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# Business Bridge (BB) Interim Summative Assessment

October 2021



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## List of abbreviations

ERDF	European Regional Development Fund
ESIF	European Structural and Investment Fund
BB	Business Bridge
RD&I	Research Development and Innovation
SME	Small and Medium sized Enterprise
SSLEP	Stoke and Staffordshire Local Enterprise Partnership
PCR	Project Change Request
UHNM	University Hospitals of North Midlands NHS Trust
WMAHSN	The West Midlands Academic Health Science Network
SMEs	Small and Medium Enterprises
MRDC	Medical Research and Development Centre
LEP	Local Enterprise Partnership
R&D / RD&I	Research and Development / Research Development and Innovation
NUTS	Nomenclature of Territorial Units for Statistics
LIS	Local Industrial Strategy
AI	Artificial Intelligence
KRISP	Keele Research and Innovation Support Programme
PEG	Project Executive Group
IP	Intellectual Property

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# 1 Introduction

Wavehill was appointed by Keele University to undertake an interim and final Summative Assessment of the Business Bridge (BB) project. This report is the interim evaluation report.

The Business Bridge programme is a £1.67 Million project which seeks to drive investment in research and innovation in the healthcare MedTech sector across the Stoke-on-Trent and Staffordshire Local Enterprise Partnership (SSLEP) area.

Whilst the project is led by Keele university, it is delivered in collaboration with three strategic partners; the University Hospitals of North Midlands NHS Trust (UHNM), The West Midlands Academic Health Science Network (WMAHSN) and Staffordshire Chambers of Commerce.

The project will aim to achieve this through a range of activities including:

- The use of Innovation Vouchers to give SMEs access to an Expert Panel of market-specialist consultants who will supply key information and insight to companies
- Creating and supporting new research collaborations between SMEs and the research base to develop and evaluate products
- Using open innovation to scout for unmet healthcare needs that translate into unmet business opportunities for SMEs.

The project falls under the ERDF Priority Axis 1: Promoting research and Innovation<sup>1</sup> and Investing Priority 1b. Business Bridge began in January 2019 and the completion date is June 2023.

## 1.1 Evaluation Approach

This evaluation adopts an approach which is consistent with the requirements of the ESIF programme and associated guidance. The evaluation is an independent review of project performance, underpinned by five key requirements, as set out in national programme guidance. These are:

- 1) Relevance and consistency:** exploring the continued relevance and consistency of the project in light of contextual changes, such as shifts in policy, economic circumstances and technological advancements
- 2) Progress against contractual targets:** setting out project progress when measured against contractual targets, over/under performance and projected lifetime results at project closure
- 3) Experience of delivering and managing the project:** outlining the practical experience of implementing and managing the project, lessons learned and evidence of best practice which can be applied to the delivery of other projects

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<sup>1</sup> European Regional Development Fund Operational Programme 2014-2020

- 4) **Economic impact attributable to the project:** demonstrating the economic impacts attributable to the project, capturing those that were intended, actual and also wider outcomes which have provided added value to the local economy
- 5) **Cost effectiveness and value for money:** a robust assessment of cost-effectiveness and value for money based on the balance of quantified costs and benefits, in light of intended and unintended impacts.

The evaluation draws from a variety of relevant information, data and qualitative insights:

- **A review of background documentation** submitted as part of the ESIF bid, to understand this in detail and assess its continued relevance
- **Detailed analysis of project monitoring data**, captured by the team and via beneficiaries, to assess performance against financial, output and result targets
- **A review of changes in the delivery context** considering economic, policy and organisational dynamics which are likely to have impacted on the delivery and impact of the project
- **Stakeholder consultations**, engaging the core delivery team and external stakeholders, capturing perspectives on project design, delivery, governance and impacts
- **Beneficiary surveys** gathered via an online survey, designed to explore business sentiments, satisfaction levels, impacts achieved and how the project could evolve to better meet their needs and support growth aspirations
- **Beneficiary case studies**, allowing for more in-depth analysis of impacts for a number of supported businesses.

## 1.2 Structure of Report

The remainder of this report is structured as follows:

- **Chapter 2:** A review of the original project rationale and associated logic model
- **Chapter 3:** Setting out key contextual changes that have taken place since the project's conception and have subsequently impacted on project performance
- **Chapter 4:** A summary of project performance, benchmarked against contractual financial, output and result targets
- **Chapter 5:** A summary of delivery progress, considering marketing and engagement, beneficiaries supported, quality of support, management and governance
- **Chapter 6:** An outline of early evidence on project outcomes and impacts achieved to date
- **Chapter 7:** A summary of research conclusions and recommendations.

## 2 Project Overview

This section sets out the project's logic model which details the rationale, market failures, inputs, activities, outputs and intended impacts of the project. The content set out in the logic model will be used to assess the project's effectiveness and impact. The logic model has been developed through reviewing project documentation as well as through conversations with the delivery team.

### 2.1 Rationale and Project Need

The healthcare/MedTech is an **important sector nationally**, and the market has extensive scale and considerable potential for local business growth, but it makes very particular demands on its businesses. From discussions conducted by Keele University with Stoke and Staffordshire SMEs, and from their delivery of the MRDC Phase 1 project which ran until December 2018, they identified a clear appetite from businesses to do more in the healthcare/MedTech field, but a number of **market-specific challenges** were highlighted including:

- Finding the right biomedical researchers to test, evaluate, and confirm whether a product or idea is worth pursuing, and to collaborate in its development
- Understanding the map of the various regulatory frameworks that ensure product safety and effectiveness for patients, and how these regulatory frameworks apply to new product development
- Navigating their way into the NHS 'market' as a supplier: knowing who to pitch to (e.g. selecting primary, secondary or tertiary NHS organisations), and what information is needed to make a successful pitch.

Specialised needs such as these are not covered by other business support and product development programmes. Business Bridge aims fill the support gap and develop better informed and innovation-active SSLEP businesses in a large and growing worldwide market. MedTech is highlighted as a key strategic area for SSLEP, and this project is designed to address specific known barriers and market failures so as to drive future growth.

Target beneficiaries are SMEs in the SSLEP area that can supply the healthcare/MedTech market, including those in biotech, manufacturing, engineering, digital, electronics, and advanced materials. This includes:

- SMEs that are not yet in this market, but already have the skills (e.g. engineering a similar product for other markets) or the ideas for new products, in order to diversify successfully
- SMEs already operating in this market and looking to grow within it, by launching additional new products, increasing market share, or accessing additional market/customer segments.



Project delivery will support some of the specific anticipated benefits of the **SSLEP's Smart Specialisation** agenda:

- Rejuvenating traditional sectors such as manufacturing and engineering by giving those SMEs a clearly defined pathway into the healthcare/MedTech market
- Making it easier for SMEs to diversify technologically from existing specialisations into healthcare/MedTech
- Using open innovation and end-user innovation to generate an environment where new business opportunities can be identified and progressed to market.

Other national and regional agendas that the project aligns with include:

- **High Value Manufacturing** – Innovate UK highlights in their report on high value manufacturing in MedTech the need to be clear about market demand and routes to adoption - which can be met through close collaboration between clinicians, researchers, patients and industry. The project will aim to meet all these objectives whilst providing a clear competitive advantage for SMEs
- **The Midlands Engine** – This comprises 11 LEP areas across the East and West Midlands and is home to the largest number of medical technology and device companies in the country. Keele is a member of Midlands Innovation established to drive cutting edge research, innovation and skills development to grow the high-tech, high skilled economy of the Midlands
- **Universities and Growth** - Keele University, as the leading research institute in the area, is expanding its business support activity through a variety of projects that address SME needs in different priority sectors and at different stages in their life cycle
- **NHS and Economic Impact** - The highly significant role of the NHS as a market in its own right has been highlighted in the Department of Health's strategy document, "Innovation, Health and Wealth". This makes the case for public support for innovation as a driver of better health outcomes and new economic growth. As a market, the potential of the NHS for supporting high value business growth is extensive and could be highly beneficial for the Stoke and Staffordshire economy
- **Health impact** - The strategic added value of the project for local people and the economy comes directly from the business support activity, and indirectly through an impact on health outcomes. Patients at research-active hospitals get access to the latest treatments and have better health outcomes than those at other hospitals. Better health outcomes and lower rates of hospital bed usage all support the local economy.

## 2.2 Market Failures

The key market failure that this project seeks to address is information failures or **imperfect information**. Keele University have identified a clear interest from local SMEs who are operating in, or would like to diversify into, the healthcare/MedTech market but have difficulty sourcing key market information (e.g. identifying gaps in the market that are unmet needs, navigating the complexity of the NHS as a market) or affordable and relevant business support (e.g. access to academic or clinical specialists, knowledge of how to plan, cost and deliver new product development).

Public sector support can help to reduce the risk of investment at this stage. This imperfect information can similarly apply to firms seeking support around business innovation, where there may be a reluctance by firms to pay for support where the benefits are unknown.

