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# Support for the production of a Copeland Enterprise Development Programme Phase 3

# **FINAL REPORT**

Prepared for Copeland Borough Council

October 2022

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#### Introduction

This report covers Phase 3 of the research support provided to Copeland Borough Council on their Enterprise Development Programme. Since commencing this research, the Council has been successful in obtaining funds from the Government's Town Funds Scheme for regeneration and capital investment initiatives in both Cleator Moor and Millom & Haverigg. This presented an opportunity to align the enterprise research programme with the Town Fund priorities in Copeland. Our aim, therefore, is to identify case studies of successful intervention in stimulating enterprise development in other similar parts of the North of England and south of Scotland. The case studies seek to identify the factors that determine successful interventions in enterprise development to inform the delivery of relevant projects within Copeland.

# 1. Literature review: supporting enterprise development in local economies

In seeking to develop an approach to stimulating enterprise development in Copeland, there is a need to understand the entrepreneurial process in general, and the specific forms it takes within the local context in Copeland. Two aspects are relevant to this discussion; first, the factors that influence motivation to set up in business, and secondly, the processes by which new and existing entrepreneurs acquire the knowledge and skills that are essential for survival and growth, particularly in the formative years of new business starts. This section of the report uses recent literature to inform understanding of these entrepreneurial processes.

#### 1.1: Motivations for starting a business

There is a considerable body of literature on the motivations for starting a business. In a relatively recent review of this work, Stephan *et al* (2015) suggest that these motivations can best be understood by considering the following dimensions as follows:

- I. Achievement, challenge and learning
- II. Independence and autonomy
- III. Income security and financial success
- IV. Recognition and status
- V. Family and roles
- VI. Community and social motivations.<sup>1</sup>

Any or all of these could be a motivator for someone starting a small business. These dimensions are considered in turn.

#### I) Achievement, challenge and learning

Having meaningful work and responsibility or a desire for personal development can be an important motivator to start one's own business. The achievements of those already in business can act as an inspiration to those contemplating starting up for themselves. Successful entrepreneurs in the local economy might act as role models, mentors and/or as a source of learning. Their help can save time and money for new companies, enabling them to escape the pitfalls of starting up and to navigate the pools of funding and other help that may be available to them locally. Their survival over the years also acts as a reminder to new start-ups that financial success may not always come quickly, that hard work and

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<sup>&</sup>lt;sup>1</sup> Adapted from Stephan et al (2015), p. 5

perseverance are likely to take time to pay off. According to the national Association of Business Mentors (ABM), 70% of businesses which work with a mentor survive five or more years and 97% of businesses which work with a mentor say they are invaluable.<sup>2</sup>

#### II) Independence and autonomy

A desire for greater independence and/or autonomy are so-called "push" factors for start-ups, likely to be relevant for those entrepreneurs who have already spent a number of years in a large business perhaps where they may have found the lack of autonomy to be an inhibitor to their job fulfilment or career progression. New ventures and spin-off companies can result. Having control/flexibility over one's own work and time can be an important motivator. More broadly, one may be motivated by a general level of dissatisfaction with one's present job.

# III) Income security and financial success

The ability to achieve income security and financial success from either starting up a new firm or expanding an existing one is dependent on a number of factors:

- the firm having the right skills
- the firm having the right premises
- the firm having the right technical and physical equipment
- there being sufficient demand for one's product or service
- having access to capital.

It is evident from this list that the public sector, including local authorities, can play a key role in facilitating an entrepreneurial environment through its policies designed to improve skills, provide or improve premises, support new technologies and provide sources of capital particularly in pre-competitive stages in new firm formation.

#### IV) Recognition and status

Owning and managing your own business can be a source of considerable status that is recognised in local communities. While this is rarely the single most important factor in motivating entrepreneurship, it is certainly one of the rewards of success in business. It is also the case that some entrepreneurs may be motivated by a desire to overcome various forms of disadvantage and a lack of recognition in other social spheres. Business awards ceremonies, for instance, often have special categories of award for businesses that are owned by female entrepreneurs and those from minority ethnic groups. There are business support groups that target assistance towards women and specific minority groups in order to encourage them to set up in business or to grow. This is where "Women in Business" support networks have been found to be useful cf. Cumbria Growth Hub Women's Networks (*Lakeland Businesswomen's Network* (LBN), *Pink Link* – a North West business women's network and *Women in Property* – a national network for women working in the property and construction industry).

#### V) Familial and role model influences

Familial and role model influences have been found to be an important influence on the number and success of business start-ups. Those brought up in an environment where self-

 $<sup>^2\</sup> https://cumbriagrowthhub.co.uk/news/27977-association-of-business-mentors-abm-championing-professional-business-mentoring-across-the-uk$ 

employment is prevalent, have been found to be much more likely, to set up a business themselves. Conversely, if family members have all worked in a specific industry or with a specific employer or have a multi-generational history of unemployment, then it can be much harder for an individual to break out of that cycle. Education has a role to play here in the form of careers advice in schools, in Places of Further Education and Higher Education.

## VI) Community and Social motivations

A desire to contribute back to the community can be a motivator for starting up a business. It can also include aspects such as looking after one's employees or being an environmentally-friendly company. So called "social" entrepreneurs are contrasted with "commercial" entrepreneurs where the former have indicated in questionnaire studies that the nature of their start-up was primarily to help others, the community or the environment. Their firm might therefore also be classified as a social enterprise.

The above 7 dimensions represent a mixture of so-called "push" or "necessity-driven" and "pull" or "opportunity-driven" factors. They acknowledge that entrepreneurship can be an employment choice out of necessity, for example, to deal with job loss or through having few alternative sources of income. Alternatively, one may be motivated to start one's own business because one sees a gap in the market or one has a novel idea and can obtain the resources needed to develop it. Of course, it could be a combination of both necessity and opportunity that leads one to start a business. For example, during the Covid-19 pandemic, someone who was placed on furlough may have felt a degree of insecurity about their future employment with their current employer and may also have only been receiving 80% of their former pay giving rise to thoughts of necessity to find an alternative source of future income. At the same time, furlough time may have been used to advantage in researching and/or developing a business idea and business plan.

A third option when thinking about entrepreneurial motivation is that it could be due to seeking an "improvement" in one's work conditions. In international studies, it has been found that the relative importance of "improvement-driven" motivations increases with the level of economic development and is highest in innovation-driving economies such as the UK.

#### 1.2: Different types of entrepreneur

While the above characteristics have been shown to have an influence over the motivations of entrepreneurs, research also shows that there are some differences between individual entrepreneurs depending on personal characteristics, in particular by gender, age and level of education. These personal characteristics also have closely intertwined association with aspects of entrepreneurial motivation.

Studies have shown that there are some general differences in survey responses of men and women with regard to motivations to become business owners. Stephan et al (2015), for example, report that women entrepreneurs tend to start businesses for slightly different reasons compared to men related in part to the social context and the historic role of women in the labour market. It is argued that autonomy/flexibility in working hours and social motives play a greater role for women than they do for men. In a study of Northern Ireland female entrepreneurs, McGowan et al (2012) found that the autonomy and flexibility of work associated with enterprise ownership was an important motivational factor. At the same time, the overall high time demands, associated feelings of guilt towards the family and childcare issues are described as lowering female motivation to create their own enterprise. Jayawarna et al (2011) report similar findings with regard to autonomy and flexibility which seems to be a

more prevalent driver for entrepreneurial engagement amongst working class, young white mothers in the UK. In the USA, Reynolds and Curtin (2008) find that women put slightly less emphasis on achievement, income/wealth and reputation<sup>3</sup> motives but a slightly greater emphasis on autonomy and flexibility.<sup>4</sup> Some of these findings are undoubtedly controversial and the results need to be interpreted carefully to avoid creating stereotypes. However, it is evident that for some women entrepreneurs at least, starting a small business provides a source of income that meets their requirement for autonomy and flexibility.

Stephan et al (2015) found that necessity entrepreneurs tended to be older than opportunity-motivated ones. They also report that education appears to have a positive effect on opportunity, necessity, social entrepreneurship and on growth ambitions of entrepreneurs.<sup>5</sup> Levie and Hart (2011) found that higher level education was positively related to pursuing social entrepreneurship; and Jayawarna et al (2011) found that older educated women are more likely to pursue socially- oriented entrepreneurship.

Looking at a different dimension, namely, the origin of entrepreneurs, Levie and Hart (2011) found that the likelihood of being a social compared to a commercial early-stage entrepreneur was higher for in-migrants into a local area.<sup>6</sup> Also, UK born in-migrants as well as immigrants to an area were more likely to be early-stage entrepreneurs with high growth ambitions compared to life-long residents.<sup>7</sup> This could be an important finding when considering the attraction of inward investment to Copeland.

#### 1.3: Different models of entrepreneurship and their outcomes

Stephan et al (2015) report that different entrepreneurial motivations for starting a business can lead to differences in firm performance, investment in firms and satisfaction with their business. In this regard, Reynolds and Curtin (2008) report positive associations between opportunity motivation and growth ambitions and negative associations between necessity motivation and growth ambitions. They similarly link growth ambitions to wealth-seeking but also to achievement ambitions. Despite these associations, seeking independence and autonomy is still the most important motivation proclaimed in the group of nascent entrepreneurs most likely to create high impact, growth-oriented businesses, followed in importance by wealth creation.<sup>8</sup> In another study, Levie and Autio (2013) found there to be no systematic relationship between age and growth ambitions. Surveying UK entrepreneurs in deprived areas, Jayawarna et al (2011) investigated motivation types and their links to firm performance. They found that necessity driven entrepreneurs' firms tended to display no or slow growth. The firms of "reputation-driven" entrepreneurs displayed moderate growth whilst those described as "achievement orientated, learning and earning entrepreneurs" tended to report high growth.<sup>10</sup>

It is important to note that motivation may change over the process of starting a business and running it ie. as entrepreneurs learn how to run a business, this in turn impacts upon their

<sup>&</sup>lt;sup>3</sup> By reputation, it is meant "keen to increase one's reputation in the community or amongst one's peers."

