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European Structural
and Investment Funds



Llywodraeth Cymru
Welsh Government

EU Structural Funds in Wales 2000-2023 – SME Support



Introduction

EU funds have provided finance and support to help start-up ventures, supported small and medium-sized companies (including social enterprises) to expand and access new markets, and addressed market failures through the provision of repayable finance.

Cover: Business Wales Workshop

2 SME Support

North Wales Business Academy (£2.8m EU funds) worked with 480 businessowners and employees from over 300 companies in north Wales, supporting them to improve their business performance by increasing the skills of their managers and other employees through the delivery of 'short' accredited courses.



North Wales Business Academy, Rob Williams, CREST

One participant who benefitted was Rod Williams, the longest serving employee at Crest Co-operative Ltd and now its Managing Director. Established in 1998, Crest Co-operative Ltd supports over 150 people a year to develop personally, socially and economically including adults with learning disabilities and veterans.

Rod joined North Wales Business Academy, attending the Strategic Business Analysis (SBA) course as he was looking to refresh the processes and strategy of the business and inject more focus and structure. He said:

“Joining North Wales Business Academy has made a real and lasting impact – for me personally, for the team and for Crest as a whole. Creating the business plan as a living document with input from the leadership team, as well as the 30 strong staff and volunteers, has made sure that the plan was a ‘ground up’ approach. This has engaged the workforce to buy into the ideas and adopt some new practices and ways of working, including developing a focus on succession planning.”

3 SME Support

The Welsh Government's **Accelerated Growth Programme** provided a range of services to support and develop start-up businesses and SMEs that have high growth aspirations and potential, including Wrexham-based automotive company Hi-Mark.

Jack Yates, Managing Director of Hi-Mark, said: "The support we have received through the Business Wales Accelerated Growth Programme has been invaluable to us. It helped us through a tricky negotiation phase with a major customer, resulting in us securing a significant order which we may not otherwise have been in a position to win.

Having access to a highly respected sales specialist meant we were able to set up a new framework for the way we approach sales and networking. Even though it's early days of adopting these new ways of working, the results speak for themselves."

The **Wales Business Fund** (£216m EU funds), managed by the Development Bank of Wales offered a variety of funding for Small and medium-sized businesses based in Wales, or willing to relocate to Wales, with over 450 businesses receiving £216m EU funded investment.

The fund provided finance for business start-ups as well as risk capital for the creation and growth of companies undertaking research and innovation in key growth sectors such as advanced manufacturing, life sciences and health. It also supported SMEs that may not otherwise have been able to access all of the finance they need to take forward viable business opportunities.

Case Study



Development Bank of Wales, 3A's Leisure

In 2017, Carmarthen based 3A's Leisure was the first west Wales business to benefit from funding from the new Development Bank of Wales through the Wales Business Fund.

The investment in caravan and motorhome business 3A's Leisure helped fund a relocation to purpose-built showrooms on a 12-acre site in Carmarthen and secure jobs.

Established in 1990 by Lyn and Tegwen Evans, three generations of the Evans family are now involved with 3A's Leisure; supplying new and used caravans and motorhomes.

Director, Lynn Evans said: "It's been 28 years since we started with caravan sales in Pencader. We now employ 36 staff, trade from two sites in Carmarthen and Cross Hands, benefit from a dedicated service workshop and sell in the region of 1,000 caravans and motor homes a year.

"The funding from the new Development Bank has been effectively tailored to meet our specific needs and the investment will now help us to relocate from the Carmarthen site at Stephens Way to new purpose built show rooms on a 12 acre site at the Carmarthen showground in Autumn 2018. It's an exciting time for us as we look to capitalise on the growing demand for leisure vehicles thanks to their increasing popularity and affordability."

Case Study



Development Bank of Wales, Freight Logistics Solutions

A £2.2 million Wales Business Fund investment by the Development Bank of Wales helped Pontypool-based transport logistics business Freight Logistics Solutions (FLS) to further develop their unique technology as one of the UK's leading providers of end-to-end supply chain solutions and lead in helping to decarbonise freight transport.

Employing 40 staff, FLS is an asset light logistics business which operates primarily within the UK and EU road freight space. With an extensive network of subcontractor haulage firms across the UK and Europe, FLS offers a range of benefits to its customers including international customs, rapid response times, cost savings, guaranteed service levels, greater logistics flexibility through better data insight.

Managing Director Ieuan Rosser commented: "We're passionate about being one of the UK's leading providers of end-to-end supply chain solutions during a unique and challenging time for the sector. This backing of the Development Bank will help us continue our investment in technology and operational infrastructure to provide a further platform for growth to deliver the best possible service to our clients."

