

## **LEP - Business Support Management Board**

**Thursday 27th August 2020 via Zoom at 10.30am**

### **Agenda**

#### **Part I (Items Publicly Available)**

- 1. Welcome and Apologies for Absence**
- 2. Declaration of Interests**
- 3. Minutes of the meeting held on 21 May 2020** (Pages 1 - 4)
- 4. Matters Arising**
- 5. COVID Recovery Grants for the Visitor and Wider Economy** (Pages 5 - 8)
- 6. Peer to Peer Business Support - COVID Recovery** (Pages 9 - 12)
- 7. Phoenix Research Project** (Pages 13 - 20)  
*Presentation from Sue Smith, UCLan*
- 8. Wider LEP Update**  
Presented by: Andy Walker
- 9. Any Other Business**
- 10. Date of Next Meeting**  
The next meeting is scheduled to be held at 10.30 on 29 October 2020.  
Arrangements to be confirmed.



## LEP - Business Support Management Board

### Minutes of the Meeting held on Thursday, 21st May, 2020 at 10.30 am at the via Skype

#### Present

Ann Dean DL

Miranda Barker  
Paul Foster  
Neil McMillan

Sue Smith  
Stuart Thompson  
Babs Murphy

#### In Attendance

Phil Green, Director of Growth, Environment and Planning, Lancashire County Council  
Sarah Kemp, CEO Lancashire Enterprise Partnership  
Andrew Leeming, Boost Programme Manager, Lancashire County Council  
Holly Tween, Democratic Services Officer, Lancashire County Council  
Andy Walker, Head of Economic Development, Lancashire County Council

#### 1. Welcome and Apologies for Absence

The Chair welcomed everyone to the meeting.

Apologies were presented from Katherine O'Connor. Babs Murphy replaced Geoff Mason for this meeting.

#### 2. Declaration of Interests

There were no declarations of interest.

#### 3. Minutes of the meeting held on 17 December 2019

**Resolved:** that the minutes of the meeting were confirmed as an accurate record.

#### 4. Matters Arising

Andy Walker, Head of Service Business Growth, Lancashire County Council, advised that the Local Industrial Strategy (LIS) had been about to go forward to the LIS Advisory Panel when lockdown started, and had now been paused, awaiting BEIS advice.

Lancashire Scale Up – the evaluation of the first three pilots would be ready in

August. It was noted that the outputs may be focussed more on resilience and survival of businesses, rather than the original growth trajectory. It was noted that it was important to get the right measures of success, and that part of the process was a formal evaluation to ensure this.

An update on the Shared Prosperity Fund had been due at this meeting, but due to the COVID-19 crisis there had been no developments from the government so far. The team were still working to the planned start date of 2023. A large number of structural funds had an extension to 2023 which could enable a smooth transition.

The LEP Board had requested a presentation around successes in Lancashire as a result of European funding. Conversations were ongoing with BEIS to communicate to the government the importance of starting the Shared Prosperity Fund on time. The presentation could be shared with this committee also.

It was suggested that Boost officers meet with Stuart Thompson and his contact at the British Business Bank to consider how best to showcase Lancashire businesses.

**Resolved:** that:

- i) a LEP Board presentation around successes in Lancashire as a result of European funding be shared with the Committee
- ii) Boost officers collaborate with Stuart Thompson and the British Business Bank to consider how best to showcase Lancashire businesses

## **5. Boost - use of BEIS grant in 2020/21**

Andy Walker presented the report (circulated) on the use of the BEIS grant for Growth Hub activity in 2020-21.

It was proposed that the BEIS funding be allocated as follows:

- A. Growth Hub Delivery ERDF Match - £220,000
- B. Executive and Performance Management cost, performance, compliance and quality assurance activities (including ERDF compliance) - £50,000
- C. Evolutive CRM Maintenance and licences - £30,000
- D. Purchase of Business Data, including (Beauhurst) - £18,000
- E. Events, Marketing and Printing - £10,000

It was noted that there was currently no guidance on the supplementary funding of £208,500 but that this was expected in June, and proposals for its use could be developed by the end of June.