<sup>&</sup>lt;sup>4</sup> Stephan et al (2015), page 22.

<sup>&</sup>lt;sup>5</sup> Stephan et al (2015), page 6.

<sup>&</sup>lt;sup>6</sup> Stephan et al (2015), page 24.

<sup>&</sup>lt;sup>7</sup> Stephan et al (2015), page 25.

<sup>&</sup>lt;sup>8</sup> Stephan et al (2015), page 20.

<sup>&</sup>lt;sup>9</sup> These being more likely to be older males

<sup>&</sup>lt;sup>10</sup> Stephan et al (2015), page 36.

motivation. Hence what starts as necessity entrepreneurship can still be a route to a successful entrepreneurship in terms of growth.

#### 1.4: The provision of certain facets conducive to entrepreneurship, survival and growth

In our discussions so far, the motivations for starting a business can be considered to be "demand" factors whilst the prevalence of certain conditions can be considered to be "supply" factors. We shall now turn our attention to looking at the importance of provision of particular facets. Newbery et al (2021) in a report for DEFRA have looked at the factors and combination of factors that appear to be most important to rural entrepreneurship. <sup>11</sup> Rural entrepreneurial affordances include natural capital, social capital and factors relating to entrepreneurs' family and lifestyle preferences. "To sustain a high-performing entrepreneurial ecosystem requires a long-term vision where a supportive culture of successful, well-connected entrepreneurs and other key actors can thrive – and in sparser rural regions, this may include extensive connections beyond the local region" <sup>12</sup> (Cumbria Growth Hub works well in this regard given the number of regional and national connections it gives access to via its website and advisors who are easily contactable) <sup>13</sup>. In the context of regional economic development, Newbery et al (2021) note that "well connected rural places that also offer a desirable living environment may attract skilled workers who can stimulate increased enterprise and investment in the area and potentially initiate virtuous circles of development." <sup>14</sup>

In Newbery's study of 158 local authority districts in England that were classified as being "rural", they found the following 5 factors to be of greatest importance in creating an environment conducive to entrepreneurship:

- i. Digital connectivity
- ii. Touristic affordances and natural capital
- iii. Skills
- iv. Organisational density
- v. Market power
- vi. Business networks.

We shall look at these in turn.

#### i) Digital connectivity

Digital connectivity is now widely accepted as a basic necessity for businesses across all sectors. Newbery et al (2021) found that the affordance provided by digital connectivity is dependent on business type ie. the lack of importance can be reflective of some rural entrepreneurs' local embeddedness and engagement in local markets and social networks. However, for outward facing businesses that trade online, the footloose opportunity provided by reliable, fast internet connectivity opens up rural areas as a location. The affordance of superior broadband connectivity has gained greater value during the Covid-19 pandemic, enabling certain sectors to continue their business activities despite the closure of their

<sup>&</sup>lt;sup>11</sup> Using the Rural-Urban Classification of Local Authorities Post-2009 Boundaries (DEFRA 2011), Copeland has been defined as a predominantly "rural" district, hence our concentration on rural entrepreneurship.

<sup>&</sup>lt;sup>12</sup> Newbery et al (2021), p. 10.

<sup>&</sup>lt;sup>13</sup> See Cumbria Growth Hub website at <u>Supporting Success - Cumbria Growth Hub</u>

<sup>&</sup>lt;sup>14</sup> Newbery et al (2021), p. 11.

physical premises to customers.<sup>15</sup> The digital realm has also seen some businesses build stronger connections with their local communities via Facebook and other social media. The importance of digital infrastructure as an enabler or constraint has also increased due to the rapid growth of remote working and the dependence on online tools for accessing retailing, education and social connectivity.

#### ii) Touristic affordances and natural capital

Tourism businesses quite clearly depend on local imagery for attracting visitors to their area. However, the nature of local environments can have an impact on a much wider range of businesses and sectors. For instance, businesses may be able to draw on positive imagery due to their location, through the branding of local products. Businesses may be able to use attachment to the location to engender familiarity and trust within their local markets. A rural provenance also allows businesses to capitalise on the growing demand for local foods. Tourism firms are well placed to lobby for better digital infrastructure, being dependant on the internet for marketing as well as to meet the expectation of visitors.

#### iii) Skills

As might be expected, in their study of rural entrepreneurs, Newbery et al (2021) found that the previous skills and experience of the entrepreneur were frequently cited by businesses as being a key enabler. Owner-managers, for instance, may already possess knowledge of technologies and product-markets as well as being embedded in the networks required for business success. Entrepreneurs may also have experience of running previous businesses or may have acquired managerial and networking competences through employment in other small and medium-sized firms. The prevalence of high skills is also key to increasing the number of business births, business survival and business high growth.

## iv) Organisational density

Organisational density is said to be an affordance when sectoral clustering occurs, thereby giving enterprises proximity to increased knowledge, suppliers, customers and pool of labour. Newbery et al found that the higher the number of enterprises per head of working population in an area, the higher the business birth rate, survival rate and high-growth rate.

#### v) Markets

The Newbery analysis identified "market power" as one criterion that affects entrepreneurial success. Market power is measured by the level of disposable household income and the prevalence of banks and building societies in the area as surrogate measures of local incomes. This could affect an entrepreneur not only on the supply side (local capacity to generate private capital) but also the demand side (as many small businesses rely on local markets).

#### vi) Business networks

Newbery et al (2021) found that the majority of rural businesses operated independently. Where they did join formal networks, it tended to be for defined purposes, for example an exporting firm joining the local Chamber of Commerce in order to get support with different regulations for different countries; or joining trade associations that provide specific training or marketing support. "Small businesses are selective as they don't have the time to commit to a lot of formal networking activities and they need to have advice that is relevant to their

<sup>&</sup>lt;sup>15</sup> Newbery et al (2021), pp. 56-7

business and location."<sup>16</sup> In addition to business-to-business networks, public sector business support was found to be an important consideration for existing entrepreneurs. Those councils who had good rates relief schemes for towns were seen to offer lifelines to retail enterprises that would otherwise struggle to survive. Councils that are "very good at promoting the town and do a lot of things to try and bring in people for events" were also recognised as fulfilling important roles within their entrepreneurial ecosystems.<sup>17</sup>

Newbery et al (2021) distinguish between "rural entrepreneurs" and "entrepreneurs in the rural" to connote those businesses for whom the rural context matters as a location of meaningfulness and social life (Korsgaard et al, 2015, p. 13) and those who "engage with their spatial location as a space for profit." They state that "rural entrepreneurs are more dependent on the affordances associated with the local market and local assets that can be commercialised for external trade, while connectivity, convenience, lifestyle and digital infrastructure are most important for less embedded "entrepreneurs in the rural." <sup>19</sup>

#### 1.5: The role of incubation

Business incubation is a term in the literature that refers to systematic efforts to nurture new firms in the early stages of development and to provide support through provision of various services within a controlled environment (Theodorakopoulos and Kakabadre 2014). As such, research on the ways in which business incubation can be delivered is highly relevant to Copeland's ambition to develop a more systematic approach to developing entrepreneurship within the Borough.

Business incubation can take many different forms depending on the nature of target sectors and local environments and there are already many examples within Copeland that fit this definition. The concept of business incubation, for instance, is clearly evident in the design of science and technology parks as well as those aimed at a wider range of sectors within industrial parks and smaller scale businesses located within "managed workspaces", "business centres" or "business parks". Recent intervention aimed specifically at nurturing small-scale knowledge-based businesses have also been developed in other guises such as "venture parks" and "Ideas labs." The essential characteristic of all of these schemes is that physical infrastructure is provided in combination with a range of value-adding services targeted to the needs of tenants. There has also been discussion of the relevance of "virtual incubation" where such services are provided to a target group in the absence of co-location.

These various forms of incubation linked to specific business premises can be analysed in terms of the intensity of technology and levels and types of support provided (Dee et al 2012). At the lowest level, even traditional "Industrial Estates" often provide businesses' tenants with basic property services. At the other extreme, however, interventions to stimulate entrepreneurship and start-ups can be much more "hands on" with a full range of customised business services including aspects of networking and support for knowledge acquisition in high technology fields (variously described as technology incubators, ideas labs, venture labs etc.). Figure 1 attempts to show the range of labels that can be attached to such "incubators" depending on levels of technology and support. The distinction between these categories can be blurred and categories may not be discrete but seen as "nested" concepts i.e. there could

<sup>&</sup>lt;sup>16</sup> Newbery et al (2021), p. 64.

<sup>&</sup>lt;sup>17</sup> Newbery et al (2021), p. 67.

<sup>&</sup>lt;sup>18</sup> Newbery et al (2021), p. 6.

<sup>&</sup>lt;sup>19</sup> Newbery et al (2021), pp. 52-3

be venture labs or managed workspaces situated within science and technology parks. However, this diagram is useful in displaying the range of possibilities and the symbolism that may lie behind the way in which different business locations are marketed.

Figure 1: Typology of business incubation

			Level of techn	ology
		Low	Medium	High
Level of	Low – limited to	Industrial	Business Park	First generation
Support	aspects of property	Estate		Science Park
	Medium – property services plus generic business support	Managed workspace	Enterprise or innovation Centre	Enterprise or innovation Centre
	High – full range of business services and networking	Business Incubator	Business innovation Centre, ideas labs	Science and Technology Park, venture labs, ideas labs

Source: Based on typology presented in Dee et al, 2012, p. 6

N.B Table contains terms typically used to describe business locations of different types associated with levels of support and technology, In practice, these terms are not consistently applied and often used interchangeably. They are used here for illustration purposes only.

#### a) Network-based incubation

Theorists agree also that the concept of incubation has evolved over time, a process that has been characterised in three stages of generations:

- 1980s-1990 1<sup>st</sup> generation with focus on provision of affordable space and hard infrastructure
- 1991 2000 2<sup>nd</sup> generation with focus of infrastructure PLUS provision of on-site business advice
- 2001 to date 3<sup>rd</sup> generation with an emphasis on network development alongside infrastructure and general business support. This approach also opens the possibility of virtual incubators with no locatable physical infrastructure.

