, and the relative high-quality of the grant applications received, which enabled more funds to be spent.

Outcomes

On the whole, the programme has performed very well against contracted outcome targets. All targets were exceeded for the number of businesses supported, jobs created, jobs safeguarded, new businesses created and new products. As set out in the grant expenditure analysis above there was a slight underspend in the programme overall, with 92% of the target achieved for investment attracted as a result of support.

Figure 5. **CPCA Start and Grow Outcomes**

Outcomes	Target	Achieved	% of target achieved
Number of businesses supported	263	292	111%
Employment increase in supported enterprises	103	119	116%
Jobs safeguarded	32	49	153%
New businesses created	103	107	104%
New products or services to the firm	103	108	105%

Investment attracted as a result of support	£586,000	£536,745	92%

Source: CPCA CRF Final Claim Form submitted to DHLUC

Service Take Up

Beneficiaries

The programme met or exceeded its targets for the beneficiary groups supported as part of programme delivery, noting that 99% of the target for employed people was achieved. The programme more than made up for slightly missing this target by significantly exceeding the number of unemployed people supported through the programme. Strong performance in this beneficiary group was attributed in part to a pipeline of referrals into the programme from Job Centre Plus, particularly in Fenland, which helped to signpost unemployed individuals with ambitions to start their own business into the programme.

Figure 6. **Beneficiary group targets and achievements**

Beneficiary group	Target	Achieved	% of target achieved
People – unemployed	34	56	165%
People – employed	190	188	99%
Businesses – small	293	295	101%

Geographic Spread

Beneficiary targets were exceeded for the programme as a whole. However, delivery targets in the priority areas (Fenland and Peterborough) were not fully met despite the focused efforts of the delivery team in those areas. As is discussed further in the Management and Delivery section, this is because of the added complexity in reaching and supporting beneficiaries in the priority areas relative to Huntingdonshire, which in itself is a function of why beneficiaries in priority places require additional support through programmes such as CRF.

Figure 7. **Beneficiary targets across delivery geography**

Region	Individuals – target	Individuals - achieved	% of target	Micro SMEs - target	Micro SMEs – achieved	% of target
Priority areas	167	164	98%	218	181	83%

Non-priority areas	57	81	142%	75	114	152%
Total	**224**	**245**	**109%**	**293**	**295**	**101%**

Start and Grow was a single programme delivered under a single contract with the CPCA across the three Local Authority areas which were the geographic scope of delivery. The requirement of the CRF was for a minimum of 51% of delivery to occur in priority areas, which the programme achieved.

Value for Money

The table below sets out the expected and actual unit costs based on overall public expected expenditure of £3,280,000 (CRF + ARG, excluding private match) and actual public expenditure of £3,208,666.

Figure 8.   **Start and Grow programme – Value for Public Money**

Outcomes	Expected	Actual	Performance
Number of businesses supported	£12,471.48	£10,988.58	113%
Job creation in supported enterprises	£31,844.66	£26,963.58	118%
Jobs safeguarded	£102,500.00	£65,482.98	157%
New businesses created	£31,844.66	£29,987.53	106%
New products of services to the firm	£31,844.66	£29,709.87	107%

Metro——Dynamics

Management and Delivery

Introduction

This section examines the effectiveness of programme management and delivery processes. The findings are drawn from consultations with stakeholders and beneficiaries. It includes discussion of the following key evaluation questions:

- the appropriateness of programme management and governance structures;
- the effectiveness of the delivery model; and,
- the quality of delivery and the critical success factors supporting this.

Governance and Management

Governance

YTKO delivered the services in accordance with their contract with the CPCA as part of the Growth Works consortium. Both parties to this relationship were satisfied with how governance occurred. Regular catch ups and communication between them contributed to strong programme performance, including sharing weekly updates with CPCA on progress. It was suggested that at times these updates were overly optimistic about the programme's direction, particularly in early months, which led to a big and somewhat unexpected push at the end of the programme to meet targets.

As delivery progressed, the delivery team noted that there was some friction in the programme's governance of delivering one contract across three local authority areas. Local Authorities had independent funding agreements with the CPCA for their match funding contributions and so had targets for local delivery. This added layer of governance increased administrative overheads for the delivery team and tied up resources.