## 2.3 Objectives

The project seeks to drive investment in research and innovation in the healthcare/MedTech sector across the Stoke-on-Trent and Staffordshire Local Enterprise Partnership (SSLEP) area; an area of evidenced competitive advantage. Working primarily with the manufacturing, engineering, digital and pharma sectors the project aims to:

- Deliver SME research collaborations with university experts
- Provide SMEs with advanced information and insight that is particular to this highly regulated market and its complex supply chain
- Use open innovation to identify unmet market needs for SMEs to exploit
- De-risk new product development and diversification for SME.

Through this, it is hoped that there will be an increase in the proportion of SMEs that are innovation active, an increase in the number of firms actively innovating to bring new products or processes to market and an increase in the number of SMEs that collaborate with large enterprises, universities, research centres and other public institutions.

## 2.4 Inputs

The total funding for the project is £1,666,455. This comprises £999,873 ERDF funding (60 per cent), £666,582.00 of public match funding from Keele University (40 per cent). The funding for this project is 100 per cent revenue funding. These figures were revised in a project change request (PCR) dated February 2020; the original value of the project was £1.04m.

## 2.5 Activities

The project was designed to primarily carry out three activities:

- Provide Innovation Vouchers to give SMEs access to an Expert Panel of market-specialist consultants
- Create and support new research collaborations between SMEs and the research base
- Use open innovation to scout for unmet healthcare needs that translate into unmet business opportunities for SMEs.

### Access to the Experts Panel via Innovation Vouchers

The project was designed to provide eligible SMEs access to an Experts Panel of external business consultants who specialise particularly in advanced-level information and insight in healthcare/MedTech fields such as regulatory compliance, validation of product claims, medical device design and prototyping, and NHS procurement and adoption of new products. The advice and information given is at an advanced level and is particular to the complexities of the healthcare/MedTech market, rather than the more generalised business topics and innovation support available through other channels locally. SMEs' access to the experts will be enabled by application for an Innovation Voucher worth up to £5,000 excluding VAT, to access tailored one-to-one advice from the right kind of expert on a specific issue for that SME.

Procurement will be targeted to cover defined specialist areas as separate lots in a tender framework, including:

- Routes to enter the NHS as a market
  - where and how to pitch to the NHS
  - meeting their priorities
- Regulatory frameworks in MedTech/healthcare
  - their impact on planning for new product development
- Diversification/repositioning the business specifically into the MedTech/healthcare market; why and how.

### Research and innovation collaborations

The project was designed to identify, initiate and support new R&D collaborations between SMEs and the knowledge base. The unique requirements of each beneficiary SME will determine the exact nature of a given R&D collaboration. For example, this may include laboratory testing, technological advice on product development, advice on healthcare systems and practices, or access to healthcare environments and patient groups to evaluate products in development.

Collaborative R&D projects will be supported by:

- Match-making activities to help SMEs find the particular research specialist they need for a specific project
- Fully funded access to the researchers' time.

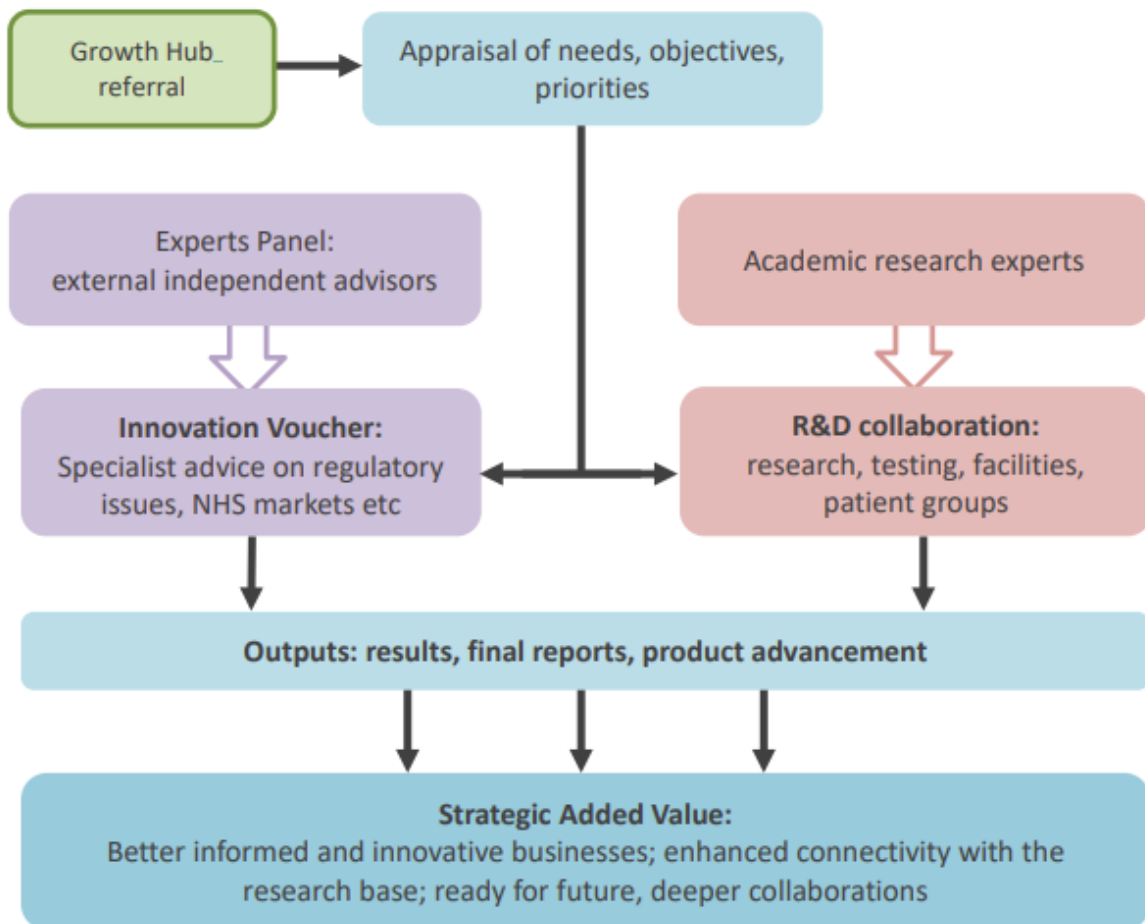
The amount of time contributed by a researcher and their specific activities will vary on a case-by-case basis according to the needs of the beneficiary SME, and will be established in a pre-agreed, detailed project plan.

## Scouting for unmet needs

The project was designed to actively search for unmet needs in clinical and research settings. The identified unmet needs will go through an initial 'filter' for commercial relevance and be presented to each participating SME as part of the support they are given. Any SME that thinks they might have a solution to an unmet need will enter into more detailed discussions with a view to establishing an R&D collaboration. The competitive advantage for SMEs is that they have early-stage knowledge of a confirmed gap in the market, and easy access to the right research experts to validate it and collaborate in R&D.

Below is a diagram which demonstrates an SMEs journey through the programme:

Figure 2.1: SME Business Journey



## 2.6 Outputs and Outcomes

The table below shows the project's original and revised target outputs. The revised figures were based on a PCR dated February 2020 and were revised alongside an uplift in funding for the project and an extension of the project delivery period to September 2023.

Table 2.1: Summary of project outputs

Output	Original Target	Revised Target
Number of enterprises receiving support	39	61
Number of enterprises receiving non-financial support	39	61
Number of new enterprises supported	2	6
Enterprises collaborating with research institutions	13	19
Enterprises with new to the market products	2	5
Enterprises with new to the firm products	4	7

## 2.7 Project Impacts

The outputs are expected to drive outcomes and subsequent impacts. The project outcomes are as follows. These are not core indicators for the purposes of ESIF funding, however, are useful indicators to track the longer-term outcomes for supported businesses.

- Net additional jobs created in supported businesses
- Net additional gross value added generated in supported businesses.

In the shorter term, the project aims to boost the resilience and innovation capacity of local businesses. This will give the SSLEP area a more competitive and robust business base – one that is more capable of identifying and developing major innovation objectives that can lead to significant business growth

## 3 Changes to Delivery Context

This section sets out the socio-economic and policy context Business Bridge has operated in and considers the potential impacts this has had on the project's original rationale. The delivery context can play a significant role in a project's success and therefore understanding the tangible or more discrete shifts in the delivery context is integral to an assessment of progress.

### 3.1 Innovation

The UK Innovation Survey shows that in 2016-2018, 38 per cent of UK businesses were innovation active which is a decrease compared to 49 per cent in 2014-16.<sup>2</sup> Large businesses are more likely to innovate than SMEs with 50 per cent of large businesses innovation active compared to 37 per cent of SMEs<sup>3</sup>.