The rationale of business incubation relates to the provision of add-on services linked to premises or facilities that may partly be shared by occupants. The key point is that provision of property gives access to a strategic, value-added intervention system that seeks to accelerate the entrepreneurial process.

Analysts emphasise that it is vital that such schemes are based on a clear understanding of the entrepreneurial process. Most recent approaches emphasise the significance of networks as a means by which business owners acquire the knowledge and assets required for survival of the business in its formative years.

The idea of network-based incubation is now a significant if not dominant paradigm in approaches to business start-up (Eveleens et al 2017). Indeed, Newbery et al (2021) found good business networks to be a key factor in the propagation of start-ups, their survival and growth. In this approach, providing an environment where new business owners can access intangible resources such as knowledge and legitimacy in their business environment is critical to success. The approach varies depending in part upon markets and technologies but networks clearly include suppliers of goods and services alongside customers and clients.

However, a range of other types of actors are also included, such as incubator managers, consultants, financiers, service providers, research institutions, universities and colleges. Close interaction with other start-up businesses is also considered to add value to networks.

Eveleens et al (2017) argue that the importance of networks is supported by a range of management theories. Under resource-based perspectives, new start businesses rely significantly on resources outside the firm and networks provide a vital means through which such assets are identified and acquired. Under a knowledge-based perspective, these assets include vital know-how (and know-who) – how to manage, how to engage, who to speak to – forms of tacit knowledge that can only be acquired through interaction with others (through observation, emulation, ...). Effective networking also generates good will and trust between actors that becomes the basis for joint action, creating what some have referred to as "social capital".

#### b) Network-based practices

A variety of activities have been described as "network-based practices" in business incubation, including networking events, introduction to key actors, coaching, mentoring, partnering. In this context, it has been argued that the role of the "incubator manager" is critical for entrepreneurial learning and business development. The role of the manager can vary – for some this is as a passive gatekeeper for services and knowledge provided by others. However, depending on skills and knowledge, such individuals can become active intermediaries.

As active intermediaries, incubator managers need to have the skills and capacity to understand the unique requirements of individual businesses – the specific requirements of entrepreneurs rather than simply offering generic business advice which is comparatively easy to imitate and provide. Theodorakoupolos and Kakabadre (2014) suggest that situated learning theory (SLT) has some merit in this context. This suggests that entrepreneurial learning takes place within "communities of practice" – a group of individuals that share common concerns and learn from one another as they interact regularly - the purpose of which is to create circumstances that build human, social and financial capital within business networks.

#### c) Network and knowledge-based services

In a recent publication, Diamontapolou et al (2018) attempt to construct a taxonomy of the services that are commonly offered to start-up businesses based on experience in the Mediterranean region of Europe. This can be summarised as follows:

- Infrastructures flexible workspaces, shared conference rooms, shared office equipment, digital connectivity
- Operational services secretarial, reception, legal and accounting services and advice
- **Business support services** consulting, entrepreneurial advice, mentoring, advice on business model development and planning
- **Financing** signposting to sources of funding including venture capitalists, seed funding, grants, crowdfunding
- **Networking** activities for increasing connectivity with other key institutions and actors to facilitate knowledge exchange (a wide range of possibilities depending on

context - mentors, other tenants, potential clients, investors, partners, experts, academia, technologists etc.)

- **Events organisation** for various purposes including "meet the buyer," matchmaking, brokerage, pitching events, workshops, conferences.
- **Educational services** teaching and training activities related to entrepreneurship and innovation, knowledge transfer, technology support and tenants' skills enhancement.

Recent case studies of incubators in a variety of countries tend to confirm the significance of network-based services for development of new start businesses (Wolniak et al 2019 – USA and Poland; Philipe de Oliveira Godeiro et al 2018 – Brazil; Carvalho et al 2019 – Portugal and Brazil; Brown et al 2018 - Northern Ireland). The study by Brown et al (2018), for instance, presents the results of an on-line survey of women entrepreneurs operating in an Enterprise Centre. The survey asks respondents to indicate which services they regard as "essential" for business success. It is significant that the most widespread reply affecting at least two-thirds of all respondents related to **training in business and management** and **network-based services** (events, mentoring, discussion groups, introductions to peers and other role models) (see Table 1).

Table 1: Essential Services within a Women's Enterprise Centre

Service preferences	Responses	%
Training and programmes	77	81.9
Networking events	67	71.3
Mentoring	64	68.1
Facilitated discussion groups with peers and role models	62	66.0
Café/community hub	51	54.3
Access to technology and technical support	51	54.3
Hot desk and workspace	49	52.1
Meeting rooms	44	46.8
Childcare facilities	42	44.7
Fitness/yoga suite	31	33.0
Quiet reflective thinking and relaxation space	30	31.9
Other	11	11.7

Source: Brown et al 2018; N=98

For technology firms, the range of services regarded as essential or of value differs from more generic forms of enterprise support. In a study specific to science and technology parks (STPs) across Europe, Laspia et al (2021) identify a typology of innovation services commonly provided by such facilities. These are divided into four main categories under product & process innovation, finance, markets and human resources. Activities are also listed in Table 2 including significantly aspects of technology. This indicates the importance of considering the local business environment and the specific needs of likely tenants in designing incubation services.

Table 2: Types of services provided to support innovation within Science and Technology Parks

Category	Activity
Product and process	Technical consultancy (process)
innovation	Technology forecasting
	Protection of intellectual property and licensing
	Logistics
	Product and process innovation
	Sourcing
	Scouting
Finance	Fund raising
	Participation in calls for projects
	Administration & finance
Market	Internationalization
	Marketing
	Management consulting
Human resources	Training
	Organisation

Source: Laspia et al 2021, p.4

While these lists convey some sense of the types of services that might be provided by different forms of incubators, Carvalho et al (2019) have pointed out that these forms of support should not be viewed as a prescription for what is best or required. This is because "the most effective incubators supply individual services, tailor-made for each entrepreneur, in combination with other entrepreneurial support programs targeted to the needs and specificities of nascent entrepreneurs" (p. 86). The nature of the service provided is therefore dependent to a large extent on the client businesses themselves.

# 1.6: Key findings from the literature review

Motivations for entrepreneurship are many and varied in individual cases, but a broad distinction can still be made between those that are drawn to particular opportunities and those that are necessity-driven due to circumstance. The two categories are, however, not discrete and there will be elements of both in individual cases. A third category is also possible where individuals' prime motivators relate to a desire to improve work conditions.

Recent studies of the factors that affect local and regional variation in entrepreneurial activity confirm the significance of variation in inherited economic and social structures as key determinants. These affect not only the propensity for individuals to engage in entrepreneurship but also the market opportunities that exist in local areas.

Rural and peripheral areas are commonly viewed as being disadvantaged due to low critical mass, low market power, less well-developed business networks and poorer digital connectivity. For some entrepreneurs, however, notably in tourism, local environments can be used to promote businesses through local place branding.

The role of business incubation in its widest sense (i.e. not just premises but also intervention to improve human capital, build business networks and provide financial support) is viewed as highly significant in fostering a positive entrepreneurial environment. The shift from purely property-led interventions towards more network-based support services in recent decades has been particularly significant.

Figure 2 attempts to summarise the various approaches to fostering entrepreneurial activity in local areas. Conventional property-led interventions are still significant in the form of premises adapted to the needs of specific types of firms and sectors. More recent examples however tend to align property investments with the provision of other types of services to business owners. These include investments in human capital (management training, entrepreneurial education) and advice on sources of finance (capital grants, venture capital, financial incentives).

Most significantly, however, public sector interventions have increasingly recognised the importance of aligning property investments with network-based interventions – support and opportunity for entrepreneurs to engage with other relevant businesses, intermediaries, individuals and institutions. Recent surveys of new business owners consistently show the value placed upon a range of network services such as events, mentoring, discussion groups, peer-to peer introductions, cluster groups, meet-the-buyer schemes and role models.

Figure 2: Approaches to fostering new business starts and enterprise growth

	Human capital	Property-led interventions	Network-based interventions	Financial supports and incentives
Description of approach	Opportunities to acquire relevant skills and knowledge in formal and semi-formal settings	Offer of premises adapted to the specific needs of target businesses	Support for entrepreneurs to engage with other relevant businesses and institutions	Financial assistance as well as provision of venture capital and access to finance
Examples / illustrations	Business start- up training courses  Provision of management training  Provision of entrepreneurial Education	Managed workspaces  Business centres  Science and Technology Parks  Incubator spaces	Sectors groups to support collective action and shared learning  Business clusters  Supply chain development and meet the buyer events	Rates relief and tax incentives  Venture capital schemes  Capital grants for equipment  Grants and financial incentives for R&D
			"Buy-local" schemes	

#### 2: Case Studies of interventions to support enterprise development

Having considered, in depth, the different entrepreneurial motives, processes and conducive factors to stimulate start-ups, survival and growth, in this chapter we move on to consider case studies which we might draw on as exemplars of what works in seeking to stimulate enterprise development in local economies and the relationship between provision of business premises and other approaches to fostering entrepreneurship. A key aspect of the case studies concerns the extent to which successful property-led interventions to stimulate entrepreneurship depend upon the way in which such schemes are positioned within the overall business innovation eco-system. More specifically, attention focuses on the extent to which interventions to develop human capital and to improve access to finance and networks might add value to public investment in business premises. The effectiveness of property-led schemes may also depend on the skills and knowledge of Incubator managers. This is another aspect that could usefully be covered in case studies.

#### 2.1: Criteria for selection of locations

In selecting case studies, the most useful exemplars of interventions to foster enterprise development are likely to be those in comparable types of local economy. While it is widely recognised that Copeland is unique in its dependence on a single large employer within the nuclear sector, the area displays other characteristics that are widespread across the North of England and south of Scotland, in particular its urban structure (freestanding industrial towns and rural settlement) and its relatively isolated coastal location. In terms of its urban structure, Copeland has much in common with several other parts of Cumbria, North Lancashire and Northumberland as well as Dumfries & Galloway and Scottish Borders. Its relatively isolated coastal location is also a feature of parts of North Yorkshire and West Lancashire.

