



**YOUR LOCAL  
GROWTH HUB**

# **The Buckinghamshire Recovery Investment Fund 2020**

## **Evaluation March 2023**

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# Executive Summary

## Context

The Buckinghamshire Recovery Investment Fund was created by the Buckinghamshire LEP Board in March 2020 to help support businesses in Buckinghamshire adversely affected by the Covid-19 pandemic. The total size of the fund was £2 million, with £1.6 million set aside to be used for grant funding.

Grants of between £3,000 and £120,000 were awarded on a 3:1 match funded basis and focussed on supporting projects to create new income streams, increase productivity, protect and create jobs, and accelerate Covid-19 recovery whilst building the future resilience of businesses.

The evaluation has been completed in 3 review stages, with information collected from the grant recipients after 6 months (49 respondents), 12 months (49 respondents) and 24 months (50 respondents).



## Achievements

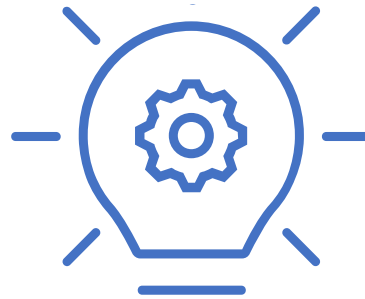
A total of 62 grants were awarded, with 59 grants being claimed overall. The projects implemented provided benefits to the grant recipients throughout the process including:

- ✓ New products/services
- ✓ Increased sales/profits
- ✓ New jobs created
- ✓ Jobs safeguarded
- ✓ Increased productivity
- ✓ Covid-19 safe working
- ✓ Increased efficiency
- ✓ Business diversification
- ✓ Increased staff wellbeing
- ✓ Improved branding/marketing
- ✓ Environmental benefits
- ✓ New clients
- ✓ Improved business resilience

The fund initially projected outputs for 'new jobs created' and 'new products and services introduced' to the business. At the time of the 24 month evaluation, the following has been achieved.



**210 new jobs achieved**



**74 new products/services achieved**

**The total value of these jobs created to date is £6,374,130<sup>1</sup>**

Throughout the evaluation stages, businesses continued to show increased sales and profits arising from the grant received.

Sales and profits generated		
6 months 61%	12 months 66%	24 months 80%



<sup>1</sup> Each new job has a value of £30,353. National TOMs Framework 2020

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## Context

In March 2020, the Buckinghamshire LEP Board agreed to create an emergency Business Recovery Investment Fund (BRIF) for the immediate relief of Buckinghamshire businesses struggling as a result of the COVID-19 virus. The £2 million fund was made up of the reallocated Growing Places Fund and other monies. Of the total fund value, £1.6 million was set aside to be given out as grants and the remainder was allocated to provide the resource necessary to deliver the programme and other measures designed to support businesses during the crisis and to help them recover afterwards.

## Rationale

Grants were offered at a minimum total value of £3,000 and a maximum of £120,000 with a match ratio of £1,000 matched investment by the business for every £3,000 grant. Projects were appraised to meet the following criteria:

- An assessment of the viability of businesses at the end of February 2020 to ensure grants are made to robust businesses.
- An assessment of what the project could deliver in terms of jobs safeguarded, jobs created, improvements in productivity and/or increased GVA.

Grants were available to organisations who met the following criteria:

- Small and medium sized enterprise (SME)
- Eligible for state aid
- Grants were to support business recovery from the pandemic.
- Were in good financial health prior to February 2020.
- Have two employees plus.
- Have demonstrable demand and rationale for the proposed recovery project detailed in the application.

The fund was originally designed to “plug” the gaps of nationally available support to ensure that all businesses were able to receive some support, however, after the first few weeks and due to the increasing levels of national support and the Government’s ever evolving enhanced eligibility and terms, it was agreed to alter the terms of BRIF so that it could supplement the support available nationally. Under the new scheme emphasis was placed on appraising applications on new job creation, new products and services, and on where a grant enabled a swifter re-purposing of a business’s operational activity to support a national response. It was also decided that under certain circumstances, applications would be supported from sole traders or businesses with a single PAYE employee. These exceptional applications would need to be for business resilience or a re-purposing process supporting the national

Covid-19 requirements and would need to be closely aligned with the priority sectors and delivery objectives identified within the Buckinghamshire Local Industrial Strategy.