**Resolved:** that the Business Support Management Board

- i) Endorse the suggested use of BEIS resource as set out in the report, and

recommend that the LEP Board approves the proposals for the grant of £328,000

- ii) Requests the Head of Service Business Growth, Director of Growth, Employment and Planning at Lancashire County Council and the LEP Chief Executive to draw up proposals for the supplementary funding of £208,500, reflecting the need to respond to challenges to Lancashire Businesses as a result of COVID-19

## 6. Covid 19 - Business Impact and Responses in Lancashire

Andy Walker gave a presentation on the support activity for businesses during the COVID-19 crisis, covering national business support offers, a breakdown of Boost enquiries, data from the Chamber of Commerce, cash flow and reserve data and key actions.

It was commented that across all sectors there had been significant change, and Lancashire collectively may benefit from a strapline that could be used as Lancashire transitions into the recovery phase. Marketing Lancashire was currently developing a strapline around recovery, which would be fed back to the LEP and this committee. The committee requested to review and comment on this work.

Sue Smith, UCLan, outlined a proposal on a piece of research undertaken by the Centre for SME Development at UCLan on the impact of COVID-19 on SMEs in Lancashire, expected to take place over the next 18 months. The research included analysis of a survey launched to Lancashire SMEs, including those that are engaged with any business support interventions and those who are not; 35 SMEs were keeping oral diaries weekly on their reflections, which lead to deep dive qualitative interviews; and an analysis on #askforhelp. This would be an iterative process of research and analysis which would inform the business support package and could help inform policy makers in the future on what did work.

UK Research & Innovation (UKRI) had a funding call-out for coronavirus research and Sue asked for the committee's support in principal for a submission to bid for this funding.

The Centre for SME Development also requested to play a role in helping analyse or coordinate responses to various surveys, or to send out a separate survey.

Committee members were thanked for contributing to the response submitted to the parliamentary select committee looking at the impact of coronavirus on business, meeting on 29 May.

**Resolved:** that the Business Support Management Board:

- i) Request the strapline work around recovery be circulated to the Business

Support Management Board for review and comment

- ii) Support the bid submission from the Centre for SME Development to the UK Research & Innovation (UKRI) for coronavirus research funding
- iii) Support the Centre for SME Development's request to play a role in helping analyse or coordinate responses to various surveys, or to send out a separate survey

## **7. Any Other Business**

Members were invited to share feedback from their organisations.

## **8. Date of Next Meeting**

The next meeting is scheduled for 10.30am on 27 August 2020. Venue/virtual details to follow.

## LEP – Sub Committee

## LEP - Business Support Management Board

**Private and Confidential: No**

**Date:** Thursday, 27 August 2020

## COVID Recovery Grants for the Visitor and Wider Economy

**Report Author: Andy Walker, Tel: 01772 535629,  
andy.walker@lancashire.gov.uk**

### Executive Summary

This report is intended to update the LEP Business Support Management Board on the process by which Boost – Lancashire's Business Growth Hub is intending to draw down and distribute £1,544,072 of European Regional Development Fund resources to deliver COVID 19 Recovery grants.

The grants will form part of a national programme to support Small and Medium Size enterprises, with a discrete allocation for those in the Visitor Economy, in adapting to new trading conditions to aid recovery from the impact of the COVID 19 pandemic.

### Recommendation

The LEP Business Support Management Board is asked to:

- (i) Note the detail of the report.
- (ii) Debate and determine how best recipient businesses can use this small grant constructively as part of their COVID-19 recovery in order that positive options for the use of funds can be promoted to applicants.

### Background and Advice

Lancashire businesses are currently facing unprecedented change and impact due to the current economic crisis caused by the COVID-19 global pandemic. 'Redefining Lancashire: Our Approach to Recovery'; notes the risks of irreparable damage to key sectors with the pandemic having significant impacts on the employment base and productivity across Lancashire for years to come.