Notwithstanding the dominance of industrial employment in Copeland, studies of urban structure tend to suggest that settlement patterns in Copeland have much more in common with other rural areas than with industrial conurbations. A recent study by Newbery et al (2021) for instance identifies Copeland as one of 158 rural LADs in England. This is based on the percentage of population living in rural settlements and market towns. For Copeland, this figure is over 80%. In this study, "rural" is defined as any local area with more than 26% of its population residing in rural settlement or market towns. This list includes most of Cumbria as well as nearby localities in Northumberland, Yorkshire and Lancashire. It is significant to note also that analysis conducted by Newbery tends to suggest that these "rural" localities share similar opportunities and constraints in seeking to promote entrepreneurialism, which suggests that urban structure is an important characteristic to consider in identifying meaningful comparators (see summary in Statistical Appendix A.)

In addressing entrepreneurship, previous research also demonstrates the distinctiveness of more remote coastal locations which may not only present limitations on enterprise development but also offer potential opportunities derived from coastal environments and assets. Studies clearly demonstrate that "coastal" areas vary considerably as some local economies perform much better than others (Beatty et al, 2008)<sup>20</sup>. The regional context matters, and coastal areas that are relatively remote from major centres of population are perhaps more vulnerable than others. In a recent review of "coastal towns", ONS (2020) has

<sup>&</sup>lt;sup>20</sup> Beatty, C., Fothergill, S. and Wilson, I. (2008) England's Seaside Towns: A Benchmarking Study" Centre for Regional Economic and Social research, Sheffield Hallam University, Report prepared for the UK Department for Communities and Local Government.

outlined the common signs of economic fragility in many remote coastal economies that include greater propensity for population decline, employment decline, population ageing and higher levels of deprivation.<sup>21</sup>

# 2.2: Selection of case studies of intervention

On the basis of these criteria, benchmark schemes in the following areas could be relevant:

**Table 3: Case Study locations** 

North West	North East	Scotland
Carlisle	Northumberland	Dumfries & Galloway
South Lakeland	North Yorkshire	Scottish Borders
Lancaster		
Blackpool		
Fylde		

A search was subsequently carried out within these areas to identify interventions that aim to stimulate enterprise growth and entrepreneurship based, at least in part, on investment in new or improved business premises. These examples cover a range of sectors and private as well as public sector-led schemes. These schemes vary in scale, sector focus and also in terms of the role played by public and private sectors. 21 such cases were identified and approaches were made for interview. Ten case studies were completed based on published information and in-depth interviews with managers of these business incubators between May and July 2022. Interviews lasted around one hour and in most cases this was followed by a brief tour of the premises. The Interview schedule considered a range of themes as follows:

- Origins of the project objectives, who was involved, sources of funding
- Characteristics of premises
- Types of businesses
- Fee structures and lettings
- Facilities and shared services provided
- Role of incubator managers
- Business support and networking
- Measures of success and success factors
- Lessons learnt
- Transferability of project to other locations

<sup>&</sup>lt;sup>21</sup> ONS (2020) Coastal Town in England and Wales, October 2020 https://www.ons.gov.uk/businessindustryandtrade/tourismindustry/articles/coastaltownsinenglandand wales/2020-10-06

#### 3. Case study analysis

#### 3.1 Types of organisation

Organisational types fall into three broad categories (see Table 4). In two cases, the business incubator was owned and managed directly by a local authority as part of the Council's property portfolio. In these cases, the business model required that the rental income was expected to cover operating costs. In three other cases, the business incubator was owned and managed privately with a similar expectation that the rental income covered cost and generated a profit. The remaining five cases were operated by social enterprises with charitable status, two based on a Community Trust and another on a Community Benefit Society with over 400 members.

There are two cases of Council-owned property, one example of property leased from a local council, another involving a council asset transfer and six remaining cases of properties acquired by private purchase supported in some instances by public investment. The location of these properties is clearly significant in relation to intended use as business incubators – in seven cases properties were acquired in town centres and the remaining three on renovated industrial sites. For several of these projects, the assets (and locations) provided a means of diversifying income to supplement business incubation particularly in the cases involving social enterprise. There are examples of revenue streams from meeting room hire, managing social housing, letting flats to private tenants, provision of community services, delivery of training, as well as one example of operating a café and shop.

**Table 4: Organisation and assets** 

	Туре	Assets	Source of revenue
C1	Social enterprise with charitable status	Renovated industrial site acquired using Regional Growth Fund	Rental plus funding for public service delivery. Income from café
C2	Owned and managed by Local Authority	Council-owned commercial property	Rental income
С3	Community Trust	Owners of high street properties and social housing	Rental income
C4	Owned and managed by Local Authority	Council-owned commercial property in Town Centre	Rental income
C5	Private enterprise	Private ownership of town centre property	Rental income
C6	Community Trust	Owners of high street property	Rental plus funding for public service delivery
C7	Community Benefit Society with 400+ Members	Owners of five high street properties	Rental plus income from letting flats
C8	Social enterprise with charitable status	Town centre property acquired via asset transfer	Income from room hire plus training, café and shop
C9	Private enterprise	Town centre property leased from local council	Rental income
C10	Private enterprise	Private ownership of renovated industrial site	Rental income

#### 3.2 Characteristics of premises and business spaces

The character of business "spaces" in our case studies is quite varied. A typology of spaces observed is as follows:

- Separate office units
- · Separate workshop spaces for storage and equipment
- Shared co-working or hot-desking spaces
- · Meeting rooms of various kinds
- Other types of "interaction" space reception areas / foyers, kitchens, cafés.

In broad terms, a distinction can be made between those cases that emphasise the concept of co-working or hot-desking and others that rely on more traditional separate business units. Co-working was central to the concept of 2 case studies in particular and an important element in a third. In these cases, businesses could rent desk space on highly flexible terms. In these examples, the whole scheme was designed to enable interaction between users that are mostly business owners working alone.

Other cases rely on provision of separate office units which tend to be small in scale (suitable for 1-2 persons). It is significant to note, however, that shared "interaction spaces" of various kinds are at least a feature of all of the case studies (meeting rooms, foyer areas, kitchens, cafés). The character of incubators varies considerably depending on building types and locations. The two largest schemes (C2 and C10) are housed in purpose-built business centres where there is more variety of unit sizes that creates opportunities to retain growth within larger "move-on" accommodation. Other cases are housed in conversions of high street buildings, vacant industrial properties and disused heritage buildings.

**Table 5: Characteristics of premises** 

	Number	Type of premises	Size of premises
C1	9	Office units and workshops, café, meeting rooms	5 small - 29m <sup>2</sup> 4 workshop spaces - 90m <sup>2</sup>
C2	30	Office units, meeting rooms	Vary from 2 to 10 person offices
С3	9	Office units, "pods" outside, halls for hire	"Pods" outside for small starter business. Offices of varying size
C4	15	Office units, meeting rooms	Small units for 1-2 persons
C5	1	Shared co-working office space for up to 20 users and meeting room	One "open space"
C6	11	Office units, meeting room, halls for hire, kitchen facility	Varied rooms in high street properties on 3 floors
C7	7	Office units, shops, workshops	Variety of rooms in high street properties on 3 floors
C8	1	Meeting rooms, hall for hire, café	
C9	1	Shared co-working office space for up to 22 users, meeting room	One "open space" and a pod
C10	51	Office units and workshops, hot-desk facility for up to 20 users, meeting rooms	Flexi-spaces – units can be combined to suit clients

#### 3.3 Shared services

The provision of meeting rooms and wifi connectivity are common to all schemes. Most also provide reception with facility for receiving postal deliveries. 24 hr access, print & copy services and kitchen facilities are also a feature of many. A minority benefit from an on-site café and/or dedicated parking spaces. While it is interesting to compare the types of services provided by different schemes, interviewees were also asked to evaluate these services in terms of their significance for business users. Most cases indicated that reliable and fast internet connection is vital and regarded as a basic provision by businesses. Affordable rents are also significant as factors determining business occupancy. For those schemes with parking available, this was considered to be an important factor influencing the location decisions of many of their business clients. The value attached to this range of services, however, seems to vary considerably depending on types of business and their needs. Success in attracting and retaining business clients may not depend on any particular combination of shared services but on the quality of customer service, level of professionalism and flexibility in meeting the specific needs of business clients.

Table 6: Types of shared services provided

	IJIM	Reception	Deliveries	Meeting rooms	Kitchen	Café	Parking	Print and copy	24 hr access	Exhibition space
C1	Υ	Υ	Υ	Υ	Υ	Υ	Υ		Υ	
C2	Υ	Υ	Υ	Υ			Υ	Υ		
C3	Υ	Υ		Υ	Υ		Y	Υ	Υ	Υ
C4	Υ	Υ	Υ	Υ				Υ	Υ	
C5	Υ	Υ	Υ	Υ	Υ			Υ	Υ	
C6	Υ	Υ	Υ	Υ	Y			Υ		
C7	Υ			Υ					Υ	Υ
C8	Υ			Y	Υ	Υ				
C9	Υ	Υ	Υ	Y	Υ			Υ	Υ	_
C10	Υ	Υ	Y	Y			Y		Υ	

#### 3.4 Types of businesses

Table 7 contains a summary of the types of sectors represented by businesses in the case study incubators.

**Private office-based activities** are widely represented (finance, law, property, planning, PR, travel, training, recruitment and consultancy).

A second prominent category covers activities commonly categorised as part of the "**creative**" **sector** (art and design, crafts, museum services. photography, music performance, journalism, architecture, publishing, IT, marketing, web-design).

Thirdly, many cases provide accommodation for **charities and organisations in the voluntary sector** (food bank, play groups, support services for disability, child poverty, citizen's advice, environment, educational needs, homecare).

