

LEP - Business Support Management Board

**Thursday, 10th February, 2022 – Hybrid Meeting in Savoy Suite 2 -
The Exchange - County Hall, Preston and also online via Microsoft
Teams at 10.30 am**

Agenda

Part I (Items Publicly Available)

- 1. Welcome and Apologies for Absence**
- 2. Declaration of Interests**
- 3. Minutes of the meeting held on 20 May 2021 (Pages 1 - 4)**
- 4. Matters Arising**
- 5. Business Support Update and Future Scoping (Pages 5 - 10)**
- 6. Peer Networks Update (Pages 11 - 12)**
- 7. Export / International Trade Support**
(Verbal Update)
- 8. Wider LEP Update**
Presented by: Andy Walker
- 9. Reporting to Lancashire Enterprise Partnership Board**
Standing item – to decide if any of the other items considered on today's
agenda require referral to the main LEP Board for approval.
- 10. Any Other Business**

11. Date of Next Meeting and Programme of Meetings for 2022/23

It is proposed to hold the next meeting of the Board on **Thursday 26th May 2022 at 10:30am**, should the meeting held today be a success as a hybrid meeting it is proposed that all future meetings in the 2022/23 programme are held as hybrid meetings (with the option for attendees to attend in person at County Hall, Preston or virtually via Microsoft Teams).

In addition the Board are asked to approve the following dates that complete the 2022/23 programme of meetings:

Thursday 25th August 2022, 10:30am, Hybrid meeting (County Hall / Teams)

Thursday 27th October 2022, 10:30am, Hybrid meeting (County Hall / Teams)

Thursday 9th February 2023, 10:30am, Hybrid meeting (County Hall / Teams)

Approval: Should the Board approve the programme of meetings as set out above calendar invites will be sent to add the dates to Board Members diaries.



LEP - Business Support Management Board

Minutes of the Meeting held on Thursday 20th May 2021 at 10.30am virtually, via Zoom

Present

Ann Dean MBE DL (Chair)

Miranda Barker
Paul Foster
Justin Kyriakou

Geoff Mason
Sue Smith
Stuart Thompson

Observers

Liz Tapner, CEO Social Enterprise Lancashire Network (SELNET)
Damian Waters, Regional Director, CBI North West

In Attendance

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 and introductions were made by all in attendance.

Particular welcome was extended to Damian Waters and Liz Tapner, who were attending as observers, pending membership approval.

Apologies had been received from Phil Green. It was noted that Katherine O'Connor from BEIS had moved to a different role so will no longer be attending meetings as an observer.

2. Declaration of Interests

Miranda Barker declared an interest in items considering Boost funding and Growth Support funding, as the Chamber Low Carbon programme was part of that funding stream.

3. Minutes of the meeting held on 29 October 2020

Resolved: that the minutes from the meeting on the 29 October 2020 were approved as an accurate record.

4. Matters Arising

Sue Smith, Centre for SME Development, gave an update on the Phoenix Programme, and reported that after presenting at the NP11 meeting, collaboration had begun across 7 northern universities, and a set of remote/hybrid working principles had been developed, and a repository of information was now available to help SMEs considering hybrid working.

5. Business Support Performance Overview of 20/21

Andy Walker, Head of Business Growth, presented the report providing a summary of delivery and performance for the publicly funded business support activities which attract central government funding. These included Boost, Peer to Peer to Peer Business Support Groups, Access to finance services and inward investment. Discussion followed.

It was suggested that having a brand for the Inward Investment work stream would be helpful.

It was noted that CBI had run a session on Where Next for Cashflow and Finance, with free access via YouTube:

<https://www.youtube.com/watch?v=N8UFPLqPYZU>

Sarah Kemp volunteered to organise a meeting to include Justin Kyriakou, Stuart Thompson, Miranda Barker, Andrew Leeming and Andy Walker to consider an east Lancashire business angel network.

Resolved: the committee agreed that:

- i. the report be noted
- ii. Sarah Kemp organise a meeting to discuss a business angel network in east Lancashire

6. Board Membership

At previous meetings the committee had discussed extending the membership. The committee considered the biographies provided with the report, and agreed to recommend the suggested new members to the LEP Board.

It was also noted that Stuart Thompson's term at the IOD was expiring, but it was agreed to retain him on the committee.

