

## Interim Summative Assessment of the Innovate UK (IUK) EDGE Scaleup Programme



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## Executive Summary



773 Gross FTE jobs (533 direct and 240 indirect)

### Employment-based GVA

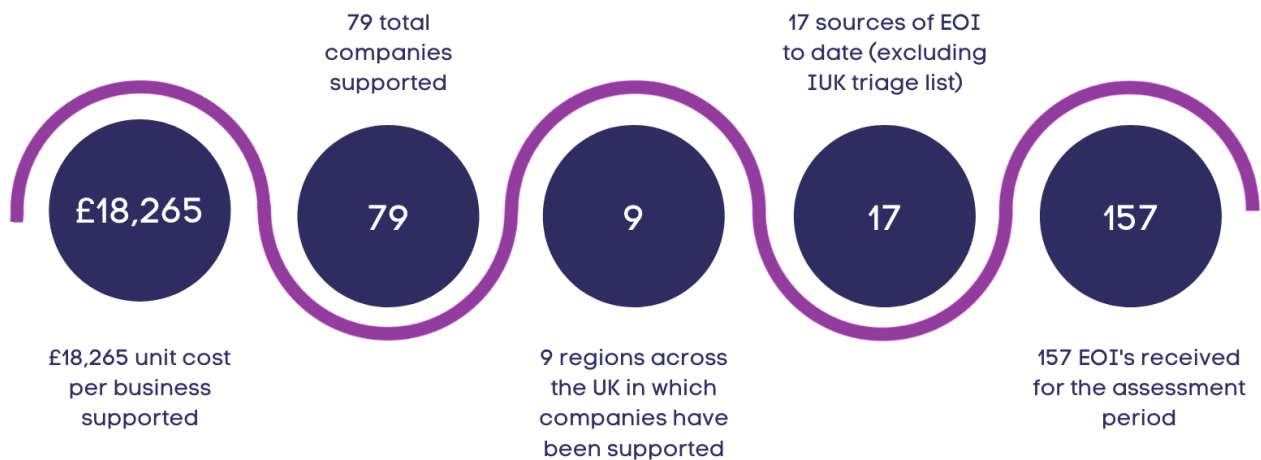
£16.7m Net GVA (See appendix 1 for GVA Rationale and calculation approach)

£1.00: £12.20 Return on Investment

### Profitability-based GVA

£46.7m Net GVA

£1.00: £25.60 Return on Investment



£18,265 Unit cost per business supported

79 Total companies supported

9 – regions across the UK in which companies have been supported

17 sources of EOI to date (excluding IUK triage list)

157 EOI's received for the assessment period

90% have created/will create jobs as a result of engagement

84% expect to safeguard jobs

82% expect turnover to increase

78% expect to enter new markets/secure new contracts

75% expect to develop new products

13% believe similar growth would have occurred without Scaleup support



## Scaleup Director Performance (Service Score)

### Beneficiary Understanding

94% – understanding of beneficiary's goals/aspirations

91% – understanding of beneficiary's IP, skills, and competencies

89% – understanding of beneficiary's markets/technology

### **Success story:**

Disruptive 3D printer Photocentric

Supported by Innovate UK grants and private capital, Photocentric invented a new way to 3D print with LCD screens.

- It received an £870K Innovation Loan award in July 2019 for the R&D behind its large format LCD printer, which is now nearing commercialisation
- In 2020 it applied successfully to the Scaleup Programme, delivered by Innovate UK's business growth service Innovate UK EDGE, receiving guidance to restructure its business units, implement a new NPD system and develop the team

During 2020 it doubled turnover (£11m to £21.5m), invested in its US business and increased UK headcount from 115 to 141. It subsequently expanded its manufacturing space by 80K ft<sup>2</sup> and made a £3m investment in an R&D facility at the new Peterborough University campus. It is on track for its three-year £100m turnover target.

