

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

### **Minutes of the Meeting held on Wednesday, 6th June, 2018 at 10.30 am at the Committee Room 'D' (The Henry Bolingbroke Room) - County Hall, Preston**

#### **Present**

Michael Blackburn (Chairman)

Anthony Camm  
Paul Foster  
Vladimir Pejcinovic

Sue Smith  
Stuart Thompson

#### **In Attendance**

Andrew Leeming, Boost Programme Manager - Business Growth, LCC  
Andy Milroy, Senior Democratic Services Officer, LCC  
Andy Walker, Head of Service – Business Growth, LCC  
Val Wood, University of Central Lancashire

#### **1. Welcome and Apologies for Absence**

The Chairman welcomed all to the meeting. Apologies for absence were presented from Tim Webber with Vladimir Pejcinovic attending in his place, Frank McKenna with Antony Camm attending in his place and Gillian Bardin.

#### **2. Declaration of Interests**

None

#### **3. Minutes of the meeting held on 11th October 2017**

**Resolved:** The minutes of the meeting held on 11<sup>th</sup> October 2017 were agreed as an accurate record and signed by the Chairman.

#### **4. Matters Arising**

The Chairman sought feedback from the LEP Business Support Management Board on recent developments with Northern Rail, he agreed to feed these comments back via the Manchester Local Enterprise Partnership.

## 5. Presentation on Productivity Study

Val Moon and Professor Susan Smith (both University of Central Lancashire) gave a presentation containing the results of a Productivity Study undertaken.

It was noted that in terms of overall productivity in Lancashire a calculation measuring Gross Value Added (GVA) per hour measured as a percentage relative to UK and the top 10 and lowest 10 scoring regions were presented.

Inner London – East scored over 140 GVA whereas Lancashire scored slightly over 80 GVA.

It was noted that business in Lancashire had been consulted and requested to complete surveys. From this it was concluded that:

- Companies in Lancashire may be overestimating their productivity, some do not regard it as a managerial priority, and not many measure it.
- The notion that workplace flexibility could be used to improve productivity was not being embraced by a significant proportion of businesses.
- Investment in training and skills compared to the previous year was only seen in around a quarter of the businesses responding and only around a fifth had invested in research and development.
- Most of the business leaders in the research described themselves as “good” but fewer than half described themselves as ambitious and yet it has been found that these descriptions can be relevant to business productivity.
- To the extent that growth of businesses can be correlated to growth in number of employees, there is only a core of growing businesses in the region. However, there is ambition and intent amongst SMEs to achieve growth and it seems that SMEs are most interested in differentiation and innovation.
- There is good evidence to link stronger productivity in SMEs to their degree of internationalisation. However, the majority of SMEs surveyed for this work do not export.
- There is ambition and intent amongst SMEs to achieve growth and it seems that SMEs are most interested in new markets, training and innovation.
- The most common suggestion as a potential source of help with reducing obstacles to productivity was the LEP/local authorities.

In terms of recommendations to improve productivity, the board noted the following:

- To devise and deliver a campaign to educate SMEs about productivity and its importance.
- Flexible working practices are well documented as potentially influential in the improvement of productivity. More information and education about the potential benefits of flexible working should be made available and conveyed to SMEs in Lancashire.
- To devise policy and training that will encourage more business leaders to invest in skills and training for their workforce and research and

development for their business.

- It is recommended to increase training, research and development and leadership skills amongst businesses in Lancashire. Given what is known regarding the contributions to productivity by the latter, this is likely to improve productivity.
- To share expertise in the areas of differentiation and innovation.
- The agenda of exporting and internationalisation should be brought even further to the fore amongst SMEs in Lancashire.
- To share expertise in the areas of accessing new markets, training and innovation.
- Services such as the BOOST business gateway and the projects funded by the European Economic Community support this agenda. A contingency/action plan should be created to ensure that this type of initiative continues.