“Buckinghamshire Recovery Investment Fund was a holistic finance solution that made the business comfortable and confident in undertaking the project without concerns over future repayment.”

The evaluation of the programme was conducted in three stages - 6 months, 12 months and 24 months.

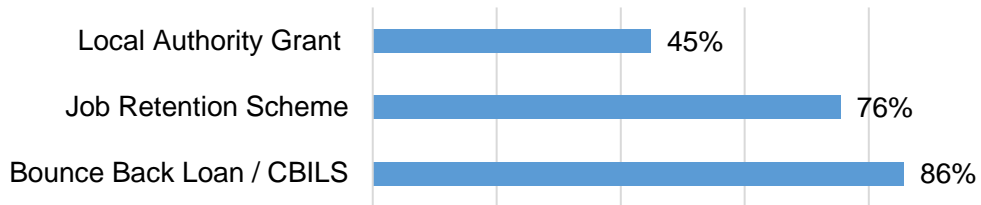


## Impact of the Covid-19 Pandemic

During the first lockdown (April 2020 – June 2020) SMEs were severely impacted by the restrictions put in place, leading to the identification of the need for the BRIF. The restrictions saw an extreme impact on many businesses' turnover, profitability and productivity. Cash flow was highlighted as a major concern and the need to increase the resilience of businesses was of great importance.

In the first 6 months of the project, other Covid-19 financial support products were available from the Government. It was identified that 94% had sought other additional funding to support them through the pandemic, in the form of the Government backed loans including the Coronavirus Business Interruption Loan and Bounce Back Loan, the Job Retention Scheme and Local Authority schemes, such as Local Restrictions Support Grant, Additional Restrictions Grant and Retail Business Rates Grant.

## Businesses Accessing Additional Support (%)



## Programme aims

The Buckinghamshire Recovery Investment Fund enabled businesses to access grants of between £3,000 and £120,000 on a basis of 3:1 match funding, with the aspiration that projects contributed towards any/all the following:

- New income streams / product development.
- Improvements in productivity / profitability.
- Safeguarding jobs.
- New job creation
- Accelerated COVID-19 recovery.
- Future resilience.

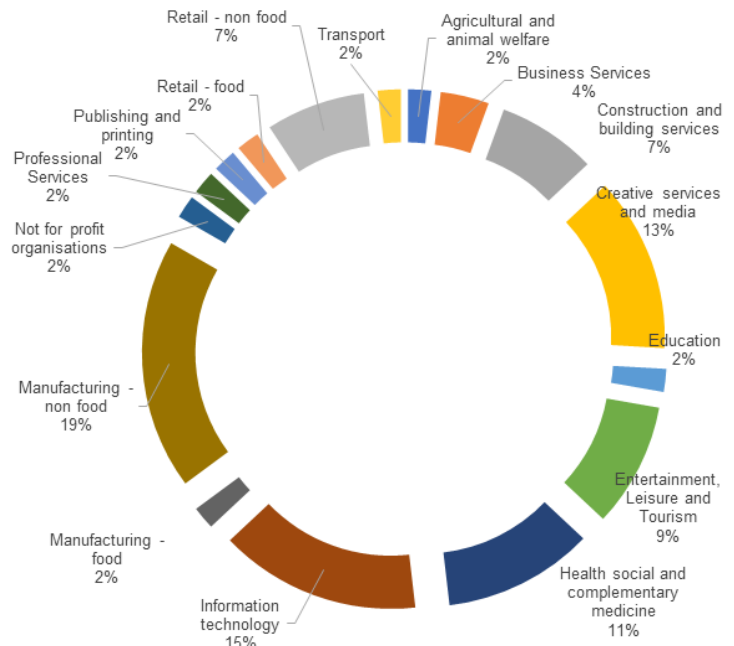


## Beneficiary profile

There was an exceptionally high demand for the grants from the outset and an unprecedented number of applications were received. Despite this, the delivery team managed to communicate well, overcome challenges, and assist businesses in a methodical, timely fashion. The team worked well together by having regular meetings to track progress, pooling resources, and allocating workload to make sure applications were processed & enquires handled in a timely manner and all data was recorded on the CRM