<https://photocentricgroup.com/>



*"In all my time in business this is the most impactful [first] day I have ever experienced from an external advisor...Innovate UK EDGE has enabled us to grow more efficiently, effectively and go to market quicker."*

*Paul Holt, CEO at Photocentric*

### General Business Expertise

93% – enterprise finance and investment readiness

91% – innovation and IP expertise

90% – marketing and business development

89% – new product/process development

89% – organisational development and culture

### **Business Reach & Innovation Practice**

70% enhanced culture of innovation/entrepreneurial spirit

88% believe engagement has accelerated the likelihood of growing sustainably

90% would recommend Scaleup support to other enterprises



## Project Summary

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Government statistics released in 2016 identified that the UK was number three in the world for idea generation and start-ups, but number thirteen or fourteen in the world in terms of commercialising and scaling up such opportunities. In looking to address this worrying trend, and in response to an EU call to support young SMEs in scaling up their activities in the single market ([COS-EEN-SGA-16-B-07-2016-1](#)), the Innovate UK (IUK) Edge Scaleup Programme was developed by IUK in conjunction with Inventya Ltd (funded by IUK and EEN), to provide focused support to ambitious, innovative companies at the appropriate juncture in their development journey.

The Programme was borne out of the collaborative initiatives between IUK and the Enterprise Europe Network (EEN), with support delivered over twelve to eighteen months, rather than a set number of days of support. From 2021 the approach became more focused with a typical engagement being up to twelve months.

Under the scope of the Programme, beneficiary companies are assigned a Scaleup Director as their designated single point of contact to identify key scaleup challenges that the collective resources, skills, and connectivity of the 'Scaleup Board' (currently twenty-five directors and a pool of specialist associate advisors) can address. Scaleup Directors provide a matrix of skills and connectivity across domains such as finance, M&A, international markets, IP, supply chains, scale-up leadership, and talent management, delivering intense, one-to-one advisory support to companies against three specified 'challenge' areas for the period of engagement. Challenge areas encompass, but are not limited to, access to markets of the future, access to connections and resources, and attracting growth capital.

## Study Aims and Approach

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Section 1.2 of the report summarises the aims of this interim evaluation. These include a review of the Programme's rationale and strategic fit, a quantitative impact evaluation of performance and a review of project delivery and administration. The evaluation includes an assessment of value for money.

A consultation programme was undertaken with key stakeholders (See Appendix I for a list of those consulted). An online telephone survey was undertaken with engaged companies (51 from 79 companies for the period April 2019 to March 2021), with follow-up telephone interviews undertaken with 15 of the survey respondents to gain in-depth, qualitative data. The survey included both qualitative and quantitative findings to gain a unique insight into the added value and wider benefits of engagement with the Programme. It explored the degree to which Scaleup intervention has stimulated growth within the target businesses, whilst also examining wider benefits of engagement, such as culture change within the organisations.



### Success story:

#### Talent Intuition: Workforce data intelligence

Talent Intuition's software uses big data to help businesses make strategic decisions about talent sourcing. Our Scaleup Programme supported it to address several important challenges including a suitable go-to-market strategy, improving sales conversions, sharpening the value proposition, filling key positions and executing on commercial KPIs for its investment statement of intent.

- Talent Intuition's revenue grew by 269% from 2020 to 2021
- Its headcount increased by 5 in 2021, with a further 7 key hires planned for 2022
- It is successfully transitioning from a services to a software business with software revenues over 65% of the total
- It has launched a new website to
- address its global audience

[www.talentintuition.com/](http://www.talentintuition.com/)



*"We get both tactical and strategic advice from people who have been there and done it. Our scaleup directors have shown us how to up our game, with practical, high impact ideas that we can quickly implement."*

*Alison Ettridge, CEO at Stratigens*

## Strategic Context

Scaleups are crucial for driving job creation, generating inward investment for the UK, and acting as motors for regional economic growth<sup>1</sup>. The UK now has 33,445 scaleups<sup>2</sup> – a rise of 24% per cent in overall numbers since 2013, adding over £1.1 trillion to the UK economy yearly and representing 50% of the total SME economy. They employ 3.2 million, have an average turnover of £32.6m and outperform the economy as a whole.

