

Open Report on behalf of Richard Wills, Executive Director for Environment and Economy

Report to:	Economic Scrutiny Committee
Date:	13 September 2016
Subject:	Business Support Services: Growth Hub and Wider Partner Services

Summary:

This report provides an update on the Business Lincolnshire Growth Hub activity and the activity of other partners following on from the last update in September 2015.

Actions Required:

It is recommended that members:

1. Note the current progress.
2. Support the Business Lincolnshire Growth Hub by helping to ensure that all businesses are aware of the support available.
3. Support the future sustainability plans for the Business Lincolnshire Growth Hub by helping to develop and strengthen links with District Councils.

1. Background

The Business Lincolnshire Growth Hub was launched in April 2015 following a BIS (now the Department for Business Energy and Industrial Strategy - BEIS) requirement for all 39 Local Enterprise partnerships to facilitate the development of a Growth Hub to provide a one stop support shop which supports businesses from all sectors and at all growth stages.

The Growth Hub provides a single access point to a targeted package of information, diagnostic, advisory, coaching, mentoring and development programmes. Furthermore, the Hub ensures a 'single conversation' is facilitated with local businesses, raising awareness and uptake of both public and private sector support, by improving coordination, marketing and signposting.

The Growth Hub Business support includes

- Online information webportal – www.businesslincolnshire.com

- Free of charge business assistance from Business and Skills Advisers
- Access to the national Business Support Helpline via phone and online webchat
- Signposting to local and national business support programmes, including UKTI, Innovate UK, etc.

We have been able to provide these services as a result of a successful bid to BEIS for £300,000 of revenue funding for the year 2015-2016 plus a further £246,000 for 2016-17 and 2017-18.

The headline results for this activity can be found in the table below and in the presentation appended to this report.

Figures from April 2015 to end July 2016	Number
Growth Hub Adviser Engagements	739
Business Diagnostics	362
Client satisfaction with Growth Hub Service	93%
Intermediary interactions	105
Businesslincolnshire.com unique users	60,628
National Helpline call centre referrals	127
Start up enquiries to Growth Hub	44
Masterclass event attendees	157
Sponsored event attendees	3355
Twitter followers	3289
New Jobs created (potential)	434

In order to continue to provide the existing Growth Hub offer and also to enhance it locally to meet market failure, Lincolnshire County Council (LCC) made an application for £2,475,829 of European Structural and Investment Funds (ESIF) funding from the 2014-2020 Operational Programme to deliver the £4,153,047 Sustainable Business Growth Programme.

This is a partnership application between LCC, North Lincolnshire Council, E Factor (on behalf of North East Lincolnshire Council) and the University of Lincoln.

The funding will provide a strategic and comprehensive business growth programme, tailored to the specific needs of Eligible SMEs within the Greater Lincolnshire Local Enterprise Partnership (GLLEP) area and aligned with the GLLEP Strategic Economic Plan. It offers a range of one to one support, including Business Growth, Supply Chain Development, Resource Efficiency and Investment Readiness (including the continuation of the Lincolnshire Investment Network),

complemented by a small grant pot which will provide grants from £500 to £10,000 at varying intervention rates, dependent upon the level of grant.

Finally there is an enterprise creation element provided by the University of Lincoln to support recent graduates to start up in enterprise.

Over 3 years, the programme will support 920 enterprises and create 252 jobs whilst increasing productivity.

Following a lengthy appraisal process, DCLG have now approved the full application as have the ESIF committee and we are in the process of finalising the Funding Agreement.

A further ESIF application has been made on behalf of the Growth Hub to secure a further £578,349 of funding to deliver a £963,915 programme to provide digital support to businesses. This will include services such as a digital health-check, cyber security audits, as well as providing access to super high tech equipment via the Lincolnshire Technology Hubs. There is also a small grant pot to help businesses bring forward digital business projects (grants of £1,000 at 50% intervention rate). This application is currently in appraisal.

The funds from both BEIS and ESIF are contributing to a single strategic business support contract which will deliver the LCC led Business Support and Grant Activity which will be known collectively as the 'Growth Lincolnshire' offer. This contract has recently been tendered and won by EMB Ltd, the same company that has been delivering the current Growth Advice service since April 2015.

Now that ESIF funding has been approved, marketing of the offer will commence to start building awareness and a pipeline of clients. Part of the marketing plan will be to take advantage of the opportunity that Business Week offers towards the end of October. The Business Lincolnshire team have been working with the Lincolnshire Echo to ensure that the Growth Hub is integral to the overall programme. We are leading two key events;

Thursday 20th – Business Lincolnshire Growth Hub Update on the new Business Support Programmes and Funding for your Established Business, Sleaford New Life Conference Centre - 10am – 12.30pm presentations, surgeries from 1pm – 3pm.

