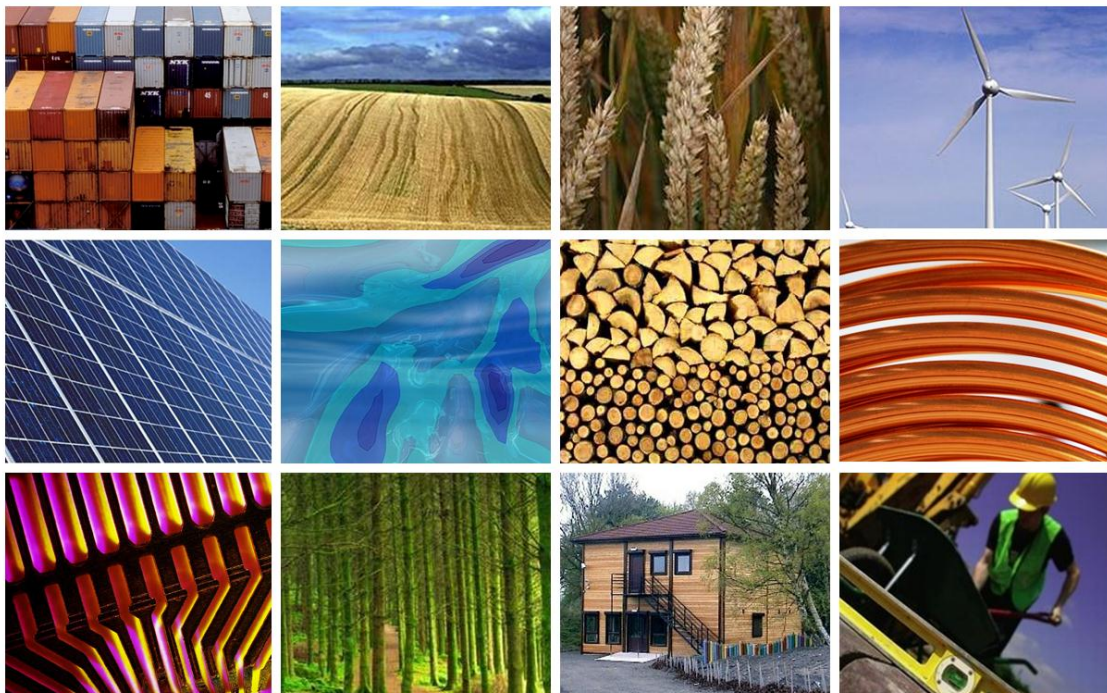Final Report to Shropshire Council on behalf of the metnet Project Board

Marches Environmental Technologies Network (metnet) – Final Evaluation of Phase 2: April 2012 to March 2014

June 2014

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Quality Management

URSUS Consulting Ltd has quality systems which have been assessed and approved to BS EN IS9001:2008 (certificate number GB2002687).

Creation / Revision History

Issue / revision:	**Draft Evaluation Report**
Date:	9th June 2014
Authorised by:	Steve Owen
Project number:	U.120
File reference:	metnet/phase 2/final evaluation

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Contents

1   INTRODUCTION

This Final Evaluation of the Marches Environmental Technologies Network (metnet) for Phase 2, covering the two years from April 2012 to March 2014, has been prepared by URSUS Consulting Ltd and commissioned by Shropshire Council on behalf of the metnet Project Board.

1.1   METNET – PROJECT BACKGROUND

The Marches Environmental Technologies Network is a business network created to deliver the Competitiveness through Collaboration programme, funded by Local Authorities (Herefordshire, Shropshire, Telford & Wrekin and Worcestershire) and the ERDF programme. Shropshire Council is acting as the Accountable Body on behalf of the funding partners.

metnet has been running for 4 years.   **Phase 1** ran from May 2010 to March 2012 and an evaluation of the first phase was published in May 2012. **Phase 2** extended the network for another 2 years (from April 2012 – March 2014). A further extension to March 2015 has recently been granted (**Phase 3**).

The initial project was developed by sub-regional partners, from both the public and private sectors across Herefordshire, Shropshire, Telford & Wrekin and Worcestershire. It resulted from the potential illustrated by SEtNEt (Shropshire and Telford & Wrekin Environmental Technologies Network).

The project was established because the majority of SMEs in the west of the region were not optimising their potential by using the support initiatives that were on offer. With the reduction in funding and other fundamental changes to the business support landscape since then, access to information and other business opportunities has become even more important.

The aim of metnet has always been to support environmental technology companies across the Marches and also to assist businesses that are looking to diversify into the sector. This is achieved through a programme of information and networking events and the provision of a website (www.met-net.co.uk) and regular email bulletin that provides information and business opportunities for environmental technology businesses across the Marches and Worcestershire. The project also promotes and encourages collaboration with the region's HEIs.

As shown in *Table 1.1*, funding sources for the two years 2012-2014 comprised the ERDF European Regional Competitiveness and Employment (RCE) programme, AWM Single Pot and Local Authority contributions. Shropshire Council acts as the Accountable Body and sits on the Project Board along with Herefordshire Council, Telford and Wrekin Council, Worcestershire County Council and business representatives. Businesses also sit on a project Steering Group.

The Project is managed and delivered by two project officers based in Ludlow, who work closely with Shropshire Council as the accountable body, the three other Local Authorities, the Project Board and the business Steering Group.

Table 1.1   Sources of metnet Project Funding – Phase 2, April 2012 to March 2014

	Year 1: April 2012 - March 2013 (£)	Year 2: April 2013 - March 2014 (£)	Total over 2 years (£)	%
ERDF Programme	55,835	61,273	117,108	50%
Local Authorities - cash:				
Herefordshire	7,772	7,343	15,115	6%
Shropshire	6,728	8,387	15,115	6%
Telford & Wrekin	7,772	8,227	15,999	7%
Worcestershire	15,999	15,999	31,997	14%
Officer time in-kind:			-	
Herefordshire Council	3,000	3,000	6,000	3%
Shropshire Council	7,504	9,380	16,883	7%
T&W Council	7,061	8,937	15,999	7%
Total	111,669	122,546	234,215	100%

The Phase 2 project objectives, outcomes, outputs and rationale are shown in *Box 1.1*.

Box 1.1   metnet Phase 2 Project Objectives, Outcomes and Rationale

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Phase 2 of the project aimed to assist environmental technology businesses via a range of activities to increase their turnover by up to 5% through new business, creating up to £1m of GVA and creating up to 25 jobs in the sector.

metnet Project Objectives
- 30 businesses (including 5 from the waste & recycling sector) to win new contracts to increase their turnover by at least 5% by March 2014.

- 50 businesses (including 15 from the waste and recycling sector) to access information on finance to expand their operations by 5% by March 2014.

- 25 businesses (including 10 from the waste and recycling sector) to access information to facilitate the introduction of new practices, processes and or R&D into their business by March 2014 resulting in an increase in turnover of 2%.

- 100 businesses (with 20 being from the waste and recycling sector) to have access to external business advice and information on local, regional and national initiatives with 10% of these businesses being referred by metnet for follow-up by the relevant agency representative by March 2014.

metnet Project Outcomes:
The anticipated **outcomes** of the project:
- The project will increase the knowledge and capacity of the sector by running at least 10 events per year (at least 4 tailored to the waste and recycling sector) and attracting at least 300 delegates to attend from environmental companies or companies looking to diversify.

- By attracting at least 25 businesses from the waste and recycling sector to attend events over 2 years including Meet the Buyer, finance and business briefings and the Conference, the project will enhance the capacity and capability of the sub-sector.

- By attracting a further 100 environmental businesses to register on the metnet website (with 10% being from the waste and recycling sector) the project will ensure continued engagement and information sharing with businesses.

- By offering at least 4 Access to Finance business briefings and attracting at least 50 businesses (i.e. environmental businesses and businesses looking to diversify into the sector) the project

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will help business access finance and expand and diversify their operations, creating jobs.

- By offering at least 4 briefings per year with the involvement and participation of regional HEIs and key agencies supporting innovation and diversification, the project will actively encourage collaborative working with the region's knowledge base.

metnet Project Outputs
- 30 Business Assists (12 hours of support per business)

The original Project Rationale was that a resourced business network can overcome barriers to rural SMEs and:

- Overcome their barriers to non-participation in regional business support schemes.
- Increase their propensity to uptake business support services.
- Increase their propensity to collaborate.
- Increase their propensity to improve competitiveness through innovation.
- Increase their propensity to use HEIs as a business opportunity.
- Improve knowledge sharing and awareness of new market opportunities.

1.2   EVALUATION AIMS AND METHODOLOGY

The Final Evaluation of Phase 2 of metnet aims to assess the overall success and outcomes of the project, as well as providing recommendations for future project activities during Phase 3 (April 2014-March 2015), including links to other relevant initiatives across the Marches and Worcestershire.

Requirements of the metnet Phase 2 evaluation as described in the ITT are shown in *Box 1.2.*

Box 1.2   Evaluation Aims for metnet Phase 2 (April 2012 – March 2014) – per Specification

The evaluation aims to:

- Review the initial conditions and issues the project wished to address (see *Box 1.1*).
- Evaluate how far the project met its aims, objectives and outcomes (quantitative) against the baseline position.
- Establish and log any unanticipated outcomes, either positive or negative that arose as a result of the project's interventions.
- Establish and examine any problems the project encountered and analyse how these problems were managed.
- Evaluate the impact and perceptions of the end beneficiaries – the Environmental Technology SMEs including improvements to the business e.g. innovations, application of R&D, growth, increased sales, improved productivity or new jobs created or jobs safeguarded.
- Evaluate the impact and perceptions of the regional project/business support services and initiatives the project aimed to support.
- Consider the way partnerships have worked within the context of the project.
- Examine the effectiveness of the project management and administration arrangements.
- Assess the sustainability of the project's exit strategy.
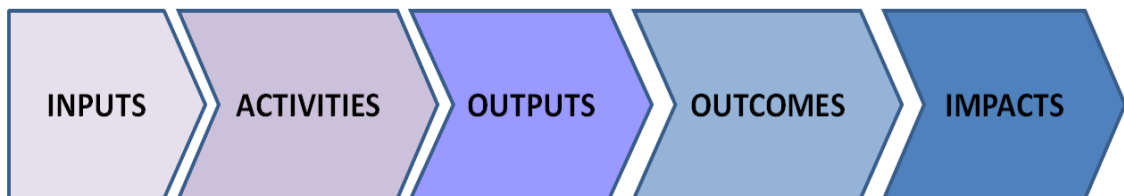- Provide a Value for Money assessment.

In line with government evaluation guidance, the evaluation has focused on identifying causal links between inputs, activities, outputs, outcomes and impacts (the Project Logic Chain shown in *Figure 1.1*) to demonstrate what outcomes and impacts have been generated by a project.

Additionality: The evaluation has also taken account of 'additionality' factors to identify 'gross' and 'net' outcomes[1] – assessing the counterfactual, deadweight, leakage, displacement, substitution, multiplier effects, unintended effects, crowding in/out and wider effects - as set out in *Box 1.3.*

Evaluation Framework: To address the evaluation aims shown in *Box 1.2*, the Evaluation Framework is shown in *Table 1.2*. The questions in the framework have been examined through discussions with businesses and stakeholders such as Local Authority partners, and an online survey of businesses (60 responses) undertaken during March to April 2014. Consultees are listed in *Annex A*.