Lancashire's Growth Hub, BOOST, has already responded to the needs of businesses by repositioning the support services and talents of the delivery partners to help and



support any business in Lancashire, irrespective of sector and ambition. Services have been made fully open to every business so that they had someone to talk to, the campaign #AskForHelp supported over 5000 businesses either through the BOOST website (and the assets created especially for COVID), or through our business relationship management service, which is a person to person conversation.

The Growth Hub also made sure that this temporary pivot was promoted to as wider audience as possible. BOOST remained open at a time when the business community really needed support. However, the service did not include financial support through grants.

In addition to the support provided by BOOST, numbers of businesses are seeking specialist advice to further mitigate the impacts in order to build in resilience within their business or address potential new opportunities and require ongoing support to innovate, scale or meet their own growth path. This has been evidenced by the volume and type of enquires received by BOOST over the course of the pandemic, over 6000 to date.

In order to provide financial support for Small and Medium Size Enterprises the Government, utilising the Priority 3 of the European Regional Development Fund, has issued a specification for Growth Hubs to apply against to access LEP area funding allocations.

These allocations, which were finally confirmed on 30th July 2020, will support businesses operating as part of the Visitor Economy, Lancashire allocation £425,911 and the Wider Economy, Lancashire allocation £1,118,161 (the Wider Economy allocation is the 3rd largest in England after London and the North East).

The key outputs for the grant scheme will be jobs and businesses safeguarded.

The proposed grants will support the following types of activity and have a strong fit with the 'Redefining Lancashire' campaign:

- 1-2-1 specialist advice which SMEs could call on to address their immediate needs in response to the impact of COVID-19 e.g. HR, accountants, legal, financial, H&S, IT / digital or sector specialists etc.
- For the visitor economy, this could also include supporting SMEs with productivity improvements such as enhanced use of digital tools such as yield management software, mentoring, networking or other measures. It could also support to develop innovative delivery in a socially distanced economy – for example, new ways of delivering cultural events and festivals that are so critical to the visitor experience; and / or
- Purchase of minor equipment to adapt or adopt new technology in order to continue to deliver business activity or diversify in response to COVID 19.
- Normal grant levels are usually between £1,000 - £3,000, although on an exceptional basis the grant recipient may be granted up to a maximum of £5,000.





Unlike previous European Regional Development Fund projects the grants will be made at a 100% intervention rate on the basis of a temporary relaxation in match funding requirements agreed by the UK Government and European Commission. All grants will need to be awarded by 28th February 2021 and all expenditure defrayed by 31st March 2021. The Lancashire scheme will be open for applications in early September 2020 with an aim to deliver at least 500 grants in order to commit the full allocation.

The grants are required to be delivered through Growth Hubs or associated projects. In the Lancashire, the core Growth Hub project, BOOST, is delivered through the Business Growth Service of the county council, hence the proposal for the county council to bid for the additional resources. The Business Growth Service also contains the External Funding and Investment Team which currently delivers grants through the rural LEADER and North West Community Energy Fund programmes and has significant experience of applying for and delivering grant schemes.

#### Accountable Body and Delivery Function

In preparation for the delivery of the grant programme the county council is establishing a grant delivery system linked to the delivery of the BOOST support service. Due to the timescales involved, this process will need to be as streamlined as possible, yet remain within the constraints of European Regional Development Fund regulations, and deliver grants as quickly as possible to affected businesses.

The process will be designed to allow for engagement with Lancashire local authorities and, in the case of the Visitor Economy grants, Marketing Lancashire.

If approved, the county council would act as Accountable Body for £1,544,072, only accessing a minimal amount to pay for any additional resourcing required with the bulk of resourcing costs absorbed by the county council. This approach would maximise the number of grants available. It is envisaged that the grants would be paid in arrears once grant recipients had evidenced defrayed expenditure. The county council would then claim the grant from the European Regional Development Fund via the Ministry of Housing, Communities and Local Government. This approach will reduce the risk to the county council as grants will only be paid once evidence of delivery and payment have been received.

#### Consultations

N/A

#### Implications:

This item has the following implications, as indicated:

#### Risk management

If the county council does not apply for the grant resources another Growth Hub partner will need to apply if Lancashire is not to lose the funds. This will take more



time, delaying the launch of the grant programme and therefore delaying the issuing of grants to eligible enterprises.