Case Study



Development Bank of Wales, Cwmni Da

Fifty jobs were safeguarded at one of Wales' leading TV production companies after Cwmni Da's staff took ownership of the business through an Employee Ownership Trust made possible by a £750,000 investment through the Wales Business Fund by the Development Bank Of Wales.

Caernarfon-based Cwmni Da, founded in 1996, is an important producer with a long track record in making factual, entertainment, children's and drama programmes, mostly in the Welsh language for S4C along with content for the BBC, Channel 4 as well as with international partners from its state-of-the-art production centre at Victoria Dock.

Co-founder and managing director Dylan Huws has been the sole owner of the company since December 2017. When two of his fellow directors stood down he was keen to make sure that the company remained in Welsh hands and that the people who worked in it would benefit from any transfer of ownership.

Mr Huws said: "We're extremely grateful to the Development Bank for their invaluable support at an exciting time in Cwmni Da's history."

"The financial backing we've received has helped us to transform the company into an Employee Ownership Trust."

"With the Development Bank's help, we're rooting Cwmni Da even more firmly in Caernarfon so the company can continue to thrive and prosper, providing good, well-paid jobs and contributing to the local economy."

Case Study



Development Bank of Wales, Camlas Farm Vets

Welshpool based Camlas Farm Vets relocated to larger premises thanks to an £80,000 Development Bank of Wales loan helping to secure nine jobs in the company.

The independent, dedicated farm animal veterinary practice, working in the Powys and Shropshire area, is run by Amy McKie with her co-partners, Fflur and Iolo. They are passionate about treating animals and work alongside farmers to get the best from their livestock and farming enterprises.

They had been operating from small but functional premises for six years, with no real way to increase capacity and accommodate additional support staff needed as the business grew.

Amy said: “The new premises is still very accessible and near the local livestock market. We’ve renovated a bungalow for commercial use. Whilst we usually treat the animals offsite, during the lambing season it’s common for farmers to bring ewes with lambing difficulties to the practice. One of the things we’re using the loan for is to convert one of the rooms into an operating theatre.”

Amy added: “The loan from the Development Bank has been hugely important. Having the loan structured to our business needs has enabled us to relocate, safeguard existing jobs and plan for future growth.”

8 SME Support

The **Entrepreneurship Support** scheme (£24.8m EU funds) led by Business Wales provided tailored and one-to-one business support to some 200,000 people including business leaders, entrepreneurs and people looking to achieve commercial success. The scheme has created more than 3,800 new enterprises, 19,000 new jobs and supported £241 million increase in export.

Case Study

After fleeing the Ukraine war and relocating to Wales, Oleksandra Ivanchenko was determined to restart her business, Mimimade.ua, manufacturing and selling soft toys.

She contacted Business Wales for start-up support to enable her to rebuild her business in Wales. She was supported by a Business Wales adviser on the business's finances, taxes and marketing, as well as provided with access to the translation of the Start-up webinar in Ukrainian.

“Having fled the war in Ukraine, I am very grateful to Business Wales for the support provided in starting my own business.”

Oleksandra's advisor supported her with the application process for the Barriers to Start-up Grant for 25-year-olds and over and she successfully received funding, which enabled her to purchase a sewing machine and a sewing table, allowing her to start trading in Wales.

Case Study



Business Wales, Spike the Blacksmith

Spike Blackhurst, an artist, a blacksmith, a teacher set up her business, Spike the Blacksmith, in 2003, creating unusual and individual pieces of work.

As well as teaching various artistic blacksmithing courses from her workshop in Powys, Spike works with the Welsh Government in collaboration with the Big Ideas Wales team, mentoring young people as a business entrepreneur role model.

After some years of trading, Spike approached Business Wales to ensure her business was developing and growing in the right direction.

Her mentor supported her with business planning, financial planning, marketing, and branding to make sure she was on the right track for sustainable growth.

Additionally, an Equality and Diversity Policy was discussed, which Spike then put in place, adhering to HR practices and procedures, that included the provision of service to customers.

Case Study



Business Wales, By the Wye

“The advisors from Business Wales were incredibly helpful with our glamping business start-up, supporting us with their expertise, contacts, courses and resources, they acted as independent cheerleaders, keeping us focused and guiding us every step of the way.”

By the Wye is a treetop glamping accommodation provider in Hay-on-Wye, run by Dawn and Edith Farnworth who contacted Business Wales on how they could improve the environmental impacts of their business.