UK expenditure on R&D is stalling. It grew by £822 million to £25.9 billion in 2019; this was an increase of 3.3 per cent and was the lowest rate of growth since 2012. The spend on R&D within the Shropshire and Staffordshire region is amongst the lowest in the country. In 2017, businesses spend £214 Million on R&D which is the ninth lowest expenditure of any NUTS 2 region.<sup>4</sup>

The percentage of new businesses showing high growth in the West Midlands region is around 4.1 per cent which is below the national figure of 4.5 per cent.<sup>5</sup>

Although the lag on this data means it only relates to the early period of project delivery, this indicates that as the project was beginning delivery, the challenges around low investment in research and innovation in the LEP area remained a key issue.

### 3.2 National and Regional Policy

The Business Bridge policy is closely aligned with the direction of travel of the UK Government's high-level economic policy, the Staffordshire LEP's Local Industrial Strategy (LIS) and NHS policy around MedTech since the project's inception.

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<sup>2</sup> Source: UK Innovation Survey 2019

<sup>3</sup> Ibid

<sup>4</sup> Source: ONS Expenditure on R&D, by sector of performance and NUTS 2 region, 2017

<sup>5</sup> Source: ONS Interdepartmental Business Register

The UK's Industrial Strategy,<sup>6</sup> released initially in 2017, sets out four grand challenges to put the UK at the forefront of the industries of the future:

- Artificial Intelligence and data
- Ageing society
- Clean growth
- Future of mobility.

The project contributes to ageing society challenge through Keele University's international expertise in Musculoskeletal conditions and its particular strengths in Osteoarthritis, inflammatory conditions and back pain. Business Bridge is contributing to the delivery of the Artificial Intelligence and Big Data strand of the Industrial Strategy by harnessing the AI and Big Data strengths of Keele University and brokering relevant academic expertise in these areas to SMEs in the Stoke and Staffordshire healthcare and medical supply chain.

All LEPs are required to develop an LIS, which is a long-term plan that builds on local strength to ensure the communities reach their economic potential. The LIS aims to support local businesses to grow and develop, increase productivity and innovation and higher-level skills. The SSLEP industrial strategy is built on four broad themes:

- Future Workforce
- Growing Business
- Innovation
- Place.

The project contributes to the strategy through innovation-led local growth. Although there has been a shift away from the healthcare and the medical technology industry as an explicit priority in the SSLEP's local industrial strategy (having previously featured more strongly in the SSLEP's Strategic Economic Plan and Delivery Plan), it is still referenced as an important local sector.

Finally, the NHS's 2019 long term plan outlines its aim to support the uptake of "proven, affordable innovations...through a new MedTech funding mandate."<sup>7</sup> Published in January 2021, the MedTech Funding Mandate signalled the NHS' desire to use research and innovation to drive better outcomes for patients, and accelerate NHS access to proven innovations.<sup>8</sup> This provides the potential for a greater availability of long term funding for successful innovation supported by the Business Bridge programme.

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<sup>6</sup> See: <https://www.gov.uk/government/publications/industrial-strategy-the-grand-challenges/industrial-strategy-the-grand-challenges>

<sup>7</sup> [NHS Long Term Plan v1.2 August 2019](#)

<sup>8</sup> [mtfm-policy-guidance-jan-2021.pdf \(england.nhs.uk\)](#)

### 3.3 Britain's Exit from the European Union

The European Union (EU) referendum in 2016 and the following period until the UK's formal withdrawal from the EU on 31<sup>st</sup> December 2020 contributed to uncertainty amongst businesses. This was the case throughout the negotiation where the terms of the Withdrawal Agreement were unagreed and unclear for long periods. This contributed to a climate of uncertainty for businesses, and project staff were required to reassure businesses that the programme was still relevant and would continue.

Following the vote to trigger article 50 and leave the European Union, there was a strong level of uncertainty across industries and programmes about the practical realities of no longer being a member of the union and how this would change various policies and processes. Project delivery staff reported that programme beneficiaries were initially uncertain about whether the Business Bridge programme would continue to operate.

Brexit has resulted in changes to regulatory advice regarding the approval of MedTech products which initially caused project staff some concern that this would impact on their targets for the number of enterprises supported to introduce new to the market products (C28) and the number of enterprises supported to introduce new to the firm products (C29). Despite this, Business Bridge has already managed to meet their targets on both of these outcomes.

### 3.4 COVID-19 Pandemic

The spread of COVID-19 and the UK's subsequent decision to enter a lockdown on the 23<sup>rd</sup> March 2020 resulted in various organisations and businesses having to suspend or adapt the delivery of their services. Business Bridge programme staff reported that they were able to successfully shift both their delivery and also the delivery of the industry panel experts face-to-face meetings to online relatively quickly.

Whilst it was felt that communicating online meant that there was sometimes a loss of rapport with beneficiaries and that running networking events was more challenging, the project was not significantly affected by the pandemic and did not experience a drop in the number of beneficiaries they were supporting.

Project staff also reported that the pandemic meant that MedTech businesses needed to diversify their activities in order to survive and that this had led to an intake of businesses looking to explore new opportunities.

### 3.5 Summary

The rating in the final column relates to the extent to which updated contextual data has a positive or negative impact on the need/rationale for the scheme and/or ability to deliver the scheme.



Change	Description	Impact on Project Rationale	Rating
Innovation Expenditure	Expenditure on Research Development and Innovation in the Shropshire and Staffordshire region are amongst the lowest in the UK	Demonstrates continuing need for investment in RD&I support programme	Positive
National and Local Innovation Policy	Increased priority placed on innovation seen at national and local level	Reinforces the importance of projects such as Business Bridge to local growth and to the NHS	Positive
Brexit	Brexit negotiations and changes to importing, exporting and regulatory processes have created an uncertain economic climate for businesses	Uncertainty of businesses around the continued relevance and delivery of the Business Bridge programme, given it is EU funded	Negative
Covid-19	COVID-19 has had a significant impact on the UK economy, labour market and socio-economic context in which Business Bridge is being delivered	Social distancing restrictions meant that Business Bridge moved predominantly to remote delivery. This was managed effectively enabling strong project continuation	No change
		Challenging economic conditions impacted on business' planning horizons which may have made some businesses less likely to access support during this period	Negative
		Increase in number of businesses needing to diversify in response to the economic shock of COVID-19 restrictions. As a result, an increase in the number of businesses seeking out support with innovating	Positive

## 4 Financial and Output Performance

This chapter provides a summary of the Business Bridge programme's financial and key output performance against targets.

### 4.1 Performance Against Contractual ERDF Targets

An overview and assessment of Business Bridge's contracted output and expenditure targets against the project's performance to date, is displayed in the table below.

Indicator	Targets		Performance at time of evaluation		Projected performance at project closure		Overall assessment
	Original	Adjusted (if relevant)	No.	% of target	No.	% of target	
Revenue Expenditure (£m)	£1,035,828	£1,666,455	£823,592.97	49%	£1,666,455.00	100%	
C1 Number of enterprises receiving support	39	61	38	62%	61	100%	
C4 Number of enterprises receiving non-financial support	39	61	38	62%	61	100%	
C5 Number of new enterprises supported	2	6	6	100%	8	133%	
C26 Enterprises collaborating with research institutions	13	19	18	95%	25	132%	
C28 Number of Enterprises supported to introduce new to the market products	2	5	5	100%	8	160%	
C29 Number of Enterprises supported to introduce new to the firm products	4	7	9	129%	12	171%	

#### 4.1.1 Financial Performance Against Original Profile

A PCR was submitted in February 2020 to increase the overall project value from £1.04 to £1.67m, however there was a lengthy delay before this was signed off, constraining the project's ability to meet the revised spending profile.

With the PCR now having been signed off and demand remaining strong for the programme, the team remain confident that the full funding will be deployed over the remaining delivery period.

#### 4.1.2 Output and Result Performance

The Business Bridge programme has performed consistently against each of its indicators and currently appears on track to either achieve or surpass all of its targets.

The project has not struggled in terms of the number of beneficiaries it has supported to date and had good initial engagement with businesses. Project staff reported that there was already a waiting list of businesses who were keen to receive support from Business Bridge by the time their project change request was confirmed.

The project's 61 enterprises supported target comprises support through both innovation vouchers and research collaborations, with the vouchers having been in greater demand to date. The delivery team noted that while there are a further 23 enterprise assists needed, there is only funding remaining for 12 more of these to be through innovation vouchers, meaning more will need to be done to promote and deliver research collaborations. Nevertheless, the team remain confident of achieving this target.

As stated there was some concern following uncertainties around regulatory changes as a result of Brexit and staff feared that they may struggle to achieve c28 and c29 outputs however the project has already over delivered on these targets.

## 5 Project Delivery and Management

This section assesses the effectiveness of the delivery and management of the Business Bridge programme, drawing on evidence from a range of sources including:

- **Project performance data and background information** collected by Keele University
- Consultations with the **project delivery team and wider stakeholders** – for a list of consultees see Appendix A
- Ten responses to an **online beneficiary survey**, sent to 26 beneficiaries that received support from the project.