### **Legal**

The grant funding will need to be distributed in compliance with State Aid laws and appropriate procedures and protections put in place to ensure this including the applicant entering into a grant funding agreement.

### **Finance**

Defrayed grants are repaid in arrears by the Ministry of Housing, Communities and Local Government. This is the normal quarterly process for BOOST activity claims. There will be short term cash flowing of the activity in the revenue budget as with the existing boost process. The financial risk of claims not being paid by MHCLG will be negated by the use of the tried and tested boost process and experienced staff processing grant claims and claims to MHCLG for repayment.



## **LEP – Sub Committee**

## **LEP - Business Support Management Board**

**Private and Confidential: No**

**Date:** Thursday, 27 August 2020

## **Peer to Peer Business Support - COVID Recovery**

**Report Author: Andy Walker, Tel: 01772 535629,  
andy.walker@lancashire.gov.uk**

### **Executive Summary**

This report sets out the award of grant to Boost – Lancashire's Business Growth Hub to deliver a new peer to peer business support intervention as part of the COVID-19 Business recovery packages and the process being undertaken to commission delivery partners who can run these peer to peer groups.

BEIS have now identified this type of activity as both cost effective and impactful in terms of the outcomes for business and are keen to use the peer to peer process to share COVID-19 recovery ideas.

In Lancashire there has been a long tradition of Peer to Peer delivery and we can build on this with this new award. The form and content of this programme will be set out in a national "play-book" devised by BEIS but we are looking to ensure we have a wide range of potential providers who can deliver in key locations and sectors.

### **Recommendation**

The Business Support Management Board is asked to note the report and provide views on how this initiative can be delivered effectively in Lancashire.

## **Background and Advice**

Over recent months, in response to the economic disruption brought about by the Covid-19 pandemic, the government has introduced a range of measures aimed at helping businesses to adapt and respond to the many challenges they face. Focus is gradually changing from helping businesses to survive through the difficulties to helping them move on and becoming more resilient.



## **The Peer Networks Programme**

The latest initiative, announced on 31<sup>st</sup> July involves the roll-out of a programme of Peer Networks. It is envisaged that these will provide support, advice and training to assist businesses to navigate the challenges facing them in relation to COVID-19. The initiative involves businesses working together, supported by a facilitator, identifying and working through barriers to their growth with peer actions and solutions.

The government is making funding available to each LEP area in England for Growth Hubs to deliver Peer Networks support over the period August 2020 to March 2021. It will be open to businesses that:

- have been operating for at least one year
- are SMEs with between 5 and 249 employees
- have a turnover of over £100,000

The funding is being made available for each Growth Hub to deliver support to an agreed number of groups (cohorts) of businesses. Each participant will receive a minimum of 18 hours 'action learning' support in a group setting plus one half day of individual support.

Lancashire has been allocated £345,000 to deliver 23 Peer Network cohorts, to be delivered by the end of March 2021.

## **Growth Hub Supplementary Funding 2020-21**

As detailed at the previous BSMB, in August Boost, the business Growth Hub for Lancashire, was allocated supplementary funding of £208,500 for 2020-21. In recognition of the short-term pressures faced by Growth Hubs as a result of COVID-19, 25% of the Supplementary Grant is available for spend on activities and solutions to alleviate immediate pressures on businesses caused by COVID -19 (together "the Project") during the period April-September 2020. The remaining funding is to be used to help promote business resilience and growth in businesses outside the scope of existing Growth Hub programmes.

## **Delivery and Procurement issues**

It is envisaged that Growth Hubs will use their existing delivery networks and teams to roll out the Peer Networks Programme. In Lancashire all Growth Hub delivery is contracted out and this gives rise to the issue how the delivery will be allocated and procured.

The cost of each cohort would be a maximum of £15,000. The Head of Business Growth has already sought expressions of interest from local suppliers and to date 26 organisations have shown interest in delivering the support.