Fourthly, there are examples of food production and food services (pizzas, cafés, catering).

Finally, **providers of public services** can also act as "anchor tenants" in some incubators in order to provide some financial stability (e.g. Police, libraries, tourist information)

The reasons for the location choices of these business managers are not known in detail but interviewees made some observations that are relevant. While reliable wifi and affordable rents are paramount, other factors can have a marginal influence on decisions. Some of the charities, for instance, are co-located with related service providers to facilitate referrals. Many businesses are also managed by individuals working alone hence the sense of belonging to a community can be a factor.

Table 7 Sectoral breakdown of businesses

	Types of products and services					
	Private office activities (solicitor, planner)					
C1	Food producer (pizzas)					
	Charities (Food bank, Disabilities, Child Poverty)					
	Private office activities (PR, publishing, accountants, construction)					
C2	Charities (Groundwork, social enterprise support)					
	Training agencies					
	Voluntary sector (Learning disability, dyslexia)					
C3	Private office activities (Building society, design consultant, estate agency)					
	Public sector services (Police, Library, Tourist Information)					
	Creative sector (museum services, web design, architect)					
C4	Private office activities (travel agency, property investor, Catering agency, computer					
	coding)					
C5	Private office activities (IT and marketing)					
C6	Charities (CAB, Play Group, speed awareness, Youth Group)					
CO	Creative sector (Opera company, artist)					
07	Retailing space					
C7	Creative sector (crafts, photographer)					
C8	Café and shop selling locally-produced food and crafts					
C9	Creative sector (Web design, journalist, translation)					
	Private office activities (architect, consultancy, accountants, property services,					
C10	training and recruitment agencies)					
	Charities and voluntary (Trade Union, homecare)					

#### 3.5 Fee structures and turnover of businesses in incubators

The key aspect to the rental of space in business incubators is flexibility both in terms of length of lease/hire and type (see Table 8). This was particularly so of those incubators in the private sector and those which were aimed at sole traders as clients as opposed to those occupied more by charities and community groups. Expressions such as "easy in, easy out," "key issue is flexibility," "Fee structure is highly flexible" were used and also appeared in their advertising on their websites. In some cases, rooms for hire or rent could be increased in size by the moving of partitions or had connecting doors. The length of lease for offices, pods, units varied from one month to one year, renewable on a roll-over basis. The public sector provider was

the exception, having 3-year leases but nevertheless cancellable with a month's notice. One provider said that businesses do not like 3 to 5 year tenancies that tie them in. One private sector enterprise gave new entrants some free time, up to 2 or 3 days, to see if they fitted into the shared space environment.

Specific information on fees payable was not always given, probably due to the competitiveness of this aspect and also to its negotiability with individual clients. From the information available, monthly rates for small individual units (pods, offices, workshops) varied from £150-250 + VAT. Monthly rates for shared office space was £100. Hot desks, where available, were chargeable on a variety of terms – hourly, ½ daily, daily or monthly basis. "Virtual" office space where offered was payable at either a daily or monthly rate. Meeting room and hall hire rates varied considerably with respect to size, demand and type of client. Hire was payable on an hourly, evening, daily or weekend basis. In addition, one of the community enterprises provided free-to-use computers for the general public seeing it as a societal benefit especially in a rural area where the internet might be unavailable or intermittent for some households. Another provided subsidised café food and beverages to help with loneliness and reduced means in the community.

However, all of the community enterprises and one private sector incubator stated that demand for meeting room and/or hall space had fallen off considerably due to the pandemic and had not recovered to any great degree. They had formerly been used by a large number of clients comprising:

- · local authorities for meetings and staff training
- private organisations for meetings and staff training
- local firms for social events and "Meet the Buyer" events
- local groups such as the Cancer Support Group and carers
- older people's events and lunches.

The pandemic had changed the nature of the work place and with the widespread use by firms of the internet for meetings and HR training, they were not hiring rooms for this purpose now. Equally, some elderly and/or vulnerable people were understandably reluctant to socialise as before. One of the social enterprises said that they used to get £30,000 per annum from their Meeting room hire but that that had now reduced to £1,000 p.a. Therefore, some incubators were rethinking the use of these spaces and were even making them free to use by current tenants or lettable on the basis of what a client could afford to pay.

Fees invariably were inclusive of wifi, electricity, heating, kitchen and toilets use. One provider also included free stationery and beverages. Two of the social enterprise providers charged units/venue hirers for their individual electricity usage.

The two social enterprises which were or were about to provide housing in their respective town centres would be doing so at "socially affordable" rents.

With regards to criteria placed on what types of business could occupy premises, the vast majority had no such criteria although a couple of them had said that they had rejected a handful of interested clients. Those in the social enterprise sector stated that if pressed for space, they would give priority to community organisations.

Despite the aforementioned emphasis on flexibility in length of lease, the tendency was for firms to remain in the incubators for many months and sometimes years with turnover of firms being described as low. However, where funding has been sought from local government

agencies, tenancies have been capped. For example, for one incubator set up under the Rural Growth Model, units could be rented for a maximum of one year as the clients had to be start-ups. For another, there was a restriction of 6 weeks imposed on "pop ups" occupying the buildings as that was the time limit for exemption from Business Rates under the "Empty Property Rule." Two of the social enterprises emphasised that they did not wish overly to hold onto firms or individuals, saying that they wanted to "let people flourish and survive". On the other hand, the public sector incubator noted that the ability for businesses to leave with only one month's notice gave rise to some unwelcome unpredictability of incubator usage and therefore caused a problem for a short time while marketing was given extra attention.

Table 8: The fee structure, length of stay and selection criteria for businesses in incubators

	Fee structure	Business criteria	Length of stay
C1	£250+VAT/month for 29m² units. £500 +VAT/month for 60m² units. Small meeting room £15+VAT/hour. Large meeting room (Board Room) now free if necessary.	Initially, under Rural Growth Model, units could only be for start- ups and let for one year.	6 months to 2 years. Now a max of 3 years, set by The Charity Bank. Food Bank been here since opening in 2014.
C2	Key aspect is "easy-in, easy-out". Offices let under 3 year lease but can be cancelled with one month's notice. Hot-desking arranged over 6 months but can be cancelled on monthly basis. Virtual office charge £21/month. Shared office space (5 desks) - £100/month.	Accept any but cautious about taking in small charities which may not be able to sustain their activities.	Has been turnover during the pandemic. Despite having 3-year tenancies, businesses can leave with one month's notice – causes a problem for a short time while extra attention given to marketing.
СЗ	Pods £150/month inclusive. Room hire - community groups @ £8.50/hr, private organisations @ £14.50/hr incl. Free use of computers in Learning Hive. Free use of exhibition space. Residential properties at affordable rents.	No criteria ever been considered. However, they all contribute to the community whether they be voluntary or statutory and the mix works well	One business has been here for a number of years, another 6 months or so. They have all been start-ups.  Motto is not to hold onto businesses but to let people flourish and survive.
C4	Terms are very much "easy- in, easy-out". Offices let under 3-year lease but can be cancelled with one month's notice.	Initial focus on arts- based businesses but moderated over time. New entrants from virtually any office- based activity	
C5	Key issue is flexibility. Hot desks on rolling monthly contracts based on 6/8/10 days per month. Dedicated desk on monthly terms.	None but need to be sure that clients have a viable business and can afford to pay for the space.	Most stay involved or in touch for a long time.
C6	Based on square meterage of rooms, try to stay	None "but if we were near full capacity, we	"The CAB has been here since the start- 25

	affordable and competitive, charging slightly below the market rate.	would give preference to community organisations."	years. Those who do come and go are usually here about 5 years"
C7	Venue hire for weekend £100-150; month of weekends £400. When ready, workshops and desk rental will be let on a ½ day, full day and monthly basis.	Those with alignment to the organisation's brand and values: Sustainable- Community-Creative- Place will be prioritised.	Pop-ups can last a max. of 6 weeks but usually 1-2 weeks.
C8		Only restriction is no hen or stag parties	
C9	£100/month all inclusive.	None.	Current tenants – 4, 4 and 2 years
C10	Hot desks by the hour/day. Meeting rooms by the day. Virtual tenants by the day.	No restrictions on type although a few have been rejected in the past.	Turnover is low despite tenancies for 12 months. Most on rolling 1-year contracts. Some on site for 15 years.

# 3.6 Role and significance of incubator manager

Our literature review suggested that the roles of incubator managers can vary and that this can be critical in determining the character of business locations and the nature of entrepreneurial activity. Our case studies display considerable variation in the backgrounds of managers (see Table 9).

**Table 9: Backgrounds of Incubator Managers** 

	Sector	Specific background
C1	Charity / community sector	Social enterprise delivering statutory services in health and social care
C2	Public Sector	Local Authority Economic Development
С3	Voluntary / Community sector	Charity sector and volunteering (racial equality, victim support, Disability support)
C4	Public Sector	Local Authority Economic Development
C5	Private / Higher Education	Small business background, independent retailing
C6	Museums / Community	Experience of events and exhibition management in museum sector
C7	Planning consultancy	Town planning, consultancy and community development
C8	Public / Community	Health and social care, nursing, mental health
C9	Private Sector	Manager in large firm then small business owner
C10	Private Sector	Property management, sales and marketing

Individuals leading these projects have been drawn from the voluntary and community sectors, private business as well as the public sector. Specific backgrounds include experience of

working for charities, museums, healthcare services, private businesses as well as local authorities. The one characteristic they have in common is that they all appear to have some experience of working across boundaries between different sectors.

While all interviewees regarded **management of property** (tenancy, site services, room bookings etc.) as a basic part of their role (Table 10), other aspects were given different emphases. In four cases, the role emphasised property management and the need to fill space and be profitable. In most cases, however, the role of the incubator manager extended to include **outcomes for business and enterprise**. Reference was made to the notion of developing an "innovation ecosystem" and efforts had been made to try to nurture business networks. Interviewees did not regard themselves as providers of conventional "business advice" which was regarded negatively. Rather, there was an emphasis on building a business community through interactions that promote people-based skills and aptitudes (business confidence, persistence, perseverance).

