



**Response to SEERA Select Committee review of Enterprise Hubs & Gateways**

The table below provides a response to recommendations outlined in the of report SEERA findings of the select committee on SEEDAs impact through Enterprise Hubs and Enterprise Gateways presented to SEERA board in June 2004.

Item	Recommendation	SEEDA response
14.2	Gateways	
	SEEDA should both more clearly differentiate the unique proposition offered by Gateways, and should reconsider their branding, whilst building on the experience of the Hubs.	<p>Enterprise Hubs have now more clearly defined their unique selling point, which was set out in the Enterprise Hub Network (EHN) business plan 0407. This identifies the Networks and services to be delivered.</p> <p>The Gateway Network is still developing, in the same way that the hubs did. There are currently just 6 Gateways up and running. Until recently the network did not have the critical mass to begin the process of producing a regional network business plan. However, this is now a priority for the Gateways and it is planned that an Enterprise Gateway Network Business plan will be produced by 2005.</p> <p>It is vitally important in the model that SEEDA has developed that while the RDA sets the broad strategic direction for the network, it is the enterprise gateways themselves that develop the Business Plan. This ensures grass roots buy in, an essential element of the SEEDA regional network model. SEEDA's role at this point should be to provide training and development for Gateway Directors, expose them to best practice and build the regional team. This will enable the directors to define themselves just as the hubs have done.</p> <p>Following the SEERA review the Gateway Network has further clarified its market as 'hard to reach' entrepreneurs in minority, excluded and rural communities. This clarity will help define and differentiate the offer of Gateways compared to other providers and set the framework for marketing and branding of the programme.</p>
14.3	SEEDAs approach to business growth	
	SEEDA to work with sub regional partners (i.e. Economic Partnerships, Higher Education Institutes, Local Authorities etc) to explain the role of Hubs and Gateways and their place	<p>SEEDA recognises that wider dissemination and communication of the role of the Hub and Gateway Network is crucial to the success of both programmes.</p> <p>SEEDA already engages with partners through a number of channels i.e. partner briefings,</p>

	within the wider business support development agenda	events, workshops and through attending key events across the region. However, it is agreed that now the programmes are established a more structured approach is required. It is proposed that a more formal approach will form part of each Gateway and Hub's respective marketing strategy.
	Hubs to develop relationships with SEEDAs Global regions initiative and increase the rate of inward investment activity	<p>Links have already been made with SEEDAs Global regions initiative. For example work has commenced on preparation for a EU bid called GROW which would link up the entrepreneurs in the US, Australia, Europe and the South East in an international incubation network.</p> <p>The Hub Programme is already distributing material and information through SEEDAs overseas offices.</p> <p>It is interesting to note that enterprise hubs have, to date, attracted 8 new companies into the regional network. SEEDA sees great potential for developing this further.</p>
14.4	The role of the Hub Director	
	The Hub Directors must be relieved of Hub administration, especially property management and letting, together with Hub revenue raising. This would allow the Hub Director to concentrate on the core function of their work – to champion and support the client businesses.	<p>We agree these priorities on the hub director's time.</p> <p>The leanness of the programme has helped lever in resources and support from other partners and agencies, as well as serve to focus the initiative and encourage innovation. It has also brought a unique level of innovation to the network, as this has been necessary to make resources go further.</p> <p>SEEDA also recognises and is working to ensure that there is a clear separation between the property management and business services with the Hub Directors being increasingly free to concentrate on the latter.</p>
	SEEDA should encourage and support better provision through local partners and intervene with its own direct support where appropriate	We agree. Hubs belong to their local communities and we will continue to encourage greater participation in hub activity of other partners, particularly Business Links, economic partnerships, universities and the business community.
	SEEDA must develop a skilled pool of those suitable to act as Hub Directors, to cope with succession and expansion. Succession planning should take place,	SEEDA will introduce a deputy director scheme to the enterprise hubs. There will be interns who will be developed to a point where they will be able to apply for future Enterprise Hub Director positions.