Within the recently released (July 2021) UK Innovation Strategy<sup>3</sup>, UK Government outlined its intention to reduce complexity for scaleups and other innovative businesses via a raft of activities undertaken under four key pillars – 'Unleashing Business', 'People', 'Institutions & Places' and 'Missions & Technologies'.

In order to contribute to the success of the Innovation Strategy, UKRI IUK identifies five themes within its plan of action for UK innovation<sup>4</sup>, with Theme 2 "Growth at Scale" particularly pertinent to this evaluation. Under Theme 2, UKRI IUK states its intention to support most innovative and ambitious companies in terms of accessing resources on leadership skills,

<sup>1</sup> <https://www.scaleupinstitute.org.uk/scaleup-review-2021/introduction/>

<sup>2</sup> Using the OECD definition, namely "a company having an average annualised return of at least 20% in the past 3 years, with at least 10 employees at the beginning of the period.

<sup>3</sup> <https://www.gov.uk/government/publications/uk-innovation-strategy-leading-the-future-by-creating-it/uk-innovation-strategy-leading-the-future-by-creating-it-accessible-webpage#at-a-glance>

<sup>4</sup> [https://www.ukri.org/wp-content/uploads/2021/11/IUK-18112021-Plan-For-Action-for-UK-Business-Innovation\\_EXEC-SUMM\\_WEB-FINAL-26.10.21-1.pdf](https://www.ukri.org/wp-content/uploads/2021/11/IUK-18112021-Plan-For-Action-for-UK-Business-Innovation_EXEC-SUMM_WEB-FINAL-26.10.21-1.pdf)





growth and commercialisation, design of future business models, supply chains and opportunities, and standards. Such activities are well embedded within the core expertise of the Scaleup Director cohort, and it is clear that the Programme can materially contribute to the achievement of such objectives.

### Success story:

Inspection's innovator Imetrum

Spun out of Bristol University in 2003, Imetrum produces the industry's most efficient and cost-effective component, material and structural inspection equipment.

After being severely impacted by market conditions under COVID, Innovate UK EDGE helped it to stabilise its position, develop a financial strategy for growth and secure growth funding.

Over a one year period on the Innovate UK EDGE Scaleup Programme the company was guided through an Innovate UK Innovation Loan process, securing £750K and was introduced to an investment network, resulting in a term sheet for £1.2M of equity finance which is now in due diligence.

[www.imetrum.com](http://www.imetrum.com)



*"I have worked with Government funded organisations in the UK and Europe. But I have never before encountered one as excellent... [It] will prove to be a pivotal element in the future success of the company."*

*Lee Fenney, CEO at Imetrum*

## Programme Performance

The Scaleup Programme has created 773 gross FTE jobs (533 direct and 240 indirect) generating a total Net Present Value (NPV) Gross Value Added (GVA) of £16.7 million which would result in a cost benefit ratio of 1:12.2, which is each £1.00 of public investment will generate some £12.20. This is higher than might be expected for this kind of initiative i.e., the Programme is generating more than benchmarks for similar projects suggest. The cost per business assisted is £18,265 and the cost per gross direct job generated to date is £1,773 which also compares well with the suggested ranges (i.e., Scaleup is a cost-effective intervention when compared against national benchmarks).

The Consultants are aware that Programme management have produced their own GVA assumptions using client profitability, as opposed to employment. This approach provides a GVA figure of £46.7 million and a cost benefit ratio of 1:25.6 (£25.57 generated for every £1 of public investment) using the same 'cost per business assisted' figure as above. The Consultants recognise that profitability is a metric more applicable to high-growth, high-tech businesses, in difference to jobs created, as businesses adopting or developing technology may sacrifice staff numbers in the pursuit of productivity gains. We would agree that £12.20 is conservative, being based on job creation, and that a more realistic GVA that takes into account turnover/growth is in the range of 25 to 40. We also recommend that a full and thorough GVA calculation be undertaken at final assessment stage, where impact can be better measured.



The Programme has delivered support across nine UK regions to date. Initial performance was strong in the Northwest, with London and the Southeast moving ahead during the latter half of the evaluation timeframe. A strong showing outside of London and the Southeast, particularly in the Yorkshire & Humber and Midlands regions and Wales, should be noted.