All parties noted that governance arrangements for the programme (including communication between parties) could have been more clearly set out in the programme's design and initiation, communicated, and followed through consistently by all parties.

Despite attempts to try and integrate delivery within each of the Local Authorities, not all Local Authorities were closely involved in delivery, although they did receive updates. The delivery team met regularly with Economic Development Officers at Fenland District Council to review programme performance there, focused on resolving the barriers to the programme which existed for prospective beneficiaries. Local Authorities did note they would have appreciated more frequent communication about the programme from CPCA.

Metro——Dynamics

Programme management

The CPCA was highly satisfied with how the programme was managed and delivered, as in general were other consultees including the Local Authorities. Delivery occurred in the way it was expected to, despite the constantly changing parameters, and largely achieved the targets it set out to achieve.

Programme management was not without its complications, particularly related to the delayed programme start and subsequent uncertainty about the delivery window. The programme didn't receive approved funding until April 2022, by which time there was a significant pipeline of beneficiaries who were ready to receive support but couldn't yet because of externally-caused delays to the programme start and access to the grant finance.

The delivery team noted that the contract architecture in place at the local level over-complicated decision making, resourcing and the use of CRM / IT systems. This reduced flexibility and diverted resources from delivery. Examples cited included that Hubspot, the central CRM system, did not have appropriate data capture and reporting fields, which made preparing reports complex and time-consuming, and the time needed to agree a change request for the programme to update the delivery plan to fit with the changed delivery timescales for the CRF. The delivery team suggested that streamlining this for future programmes would enable more cost-effective and responsive delivery.

Delivery model

Marketing and engagement

The programme stimulated demand and reached its intended beneficiaries through:

- **Marketing communications**: an integrated mix of channels, comprising a mix of social media, digital, print, (flyers, leaflets), e-marketing, PR, events and drop-in sessions, ambient media, and radio as appropriate to particular segments, and whether individuals or early stage businesses.
- **Outreach**: getting out and having a presence where the target audience is.
- **Partnership working**: including hot desk space, joint promotional material and activities, joint events such as drop in surgeries, speaking opportunities, and working through community champions and elders. CVS organisations and social housing organisations were also key routes.

All marketing came through the CPCA Growth Hub, with key messages also sent to relevant stakeholder organisations to use in their own communications to amplify marketing. A dedicated webpage was created on the Growth Hub website which acted as the main place to direct potential beneficiaries to more information about the project. The webpage included a simple expression of interest form, and upon filling this out the potential beneficiary was contacted by a delivery team member to further assess their needs and onboard them into the programme.

Marketing and engagement activities helped to secure a strong pipeline for the programme. Beneficiaries noted that marketing for the programme helped them realise the support was

Metro——Dynamics

relevant to them (overcoming the belief that support was typically only for more established businesses, rather than those just starting out) and encouraged them to apply.

Once the programme was established, business networks helped to spread awareness of the programme, both through formal communication channels and via word of mouth. This was particularly the case in Huntingdonshire and Peterborough, which have relatively high business density and strong networks as a consequence. But in Fenland, a more rural area with dispersed businesses and weaker networks, it was harder to reach and engage potential beneficiaries, requiring considerably more effort and in-person outreach, and the pipeline there was less strong as a result.

Local Authorities were not directly involved in initial outreach and engagement (other than promoting the programme through their own communication platforms), although Huntingdonshire DC provided the delivery team with analysis on potential beneficiaries in the area (2000 small businesses which were likely to meet eligibility criteria). Access to this information was cited as an important factor in why delivery in Huntingdonshire was such a success. In other areas this information was harder to come by, which meant more time and effort was required to identify potential beneficiaries, which slowed the overall pace of delivery.

Marketing for the programme could have more prominently highlighted the involvement of the Local Authorities and their funding contributions, such as by including the Local Authorities' logos on marketing materials. It was felt that this would have helped to link beneficiaries into the broader enterprise support work carried out by the Local Authorities.

Converting leads into programme beneficiaries

The flow chart below shows the pipeline of leads passing through the programme, ultimately leading into beneficiaries applying for and receiving grant funding. Of 1,020 leads into the programme 955 were eligible, with 292 of eligible leads claiming grant funding.