## Sectors

The programme attracted businesses from a wide range of sectors, including those identified as the most severely impacted by the Covid-19 pandemic, ie live events, hospitality and leisure and entertainment as identified in the Local Enterprise Partnership's report on the 'Impact of Covid-19 on the Buckinghamshire Economy', released in February 2021. These sectors accounted for 22% of the business supported through the Buckinghamshire Recovery Investment Fund. Following on from this, the most common sectors accessing the support were manufacturing (21%), information technology (15%) and creative services and media (13%).

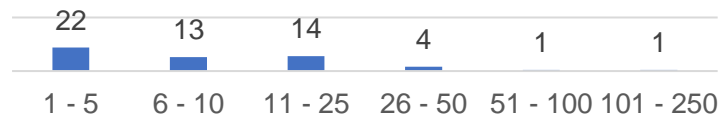


Companies by sector (%)

## Size

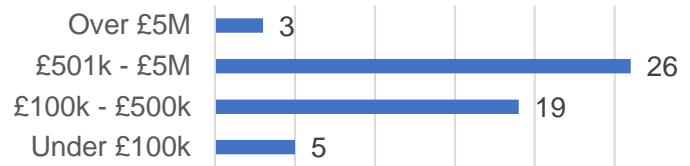
The programme's eligibility criteria stipulated that to apply for a grant, businesses had to have at least 2 employees. The fund predominantly assisted small & micro businesses, with 56% of beneficiaries having 10 or fewer employees.

## Companies by size (employees)





## Companies by size (turnover £)



## Outputs and Impacts of the Project

### Projected outputs

For the 59 grants paid the following outputs were projected:

- 179 jobs created
- 65 new products and services
- Increased sales and/or profits for beneficiary businesses

### Achieved outputs

#### New jobs



Of the 210 new jobs that were created by businesses, job roles included:

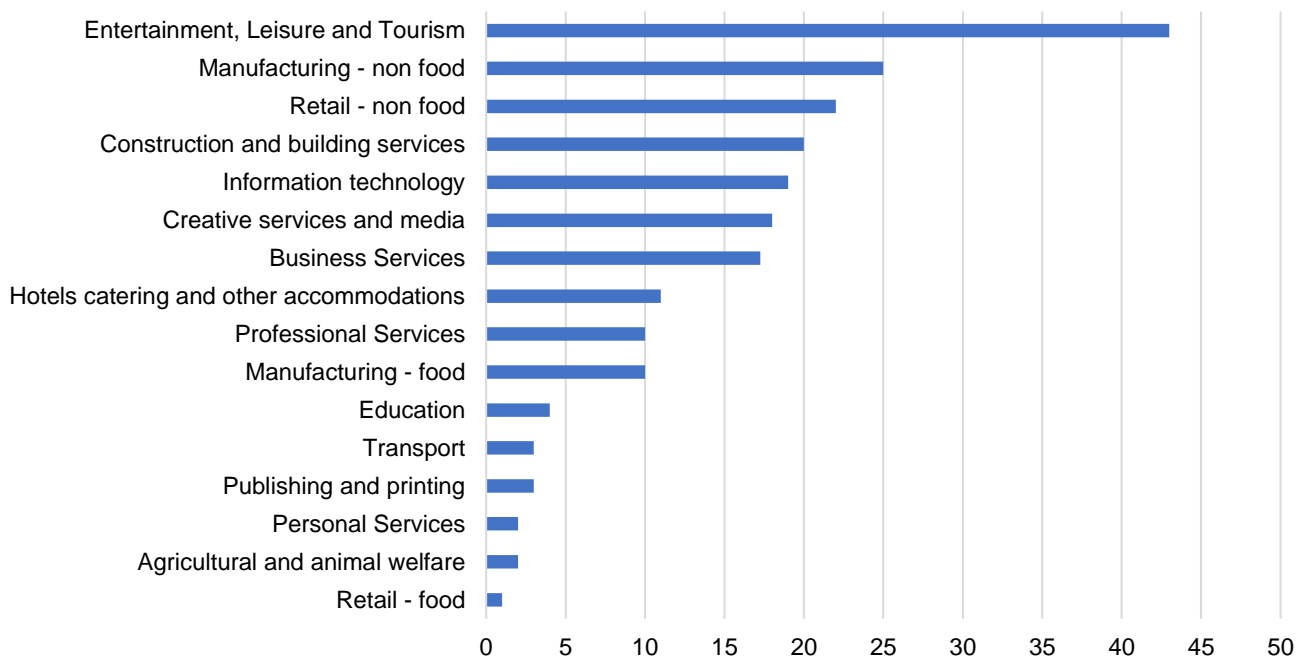
- Digital Marketing Manager
- Cheesemonger
- Print Designer Apprentice
- Software Engineers