Whilst recognising the importance of IUK and delivery partner organisations as sources of referrals for the Programme, it should be noted that a significant network of organisations/institutions (eighteen in total) have referred companies that have gone on to receive support, many from outside of the IUK support ecosystem.

## Business Survey

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The majority of beneficiary companies consulted were satisfied with the support received, with 88.24% of the beneficiary sample cohort believing engagement with the Programme has accelerated the likelihood of growing sustainability, and 90% happy to recommend the Scaleup Programme to other enterprises. 'Access to funding and finance' was seen as the most important activity by survey participants, with 'commercial exploitation' and 'internal operations and processes' activities also seen as key areas of support.

Support delivery mechanisms were seen as professional and applicable, with the initial 'deep dive' via a site visit in particular seen as adding value to the process. The Scaleup Director group was held in high regard within the beneficiary cohort, with their 'understanding of the goals and aspirations of the beneficiary business' seen as a key strength of the Programme.

A material contribution to the UK economy is evidenced through circa 90% of the participant sample either having already created jobs or expecting to create jobs over the next two years, with circa 82% of the sample expecting turnover increases to fund such recruitment. Jobs safeguarded (84.31%) and new markets entered/new contracts secured (78.43% respectively) also scored strongly. Only 13.72% of beneficiary companies believed that predicted growth would have occurred anyway, with or without Scaleup support, with circa 56% believing it would have occurred over a longer timeframe or to a lesser extent. In terms of 'softer' impacts, 70% of companies believed engagement with the Programme had enhanced a culture of innovation/entrepreneurial spirit within their organisation.

## Project Delivery

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The high-calibre, highly experienced individuals that make up the Scaleup Director cohort are recognised as the key USP of the Programme. The setting of deliverable, company-specific challenges and the intensity and length of engagement (as opposed to initiatives with a set number of support delivery days) were seen as providing the support with focus and the requisite timeframes in which to deliver such in-depth intervention.

It was identified that future support delivery could be enhanced by resurrection of the Advisory Board and a specific agenda in this regard could improve delivery of future programmes. It was also identified that there is a perception within some markets that paid-for, private-sector support is more beneficial.

Stakeholders acknowledged the non-linear nature of the scaleup journey, with the need for bespoke support to be provided on a case-by-case basis but within the constraints of the Programme/subsidy framework, potentially resulting in a disconnect between the amount of work put into/added value provided to the Programme, and the amounts that can be claimed by Programme management. Programme management have put steps in place to



remedy this situation, balancing the need for value for money for all stakeholders and the requirement to maintain the Scaleup Director resource and provide continuity.

The majority of stakeholders recognised that the key aim of the Programme was to assist companies in scaling up and therefore associated metrics such as increased turnover, jobs created, increased market share and improved productivity are of course relevant. It was suggested that such metrics only account for the proportion of support that is tactical in nature, with one stakeholder interviewee suggesting that “80% of what we do is strategic and 20% tactical”. A longitudinal measurement of impact, including “softer” impacts such as culture change, increased levels of R&D/management of innovation, and social impacts such as improved environmental impact in beneficiaries would provide a more thorough picture of the benefits of engagement.

### Success story:

Expanding heat pump pioneer ICAX

ICAX is helping the UK meet decarbonisation targets through its ground and air source heat pumps. When it was invited onto the Innovate UK EDGE Scaleup Programme in 2019, the cleantech was already building heat pumps for large commercial projects, having won Innovate UK for projects such as Smart Local Energy Systems. It had created a prototype domestic pump and needed a roadmap to mass produce it and take it to market.

With our help it has achieved a clear commercial strategy, a well positioned product, an improved credit rating, a new financial modelling process, R&D funding from the Welsh Government, new members of staff, an improved organisational structure and it has a transformed supply chain.

From under £2 million turnover in 2019, it is accelerating to a projected £6.5 million turnover in 2022.