Figure 9. **Conversion of leads into beneficiaries accessing grant funding**
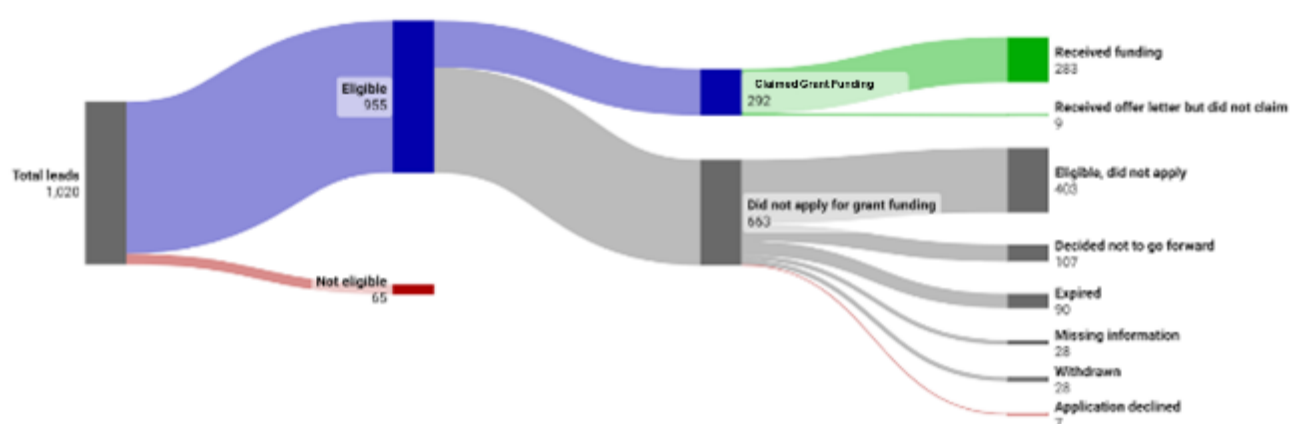
Source: YTKO supplied data

The table below set out the number of eligible leads and beneficiaries receiving grant funding through the programme. Across the programme 28% of leads were converted into grant beneficiaries, with the conversion rate varying slightly across geographies from 21% in Fenland to 33% in Huntingdonshire. The delivery team noted that leads were comparatively

21

Metro——Dynamics

more difficult to convert in Fenland due to the extra levels of support individuals there required to develop their business plan and be able to apply for grant funding.

Figure 10. **Programme leads by district**

	Eligible leads	Beneficiaries receiving grant funding	Pipeline conversion %
Fenland	228	47	21%
Huntingdonshire	328	109	33%
Peterborough	464	127	27%
Total	**1020**	**283**	**28%**

Delivery performance

Consultees consistently agreed that the programme was a success, in that it responded to high demand in effective fashion, and delivered the outputs of the country's largest single CRF project. The approach of combining intensive support with pre-qualified access to grant funding worked, with the provision of support prior to grants generally regarded as improving how grant funding was used, thereby setting businesses up for longer-term success and generating stronger (and longer-lasting) outcomes through the programme.

The details below set out consultees' views on delivery of the intensive tailored support for individuals and micro-businesses, and on the provision of grant funding. The Start and Grow elements of the programme are considered in conjunction.

Intensive, tailored support for individuals and micro businesses

Support for individuals and businesses was delivered through intensive, tailored one-to-one support and, increasingly as the programme went on, through a series of workshops. The one-to-one support was provided by the delivery team's business advisors, with a wide ranging brief focused on helping the beneficiary to start or grow their business and support to apply for grant funding through the programme. Beneficiaries noted that even for more experienced business owners or entrepreneurial individuals the support was valuable and offered useful insights, so most thought it was just as applicable to those starting out as it was for those more established in their business.

The delivery team found there was considerable variation in the type and level of support beneficiaries required, noting that in more deprived areas of the region there was a higher need for more intensive support.

Workshops gave the programme a strong induction process and generally increased the quality of the grant applications made. The content of the workshops was regularly tweaked over delivery to draw in lessons and improve the experience for beneficiaries based on their feedback. The workshops were generally felt to have improved and standardised the support provided to cohorts of beneficiaries and considerably sped up the process of readying beneficiaries to apply for grants. Beneficiaries who required additional support continued to receive intensive one-to-one support.