Figure 1.1   Project Logic Chain

INPUTS > ACTIVITIES > OUTPUTS > OUTCOMES > IMPACTS

Box 1.3   Additionality Factors

Reference Case/Counterfactual - What would have happened in the absence of the Project?

Deadweight - What proportion of total outcomes would have been secured in the absence of the Project?

Leakage - What proportion of the Project's quantifiable and less easily quantifiable outputs and outcomes, benefited firms are outside the target area of the rural west of the region?

Displacement - Is there evidence that as a result of the Project, commercial activity might be displaced elsewhere in the region?

Substitution – Have firms substituted one activity for another to take advantage of project support?

Multipliers - Is there evidence that other firms in the RRZ / region's supply chain are benefiting from the Project?

Unintended effects - What, if any, unforeseen gross and net outputs has the Project achieved?

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[1] Gross impacts relate to increases in, for example, jobs or income due to the project as well as other factors outside the influence of the project. Net impacts relate to only those impacts which are directly attributable to a project, ie. jobs or increases in income which would not have occurred had the project not existed.

Have there been unintended negative effects?

Crowding in/out – Has the increase in public expenditure resulted in a decline (crowding out) or increase (crowding in) in private expenditure?

Wider effects – What effect has the intervention had for environmental /carbon reduction and social objectives?

Table 1.2   Evaluation Framework

1. DELIVERING PLANNED OBJECTIVES, OUTPUTS AND OUTCOMES

Question 1: How successful has the Project been in achieving the Project Objectives?

Project objectives:

- 30 businesses (including 5 from the waste & recycling sector) to win new contracts to increase their turnover by at least 5% by March 2014.

- 50 businesses (including 15 from the waste and recycling sector) to access information on finance to expand their operations by 5% by March 2014.

- 25 businesses (including 10 from the waste and recycling sector) to access information to facilitate the introduction of new practices, processes and or R&D into their business by March 2014 resulting in an increase in turnover of 2%.

- 100 businesses (with 20 being from the waste and recycling sector) to have access to external business advice and information on local, regional and national initiatives with 10% of these businesses being referred by metnet for follow-up by the relevant agency representative by March 2014.

- Achievement of **Business Assists** - 30 Business assists (12 hours).

Project Outputs:

- Increase the knowledge and capacity of the sector by running at least 10 events per year (at least 4 tailored to the waste and recycling sector) and attracting at least 300 delegates to attend from environmental companies or companies looking to diversify.

- Attract at least 25 businesses from the waste and recycling sector to attend events over 2 years including Meet the Buyer, finance and business briefings and the Conference, the project will enhance the capacity and capability of the sub-sector.

- Attract a further 100 environmental businesses to register on the metnet website (with 10% being from the waste and recycling sector) the project will ensure continued engagement and information sharing with businesses.

- By offering at least 4 Access to Finance business briefings, attracting at least 50 businesses (i.e. environmental businesses and businesses looking to diversify into the sector) the project will help business access finance and expand and diversify their operations, creating jobs.

- By offering at least 4 briefings per year with the involvement and participation of regional HEIs and key agencies supporting innovation and diversification, the project will actively encourage collaborative working with the region's knowledge base.

Question 2: How useful have metnet activities been in helping businesses to develop?

Question 3: Which metnet activities are successfully delivering the outcomes, e.g. events, website etc? What aspects have worked less well?

Question 4: How has metnet delivered economic outcomes – quantification of increased turnover, employment (jobs created and safeguarded) and GVA in environmental technology businesses?
(taking into account additionality factors in assessing net outcomes – including unintended effects, displacement, wider effects etc).

2. REVIEW THE INITIAL CONDITIONS AND ISSUES THE PROJECT WISHED TO ADDRESS – 'PROJECT RATIONALE'

Question 5. To what extent has the Project addressed the original Project rationale?

Has metnet overcome barriers to rural SMEs accessing business support?

- Overcome their barriers to non-participation in regional support schemes
- Increased their propensity to uptake business support services.
- Increased their propensity to collaborate.
- Increased their propensity to improve competitiveness through innovation.
- Increased their propensity to use HEIs as a business opportunity.
- Improved knowledge sharing and awareness of new market opportunities.

3. PARTNERSHIP WORK

Question 6: How do local authority partners perceive the project? How effective has partnership working been within the context of the project?

4. VALUE FOR MONEY AND PROJECT MANAGEMENT AND ADMINISTRATION

Question 7: Did the project provide value for money? How efficient and economical has the project been in delivering its activities, outputs and outcomes?

Question 8: Was metnet effectively project managed and delivered?

Considering, for example:

- accessibility and responsiveness to businesses
- pattern of spend and activities during the project
- whether the investment delivered on partner and stakeholder expectations
- how well the project linked with public and private organisations and initiatives with similar aims and objectives

Question 9: Did the project encounter any problems and how effectively were these problems managed?

Question 10: What are the Key Lessons Learnt from the project?

5. FUTURE ACTIVITIES AND EXIT STRATEGY

Question 11: What are the recommendations for future metnet activities?

Question 12: What is the project's exit strategy and how sustainable is the exit strategy? Will benefits and impacts accrued by the project persist into the future?

1.3   REPORT STRUCTURE

The report is structured into the following sections:

- Section 2 describes metnet project activities during Phase 2;
- Section 3 provides the Phase 2 Final Evaluation Findings; and
- Section 4 provides Recommendations for the Future.

In addition, the Annexes contain the following:

- Annex A - List of consultees – businesses and stakeholders.
- Annex B - Online Business Survey questions.

2   METNET ACTIVITIES

This section summarises the metnet activities undertaken in the two years during Phase 2 from April 2012 to March 2014.

2.1   METNET ACTIVITIES

Since April 2012, metnet has undertaken the following activities:

- Over 30 events have been held – seminars, workshops, meet the buyer events, conferences, including some events held with partner organisations (see *Table 2.1*).

- Signposting to other business support initiatives.

- Regular email bulletins including information on events, opportunities and business support.

- Development of the metnet website (see *Box 2.1*).

- Marketing activities to publicise metnet amongst businesses – including internet advertising, newspaper/magazine advertisements, press releases, direct mail exercises, regular email bulletins, business consultation and baseline survey work.

- Business case studies on the metnet website.

- Championing the interests of the Marches environmental goods and services sector with a range of stakeholders, including Local Authority procurement processes.

The events have been attended by over 135 different businesses and over 420 attendees (see *Table 2.1*).

Table 2.1   metnet Events April 2012 to March 2014

metnet Event:	No. of attendees:
Generating Sales Leads (June 2012) - Shrewsbury	13
LinkedIn for Business (June 2012) - Rotherwas, Herefordshire	11
Generating Sales Leads (July 2012) - Bransford, Worcestershire	8
Twitter for Business (June 2012) - Ludlow	9
LinkedIn for Business (Sept 2012) - Shrewsbury	9
Green Deal Partnership meeting (July 2012)	1
Business Access to Finance (Oct 2012) - Hereford	17
metnet Conference (Nov 2012) - Ludlow	65
PQQ and Tender Workshop (Dec 2012) - Ludlow	23
MEBC Dinner (Dec 2012) - Birmingham	10
Marketing Workshop (Jan 2013) - Ludlow	34
Joint metnet, BESST Event (Feb 2013) - Telford	15
Twitter for Business (May 2013) - Shrewsbury	6
Horizon Scanning for Low Business (June 2013) - at Worcester Bosch	36
Carillion Meet the Buyer (June 2013) - Telford	8
LinkedIn for Business (June 2013) - Worcester	9
Daniel Rowles Digital Marketing Update (June 2013) - Ludlow	20

metnet Event:	No. of attendees:
Green Deal Assessor Feedback Session (July 2013) - Shrewsbury	16
Green Bridge Meeting (August 2013) – Birmingham	1
Green Deal Meet the Buyer with Carillion (Sept 2013) - Worcester	5
Market Research for Small Businesses (Sept 2013) - Ludlow	17
metnet & h-energy expo (Oct 2013) - Hereford	6
Meeting with Delia Yapp (Oct 2013) – Shrewsbury	1
metnet Conference (Nov 2013) – Worcester	60
Research re MSPG training Shropshire County Training	1
Resource efficiency Worcestershire expo (Jan 2013) - Worcester	3
Joint metnet/BESST Annual event (Feb 2014) - Telford	6
Win, convert, retain customers using Digital Mktg (March 2014) - Ludlow	10
Total	**420**

Box 2.1   metnet Website

The metnet website (www.met-net.co.uk) includes:

- About metnet
- Listings of registered businesses (294 eligible companies from the Marches area were registered at 31/3/12 – this has increased to approx 510 by 31/3/14).
- Find a supplier pages and listings of Marches environmental businesses, including 'mini-site' pages.
- Event information - metnet and other events.
- Metnet events and event presentations and attendee lists.
- Business support and resources, eg. Business Support in the Marches, Growth Accelerator etc.
- Funding opportunities – including metnet grants and other sources of grants and funding, eg. Green Bridge, Worcestershire resource efficiency grants etc.
- Business case studies and videos.
- Partner and other useful links.

2.2   OUTPUTS AND OUTCOMES ACHIEVED

Table 2.2 shows how metnet has performed in relation to the project objectives / outputs.

Table 2.2 Achievement of metnet's objectives and targets for Phase 2

Objectives / Project Targets	Achievement after Year 2:	Target achieved at 31st March 2014?
Assist environmental technology businesses to increase turnover by up to 5% through new business,	76% of surveyed businesses reported that their turnover had grown over the last two years. Of these businesses, 32% said that some of this growth was attributable to metnet, and a further 23% said that it *may* in part be attributable to metnet. Those businesses who were able to estimate what percentage of business turnover growth was attributable to metnet typically estimated between 5% and 20% turnover.	Achieved
Create up to £1m of GVA	40% of surveyed companies reported that metnet had helped them to win new contracts. As detailed in *Section 3.1.4* below, GVA generated by metnet is estimated at £1,410,750.	Achieved – see *Section 3.1.4*
Create up to 25 jobs in the sector	38% of surveyed businesses reported that employment had grown over the last two years - 32% said that some of this growth was attributable to metnet, and a further 23% said that it *may* in part be attributable to metnet. Estimates shown in *Box 3.3* below indicate that metnet has generated between 26 new jobs during Phase 2.	Achieved – see *Section 3.1.4*
30 businesses (including 5 from the waste & recycling sector) to win new contracts to increase their turnover by at least 5% by March 2014	Within the 131 companies who actively engaged in metnet events during Phase 2, 20 companies were Waste Management companies, accounting for 16% of the total. 6 of the 8 waste management businesses who participated in the evaluation survey reported that metnet had helped them to win new contracts. 40% of businesses reported in the survey that metnet had helped them to win new contracts. Those businesses who were able to estimate what percentage of business turnover growth was attributable to metnet estimated this to be between 5% and 20%.	Achieved
50 businesses (including 15 from the waste and recycling sector) to access information on finance to expand their operations by 5% by March 2014.	Over 50 businesses (including over 15 waste management businesses) have had access to information on finance via the metnet events, including specific events on access to finance and grants. 74% of surveyed businesses reported that metnet had given them increased awareness about accessing finance for businesses. Whilst there are specific examples of businesses who were able to access finance because of support from metnet (eg. Isodaq / Hydrologic), it is unknown whether 50 businesses accessed finance to expand their operations by 5%.	Achieved.
25 businesses (including 10 from the waste and recycling sector) to access information to facilitate the introduction of new practices, processes and or R&D into their business by March 2014 resulting in an increase in turnover of 2%.	Over 25 businesses (including over 10 waste management businesses) have had access to information to facilitate the introduction of new practices, processes and or R&D.	Achieved
100 businesses (with 20 being from the waste and recycling sector) to have access to external business advice and information on local, regional and national initiatives with 10% of these businesses being referred by metnet for follow-up by the relevant agency	Over 100 businesses (including 20 waste management businesses) have had access to external business advice and information on local, regional and national initiatives. 90% of surveyed businesses reported that metnet had given them increased awareness of other sources of business support and grants. 69% of surveyed businesses reported that metnet had increased	Achieved