The majority of interviewees, however, extended these discussions to include reference to their **wider social motivations**. This was particularly the case for projects that had explicit social objectives in relation to development of skills or delivering community services. However, even for those schemes that were strongly motivated by profitability, incubator managers want to see businesses succeed for a purpose that was **place-based** whether that be, for example, to improve the high street, revitalise a market town in a rural area or regenerate a deprived community. Successful business ventures are seen as a means to build resilience in people and communities and to create opportunity and encourage initiative.

**Table 10: Role and Motivations of Incubator Managers** 

	Description of role	Wider motivation
C1	Sustaining a social enterprise	Providing community services
C2	Managing property portfolio	Financial sustainability of property
C3	Engaging community and supporting initiative	Facilitating initiative to meet business and community needs
C4	Managing property portfolio	Financial sustainability of property
C5	Give encouragement and inspire confidence	Build local business community
C6	Property management	Promote and market community centre
C7	Generate rent to invest in enterprise space	Regenerate high street
C8	CEO of social enterprise	Developing skills of young people and those with learning disabilities
C9	Emotional support to small businesses	Build business community
C10	Property management	Promote the development, fill space, make profit

#### 3.7 Provision of business support and the role of networks

Case studies fall into roughly three categories with regards the provision of business support in its various forms – start-up, technical, financial, marketing advice, staff training (see Table 11). Half, including all of the private sector incubators, offered nothing along these lines. One said it was "too risky to offer advice which might not be right. We can signpost them to others that might know." Another said that most tenants were established and didn't need "hand-holding" but that they might learn from each other. Another case study had started off with a model where on-site Business support was provided by a quasi-public organisation but cuts had led to its demise.

In three of our case studies, tenants had access to either a council-led Business Start-Up Programme or would receive support from the Enterprise Manager once he/she was in post. It was recognised that the Board Members of the Community Benefit Society also had various skills, experience and knowledge that they could share. In one of the social enterprises, individual training was provided for clients, such as culinary, retailing and customer care skills. The Community Trust was able to help develop businesses and community groups under their umbrella, giving them some financial security and support in bidding for funds.

Three of the interviewees however saw it as the role of the incubator to signpost businesses to where they could get advice or training (for example, to management courses offered by the Universities of Cumbria and Lancaster).

Table 11: Provision of business support

	Sector	Type of business support
C1	Charity / community sector	Previously provided by quasi-public business support agency but lost due to cuts.
C2	Public Sector	Access to Council Business Start-up Programme
С3	Voluntary / Community sector	Signposting to business advice. Help businesses and community groups to develop under the Trust's umbrella.
C4	Public Sector	Access to Council Business Start-up Programme. Signposting by Manager
C5	Private Sector	None – "businesses are established and don't need hand-holding". May learn from one another.
C6	Community Trust	None. All businesses are run independently
C7	Community Benefit Society	Board Members have various skills, experience and knowledge to share. Business support to be provided by Enterprise Manager.
C8	Social Enterprise with charitable status	Young people receive individual training, confidence support, retailing skills, customer care skills, culinary skills
C9	Private Sector	None
C10	Private Sector	None - "Too risky to offer advice which might not be right." Can signpost them to others that might know and to university-run management courses

With regards the level of networking done by tenants, there appeared to be little going on in the majority of cases whether or not the case study was in the private, public or community sector (see Table 12). Possible reasons given for this included the current mix of tenants being in different sectors. One interviewee said "There used to be connections between tenants because they were like-minded (eg. ENDAS and the Food Bank) but they have moved out to bigger premises."

Table 12: Levels of networking

	Sector	Use of networks
C1	Charity / community sector	None known but if clients wanted to, they could.
C2	Public Sector	Enterprise Centre has meeting rooms which can be booked for this purpose but got the impression that these are aimed at Council stakeholders rather than to help business tenants.
C3	Voluntary / Community sector	One tenant contacted a Business Advisor for marketing advice after Covid.
C4	Public Sector	Informal networking between businesses because of the nature of businesses (many one person) and small size of building (just 15 tenants)
C5	Private Sector	The organisation itself is a type of network offering mutual support, encouragement. Businesses have their own networks developed individually.
C6	Community Trust	One tenant was well connected but otherwise the tenants are not. "There used to be connections between tenants because they were like-minded but they have moved out."
C7	Community Benefit Society	Chamber of Commerce loose connection. Part of a newly formed Social Enterprise network engaged in local placemaking. Seen as successful case study for other regions
C8	Social Enterprise with charitable status	Work with organisations (NHS) & businesses in sharing of training & advice on working with those with special learning needs & disabilities, co-delivery. Go into schools. University collaboration.
C9	Private Sector	One business has used <i>Inspire</i> . Another is a <i>Carlisle Ambassador</i> . The venue has hosted meetings of different networks.
C10	Private Sector	Tried arranging networking events in past but not much interest from tenants – not sure why. Do get some intertrading between business tenants (eg new firms coming in make use of the signwriters) but most businesses work in different market segments.

# 3.8 Incubator Success and Business Synergies

Interviewees were asked whether there was a common ethos and possible synergies between the businesses that they hosted. This could also be an important factor in the incubator's success. There was a mixture of responses (see Table 13).

Table 13: The existence of synergies between businesses and how Incubators defined "success"

	How they defined success	Existence of a common ethos
C1	"Giving businesses somewhere to live in a supportive environment. From being a derelict site, it now has life. The café is a hub for food waste recycling, working with the local authority on food poverty."	"They are all supportive of the organisation and see a value of what we're doing."
C2	The site needs to pay its way. We have a duty to encourage business growth so we do encourage firms to grow which can mean them moving but we need to remain financially viable as an enterprise centre.	Very mixed group of businesses with not much interaction between them. Quite a conventional provider of business premises, not really designed for interactive spaces.
C3	"The units have kept going and there is a waiting list for them. There were enough grants to keep businesses going through Covid. Seeing the Centre as the hub for the community."	"They all contribute to the community whether they be voluntary or statutory businesses."
C4	Started as an arts-based project in partnership with the local arts community. This has not been sustained due to commercial viability. Success must include covering the costs of operating.	Common ethos used to be arts base and community but now what they have in common is sole trader status or micro businesses.
C5	"Doing something good for businesses in the local area." Passion about "things local."	There is a mission to see local businesses thrive- to help one another in that. To see local talent take opportunities.
C6	"There is the financial measure, to get up to capacity. From the social responsibility standpoint, to have it filled with organisations or start-ups. There was a real pride that businesses have gone on after a start here."	"Currently no, but in the past, a community mission."
C7	"Bringing life back to the High Street ie. even if <b>our</b> shops are not being used to the full. There are signs of other organisations and private individuals investing in the high street (perhaps) because of them." "Our learning is being shared and we are influencing policy."	
C8	"As an employer, we get the best out of people and make them economically active. This is the vehicle to see what people need, want and can then do." Enabling young people to have the confidence to say "I can do this" and then "I did that". Centre is run on a "Business first approach."	"Our young people are front and centre of what we do." Collegial spirit amongst the young people and the volunteers working there. "Everyone is viewed equally" - all wore the same uniforms and wore name badges.
C9	"Surviving ie. we've popped out of lockdown with everything intact!" "Happy people. It's nice to have a sense of community about the place."	"Survival as self-employed people." "They are polite, quick in what they do, good fun and tend to work all hours. 4 of the businesses have collaborated because they were here."

	"Filling space is an easy metric to useand	The site creates a "professional"
C10	as a private operator, rental and profit are	ethos – a place for business
	essential. But to achieve this, there are other	success. Corporate social
	things that we need to pay attention to. We	responsibility attributes like
	want businesses to stay, so we must do	sustainable transport, renewables
	things to retain them."	attract attention and might make
		the site attractive as a location.

In one case, there was an open admittance that the incubator had not been designed for interaction and that businesses were in many different sectors with little binding them together other than the premises. In two instances, although the organisation had been set up purposefully with a common thread between occupants – that of being arts+/or community based, this commonality had waned due to the centre primarily needing to be viable.

However, in over half of the case studies, synergies and bonds between businesses in the incubator had been noted:

"Four of the businesses have collaborated because they were here."

"They all contribute to the community whether they be voluntary or statutory businesses."

"Businesses share a passion for businesses to thrive – to see local talent take opportunities."

An example was given that the private pizza delivery company on-site was active in giving training to local children in making pizzas and in giving surplus food to the Food Bank on site. In all of these situations, the incubator had a form(s) of communal space whether it be an open plan working environment, communal kitchen, on-site café or garden and therefore a natural place in which business owners would or could meet on an informal basis and make those connections.

In the case of organisations set up as a community enterprise, the proximity of different community service providers allowed for referrals of individuals visiting one to be made quickly and easily to others on site. Clearly, this was of benefit to individuals, the service providers and a force for good in personal and professional relations between occupants. The on-site café in one community enterprise was said to act as "a great referral service" because the staff could direct the individuals who frequented it to the community service providers that were on site.

Also, one of the community enterprises actively stimulated and encouraged synergies between its users by providing a social setting in which young people were being trained and were training others. The communal environment had a feeling of "family" where equality was a cornerstone and everyone wore badges so as to be on a first name basis.

With regard to how incubator managers viewed the success of their organisation, all but one stressed the financial imperative for them to be commercially viable:

The site needs to pay its way. "We need to remain financially viable as an Enterprise centre."

<sup>&</sup>quot;All see a value of what we're doing."

<sup>&</sup>quot;Success must include the costs of operating"

<sup>&</sup>quot;There is the financial measure to get up to capacity."

<sup>&</sup>quot;The units have kept going and there is a waiting list for them."

"Centre is run on a 'Business first approach.""

"Surviving!"

"As a private operator, rental and profit are essential."