Metro——Dynamics

A key learning cited by the delivery team was to have the workshops operating from day one, rather than running from July as ultimately happened. At the time, however, the delivery team made the decision that in the very short delivery window (as it appeared at the time) greater benefit would come from prioritising delivering support for beneficiaries who were already in the pipeline for the programme, rather than spending time and resources on developing the workshops.

Start up and early-stage growth grants

Consultees were very positive about the start-up and early-stage growth grants aspect of delivery. In particular they noted that the approach of 10% - 20% matching contributions was a success (normally 50%). This was for two reasons: firstly, it incentivised more potential beneficiaries to apply, and second it widened eligibility for funding to recipients who would normally be excluded due to a lack of their own investible capital. Further, the mixed nature of what grants could be spent on – either revenue or capital expenditure (or both) – was effective. It enabled beneficiaries to invest in what was most necessary for their business, such as equipment and/or support to improve marketing through websites and social media.

As delivery progressed (and particularly from August onwards), the delivery team found there was an increasing bottleneck of clients who were delaying their expenditure because of economic factors, primarily inflation. In the deteriorating economic conditions beneficiaries were reluctant to take on financial risk, and found that rapidly escalating costs meant that items or services which they could afford when first making an application for grant funding had become unaffordable. The reduced risk-appetite of some beneficiaries, particularly at the end of the delivery window, is cited as a reason why there was a slight overall underspend on grant funding allocations for the programme.

Given the difficulty some beneficiaries had in navigating the grant application process, there were some questions around whether the application forms were too difficult. However, the simplicity of the forms needed to be weighed against the level of diligence required to ensure public funds were used appropriately. Rather than over-simplifying the application process and increasing the risk of misuse of public funds, the delivery team opted for an approach of providing more intensive support to those beneficiaries who needed it most, often in the form of helping beneficiaries prepare appropriate responses to the questions on the form (e.g. on how to estimate job creation and the outcomes expected for the business from receiving grant funding).

Diligence and approval processes for grant applications, including dealing with rejected applications

Grant applications went through three levels of approval to ensure public funds were being used properly and that beneficiaries had the support and systems in place to make best use of the grant funding they accessed. The approval levels included the initial review of the business plan and grant funding application carried out by the business advisor as part of pre-qualification work with the beneficiary, and two subsequent rounds of approval carried out by other members of the delivery team as a form of due diligence and quality assurance. Offer letters would then be sent out to beneficiaries. The delivery team would also go through the process of checking on and confirming grant spend by beneficiaries (e.g.

Metro——Dynamics

checking receipts and providing general guidance on how grant funding should be spent, in line with the beneficiary's original application).

Throughout the programme the delivery team had to manage a small number of rejected grant applications which led to complaints. Typically, potential beneficiaries had their grant application rejected because they didn't meet the requirements for the individual or business to be based in Fenland, Huntingdonshire or Peterborough. The delivery team had a complaints process in place, but the time-limited delivery window meant there was no right of appeal for rejected claims. A purpose of providing intensive support prior to any grant being approved was to minimise unsuccessful applications by ensuring applications were of a high-quality and that the recipient had a robust plan in place for how the grant would contribute to their business. That said, the delivery team did note seven instances where a rejected applicant made a compelling case to have their application reconsidered, leading to some of these applicants ultimately being accepted into the programme. The delivery team also provided further guidance on clarifications (via FAQs) on applying for grants, setting out the conditions in which individuals could apply to the programme.

One learning from the programme is that the easier it is for beneficiaries to access public funding, the greater the risk of misuse of public funds. There needs to be recognition of the operational costs for projects of dealing with complaints, and this should be built into initial programme design. Similar programmes in future should account for the due diligence resources required to support delivery.

Delivery performance across areas

Consultees noted that the programme was harder to deliver in Fenland than in other areas. Fenland's population and business density are both considerably less than Huntingdonshire or Peterborough, in part due to the district's rural nature. This meant that the delivery team needed to devote considerably greater resources in Fenland to generate a similar interest in service provision. The delivery team estimated that 40% of all marketing took place in Fenland despite it only making up 25.5% of profiled delivery.