Resolved: that

- i. The Business Support Management Board formally recommend to the LEP Board that its membership be extended to include Damian Waters and Liz Tapner

- ii. That, once the new membership is agreed, the committee's Terms of Reference are updated to reflect recent changes

7. Wider LEP Update

Sarah Kemp, LEP CEO, gave an update on the work of the Lancashire Enterprise Partnership.

The LEP review was underway, and the annual performance review process had been completed, with significant issues addressed over the last year.

The process for recruiting a new LEP Chair was ongoing, and it was hoped this would be completed in time for the next Board meeting in June.

The Annual Conference was being planned for 2 July, to be held in Blackpool. It was hoped the annual report would be published around the same time.

The EKOS report had been published, and an internationalisation strategy had been commissioned.

It was expected that the LIS would be used to inform the new Growth Plan, but details from government were awaited. A draft would be shared with the Business Support Management Board in due course.

The Strategic Framework had been published in December 2020.

Resolved: that the update be noted

8. Reporting to Lancashire Enterprise Partnership Board

Resolved: that the following matters were reported to the LEP Board:

- i. The new membership and Terms of Reference be presented for approval.
- ii. A summary of the annual performance report is presented, which will form a formal return to BEIS; and
- iii. The proposed used of BEIS funding in the coming year is presented for approval.

9. Any Other Business

Damian Waters reported that regional score cards had been released outlining in detail productivity and socio economic health across England. North west scorecards were available here: https://www.cbi.org.uk/media/6581/12640-cbi-reviving-regions_north-west.pdf

Justin Kyriakou reported that the ICAEW had released the Business Confidence

Monitor today. The north west report was available here: <https://www.icaew.com/technical/economy/economic-insight/business-confidence-monitor-regional/north-west>

10. Date of Next Meeting

The next meeting was scheduled for Monday 26 August 2021, at 10.30am, virtually via Zoom.

11. Exclusion of the Press and Public

At this point the Business Support Management Board approved that the meeting move into Part II, Private and Confidential, to consider the remaining agenda items as they contained information defined as confidential or exempt in accordance with the relevant paragraph of Part I to schedule 12A to the Local Government Act 1972 as set out in each report or presentation. It was considered that in all the circumstances of the case the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

12. BEIS Growth Hub Funding 2021-22

Andy Walker and Andrew Leeming presented the report (circulated) outlining the proposed allocation of funds for business support activities, and the BEIS funding for Boost for 2021-22.

Resolved: that the Business Support Management Board

- i. Endorse the allocations of BEIS LEP grant funding for 2021-22 for Boost, in respect of its Core Funding and Peer Networks, as set out in the report; and
- ii. Recommend to the LEP Board approval of receipt of the grant funds and proposed budget.

13. Design and Commissioning of Boost 3.5 Service Offer

Andy Walker and Andrew Leeming presented the report (circulated) outlining the design of Boost 3.5, now to be underpinned by national government resource, following the termination of European Structural Funds. It outlined delivery components and ideas for adaptation and improvement. Discussion followed.

It was noted that providers' contracts would expire in December 2021, and an OJEU procurement process would take place July-November. Committee members were requested to circulate the message through their networks that these opportunities were available.

Resolved: that the extension to the Boost programme funding is noted, and committee members help circulate information about the upcoming opportunities



LEP – Sub Committee

LEP - Business Support Management Board

Private and Confidential: No

Date: Thursday, 10 February 2022

Business Support Update and Future Scoping (Appendix 'A' refers)

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

Executive Summary

This report provides a brief update on a range of new locally funded business support provision for 2022. These initiatives add to the existing network of publicly funded business support provision in Lancashire but have specifically been created to provide on-going support to sectors badly impacted by the pandemic or to boost the speed at which the economy recovers.

In addition, the paper sets out some key national policy announcements through the year which will potentially influence the shape and funding for Growth Hubs moving forward.

Recommendation

The Board are recommended to note this paper as a prompt to considering a wider process to determine local business support priorities moving forward.

1. Background and Advice

1.1 As we cautiously anticipate a further lifting of COVID-19 restrictions, Lancashire County Council is putting in place an unprecedented programme of new business support initiatives to bolster the pace of economic recovery across key sectors and business activities within the county.

