

# Annual Report 2019-2020

Lynn Johnston, Cake Fridge



# Helping Scotland's businesses

During 2019/20, as Scotland's national business advice service, we have helped over **40,000 customers**, handled **33,594 enquiries** and registered **22,249 new accounts**.

# Foreword

As we welcome you to the 2019/20 Annual Review of the Business Gateway service, it goes without saying that we are now facing a significant economic crisis, one which the International Monetary Fund (IMF) has described as 'a crisis like no other'. Indeed, the IMF previously stated the decline in the global economy is the worst since the Great Depression of the 1930s and businesses continue to face significant restrictions on their day-to-day operations. However, with the rollout of the vaccine, the possibility for more sustained and significant easing of restrictions looks within reach.

Over 2019/20 Business Gateway successfully supported over **43,532 customers in Scotland** but now, more than ever, we need to listen to what they are telling us to ensure that we are giving them the tailored support they need at this critical time. But we also need to look closer to home - where have we been as a service, where are we now and where do we want to get to? We need to ensure that we are in the strongest possible position to help businesses navigate safely through both this ongoing crisis and other challenges such as leaving the EU.

We took on responsibility for the management and delivery of the service in 2008 amidst the financial crisis and we quickly adapted to having to deliver resilience and survival support to businesses. In 2016, 40% of established businesses accessing Business Gateway support said the main benefit was survival, which suggests recessions have a lasting impact and will continue to influence the economy for years to come.

The heart of what we do at Business Gateway hasn't changed, but undoubtedly over the last year, the way in which we do it has. We have had to adapt, just as our businesses and customers have had to adapt, and we now need to be ahead of the curve to deliver the service and support that they need. In responding to the pandemic, we have quickly transformed our services from face-to-face meetings to online webinars and virtual adviser meetings. Harnessing digital platforms has been crucial for businesses at this

time, and our leading digital skills programme DigitalBoost has helped many businesses assess their strengths and weaknesses and to digitally upskill in response to the pandemic. The existing programme has also been bolstered, and recently received a further £1.5million from the Scottish Government, providing business across all sectors a critical lifeline as they embed virtual and digital offerings into their operations.

Looking ahead, where do we need to be? Undoubtedly our focus must be on 'place based' recovery, which means looking at and treating every area individually and at a local level. We already take this approach at Business Gateway, and last year we saw an increase in the number of businesses supported operating in rural parts of Scotland - **a rise of 23% for start-ups and 16% for growth businesses**. We also need to acknowledge a whole system approach incorporating economy, environment, education and regulatory services. Local Government is uniquely placed to lead on this. Collaboration between services is essential and in terms of business support, Business Gateway continues to be in the best position to deliver that place-based approach with 50 local offices and a network of over 150 advisers.

We're not out of the woods yet. It will be a long road to recovery and not everyone will make it. However, we continue working very closely with our colleagues at the Scottish Government and other enterprise agencies to ensure that we are joined up and able to deliver the best support possible, to business owners and the self-employed.

At Business Gateway, we have provided support to boost businesses resilience and survival for many years and we will continue to do so.