Objectives / Project Targets	Achievement after Year 2:	Target achieved at 31st March 2014?
representative by March 2014.	their propensity to make use of business support schemes. metnet has referred many businesses to other sources of business support, eg. Growth Accelerator support, innovation funding and grants.	
Run at least 10 events per year (at least 4 tailored to the waste and recycling sector)	metnet ran 10 events in year 1 and 18 events in year 2 of Phase 2. Events included components tailored to the waste management and recycling sub-sector (rather than specific sub-sector events). Although some waste management businesses have actively participated (eg. Environmental Waste Management Services Ltd, Plas-Cycle Ltd and What-Waste), other waste businesses have been less enthusiastic to participate, despite focused marketing efforts by the metnet team.	Achieved.
Attract at least 300 delegates to attend events from environmental companies or co's looking to diversify.	420 delegates have attended metnet events during Phase 2, therefore exceeding the 300 delegate target.	Achieved
At least 25 businesses from the waste and recycling sector to attend events over 2 years including Meet the Buyer, finance and business briefings and the Conference, the project will enhance the capacity and capability of the sub-sector	20 companies from the waste management and recycling sub-sector actively engaged in metnet events during Phase 2. The metnet team put considerable effort into targeting waste management companies to encourage attendance. Waste management businesses attended a wide range of metnet events, including public sector procurement briefings, marketing, annual conferences and finance briefings.	Largely achieved.
Attracting a further 100 environmental businesses to register on the metnet website (with 10% being from the waste and recycling sector).	metnet has approximately 510 eligible businesses from the Marches area registered – increased from 294 companies at 31/3/12 – ie. an increase of over 200 during Phase 2. Around 70 of these businesses are in the waste management and recycling sub-sector (14% of the total).	Achieved
At least 4 Access to Finance business briefings and attracting at least 50 businesses.	During Phase 2, metnet provided specific finance events, email briefings and finance briefings within wider events such as the metnet conferences. Attendance figures at the specific access to finance events were lower than expected, but well over 50 businesses attended the finance aspects of wider events.	Achieved via finance briefings within wider metnet events.
At least 4 briefings per year with the involvement and participation of regional HEIs and key agencies supporting innovation and diversification	During Phase 2, metnet provided numerous briefings on HEI and innovation support opportunities and regional HEIs and key agencies supporting innovation and diversification attended and provided briefings at many of the metnet events, including the metnet conferences, horizon scanning, and joint resource efficiency events. In addition, metnet provides ad hoc advice to businesses who contact them regarding business innovation support available.	Achieved
Achieve 30 Business Assists (12 hours of support per business).	29 new business assists were achieved during Phase 2 (1 further company was unable to fulfil the 70% B2B criteria). In addition, a further 12 businesses, who were recorded as Business Assists during Phase 1 (2010-2012) also received 12+ hours of support during Phase 2. In addition, metnet provides ad hoc advice to businesses who contact them regarding business support available.	Achieved 29 new business assists (with one business unable to fulfil the 70% B2B criteria).

2.2.1 Business Assists

metnet's targets for ERDF Business Assists during Phase 2 was 30 business assists (a minimum of 12 hours support). These business assists had to be for companies that were not recorded as business assists during Phase 1 (2010-2012). Under ERDF rules, the support can take the form of one-to-one and/or one-to-many consultancy advice, diagnostic and brokerage, face-to-face, over the telephone, by email or via a web-based dialogue.

Table 2.3, Table 2.4, Figure 2.1 and *Figure 2.2* show Business Assists and event attendee figures for Phase 2, as well as the geographic and sub-sectoral spread of these assists.

Table 2.3   New business assists (12+ hours) during Phase 2

County	No of completed Business Assists during Phase 2	% of business assists	Total hours
Herefordshire	7	24%	108.75
Shropshire	7	24%	112.75
T&W	4	14%	86.25
Worcestershire	11	38%	194.58
Total	**29**	**100%**	**502.33**

Table 2.4   All businesses attending metnet events during Phase 2

	less than 3 Hours	3+hours	6+ hours	12 + Completed	Total (no's at 31/3/14)	% of total
			⟶			
Herefordshire	3	3	3	13	22	17%
Shropshire	12	14	14	10	50	38%
Telford and Wrekin	3	6	4	5	18	14%
Worcestershire	3	9	16	13	41	31%
Total	**21**	**32**	**37**	**41**	**131**	100%

A total of 131 eligible different businesses attended metnet events during Phase 2, 77 businesses had not participated in metnet events during Phase 1, demonstrating that metnet has been successful in engaging with a large number of companies who had not engaged during Phase 1.

The geographic distribution of businesses who have engaged with metnet over the two years is reasonably well balanced across the four Local Authority areas. This has been assisted by metnet holding events across the Marches and actively targeting businesses in different geographic areas.

Table 2.5 shows the sub-sectoral distribution of businesses involved in metnet events during Phase 2. As in Phase 1, renewable energy had the highest number of businesses (23% of businesses), but the 'dominance' of renewables has reduced since Phase 1 (35% of businesses); and sub-sectors that have grown during Phase 2 include energy management and low carbon buildings (reflecting strong market drivers in these areas over the last two years), as well as waste management and recycling (reflecting a metnet focus on waste management businesses in Phase 2).

Figure 2.1 **Geographic Distribution of Businesses Assisted at 31st March 2014**

Note: Target number of business support assists of at least 12 hrs over the two years = 30.

Figure 2.2 **Sub-Sectoral Breakdown of Businesses supported in Phase 2**

Key: Sub-sector abbreviations (%'s below show the sub-sectoral breakdown of businesses assisted):

RE – renewable energy (23%)

EM – energy management (20%)

LCB – low carbon buildings (16%)

Other – businesses diversifying from other sector (eg. electrical services, machinery, plumbing) (9%)

WM – waste management (15%)

EC – environmental consultancy (13%)

WWT – wastewater treatment (4%)

Table 2.5   Sub-Sectoral Breakdown of Businesses attending metnet events in Phase 2

Environmental industry Sub-Sector	% of businesses attending metnet events in Phase2	Phase 1 2010-2012
Renewable energy	23%	35%
Energy Management	20%	5%
Low Carbon buildings and construction	16%	4%
Waste Management & Recycling	15%	12%
Environmental Consultancy	13%	14%
Other - businesses diversifying from other sector (eg. electrical services, machinery, plumbing)	9%	20%
Water and wastewater treatment	4%	5%
TOTAL	100%	

3 FINAL EVALUATION FINDINGS

Based on analysis of project data, the online survey of businesses and discussions with project officers and stakeholders, this section addresses the following evaluation questions:

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1. DELIVERING PLANNED OBJECTIVES, OUTPUTS AND OUTCOMES

Question 1: How successful has the Project been in achieving the Project Objectives?

Question 2: How useful have metnet activities been in helping businesses to develop?

Question 3: Which activities are successfully delivering the outcomes, e.g. events, website etc? What aspects have worked less well?

Question 5: How has metnet delivered economic outcomes – quantification of increased turnover, employment (jobs created and safeguarded) and GVA in environmental technology businesses?

2. 'PROJECT RATIONALE'

Question 6. To what extent has the Project addressed the original Project rationale?

3. PARTNERSHIP WORK

Question 6: How do local authority partners perceive the project? How effective has partnership working been within the context of the project?

4. VALUE FOR MONEY AND PROJECT MANAGEMENT AND ADMINISTRATION

Question 7: Did the project provide value for money? How efficient and economical has the project been in delivering its activities, outputs and outcomes?

Question 8: Was metnet effectively project managed and delivered?

Question 9: Did the project encounter any problems and how effectively were these problems managed?

Question 10: What are the Key Lessons Learnt from the project?

5. FUTURE ACTIVITIES AND EXIT STRATEGY

Question 11: What are the recommendations for future metnet activities?

Question 12: What is the project's exit strategy and how sustainable is the exit strategy? Will benefits and impacts accrued by the project persist into the future?

3.1 DELIVERING PLANNED OBJECTIVES, OUTPUTS AND OUTCOMES

3.1.1 Question 1: How successful has the Project been in delivering the planned Project Objectives and Outputs?

As shown in *Table 2.2*, metnet has been successful in meeting its target project objectives, including in terms of:

- helping businesses to win new contracts and increase turnover by up to 5%;

- providing businesses with access to information on finance to expand their operations;

- providing businesses with access to information to facilitate the introduction of new practices, processes;

- assisting businesses in accessing external business advice and information on local, regional and national initiatives.

- meeting the target of 30 business assists (though one business was unable to fulfil the 70% B2B criteria);

- generating an estimated £1.4m GVA and 25 jobs in the sector.

metnet was also successful in meeting output targets of:

- running at least 10 events per year;

- attracting at least 300 delegates to attend events from environmental companies or companies looking to diversify;

- attracting a further 100 environmental businesses to register on the metnet website (with 10% being from the waste and recycling sector);

- providing at least 4 briefings per year with the involvement and participation of regional HEIs and key agencies supporting innovation and diversification.

metnet was partially successful in meeting the output targets of:

- Providing 4 access to finance business briefings which attracted at least 50 businesses. Whilst only one specific access to finance event was delivered, additional access to finance briefings were provided within wider metnet events, metnet grant events and email bulletins;

- Running 4 events specific targeted on waste management businesses - instead, components of other events were tailored to the needs of waste management businesses; and

- Attracting at least 25 businesses from the waste and recycling sector to attend events over 2 years – 20 businesses from the sub-sector attended events, despite focused marketing efforts.