- Producer
- Workshop Operative
- Website Developer
- Graphic Designer

Jobs were created evenly throughout the sectors that received grant support. However, no new jobs created by the not for profit or wholesale sectors

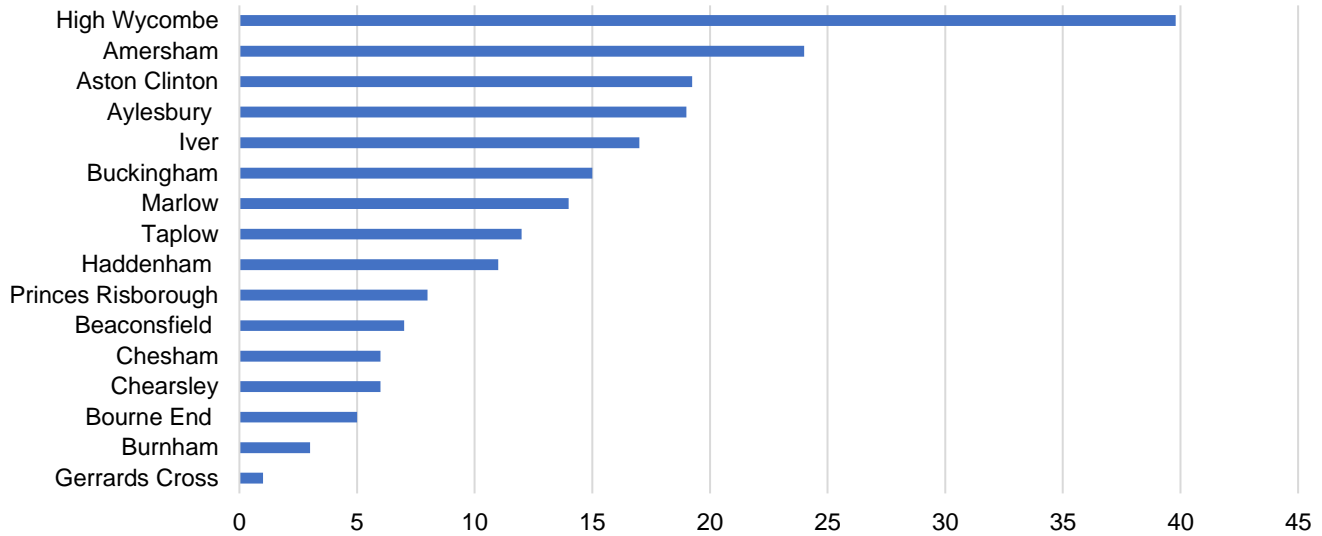
The entertainment, leisure and tourism sector which was highlighted in the LEP Covid-19 research reports as one of the most affected industries by the pandemic saw a consistent increase in job creation throughout the project.