However, it was clear that they all defined success as achieving additional objectives. For example,

- "Giving businesses somewhere to live in a supportive environment," turning a derelict site into one with life.
- Encouraging firms to grow
- "Seeing the Centre as the hub for the community"
- Supporting the "local."
- To have it filled with community organisations or start-ups.
- Bringing life back to the High Street. Learning being shared.
- Getting the best out of people. "To see what people need, want and can then do."
- Happy people. "It's nice to have a sense of community about the place." Survival as self-employed people.
- Providing a nice environment to work in, an attractive site with corporate social responsibility attributes.

Those organisations which had seen their businesses/individuals grow or move out to get larger premises were clearly proud of the part that they and/or their premises had played in that. For example, one community enterprise said that the young people with special needs for whom they provided training and experience, "go on to work in care, shops, garden nurseries, have their own businesses, supply shops and do bespoke stuff." They cited examples as follows: "One of them who bakes cakes now supplies all of the local farm shops with them. The chef who did his training here went on to become Head Chef at a local hotel, he is not on benefits, has a full-time job and is buying his own home." Another community enterprise cited many examples of small community service providers that had started there which had gone on to own their own larger premises elsewhere and expand further. Another stated that "A few of the pop-up businesses who have used it have gone on to start their own businesses. For example, one business booked it for one weekend per month for three months and then opened up their bookshop elsewhere. It has created High Street businesses. There are signs of other organisations and private individuals investing in the high street, (perhaps) because of them."

#### 3.9 Lessons learnt and transferability

Finally, interviewees were asked questions regarding lessons learnt, barriers faced and the extent to which they consider their experience might be transferable to other locations. Many commented upon the issues they faced in forming partnerships and securing agreements between different interest groups involved in projects. This included addressing potential misunderstandings in the community surrounding ownership of, and changes to, properties. There was recognition that managing relationships between public and private sector partners in projects is time-consuming. Operationally, interviewees also noted the impact hat Covid has had on the project. In many cases, projects were suspended and revenues from hiring out meeting rooms have been badly affected and not yet recovered. Those projects that hosted cafés have also faced problems with sustainability. Even beyond Covid, none of these

projects claimed to have set up successful networking events or seminars. The networking activity that takes place tends to be informal and very much driven by client need and interest.

On transferability, there was a clear message from all case studies that project success depends a great deal on the characteristics of catchment areas – generally restricted to a 20-30-minute drive from the premises. The size of the population in this area was considered important but also the local supply and demand situation for business premises of different types. Alongside this, some interviewees also noted the significance of having the right people to run these projects; as noted elsewhere in our analysis, the incubator manager plays a key role in nurturing a process that relies to a great extent on inter-personal relationships and word-of-mouth processes in the business community.

#### 4: Conclusion

The literature review suggests motivations for entrepreneurship include a desire for self-development, independence and income security. Most business-owners acknowledge that there is social status attached to being a business owner. Role models are important especially within families and a desire to serve the interests of communities and provide employment can be important motivators.

Across these factors, however, there are different categories of entrepreneur. Some may be more necessity-driven while others may be reputation driven or achievement oriented. These categories can also change over time as a business develops and grows.

Success in business depends on a wide variety of circumstances and behaviours. Literature suggests the key ones relate to skills, engagement in knowledge networks, condition of markets and digital connectivity.

The literature on business incubation clearly shows the need for such schemes to acknowledge the key motivations of entrepreneurs and to work with them. So, just as there are different types of entrepreneur, it seems logical to expect different types of incubator that serve different markets and businesses at different stages of development. In broad terms, there has been a shift over time away from purely "property-led" business support towards schemes that seek to combine premises with various network-based interventions and human capital approaches.

In keeping with the literature review, our case studies of interventions to support enterprise development in local economies demonstrate considerable diversity. Organisational structures involve different combinations of public, private, voluntary and community sectors. The one shared feature, perhaps, is that they all involve partnerships that require skills and experience of cross-boundary working. This particularly applies to securing ownership or rights over the use of commercial property.

In terms of premises, again the key feature is heterogeneity. The characteristics of projects, in fact, appear to depend to some extent on the nature of premises and the business spaces created within (and around) them. We have examples of multiple occupancy in re-used older buildings as well as industrial estates with separate units. The nature of properties evidently creates limitations on the type of provision but there are many examples of imaginative conversions to create interaction spaces. Most projects have a common set of shared services – wifi, reception, 24 hr access, postal delivery, print/copy, meeting rooms. Some also have significant numbers of virtual tenancies sharing an on-line presence and postal address. Businesses are predominantly office-based activities in professional services, management, creative activities alongside charities and services provided by other voluntary organisations. There is some production activity in workshops where spaces are suitable.

Fee structures and length of tenancies are marked by a much higher degree of flexibility than in more conventional commercial lettings. In most cases, tenancies on dedicated spaces can be cancelled with one month's notice and many shared spaces are chargeable by the day or the hour. This flexibility clearly presents financial challenges to projects although some projects benefit from the presence of private and/or public sector "anchor tenants" that provide some financial stability. Even so, all of the case studies demonstrate the importance of investing time in business networks and community-building.

In terms of models of enterprise support, acquiring and customising property has evidently been a key part of the process. This might imply these are "property-led" developments. However, while the ownership of property has been vital for establishing these projects, the cases demonstrate that sustainability is very much dependent on other factors.

Incubator managers have a key role to play. Evidence suggests that success depends on their commitment not just to financial viability but wider social and business benefits and their ability to create a community ethos. An understanding of cross-boundary working is also vital in bringing partners together. Experience shows that informal networking is much more significant than offering formal networking events which do not generally attract interest.

Finally, all interviewees noted the significance of catchment area for the success of projects. Catchment was generally considered to be quite localised – ideally a 20-minute drive from the location. Success, it was argued, depended on matching provision to the potential demand generated by residents within this defined area.

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# APPENDIX A: Statistical Analysis of Rural LADs in England (based on Newbery et al 2021)

Newbery et al's econometric study (2021) allows for a comparison of all 158 rural LADs in England<sup>22</sup> and from this, we can gain further insight into improvements that may be recommended for increasing the chances of entrepreneurial success in Copeland (see Table 14).

Table 14: Comparison of Rural LADs' affordances, constraints and entrepreneurialism, selected LADs

			Input Variables						Output Variables		
LAD	Rural Class	High Skills	Organisation al anchoring	Market Power	Access time to services	Poor Broadband	Tourist Appeal	Business Networks	Business Births	Business Survival	Business Growth
Copeland	R80	0.6	0.64	0.61	0.81	0.61	0.56	0.02	0	0.16	0
S. Lakeland	R80	0.87	0.87	0.95	0.84	0.72	1	0.62	0.66	0.83	0.67
Allerdale	R80	0.59	0.2	0.93	0.84	0.73	0.94	0.18	0	0.3	0.72
Carlisle	SR	0.11	0.8	0.9	0.79	0.29	0.55	0.17	0.01	0.01	0.38
Eden	R80	0.57	0.75	0.64	1	0.97	0.88	0.07	0	0	0.38
Scarborough	SR	0.18	0.47	0.79	0.19	0.29	1	0.21	0.01	0.01	0.53
E. Riding	R50	0.56	0.39	0.94	0.73	0.58	0.87	0.9	0.96	0.39	0.21
Yorkshire											
Northumberland	R50	0.39	0.2	0.98	0.8	0.5	0.98	0.95	0.05	0.03	0.45
Lancaster	SR	0.5	0.22	0.75	0.35	0.04	0.65	0.29	0.02	0	0.27
Fylde	SR	0.72	0.85	0.87	0.15	0.23	0.53	0.2	1	0.69	0.77

Source: Figures derived from Newbery et al (2021), Appendices

#### Notes:

Figures in the table range from zero to 1 and reflect the strength of that factor in the region relative to the whole data set of 158 LADs. Original scores of variables have been converted into "fuzzy-set" scores consistent with the technique of Fuzzy-set Qualitative Comparative Analysis. In fuzzy sets, there are 3 thresholds: (1) for full membership, (0.5) for cross-over point and (0) for full non-membership. The thresholds were chosen to identify districts in the top or lowest quantile of performance. Thus, 1 represents full membership of the output set (that is, in the top 25% of performers), 0 represents full non-membership of the set (that is, in the bottom 25% of performers), and everything between representing a degree of membership with cases above 0.5 regarded as being "fuzzy" members and cases below 0.5 as being "fuzzy" non-members.

*Rural Classification R80*: At least 80% of population lives in rural settlements and larger market towns; R50: At least 50% of population lives in rural settlements and larger market towns.

SR: districts with more than 26% of their population living in rural settlements and larger market towns.

<sup>&</sup>lt;sup>22</sup> Their analysis is only focussed on England due to the diverse nature of rural-urban classifications across the UK countries.

High Skills: Proportion of the population with NVQ3 and NVQ4 levels of qualifications.

*Organisational anchoring*: This is a composite measure of job density (the level of jobs per 16-64 population) and the number of enterprises.

Market Power: A composite measure of Gross disposable household income (GDHI) in the LAD and the number of banks and building societies in the LAD. The effect of this variable however can vary. On the one hand, high GDHI can be a constraint to entrepreneurship reflecting the fact that entrepreneurship is a response to individuals' low incomes. On the other hand, high GDHI can mean that there is more likely to be a market for an "upper-end" retail offer and therefore, perhaps act an enticement for start-ups. High property values can also enhance capital-raising powers.

Access: Access time to services is a composite measure of the time and distance to local authority schools, GP surgeries via car and public transport. Access time to services is a constraint to the emergence of new enterprises.

*Poor BB*: A composite measure of the number of businesses unable to access broadband at speeds of more than 10M/bits and 30M/bits.

*Tourist appeal*: A composite measure of the number of holiday trips and holiday nights taken in a LAD and the amount of tourist spend.

*Network*: A composite measure of the number of businesses who are a member of a local Chamber of Commerce, the number of businesses that are part of a social media network, the number who are part of a formal or informal network.

Births: Business births per head of working population (16-64).

*Survival*: No. of businesses with 5-year survival per head of working population.