**Resolved:** That the presentation on the Productivity Study be received and that the actions and recommendations be endorsed. In addition the Business Support Management Board requested that the Head of Service Business Growth, Lancashire County Council produces a report on Productivity and submits it to the full LEP Board meeting scheduled to be held in November 2018.

## **6. Growth Hub Annual Report 2017-18**

Andy Walker, Head of Service Business Growth, Lancashire County Council, presented a report (circulated) regarding the Growth Hub containing an Annual Report for 2017/18.

It was highlighted that it is now a formal condition of BEIS support to the individual Growth Hubs that an Annual Report is presented via the Growth Hub governance structure to the LEP for approval. The report detailed the overall performance and any issues in delivery of the Growth Hub.

It was noted that over the period 1<sup>st</sup> April 2017 to 31<sup>st</sup> March 2018 some 2921 enquiries were handled by the Boost Gateway, of which 456 were dealt with at source, 2365 enquiries resulted in referrals of which 2034 were referred to Boost projects and 592 were referred to other business support organisations.

Overall Boost is performing well, with the majority of targets being achieved or just slightly below expectation, however there have been areas of concern. The activity of C2 grants (Growth Vouchers) has consistently fallen behind targets despite intensive support and guidance from Lancashire County Council. This has a knock on effect on the C1 targets (C2 is a subset of C1) and on C6 that represents the private sector contribution to match the Growth Vouchers.

The delivery contractor has indicated that they will not be able to achieve the lifetime target (300) for Growth Vouchers (2016-18) and therefore a revised target of 168 has been agreed together with a reduced C6 target. The resulting deficit of 132 C1 outputs has been resolved in discussions with two of the other Boost delivery organisations who have agreed to increase their performance to make up this shortfall by the end of 2018.

**Resolved:** The Business Support Management Board considered the detail of the report and recommended that the LEP Board endorses the annual report at its next meeting on 26<sup>th</sup> June 2018.

## **7. Forward Plan**

It was noted that the next meeting of the Business Support Management Board was scheduled for 19<sup>th</sup> October 2018. It was agreed that the following items should be considered at the October 2018 meeting:

- Programme of Key Decisions and Procurement Process
- Half Year report on Growth Hub.
- Industrial Strategy Report
- Productivity / Digital Skills.

## **8. Reporting to Lancashire Enterprise Partnership Board**

It was noted that the Growth Hub Annual Report would be referred to the LEP Board for approval.

## **9. Any Other Business**

The Board discussed the role of SME Champion. It was noted that the LEP was currently recruiting three new LEP Directors with the intention that one would become the SME Champion, this should be in place by the time of the next Board meeting.

## **10. Date of Next Meeting**

It was noted that the next meeting of the Business Support Management Board was scheduled to be held at 10:30am, on 19<sup>th</sup> October 2018 in Committee Room 'B' - The Diamond Jubilee Room, County Hall, Preston

## **11. Exclusion of the Press and Public**

**Resolved:** The Business Support Management Board considered that under Section 100A(4) of the Local Government Act 1972, the public should be excluded from the meeting during consideration of the following items of business on the grounds that there would be a likely disclosure of exempt information as defined in the appropriate paragraph of Part I of Schedule 12A to the Local Government Act 1972 as indicated against the heading to the item.

## **12. Overview of Publicly Funded Business Support in Lancashire**

(Exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act, 1972. It was considered that in all the circumstances of the case the public interest in maintaining the exemption outweighed the public interests in disclosing the information.)

Andy Walker presented a report (circulated) regarding publicly funded business support in Lancashire. The report presented information regarding business support activity taking place locally.

**Resolved:** The Business Support Management Board noted the report.

## **13. Design and Commissioning of Boost 3**

(Exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act, 1972. It was considered that in all the circumstances of the case the public interest in maintaining the exemption outweighed the public interests in disclosing the information.)

Andy Walker presented a report (circulated) regarding design and commissioning of Boost 3. The report presented contained details of the bidding process to develop Boost over the period 01 January 2019 to 31 December 2021.

**Resolved:** The Business Support Management Board noted the report and supported the outline structure for commissioning.