3.1.2   Question 2: How useful have metnet activities been in helping businesses to develop?
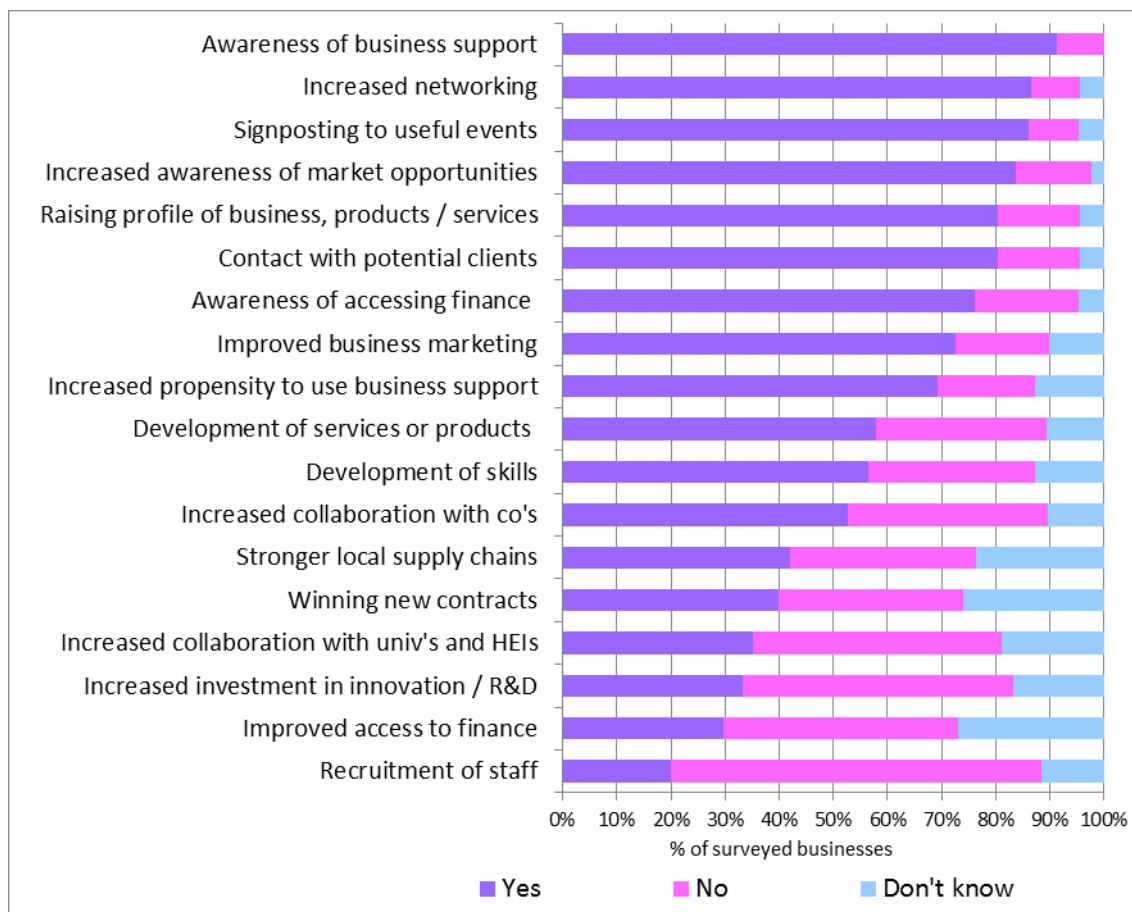
Businesses have been very positive about metnet and when asked to rate the usefulness of metnet support activities to their business, and 96% of the surveyed companies rated metnet as being "Very useful" (68%) or "Useful" (28%).

Discussions with businesses and responses to the business survey show that metnet has helped businesses to develop in a number of ways, including by:

- Helping businesses to identify and increase understanding of market opportunities. 84% of surveyed businesses reported that metnet had helped them to become more aware of new markets and opportunities for their business.

- Helping companies to market their products and services – both in terms of providing opportunities for businesses to market themselves and improvements in marketing techniques, including digital marketing.

- Increasing networking with other companies and clients – for 87% of surveyed businesses; and stronger local supply chains (42%).

- Helping companies to establish contacts for collaboration as well as benefits such as hearing about inspiring and successful companies.

- Helping companies to win new contracts (40% of surveyed businesses reported that metnet had helped them to win new contracts).

- Increasing awareness of other business support (for 91% of surveyed businesses), access to finance, R&D and innovation, grants and helping companies to access this support.

- Helping companies to develop stronger links to university based R&D and innovation;

- Helping businesses to diversify into environmental markets from other sectors such as engineering, manufacturing, construction, electrical services, plumbing services etc.

Figure 3.1 shows benefits stemming from metnet as identified by surveyed businesses in April 2014.

Figure 3.1   Benefits for Businesses Arising from involvement in metnet

Contributing to growth of businesses: In March 2014, 76% of surveyed businesses reported that their turnover had grown since April 2012 and 38% identified that employment had grown.   32% of surveyed businesses reported that metnet had contributed to their growth, and an additional 23% reported that metnet *may* have contributed to their growth.

Table 3.1   Business Survey Questions on business growth since April 2012 and contribution of metnet to growth

Business survey question:	Yes	Maybe	No	Don't know	Total
Has your business turnover grown since May 2010?	76%	-	20%	4%	100%
Has your business employment grown since May 2010?	38%	-	53%	5%	100%
If your company has grown, can you attribute any of this growth to metnet?	32%	23%	30%	15%	100%

Contract wins: 40% of surveyed companies at April 2014 reported that they have had contract wins stemming directly from metnet support (eg. Solar Solutions, Ecoteric Ltd, Clearway Ltd, Westbury Environmental Ltd, Green Achiever, Symeco, Sea-Chem Ltd, Greener Options, Creating Dimensions, 1% Studio, Redplug Ltd, Richard Adams Associates and Environmental Waste Management Services Ltd). In addition, many other businesses are confident that metnet has contributed to increases in turnover rather than being able to point to specific contract wins since it is difficult to separate out involvement in metnet from other factors that contribute to contract wins.

Box 3.1   Examples of Quotes from Businesses on Benefits Arising from metnet

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Networking and collaboration:

- "metnet has been excellent at building links with other companies"
- "metnet helps small companies to build collaborations, so that they can go for larger contracts and punch above their weight"
- "The metnet annual conferences are very good for networking"
- "Great networking, access to training, advice on grants etc - all very useful"
- "metnet has consistently brought together individuals and businesses enabling them to develop products and services".
- "MetNet has always been very useful both in terms of help and advice, and contacts"
- "Very professional and actually work as an interface to networks, clients & associates. Very good at highlighting opportunities across a range of channels".

R&D:

- "I designed a new product - metnet provided a venue to market test and get real world feedback from customers - pinpointed weakness and opportunities".
- "metnet has been good for meeting universities and allowed us to develop links with the likes of EBRI at Aston University"
- "metnet is very useful for small businesses to make further contacts and learn about skills if required".

Business growth:

- "metnet is extremely helpful, this has transferred into business growth in a new market, this continues to grow day by day"
- "The courses provided were excellent and we have used the social media aspect to redefine our marketing and it is paying dividends through increased sales activity".
- "I see metnet as a very important partner to my business growth and sales".
- "I would not want metnet to end, it would affect my business and slow down my growth".
- "Without metnet as a hub for similar organisations we would have a big hole in our resource pot and we would genuinely miss the service".

Finance and grants:

- "Signposting access to finance and grants. Annual conference is a good networking event".
- "Routes to funding, general information on the green business network in the area, work opportunities".
- "metnet has been very good at providing information on support available to businesses – eg. the Green Bridge programme which provided £30k match funding to help develop our business".

Signposting to other support:

- "metnet is very useful for signposting to other support"
- "Excellent service and really helpful in signposting to information, sources of funding etc".

Source of information:

- "Very useful information source, not available easily from other sources".
- "This is a really useful network which regularly provides a range of excellent information and opportunities".
- "Due to lack of personnel we rely on the metnet e-mails and bulletins for information gathering".
- "We have found their functions to be very useful especially on exporting".
- "A very useful resource for any environmental or energy efficiency company in the region.   We really value the seminars we have attended over the past year and we would hope it continues in its present, or preferably enhanced format, in the future".

- "We have used metnet on a number of occasions when researching information on green technology".
- "metnet has provided us with very helpful seminars on digital marketing/creating websites etc. We have also valued the general information and discussions with other providers in the region about progress/problems with Green Deal and ECO"

Marketing:

- "metnet has provided us with very helpful seminars on digital marketing/creating websites etc.
- "metnet is improving our business offer. It keeps us fresh and invigorated with other business with similar / same issues. metnet shows us ways to get more voice to attract prospective customers".
- "We perceive metnet as a partner in getting our message out there! They work very hard to support us with little effective resource. Well done metnet!!"
- "metnet puts me in touch with other businesses and spreads awareness of our business"

General:

- "Very informative with pertinent support and events"
- "Great events, especially those in partnership with others (e.g. Resource Efficient Worcestershire, BESST)"
- "Very useful both in terms of information, but also in terms of business networking"
- "Good range of RELEVANT events. Pro active approach to cross business ideas sharing".
- "Excellent training sessions and useful networking"
- "the quality of business advice at these sessions has been very high".
- "Really useful subjects covered in their events, which have also been of a very high quality. Also advice and service from the staff has been extremely useful".
- "metnet is free, which is good, it's trustworthy and not pushy"
- "It performs an important function within the local business community and has the potential to become a key link for a wider range of activities".
- "it is a very well-organised and proactive body, which is helping a variety of businesses in the Midlands".

Box 3.2   Quotes from metnet business case studies

SunRG:
"We started trading last year and heard about metnet. Being in a rural area there isn't much around us, so to find a resource like metnet on our doorstep was a really good bonus for the business. We've attended a lot of their seminars and found metnet a useful springboard for networking with other suppliers. metnet has definitely helped us increase our bottom line because we found a lot of people quicker, and it saved us time and money and put us in touch with partners that are also in metnet. We were looking for certain suppliers, and through metnet I've come across a business in Stourport, who I would never had met, and as a result we are now diversifying to solar thermal next year. metnet is a fantastic resource to be able to tap into to".

UK Flood Barriers:
"metnet is important because it is a forum which brings companies together, and helps to raise awareness of their technologies in areas of sustainability and energy efficiency and carbon reduction".

The Green Roof Tile Company:
"metnet helps to raise awareness of new products amongst other companies like builders and surveyors, and helps to get the product out there".