## Cllr Steven Heddle

Convention of Scottish Local Authorities Environment and Economy Spokesperson



# Contents

## Our year in numbers pg 5

Business Gateway  
support during  
COVID-19 pg7

DigitalBoost  
successes pg 10

Helping businesses  
meet the challenges  
of 20/21 pg 13

Focus on improved  
service to rural  
areas pg 16

Working in  
partnership pg 17

## Loomshed pg 8

Start-up support

## North Uist Distillery pg 9

Scaling up



## Love Your Planet pg 15

Adapting to COVID-19



## Heal Physiotherapy pg 14

Going digital



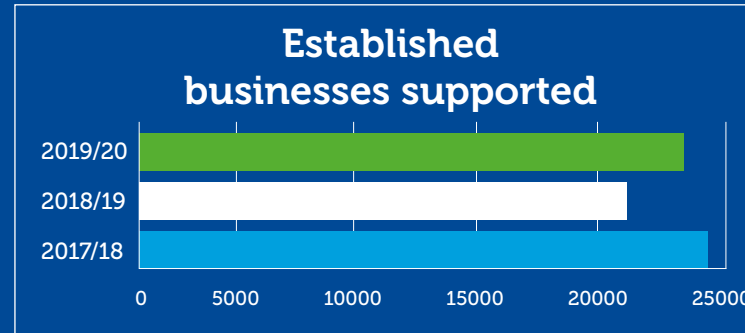
# Our year in numbers

Over 2019/20 Business Gateway has supported 43,532 customers across the country. With 50 local offices all over Scotland, we deliver sound business advice, access to market intelligence and our extensive network of contacts to those just starting out, right through to successful growth businesses.

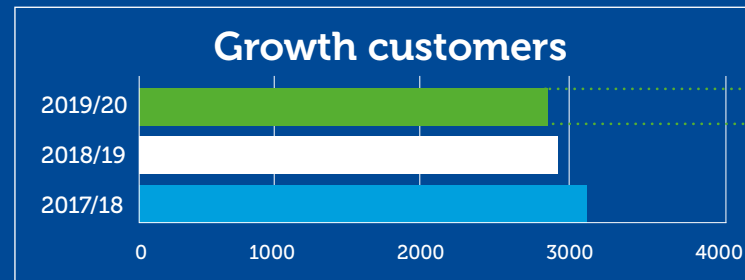
The digitisation of many sectors has been increasing at speed and this year has been no exception. Unsurprisingly we have seen a rise in the number of online enquiries as businesses have adapted to the challenges of the pandemic. DigitalBoost has been running for four years and helps business owners upskill to get the most out of digital channels in running their business, marketing and communicating. Through this hugely successful programme we are listening to what businesses are telling us, for example, this year downloads of our tools and guides have grown by a staggering 72% with a similar boost in visitor numbers to our online resources.

Our ongoing commitment to delivering support in rural areas is reflected by the increase of businesses supported.

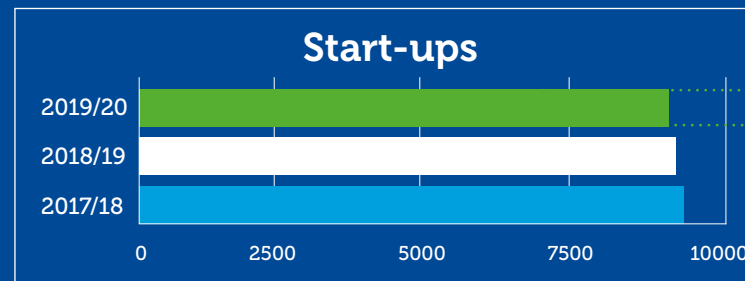
## The number of customers supported



**23,605**  
Established  
businesses supported  
**13,810**  
customer enquiries from  
existing businesses



**2,932**  
Growth customers  
**16%** increase in growth  
businesses in rural areas



**8,967**  
Start-ups  
**16,477** enquiries from  
pre-start customers  
**23%** increase in start-ups in  
rural communities

# Our year in numbers

This year Business Gateway:

**Organised 2,992** workshops and events across Scotland attracting **23,489** attendees

**Delivered** services over **150** advisers in **50** local offices

**Held 713** growth events with **4,979** attendees

**Broadcast 3,412** video tutorials

**Held 1,103** start up events with **7,995** attendees

**Attracted 832,612** web visitors

**Received 2,615,258** page views

**Completed 2,860**  
**DigitalBoost**  
Healthchecks

**Held 606**  
**DigitalBoost**  
workshops with  
**5,199** attendees

**Completed 653**  
**DigitalBoost**  
1:1 projects

# Business Gateway support during COVID-19

COVID-19 is undoubtedly one of the most significant peacetime challenges this country has ever faced. The impact on businesses was already evident in early March as our workshop numbers began to drop slightly as businesses focused on their preparations for a potential lockdown. Meanwhile, as people became cautious about face to face meetings, we looked for ways to mitigate this embracing digital platforms and the opportunities they provided.