**New jobs created by sector**



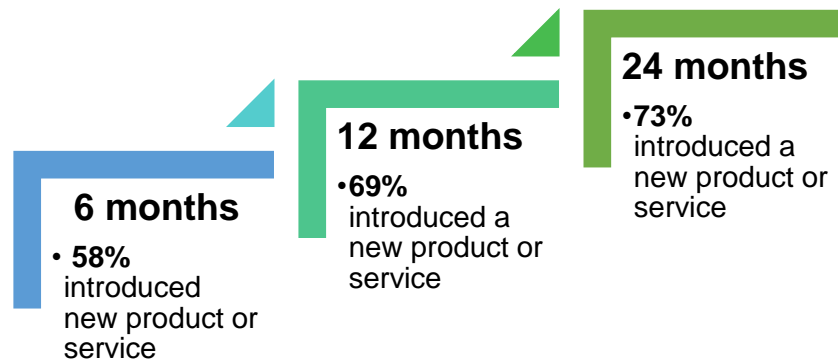
The majority of new jobs were created in High Wycombe and Aylesbury, with the rest distributed throughout the different areas as shown in the next graph:

### New jobs created by geography



With each new job created having a value to the State of £30,353<sup>2</sup> **the total value of these jobs created to date (210) is £6,375,648** surpassing initial projections of 179 jobs and £5,433,187 identified at the time of grant payment.

### New products and services



73% of grant recipients had introduced new products or services to their businesses as a result of the fund. In total 74 new products and services were introduced. Some of these include:

- Virtual webinars and workshops

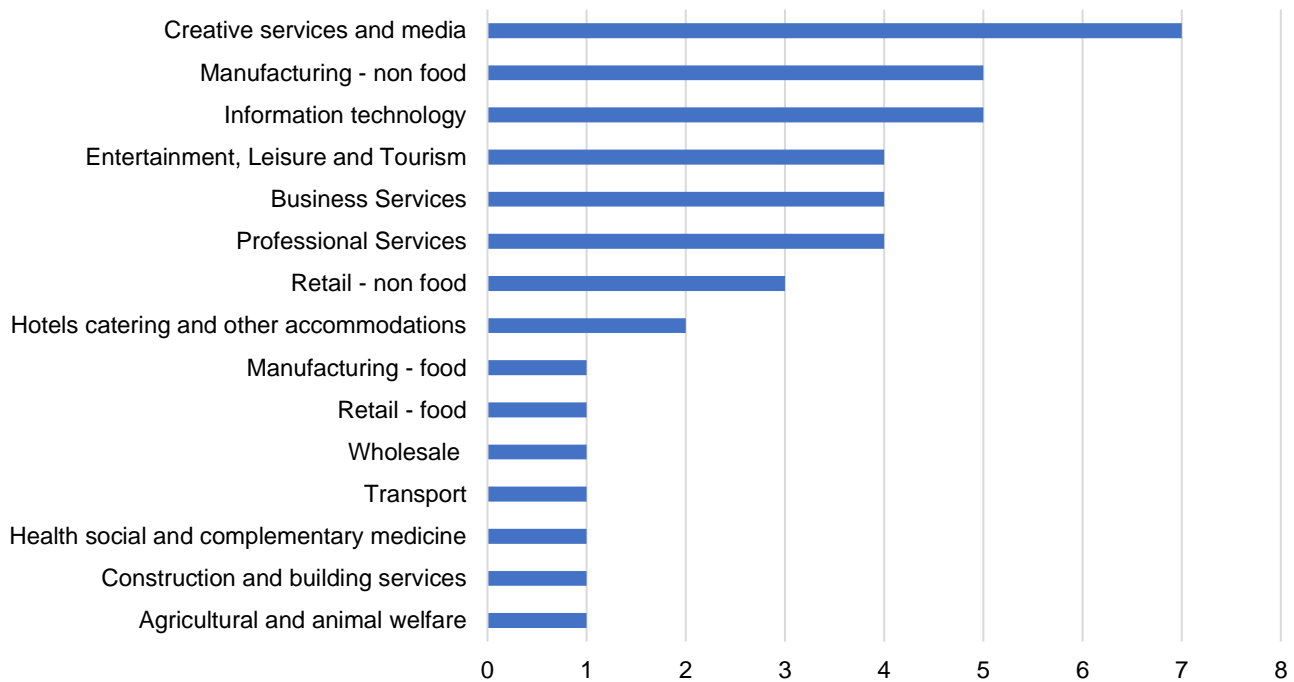
<sup>2</sup> National TOMs Framework 2020

