

Creative Sheffield

Transforming Sheffield's Economy

Investment
Enterprise
Economy

Access to Finance

Page 7

Economic & Environmental
Wellbeing Scrutiny Committee

Thursday 21 March



A lack of access to finance was identified at the last scrutiny session with business in September 2012

- **Timely** issue been identified consistently as a serious barrier to business growth
- **Pertinent** part of the Council's 'business friendly' agenda
- **Adds value** as is an area that the Council can influence



Creative Sheffield

Transforming Sheffield's Economy

Investment
Enterprise
Economy

A 2009 Sheffield First Partnership study into access to finance discovered that:

- Evidence of serious pressures on business cashflow
- Banks tightening credit controls
- Increasing cost of finance
- Construction & manufacturing sectors hardest hit
- Quality of business propositions increasingly being cited as a barrier

Page 9



The study therefore recommended:

- Concerted programme of events to be developed e.g. investment readiness, financial awareness
- Enhancement of the Business Link Financial Healthcheck Initiative
- Initiatives to increase the take up of third party professional advice
- Introduction of business to business mentoring
- Employment of a team of financial packaging specialists



National Perspective/Response

- Advice – Business Link, ‘Fund Finder’ Websites
- Debt Finance – Funding for Lending, Loan guarantees, Business Finance Partnerships
- Equity finance – Seed enterprise scheme, EIS, VCFs



National Perspective/Response

- Support to win and secure contracts – Eg UKTI/UK Export Finance
- Generic support programmes – Growth Accelerators, MAS
- Other funds – eg RGF
- Business Bank



Our response/initiatives

- Bolster our generic support with business banking experience
- Recruit the Business Transformation Team
- Strengthen operational relationships with main business banks and Intermediaries
- Maintain the Sheffield Microloan – further enhancement through Keep Sheffield Working
- Taking lead on City Region initiatives such as Regional Growth Fund, Start Up Loans and SCRIF/JESSICA
- Targeted complimentary initiatives – eg Digital Direction, Export Programme, Procurement, Top 25



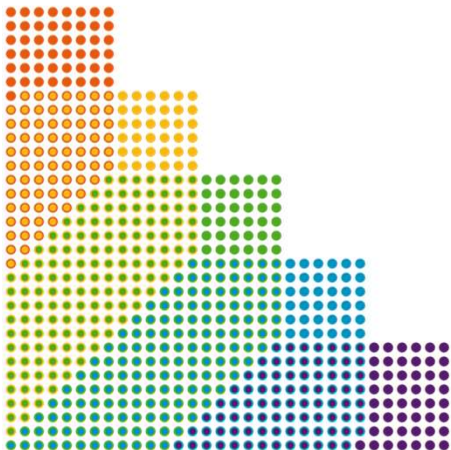
Lessons/Challenges

- Availability of finance should have improved
- Access and navigation a significant issue
- Advice remains poor/fragmented – there is still a local gap to fill
- RGF shows significant unmet demand and interesting patterns
- Funds for start up and early stage remains most difficult area.
- Remains key area for Creative Sheffield



Over to you

- Proposal is to dig deeper into these issues with 4/5 business representatives at April's scrutiny meeting



This page is intentionally left blank