[www.icax.co.uk/](http://www.icax.co.uk/)



*“We had a very ambitious programme and in some areas, we have actually exceeded our targets. We definitely would not have got to where we are now, this quickly, without this team.”*

*Mark Hewitt, Director at ICAX*

Significant value would be observed by continuing the working relationships built up between the Scaleup Director and the beneficiary companies beyond the Programme duration. All stakeholder interviewees agreed that the word ‘graduate’ is not particularly favoured but recognised that some form of continuing support is required. It was suggested that the Programme should be viewed as the first year of a five-year engagement, as what the UK is lacking is healthy, mid-sized companies such as those seen in Germany (Mittelstand) and elsewhere. It was felt this would have a direct impact on the need to improve productivity in the UK, as identified in the Innovation Strategy and elsewhere.



## Recommendations/Possible Enhancements

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- The calibre of, and expertise held within, the Scaleup Director cohort is the key USP of the Scaleup Programme and is a resource that should be realistically valued and maintained long-term. Securing all Scaleup Directors on full-time contracts would facilitate the intensity and depth of support required and make the role more attractive in relation to competition from the private sector.
- Going forward, the Programme may benefit from widening the scope of promotional activities to attract the most ambitious and innovative businesses in the UK, with promotion of the calibre of the individuals delivering the support being paramount to that strategy. It was acknowledged that better promotion of the calibre of the Scaleup Director support on offer may facilitate enhanced engagement with the 'top 1%' of companies in future programme delivery.
- To improve strategic management and governance, it would be beneficial to have a project-wide view of the Scaleup Programme – including resources and their allocations across the partners and the beneficiaries.
- Resurrection of the Advisory Board and a specific agenda in this regard could improve delivery of future iterations of the Programme.
- Selection criteria may need to be adapted if additional sectors are targeted in the future, drug discovery for example, in which businesses can operate for several years without seeing turnover. Current metrics primarily account for the proportion of support that is tactical in nature.
- A longitudinal measurement of impact, including “softer” impacts such as culture change, increased levels of R&D/management of innovation, and social impacts such as contribution to net zero, would provide a thorough picture of the benefits of engagement.
- The Programme is still contacted by companies that participated in the Pilot programme over three years ago. It is the responsibility of the Scaleup Directors and Programme management to clearly articulate when engagement will end and to ‘wear’ companies off the support. It is noted that the reduced delivery period with increased full-time resource, and the current operational excellence initiative will facilitate this need.
- There was recognition that significant value would be observed by continuing the working relationships built up between the Scaleup Directors and the beneficiary companies beyond the Programme duration. The Programme should be viewed as the first year of a five-year engagement, with an aim of developing healthy, mid-sized companies who can fully exploit the levels of support on offer.
- Development of a ‘Scaleup Community’ or ‘Scaleup Alumni’ group would facilitate the extension of relations between the Programme and beneficiary businesses and between the businesses themselves, enhancing networking and collaboration opportunities and furthering opportunities for growth.
- Going forward, whilst ensuring that grant beneficiaries are supported by the most appropriate EDGE activity (including the Scaleup Programme), a larger proportion of companies should come from outside the IUK EDGE ecosystem. To attract the most ambitious and innovative businesses from across the UK, a change of promotional strategy, and an increase in the associated budget and resources, will be required.



## Lessons learnt

### FOR INNOVATE UK/INVENTYA LTD

- A large, highly-capable team with depth of knowledge is a key strength of the Programme. Support would benefit from making the core team of Scaleup Directors full-time and increasing the pool of specialist advisors available as and when a certain skill set is required.
- Streamlining of processes and improved information sharing between the delivery partners would enhance delivery and facilitate a thorough examination of impact and value for money at final evaluation stage.
- Uniformity of outward communications and a cohesive digital strategy would display operational excellence and help market the Programme to potential clients.
- Resurrection of the Advisory Board and a specific agenda in this regard could improve future programme delivery.
- A clearly defined end date for engagement, notwithstanding exceptional circumstances, and development of 'offboarding processes/follow-on support' will help companies progress.
- The return of face-to-face delivery when COVID-19 restrictions allow will facilitate internal networking (Scaleup Directors learning from one another) and better framing of support.
- Development of a strong referral network outside of the IUK ecosystem, coupled with better integration with the IUK CRM system (as planned for 2022) will help identify companies with the right levels of ambition, at the right time in their lifecycle.