Beneficiaries in Fenland also required higher levels of support through the programme than beneficiaries in other districts, as shown in the table below. Fenland-based clients had more significant barriers to overcome than those in Huntingdonshire or Peterborough, with one example being that 53% of Fenland referrals were unemployed compared to 29% of referrals from the other two areas. In many cases extensive individualised support was required in order to help beneficiaries develop a business plan and apply for grant funding, including basic support (e.g. with numeracy) which fell outside the original scope of the programme. The grant funding applications made by beneficiaries in Fenland were also for lower values on average, in part due to beneficiaries having less investible-capital available to meet the in-kind contribution requirements.

Figure 11. **Support to beneficiaries and average grant value across districts**

	Hours of 1 to 1 support	Hours of workshop support	Total hours of support	% of total support	Average grant	Grant per hour of support
Fenland	52	146	198	38%	**£9,956**	£1,156
Peterborough	27	135	162	31%	**£12,247**	£1,738

Metro——Dynamics

Huntingdonshire	27	130.5	157.5	30%	**£11,575**	£1,690

Source: A sample of 23 beneficiaries from each district, data provided by YTKO

A lesson for future delivery is that areas with more deprivation require significantly higher levels of support to achieve the same outcomes as places with lower deprivation.

The delivery team noted that they had to deliver the contract and spend the available operational resources where they were most needed across the total eligible patch, choosing to maximise the total amount of support provided, once it became clear that operationally it was going to be extremely difficult or impossible to deliver the outputs across Local Authority areas to the ratios originally envisaged. Attempts to spread delivery across the region had to be balanced with pragmatism in the programme's ability to achieve overall contract targets. All local match was spent in the relevant local areas, but flexibility was required to service demand where it arose.

Links to other programmes and future support for beneficiaries

At the end of the programme the beneficiaries were integrated into the region's wider business support infrastructure via Growth Works. All beneficiaries were added to the Growth Works database, with the Growth Hub element of Growth Works picking up beneficiaries and targeting them for potential support in future.

Local Authorities consulted noted that they were unclear on whether or how beneficiaries had been connected into other support programmes. In addition, Local Authorities are unable to access information on beneficiaries held through Growth Works, meaning they are unable to track the outcomes for the programme or use this information to inform future delivery.

Critical success factors

Critical success factors underpinning the programme's successful delivery are set out below.

- **Flexibility in the face of shifting and uncertain circumstances** for delivery and the ability of the delivery team to adapt quickly to challenges, retaining a focus on the needs of beneficiaries.
- **Availability of support and funding as a package** – the programme was not just a 'tick box' exercise to get funding but rather a wholistic package of support which was highly valuable for beneficiaries regardless of their experience and understanding of how to run a successful business.
- **Support was bespoke to the individual based on their needs**, noting that in more deprived areas of the region there was a higher need for more intensive support.
- **Workshops improved and standardised the support provided** to cohorts of beneficiaries and considerably sped up the process of supporting beneficiaries and readying them to apply for grants. Beneficiaries who required additional support continued to receive intensive one-to-one support.
- **Marketing and engagement activities helped to secure a strong pipeline** for the programme and made beneficiaries feel as though the support was relevant to them, when typically support is for other more established businesses. In addition, analysis done by Huntingdonshire District Council before the programme commenced to identify

Metro——Dynamics

potential beneficiaries in the area was an important factor in why delivery there was such a success.

- **Business networks helped to spread awareness of the programme**.
- **Offering grants requiring a 10% / 20% in-kind contribution** from beneficiaries incentivised more potential beneficiaries to apply and widened eligibility for funding to recipients whom would normally be excluded due to a lack of their own investible capital.
- **Flexibility in how grant funding could be used** – either for capital or revenue investment – enabled beneficiaries to invest in what was most necessary for their business.
- **The approval process for grant applications was appropriately rigorous**, but was sped up by the pre-qualification support provided to beneficiaries as part of the programme.

Metro——Dynamics

Outcomes & Impact

Introduction

This section provides insight into programme outcomes and impacts which have been used to test the programme's Theory of Change. The findings are drawn from qualitative consultations with a sample of programme beneficiaries. Programme additionality is also highlighted in this chapter.