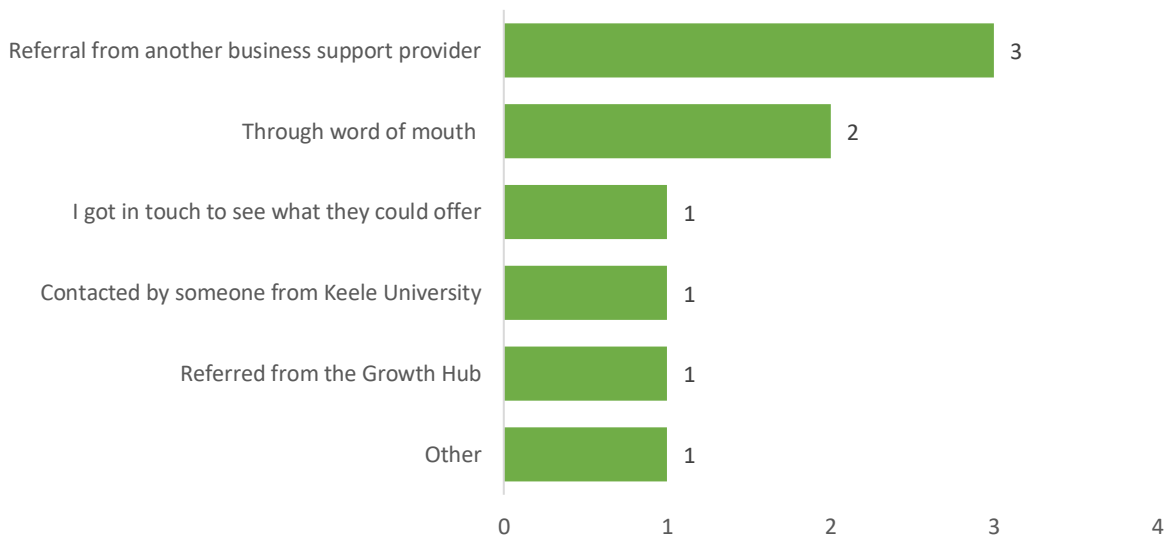
### 5.1 Marketing and Engagement with Beneficiaries

The programme was marketed to potential participants both through formal marketing channels but also through word of mouth. A significant strength of the programme is their strong links with the Science Park in Keele which meant that they were able to utilise their existing contacts to network and generate potential beneficiaries.

The programme has also set up a successful healthcare network which ran events for local businesses and promoted the programme through the chamber of commerce and other local business networks. As the programme also has strong relationships with other business support programmes in the area, for example with the Business Innovation Centre in Staffordshire and the KRISP project, they also receive a number of referrals from these programmes.

Survey data indicates that there are a wide range of referral routes into the programme, but referrals from other partners constituted almost half of these.

Figure 5.1: How businesses first heard about Business Bridge



Source: Beneficiary Survey n=9

Throughout the lifetime of the project, in order to make the project more cost effective, the amount of funding for innovation vouchers was reduced from £7,000 initially in Phase 1 to £5,000 and then down to between £2,000 and £3,000 as part of the PCR. The project delivery team identified from an early stage that the amount of funding available through the innovation vouchers and the level of R&D support available was unlikely to be attractive for larger scale businesses who might be able to access other funding pots or have greater in-house resources. The project was therefore primarily focused on micro-enterprises and new starts.

## 5.2 Take-up, Prioritisation and Identification of Support Needs

In the first instance, suitability for the project is determined by the Business Partnerships manager who meets with potential beneficiaries and determines whether or not Business Bridge is the appropriate support mechanism for them. Businesses are then invited to complete an application form outlining their intentions and what support they would require.

The identification of support needs was a tailored process involving a number of conversations with programme staff throughout the duration of the support as well as with university staff and experts engaged in the collaborative research and/or innovation vouchers.

As outlined above, the level of support provided was mainly attractive for smaller firms, with 35 of the 39 firms (90 per cent) which had completed support or were underway at the time of evaluation being micro sized firms (fewer than 10 employees).

Data on the programme beneficiaries which had completed support at the stage of this evaluation demonstrates that whilst the majority of businesses operated within the Professional, Scientific and Technical sector, there were also project beneficiaries from a range of other sectors, reflecting the aspiration that the project could support businesses from wider sectors seeking to diversify into this sector. This was supported by project staff perceptions of beneficiaries coming from a 'wide remit' encompassing areas from mental health to digital services.

Table 5.1: Sectors of 26 beneficiary contacts

Sector	N
Professional, Scientific & Technical	14
Education	2
Information & Communication	2
Human Health & Social Work	1
Water; Sewerage, Waste & Remediation	1
Other Service	1

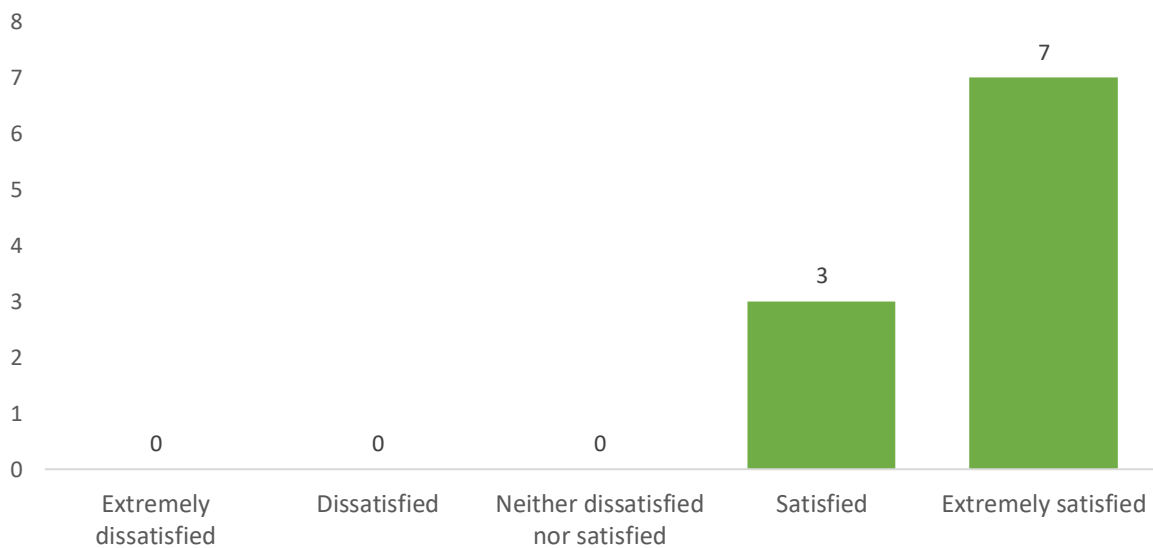
Prior to the PCR, businesses were able to access both elements of the support offered by Business Bridge however in order to manage costs, beneficiaries supported following the PCR are typically offered a choice between the innovation vouchers and the R&D support. This is largely decided by whether or not there is internal expertise to support beneficiaries with their needs.

### 5.3 Business Support Activities and Satisfaction

As outlined above, the project has attracted greater demand from businesses for the innovation vouchers element of support, which was reflected in survey respondents for the interim evaluation, with seven of the eight respondents to the question having received an innovation voucher and three having taken part in research and innovation collaboration with Keele University (note: in some cases, businesses had received both types of support).

Overall, respondents were very positive about their experiences with the project with all respondents saying they were either satisfied or very satisfied. When asked to elaborate on their scores, business particularly praised the expertise provided by the project and the supportiveness of project staff.

Figure 5.2: Overall, how satisfied are you with the support you received through the Business Bridge programme?