Following a usual procurement practice to select and award contracts to partners could delay the delivery of this initiative by up to three months. Given the immediate need amongst businesses and the short window to deploy these funds, the Growth Hub is



seeking approval for an alternate, truncate award process to advance delivery of this initiative.

### **Suggested Lancashire Approach**

Whilst the BEIS "playbook" will set the minimum requirements for the activity and curriculum delivered within each peer to peer cohort, in Lancashire we are looking to use this resource to commission a more nuanced and business responsive delivery style.

We have a range of expressions of interest from business thematic and sectoral organisations, all of whom can readily identify a cohort of businesses keen to work with them. Whilst these different providers will need to adhere to the playbook standards our aspiration is that they will bring their own strengths to the process and to the immediate needs of the businesses they are working with.

### **BSMB Input**

As Boost begins to move forward with this initiative, we would very much welcome the input of those Business Support Management Board members not involved in delivery to take an overview of delivery and impact, to maximise the impact of this initiative and to celebrate good practice across delivery partners.

### **List of Background Papers**

Paper	Date	Contact/Tel
None		
Reason for inclusion in Part II, if appropriate		
N/A		



# Phoenix - Rising from the COVID-19 ashes: Action research to inform policy and practice

**Professor Sue Smith**

Director of the Centre for SME Development, UCLan

# PHOENIX

- A longitudinal action research project to Dec 202
- Aim is:
  - Through detailed, relevant data, inform the ‘building back of Lancashire’
  - Build on the productivity work for the LEP
  - Inform policy (LIS) and practice (Business support through BOOST)
  - Measure the impact of policy interventions providing valuable lessons to mitigate future shocks

