

April &amp; May 2022

# Business Leadership Group- Monthly Update



## UK Shared Prosperity Fund Allocations

The UK Shared Prosperity Fund (UKSPF or the Fund) is a central pillar of the UK government's ambitious Levelling Up agenda and a significant component of its support for places across the UK.

It provides £2.6 billion of new funding for local investment by March 2025, with all areas of the UK receiving an allocation from the Fund via a funding formula rather than a competition.

The UKSPF is a successor to some EU Structural Funds. Specifically, the European Regional Development (ERDF) and European Social Fund (ESF).

It seizes the opportunities of leaving the European Union, by investing in domestic priorities and targeting funding where it is needed most: building pride in place, supporting high quality skills training, supporting pay, employment and productivity growth and increasing life chances.

Every part of the UK will receive an allocation for the years 2022-23, 2023-24 and 2024-25, for both the core UK Shared Prosperity Fund (UKSPF) and for the adult numeracy programme, Multiply. The figures shown below are the sum totals for all three years:

- Mayoral Combined Authorities (MCAs) will receive an allocation of both core UKSPF funding and Multiply,
- Unitary councils will receive an allocation of both core UKSPF funding and Multiply,
- Lower tier authorities (districts and boroughs) will receive an allocation of core UKSPF funding only,
- Upper tier authorities (county councils) will receive an allocation of Multiply funding only.

The three different elements of the overall UKSPF as:

1. Core UKSPF budget: £2.06bn over the Spending Review period
2. Multiply budget: £430m over the Spending Review period
3. Centrally retained Multiply: £129m over the Spending Review period

UKSPF element	22-23	23-24	24-25	Total
Core UKSPF	250	500	1310	2060
Multiply	130	150	150	430
Centrally Retained Multiply	49	40	40	129
Total	429	690	1,500	2,619

Found at [www.gov.uk](http://www.gov.uk)

## UK Shared Prosperity Fund Allocations- continued

The allocation approach comprises the following steps:

**Step 1:** Estimate the average annual size of ERDF and ESF in each part of the UK from the 2014-2020 round of funding.

**Step 2:** Allocate the 2024-25 core UKSPF and Multiply budget to Scotland, Wales and Northern Ireland to match the size of ERDF and ESF in real terms as estimated in step 1. The remainder is allocated to England, which is sufficient to give all Local Enterprise Partnership (LEP) areas in England, a real terms match.

**Step 3:** Allocate UKSPF budget in 2022-23 and 2023-24 to England, Scotland, Wales, and Northern Ireland, proportionate to their 2024-25 allocation and the UKSPF spend profile.

In England, the fund will primarily operate over the strategic geographies of the Mayoral Combined Authorities and the Greater London Authority, and lower tier or unitary authorities elsewhere.

	Area	UKSPF core	Multiply	Total
<b>Unitary Authorities</b>				
1	Plymouth	£3,131,412	£1,317,533	£4,448,945
2	Torbay	£1,764,043	£613,959	£2,378,002
<b>Lower tier Authorities</b>				
3	East Devon	£1,796,363		
4	Exeter	£1,403,877		
5	Mid Devon	£1,064,159		
6	North Devon	£1,214,999		
7	South Hams	£1,062,367		
8	Teignbridge	£1,639,624		
9	Torridge & West Devon	£2,000,000		
<b>Upper Tier Authorities</b>				
10	Devon	£0	£3,130,911	
11	Somerset	£7,263,760	£2,485,156	

Found at [www.gov.uk](http://www.gov.uk)

## Growth Hub March 2022 Dashboard

### Key Performance Indicators (Contract Outputs)

Ref.	Deliverables	Achieved from Mar20	In-year Mar 22	In-year Profile	In-year Actual	RAG
B1	Number of (countable) businesses engaged	4,667	1,700	1,700	1,417	↑
B2	Number of businesses referred to schemes	785	350	350	381	↑
B3	Businesses receiving intensive support	348	200*	200	162	↑
Annual Targets						
B4	Number of networking events for partners	-	12	12	12	
B5	Number of OLAs actively managed	-	15	15	22	
B6	Annual Report of Mapped Business Support	-	1	-	1	
B7	Clinics – one per month in each Upper Tier areas	-	48			

\*Not included in this figure is the Growth Hub's Thrive support to 600 ERDF eligible businesses over 2-years

