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**The Learning and Skills Council demonstrates resounding success
for its New Entrepreneur Scholarship programme**

Helping people in disadvantaged areas to start in business

The Learning and Skills Council has today published an evaluation of its New Entrepreneur Scholarships (NES) programme. The £6 million programme has six years experience in helping people in the most disadvantaged areas of the English regions set up successful and sustainable businesses and the results of the evaluation highlight how much of a positive impact the programme has had since its inception.

People from disadvantaged areas and backgrounds often have the ideas and ambition to succeed in business, but many find it hard to get support and finance relevant to their needs. The New Entrepreneur Scholarships programme has helped 5500 individuals living in the 25% most deprived areas of England overcome these difficulties - by providing a comprehensive package of training, support, mentoring and funding to encourage and support the start-up and growth of new businesses. Funded by the Learning and Skills Council (LSC) and managed by The National Federation of Enterprise Agencies, The Association of Business Schools (ABS) and The Prince's Trust, the programme is based on the specific needs of the scholars, works closely with universities and draws on specialised skills of business support organisations.

Glenn Robinson, Support to Business Development Director at the Learning and Skills Council, said: "The findings from the independent evaluation of the New Entrepreneur Scholarship programme show that the programme is reaching disadvantaged individuals and is helping them to acquire the skills that they need to start a business venture."

The research highlights that the NES programme has a fundamental part to play in the success of new business start up and reducing economic inactivity and unemployment, with 75% of NES scholars going on to start their own business within three months of completing the programme. These businesses have an extremely high start up and survival rate with 94% still in business after a year, 86% after three years and 76% after five years. Of the few



scholars that never start a business, or one that doesn't continue, around half (47%) enter or return to employment.

The research also shows that the programme has great success in reaching the most disadvantaged groups with 59% of NES scholars classed as unemployed or economically inactive at the start of the course. Other scholar profiles include those with a disability (10%) as well as individuals that are functioning as lone parents (16%).

At a time when policy makers are encouraging the support of women in enterprise, NES can also confirm that 46% of its scholars are female – and with 30% of those on the programme describing themselves as non white, NES can demonstrate that it reaches out and engages with a range of ethnic groups.

George Derbyshire, CEO at the National Federation of Enterprise Agencies, the lead management partner for NES programme delivery, said: “We have always believed that the New Entrepreneur Scholarships programme hits the spot in terms of reaching disadvantaged areas of the population and that it delivers a highly effective business start up programme. We welcome this independent assessment; it clearly establishes the value and impact of the programme and it is a base from which we can development further.”

The results of the New Entrepreneur Scholarships Programme evaluation are hugely positive and demonstrate that the scheme has a significant part to play in the support and development of new businesses for those in disadvantaged areas and backgrounds.

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For more information on the LSC NES Evaluation, please go to:

http://www.nesprogramme.org.uk/index.htm?page=media_room/news/neseval07.pdf

For more information on the delivery of the New Entrepreneur Scholarships programme nationally or for case studies, please contact Hayley Williams, Head of Communications at NFEA. E: hayley.williams@nfea.com T: 01234 831623

Editors' notes:

1. The NES evaluation was conducted by Centre for Enterprise and was commissioned by the LSC to review the success of the NES programme against its objectives and to understand and profile NES scholar outcomes and destinations. The evaluation also assessed both provider and scholar perspectives on the programme's effectiveness. Stages were involved in the research process included desk based research of business start up schemes, quantitative analysis of management information reports and in depth interviews with key policy stakeholders, delivery partners and NES scholars, both past and present.



2. The New Entrepreneur Scholarships (NES) programme is managed nationally by a partnership between NFEA, The Prince's Trust and The Association of Business Schools on behalf of the Learning and Skills Council.
3. The NES programme includes part-time management education to give scholars the skills to develop a workable business plan and to see it through. The scholarships also provide support for various categories of start-up cost, to a maximum of £1,500, and a programme of on-going business mentoring and access to support and advice at all times. The idea for NES came from the Treasury and was developed by the DfES through the Learning and Skills Council. www.nesprogramme.org
4. NFEA (National Federation of Enterprise Agencies) is a network of independent, not-for-profit, Local Enterprise Agencies committed to responding to the needs of small and growing businesses by providing an appropriate range of quality services, particularly, but not exclusively, targeting pre-start, start-up and micro businesses and assisting in building their ability to survive, sustain themselves and grow. www.nfea.com
5. The Prince's Trust exists to help young people overcome their barriers and get their lives working. Through practical support including training, mentoring and assistance, it helps 14-30 year-olds realise their potential and transform their lives. The Prince's Trust focuses its efforts on young people who have struggled at school, been in care, are long-term unemployed or have been in trouble with the law. Since the charity was founded by HRH The Prince of Wales in 1976 it has helped nearly half a million young people. www.princes-trust.org.uk
6. The Association of Business Schools (ABS) aims to promote the study of business and management to improve the quality and effectiveness of those entering management, experienced managers and senior executives in the UK and internationally. ABS is the national representative body in this area and its members are the leading 100 business schools of universities, higher education institutions and independent management colleges in the UK. www.the-abs.org.uk