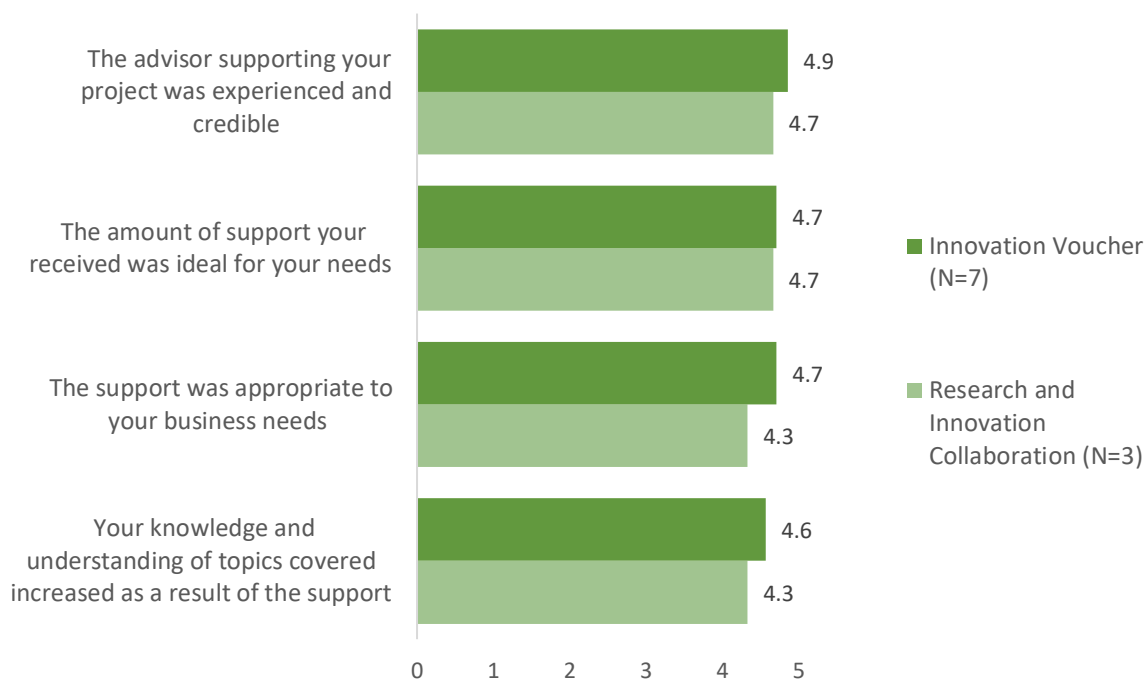


Source: Beneficiary Survey n=10

Looking at satisfaction with particular elements of the support, respondents were asked to what extent they agreed with a series of statements regarding their satisfaction with the support. Beneficiaries were overwhelmingly positive about their experiences across all aspects including experience and credibility of the advisor, amount of support received, appropriateness of support received and increase in the beneficiary’s knowledge and understanding.

Businesses who had received the innovation voucher were slightly more positive about their experiences, however it is important to note that the average scores around Research and Collaboration activities represent just three respondents.

**Figure 5.3: Average scores for the question “On a scale of 1 to 5 (where 1 is ‘Strongly Disagree’ and 5 is ‘Strongly Agree’), to what extent do you agree or disagree with the following statements about the support you received”?**



Source: Beneficiary Survey

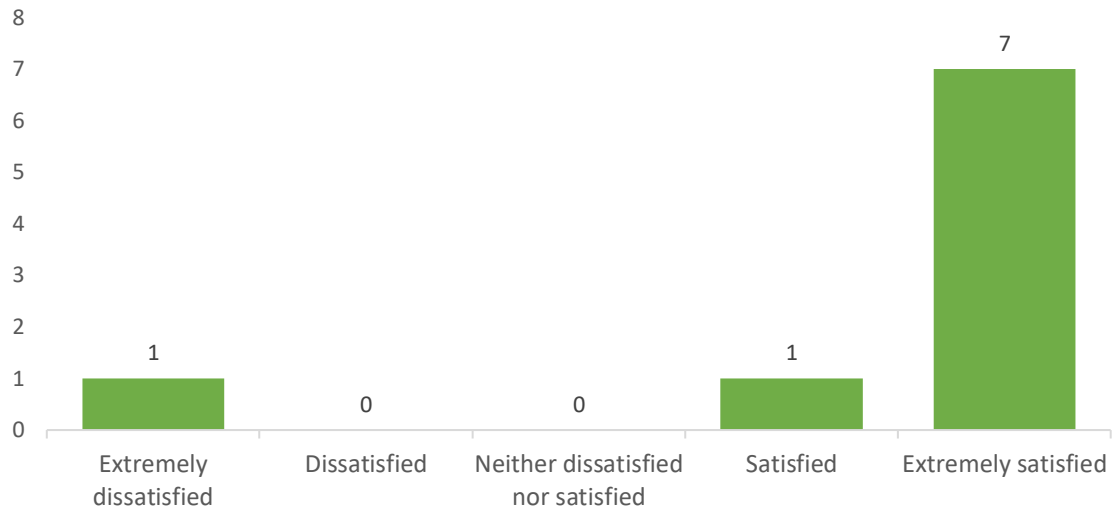
## 5.4 Management and Governance

Business Bridge has been managed and overseen by a number of governance groups. Initially, the project was overseen by the Project Executive Group (PEG) which was chaired by the University’s Deputy Vice Chancellor, which later reverted to a Project Monitoring Board who are responsible for holding the operational team to account for performance against contracted outcomes. Although recognised as an important strategic management level, the fact that the group is shared with the Smart Innovation Hub project, and with Business Bridge being a smaller and relatively less complex project, some consultees felt it didn’t always get the attention that it should do at these meetings.

At an operational level, the delivery staff are responsible for day-to-day decisions on the programme and are also members of a Project Operational Group, which meets regularly to discuss operational challenges and how to address these.

From a beneficiary perspective, when asked about their satisfaction with the administration and delivery of the business support, all respondents bar one indicated that they were satisfied with this, and the large majority indicated they were extremely satisfied.

Figure 5.4: How satisfied were you with the administration and delivery of business support?



Source: Beneficiary Survey n=9



## 6 Early Project Outcomes and Impacts

Section 6 sets out early evidence of the project's outcomes and impacts, drawing on evidence gathered from:

- Consultations with the **project delivery team and wider stakeholders** – for a list of consultees see Appendix A
- Responses to an **online beneficiary survey**, sent to all beneficiaries that received support from the project
- **Case study** consultations undertaken with a selection of supported businesses.

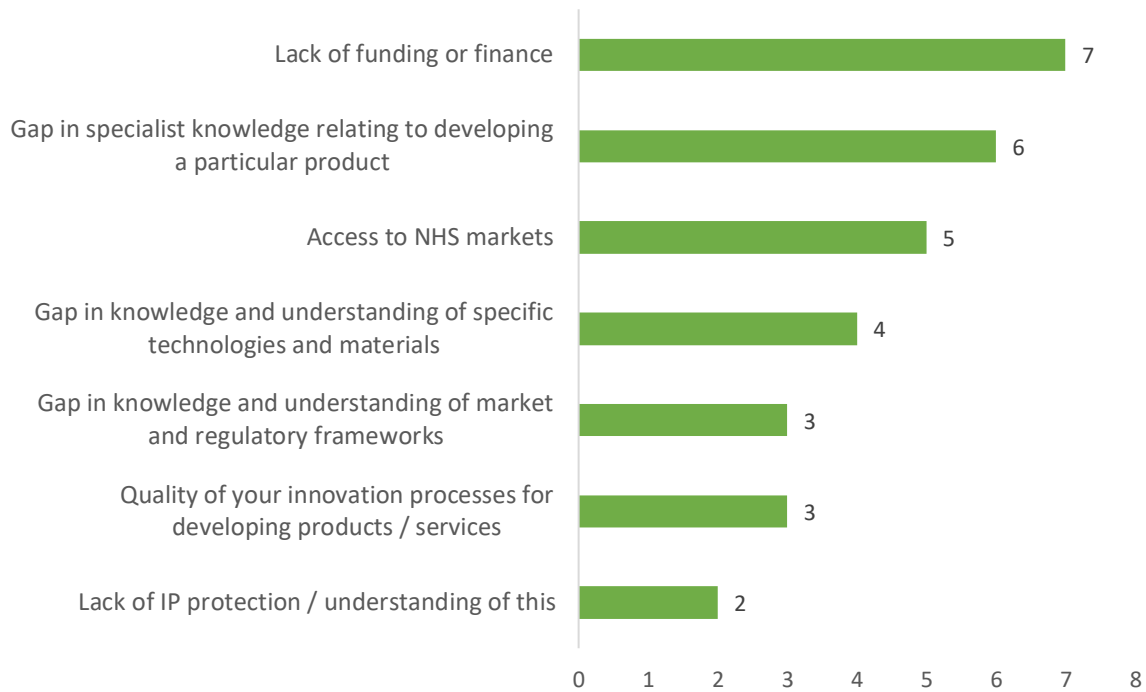
### 6.1 Achievement of Business Outcomes

The business support delivered under Business Bridge aims to raise the level of research and innovation amongst SMEs in the Stoke and Staffordshire area by reducing businesses' risk and barriers to innovation and growth. To evaluate this, it is important to understand the way that businesses' barriers have been overcome and how that has led to outcomes and impacts.

The popular take up of Innovation Vouchers corresponds with the biggest barriers to growth identified by survey respondents at the outset of their engagement with the Business Bridge programme.

Overall, a lack of funding or finance was perceived to be the most significant barrier for businesses, followed by gap in specialist knowledge relating to developing a particular product, and access to NHS markets – the latter two in particular reflect the key needs identified in the project logic model, and reflect the suitability of these businesses for the project.

Figure 6.1: Number of instances where respondents scored a 4 or a 5 for statements in the question 'Before receiving support from the Business Bridge programme, how significant were the following factors as barriers to growth?'