- Gourmet home takeaway services
- Websites
- Mobile apps
- Live streaming events
- Delivery vans
- New brand of crystals white labelled from Swarovski
- New rocket propulsion engine
- Photography and video services
- Medical device
- Customer 3D design service
- Carpet cleaning services
- Cheese tasting courses

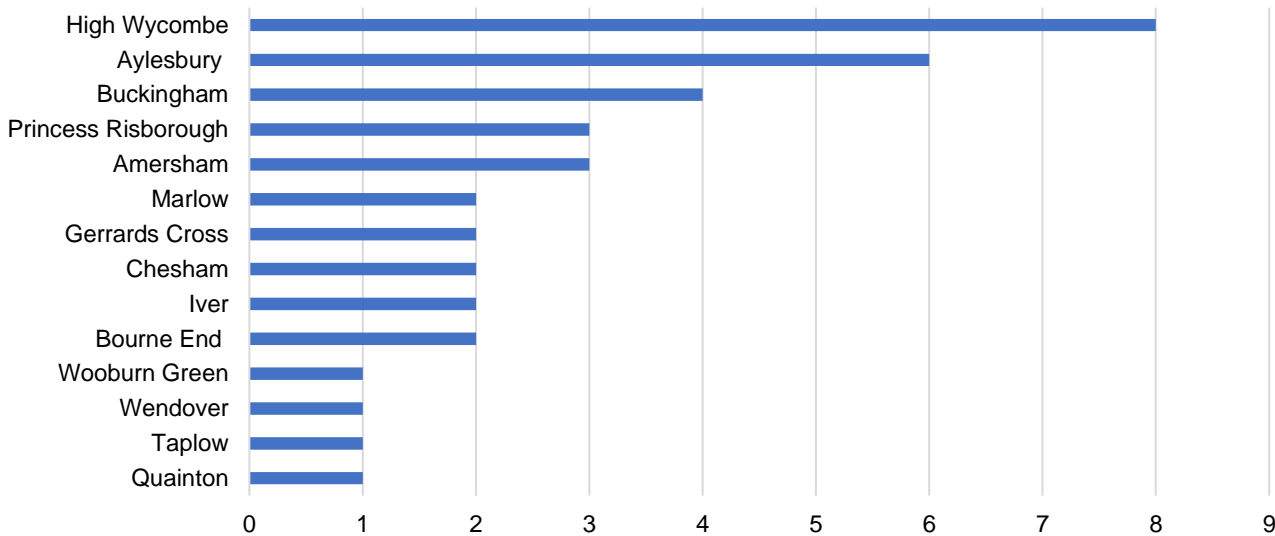
“The grant enabled our company to diversify into live streaming, and to effectively manage working from home. This provided a vital income stream from summer 2020 through until summer 2021 and avoided us having to make any redundancies whatsoever amongst our team.”

“The grant helped enable our initial hardware project that led to a UK Space Agency Project.”

### New services and products by sector



## New services and products by geography



Only the education sector did not introduce new services, and the geography of new services and products introduced was concentrated in the High Wycombe and Aylesbury areas, with the rest being spread throughout the county.