The lockdown effectively shut down many parts of the Scottish economy to protect public health. While necessary, this has presented substantial changes for all businesses, and throughout the crisis, we have worked to support those struggling. Demand for support and resources have been high, with advisers reporting a record

number of calls from owners concerned about the impact of the pandemic on their business and livelihood.

Since lockdown was introduced, we have made all one-to-one appointments with specialist business advisers available by video or telephone and previously planned workshops have been made available as webinars, with over 830 delivered since April, reaching over 10,000 people.

A suite of new resources has been developed to support businesses adapting to new circumstances on topics such as trading online, working from home, continuity planning and managing your business reputation.

Business Gateway has also worked closely with local authorities to support the delivery of over 89,000 grants valued at over £998 million which have proved a vital lifeline for many businesses dealing with the economic impact of COVID-19.

Uncertainty remains a key feature of 2020/21, Business Gateway, along with other partners and local authorities, will continue to help businesses through the crisis and beyond.

# Loomshed

## The Business

Loomshed is a craft brewery on the edge of Tarbert in Harris, making a range of local speciality beers after founders, Jamie McGowan and Rob McKinnon, identified a gap in the food and drink offering of the region.

With a focus on creating jobs for young islanders, Loomshed hired Calum Bennet as Head Brewer following his graduation from Herriot Watt University, where he gained his MSc in brewing and distilling.

## The Challenge

As Loomshed, founders Jamie McGowan and Rob McKinnon were preparing to launch their ambitious new business and turned to Business Gateway for advice about how to scale up their offering.

## The Support

Derek Maclean, Business Gateway Adviser said: "We were able to work with the team at Loomshed providing one-to-one business advice and signposting relevant funding opportunities that would enable the growth of the business and allow the team to expand the food and drink offering of the islands."

## The Results

Loomshed received £22,000 from the Comhairle's Grants for Growth Scheme, which is part-funded by the European Regional Development Fund (ERDF). This was used to invest in essential equipment and develop a cost-efficient production system. It also enabled access to industry experts which helped the team facilitate the design and development of Loomshed's product and facility.

Loomshed has since launched with a portfolio that includes two beers, an IPA and a craft lager, which pay tribute to their island heritage and reflects Scottish and British brewing traditions, including British hops, Scottish barley and Hebridean water.

"We are enormously grateful to Business Gateway, as the funding we accessed gave us the ability to scale up our operations."

**Rob McKinnon**





# North Uist Distillery

## The Business

Founded in March 2019 by joint owners Jonny Ingledew and Kate McDonald, North Uist Distillery is a family business at heart, producing some of the finest artisan spirits in Scotland.

## The Challenge

With a Masters' degree in distilling, Jonny was well equipped with the theoretical experience, passion and an initial concept to drive the business forward, but it was Business Gateway that provided the practical experience necessary to form a business plan that would bring North Uist Distillery to market.

## The Support

Business Gateway coordinated monthly meetings with Highlands and Islands Enterprise and guided Jonny and Kate through the initial stages of development, providing advice on taking the product to market. The next phase of this ambitious business will involve fundraising for a new custom-built whisky distillery in North Uist.

Jonny and Kate were able to access finance from Business Gateway's "Grants for Growth" scheme which is part-funded by the European Regional Development Fund. The £12,000 funding grant acted as a mechanism to pay early up-front costs and allowed the business owners to fund a comprehensive set of essential financials to present to future investors. The team also took advantage of the DigitalBoost service to help create their website and improve various social media channels.