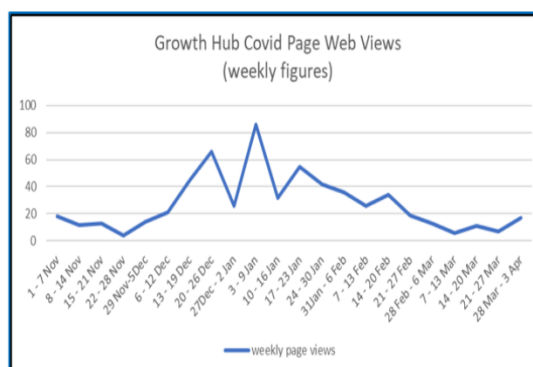
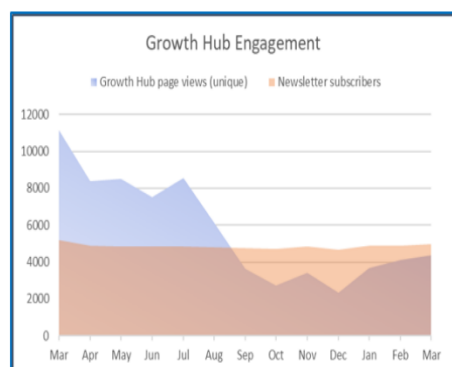


Business enquiries handled by the Growth Hub team have been at good levels throughout March, continuing the upturn in enquiry volumes since the start of the year. Business growth related enquiries have been the most prevalent general enquiry topic raised with the Growth Hub team. Enquiries relating to grants and finance remain relatively high, but encouragingly most appear to relate to finance for growth or start up finance. Business start-up related enquiries were similar to February at around 22%, which is significantly lower than the highs of 40-50% that the Growth Hub team handled during the summer and into autumn last year.

#### Recent Highlights and Developments:

- Upward trend continues across KPI metrics. March saw steady levels of engagement and above profile referral numbers.
- Strong engagement with the Growth Hub Thrive support is increasingly converting to completed modules and countable ERDF & non-ERDF businesses supported. B3 (non-ERDF) support count remains a challenge in the short-term with target sectors such as farming and tourism tending to focus on their core business at this time of year.
- The Growth Hub Access to Finance initiative with SWIG Finance concluded in March having achieved its primary goals of raising awareness and understanding of finance options. Social media coverage achieved over 40,000 impressions and 210 businesses were surveyed via the proactive calling campaign. A legacy benefit is that businesses can continue to access our access to finance pack comprising finance related guides, videos, and case studies.

Alongside our monthly Meet the Growth Hub stakeholder sessions, meetings and events attended during March included the Somerset Business Support Group, Set-Squared Business Support Providers Forum, HEROG, Skills Support for the Workforce, a Net Zero roundtable, and updates with various providers including YTKO and Libraries Unlimited.



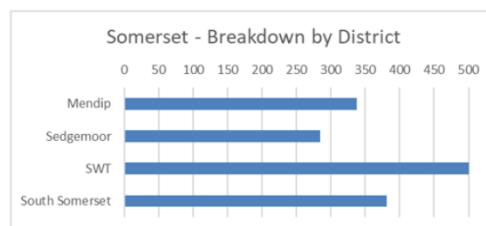
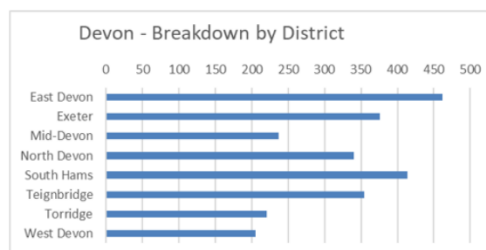
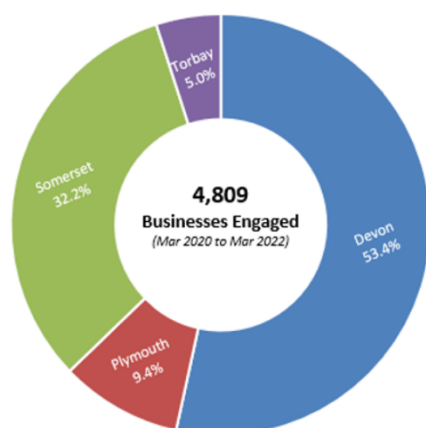
#### Top Web Page Views (Mar) (exc. Homepage & Get in Touch)

- Workshops / Events listing
- Support by Topic Categories
- Growth Hub's Thrive
- Business Support Schemes
- Growth Hub's Access to Finance initiative

March saw a modest rise both in Growth Hub newsletter subscribers and in website views, which continues the encouraging trend from recent months. The workshops & event listing on the Growth Hub website retains top spot for most viewed web page. Covid web page views saw a small rise but remain at very low levels overall. The plan is for the Covid web page to remain live through 2022 but content will reduce as the remaining support and guidance is shut down or becomes outdated.

