

**Business Leadership Group**

**Tuesday 5<sup>th</sup> March. 2pm – 4pm.**

**NFU Offices, Rosemoor Court, Pynes Hill, Exeter. EX2 5TU**

<b>1</b>	<b>Introductions, Apologies and Conflicts of Interest</b>
	<p>The introductions and apologies were made for Cllr Harvey Siggs, James Gilgrist, Heidi Coombe, Stewart Horne, Richard Adams, Martha Wilkinson and Noel Stevens.</p> <p>Conflicts of interest were by members affiliated with the Devon Chamber of Commerce and Torbay Development Agency in relation to the Growth Hub.</p>
<b>2</b>	<b>Minutes of Last Meeting and Matters Arising</b>
	<p>The group were happy that the minutes of the last meeting were an accurate representation.</p> <p>AR informed the group that further guidance had recently been published for the Future High Streets Fund with the LEP looking to endorse 4 applications. She urged any members involved to get their two-pager into the LEP by Friday 8<sup>th</sup> of March, a specific brief has been put together by the LEP.</p> <p>In relation to the ERDF Soft Landing Project, it has been approved but Hayley Wallbank is now leaving at the end of the month, part of the discussion around this project will be how to backfill that position, the LEP is looking at that issue with some haste.</p>
<b>3</b>	<b>Growth Hub Evaluation</b>
	<p>AR provided the background to this agenda item. When the Growth Hub was nearing its contract extension an independent evaluation was asked for to understand what is or isn't working. Emma Buckman (EB) and Rebekah Southern (ReS) (independent evaluators) then presented their findings.</p> <p><i>The draft report has been circulated to the group.</i></p> <p>The approach of the report was to examine and appraise the effectiveness, review penetration rates, assess value for money, assess impact on business and compare operational models. For this they used monitoring data and talked to businesses (online and telephone). They spoke to 11 key stakeholders and reviewed the comparator areas. The report is to be completed by 19<sup>th</sup> March.</p> <p>The report found that 7.4% of businesses across HotSW had been touched by the Growth Hub, a figure which is slightly lower than comparator Growth Hubs, conversations with stakeholders showed that there was acknowledgement that awareness could be better, but that there was not enough resource.</p> <p>The report highlighted that the website is the most important means of engagement, but 15% of those visiting the site were not able to find what they were looking for. It was felt that the events page on the site was a strength but providers could do more to keep it up to date with their events. EM3's event page was acknowledged as good practice.</p> <p>Overall satisfaction with the Growth Hub was high with 94% of businesses referred to the right place and 83% satisfied with the service received.</p> <p>Notable successes included efforts to <i>hide the wiring</i> between the Growth Hub and the Growth Support Programme and the intensive support which was highly valued by customers, but under-</p>

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resourced. However, there was disappointment in the volume of enquiries received by business support providers, and vice versa with the lack of referral back to the Growth Hub. Intensive support highly valued but undervalued.

It was felt that the Growth Hub has responded well to BEIS' changing and emerging agendas. The report commended the Growth Hub on their strategic relationships, noting their partner meetings which are well received (but not well attended). EB and ReS noted that there was a desire to understand the business support landscape and what businesses themselves are requesting and the Growth Hub could be a good tool to collate some of this economic intelligence.

An economic impact assessment was conducted, members of the group were urged to take with a pinch of salt, but it was estimated that so far the Growth Hub had created 41FTEs and generated between £0.6m and £1.7m in GVA. This is generated from benefits that businesses have already witnessed, there will probably be long term benefits which they have not yet experienced. This suggests that for every £1 invested in the Growth Hub it will generate £1.24-£3.5.

Conversations with other Growth Hub revealed examples of best practice which included better methods of capturing data, drop-in surgery models where LEP funded buildings were used for drop-in sessions.

After asking businesses themselves what they would like from their business support most indicated that they would like an online service but with 121 business reviews face to face. 66% of respondents wanted the Growth Hub to be a forum for business networking.

#### Recommendations

1. Systematic intelligence to inform business strategy and business support provision
2. Strategies to target currently under-represented groups
3. Strategy for segmenting businesses for intensive support
4. Obligate partners to refer back to the growth hub
5. Automate growth hub events calendar
6. Use existing enterprise space across LEP for surgeries or drop-ins

EB felt that there was lots to learn from other Growth Hubs, here it is seen as transactional, whereas in other areas more collegiate, with more 'how we can help growth hub'.

(SW) In terms of penetration Torbay has an issue which perhaps suggests that the Growth Hub is not working well enough with the Torbay Development Agency. There would also be an opportunity to tie in the drop-in sessions with the Banks and queried whether 11 stakeholders was enough. (No, but there was not the budget, nor the time to engage with any more).

(KT) queried why Somerset was under-represented, CB replied by stating that the Growth Hub were aware of the issue and were currently running a radio campaign in Somerset.

(RS) asked whether there was the resource to reach out to businesses who have not engaged with the Growth Hub and ask why. (EB) felt that this might be a question asked in the Small Business Survey.

(LMJ) was surprised to see that there was no mention of 'international' in the report.