WN Security Shredding:
"metnet events help to meet like-minded companies, you get to see people, talk to them face to face,

find out about their business, which instils trust in companies and helps give recommendations"

Sea-Chem:
"We'd been through all the usual channels like Business Link and overseas trade support, but metnet is dynamic, fantastic, put together conferences, shows, meet the buyers – they're excellent".
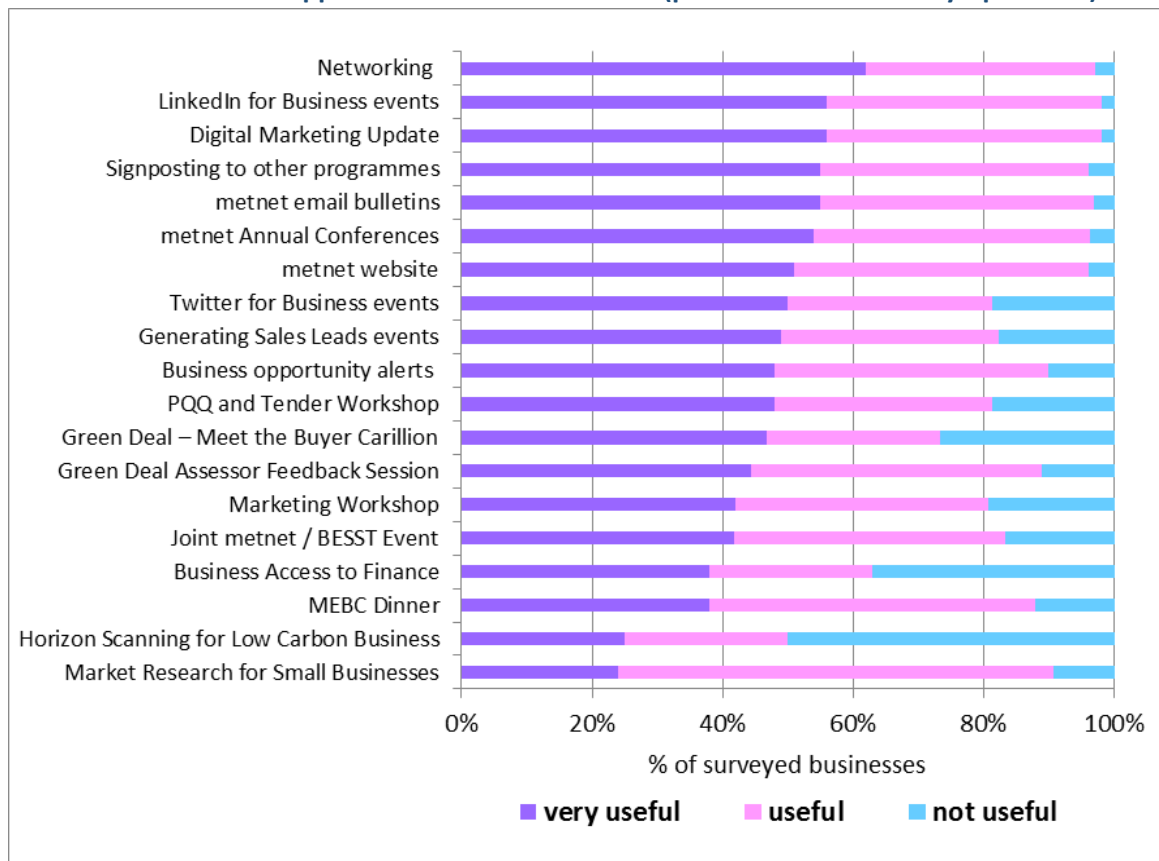
Arctic Circle:
"metnet acts as a catalyst so that companies involved in green industries can come together, exchange ideas and market their products. The website gives us a portal so that people outside our area who don't know us can contact one portal to get information about a wide range of green industries. metnet events enable us to get our name about because even though we are a local company, not many people know us, and helps with recruitment. People look at the metnet website who wouldn't necessarily look at our own website".

3.1.3 Question 3: Which metnet activities are successfully delivering the outcomes, e.g. events, website etc? What aspects have worked less well?

The April 2014 business survey asked companies to rate the usefulness of different metnet activities. As shown in *Figure 3.2,* the highest rated activities include networking, digital marketing, signposting to programmes, metnet conferences and information bulletins. Marginally less positive (but still considered useful) were events such as access to finance, horizon scanning and market research for small businesses.
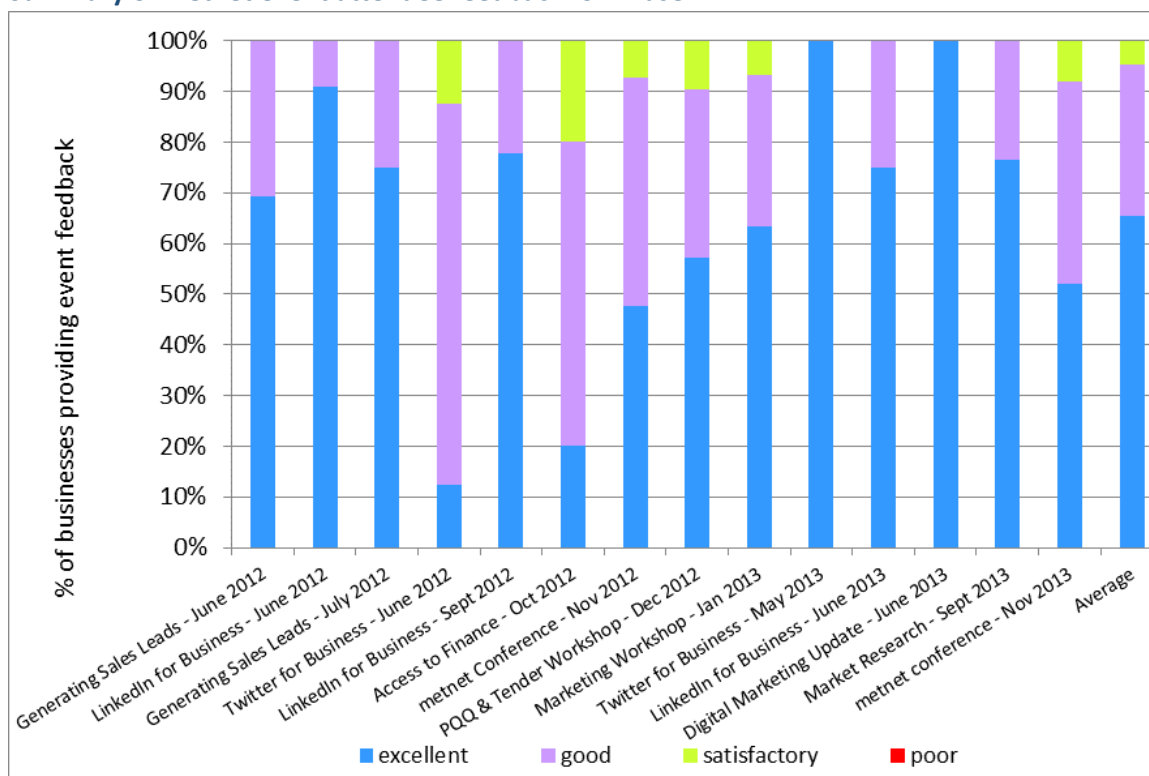
Figure 3.3 shows a summary of event feedback from attendees. Feedback has been consistently very positive and 95% of attendees rated events as excellent (65%) or good (30%). No attendees rated an event as 'poor'.

Figure 3.2   Usefulness of metnet support activities to businesses (per the business survey April 2014)
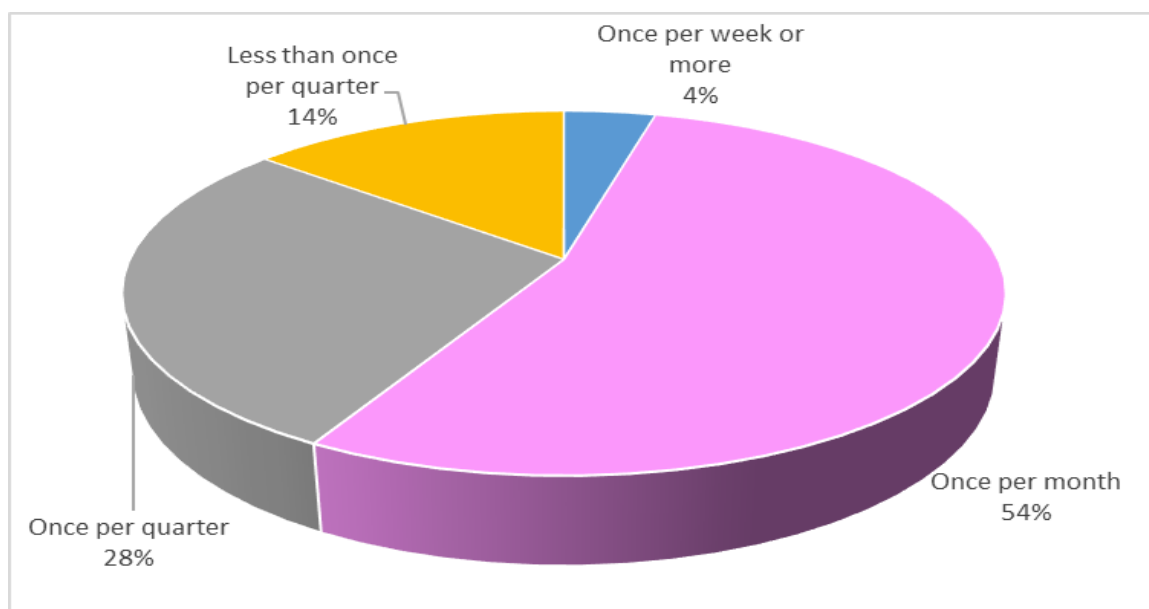
Figure 3.3   Summary of metnet event attendee feedback for Phase 2

metnet website: 98% of surveyed businesses have used the metnet website, and as shown in *Figure 3.4*, 4% of users visit the site at least once per week; 54% of users visit once per month. These figures are similar to during the Phase 1 evaluation in 2012. The most useful features of the website include information on metnet events and support schemes– see *Table 3.2* below.
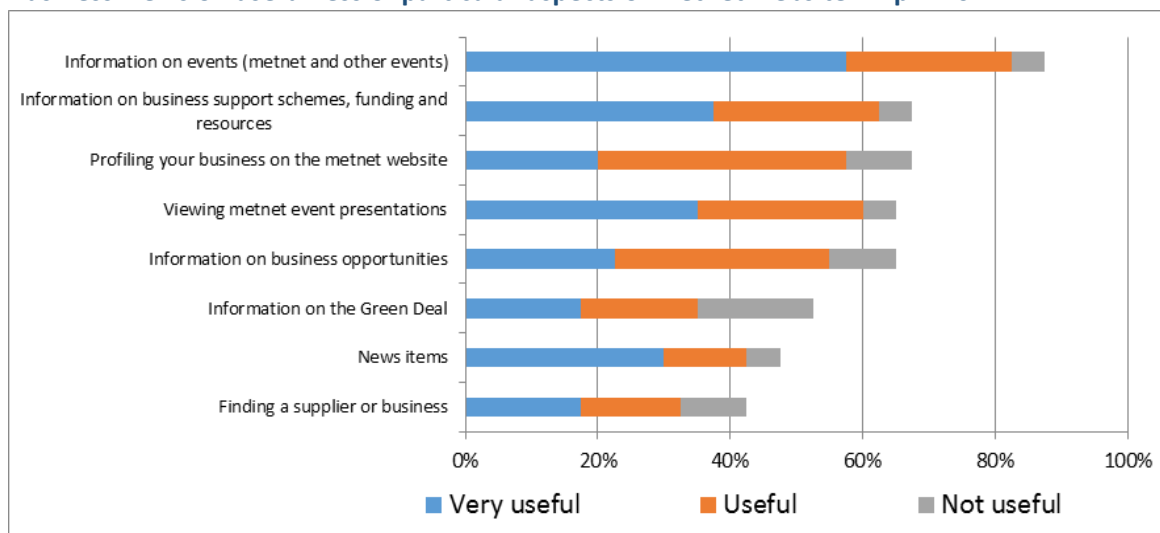
Figure 3.4   How frequently do businesses access the metnet website?