## Growth Hub March 2022 Dashboard- Continued

Tier 1 Authority Engagement Breakdown



## Top 5 Sectors Engaged (in Mar 22)

- Wholesale & Retail / Motor Repair
- Professional, scientific, and technical activities
- Other service activities
- Manufacturing
- Accommodation & food services

## For Mar 2022 (overall in brackets)

73% (77.4%) Trading  
26% (22.6%) Pre / Start-up

48% (49.7%) Rural  
72% (50.3%) Urban

## Top Business Support Scheme Referrals (Jan)

- Business Growth
- Start Up Support
- Digital Capability
- Finance / Funding
- Skills & workshops

Ref	Risk Description	Mitigation / Actions	RAG
	Lower than profiled take-up of business support, or changes to the timing of intensive support demand, due to on-going Covid situation and related impacts on businesses.	Flexible delivery plan with the ability for intensive assistance work packages to be re-shaped according to changing needs and start-dates. High business engagement with the Growth Hub service has given a good pipeline of businesses from different sectors to which to offer business support. Close working with stakeholder and other service providers to join up and clearly present support options.	
	Loss of key personnel to the Growth Hub Service for All	Experienced management and Growth Hub Adviser team to cover key role functions as required. The Growth Hub team is embedded within the business support and economy unit of Devon County Council, which means there is access to a wide staffing resource that can be tapped into if needed. Robust HR processes in place to backfill if necessary.	
	Changing requirements of Growth Hubs due to factors such as changing priorities for BEIS or MHCLG, the LEP review or factors such as the emerging, local build back better plans and recovery programmes.	The Service Level Agreement setting out our Growth Hub delivery can be adjusted in order to ensure activity aligns with any future revision of the delivery model or priority – this added flexibility was one of the key benefits of bringing the service in-house in early 2020. Regular liaison with BEIS/MHCLG, the LEP mgt. and stakeholder groups to make sure all remain updated on new or emerging changes that could impact delivery plans.	



## Growth Hub April 2022 Dashboard

### Key Performance Indicators (Contract Outputs)

Ref.	Deliverables	Achieved from Mar20	In-year Mar 23	In-year Profile	In-year Actual	RAG
B1	Number of (countable) businesses engaged	4,881	1,700	100	90	Green
B2	Number of businesses referred to schemes	833	350	20	12	Yellow
B3	Businesses receiving intensive support	354	200*	5	12 (tbc)	Green
Annual Targets						
B4	Number of networking events for partners	-	12	1	1	Green
B5	Number of OLAs actively managed	-	15	15	22	Green
B6	Annual Report of Mapped Business Support	-	1	-	1	Green
B7	Clinics – one per month in each Upper Tier areas	-	48			Yellow

\*Not included in this figure is the Growth Hub's Thrive support to 600 ERDF eligible businesses over 2-years

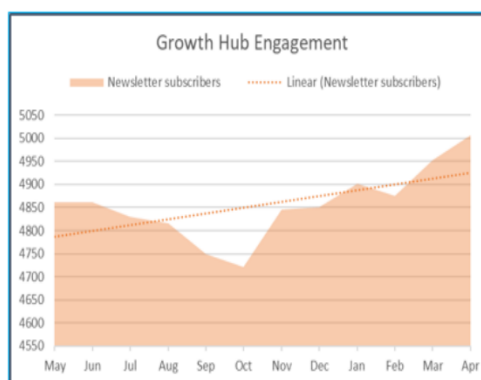


A steady start to the new financial year for the Growth Hub service with business enquiries at expected levels for April and good levels of business engagement overall. New countable referrals to business support schemes were a little down on profile, but it was a good month for engagement with the Growth Hub's Thrive service.

### Recent Highlights and Developments:

- Upward progress with business engagement and KPI achievement overall continued through April.
- Growth Hub Thrive support is progressing well with conversion to completed modules growing, leading to steady progress for countable ERDF & non-ERDF businesses supported.
- Planned two events for food and drink related businesses to go ahead in early July and September respectively. The events are being delivered in partnership with SW&T and Sedgemoor Councils, with other scheme delivery organisations and stakeholders involved in the workshop delivery.