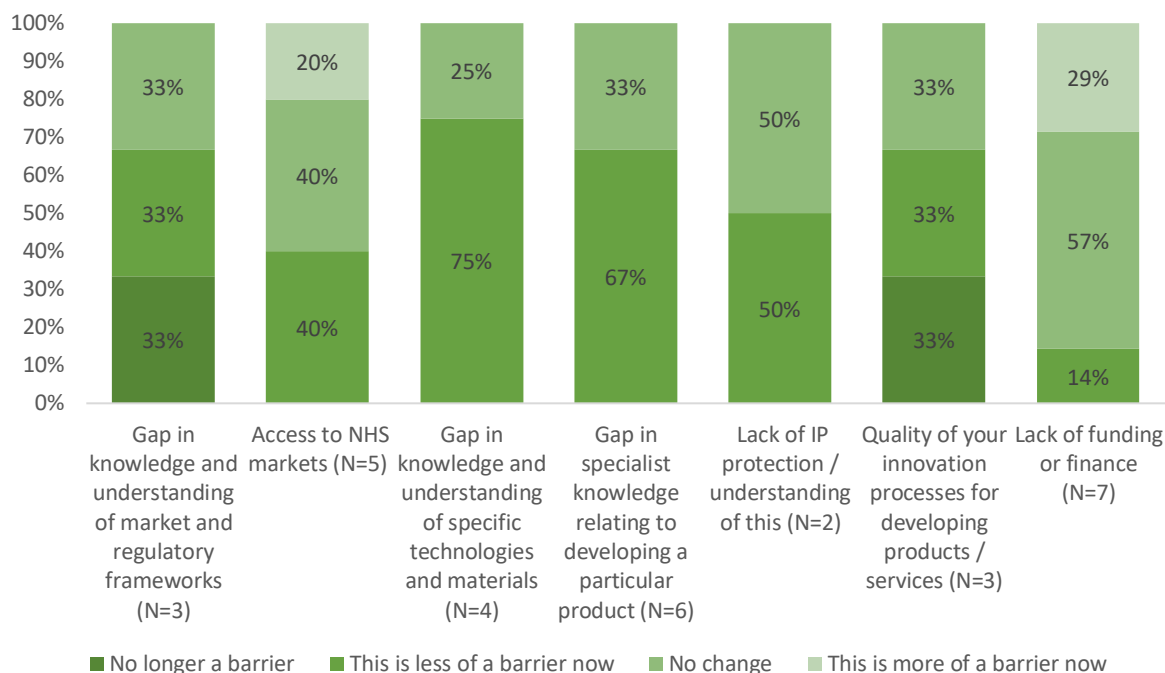


Source: Beneficiary Survey n=9

Respondents generally felt that the support had played a role in helping them to overcome their significant barriers initially. The two graphs overleaf demonstrate how much of a barrier these factors are now and, where the barrier is less significant, how much of a role the project played in reducing that barrier. Key points to note are as follows:

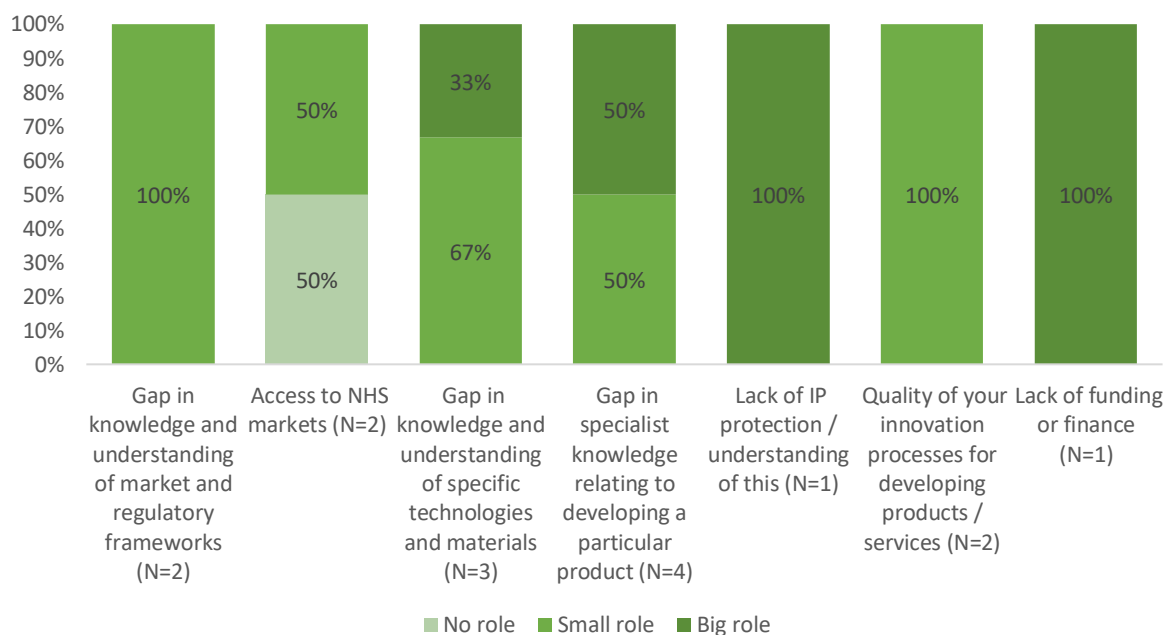
- Across almost all barriers, over 50 per cent of businesses who indicated they faced each potential barrier stated that the barrier had reduced following the support received
- For barriers around gaps in knowledge and understanding relating to specific technologies or materials; developing a particular product; and around markets and regulatory frameworks, over two thirds of respondents felt this was less of a barrier following support, and in all three cases all respondents stated the project had played a role in this
- More modest impacts were seen for barriers around access to NHS markets and lack of IP protection, where 50 per cent or fewer respondents felt this was less of a barrier following support
- Regarding lack of funding or finance, only one of the seven beneficiaries indicating this was a barrier to growth felt that the project had helped to overcome this. This perhaps reflects that Business Bridge provides only limited financial support (via the vouchers), and so support in this area is less of a core offering. It does, however, highlight the importance of the programme being part of a wider suite of business support available across the SSLEP region

**Figure 6.2: Please indicate for each of these whether this is more or less of a barrier to growth now, since you began working with the Business Bridge programme**



Source: Beneficiary Survey

**Figure 6.3: How big a role (if at all) did the funding play in overcoming these barriers?**

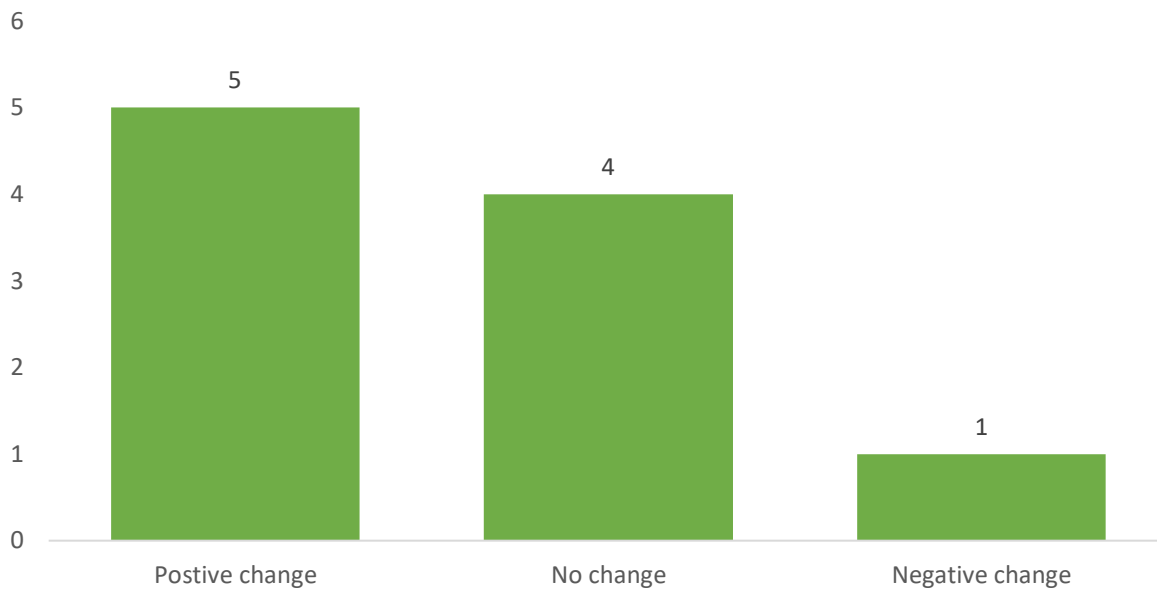


Source: Beneficiary Survey

### 6.1.1 Impact on Employment

Figure 6.4, below, shows the changes to employment levels seen in SMEs since accessing the Business Bridge support. It shows positive changes have occurred in five SMEs, while one SME indicated that they had been able to safeguard jobs as a result of the support received.