Table 3.2   Business views on usefulness of metnet website

	Survey at April 2014	Survey at March 2012	Survey at March 2011
very useful	50%	52%	38%
useful	45%	44%	59%
not useful	5%	4%	3%
total	100%	100%	100%

Figure 3.5   Business views on usefulness of particular aspects of metnet website – April 2014

3.1.4   Question 4: How successful has the Project been in delivering the Economic Outcomes, such as turnover growth, employment and GVA?

metnet has contributed to economic development in the Marches by supporting the development of the environmental technologies and services sector and helping businesses to:

- develop collaborations and networks with other businesses;
- identify and access business support and grants;
- identify new market opportunities;
- increase awareness of accessing finance;
- meet new buyers;
- win new contracts;
- improve and develop new ways of marketing;
- develop stronger links to university based R&D and innovation;
- diversify into environmental markets from other sectors such as engineering, manufacturing, construction, electrical services, plumbing services etc.

Turnover growth: As stated in *Table 2.2* above, 76% of surveyed businesses reported that their turnover had grown over the last two years. Of these businesses, 32% said that some of this growth was attributable to metnet, and a further 23% said that it *may* be attributable to metnet.   Those businesses who were able to estimate what percentage of business turnover growth was attributable to metnet typically estimated between 5% and 20% of turnover.

Employment: 38% of surveyed businesses reported that their employment had grown over the last two years, and 32% said that some of their growth was attributable to metnet, and a further 23% said that it *may* be attributable to metnet. metnet is estimated to have generated 25.65 new jobs during Phase 2 (see *Box 2.3* below).

Gross Value Added (GVA): During Phase 2, metnet had a target to create up to £1m of GVA. Estimates of GVA generated by metnet during Phase 2 are shown in *Box 3.3* - metnet is estimated to have generated £1,410,750 in GVA.

Box 3.3   Estimate of GVA generated by metnet in Phase 2

- 130 companies have actively participated in and benefitted from metnet in Phase;
- Business survey showed that 75% of these companies reported growth in last two years;
- 32% of these companies reported that metnet had contributed to growth and 23% said that metnet may have contributed to growth;
- Business survey indicated that metnet has contributed approximately 10% of growth for these companies growth.

Therefore:

- 98 companies which have actively participated in metnet have experienced growth;
- Of these 54 companies indicate that metnet has contributed to their growth;
- These 54 companies have an estimated total employment of 270 to 378 employees (based on estimate of 5 to 7 employees per company);
- 10% growth attributable to metnet would represent 27 to 37.8 jobs; 7.5% growth attributable to metnet would represent 20.75 to 28.35 jobs; 5% growth attributable to metnet would represent 13.5 to 18.9 jobs – giving a mid-point of 25.65 jobs.
- Average GVA per job in the EGS sector is estimated at £55,000 (based on BIS 2012 report[1] on sector GVA and employment), compared with average of £43,000 for the whole of the UK economy;
- Total GVA associated with the estimate of 25.65 jobs attributable to metnet, would be **£1,410,750.**

Additionality Factors: As described in *Section 1.2.4* above, when assessing the economic impacts of a programme, it is necessary to take into account additionality factors (eg. the counterfactual, deadweight, leakage, displacement etc). Our assessment of these additionality factors is shown in *Table 3.3.* The overall conclusion is that the project does indeed provide additionality; the vast majority of the impacts and benefits being generated by the project would not have arisen had the project not existed; and the project has not displaced commercial activity.

Table 3.3   Assessment of Additionality Factors

Additionality Factor:	Assessment of additionality factor:
Reference Case/Counterfactual - What would have happened in the absence of the Project?	Had the project not existed, benefits accrued by businesses from networking, business development events, signposting to support etc would have been much less likely to have occurred. There are no other networks of environmental businesses in the area and no other signposting of businesses to relevant support. metnet type events would not have otherwise have been available in the area and many businesses would not have been able to identify relevant events, been assured of their quality or been able to afford the costs of attendance.
Deadweight - What proportion of total outcomes would have been secured in the absence of the Project?	As with the counterfactual above, the majority of the outcomes arising from metnet would not have occurred without the project.

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(1) BIS Economics Paper No.18. Industrial Strategy: UK Sector Analysis, September 2012.

Additionality Factor:	Assessment of additionality factor:
Leakage - What proportion of the Project's quantifiable and less easily quantifiable outputs and outcomes, benefited firms are outside the target area of the rural west of the region	No major leakage effect. Although some companies from outside the Marches area have attended metnet events, these companies have not been included in the recorded outputs, nor the estimates of economic impact.
Displacement - Is there evidence that as a result of the Project, commercial activity might be displaced elsewhere in the region?	There is no strong evidence to suggest that commercial activity elsewhere in the region has been displaced. Also, there is no evidence that metnet events (eg. conferences, seminars) have displaced similar activities delivered by commercial enterprises.
Substitution – Have firms substituted one activity for another to take advantage of project support?	No evidence of substitution. Many of the smaller businesses would not attend events which charge for entry. Other companies also attend metnet events as well as those delivered by other organisations such as Chambers or 'finditinworcestershire'.
Multipliers - Is there evidence that other firms in the area / region's supply chain are benefiting from the Project?	Yes, metnet has helped businesses in the Marches from outside the environmental goods and services sector to identify and access opportunities for diversification into environmental technology markets - eg. co's providing heating, plumbing and construction services who have diversified in low carbon buildings and energy installation. metnet has also helped end-user businesses of environmental goods and services (such as members of the BESST network) to identify local suppliers, thereby strengthening supply chains in the local economy.
Unintended effects - What, if any, unforeseen gross and net outputs has the Project achieved? Have there been unintended negative effects?	No unintended negative effects have been identified. However, unforeseen positive effects include the way in which metnet has provided a 'voice' for the sector in the Marches and a means of securing engagement between EGS businesses and Local Authorities on issues such as procurement and planning policy development.
Crowding in/out – Has the increase in public expenditure resulted in a decline (crowding out) or increase (crowding in) in private expenditure?	There is no evidence that crowding out has occurred and metnet has not reduced private sector investment in networking or attending events, since many EGS businesses do not have the funds to attend events which charge. Plus Marches businesses would not have the assurance of the quality of events that metnet events have acquired.
Wider effects – eg. what effect has the intervention had for environmental /carbon reduction and social objectives?	It is possible that metnet activities may have helped to stimulate take up for environmental and low carbon technologies in the Marches area (eg. microgeneration / renewable energy installations amongst homeowners, businesses and land owners.

3.2 Addressing the 'project rationale'

3.2.1 Question 5: To what extent has the Project addressed the original Project Rationale?

Original Project Rationale – To overcome barriers to rural SMEs accessing business support.

- Overcome their barriers to participation in regional support schemes
- Increased their propensity to uptake business support services.
- Increased their propensity to collaborate.
- Increased their propensity to improve competitiveness through innovation.
- Increased their propensity to use HEIs as a business opportunity.
- Improved knowledge sharing and awareness of new market opportunities.

During Phase 2, metnet has been effective on addressing the project rationale – as described below:

- **Overcome barriers to rural SME participation in regional support schemes:** Many of the regional support schemes that existed at the start of the metnet project in 2010 no longer exist, including the regional Business Link model and former AWM initiatives such as the Cluster Opportunity Group. New regional or sub-regional schemes include Green Bridge, Marches Business Support Project, Innovation Networks. metnet has raised awareness of these schemes and assisted EGS sector SMEs from the Marches in getting involved in and accessing the support projects. 91% of surveyed businesses in April 2014 said that metnet had increased their awareness of business support, 86% said that metnet had provided improved signposting to business support initiatives and 69% said that metnet had increased their propensity to use business support.

- **Increase rural SME propensity to uptake business support services:** metnet has helped to raise awareness of sub-regional, regional and national business support services, eg. Green Bridge, GrowthAccelerator, MAS and UKTI overseas trade support. 69% of surveyed businesses in April 2014 said that metnet had increased their propensity to make use of business support schemes. 76% of businesses said that metnet had improved their awareness of accessing finance (eg. via knowing about grants and deadlines, and where to get grant support).

- **Increase rural SME propensity to collaborate:** metnet has helped SMEs to increase their propensity to collaborate, providing businesses with many networking opportunities. 53% of survey respondents in April 2014 reported that they had increased collaboration with other businesses as a result of metnet; and 87% said that they had become more involved in networking with other businesses or clients as a result of metnet.

- **Increase rural SME propensity to improve competitiveness through innovation:** 58% of surveyed business said that involvement with metnet had contributed to the development of their products and services. 33% said that metnet had resulted in the business increasing their investment in innovation or research and development (up from 24% in Phase 1, at March 2012); and 35% said that metnet had increased their collaboration or partnership working with universities and HEIs.

- **Increase rural SME propensity to use HEIs as a business opportunity:** metnet has helped to raise business awareness of the HEI knowledge base and support available to businesses by engaging with the knowledge base, including via briefing sessions at events, signposting

to HEIs, information on the metnet website and in email bulletins. metnet has helped to develop links between businesses and universities such as the University of Wolverhampton, Harper Adams and Aston University (eg. EBRI). At April 2014, 35% of surveyed businesses had increased collaboration or partnership working with universities and HEIs and 33% had increased investment in innovation or research and development.

- **Improve knowledge sharing and awareness of new market opportunities:** Through activities such as metnet Conferences, meet the buyer events and information on business opportunities on the metnet website and bulletins, metnet has contributed to improved knowledge and awareness of market opportunities. In April 2014, 84% of surveyed businesses said that metnet had helped increase their awareness of market opportunities, and 80% said that it had increased their contact with potential clients.

3.3 PARTNERSHIP WORK

3.3.1 Question 6: How do local authority partners perceive the project? How effective has partnership working been within the context of the project?

Discussions with the four participating Local Authorities have shown that metnet is delivering what it was set up to do and that it is seen as a valuable project which contributes to Local Authority and LEP strategic priorities of supporting local economic development, developing and maintaining enterprises and employment and stimulating growth in the environmental technology sector and low carbon economy. Strengths of metnet identified by Local Authorities include:

- metnet has been very effective, especially in raising the prominence of the environmental technology sector and helping it grow faster, eg. supporting rapid growth in the renewable energy sector, as well as helping companies in other sub-sectors such as waste management.

- Significant benefit to businesses of the network - metnet encouraged development of collaboration between companies.

- Strong private sector focus and metnet is very responsive to what businesses require.

- High quality networking and training events, information on opportunities and briefings.

- metnet been good at delivering events across the four local authority areas.

- Very supportive role played by metnet in working with local authorities and Chambers of Commerce in organising and supporting joint events, such as Worcestershire resource efficiency and BESST events.

- Valuable role played by metnet in linking local authority Green Deal work to local suppliers.

- Effective signposting by metnet to LEP and local authority business support initiatives.

- Good links between metnet and other EU funded programmes, eg. Green Bridge.

- Strong fit between metnet and local authority and LEP strategic priorities for developing the environmental and low carbon industries.

- metnet has a very strong brand that is well respected amongst businesses.

- metnet has been well managed by the project team, and a very professional service has been provided to businesses.