Meetings and events attended by the Growth Hub team during April included having a Growth Hub stand at the SW Business Expo at Westpoint, Exeter, meeting with the Green Innovation Fund team about their projects, Somerset Business Support Group, meeting with Oceansgate/Meet the Expert team, meeting with Devon Communities Together, and a Growth Hub at an event for small businesses held at Petroc in North Devon. There has been a general rise in appetite for in-person events in recent weeks, which is proving helpful in raising awareness both directly with businesses and via intermediaries and other stakeholders. This all helps to build momentum and encourage joined up working to connect businesses with the funded support available.



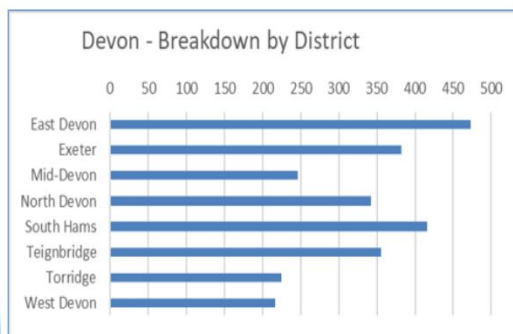
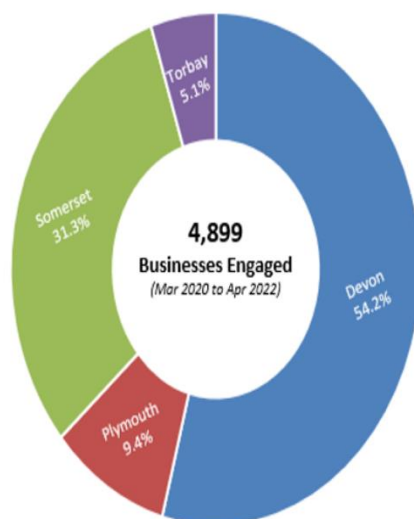
### Top Web Page Views (April 2022) (exc. Homepage & Get in Touch)

- Growth Hub's Thrive
- Support by Topic Categories
- Workshops / Events listing
- Business Support Schemes
- Funding / Grants

April saw a small drop in Growth Hub website page views, perhaps partly down to the Easter break. Conversely, newsletter subscriber numbers continued its upward trend through April with good levels of clicks on news articles also achieved. The Growth Hub team have stepped up business engagement activity in recent weeks with significant investment in various digital marketing activities in particular. We are also experiencing a rise in in-person events, which is helpful in broadening the awareness both via partner organisations and directly to a business audience.

## Growth Hub April 2022 Dashboard- Continued

Tier 1 Authority Engagement Breakdown



### Top 5 Sectors Engaged (in Apr 22)

- Other service activities
- Manufacturing
- Accommodation & food services
- Professional, scientific, and technical activities
- Human health

### For Apr 2022 (overall in brackets)

76% (77.3%) Trading  
24% (22.7%) Pre / Start-up

53% (49.6%) Rural  
47% (50.4%) Urban

### Top Business Support Scheme Referrals (Apr)

- Start Up Support
- Skills & workshops
- Business Growth
- Finance / Funding

Ref	Risk Description	Mitigation / Actions	RAG
	Lower than profiled take-up of business support, or changes to the timing of intensive support demand, due to on-going Covid situation and related impacts on businesses.	Flexible delivery plan with the ability for intensive assistance work packages to be re-shaped according to changing needs and start-dates. High business engagement with the Growth Hub service has given a good pipeline of businesses from different sectors to which to offer business support. Close working with stakeholder and other service providers to join up and clearly present support options.	
	Loss of key personnel to the Growth Hub Service for All	Experienced management and Growth Hub Adviser team to cover key role functions as required. The Growth Hub team is embedded within the business support and economy unit of Devon County Council, which means there is access to a wide staffing resource that can be tapped into if needed. Robust HR processes in place to backfill if necessary.	
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## Growth Hub- April & May 2022 Update

### **GH Performance:**

Growth Hub KPI performance remains on track, although cumulative intensive support activity finished the 2021/22 year slightly short of target, at 87%. We expect to reach 100% within the first two months of 2022/23 as the pipeline face-to-face activity is completed. While the uptake in this support remains strong, and the team are confident of achieving the three-year programme target by the end of 2022/23, there are some risks. Many individuals are having to work “in” the business, rather than “on” the business, with well documented issues such as the challenges in supply chains, recruitment, increasing energy prices, and Covid still leaving many businesses with staff shortages, all contributing to a testing operational environment.