NB: Funding vs skeletal activity and exposed to vulnerabilities



Figure 1:  
Iterative nature of the research package and dissemination

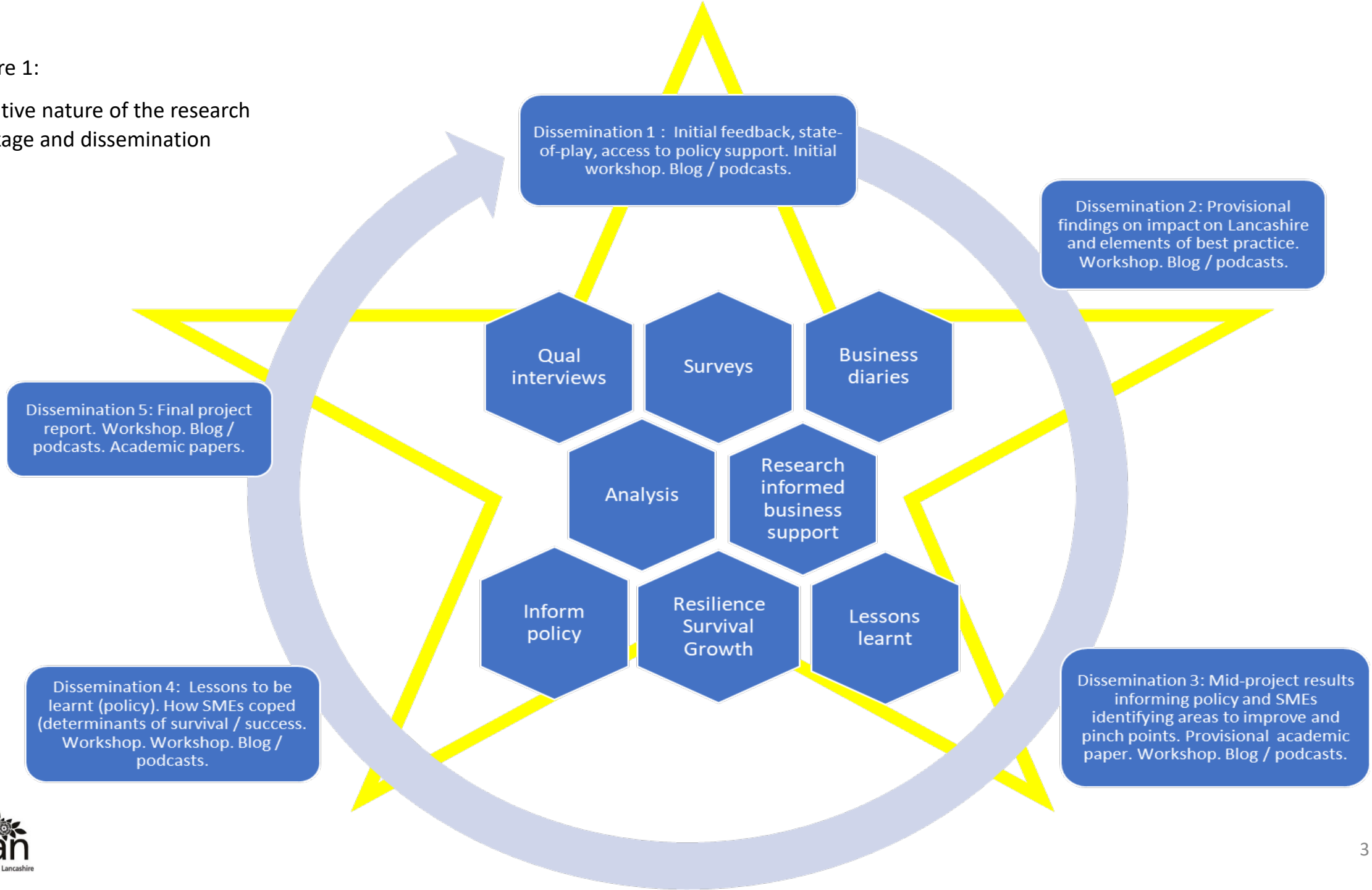


Figure 2: Cyclical nature of the research

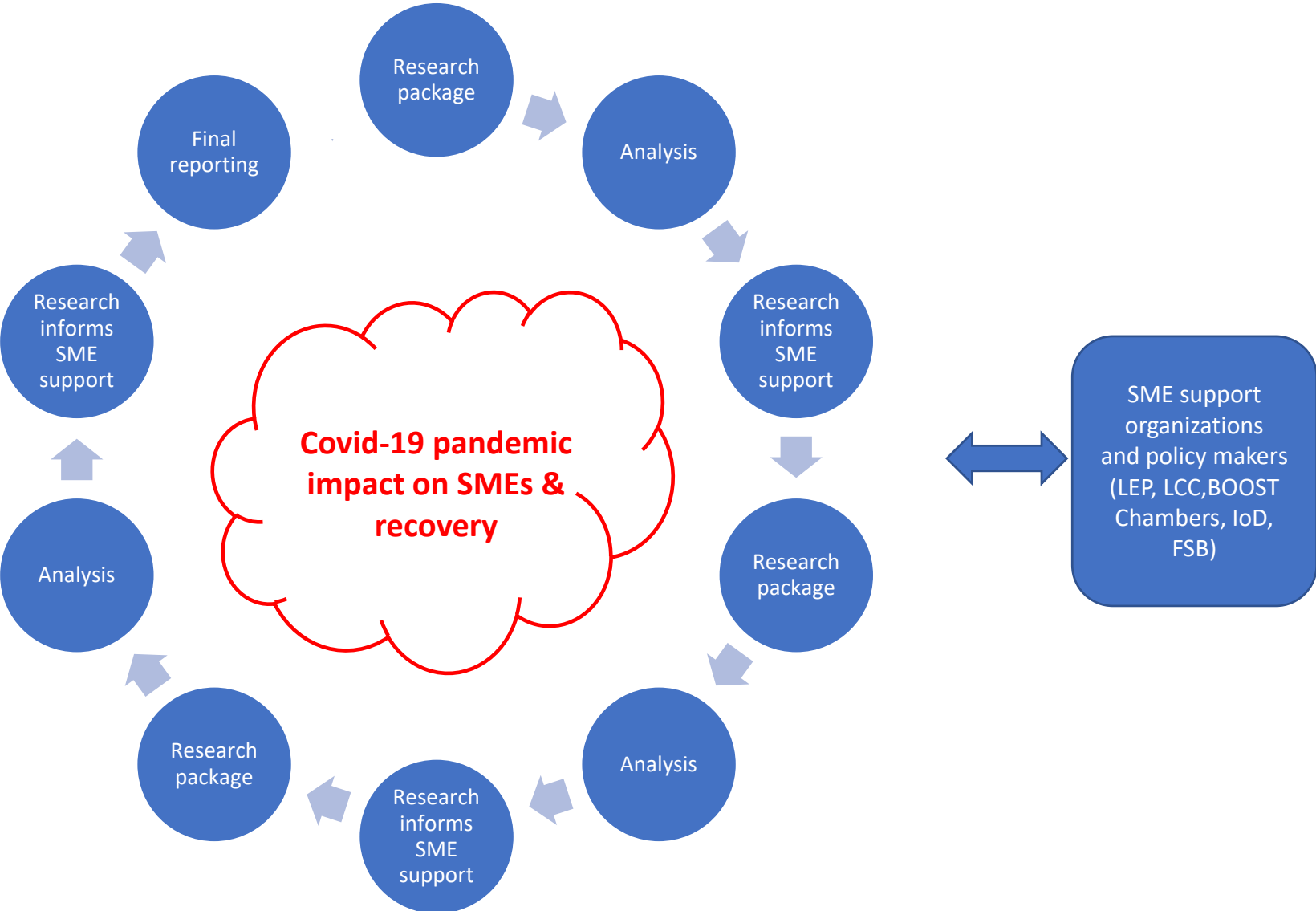
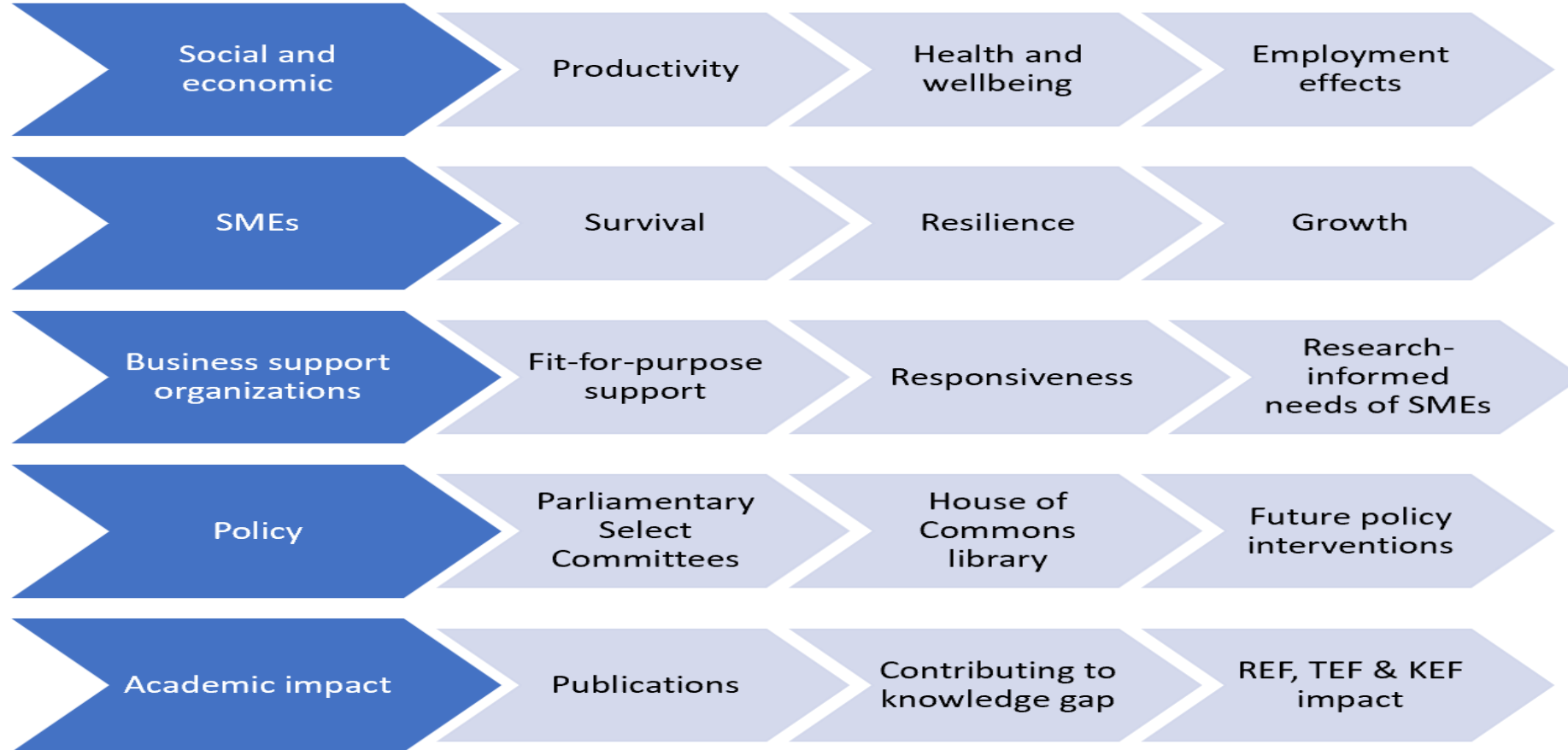
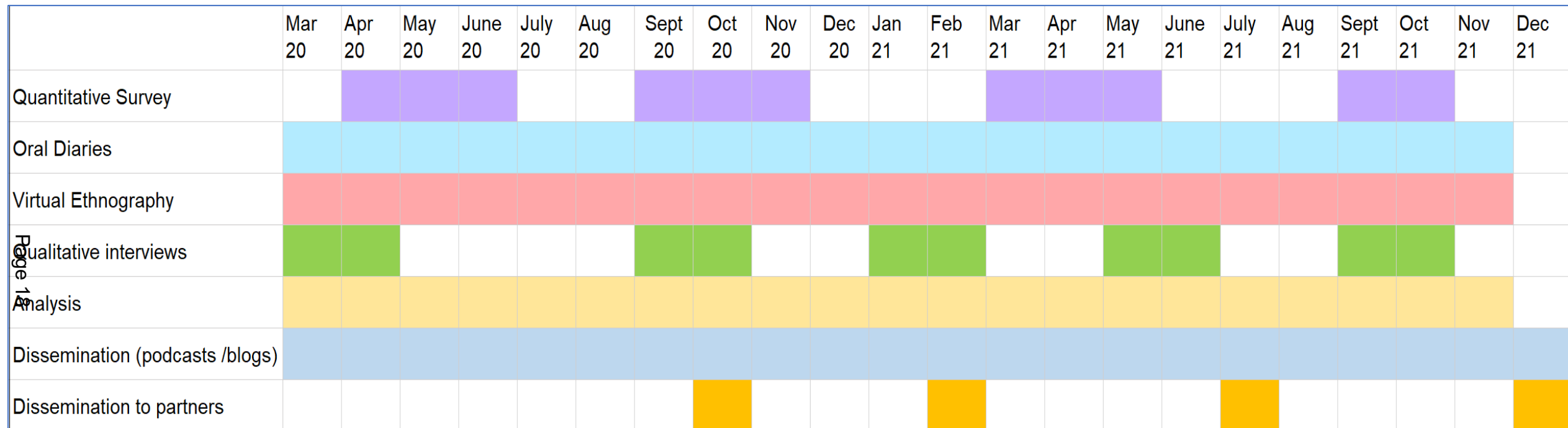


Figure 3: Types of output





Gantt chart – approx. timings dependent upon resource

# Collaboration on the impact of Covid-19

- Agreed collaborations:
  - Bradford (Leeds Enterprise partnership provided practical and financial support)
  - Sheffield (City Council support Sheffield University with ONE survey)
- Opportunities to develop a Northern voice / collaboration / Northern Power House

# The ask

- 1. Systematic support** - could go through BOOST/LEP (one survey for the Region)
- 2. Feed in to policy and practice** - Lancashire and Nationally (38 LEPs)
- 3. Take to the LEP Board?** – get formal support from the LEP
- 4. Funding** - financial support to resource PHOENIX?