Areas identified by some local authorities where metnet could potentially be strengthened:

- Scope for expanding the number of companies actively involved in metnet events, whilst recognising that businesses do not necessarily need to attend events in order to benefit from what metnet has to offer.

- Opportunities for developing stronger links between metnet companies and end-user companies (eg. on resource efficiency, energy efficiency and renewable energy) – ie. linking the supply-side with the demand-side.

3.4 VALUE FOR MONEY, PROJECT MANAGEMENT AND ADMINISTRATION

3.4.1 Question 7: Did the project provide value for money? How efficient and economical has the project been in delivering its activities, outputs and outcomes?

We conclude that the project has provided good value for money and has been efficient in its delivery. This is based on the following:

- **Estimates of economic impacts:** The estimates of economic impacts shown in *Section 3.1.4* above, show that the project has contributed to contract wins and increased turnover within businesses, GVA of approximately £1-£1.4 million and estimated 18 to 26 new jobs. Compared with the total metnet project cost over the two years of £234k, this would equate to an investment of £8.9k to £12.48k per job generated.

- **Additional, wider economic benefits:** In addition, the project has also increased awareness of market opportunities amongst EGS businesses in the Marches, increased levels of B2B collaboration, strengthened networks with collaborators and potential clients, helped companies develop new marketing activities, strengthened local supply chains, increased take up of business support, increased business investment in innovation and R&D, helped non-environmental sector companies to diversify into growing environmental markets and contributed to the development by business products and services. All these wider benefits are likely, in time, to lead to further increases in business turnover, employment and competitiveness amongst SMEs in the Marches.

- **Critical mass:** Because the project covers the whole of the Marches area, the project has been able to engage with many businesses and achieve economies of scale in the delivery of its actions. No one Local Authority, acting on its own is likely to have been able to deliver the same level of support as provided by metnet had the funding been split between the four Authorities.

- **Assisting the delivery of other business support:** By linking to other business support programmes (such as the work of Chambers of Commerce, ERDF projects and university programmes) and helping these programmes to access EGS businesses in the Marches, metnet has contributed to the effective delivery of these other business support initiatives.

Although it is recognised that benefits for businesses arise from metnet activities beyond just the metnet events, and despite significant efforts of the metnet team to engage with businesses throughout the project area, it is noted that a lower proportion of the businesses involved in metnet events came from Telford and Wrekin compared with the other three local authority areas (see *Table 2.3* and *Table 2.4* above).

3.4.2 Question 8: Has metnet been effectively project managed and delivered?

Businesses and Local Authority partners, are very positive about how metnet has been managed and delivered, and impressed by the highly professional service provided by the metnet team. As shown in *Table 3.4*, businesses have found the metnet officers to be approachable and knowledgeable and the events have been very well organised. However, quarterly Project Board meetings have not always been held - but this is not through want of trying by the metnet project team, rather, this stems from the increased pressures that partners face which makes it difficult to get all the partners together on the same day.

Table 3.4   Business Survey - Ease of Access to metnet support and helpfulness of metnet staff

How easy has it been for your business to access metnet support?		How helpful have metnet staff been in providing advice or support?	
Very easy	75%	Very helpful	80%
Quite easy	21%	Helpful	16%
Not easy	4%	Not helpful	2%
		Don't know	2%
Total	100%	Total	100%

Possible areas for strengthening project management and delivery in the future include:
- Having firmer Project Board meeting dates which are less subject to change.

3.4.3 Question 9: Did the project encounter any problems or challenges and how were these problems managed?

As shown in *Table 3.5*, a number of problems or challenges were faced.

Table 3.5   Challenges or Problems Encountered and Responses

Challenge or Problem encountered:	Response / how problem managed:
• Reduction in metnet staff numbers from 2 to 1 staff in late 2013.	• Recruitment of part-time project officer from April 2014.
• Changes to business support schemes.	• metnet focused on building links with existing and new business support schemes.
• Relatively low number of attendees at some metnet events, eg. access to finance.	• metnet undertook active marketing of events to secure consistently high attendance.
• Relatively fewer businesses from Telford & Wrekin	• metnet actively engaged with businesses in T&W Borough.
• The need to maximise the number of businesses who remain actively engaged. The focus on achieving new Phase 2 business assists (not including business assists in Phase 1) meant that the team's attention has naturally focused on these 'new' companies rather than keeping businesses from Phase 1 involved.	• It will continue to be important to encourage all eligible businesses to participate, rather than focusing too much on new business assists.
• The Government's Green Deal has been delayed and Energy Company Obligation (ECO) funding has been significantly reduced.	• metnet's activities relating to development of local Green Deal supply chains has been extended into 2014/15.

3.5 LESSONS LEARNT

3.5.1 Question 10: What are the Key Lessons Learnt from the project?

Based on discussions with businesses, Local Authorities and partners, key lessons that have emerged from metnet Phase 2 which are relevant to future metnet activities and other projects include the following:

- **The value of having a sector specific network** for EGS businesses, which enables businesses to develop strong networks with other businesses interested in similar topics and with whom businesses can share information and develop collaborative working.

- **Having the right geographic scale** - metnet's coverage of the Marches area (Herefordshire, Shropshire, Telford & Wrekin and Worcestershire) has provided a good geographic scale of activity, providing a critical mass of companies to participate in metnet activities and to provide strong networks for businesses. Smaller geographic coverage may not necessarily provide this critical mass of businesses.

- **Free participation and events** – the fact that metnet events are free to eligible businesses makes it easy for SMEs to participate. Whilst some companies would be prepared to pay a nominal amount, many others would not.

- **Strong brand** – Since its establishment in 2010, metnet has developed a strong and trusted brand amongst businesses.

- **Breadth of topics covered** - The importance of covering a good range of environmental industry sub-sectors and topics, rather having too narrow a focus on a particular sub-sector (eg. renewables) which can be a turn-off to other companies. metnet has been successful in providing this breadth of topics.

- **Having project staff with the right skills** in areas such as engagement with businesses, organisation of events, interpersonal and networking skills, knowledge of the EGS sector, project management and general 'approachability' for businesses.

- **The importance of strong links between the project and the four Local Authorities** to help maximise the number of businesses actively involved in metnet activities, along with other metnet activities, such as telephone marketing, which have aimed to maintain high levels of participation.

- **The importance of developing good links with other business support programmes,** organisations, networks and initiatives, which provide benefits for businesses and mutual benefits for the different support providers.

- **The activities which have been most valued by businesses** have included the networking events, information sessions on opportunities, information on marketing (eg. digital marketing sessions), hearing inspirational speakers (including other metnet businesses), signposting to other support and email bulletins on relevant events, support and opportunities.

- **metnet website –** The metnet website has been further strengthened during Phase 2, with a clear layout with information on metnet events, support available, information on businesses.

4 THE FUTURE AND EXIT STRATEGY

4.1 FUTURE METNET ACTIVITIES AND EXIT STRATEGY

Question 11: What are the recommendations for future metnet activities?

Question 12: What is the project's exit strategy and how sustainable is the exit strategy? Will benefits and impacts accrued by the project persist into the future?

metnet has secured funding to continue to March 2015 (Phase 3) and to provide flexible business grants. A further application for extending ERDF funding from March 2015 to Dec 2015 has recently been submitted to DCLG. Key features of the extension to March 2014 (Phase 3) and to December 2015 are shown in *Box 4.1* below.

metnet has not yet developed a clear exit strategy. The future of metnet will largely be determined by whether Local Authority partners decide to provide funding to match EU project funding, DCLG decisions about funding the extension to December 2015 and LEP decisions on the future delivery of business support.

Box 4.1   metnet extension to March 2015 and potentially to December 2015

Phase 3 – to March 2015:

- **Extension of the current metnet project** until March 2015, involving additional of £59179.24 (ERDF) and match funding.

    A further 8 business assist outputs will be delivered over the 12 month extension period across Herefordshire, Worcestershire, Telford and Wrekin and Shropshire.

- **Establishment of grant pot** for environmental SMEs to apply for intensive bespoke business support to be delivered by external consultants - comprising an extra £12,000 (ERDF), plus private match from businesses (£12,000) to pilot the grant scheme to provide more intensive intervention for environmental businesses in the Marches and Worcestershire. The pilot will inform an approach that will be used in the future and supported by the 2014-2020 EU programme.

    It will benefit a minimum of 8 businesses, with grants available from £500 to £3000. Businesses to contribute 50%.

Phase 3 extension – from March 2015 to December 2015:

- Additional ERDF and match funding to enable the project to continue offering support to environmental businesses until **December 2015.**

- This will provide additional time to allow the development and piloting of an **in-depth questionnaire** allowing specific and detailed support for environmental businesses on a 1-2-1 basis. These questionnaires will generate a plan that will :

    1. Provide a detailed assessment of a business's needs so that a tailored plan of support and funding can be produced ensuring relevant and precise intervention.
    2. Identify where external expertise is required for which a business could utilise the metnet Business Improvement Grant and other available funding.
    3. Capture baseline data that can provide core information for an effective LEP-wide CRM System and serve as a pilot for a wider data gathering exercise.

- The extension would allow for the investigation of the efficacy of **peer-to-peer networks** and subsequent supply chain development. Based on information from the in-depth questionnaire, the metnet events programme will be reconfigured to include a series of cross sector events with a view to testing the networking opportunities and developing a wider based co-operative network across the priority sectors within the LEP area. Opportunities for working on the events jointly

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with BESST (Business Environmental Support Scheme for Telford), a current P2P network, will be explored.

- A further 5 additional outputs will be delivered over the 9-month extension period across Herefordshire, Worcestershire, Telford & Wrekin and Shropshire.
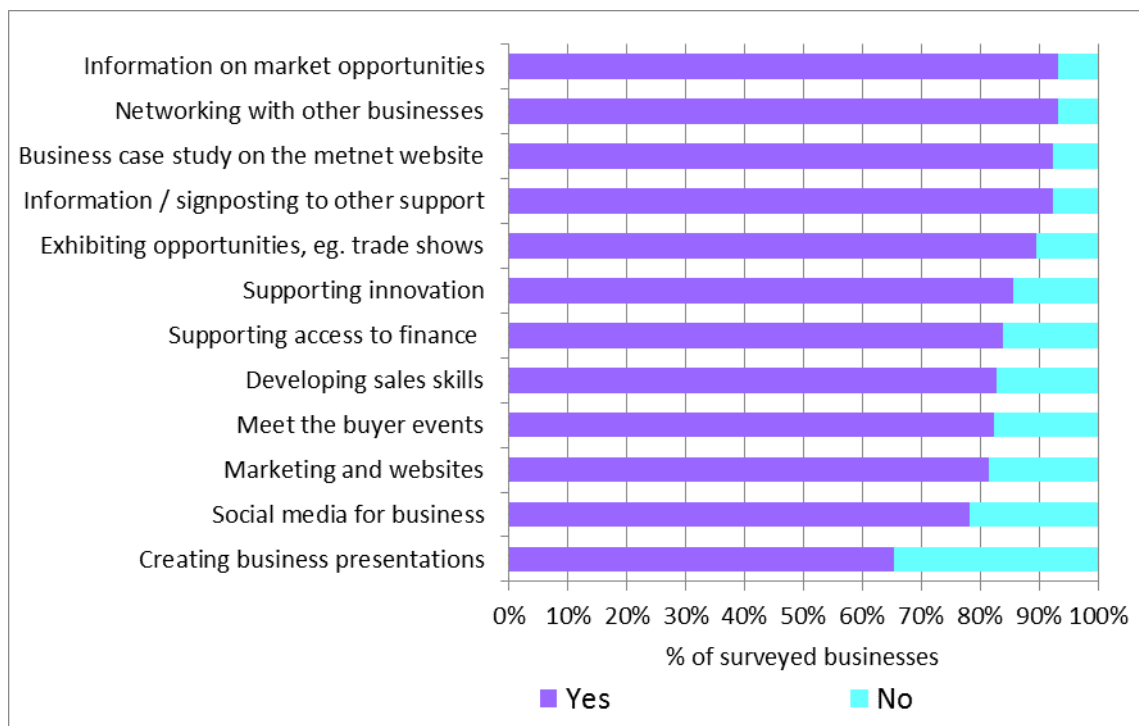
The period to March 2015 and potentially up to December 2015 (if approved) will provide opportunities for piloting the business grant pot, piloting the in-depth diagnostic questionnaire for one-to-one business support and exploring the potential of wider peer-to-peer business networks (such as linking to resource efficiency networks such as BESST).