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	The group agreed that the report was insightful it was suggested that the report form the basis of a briefing paper for the board, RS would like this to complement out propositions for next steps, need to continue the discussion.
<b>4</b>	<b>Scale Up Update</b>
	<p>CB introduced the Scale Up Update in the context that BEIS have been placing increasing focus on scale up businesses. Having engaged with businesses across the LEP geography, higher education institutions and with the public and private sector the LEP have been looking to commission a sustainable Scale Up Programme. The procurement process was launched 21<sup>st</sup> December with the window for applications closing on the 25<sup>th</sup> of January, the thorough process of appraisals was led by SCC.</p> <p>The successful candidate was announced as Inspire who have been delivering a similar programme in the West of England and Swindon. They have been linked with the Goldman Sachs 10,000 Programme. The company aspires to be self sustaining after the first 12 months and will operate on a sponsorship method.</p> <p>SWB revealed that he had taken part in the Goldman Sachs course and would be delighted to do anything possible to recommend the service.</p>
<b>5</b>	<b>Growth Deal Update</b>
	<p>CB presented the Growth Deal and UGF update.</p> <p>Three projects have been completed:-</p> <ul style="list-style-type: none"> <li>• Plymouth Science Park Phase 5</li> <li>• Somerset Energy Innovation Centre Phase 1</li> <li>• Exeter Science Park - Environmental Futures Campus</li> </ul> <p>Two projects are in progress:-</p> <ul style="list-style-type: none"> <li>• Exeter Science Park – Grow-on Buildings: All of the Growth Deal money has now been claimed, in line with profile, and the remaining claims will be for the balance of the match funding.</li> <li>• Somerset Energy Innovation Centre Phase 2: The project is claiming Growth Deal funding.</li> </ul> <p>Progressing to Funding Agreement:-</p> <ul style="list-style-type: none"> <li>• Exeter Science Park – Open Innovation Building: The Funding Agreement has been prepared and is now with ESP for signing.</li> <li>• Electronic &amp; Photonics Innovation Centre (EPIC): The Funding Agreement is now being prepared by Somerset County Council.</li> </ul> <p>Pre-Funding Agreement</p> <ul style="list-style-type: none"> <li>• North Devon Enterprise Centre: This was presented at the SIP at the end of September and approved with conditions. We are working through those conditions with Devon County Council.</li> <li>• iAero: Was presented at the November SIP: Additional conditions applied by SIP. We are working with SCC to see the conditions completed.</li> <li>• South West Low Carbon Innovation &amp; Collaboration Project: (SEIC Phase3) <ul style="list-style-type: none"> <li>○ Business Case received and now being reviewed.</li> </ul> </li> </ul>

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**Unlocking Growth Fund**

Eight projects have been earmarked for funding, with Funding Agreements in place for six.

Those projects with Funding Agreements are:-

- Yeovil Innovation Centre Phase 2
- Highbridge Enterprise Centre Phase 2
- Devonport Market Hall
- South Molton Town Council – Pathfields
- Wells Enterprise Centre
  - Project design has had to change, but retaining the same amount of lettable space.
  - Project has increased from £2.2M to £2.4M but the ERDF and UGF amounts are unchanged.
- Wiveliscombe Enterprise Centre:
  - Project design has had to change, but retaining the same amount of lettable space.
  - Project has increased from £1.8M to £2.5M. The amount of ERDF and UGF are unchanged.

These projects are still to receive a Funding Agreement:-

- Claylands:  
Funding Agreement is now being prepared.
- Caddsdwn Blue:  
Update since BLG. Conditions have now been met and a Funding Agreement will be prepared.

AR queried whether there had been any underspend, there had not.

AR raised the recently publicised Towns Fund, £33m with a formal determining the amount of money going to the HotSW and a subsequent bidding process. The contents of the fund were not yet available but could align with employment sites which aren't coming forward.

RS revealed that the LEP had just agreed to fund a review of available sites of employment land.

**RS – queried the outputs of the projects and asked for a one pager on what we thought we would get and what we have got. Validity of business cases.**

AR – suggested that there should be some qualitative work on what type of jobs, productivity, sectors etc, are we generating jobs that are over the average salary.

<b>6</b>	<b>Inward Investment and Trade Update</b>
	<p>AR introduced the topic by highlighting how Hayley has been acting as inward investment manager. International trade had previously been under the remit of this group and then it went to marketing, we are now asking for it back.</p> <p>In terms of the future roles of the leadership groups, under the productivity strategy we had innovation, trade and inward investment, Growth Hub and business support. We are being asked to put together a paper, with RS blessing is this our future?</p> <p>It was felt that the group would be presented with a one-pager outline of the future of the group as it is easiest to criticise a piece than start from scratch.</p>

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	<p>RS felt that a better model would exert influence and fit in a more proactive scrutiny role, at the moment there is no mechanism to do that.</p> <p><b>Action: write down a proposal for what we would look like.</b></p>
<b>8</b>	<b>ERDF Business Support Update</b>
	<p>AR outlined how the Group is responsible for ERDF business support plan. £40-50m is already out of the door. We have asked for more granular outputs but they haven't provided it.</p> <p>KT queried why it was that we were not able to get these outputs.</p> <p>JB responded by saying that the contractual agreement is with MCHLG and not HotSW LEP.</p> <p>AR - have got spend left over - there is possibly £5m, £1m in carbon, a little in growth service or growth hub. There may be one more call which we will look to match in. but coming to end of multiyear programme there will probably be failing projects and then that money will need to be spent on other projects very quickly.</p>
<b>9</b>	<b>Brexit</b>
	<p>LMJ highlighted a useful document that had been issued by French customs which provided good guidance, this will be sent through to the group.</p> <p>SW mentioned a short course at Plymouth University on 'jumping through hoops' in the event of a no-deal Brexit.</p> <p>KT mentioned EORI with only a small amount of businesses signed up to this, asked if there was any role for the group in reversing this trend.</p> <p>LMJ revealed that her company were doing a short course on it.</p>
<b>10</b>	<b>AOBs</b>
	<p>SW to provide group with information on a LEP supported event on electric charging points for cars and more carbon neutral office space.</p>
	<p><i>Next Meeting:</i> <i>Thursday 2<sup>nd</sup> May – 1400 – 1600.</i> <i>Exeter tbc.</i></p>

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