Outcomes

The programme successfully delivered the outcomes it intended to and achieved its overarching aims and objectives. Delivery partners and consultees were clear that the programme had been highly beneficial, producing a range of positive outcomes. The most prominent of these are set out below.

More growing businesses supporting increased employment in deprived areas

Although long-term impact is not yet clear, the programme has had preliminary success in supporting entrepreneurial individuals to start a business and in supporting existing businesses to prepare for and invest in growth. 107 new businesses were created through the Start element of the programme, including in deprived areas with low rates of business creation. In existing businesses supported through the Grow component, 119 jobs were created and a further 49 were safeguarded. The short-term outcomes of the programme are positive and the wraparound support provided to beneficiaries who received grants is designed to ensure that outcomes are sustained into the longer term.

*"So far, I have managed to get the required financial and planning support to start and make the business operational. I am looking forward to continuing to work with the Start and Grow team to further develop my plans to scale up the business". – **Beneficiary, Peterborough***

Increased confidence for beneficiaries and development of a growth mindset

Beneficiaries said the programme helped them to become more confident and knowledgeable, with increased capabilities and capacities providing motivation to drive their business forward. The intensive support beneficiaries received helped to equip them with the leadership and business planning skills to expand into new markets, create more jobs, increase profitability and productivity. Consultees mentioned that prior to the programme they felt they lacked the business acumen or potential to start a business, but that the programme has changed their perceptions. It has helped to open doors that would otherwise

have stayed closed. This is a particularly important outcome in deprived communities where poor outcomes are entrenched and aspirations are low as a result. Demonstrating that entrepreneurial success is possible helps to overcome this perception.

"Start and Grow gave me more confidence and made me realise that I can do what I am doing. I know that may sound strange, but having been unemployed for 5 years and constantly been beaten back, this programme has helped me realise actually this grant and support system is going to help me grow my business and to grow as a person" – **Beneficiary, Fenland**

Increased business investment stimulating increased private sector demand

Much of the grant funding available through the programme was spent in the local area on locally traded goods and services. This means the programme's design helped to stimulate revenue growth in local businesses outside of the programme, in effect multiplying the local impact of the programme and supporting wider economic benefits across supply chains.

"The government grant money is there to help businesses just like mine to grow. By taking this money, it is helping businesses to start up and grow, and then they in turn help others with the services they provide. You are getting money and also a support network to get going and you can return that money to the economy by growing your successful business". – **Beneficiary, Fenland**

Improved awareness of the business support landscape for beneficiaries

For new businesses with little track record or collateral, there remains a market weakness and information asymmetry in accessing finance and business support services. The programme raised awareness about the support and funding options that beneficiaries could access throughout Cambridgeshire and Peterborough. It made support feel accessible to beneficiaries who would not typically be able to access it. It raised awareness about how beneficiaries could make use of support, and equipped them with skills and experience to better be able to identify and apply for funds in the future. In particular, beneficiaries have praised the programme team's accessible and friendly approach to delivery as key factors underpinning the development of trusting relationships with the local business base.

"They were absolutely brilliant. They were so keen to make sure we benefited from all the support available, they really put that effort in to help me and my business." – **Beneficiary, Huntingdonshire**

Demonstrating future need for similar programmes

The pilot programme has demonstrated strong demand for interventions like this in the future, which are targeted at market segments where there is little support currently available. Beneficiaries noted they really enjoyed the programme and got a lot out of it, and that they would highly recommend the programme to others with similar entrepreneurial ambitions. Partners involved in delivery noted the success of the delivery model and their lived experience of the impact the programme was having across Fenland, Huntingdonshire and Peterborough.

"I was amazed at the attention to detail and the continued support which helped me gain funding, not only helping my business continue to help local communities thrive but create long-term career opportunities within our organisation." – **Beneficiary, Huntingdonshire**

Metro——Dynamics

Longer term outcomes

Longer-term outcomes of the programme are yet to be confirmed but are expected to include a sustained increase in employment, increased investment and higher revenue growth in the supported businesses. The programme is also expected to contribute to increased levels of confidence for beneficiaries and the adoption of a growth mindset for those involved in the programme. Further, the programme has helped raised awareness of support programmes and connections into other support services for beneficiaries via Growth Works, meaning that even though the programme has now drawn to a close beneficiaries will not be left without access to support.

