



## **LEP – Sub Committee**

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

**Private and Confidential: No**

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### **Business Support Performance Overview of 20/21**

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

#### **Executive Summary**

This paper provides the Business Support Management Board with a high-level summary of delivery and performance for those publicly funded business support activities which attract central government funding.

Grant to the LEP for Growth Hub activity provides a contribution to a wider local funding pot which sustains Boost. This money was also used to part fund the Access to Finance Service, an integral element of the Boost offer.

In 20/21 this was extended to bring forward the delivery of Peer to Peer business cohorts, co-ordinated by Boost, but delivered by partners across the local business support eco-system.

The LEP also received funds from the Department for International Trade's Northern Powerhouse Team. These provide funding for post to support and work with foreign owned companies and more latterly, a co-ordination resource to maximise business access to trade support.

#### **Recommendation**

Business Support Management Board are recommended to note this report and accompanying presentation. This will form the basis of a formal return to BEIS submitted later in the year.

## **Background and Advice**

Lancashire is able to boast a significant, publicly funded business support offer which is well aligned with the regions strategic objectives, key sectors and ambition for growth. This support network is funded from a range of sources, complementing the private sectors offer locally and maximising engagement in national programmes.



Some elements of this funding are awarded via the LEP for specific purposes, these include Boost – Lancashire's Business Growth Hub, match funding for services like the Access to Finance team and earmarked funding from the Department of International Trade for posts to work with Foreign Owned Companies and to co-ordinate and focus trade support.

### **Boost achievements**

Boost – Lancashire's Business Growth Hub is part of a network of 38 English Growth Hubs which are generally co-terminus with their LEP geography. Boost was one of the first Growth Hubs to be established, partially filling the space left by Business Links, but without the equivalent level of resource.

Boost has now been operational since 2013 and typically has a budget of around £2m per annum to support business engagement, early stage support, and mentoring services. The majority of this resource has come from European Regional Development Funds, which typically have contributed between 60% and 50% of the annual budget. This is matched by local match from Lancashire County Council with a balance of around 12% coming from these BEIS/LEP funds. The remainder of BEIS LEP funds match aligned provision including the Access to Finance service delivered by The Growth Company and support for decarbonising businesses delivered by East Lancashire Chamber.

From June 2013 to the end of 2020, Boost has helped Lancashire businesses to create over 3,000 jobs, helped establish almost 1,000 new starts businesses and increased wages and profits in the local economy by more than £112million.

In the last financial year 2020/21, Boost has been at the centre of the local public sector response to the impacts of COVID-19 on business. From day one of the pandemic Boost dropped its focus on working predominantly with growth orientated businesses, and refocussed as a universal service, built around a social media campaign centred on the phrase #AskForHelp. In July this transition to new messaging #BoostYour Recovery, reflecting the opportunities which businesses were finding increasingly despite the COVID pandemic.

Over the year calls and emails to Growth Hub resulting in short advice and triage type activities doubled amounting to almost 3,000 individual pieces of business support, advice or signposting. Web traffic for 6 months of the year amounted 25,185 visits to the website compared with 12 month figure for the previous financial year 33,284.

In addition to general advice, the Growth Hub also received additional BEIS funding for COVID resilience work and tracking the local impact of BREXIT. This provision was commissioned across a breadth of local providers including Chambers of Commerce and local sector lead organisations.

Finally, Boost secured and distributed an additional £1.1million of COVID Business Adaptation grants within 9 months, supporting over 300 businesses.



## Peer to Peer Business Support Groups – A COVID Resilience Response

Midyear 21/22, the Department for Business Energy and Industrial Strategy brought forward plans to fund Peer to Peer business groups as a tool that had proved to be cost effective and impactful in terms of engagement and enduring business impact.

Boost bid into a competitive national pot and due to reticence on the part of many other Growth Hubs was able to secure funding for 30 cohorts of between 12 and 8 businesses. The lead organisations and groups included sector lead organisations, women only cohorts and geographically based groups. By year end, 31 cohorts had completed, covering 327 participants with a 97% satisfaction record.

### Access to finance service

BEIS growth hub funds are also used to provide match funding to the Lancashire Access to Finance team. The last 12 months have been particularly challenging for Lancashire's SME businesses due to the impact of the COVID-19 pandemic and subsequent lockdowns. This has impacted the way in which the Access to Finance Service has been able to engage with businesses, but despite this the team have worked with over 200 businesses supporting them with broad-ranging needs from cashflow management to assisting with funding applications. During this period Access to Finance Specialists have helped businesses to apply for over £9m of funding including Coronavirus Business Interruption Loans, Grants and Equity Investment.

BBLS		CBILS		Other		Totals	
No	£'s	No	£'s	No	£'s	No	£'s
25	£921,800	24	£3,885,000	24	£4,310,000	73	£9,116,800

The team have identified that there is a need for equity investment to fuel post pandemic growth and have introduced a new 'Equity Funding for Early Stage Businesses' to raise awareness. This has also included the development of a ground-breaking Early Stage Valuation tool which will help owners to better understand the value of their business and more confidently negotiate with investors.

Highlights also include support to Len Wright Salads (based in Tarleton, West Lancashire) which has created substantial jobs over the past 12 months and means that the team have delivered 246 new jobs against a contract target of 164.

### Inward Investment

The growth hub team also host two posts funded by the Department for International Trade and Investment. We have now had resource for a Key Account Manager for Foreign Owned companies for three years. This post supports a range of engagement with key investors providing monitoring and intelligence and identifies and facilitates new investment projects from Lancashire's international business community. In the



last year the officer responsible hit her target of supporting six new investments, which have already resulted in 300 new jobs and £30m of capital expenditure in the local economy.

The International Trade Manager post, funded via the same route, only assumed their duties in the last quarter of 20/21. Despite this, she is already making a significant difference to the planning, priorities and delivery of trade support services in Lancashire.