Business Views on future metnet activities:
There is a very strong appetite from businesses for metnet to continue in the future. The April 2014 business survey and a workshop with businesses held on 1st May 2014 asked businesses what activities metnet should undertake to March 2015.

96% of surveyed businesses said that they would want to participate in future metnet activities and generally want 'more of the same' in terms of: events, networking, briefings, signposting to support, market opportunities, advice on marketing etc – as shown in *Figure 4.1*.

Figure 4.1   Business views on Future metnet Activities

Other support activities identified by businesses include:

- Networking events, like speed dating, where each business has a stand so that companies can find out more about each other.
- More explicit promotion of Marches environmental businesses.
- A more active role in selling the capabilities of Marches companies, especially amongst LAs and public sector in Marches area.

- metnet email bulletins could include a highlights panel with individual companies;
- Support in accessing public sector clients.

- Overseas export trade advice – signposting to export support.

- Support to businesses accessing market opportunities in retrofit and refurbishment;

- Organise a 'what's new' event in university research, involving local / regional universities that companies could work with.

- Expansion of metnet activities into a wider variety of businesses. Could develop links with other networks, eg. have more cross-fertilisation with BESST.

Local Authority views on future metnet Activities:

- **LEP priorities** – The future of metnet will be shaped by the strategic approach of the LEPs (Worcestershire LEP and Marches LEP). The LEPs have published their Strategic Economic Plans (SEP) and both the Marches SEP and the Worcestershire SEP identify the need to move to low carbon, resource efficient economy and plan to deliver business support for low carbon and environmental businesses, including businesses the Low Carbon and Environmental Goods and Services (LCEGS) sector, as well as cross cutting themes relating to low carbon energy infrastructure, resource efficiency, flood resilience and green infrastructure – see extracts from the SEPs in *Box 4.2*.

Box 4.2   Extracts from the LEP Strategic Economic Plans

> **Marches SEP: "**Supporting the shift to a low carbon economy: We will drive the transition to a high value, low carbon economy, maximising the opportunity in new technologies, reducing environmental costs to business and recognising our environment as an economic asset"…. "Sustainable and balanced growth: Supporting low carbon and renewable energy supply chains. Providing opportunities for the development of energy efficiency, waste reduction and renewable energies in communities. Increasing the use of renewable energy, decreasing energy use and promoting smart energy systems".
>
> **Worcestershire SEP:** "WLEP's approach to the provision of tailored business support will also include:….a Low Carbon Business Support Programme that will provide resource efficiency funding, advisory and other support to eligible SMEs plus support to businesses wishing to expand or diversify into the Low Carbon and Environmental Goods and Services (LCEGS) growth sector".

- **Emerging models for LEP Business Support** – Whilst the LEPs have set out their strategic priorities, the models that they will adopt to deliver business support are still developing and are currently unclear. For example, the possible use of 'growth hubs', amalgamation of grants schemes into a single grant pot, roles of partners such as Chambers of Commerce and the questions over the relative use of generic business support and specific sector networks.

- **Expansion of scope** – In line with the SEPs, local authorities are interested in the possible development of metnet into a network combining environmental suppliers **and** end-user businesses seeking resource efficiency, energy and environmental management improvements – eg. by combining metnet with networks such as BESST, Constructing Excellence and possibly SBEN in Staffordshire. This would have the advantage of opening up metnet type activities to a larger number of businesses and linking supply- and demand-side businesses. However, some Local Authority representatives are concerned that this approach could lead to confusion by removing the focus on the LCEGS 'supply side'.

- **Geographic coverage** – Local authorities are also considering options in relation to the geographic scope of activities, for example, the Worcestershire LEP are considering a

Worcestershire focused LCEGS / resource efficiency business support model, whilst others are interested in examining links with other areas such as Staffordshire.

- **EU funding opportunities** – The EU Structural Funds programme 2014-2020 includes priorities for the low carbon economy, climate change and protecting the environment. This will provide significant opportunities for metnet type activities that support development of businesses working in these areas. However, the new EU Operational Programme is unlikely to be in place until at least September 2015, which means that there will a period of uncertainty over EU funding of projects.

- **Scarcity of Local Authority funding / private sector funding** – Although there are EU funding opportunities, and some potential for LEP funding, local authority funding and staff resources are very scarce, which means that private sector match-funding will become increasing important. Therefore, to March 2015, and possibly December 2015, metnet should explore ways of securing financial contributions from businesses, eg. businesses providing match funding for metnet business grants and paying for events. This would help to develop a more sustainable model for metnet which is less reliant on public funding – in line with the adage, "if businesses value it, they should be prepared to pay for it".

- **Focus on key market opportunities** – In line with UK and EU policy and wider market drivers, such as rising energy and material costs, there is a need for metnet to focus on key market opportunities, such as:
  - low carbon housing, buildings and regeneration, including retrofit and refurbishment;
  - low carbon energy supply, including renewable energy and low carbon energy and heat;
  - low carbon and energy efficient businesses;
  - low carbon transport;
  - resource efficiency, landfill diversion and low carbon waste management;
  - low carbon and resource efficient agriculture;
  - climate change adaptation and resilience, including flood resilience;
  - development of green infrastructure.

4.2   RECOMMENDATIONS FOR THE FUTURE

During the period to March 2015, and potentially up to December 2015 (if approved), recommended activities for metnet are as follows:

- Continue to focus on maximising the number of businesses who attend metnet events, including businesses assisted during Phase 1 and Phase 2, and across all local authority areas. metnet already sends out bulletins with event information to all eligible businesses and has undertaken telephone marketing for metnet events and support - these types of activities could be built upon in the future.

- Additional activities:
  - Networking events, like 'speed dating', where each business has a stand so that companies can find out more about each other.

  - An active role in selling the capabilities of Marches companies, especially amongst local authorities and the public sector in Marches area.

  - metnet email bulletins to include a highlights panel with individual companies.

- Events / signposting to export / overseas trade support.

- Pilot the business improvement grant pot.

- Pilot the in-depth diagnostic questionnaire for one-to-one business support and preparation of tailored support plans for individual businesses.

- Explore the potential of wider peer-to-peer business networks, including linking metnet to resource / energy efficiency networks to bring together the supply-side and demand-side, and different geographic options.

- Examine other approaches for increasing the pool of businesses who are able to attend metnet events, including working with Chambers of Commerce to look at opening up metnet events to other businesses.

- Explore options for businesses to pay a nominal amount for attending metnet events and/or metnet membership fee.

- Local Authority partners to confirm plans for whether they support metnet beyond March 2015 and December 2015, and what form of metnet or related model to deliver, linked to issues such as the LEPs emerging business support models.

Annexes

Annex A   Business and Stakeholder Consultees

Annex B   Business Survey Questions

ANNEX A: BUSINESS AND STAKEHOLDER CONSULTEES

Business Consultees:

CONTACT:	COMPANY:
Malcolm Victory	1% studio
Edwina Watson	Aerosol Recycling Equipment Ltd
Alan Pither	Alan Pither Ltd
Stephen Locke	Berrys
Becky Arnold	Biogen / Greenfinch
Mel Preedy	Caplor Energy
Andrew Gibson	Clearaway Limited
John Rigby	Cooling Heating by Power Ltd
Neil Young	Creating Dimensions
Dave Green	Dave Green Energy Services
Hannah Coles	E4 Environment
Susan Logan	Ecoteric Ltd
Mark Robbins	Edgiock Consulting
Andre Burgess	EMVC Solutions
Terry Wardle	Energy Assessor Magazine
Steve Lewis	Environmental Waste Management Services Ltd.
Paul Nelms	Epwin Group Ltd
Andrew James	ES International Ltd
Nic Irvine	Extraglaze Ltd
Mark Edwards	Gap Eco LED Lighting
Deb Cairns	Green Achiever Scheme
Chris Bond	Greener Options Ltd
Holly	Greener Options Ltd
Penelope Brudenell-Pryke	Greengineering Limited
Chris Leake	Hafren Water
David Whittle	Homesbury
John Powell	Hydro-Logic Ltd (t/a Isodaq Technology)
James Smith	J3 Building Futures LLP
John Pooley	John Pooley Consultancy Ltd
Tom Robinson-Jones	Jones and Hampton Ltd
Alan Turnbull	Lotus Domes
Karl Cuzner	MBH Blockleys

CONTACT:	COMPANY:
Cary Evans	Plascycle Limited
Dave	Plascycle Limited
Jeff Hawkins	Power Fr Your Product Ltd
Michael Harley	Redplug Ltd
Lisa Lupton	RhinoCo Technology
Richard Adams	Richard Adams Associates Ltd
Chris Angus Black	Sea-Chem Ltd
Jon Halle	Sharenergy
Gordon Yule	Solar Kinetics
David McCann	Solar Solutions Malvern Ltd
Claire Dolan	Strata Associates
Anna Bright	Sustainability West Midlands
Simon Slater	Sustainability West Midlands
Richard Bubb	Symeco Ltd
Richard Underwood	Underwood Steel Stockholders
Rebecca Rankin	UK Flood Barriers
Anne Elliott	Warmer Homes Plus Limited
Tracey Westbury	Westbury Environmental Limited
Ann Elliott	Warmer Knights
Tim Mansell	What Waste
Rowan Cairns-Wade	Wind & Sun Ltd
Diane Gardner	WN Security Shredding

Stakeholder Consultees:

Contact:	Organisation:
Nick Webster	Herefordshire County Council
Paula Rogers	Shropshire Council
Joe Bubb	Shropshire Council
Mark Pembleton	Shropshire Council
Steve Hill	Telford & Wrekin Council
Kim Hodgetts	Telford & Wrekin Council
Liz Alston	Worcestershire County Council

ANNEX B: METNET FINAL EVALUATION –QUESTIONNAIRE FOR BUSINESSES (FEBRUARY 2012)

[see separate file]