*"Thanks to the grant, we are now providing support to local businesses through wellness seminars with our first seminar taking place at the Bradfield Centre in June and attended by members of the Start and Grow team. This reinforces that they are committed to helping businesses succeed in the long-term and will be there every step of the way to support how they know best." – **Beneficiary, Huntingdonshire***

Additionality

Start and Grow targeted potential beneficiaries looking to start or grow their businesses but who were not eligible for other forms of support. As a result, the programme targeted a gap in service provision, and the majority of the outputs and outcomes generated through the programme would most likely not have occurred without it.

Beneficiaries were very positive about the impact of the support and funding offered through the programme. One beneficiary of a £6,000 grant through the Grow strand noted that the funding unlocked investment in web development, advertising and SEO optimisation which has enabled significant growth, profitability, and an expansion into a new sector, none of which would have been possible without the programme.

Further, the programme engaged with individuals and businesses in more disadvantaged areas, raising the profile of business support offerings in these areas and connecting leads generated through the programme to Growth Works for further support in future.

*"We were thinking, how can we reach this new audience in an era where social media is absolutely clogged up? And the grant is going to hugely help with that, because it's allowing us to get some expert marketing professionals in to design a campaign, to put the message out there, it's helping us to identify platforms that are going to be the most targeted for this particular product" – **Beneficiary, Huntingdonshire***

Metro——Dynamics

Conclusions

Introduction

This section summarises the key conclusions and highlights recommendations for similar future projects.

Key Findings

Programme Design

- **Start and Grow filled a market gap in new enterprise support**. It was well targeted at very early start-ups in disadvantaged areas who would typically not have access to support or funding.
- The programme was **appropriately designed for the economic and policy context** which existed at the time.
- The programme's approach of **combining bespoke support with access to funding was effective** and was valuable for beneficiaries regardless of their experience and understanding of how to run a successful business.
- There was **considerable variation in the type and level of support beneficiaries required**, with beneficiaries from more deprived areas of the region presenting a higher need for more intensive support. The initial design for the programme underestimated the level of support that people and businesses in the most disadvantaged areas would need to develop their business plan and apply for grants.
- Offering **grants with a 10% / 20% in-kind contribution from beneficiaries** incentivised more beneficiaries to apply and widened eligibility for funding to recipients who would normally be excluded due to a lack of their own investible capital.
- **Flexibility in how grant funding could be used** – either for capital or revenue investment – enabled beneficiaries to invest in what was most necessary for their business.
- The **initial design underestimated the amount of marketing and engagement required** to promote the programme in the community, particularly in more disadvantaged or rural areas with weaker existing business networks.

Delivery and management

Delivery
- The delay to the programme's start and the continued uncertainty about the delivery window meant **the delivery model needed to adapt, which the delivery team managed successfully**.
- An important factor in the programme's success was **the delivery team's flexibility in the face of shifting and uncertain circumstances**, retaining a focus on the needs of beneficiaries.

Metro——Dynamics

- **Marketing and engagement activities helped to secure a strong pipeline for the programme.** But in Fenland, a more rural area with dispersed businesses and weaker networks, it was harder to reach and engage potential beneficiaries, requiring considerably more effort and in-person outreach, and the pipeline there was less strong as a result.
- The delivery team intentionally **over-subscribed the fund** by issuing more grant offer letters than the grant target amount on the expectation that not all grants would be fully claimed. This approach was justified by the final grant expenditure for the programme, with this approach helping to increase total grant expenditure.
- The **approval process for grant applications was appropriately rigorous**, and was sped up by the pre-qualification support provided to beneficiaries as part of the programme.

Management

- **Governance and programme management were effective** and supported the programme to be delivered to a high quality. Delivery occurred in the way it was expected to and largely achieved the targets it set out to achieve.
- **There was some friction in the programme's governance of delivering one contract across multiple local authority areas**. Governance arrangements for the programme could have been more clearly set out at the programme's outset, with co-design of the programme with the Local Authorities potentially aiding delivery.
- **There needs to be recognition of the operational costs for projects of dealing with complaints** and ensuring public funds are spent appropriately, and this should be built into initial programme design.