Figure 6.4: Change in employment levels in the last 12 months



Source: Beneficiary Survey n=10

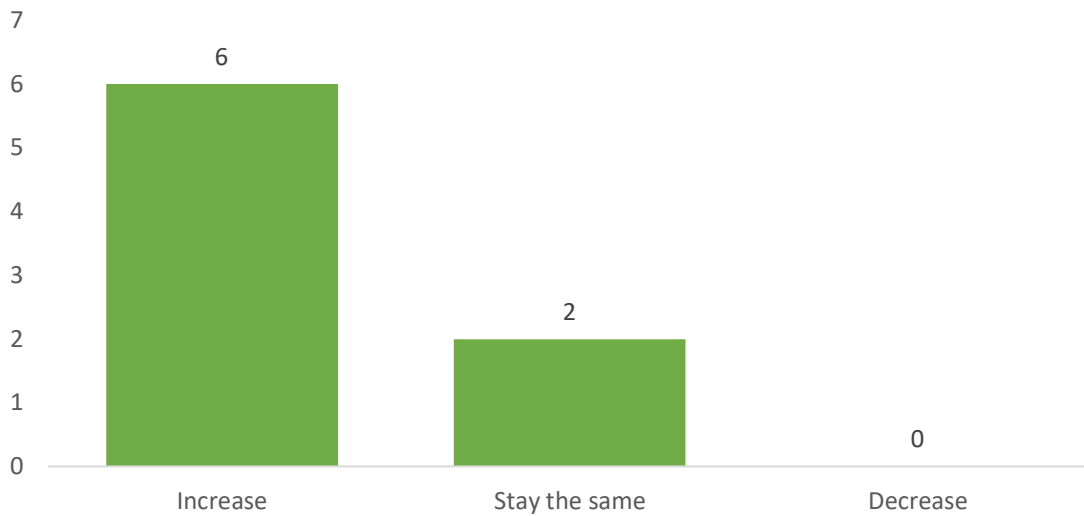
SMEs were asked to indicate the extent to which these increases in employment were attributable to the Business Bridge project and four of the five felt the increase was at least partially due to the Business Bridge project.

Often increases in employment can take time to occur and three SMEs said they expected to see an increase in employment over the next 12 months. Of these, two indicated this increase was related to the support received through Business Bridge in some way.

### 6.1.2 Impact on Turnover

Six SMEs indicated that they had seen an increase in their turnover since accessing the Business Bridge support and five of these felt that the change was at least partly attributable to the Business Bridge project.

Figure 6.5: Changes to Turnover in the last 12 months



Source: Beneficiary Survey n=6

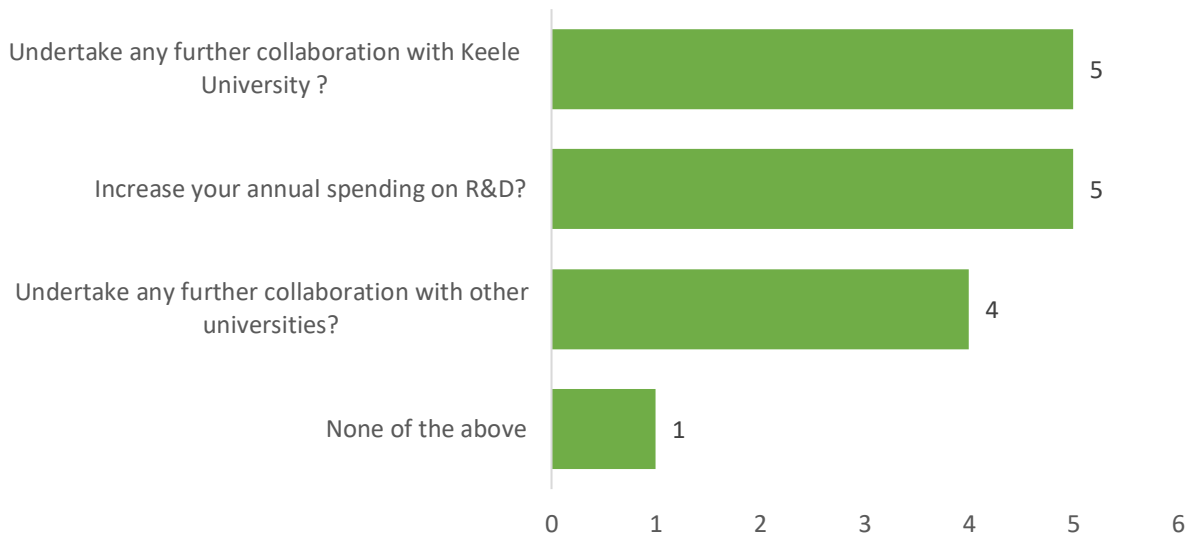
Over the next 12 months, six SMEs indicated that they expected their turnover to increase and of these, four indicated that this increase was at least in part related to the support received through the Business Bridge project.

## 6.2 Wider Programme Outcomes

In addition to overcoming barrier to growth and emerging impacts on employment and turnover, progress can be seen in SMEs' attitude to future investment in innovation and collaboration with the knowledge base – recognised as a local weakness in the project's original rationale.

Figure 6.6, overleaf, shows there are positive indications that the project has successfully raised the level of research and innovation undertaken by project beneficiaries. Only one respondent said that they weren't planning to either undertake further collaboration with universities including Keele, or increase their annual spending on R&D. Three respondents were planning to undertake all of these activities.

**Figure 6.6: Following the support received from the Business Bridge programme do you plan to:**



Source: Beneficiary Survey n=8

The positive experience of the Business Bridge external support is further suggested by the fact that all respondents to the question (nine) said that they would be extremely likely to seek external business support if they encountered other barriers to growing their business.

Because of the costs involved with bringing new products and services to market in the MedTech industry (where it can take up to 10 years for products or services to be approved for market), project staff have reported that a percentage of businesses typically progress to attempting to secure further funding from bodies such as Innovate UK. However, it is hypothesised that the 'jump' from Business Bridge support to this level of funding is considerable, and that the provision of support to bridge this gap could potentially increase the likelihood of beneficiaries being able to secure further funding to bring their products to market.

### 6.3 Case Studies

The following section presents a series of case studies undertaken with organisations who received support from Business Bridge.

### 6.3.1 dDeaflinks Staffordshire

dDeaflinks Staffordshire is a registered charity offering services to deaf people throughout Staffordshire and Stoke. Operating since 1960, the business offers information and support to deaf people and also provides tailored training courses for businesses to give their staff the skills and confidence to communicate with people who are deaf or suffer from hearing loss. The charity currently has four part time office staff.



The charity initially approached Business Bridge as they were looking to develop new revenue streams by digitising some of their services so these could be accessed online. They hoped to receive support to update and improve their e-commerce digital platform with the view of extending their geographical reach.

*“Once we had provided face to face Deaf Awareness Training to businesses in our area they generally wouldn’t need the training again, so by offering training online we could access new clients further afield from our physical location. We needed to increase the charity’s income as currently we are not making enough money to be sustainable.”*

They decided to approach Business Bridge as they had a previous relationship with them, and the project was able to provide dDeaflinks with technical support to modernise their e-commerce platform and include training modules that are accessible to new clients via the site.

Reflecting on their experience the charity praised the project for being supportive and communicating effectively. Business Bridge also provided training to dDeaflinks’ staff to help them navigate the new platform and also upskill other staff members where needed. Although there were some issues when co-ordinating the technical support to get everything online, this did not have an impact on the support that was received.

Thanks to the project, the charity has been able to develop their digital services and now have a base which they will be able to use to grow and develop their charity further. The charity now offers British Sign Language and Deaf Awareness training digitally which will help them to attract clients from further afield.

*“We feel we have endless possibilities now we have this platform. Business Bridge have given us the tools to develop further services moving forward.”*

As well as developing the platform, Business Bridge has played a pivotal role in helping dDeaflinks to network within the MedTech industry by introducing them to new partners and networks. As a result, the charity is now in a partnership supporting a company in a bid to deliver health & wellbeing support for the deaf community where they will help to facilitate their workshops and events in deaf communities.

dDeaflinks are very positive about the future direction of the charity and as a result of the platform now have other projects in the pipeline which they hope will help to further boost their revenue.

*“We underestimated the capability of online platforms... [it] changed our outlook for the better... Because of our age, the input from Business Bridge has really helped to modernise us.”*



### 6.3.2 Health2Works Ltd

Health2Works is a digital health company which allows clinicians to send educational material to patients digitally and reports back to them so they can see the take up rate of the information they are sending. Established in 2009, the business is a micro-SME with seven employees, four of which are part time.



The business initially came across Business Bridge at a networking breakfast. Although they did not have a specific project in mind, they thought they would see what benefits the programme could bring to their company.

Initially the business received support through the means of an academic conducting some research into the impact of clinicians sending medical educational information to patients. Health2Works also commissioned a short animation film to explain to potential patients how to register and use the service and an animation to use as a sales tool for Senior Managers and NHS trusts to explain how the service works and the benefits it can bring to their organisations.

Health2Works described their experience with the project as positive and also praised the rationale behind the programme:

*“I have always found Keele to be friendly, enjoyable and straightforward to work with. Staff are knowledgeable and the registration process for Business Bridge was very easy to complete. I am impressed that Keele are focusing on helping companies at a local level and helping to boost the local economy.”*

As part of commissioning the animation videos, Health2Work received two quotes from businesses who were on the Expert Panel and were required to choose between them. On balance, the business felt that they would have benefitted from spending less time on validating the quote that they chose in the end.

