

WHAT SEEDA IS DOING FOR BUSINESSES IN THE DOWNTURN

DECEMBER 2008

SEEDA has been given a pivotal role in rolling out the Government's plans to support small businesses, as announced in the Chancellor's Pre-Budget Report.

The new measures amount to at least £15m for small businesses across the South East, including the £10m Rapid Rescue Response package announced by SEEDA in August. SEEDA has also committed to paying all invoices within ten days to ease cash flow for its suppliers.

Here is a summary of SEEDA's key measures for business:

NB: For further information on the measures detailed below, please contact Business Link on 0845 600 9 006 unless otherwise stated

ENHANCED BUSINESS LINK

SEEDA is responsible for delivering the Business Link service in the South East and have refocused the Business Link offer to provide:

- Free Business Health Check, including maximising cashflow, marketing and business planning, debt management, new market and product development
- Access to finance advice, credit crunch presentations and finance clinics.
- Guidance and events on how to survive and thrive in difficult times, including advice on reducing energy consumption and costs.
- Access to the SEEDA funded Resource Efficiency programme
- Access to a specialist skills assessment and the Train to Gain service
- Analysis and information on new business opportunities and markets

Business Link is the access channel for business support across the region.

HELPING BUSINESSES TO ACCESS FINANCE

Transition Loan Fund

- SEEDA is providing up to £3m in a new Regional Transition Fund known as the Bridging Mezzanine Debt Fund to be directed at fully established, viable and growing businesses who are currently facing difficulties in obtaining credit through banks and other traditional routes.
- Funding is provided at commercial rates for these unsecured loans, and interest is rolled up and paid at maturity, thereby making the Fund attractive to some businesses urgently needing to address liquidity problems.

Commercialisation Fund

- This new fund of up to £3 million supports businesses with high growth potential to bring new products and services to market.
- It forms part of the £20 million South East Funding Escalator

Government Equity Scheme

- SEEDA, along with all other RDAs, is contributing to this scheme, which amounts to £50 million nationally is used to convert businesses' debts into equity
- This is targeted at small businesses which are unable to service their borrowing, and can sustain equity to enable them to restructure their balance sheets and access more credit where needed.

Small Business Guarantee Scheme

- SEEDA and other RDAs are also contributing to this Government scheme which will provide new temporary guarantee facilities for SMEs needing working capital and funds for investment. £1 billion of bank lending to SMEs will be guaranteed under this scheme.

ENCOURAGING INVESTMENT

Grant for Business Investment (GBI)

- Capital grants under the GBI scheme have been extended to the entire South East for eligible SMEs with long-term viability whose investment plans are being held up by current economic conditions

HELPING BUSINESSES TRADE OVERSEAS

Passport to Export

- Enhanced 'Passport to Export' package, for R&D intensive businesses, to include help with securing overseas growth and additional training in exploiting intellectual property and open innovation.
- Offer an advanced package of support to all 1500 South East businesses which have graduated from Passport to Export

UKTI's International Trade Sector Advisors

- Add to the existing team of UKTI's International Trade Sector Advisors to include covering the defence sector to service the estimated 950 defence related companies in the SE

Research Initiative

- Extensive research is being carried out by the 7 Sector Consortia to enable them to identify the global markets and sectors offering the best trading opportunities for their members

ROBUST BUSINESS DEVELOPMENT

'Immerse' Initiative

- Agreed to fund a new programme, Immerse, which provides intensive, extended design support to selected larger businesses. Immerse is part of the 'Designing Demand' programmes

Manufacturing Advisory Service

- SEEDA have committed to an increase in MAS funding, to enable the Service to meet the increased demand for its lean innovation programmes. EEF, the MAS provider in the South East will be surveying all previous beneficiaries to ascertain whether further support is needed.

Regional Media Campaign

- To highlight the importance of sound business plans, followed by a series of events targeted at SMEs

SUPPORT FOR INWARD INVESTMENT

International Trade Mentor

- These are to be allocated to every new or recent inward investor in the South East

'Soft Landing' Programme

- A new programme for inward investors, currently being piloted through Locate in Kent

TACKLING REDUNDANCY

Continuing Employment Support Service (CESS)

CESS, a joint SEEDA /Jobcentre Plus programme, works in partnership with main government agencies and offers a free, tailored, in-house package of support to all affected workers before they leave their employment, thus negating the need in many cases to access benefits.

Support includes:

- Advice on pensions and state benefits, including preserving their national insurance contributions,
- Workshops and one to ones regarding careers advice (detailing the varied options that are available)
- CV writing and interview technique advice
- Support to retrain (includes financial, dependant on existing qualifications)
- Advice and potential financial support to set up owner-enterprises and self employment options and...
- Direct access to companies locally that are hiring.

For more information on the service, please contact Janine Hobbs (01483 470 169) or our CESS brokers – Sarah Young (07776 227 160) and Graeme Carey (07876 790 918)

Train to Gain

- The Train to Gain scheme is being expanded to incorporate those facing redundancy as well as those currently in work.
- The £350m boost to national Train to Gain funds planned between 2009 and 2011 will be refocused to offer a more flexible training offer specifically for small and medium enterprises.