1.2 The first quarter of 2022 will see the launch of four new programmes cumulatively worth more than £35m. These target support to:-

- the advanced engineer and manufacturing sector
- activities which help SMEs move to low carbon solutions
- businesses in the rural economy, and



- developers creating new business space for small businesses
- 1.3 The **Advanced Engineering and Manufacturing Watchtower** programme is worth £1m over the next two years. It builds on research compiled by the sector itself and the Local Enterprise Partnership, highlighting the problems faced by businesses within the civil aerospace supply chain because of the long-term impact on travel caused by the pandemic.
- 1.4 The programme will provide innovation, diversification and skills support to the sector, whilst refreshing our intelligence about the key AEM assets which remain in Lancashire and how best we can market these.
- 1.5 The £1m **Low Carbon Heat Grant** aims to help Lancashire companies achieve their Low Carbon heating goals. The programme will support the installation of low carbon heating solutions for Lancashire SME's especially those operating on the most carbon intensive fuels, as well as working with installers to understand barriers to delivery. To get involved an SME will need to have a completed Energy Audit and submit permission to share it, along with company name, to LancashireLowCarbon@lancashire.gov.uk. Any expressions of interest for the first round of grants will need to be received by Monday 28th February. Businesses that do not have an Energy Audit you can contact the Chamber Low Carbon project at info@chamberlowcarbon.co.uk
- 1.6 **The Rural Recovery Fund** is a pilot that aims to support rural businesses by building resilience through a range of support initiatives. The programme started in January 2022 with a series of Peer to Peer Action learning sessions, which includes micro businesses, tourism, farm diversification and farming low carbon. In February there will be a 5 week Digital Skills programme aimed at the tourism, food and drink sector, with the same programme running from the end of April for general rural businesses. The sessions will enable businesses to better understand how to use social media, run effective social media campaigns and increase profitability. We have also commissioned several pilot projects including:
- The Lancashire AONBs to look at sustainable travel and develop experiential tourism opportunities for those travelling to the area by public transport;
 - Marketing Lancashire to develop opportunities for Lancashire's food and drink sector;
 - Working with the Lancashire Skills Hub to engage with school children to encourage young people into farming.
- 1.7 The £33m **Lancashire Urban Development Fund** will provide loan finance for private sector developers that aim to provide commercial and industrial workspace for Lancashire SMEs (including Blackpool and Blackburn). The Fund will support the creation of fit-for-purpose industrial and commercial premises for SME's in Lancashire's priority growth sectors and help to unlock key strategic



employment sites. Loans are expected to be between £2m to £4m in conjunction with contributions from developers themselves.

- 1.8 The Fund will be managed by Igloo Investment Management, on behalf of the county council, who can be contacted by emailing andrew.sykes@igloo.uk.net or robert.wood@igloo.uk.net. The Fund is financially supported by the European Regional Development Fund programme.
- 1.9 In addition to the four programmes above, in December 2021, **Boost; Lancashire's Business Growth Hub** announced a further £3.2 million to continue supporting Lancashire's business community with a wide range of fully-funded support services from January 2022. This includes circa £750,000 from the Department for Business Energy and Industrial Strategy.
- 1.10 The financial commitment from Lancashire County Council and the European Regional Development Fund (ERDF) will mean Boost's current support offering will continue until June 2023. Since 2013, Boost has supported 8,000 business, helped to create 3,000 jobs and generated more than £100m in economic activity and during its next phase from January 2022 to June 2023, Boost will support a further 800 businesses, create 880 jobs and support 100 new business startups, adding £4m to the Lancashire economy.
- 1.11 Lancashire County Council will provide £1.3m while the ERDF will contribute £1.9m to Boost, which will offer four fully funded support programmes as well as a dedicated service to help business owners better understand their needs and direct them to the most suitable business support from across Lancashire.