	to ensure there are highly qualified and skilled people available should a Hub Director leave his/her position.	
14.5	Long Term Sustainability	
	We would suggest that all options are thoroughly examined and SEEDA report their conclusion to the Assembly/SEEDA Board Level Liaison Group by the end of the year	SEEDA consider that the Hub/Gateway model is unlikely to be sustainable without continued public sector support. The benefits of the programme are such that continuing support directly from SEEDA is justified to ensure the continuing integrity of the programme as a genuine incubation initiative. Options for increasing resource available to the programme will continue to be considered, but the continuation of the programme is not dependent on this.
14.6	Links with Education & training	
	SEEDA should use its influence to prioritise funding to those Higher Education Institutes best able to transfer academic knowledge into commercial activity. Over time, SEEDA should work with higher education to strengthen the broader relationship with the Hub Network and exchange best practice.	<p>A new model contract is now being negotiated for Hubs. This sets out quite clearly the expectations and relationship with Universities and reflects SEEDA's policy that for new hubs the local university is asked to be the accountable body.</p> <p>At the same time, the Hubs have acknowledged that  entrepreneurs are increasingly coming from the private sector and not directly from Higher Education establishments. SEEDA must be also be mindful of this market. Universities are an important source of technology transfer. They also play a strong role in developing entrepreneurs and SEEDA will be exploring ways for strengthening this.</p> <p>Each Hub will to be encouraged to improve relationships with their partner university and where possible SEEDA will intervene and invite discussion on building closer links as appropriate. With encouragement from SEEDA, programmes funded under the latest round of the Higher Education Innovation Fund, will support this approach.</p>
	SEEDA, working through the Skills for Productivity Alliance, should ensure that LSC funding could be applied to other objectives such as enterprise development.	 DA will follow up on this recommended action as the Skills for Productivity Alliance becomes more established.
14.7	Wider Business Support	
	The roles and services	This is already in place, with the EHN

	<p>provided by the Hubs, Gateways and Business Links should be clarified, with an acknowledgement that Hubs are best placed to deliver specialist support to technology and knowledge based start ups.</p>	<p>publishing their three year business plan which outlines the unique and special role of the Hubs and the services of the Network. Following this model, the same exercise is about to commence with the Enterprise Gateway Network.</p> <p>In parallel to this, SEEDA sees real opportunity to further clarify the role of the Hub and Gateways when the Business Link Contracts are managed by SEEDA from April 2005. Amongst other things, the Hubs and Business Links will be encouraged to enter into local agreements for collaboration.</p>
	<p>Hub Clients should continue to be signposted to whoever is best placed to provide the services they require</p>	<p>This is an absolute fundamental of both Hub &amp; Gateway programmes. SEEDA have found that the EHN Business plan has articulated this allowing local support network to be established based on the quality and appropriateness of the providers.</p> <p>This message will continue to be highlighted.</p>
	<p>SEEDA should monitor the delivery of Business Link Services to Gateway Clients to ensure they match the services delivered by Hubs</p>	<p>This is part of our normal programme management process. It will be further enhanced by the development of a web portal to capture and manage activity across the network along with an annual satisfaction survey to be carried out for Hub members in the first instance, and rolled out to Gateway companies at a later date.</p> <p>Implementation of the Portal and programme database will allow SEEDA to capture significantly more quantitative output evidence on the impacts of the programmes.</p>
14.8	<p><b>Targets and performance Management</b></p>	
	<p>SEEDA to agree with Hubs and Gateways a sample number of key targets and indicators that contribute to local and regional objectives (i.e. as expressed in the Regional Economic Strategy, Business Link Business plans etc.)</p>	<p>SEEDA is agreeing four Key Performance Indicators across the EHN. The same will follow with the Gateway Network over the coming months and will be articulated in the Enterprise Gateway Business plan.</p>

19 August 2004