

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

**Monday, 21st March, 2016 in Former County Mess - The John of Gaunt Room, County Hall, Preston, at 12.00 pm**

### **Agenda**

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

- 1. Welcome and Apologies for Absence**
- 2. Declarations of Interest**
- 3. Minutes of the meeting held on 20th January 2016 (Pages 1 - 4)**
- 4. Matters Arising**
- 5. Publicly Funded Business Support Provision in Lancashire (Pages 5 - 16)**
  - a) Access to Finance Service 2012-15
  - b) Business Support Audit / Simplification
- 6. Oversight of Business Support Future Investment (Verbal Report)**
  - a) Northern Powerhouse Investment Fund update
  - b) ERDF Projects at Outline Application Form Stage
- 7. Future Work Programme**
- 8. Any Other Business**
- 9. Date of Next Meeting**

25<sup>th</sup> May 2016 from 12-2pm, The John of Gaunt Room (formerly County Mess), County Hall



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

**Minutes of the Meeting held on Wednesday, 20th January, 2016 at 12.00 pm at the Committee Room 'A' - The Tudor Room, County Hall, Preston**

### **Present**

Michael Blackburn

Michael Damms  
John Kersey

Gary Lovatt

### **In Attendance**

Andrew Leeming

Andy Walker

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

Chair welcomed members to the meeting and apologies were noted from Timothy Webber, Martin Kelly, Barbara Murphy (Alan Welsh attending on her behalf) and Cllr Frank McKenna (Danny Davis attending on his behalf).

#### **2. Declarations of Interest**

There were no declarations of interest at this time.

The declaration of interest form was circulated with the minutes from the last meeting for members to complete as required.

#### **3. Minutes of the meeting held on 28th October 2015**

Minutes from the meeting dated 28<sup>th</sup> October 2015 were agreed as an accurate record.

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

There were no matters arising from the last meeting.

## 5. Publicly Funded Business Support Provision in Lancashire - Purpose and Priorities

Andy Walker, Head of Business Growth, Lancashire County Council presented the report circulated with the agenda which provided the Board with information on business support mapping, national policy influences and commitments from the LEP moving forward to help inform a work plan and to further strengthen the understanding of provision.

The report highlighted:

- the closure of the National Business Growth Service – consideration on if and how the gap left by this closure should be addressed
- mapping the local Business Support Offer – presentation to the Board from Regenerate Pennine Lancashire
- European Structural Investments Fund (ESIF) – the four projects which have firm offers of support

The Chair welcomed Steven Cochrane, Director from Regenerate Pennine Lancashire to the meeting to present information on the Business Support Simplification.

The presentation provided details on:

- Aims including mapping and identification of gaps
- Economic/strategic context - ensuring a connection to the SME base
- Provider feedback - survey will be circulated to providers this week and will also looking to request feedback on the service providers to ensure continuous improvement
- Business feedback - survey will be circulated to the businesses currently on the database. Steve invited the Board to discuss this in more detail for suggestions on further circulation. Information requirements for this survey are being developed and looking at possible focus groups to obtain more depth of detail.
- Mapping – identifying the links across the business support offer and Boost with an overview of projects.
- Governance review – need an understanding of who make decisions, clarity of governance and a better feedback mechanism.
- Next steps - final report to be produced by 28<sup>th</sup> March
- Service delivery – identifying an enhanced data capturing model. The database does set the journey and will pick up information around success rates on delivery and whether businesses have been able to deliver.

### **The Board resolved:**

1. That the progress on the Lancashire Business Support Simplification Review be noted
2. That a work programme is established to specify the desired business support landscape and gaps in provision
3. That there is a need to be clear on the target audience
4. That there is a need to link to SME to support those areas of growth
5. There is a need for some learning historical data which will also help inform

- decisions around targeting
6. That an interactive conversation is required around governance

## **6. Oversight of Business Support Initiatives**

Andy Walker then presented the report circulated with the agenda on the Oversight of Key Business Support Initiatives.

The report provides information on the Boost Business Lancashire Programme detailing the final outturn results and external evaluation and the North West Business Fund.

### Boost

The majority of the targets were exceeded with exception of jobs safeguarded which had an achievement of 294.3 jobs safeguarded against the target of 461 although it was highlighted that impact of work with some businesses is not yet known.