Outcomes and impacts

- On the whole, **the programme has performed very well against contracted outcome targets**. Targets were exceeded for the number of businesses supported, jobs created, jobs safeguarded, new businesses created and new products introduced. There was a slight underspend in the programme overall, with 92% of the target achieved for investment attracted as a result of support.
- Longer-term outcomes of the programme are yet to be confirmed but are expected to include **a sustained increase in employment, increased investment and higher revenue growth in the supported businesses**.
- The programme is also expected to contribute to **increased levels of confidence for beneficiaries and the adoption of a growth mindset for those involved in the programme**.
- Further, the programme has helped **raised awareness of support programmes and connections into other support services for beneficiaries**, meaning that even though the programme has now drawn to a close beneficiaries will not be left without access to support.

Innovation in service delivery

An important component of the CRF programme was to pilot different support provision methods and services, with lessons from delivery being used to inform future delivery,

Metro——Dynamics

including through the UK Shared Prosperity Fund. Innovative aspects of the Start and Grow programme included:

- A **new delivery model** which integrated intensive pre-start and early-stage support with qualified access to grant funding for target groups that had never previously had access to a similar programme.
- **Engaging with entrepreneurs very early on in establishing their business** (or developing their business idea), supporting those with potential through intensive support and access to grant funding.
- **Working with DWP, particularly in Fenland, to build a pipeline** of potential beneficiaries. This has helped to shift people from unemployment benefits into employment on their own terms. While not strictly innovative, this was a successful feature of the Start and Grow programme that was new to local delivery.
- The programme **integrated existing and planned provision and added value**, **delivering support not currently being provided, in a way currently not being delivered, to clients currently not being engaged**. The programme became the glue bringing together a disparate and fragmented support landscape, which had been confusing to the service user and restricted in its ability to support the market in a coordinated way.

Learning for future programmes

There are a number of lessons learned from delivery that may be considered in developing future programmes of this nature. These are set out below.

- **Areas with more deprivation require significantly higher levels of support to achieve the same outcomes as places with lower deprivation.** This should be considered and built into delivery during the design phase of future programmes, both in terms of the support for individuals and the marketing activity required.
- **Ensure there is enough time available during the application process to for all delivery partners to be involved in design,** including Local Authorities, and ensure roles, responsibilities and communication plans are clearly set out for how partners will work together.
- **Support services should be linked together more effectively** with all delivery partners aware of the arrangements in place, ensuring that for a beneficiary support doesn't stop when a particular programme ceases.
- **Measure take up across sectors and more closely monitor demographic statistics**. This information will help delivery partners (particularly Local Authorities) to more appropriately target activities in future.
- **Communication between the delivery team, the CPCA and Local Authorities should be frequent and consistent**, with realistic assessments of delivery performance informing how partners work together.
- Future programmes might be better served by a **more direct governance relationship between the delivery team and the CPCA's responsible officers**, particularly in a fast moving, changing delivery environment where decisions need to be made in response to factors beyond local control, as was the case in this pilot.

Metro——Dynamics

- The **programme was very large to deliver in a very tight timeframe**. A smaller scope may have been more appropriate, particularly given the programme was a pilot.
- **More resources are required to deliver a programme of this size** in the timescales available. The programme's original team structure would have been more appropriate than the scaled-back team that actually delivered the programme.
- **Better IT support / connections to a more accessible CRM system** would have helped the delivery team build and manage their pipeline of leads. The Growth Works IT systems used to support delivery in this case made it difficult for the delivery team to access relevant information and share that with partners.
- Similar programmes in future should **account for the enhanced due diligence resources required to support delivery**.

At Metro Dynamics, we **care** about places, our clients, and our colleagues.

We are an **independent** organisation, **curious** about our work, and **collaborative** in our approach. We strive to **make a difference** in all that we do.

3 Waterhouse Square

138 Holborn

London

EC1N 2SW

020 3868 3058

metrodynamics.co.uk

Orega

1 Balloon Street

Manchester

M4 4BE