2. Future Scoping

- 2.1 2022 will potentially bring several key decisions which could impact the operation and funding of the business support offer in Lancashire. The publication of the Levelling Up White paper, has the potential to re-determine the role of LEPs and Growth Hubs moving forward, whilst the shape and value of the emerging UK Shared Prosperity Fund as a replacement for European Structural and Investment Funds (expected in summer 2022) will give a new perspective on the organisation of funds which have been applied to business support, innovation and more latterly, environmental priorities for the past 20 years.
- 2.2 These policy changes should also be considered in the context of the availability of local match to draw down against these funds. Typically, this has come from either co-investment from beneficiary businesses (potentially constrained by post-pandemic financial constraints) or via public match from local authorities.
- 2.3 Growth Hubs, LEPs and Local Authorities are actively lobbying to set out both the successful track-record of Growth Hubs over the last decade and the potential role that they and local business support provision can play moving forward. (see Appendix 'A') There is also active, if somewhat belated



consultation on the shape of the UK Shared Prosperity Fund, which will inevitably inform the priorities and volume of funding for locally commissioned business support, moving forward.

- 2.4 In order to develop a more proactive stance to the changes we anticipate, it is suggested that the LEP Business Support Management Board with other key partners and stake-holders supports a process to re-assess local business support priorities and to determine how a more focussed, simplified and impactful local business support offer can become a shared objective. This would include specific input from the LEP's sector groups and newly produced business finance and internationalisation studies.

List of Background Papers

Paper	Date	Contact/Tel
LEP letter of support	Jan 2022	

Reason for inclusion in Part II

N/A

Rt Hon Kwasi Kwarteng MP

Secretary of State
Department for Business, Energy & Industrial Strategy
1 Victoria Street
London
SW1H 0ET

26 January 2022

Dear Secretary of State

Local Enterprise Partnerships: Delivering Growth Hubs across England

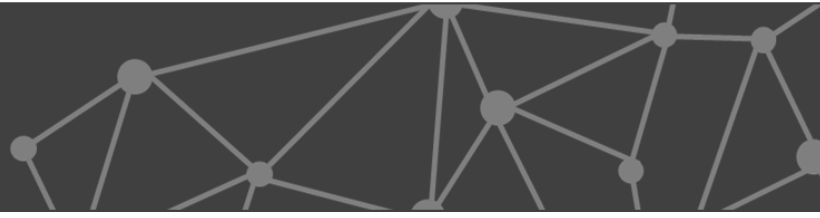
At our meeting on 15th December you kindly made a particular point of praising the importance and impact of LEP Growth Hubs. Indeed, the respect for the Growth Hub Network has been a consistent theme in my LEP colleagues' interactions with the majority of MPs across England and was echoed by business leaders in the 15 roadshows we ran for BEIS and MHCLG Ministers. Their contribution during the Covid crisis and as we transitioned from the EU has been recognised as significant.

We know you are having to make some difficult decisions on where you direct BEIS funding in the future and wanted to stress the critically important work being delivered by our Growth Hubs across England, which has seen more than 2.3 million businesses and individuals turn to them for advice and support during 2021/22 alone. As we emerge from restrictions, LEP Growth Hubs are continuing their vital role in supporting businesses seize new opportunities, helping them become more resilient as well as connecting them to government programmes such as Help to Grow and export and trade services, working closely with the Chambers of Commerce, FSB and other BROs.

The launch of the LEP Growth Hub network has provided government with an unrivalled local capability on the ground which is able to flex quickly and reach directly into local businesses and to provide trusted support signposting business to both local and national help. That support has been tailored to meet local needs and has shown the ability to flex at pace, whether that means dealing with local shocks such as flood recovery, responding to local company crises and collapse, as well as helping with scaling up, driving innovation and helping to deliver net zero ambitions. In addition, the network has demonstrated its capability to respond to urgent requests from Government including dealing with 15,000 EU Exit queries and providing guidance to 32,000 businesses who attended EU Transition events.

During 2020/21 the LEP Growth Hub network also designed and delivered the £30m Covid 19 'Kickstart' recovery scheme offering grant funding to businesses impacted by Covid measures and the Peer to Peer Network support programme which was in very high demand. In short, LEP Growth Hubs play a central role in the local business ecosystem bringing together the best of public, private, third sector and academic support, providing a single, neutral, and trusted 'go to' contact point for businesses of any size or any sector.