This event will provide businesses with an overview of all the latest support and grant funding opportunities that established businesses with growth ambitions can take advantage of.

There will be plenty of opportunity to network over a complementary buffet lunch and attendees will also be able to book a 15 minute one to one appointment with and advisor.

Friday 21st – 7.30 to 8.30 – Business Lincolnshire Growth Hub Intermediary Briefing Breakfast – New Business support offers, LEP Business Live, EPIC Centre, Lincolnshire Show Ground

As part of the LEP Business Live event, the Business Lincolnshire Growth Hub will host a breakfast for Lincolnshire's business support intermediaries – banks, accountants, solicitors, business support and training providers etc. During the breakfast, there will be a short presentation from representatives of each of the new funded business support with the aim of updating the professional services about the publically funded business support offers that can complement their existing provision to clients.

Other ESIF Activity

The Growth Lincolnshire offer has been designed following a detailed review of other ESIF funded support planned for Lincolnshire which will also be delivered by various organisations across the county under the Growth Hub banner. This joined up approach has been implemented to identify gaps in provision and to reduce overlaps. The table below provides a summary of the other provision that will be delivered in Lincolnshire with the status of the application as at 24th August 2016.

ESIF Approval	Product Name	Delivery Agent
Approved - contracted	Explore Enterprise	Princes Trust
Approved - contracted	Starting in Business	NBV Enterprise Solutions Ltd
Approved - awaiting contract	Sustainable Business Growth Programme	LCC/ GLLEP / UoL/ E Factor /NLC
In appraisal	Business Lincolnshire Digital Growth Programme	LCC
Approved - awaiting contract	Innovation Programme for Greater Lincolnshire	University of Lincoln
In appraisal	Greater Lincolnshire Agri-food Innovation Platform (GLAFIP)	University of Lincoln
Full application requested (PA1)	Lincolnshire Open Research & Innovation Centre (LORIC) - capital build	Bishop Grossteste University
EOI (PA1)	Business Inspiration	Bishop Grossteste University
In appraisal	Grants for Growth	SHDC
Approved - awaiting contract	UKTI- International Trade ESIF	EMB

ESIF Approval	Product Name	Delivery Agent
Approved -awaiting contract	Manufacturing Growth Programme Lincolnshire	Pera Consulting (UK) Ltd
Approved -awaiting contract	Accelerated Growth Lincolnshire	Pera Consulting (UK) Ltd
Outline application	Collaboration 4 Growth	Lincoln BIG /Lincolnshire Chamber of Commerce
In Appraisal	GREAT: Green, Renewable, Environmental and Associated Technologies	Grimsby Institute

The Princes Trust Exploring Enterprise Programme and NBV's Starting in Business Programme (ESIF funded) are progressing well, to date there have been 177 potential entrepreneurs assisted to be enterprise ready and 52 new businesses have been started.

The 2 programmes link well, as Princes Trust look after clients aged between 18-30 years old and NBV service clients over 30 years old.

EU Referendum Result

Following the EU Referendum result at the end of June, there has been an uncertainty with regard to European funded business support activity. However, the communication issued by the Chancellor on 13th August confirmed that "all structural and investment fund projects signed before the Autumn Statement will be fully funded, even when these projects continue beyond the UK's departure from the EU".

This assurance has provided certainty that our Growth Hub business support plans for the next 3 years can progress as expected.

2. Conclusion

The Growth Hub is performing well and has achieved good results since April 2015. Satisfaction levels and feedback reported from clients is also good. Impact in terms of the jobs pipeline is extremely encouraging and the Growth Hub is maintaining relationships with all business contacts so that we are continually capturing jobs and GVA impacts as they are realised.

The team have worked hard to establish the governance structures, management systems, adviser services, helpline services and effective communication channels with providers, public and private sector intermediaries and neighbouring LEPs.

Under the guise of the Growth Hub, we have been able to work with intermediaries in a more open and transparent way including delivery of joint events, annual aligned programmes and utilisation of shared resources. We are developing an agreement that we can ask partners to sign up to, to add further strength to this approach.

ESIF and BIS funding will support the Growth Hub for the next 2 to 3 years which will able a greater variety of services to be offered, and the Growth Hub is investigating models to offer sustainability of services beyond 2018-19.

3. Consultation

a) Policy Proofing Actions Required

n/a

4. Appendices

These are listed below and attached at the back of the report	
Appendix A	Business Lincolnshire Growth Hub Adviser Update

5. Background Papers

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

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