### THOSE DESIGNING AND IMPLEMENTING SIMILAR INTERVENTIONS

- Activities that support 'Access to Funding' and 'Commercial Exploitation' remain most requested by beneficiary enterprises.
- Strong management, robust processes and longevity of the intervention worked well.
- A strong referral network mitigates the silo mentality of 'keeping hold of best companies' and broadens range of companies supported.
- Delivery timescales facilitate the in-depth support required for the target level of beneficiary company.
- Identification of specific and deliverable 'challenges' provides focus and clarity to the support.
- The perception of public-sector support needs to be addressed. Paid-for, private-sector support still seen as higher quality by a percentage of potential beneficiaries.
- A longitudinal study of impact, undertaken eighteen to twenty-four months post intervention delivery, would be most beneficial in terms of assessing full economic impact.
- Increased resource/expertise in specific pinch points, not least investment readiness and access to finance, would be beneficial for future programme delivery.



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## POLICYMAKERS

- The geographical spread of companies supported is strong and should be promoted in similar initiatives to aid 'levelling up.'
- "How to reach the Mediums?" - it was suggested that the Programme should be viewed as the first year of a five-year engagement, as what the UK is lacking is healthy, mid-sized companies such as those seen in Germany (Mittelstand) and elsewhere. It was felt this would have a direct impact on the need to improve productivity in the UK, as identified in the Innovation Strategy and elsewhere.
- Policy makers need to consider the range of applicants and the range of sectors they operate in when designing regional strategies and sources of support.

## Executive Summary – Appendix 1

### Programme Performance

The Scaleup Programme has created 773 gross FTE jobs (533 direct and 240 indirect) generating a total Employment-based Net Present Value (NPV) Gross Value Added (GVA) of £16.7 million which would result in a cost benefit ratio of 1:12.2, which is each £1.00 of public investment will generate some £12.20. From a profitability-based perspective the programme has generated a total Net Present Value (NPV) Gross Value Added (GVA) of £46.7 million which would result in a cost benefit ratio of 1:25.6, which is each £1.00 of public investment will generate some £25.60. This is higher than might be expected for this kind of initiative i.e., the Programme is generating more than benchmarks for similar projects suggest. The cost per business assisted is £18,265 and the cost per gross direct job generated to date is £1,773 which also compares well with the suggested ranges (i.e., Scaleup is a cost-effective intervention when compared against national benchmarks).

### Economic Impact

This section looks at the economic impacts of the investment in the IUK Edge Scaleup Programme. It assesses the gross value added (GVA) of the Programme and the extent to which it is making a difference (compared to if the improvements had not been implemented). The analysis is based on reported outputs to date and responses to the business survey. A comprehensive assessment of economic impact was undertaken comprising:

#### Green Book Approach (Employment-Based)

The following tiers of effects are considered:

- Direct Employment: Employment impacts and resultant GVA from jobs created.
- Indirect Employment Effect: The effect on suppliers and resultant productivity / GVA.

The Treasury's Green Book offers some suggested guidelines in assessing the true impact of investments. In line with these several steps have been taken to assess gross and net GVA and employment impacts and net present value:

- Displacement and leakage were both assumed low/moderate at 29.3% and 25%. Deadweight was assumed to be 50% using survey evidence.
- An employment multiplier was used to calculate the indirect employment effects (from the additionality guide).



- The persistence of the benefits i.e., how many years the benefits are expected to persist and the period over which benefits will accrue until they reach their full potential. In this instance, a modest three-year time frame was chosen based on experience elsewhere.
- A decay of 10% per annum has been used i.e., the proportion of annual benefits expected to be lost from one year to the next due to economic changes, other investment decisions etc.
- Calculation of the Net Present Value (NPV)<sup>5</sup> of the GVA benefit stream over the appropriate persistence time period by discounting back utilising an appropriate rate. HM Treasury Green Book guidance has been followed which recommends discounting by 3.5% in order to determine NPV.
- A cost-benefit ratio is calculated by Net Present Cost (NPC) against NPV i.e., the amount each £1 of investment generates.
- The Consultants' estimates for GVA per FTE use ONS data for England and Wales.