One area of concern was the lower number of pre-start individuals who progressed to start a new business.

### **The Board resolved:**

1. That there is a need to use this evidence to plan funding for the next few years
2. Andy Walker to add cost of intervention to give context to figures (table 2)
3. Andy Walker to look at geographical elements to identify any gaps

From the information discussed in this item, the Board felt that the survey discussed under Item 5 could include the 3000 businesses that engaged with Boost and agreed a cross section would be more beneficial. In addition, the survey could include those involved in pre-start who did not continue forward with their business to help identify any barriers.

### Boost Moving Forward

A conditional offer has been received for ERDF support to continue the Growth Hub provision until end 2018. Currently in the process of commissioning Gateway, Start up and Mentoring providers.

### **The Board resolved:**

1. Andy to look at the various interventions and data to interrogate further to identify gaps
2. That there is a need to market the Gateway as the starting point for businesses through the process

### North West Fund

Andy then provided an update to the Board on the North West Fund which is now almost fully invested except for a small pot of funding left for Merseyside. The Fund comprised of seven specific funds managed by an experienced Fund Manager.

### North West Fund Moving Forward

Andy reported that to keep the Fund as it was would involve a substantial procurement process. As an alternative, a proposal was presented from the British Business Bank to establish a Northern Powerhouse Investment Fund covering 10 of the 11 northern LEPs (one LEP not joining is the North East LEP).

The report recommends that. In addition the Board noted the, agreed commitment to actively oversee the development of these projects and will seek update from the Lancashire Business Grant Programme.

#### **The Board resolved:**

1. That the Board seeks representation on the interim Strategic Oversight Board to ensure the funding is used well in Lancashire
2. That the progress of the Boost and NW Fund be noted
3. That the Board commits to actively oversee the development of these projects and will seek update from the Lancashire Business Grant Programme
4. That there is a need to identify emerging gaps and requirements
5. Clarification is required on what private sector funding is admissible
6. Confirmation on the calls for funding in April
7. Andy to draft an outline of a plan for the next meeting of the Board

## **7. Future Work Programme**

The Board agreed that the future work programme needs to:

- include strategy and communication priorities
- identify key governance agencies
- seek feedback on programmes
- identify the format of oversight

#### **The Board resolved:**

1. Andy to provide mapping for a work plan of programmes for the next meeting in March
2. Andy to investigate and report back how local administration is fed back into the proposed Combined Authority

## **8. Any Other Business**

The Board highlighted the potential future challenges around the Combined Authority and in particular the impact for Wyre.

## **9. Date of Next Meeting**

21<sup>st</sup> March, 12pm in the John of Gaunt room (formerly County Mess), County Hall, Preston



# Lancashire Access To Finance Service Making An Impact

**21<sup>st</sup> March 2016**

**Philip Hargreaves  
Maria Ramsdale**



# Lancashire A2F Service Contract Overview

## Original aims

Specifically, the project aims, via a team of finance specialists and appropriate support staff, was to deliver fully funded ,impartial and independent advice to –

- Improve SME's access to finance via diagnosing their need for funding linked to detailed business and financial planning thus ensuring improved levels of investment readiness.
- Increase SME knowledge and understanding of the range and variety of finance products, existing and emerging, available from both private and public finance providers and investors.

The service supported local business growth strategies stimulating opportunities for growth in employment and GVA. The service was demand led and tailored to individual SME needs in response to the issue of accessing finance under varying market conditions.

The A2F service complemented services provided by the private financial services sector and did not compete or conflict.

A2F engaged with all Banks, private and public finance providers and investors. Supporting the need to improve Bank lending to SMEs and access to alternative sources of finance.

The service was an integral part of the BOOST Business Lancashire Growth Hub.





# Lancashire A2F Service Contract Overview

## Original objectives:

- Improve SMEs access to the finance: diagnosing their need for finance, linked to detailed business and financial planning.
- Provision of impartial financial advice and support to SMEs, delivered on a 1-2-1 basis and via targeted investment readiness workshops
- Individual tailored advice on the range of finance products in the market and the variety of ways to raise finance.
- Provide 'Pitch' development and presentation skills, for both equity and debt options
- Brokerage to relevant providers, such as high street banks, finance houses and business angels.
- Foster SME Growth and stability through 417 intermediate business assists, 384 job impacts and £15.8m in Funding Offers.