With the support received from Business Wales’ expert advisers, they have introduced a new environmental policy, with no single use plastic on site and encouraging visitors to use local stores, products and public travel where possible, with the biodiversity of the site increasing significantly along with their ongoing woodland management and tree planting programmes.

The business has also won a number of awards due to its ethos and exemplary approach to sustainability and site management.

Superfast broadband

Although Arundales grocery store, which opened in 1887 in Colwyn Bay, had to close its doors, it is still running as an online presence with the aid of EU funded Superfast Business Wales.



Superfast Business Wales, Arundales Dairy



Superfast Business Wales, Arundales Dairy

When COVID-19 hit and wholesale customers cancelled orders as schools, colleges, and tourism and hospitality shutdown it could have been the end of the business.

However, the local community came to the rescue as people in lockdown inundated the firm with orders and Arundales were delivering fruit and veg to between 70 and 90 people a day.

With no facility on their website to order or pay online, owner Wende decided to attend Superfast Business Wales' free online courses, which supported her in updating the website, making it more user friendly and allowing people to order and pay for fruit and veg boxes online.

Wende said, "I regularly update the website with content, and now have a blog and post on social media. It's quite amazing how it has all come together, with orders from the website via Facebook and Google My Business, as well as the phone, which our older customers prefer to use as many don't have online banking and struggle with online ordering."

"We weren't expecting lockdown. We weren't set up for it. But the business came looking for us and repeat orders have sustained us during the third lockdown. If a local 124-year-old family business can adapt to change and use digital to do some of the heavy lifting, then anyone can. Superfast Business Wales is free, and I thoroughly recommend it."

12 SME Support

Social businesses are an important and component of the Welsh economy, focussing on the impact on people or the environment, addressing local issues with generating and generating profits that are put back into the community. Social enterprise, co-operatives, mutuals and employee-owned businesses are creating positive change and build stronger, wealthier communities in Wales.

WCVA's **Social Business Growth Fund** (SBGF) (£2.3m EU funds) managed by the Wales Council for Voluntary Action (WCVA), supported the growth of Welsh social businesses and help develop new products, services and markets. Investments through the fund involved a mix of grant funding and repayable finance, with financial incentives for social businesses that exceeded job creation targets.



Social Business Growth Fund, Cube Gallery

With financial support from the SBGF, non-profit CUBE (Community United Barry 4 Everyone) opened 'The Gallery', a community café and event space in Barry.

Formed just as the first lockdown hit in Wales in 2020, CUBE, a collective of 28 local people, has been delivering vital services to the community throughout the coronavirus crisis, providing a lifeline to the community in Barry during the pandemic.

Launched in October 2021, 'The Gallery' now provides a much-needed base of operation for the project as well as helping to generate income, offering a modern location for events. A separate café provides a community space to help tackle loneliness, where people can pop in for a chat and a coffee, or pay for a 'suspended coffee' for someone in need.

Janet (name changed to protect identity) who was struggling during lockdown with her child's behaviour, turned to CUBE for help.

Janet said "I am so thankful for the support I received from CUBE. Not only has my child had amazing support but my home is happier and calmer."

The new venue will allow CUBE to continue to make a difference for families and individuals living with or affected by mental health, suicide, grief and loss, domestic abuse and substances allowing them to better deliver their services for the community.

Cwmpas' **Social Business Wales** fund supported the creation of new social businesses owned and controlled by the communities they serve, and earning profits that can be reinvested in those communities and create much needed jobs.

Case Study

North Wales social enterprise, Outside Lives, was set up to connect members of the community to celebrate and protect the natural world, caring for the Earth by increasing awareness and appreciation of the local environment.

It provides an outdoor permaculture space and activities which promote a sustainable living lifestyle and techniques to inspire members to limit their carbon footprint. It provides relaxation and well-being sessions, gardening classes, craft workshops and cookery skills activities for marginalised people and their families, across Flintshire and Denbighshire in North Wales.

Outside Lives reached out to Social Business Wales (SBW) to support its employment and volunteering growth. The team commissioned Easy Read UK to produce easy read versions of three policies (Disciplinary Policy and Procedure, Equality and Diversity, and Health and Safety Policy). SBW also helped produce animated video versions of these policies and procedures to better connect people with learning disabilities. In addition, SBW assisted Outside Lives to apply for grant funding to produce a recruitment advert, job description and application form in an easy read format to enable it to employ people with learning disabilities.

This support has helped Outside Lives create more inclusive ways for vulnerable members of the community to get involved in the project, reducing the barriers to inclusion and helping more of the community get connected than ever before.



Outside Lives



Outside Lives