## The Results

Jonny and Kate, joint founders of North Uist Distillery, said, "The £12,000 funding grant helped us as we engaged with investors. Meanwhile, the DigitalBoost workshops gave us invaluable support to develop both our online presence and the brand, as in today's market, social media skills are key to growing brand awareness"

"Business Gateway engaged with us from the very beginning of our business journey and the support offered has been varied and invaluable"

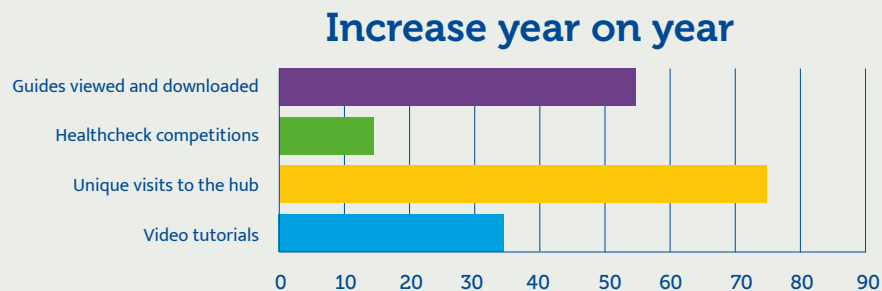
**Jonny Ingledew**



# DigitalBoost successes

Over the last year there has been a significant increase in the use of Business Gateway digital tools and webinars, supported through the successful delivery of DigitalBoost, Scotland's national digital skills programme.

Use of resources such as video tutorials, healthcheck completions, unique visits to the hub and guides are all up from last year, as businesses take advantage of the specialist support available to ensure they are in the best position to take advantage of digital technologies to improve productivity, increase resilience, and create new market opportunities.



Guides viewed / downloaded up **53%**

Healthcheck completions up **15%**

Unique visits to website **77%**

Video tutorials up **35%**

# DigitalBoost

Over the coming months, digital upskilling and maximising the use of technology will be a powerful tool in helping bring the country out of the financial crisis brought on by the pandemic.

Throughout this period, the DigitalBoost programme has repositioned itself to help businesses adapt and survive and in recognition of this, and the critical role digital services will play in the coming year, funding has been doubled to £1.5 million.

This will increase the reach and offering of the service and will be a critical lifeline as businesses overcome the exceptional challenges brought about by COVID-19, helping them take advantage of technologies, improve productivity and create new market opportunities.





# Helping businesses meet the challenges of 20/21

"As the 2019/2020 Business Gateway Annual Report once again illustrates the DigitalBoost programme has been a lifeline for a tremendous number of businesses looking to develop their digital journeys. Now more than ever before, businesses are realising they are a digital business and that they need to improve their digital skills and digital capabilities to make them more resilient and competitive.

This year Business Gateway has helped over 40,000 customers and delivered services from over 150 advisers in 50 offices across Scotland. In almost every sector and part of Scotland, Business Gateway is supporting SMEs to adopt digital technologies. DigitalBoost's free business support services delivered by Business Gateway has therefore never been more important as a place of first-contact for SMEs. I am therefore delighted that funding for DigitalBoost has been doubled this financial year. We will continue supporting this programme and I strongly encourage SMEs to take advantage of the support this programme can offer."

**Kate Forbes MSP, Scottish Government Cabinet Secretary for Finance**







# Supporting Diversity

For Business Gateway, working with a range of start-up and growth businesses led by people from a variety of backgrounds, has been a priority over the last year, with encouraging results.

Amongst start-ups, we are pleased to see a 32% increase in the number of businesses launched by people with a disability. There has also been a 4% increase in minority ethnic group led start-ups and 51% of total start-ups are now female-led, up slightly from last year.

These increases have also been mirrored across growth businesses over the last year, with the share of businesses led by minority ethnic groups up by 10% and those led by women by 4%.

Going forward, our aim is to build on this progress and support greater numbers of diverse businesses across Scotland.

# Heal Physiotherapy

## The Business

Launched in 2004, Heal Physiotherapy Limited is a first-class physiotherapy service offering a range of treatments including private GP care, specialist sports physiotherapy, massage therapy, podiatry, and psychology.