LEP Growth Hubs have a detailed understanding of place, translating national policy and programmes into local delivery and help bring national actors to the local stage. This has been critical in supporting programmes like Help to Grow and Made Smarter, and connecting local SMEs to the British Business Bank, Innovate UK, Catalysts etc. Using their unique understanding and data insights, LEP Growth Hubs also play a vital role in feeding back data, from skills and innovation to sustainability and productivity, in real time to central government, helping to shape and inform policy development and responses. This was particularly helpful in shaping revisions to the Furlough scheme and the various support grants. With their local contacts Growth Hubs worked very closely with Local Authorities to ensure that grants found their way to stricken businesses when they needed the money the most.



As you make difficult funding decisions, I hope we can rely on your continued support and funding to ensure LEP Growth Hubs are able to continue to support local business to adapt and capitalise on the post pandemic and post EU landscape. A copy of this letter goes to the Secretary of State for Levelling Up, Paul Scully MP, Minister for Small Business and Andy Haldane.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Mark Bretton', with a long horizontal stroke extending to the right.

Mark Bretton
Chair, LEP Network



LEP – Sub Committee

LEP - Business Support Management Board

Private and Confidential: No

Date: Thursday, 10 February 2022

Peer Networks Update

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

Executive Summary

In September 2020, the department for Business, Energy and Industrial Strategy (BEIS) provided additional support through the English Growth Hub network to organise Peer to Peer business groups, as a practical support mechanism addressing the impacts of the COVID-19 pandemic.

Boost – Lancashire's Business Growth Hub quickly responded to commission a range of organisations to facilitate these groups. This allowed groups in the same sector, with the same profile of ownership or aligned to existing business organisations to start meeting and help one another.

Following two further cohorts of Peer 2 Peer provision, BEIS has now announced that this ear-marked funding will end in March 2022.

This report considers the impact that this programme has had in Lancashire and whether we should seek alternate resource to continue a similar programme as the configuration of new funding regimes becomes clear.

Recommendation

The Business Support Management Board are asked to note this report.

Background and Advice

- 1.1 Peer Networks is an initiative funded by BEIS that is being delivered through the LEP network and their respective Growth Hubs. The programme's aims are focused on reducing the UK productivity gap by helping business leaders find practical solutions to strategic and operational challenges. It has formed part of the Government's response to the COVID-19 pandemic and the ongoing EU transition, seeking to improve the resilience of SMEs, their capability to



adapt their business models to the “new normal” and position themselves for future success, driving longer-term productivity gains.

- 1.2 The programme is delivered using Action Learning methodology and involves the creation of a series of Peer Networks (cohorts) through the Growth Hub network, with each group consisting of 8-10 owners or managers from the local SME business community. Led by an experienced facilitator, these Peer Networks typically meet fortnightly as part of delivering 18 hours of action learning through 2-3-hour sessions. Individual one-to-one support (coaching, mentoring, or advice) is also provided.
- 1.3 Delivery in Lancashire is via a series of procured contractors managed by Lancashire County Council’s Business Growth Team. In 2020-21 Peer Networks was delivered to 31 cohorts of businesses in Lancashire with 327 participants and a 97% satisfaction rating. In 2021-22 there are currently 208 participants across 23 cohorts with 98% of participants reporting being very satisfied. The current programme, delivered by 15 contractors, is due to end in March 2022.
- 1.4 Issues covered in the initiative include supply chain and logistics issues, staffing and recruitment problems, exporting, production and finance. The programme has proved very popular, and as shown by the satisfaction ratings, it has been well received by local businesses. From the case studies that have been captured in Rounds 1 and 2 it is clear that participants have very much valued this format of support and have been able to resolve both ongoing issues and more immediate problems through participation on the programme.

2. Funding considerations

- 2.1 The Round 1 programme cost £432,000 and was fully funded by BEIS. The current year’s programme (Round 2) has been awarded a grant of £390,000. BEIS have made now the decision not to fund a Round 3, but rather have taken the learning points from the Round 1 and 2 Peer Networks evaluations and incorporated them into the national Help to Grow programme. This leaves a gap at local level.
- 2.2 Officers feel that the programme is worthy of consideration as a more permanent element of the business support programme in Lancashire, perhaps on a reduced scale or with new delivery models. Based on the average costings in Rounds 1 and 2, a programme offering say 15 cohorts could be delivered for a budget of £225,000.

Recommendation

It is recommended that Members note this report and to seek support for endeavours to find alternative sources of finance.