# Lancashire A2F Service - Performance Overview

## Verified outputs collected during programme



**618 (Target 619)**  
Businesses Assisted



**3**  
A2F Specialists



**303 (Target 420)**  
Intermediate Assists



**118**  
Events Supported



**71 (Target 90)**  
Jobs Created  
**232 (Target 330)**  
Jobs Safeguarded



**£19.06m (Target £15.8m)**  
Business Funding Offers



# Lancashire A2F Service - Performance Overview

## Verified outputs collected during programme

	Actual	Target	Variance
<b>Business Assists</b>	<b>398</b>	<b>417</b>	<b>-19</b>
<b>Jobs Created/Safeguarded</b>	<b>303</b>	<b>420</b>	<b>-117</b>
<i>Jobs Created</i>	<i>71</i>	<i>90</i>	<i>-19</i>
<i>Jobs safeguarded</i>	<i>232</i>	<i>330</i>	<i>-98</i>
<b>Funding Leveraged</b>	<b>£19.06m</b>	<b>£15.8m</b>	<b>£4.46m</b>
<b>GVA</b>	<b>38</b>	<b>246</b>	<b>-208</b>
<b>GVA £'s</b>	<b>£5.3m</b>	<b>N/A</b>	

# Lancashire A2F Service Contract Overview

Key points:

Programme developed whilst economic conditions still problematic

Supported a number of businesses whose growth aspirations did not materialise

Fundamentally achieved strong outputs despite economic conditions

Clear over assessment of the ability to generate robust connections to Gross Value Added (GVA) against a backdrop of matters highlighted above



# Lancashire A2F Service Contract Overview

- Highlights
  - Team embedded into local business community
  - Continuity of Team
    - 3 Advisors permanently in the region
    - Supported via internal team and Business Angels Manager
  - Seen as an extension of Business Boost offering
  - Outputs
    - Business Assists
    - Jobs
    - Funding Offers
    - Events supported
- Referrals into Rosebud
- Contact with local financial & professional community



# Lancashire A2F Service Contract Overview

- Learnings
  - Clear appetite and need for support amongst SMEs
  - Require broader mix of engagement options
  - Improved client identification to target appropriate businesses
  - Continued engagement with Business Boost/LCDL Programmes
  - Clear need for local branding - marketing collateral
  - Extend scope and reach of PR activity:
    - tell the community about our successes
    - demonstrate linkage with wider business support
  - Wider engagement channels
    - Targeted events
    - Workshops
    - Clinics



# Lancashire A2F Service Future Support

*2015 – 2018 programme*

- *3 year programme*
- *1<sup>st</sup> Oct 2015 – 30<sup>th</sup> Sep 2018*
  - £507,654 – ERDF – 60% Transitional Intervention rate
  - £338,436 – match funding from Lancashire County Council

Focus is on:

- Higher growth businesses
- Mix of interactions
  - 1-2-1
  - Workshops
  - Seminars
  - Clinics
- Development of stronger connections to BOOST Growth Hub
- Strong referral programme into other Lancashire based support mechanisms



# Lancashire A2F Service - Performance Overview

## New programme – 2015 - 2018

ERDF Outputs		Number
C1	Number of enterprises receiving non-financial support	250
P13	Number of enterprises receiving IDB support	250
C28	Number of enterprises supported to introduce new to the market products	9
C29	Number of enterprises supported to introduce new to the firm products	27
C8	Employment increase in supported enterprises	145
Non-ERDF outputs		
	Number of enterprises in receipt of a Funding Offer	145
	Funding Offers received - £'s	£10.875m
	GVA Growth - £'s	£10m





# Lancashire A2F Service

## 2015 – 2018 Programme

### Achievement of key outputs

- The agreed outputs have been drawn up with reference to:
  - Improved economic conditions
  - Clear focus on higher growth businesses
    - Sign posting out of those with limited potential
  - Wider range on interaction methods
    - Includes a focus on one to many delivery
    - Use of lighter touch I,D,B intervention
  - Closer ties to BOOST Growth Hub and associated organisations
  - Links to key sectors
  - Improved marketing activity