## Sales and profits generated



73% of businesses saw additional sales and/or profits as a result of their BRIF project with one business seeing an £800,000 increase on sales, which is 57% higher than 2019 and net profit rising 360%.

“We have more than doubled in size, become much more profitable, and expanded internationally”.

Businesses stated that projects allowed them to provide a more diverse offering to clients and increase the efficiency of their production so they could fulfil more orders, increasing sales. Another business increased their sales by 50%, with a further business seeing an increase in their

turnover of £200,000 in a 12 month period. One of the new products created by a business through the grant now accounts for 40% of their total business.

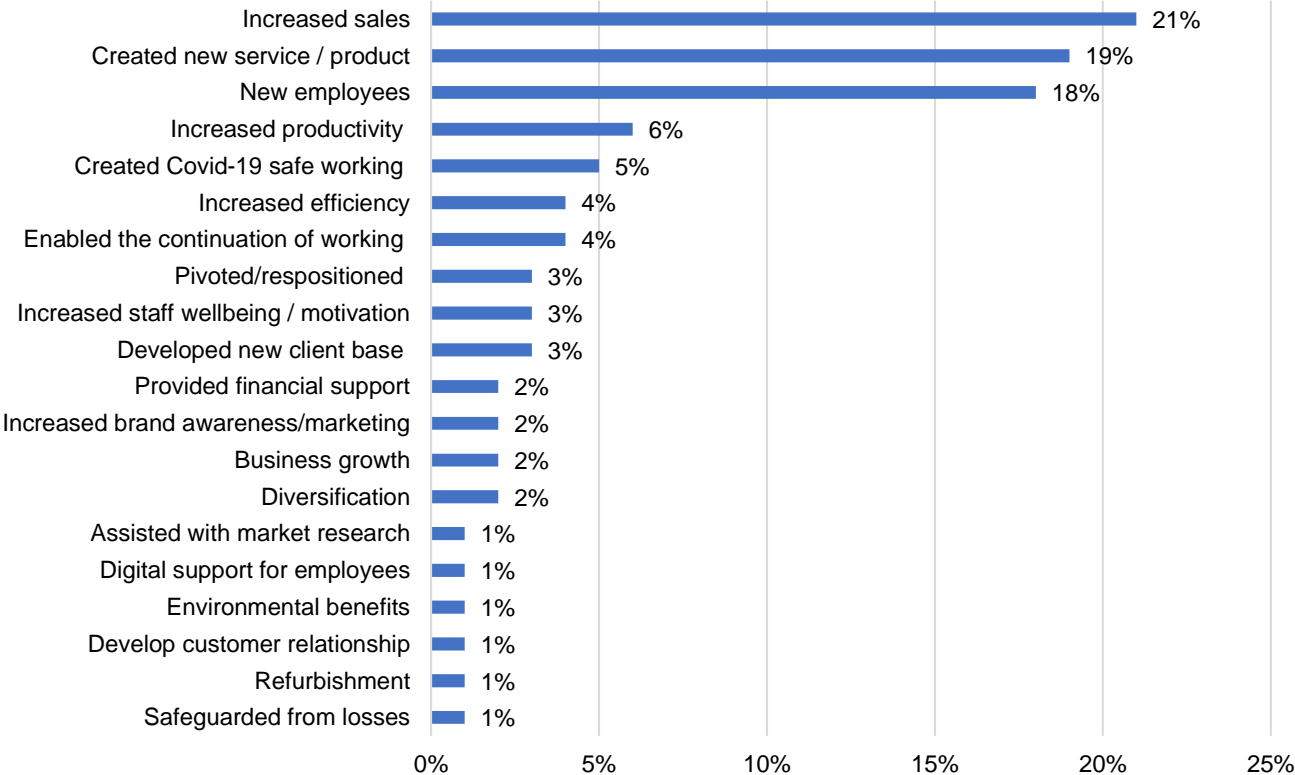
Businesses that had not seen an increase in their sales and/or profits cited reasonings as:

- Business closure for one of the beneficiary business.
- Businesses have not fully implemented their projects yet.
- The grant helped to maintain sales instead.
- Business owner winding the business down in preparation for retirement

## Impacts

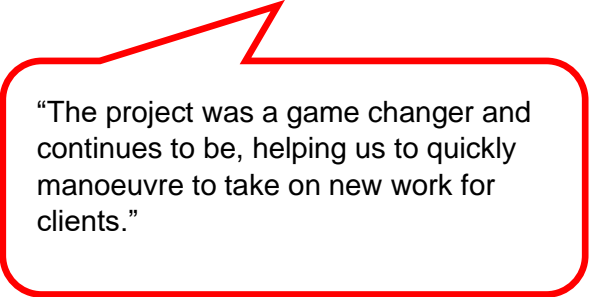
The BRIF assisted businesses to instigate new activities during the pandemic, with all grant recipients recording benefits. These are outlined in the graph below:

**Benefits businesses (%) have identified following the implementation of their BRIF grant.**

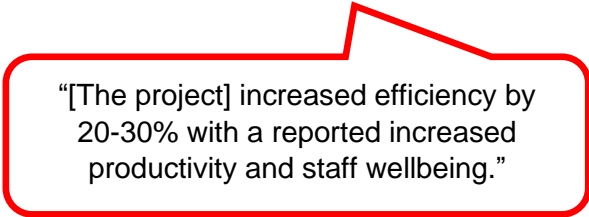


It is positive to see that the grant scheme has supported businesses to grow. Increased sales have shown to be the most common impact. Many of the business’s evaluation responses stated that the impact of the grant was extremely positive, and they wouldn’t have been able to continue through the pandemic without it.

17% of surveyed businesses stated that the grant provided a short-term solution to their challenges, which allowed them to weather the storm and emerge in a more stable position. Most businesses reviewed continued to utilise the grant to develop additional products and services to widen their offering to current and new customers, demonstrating proactive steps taken by businesses to continue to grow. Businesses have cited that the project has enabled them to operate in a more agile and efficient manner, enabling them to act more quickly to address issues and seize available opportunities.



“The project was a game changer and continues to be, helping us to quickly manoeuvre to take on new work for clients.”



“[The project] increased efficiency by 20-30% with a reported increased productivity and staff wellbeing.”

## Issues and barriers

Throughout the process multiple issues and barriers have been highlighted by businesses when it came to initially implementing their projects. Some of these continued to be present post completion of their projects. These included:

- **Supply chain issues**

One business had difficulties sourcing timber as the supply chain, based in Asia had been affected, in order to meet the needs of the project they had to source from Liverpool as their regular local suppliers were out of stock and therefore, they paid inflated prices. This in turn reduced productivity as the business had to spend more time than planned sourcing materials, this did affect the business as they had to lengthen lead times and thus lost some sales. Other businesses experiencing supply chain issues have highlighted the conflict in Ukraine and slow supply of electrical components from China as contributing factors.

- **Covid-19 restrictions**

In the initial stages of the project, Covid-19 restrictions suppressed demand for the retail sector and delayed some business recovery.

- **Recruitment issues**

One business reported difficulties in recruiting, hiring and training employees via online platforms, such as Zoom and Skype, this was further hindered by not having a designated training space, which would need to be Covid-19 secure. In later evaluation stages businesses continued to raise recruitment issues as a concern, with 36% of surveyed businesses highlighting it. Businesses cited a competitive job market, and the increase in cost of labour as barriers to getting the right skilled staff.

- **EU Exit**

Businesses have reported issues following EU exit with the reliance on a European workforce, which has been further exacerbated by the delay in supply chains. They have also been affected by regulation and customs challenges.

- **Cost of living**

The cost of living crisis had a noticeable effect on both B2B and B2C businesses. B2B businesses reported increases in prices from suppliers, as well as clients reducing their budgets and taking less risk in new business. B2C businesses have reported decreases on sales especially in the hospitality, leisure and tourism sector. Businesses are also seeing steep increases in energy and operating costs.