While the Growth Hub have a number of initiatives planned, we are also establishing a short-term working group, drawn from members of the BLG, to look at ways in which the Growth Hub could increase business engagement and converting engagements and referrals into more intensive support.

Overall numbers for business engagements (B1) and referrals (B2) ended the year ahead of their respective cumulative targets.

### **Scale-up Support:**

In line with our target, our delivery partner, Inspire, worked with 20 businesses, with each company receiving an initial fact-find and follow-up appointments. Many businesses are continuing to engage with support outside of this programme and beyond the end of March funded delivery window. Going forward we are waiting for details of expectations from BEIS, given their recently announced Growth Hub funding package – see below.

### **Clean Growth:**

SWMAS Ltd delivered our Make it Net Zero programme of support, with the full target of 35 businesses receiving a review by the end of March, and 21 of these going on to receive more intensive support, again in line with our programme target.

Five events took place with 96 attendees, and potential KG CO<sub>2</sub>e savings of 2,250,866 were identified for the 21 businesses.

### **Access to Finance:**

The package of support on Access to Finance included the addition of guides, case studies and videos on to the Growth Hub website, with telemarketing activity seeing 198 surveys undertaken. In addition, five webinars were held with 25 attendees.

### **Peer Network:**

Our programme of support concluded with 11 out of our 17 cohorts successfully taking place. Delivery partners for the remaining six cohorts chose to cancel due to the challenges experienced in recruiting participants, with many individuals having to focus on their business or deal with the impacts of Covid, combined with a reducing delivery window in which to hit the required 18 hours of Action Learning and 3 ½ hours of 1:1 support. Both locally and nationally, the programme was considered a resounding success.



## Growth Hub Success Stories

### Norse Hawk Activity Centre

**A Viking-inspired activity centre in North Devon received a £10,000 Start Up Loan to help create an 'ultimate Viking experience' that emulates Old Norse philosophy.**

Located in Bishop's Tawton, this brand-new attraction offers a Norse-style axe throwing experience where players can try their hand at throwing angels, hatchets and bearded Viking axes. Players will also learn safe throwing techniques and can go on to compete in warrior games where the champion will be crowned worthy of raiding with Ragnar.

Business owner Sophie Petrie, who began as a personal trainer, was inspired by Viking culture and their thirst for adventure and wanted to translate this into a modern activity centre where "fitness and outdoor activities meet art".

As Devon's latest tourist attraction, Norse Hawk Activity Centre will help to provide that much needed boost to the local economy following a period of economic disruption from the COVID-19 pandemic. As well as this, Sophie is planning to create up to 6 new full-time jobs over the next three years.

Of the funding Sophie commented "I wanted to blend my passion for axe throwing and training with Viking-style storytelling to build a truly unique experience. Norse Hawk Activity is a place to have fun with family and friends, and create those much-needed shared moments. This funding has been integral to building these unique event spaces and getting ready to receive customers".

For more information visit: <https://norsehawk.org>



### Spatial Quotient

**Exeter-based business *Spatial Quotient*, which creates tech for hospitals and healthcare, successfully applied for a £210,000 working capital loan to help it fulfil new contracts. The current team of 7 will expand to create 21 new jobs over the next 3 years and the company sees the loan as critical in supporting this growth plan.**



Spatial Quotient's mission is to ensure a high-quality healthcare experience for all. It uses technology and data to solve people-flow problems within the healthcare sector. By using real-time data, they aim to improve the hospital and clinic experience for patients and staff by reducing waiting times and optimizing space and resource allocation.

Although COVID-19 has delayed their growth plans, the business has over £1million of contracts agreed which, when implemented, will make a positive impact in terms of improving healthcare efficiency and the wellbeing of both patients and healthcare staff.

Not only this but the team has recently been awarded an Innovate UK grant to explore the use of this tech in delivering COVID specific solutions for hospitals to ensure that healthcare staff and patients adhere to the safest path through their hospital journey and reduce the risk of COVID transmission.

Spatial Quotient Managing Director, Tim Maguire, said "The funding means that we can continue to move the business forwards during this critical period and create a meaningful force for change within the healthcare sector".

For more information visit: <https://spatialquotient.com>