## The Challenge

Heal Physiotherapy was significantly impacted by the introduction of lockdown, effectively closing its doors for face to face consultations in March. In comparison to the same week in 2019, the business had only 8% of client bookings, while there was a similar reduction in Pilates and other exercises classes. Faced with the loss of all income, the business had to adapt quickly to provide a virtual offering for customers.

## The Support

Prior to the pandemic, business owners Lynne Falconer and Sally Kiddie accessed DigitalBoost – Scottish Government's leading digital skills programme, delivered by Business Gateway, to improve the company's online and social media presence. As the effects of lockdown were felt through the closure of its sites in Dundee and St. Andrews, the business owners used these skills to create engaging digital and video content for the website and social channels to reach customers during the pandemic.

## The Results

After launching a series of online consultations and classes, Heal Physiotherapy was able to deliver up to 60 sessions per week which helped the business navigate the impact of COVID-19. Ann Kerr, Business Gateway, said, "Lynne and Sally have used this period to adapt the business to be more digitally-focused, supported further through the DigitalBoost programme. This useful package is filled with free support services including one-to-one digital consultancy, a digital health check, access to webinars and guidance with switching current services online."

"The biggest challenge when you start a business is believing in yourself and that's where Business Gateway has supported me."

Lynn Falconer





# Love Your Planet

## The Business

Launched in September 2019, Love Your Planet is a sustainable food store located in Broughty Ferry - with over 75 dispensers filled with essential items such as pasta, rice, flour and pulses and is on a mission to reduce packaging and food waste.

## The Challenge

Following the introduction of lockdown in March, founder Debbie Gallacher, decided to continue trading after adapting her business model to help keep customers stocked up with essential items that may have been difficult to source from many large supermarkets.

## The Support

Debbie commented, "The first thing I did when lockdown was announced was call my Business Gateway adviser, Stuart. Since then, he has offered continued support and kept us up to date on crucial guidance from Business Gateway, local council, or government. It is because of this advice that we continued trading throughout this challenging period. It was sink or swim, so we quickly adapted our business to meet the demand and - most importantly, help our customers. Business Gateway gave me the confidence I needed to go beyond my comfort zone."

Business Gateway also provided advice on funding, HR and marketing during this period. Additionally, the team helped Debbie launch a new website that enables customers to shop using click and collect or delivery service for the business

## The Results

Following advice and support from Business Gateway, Love Your Planet, has seen a 22% increase in sales since March. Additionally, there was increased demand for products such as dew disinfectant and hand sanitisers, which soared by 253%, while dry good sales increased by 68% when compared to the previous quarter.

"Business Gateway became part of our bigger team and the connections our Business Gateway adviser had meant he was perfectly positioned to educate us about potential funding opportunities."

**Debbie Gallacher**



# Focus on improved service to rural areas

Given Scotland's unique geography, it is a priority for Business Gateway to provide appropriate support and resources for rural businesses across the country that face different challenges to those located in more urban areas.

Our dedicated team across Scotland understand this and are experts in the initiatives and programmes available to ensure rural businesses can successfully start-up and grow. These efforts have helped ensure that the number of businesses operating in rural parts of Scotland that we have supported has increased by 23% for start-ups and 16% for growth businesses.

Another area that has been a priority for the Business Gateway service is encouraging young people to live and work in more remote areas of the country, as these communities often struggle with a shortage of young people and a declining population.

To achieve this, we have been advocating the messaging that starting a business is a viable and rewarding career path for young people. This message has resonated across rural communities, with the number of businesses led by young people increasing, after support from our advisers who are helping them get on their feet.





# Working in partnership

Business Gateway is delivered by local authorities but works in collaboration with a wide variety of organisations to help deliver the best advice and support to Scottish businesses.



[FindBusinessSupport.gov.scot](https://findbusinesssupport.gov.scot)





**Contact us at** [info@bgateway.com](mailto:info@bgateway.com)  
or call 0300 013 4753  
[www.bgateway.com](http://www.bgateway.com)

McLaggan Mugs