The animation films have proved particularly useful to the business as they have helped to increase registration rates for the service and their sales tool animation film for NHS trusts has proved very helpful for marketing and presenting. Despite the academic research concluding that very little good research about the impact of digital education has been published, this encouraged the business to believe they were proceeding in the right direction in terms of business promotion..

Reflecting on how the service provided by Business Bridge could be improved, Health2Works explained that the project could feel a bit “one off” and that businesses could benefit from on-going support to help them progress further. Potentially this could be done by ensuring that the participants move on to gain access to a broader support framework. Aside from this suggestion, the business was very happy with the support provided.

*“Keele were really flexible and very friendly. Their goal is to get access to support to make you more successful and they certainly went the extra mile for us.”*

### 6.3.3 Innovative Testing Solutions Ltd



Innovative Testing Solutions Ltd provide alcohol & drug testing kits to businesses, and provide additional support to clients on how to use the kits effectively and develop an in-house alcohol and/or drug testing

programme with ongoing support from us. The business started in 2018 has three directors/shareholders and four full time staff members.

The company were in the process of developing a new green testing kit when they first approached Business Bridge as they wanted to develop an animation film showing both how to use the product and to promote the fact that the product is a 'green' product. They decided to approach the project because of the geographical proximity and having a prior relationship with Keele University. At an initial meeting, project staff explained what funding was available and provided information on how to approach the project. They were supported to write a brief of what they wanted and then sign-posted to a range of suitable companies to choose from.

*“Our experience of working with Keele has been excellent – the process was very simple and straightforward. They have given us as much support as we needed, and they were genuinely interested in what we were doing. We could pick up the phone anytime and they would always be there for us.”*

The support from Business Bridge was extremely valuable to Innovative Testing Solutions as they would not have been able to fund the animation costs themselves and the project also assisted them with ensuring that the film was produced in the necessary time frames and helped to get it live on their website.

As a result being able to use the animation as an educational tool, Innovative Testing Solutions reported that they have experienced increased traffic to their website. The green testing kit that they have developed has also led to new clients and a strength of their new service is being able to offer them the animation to train and upskill their staff. The animation has also had an impact on their other sales:

*“Thanks to the professional animation we have attracted new clients for other products; the animation is professionally produced and shows that as a company we are high quality and professional.”*

Should Innovative Testing Solutions decide to pursue other projects, they feel that they would definitely contact Business Bridge and the University again. This could either be to avail of their services or receive signposting to appropriate support.

*“If we bring any new products or services online we know can approach Keele, even if we can't get the funding, we know we can rely on Keele.”*

## 7 Conclusions and Recommendations

This section of the report looks to summarise the findings against the five summative assessment themes, as set out below and in the ERDF summative assessment guidance and provides recommendations for future project delivery.

### 7.1 Conclusions

#### 7.1.1 Project Relevance and Consistency

With levels of RD&I in the region particularly low, and latest data showing this trend has continued, and with increasing national emphasis on health innovation, the BB project is well-aligned to regional and national priorities in supporting SMEs to engage and invest in research and innovation activities and remains as relevant now as when the scheme began.

The COVID-19 pandemic has presented some additional challenges to businesses and to scheme delivery within the SSLEP area, however the BB support has responded effectively to enable the scheme to continue with minimal disruption to supported businesses, and in some cases supporting businesses at a time when it was important for them to diversify in order to survive an economically challenging period.

#### 7.1.2 Progress Against Contractual Targets

Overall the project is progressing well against spend and output targets. Spend is at 49 per cent of overall contracted level, which is slightly behind profile, but largely reflects a significant delay in sign off of the PCR which extended the project budget. Partners remain confident that the project is on track to achieve the full spend target over the delivery period.

Output achievement is further advanced, with 62 per cent of the enterprises assisted targets having been achieved already, as well as 95 per cent of the C26 enterprises collaborating with research institutions and 100 per cent or more of the new to market/new to firm products targets (C28/C29).

The only minor concern highlighted was that for the enterprises assisted targets, the main demand has been for innovation vouchers, and with 23 enterprise assists still to be completed, the project only has funding remaining for 12 of these to be through innovation vouchers, meaning greater demand for research collaborations will need to be stimulated.

### 7.1.3 Delivery and Management Performance

Evidence from the beneficiary surveys indicates that the project support is being delivered to a very high standard, with beneficiaries overwhelmingly positive about their experiences across all aspects including experience and credibility of the advisor, amount of support received, appropriateness of support received and increase in the beneficiary's knowledge and understanding following support. There are well established systems and processes in place and the business journey from identification of support needs to delivery of support is effective, with beneficiaries again indicating very high satisfaction with the administration of support.

Marketing and promotion of the project appears to have been effective, with the delivery team indicating there has been strong demand for the project, and little difficulty recruiting businesses. From the survey of beneficiaries, almost half of respondents had been recruited to the scheme via referrals from other organisations, indicating that effective relationships have been established with wider organisations and programmes.

The project's management and governance structures appear to have operated effectively, and provided suitable oversight of the project, helping to ensure effective operation of the project to date.

### 7.1.4 Outcomes, Impacts and Value for Money

There is clear evidence to indicate SMEs have overcome a range of barriers to growth following engagement with the BB support. There is also emerging evidence that the support has impacted positively on beneficiary businesses' turnover and employment levels. A more comprehensive appraisal of the economic impact of the project to the sub-region will be carried out during the final summative assessment phase alongside a VfM assessment.

Wider benefits highlighted through consultations and case studies included the positive effect of the support on beneficiaries' appetite to invest further in R&D and collaborate again with Keele University or other universities, as well as their propensity to engage more with business support in the future. In a number of cases the support from BB enabled businesses to progress with applications for further research and innovation funding, such as through Innovate UK.

## 7.2 Recommendations

On the basis of the evaluation work undertaken, the following recommendations are suggested for the BB project:

1. **Recognising that one of the key risks to achievement of spend and output targets may be around the limited funding remaining for innovation vouchers, it would be worthwhile investing further in promoting the benefits of research collaboration projects to prospective business beneficiaries.** This could involve better demonstrating the particular research strengths of the university, further explaining the process for this type of support, and providing case study examples of businesses which have received this type of support. Evidence from this evaluation suggests satisfaction levels are very high from beneficiaries receiving this type of support – a point which could also feature in any promotion of this strand of the project.
2. **Further time invested into the identification of unmet needs in the NHS might be particularly beneficial, both from the perspective of developing business support interventions that have a clear path to generating economic value, and also to support the aim of increasing numbers of businesses taking up research collaboration within the University (particularly if the areas of unmet need connect with key University research strengths).** In the original application for the project, the identification of unmet needs in the NHS constituted one of the key activities to be delivered by the project, however consultees made little reference to this area of activity when discussing project activities, and few business assists appear to have been focused on responding to unmet needs that were identified through the project, which may be a missed opportunity for the project to be adding greater value.
3. **Recognising that the project sought to support firms already operating in the medtech sector, and also those looking to diversify into the sector, it would be useful for the delivery team to keep a record of which category each supported business falls under.** This would allow for ongoing analysis of the extent to which the project was supporting each group, and whether project marketing approaches might need to be adjusted if one of these groups has shown less demand for project support than expected.
4. **The team should further explore opportunities to engage wider business support partners in the region, including the growth hub and other providers.** It is clear that good relationships have already been developed, with the project receiving referrals from other organisations, but further developing these links and being able to refer BB beneficiaries onto other schemes in the area could be highly beneficial – for example, given that a large number of businesses identified access to finance and funding as a key barrier to growth, it would be beneficial for the BB team to be able to link up supported beneficiaries with access to finance schemes or further innovation and R&D funding schemes available locally or nationally (Note: the latter is already happening in a number of cases e.g. with businesses being supported with links to funding sources such as Innovate UK).

5. **The team should continue to maintain close longer term relationships with businesses supported through BB, and follow up with further collaborative R&D opportunities.** The team is already establishing strong relationships with businesses, and the survey feedback in this report suggests strong appetite from supported business' to increase their spending on R&D and to collaborate again with Keele following support from BB. This suggests there are opportunities to follow up the BB support with engagement of those businesses in other schemes such as Knowledge Transfer Partnerships or other R&D collaborative opportunities, which could bring further benefits for both the businesses and the University.

# Appendix 1: Consultees

The following project stakeholders were consulted as part of the interim evaluation.

Name	Role	Organisation
Kylie Salmon	Project Manager	Keele University
Rosi Monkman	Business Partnerships Manager	Keele University
Mark Dimmock	Programme Coordination Officer	Keele University
Daniel Stubbs	Expert Panel Member	Inspired Film & Video Ltd
Philippa Bevan	Expert Panel Member	Accelerate Associates
Katherine Bourne	Expert Panel Member	Accelerate Associates

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