#### Headline Economic Impacts & Value for Money

The following table shows that the IUK Edge Programme has created 773 direct gross FTE jobs (533 direct and 240 indirect) and 205 net jobs (141 direct and 64 indirect) generating a total NPV GVA of £16.7 million.

**Table 5: Scaleup Programme Economic Impacts**

	Gross Jobs	Net Jobs	GVA	NPV over 3 years
Operations (FTE)	773	205	£6,350,002	£16,673,256
Direct Jobs	533	141	£4,379,312	£11,498,797
Indirect	240	64	£1,970,690	£5,174,459

Source: *Scaleup Programme Interim Summative Assessment*

#### Value for Money Assessment

The estimated GVA of £16.7m would result in a cost benefit ratio (CBR) of 1:12.2 i.e., each £1.00 of public investment will generate £12.20. This is slightly higher than might be expected for this kind of initiative i.e., the Programme is generating more than benchmarks for similar projects suggest. For instance, a review by CRESR of evidence for general business support activity cites a BCR of 1:6.0<sup>6</sup>.

The cost per business assisted is £18,265 (£876,744 actual total costs for Inventya (8 FTE's) plus £493,167 estimated total costs for Consortia Partners (4.5 FTE's) for the evaluation period) and the cost per gross direct job generated to date is £1,773. The cost per business assisted (£18,265) is where should be expected for this kind of activity, which ranges from £4,700 lower quartile to £10,000 (median) and £34,000 (mean)<sup>7</sup>. The cost per gross direct net job generated is also at the lower end of the range expected which varies from £12,000 (lower quartile) to £26,000 (median) and £71,000 (mean)<sup>8</sup>. Regeneris recommend the median figure of £26,000

<sup>5</sup> Net present value is a calculation that compares the amount invested today to the present value of the future cash receipts from the investment. In other words, the amount invested is compared to the future cash amounts after they are discounted by a specified rate of return.

<sup>6</sup> Valuing the Benefits of Regeneration, 2011, Figure 4.8

<sup>7</sup> England ERDF Programme 2014-20: Output Unit Costs & Definitions, A Final Report by Regeneris Consulting, 2013, 96

<sup>8</sup> Op. Cit.p10.



gross cost per job is used as the starting point for any quantification. Against this the Scaleup Programme performs well.

Inventya Approach (Turnover/Growth-Based)

The Consultants are aware that Programme management have produced their own GVA assumptions using client profitability, as opposed to employment, as the focus, a metric that is potentially more relevant for companies in the process of scaling-up. Management suggest that such a method is endorsed by KPMG and takes into account a complex impact landscape. The workings of this approach can be seen below:

**Focus on Economic Impact, specifically: Payroll/Profits/Investment**

- GVA taken as 'Gross Operating Surplus (estimated net profit) plus number of Net Increase in Employees multiplied by Total Employment Costs based on ONS per SIC code'
- Total Net Profit 2019-2021 = £93,498,915 (includes investment)
- Net increase in Employees = 533
- This provides a **total GVA increase of £93,498,915**
- Attributable proportion to Scaleup support = % identified and calculated from interim summative assessment beneficiary survey (October 2021) = **50%** (moderated)
- Therefore, **estimated GVA due to Scaleup Support = £46,749,457**
- The above GVA figure provides a ROI figure of **£25.57 for every £1 spent.**

The Consultants recognise that profitability is a metric more applicable to high-growth, high-tech businesses than jobs created, as businesses adopting or developing technology may sacrifice staff numbers in the pursuit of productivity gains. We would agree that £12.20 is conservative, being based on job creation, and that a more realistic GVA that takes into account turnover/ growth is in the range of 25 to 30, encompassing the CBR figure of 1:25.6 proposed above. We recommend that a full and thorough GVA calculation be undertaken at final assessment stage, where impact can be better measured.