*Growth*: No. of businesses which had achieved an average annualised growth greater than 20% per annum, over the last consecutive three-year period per head of working population.

Cells highlighted in yellow indicate factors acting against entrepreneurialism in that LAD. However, simple analysis on individual factors is inadequate to explain the performance of rural entrepreneurial ecosystems. Clusters of affordances more accurately predict business start-up, growth and survival rates at the district level.

Copeland LAD is defined as a Rural 80 district (at least 80% of the population lives in rural settlements and larger market towns). The Borough is identified as a low birth, low survival and low growth LAD. Newbery et al's (2021) study has found that low skills, low organisational anchors, poor business networks are found to be associated with low business birth rates. Their study has found there to be six routes which could lead to high business birth rates. Good broadband connectivity is key in four of them and high skills in two of them.

With regard to 5-year business survival, high skills and good business networks are the key combination of affordances (see S. Lakeland in Table 4). Organisational anchors, good access to services and good broadband are also important. Conversely, in the four routes detected to lead to low survival rates, low skill and high market power are core to all of them. Long access time to services, poor business networks and poor broadband are also core constraints in two of the routes.

With regard to high growth, organisational anchors, high skills and access to broadband are key affordances. Rural 80 routes to high growth require the good business network affordance. The importance of business networks is that they give access to wider knowledge, resources and skills.

Table 14 draws our attention to other rural LADs in England with which we can compare Copeland's business birth, survival and growth rates. From the table, it is noted that South Lakeland LAD performs considerably better than Copeland on all three measures and that this is correlated with the higher levels of all of the affordances, despite having a poorer overall level of broadband service.

Also of note, Carlisle district has a higher business growth rate than Copeland but very low business birth and survival rates despite having considerably better broadband provision and markets. It would appear that skill levels may be a distinguishing factor in this comparison. Allerdale exhibits a very high level of growth amongst its enterprises and yet it has relatively poor access to broadband and low organisational anchoring.

Scarborough, despite low skill levels has a relatively high growth rate of firms and the East Riding of Yorkshire, more broadly, has a very high level of business start-ups. Northumberland displays a low measure on the "Organisation" affordance due to low job density and numbers of enterprises but has an extraordinarily high degree of networking, perhaps because of the dispersed nature of its micro and small enterprises. Lancaster has low levels of business start-up, survival and growth despite having very good broadband. On the other hand, Fylde has a very high rate of business start-ups per head of population as well as high rates of business survival and growth. It is noted that it has good levels of affordances (except for business networks).

APPENDIX B: Examples of projects designed to support enterprise development in the North of England and South of Scotland

Case Study	Details <sup>23</sup>
Adapt North East, Hexham	Adapt(NE) is a registered charity and social enterprise, set up in 1995 to "improve the quality of life of disabled people" by promoting better access to services. To gain an income, the Business hub and a community café were set up in 2018. They provide a wide range of services that include business start-up premises at Burn Lane in Hexham. On the site of a former transport depot. There are 9 units of mixed type. Common services – parking, internet, resource room, kitchen, reception. Also provides rural enterprise support via Northumberland Business Services and Northumberland College.
Blyth renewable energy centre / Northumberland Energy Park	Blyth hosts the UK Offshore Renewable Energy (ORE) Catapult as well as a spin-off environmental consultancy company NAREC located in the Charles Parsons Technology Centre. Part of the mission of ORE is to grow the UK supply chain for renewables. ORE is national in scale, but the local area around Blyth may have some advantages as a supply chain location. Northumberland Energy Park is being developed for this purpose – a partnership between Northumberland CC, the ORE Catapult, Port of Blyth and Advance Northumberland, a newly formed economic development regeneration company for Northumberland.
Centre of Excellence in Textiles, (COET), Hawick	Established 2020. Located in Hawick High School. £610k of funding came from South of Scotland Economic Partnership. Aim is to address skills issues in the textile and knitwear sector, providing training, apprenticeships and upskilling for local companies' workers and new trainees. Developed in partnership with Skills Development Scotland, Scottish Enterprise, Scottish Development International, Developing the Young Workforce Group, DWP and local textile & knitwear businesses.
Cheviot Centre, Wooler	Glendale Gateway Trust operates a community and business centre, a number of commercial units on the High Street, 20 affordable housing properties and Wooler Youth Hostel and Shepherd Huts. The Cheviot Centre houses the tourist information centre and library. The Wooler Work Hub offers business support; hot desks, office space, meeting rooms, communal space, a kitchen, photocopier and business address.
Crichton Central, Crichton Campus Dumfries	Currently being developed. Offers co-working spaces, incubator spaces, start-up spaces, accelerator spaces, meeting spaces, events spaces and a café. Also hosts talks, seminars and networking events. Crichton Campus already home to 96 businesses & 3 <sup>rd</sup> sector organisations and 3 universities. The aim is to empower and enable a new cross-generational, business, academic and individual knowledge exchange community that shapes the "Future Economy."
Enterprise Centre,	Blackpool Unlimited provided by Blackpool Council operates via an online Business Support Portal that brings together information from

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<sup>&</sup>lt;sup>23</sup> Information includes that obtained from the business' website.

Blackpool Unlimited	public and private sources that might be useful for local businesses. It also operates two business locations under the label EC2 Office Services – the Enterprise Centre (Lytham Rd) and FYCreatives (Church Street in Town Centre). The latter has meeting rooms, not desking, shared offices for hybrid working. Started in 2006 by partnership between Blackpool Council and Blackpool Business Leadership Group (Group of local business leaders)
Fraser House, Lancaster	Fraser house is marketed as a co-working space located in a renovated old Mill building in the south of Lancaster (White Cross). Flexible modes of entry – hot desking, light use, day passes, monthly plans. Offers fibre broadband and aimed at digital and tech communities. Shared services include meeting rooms, lecture theatre, catering, security.
FYCreatives, Blackpool Unlimited	Blackpool Unlimited operates a facility aimed at providing flexible spaces for creative companies operating on the Fylde Coast. Businesses in arts, entertainment and leisure have access to flexible managed office space in Blackpool Town Centre.
Hexham Community	In the Centre of Hexham and operated under Hexham and Tynedale Community trust. Low cost service – from only £100 a month.
Centre Enterprise Hub, Hexham	Office space for local business, charities and community groups. Shared services including reception, wifi, kitchen, parking. Businesses in residence include artists, training group, counselling service and CAB.
Midsteeple Quarter, Dumfries	A community-owned organisation working to breathe new life into Dumfries' High St. A number of vacant buildings on the High St have been purchased into community ownership. Project includes provision of enterprise space – long-term units and co-working space, flats & retail units. First phase comprises the Baker's Oven, granted planning permission in 2020.
Scarborough Construction Skills Village (CSV)	Run by community interest co., Northern Regeneration. Established 2015. "Buy local, train local, supply local and hire local". Aim to supply skilled people for industry in an era of post-pandemic levelling-up. Training in construction skills, electricians, plasterers and plumbers. Expanding and established SoHo Housing development co. Multi-agency.
Solway House Business Centre, Carlisle	Private development that offers furnished offices and virtual office services. Common services include reception, internet, kitchen, postal delivery, meeting rooms and exhibition space. Located on Kingmoor Park close to motorway junction.
Staveley Mill Yard	"A village within a village". Private property development that has attracted investment from businesses from elsewhere eg. Hawkshead Brewery. A green, 4-acre business park with 40 businesses – retail, industrial and artisan crafts – employing 400 people. Latest development on site is a 20,000ft² office building providing cuttingedge office space which has attracted some major tenants. Idea based on business owners being able to work, live and bring up their families here.

The Guild, Carlisle	The Guild is a Shared Office Space in Carlisle designed using a hot- desk / co-working concept. Has flexible plans, meeting rooms, superfast broadband, shared kitchen. Catering linked to Bruce and Luke's (café opposite and roastery on ground floor). Regular networking events for tenants.
The Sill, Once Brewed, Hexham	Landscape Discovery Centre, youth hostel, café, shop, events hire and learning rooms, exhibitions. Established 2015 with Lottery Heritage money and community input. Supportive of local businesses in the shop and café. Multi-agency.
The Stove, Dumfries	An arts and community organisation, café, meeting place arts venue, events and projects. "Love for our town and wider region", creating a new vision for the High Street – use of historic & empty buildings. The Stove Network works with community organisations, charities and the local authority.
The Usual Place, Dumfries	Social enterprise providing education, training and employability skills for young people with additional support needs. Café, events hire space, training and meeting rooms. Muti-award winning. Use of historic building.
The Vicky, Cockermouth	A collaborative community of home and mobile workers, start-ups and small businesses. The use of a 200-year old listed building to provide affordable, informal co-working space and meeting areas. Free coffee and all-inclusive shared services at £100 per month. Hall open for hire for events. Opened in Feb. 2018.
Tribe Carlisle, Bitts Park	Set up by Carlisle City Council with Town Funds money. Established 2021. Tribe Carlisle, community interest co, running it. Business start-ups in retail, street food and arts/crafts. Low rents for temporary container occupation. Pop-up spaces also available. All tenants required to invest in local disadvantaged communities.
Warwick Mill Business Village, Warwick Bridge	It provides serviced offices, meeting rooms for hire, break-out areas, virtual offices, hot-desking facilities, industrial & workshop units and small, secure storage spaces, a gym, reception/postal services, free car parking and 24-hour access. The site offers flexibility in size of space required, length of lease and requirement for services. A premier business address in an historic and unique building.
Yorkshire in Business	Established in 1985 as a limited company to support and nurture small businesses across the whole of the Yorkshire Coast but with a base in Scarborough. Offers various premises as follows:
	Managed business locations with reception, meeting spaces, kitchen, communal services (Cleaning parking, telephone system) as well creative space and Hybrid workspace – co-working facility.
	Coordinates other services including business advice, training, mentoring. Signposts sources of finance. Partner with Virgin Start Up Loans. YIB is a BEIS-approved Enterprise Agency designated as part of the National Enterprise Network.