

August and September 2022

Business Leadership Group- Monthly Update



UK inflation, inflation forecasts and the announcement of the energy cap

The latest actual inflation rate was published by the Office for National Statistics for August 2022 showed some easing with the rate at 9.9% down from 10.1% in July 2022. This reduction was driven by the fall in petrol and diesel prices which overcame the increase in food and clothing prices in the same period.

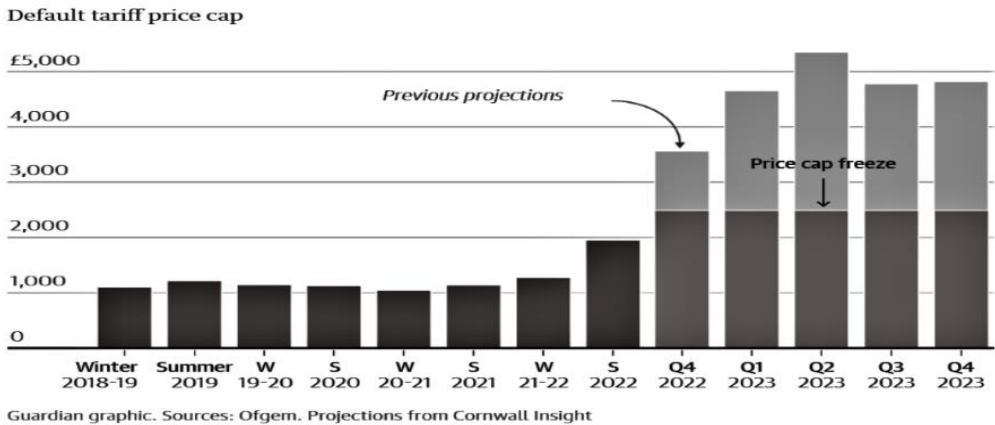
Liz Truss has promised to freeze energy bills at an average of £2,500 a year for the next two years from 1 October 2022 under the “energy price guarantee”.

This will replace the existing Ofgem energy price cap that was due to reach £3,549 from that date. The freeze includes the temporary removal of green levies on household bills, worth about £150. The government said the measure will save the average household about £1,000 a year and is in addition to the £400 of support for all households announced by the former chancellor Rishi Sunak in May.

The forecasted inflation rates for the UK have seen significant improvement since the announcement of the government's energy price cap. However, the Bank of England forecasts are still expecting inflation to reach 13% over the next few months. PWCs latest forecasts correspond with this, they expect inflation to peak between 10% and 13% by next year.

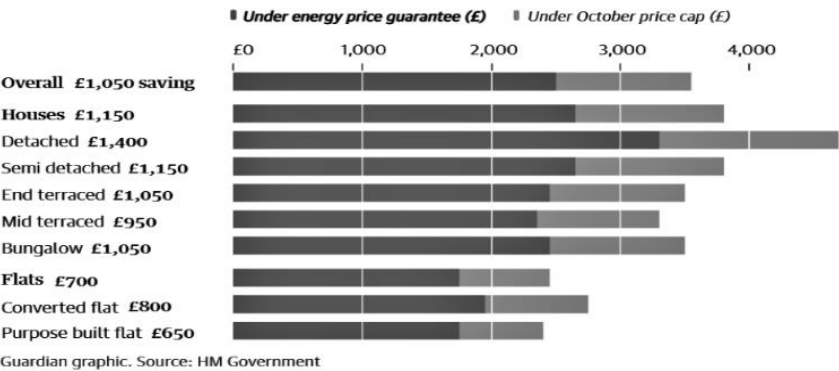
Prior to the announcement of the government's energy price cap, and according to a recent study by Citi Bank, it is expected that consumer prices index to breach 18% in the first quarter of 2023, while the retail prices index inflation rate would soar to 21%.

Cap on energy prices frozen at £2,500 for 2023



How Truss's energy bills bailout will work

Estimated annual expenditure by household, based on 2019 median energy consumption



Sources: ONS and The Guardian, 2022

Growth Hub July 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	5,125	1,700	450	430	
B2	Number of businesses referred to schemes	879	350	105	58	
B3	Businesses receiving intensive support	354	250*	55	77	
Annual Targets						
B4	Number of networking events for partners	-	12	4	4	
B5	Number of OLAs actively managed	-	15	15	19	
B6	Annual Report of Mapped Business Support	-	1	1	1	

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

Spotlight on Somerset Food and Drink

Tailored support for food and drink businesses

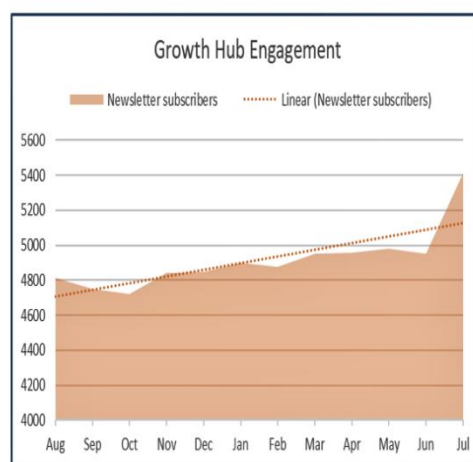
> Tuesday 5 July 2022 at Junction 24
 > Breakfast Briefing (8 - 10am) and specialist Workshop (10am - 1pm)
 > Speakers: Trading Standards, Growth Hub, Environmental Health

July was another steady month for Growth Hub enquiries. New business engagement was above profile at 112 (against 100). Registrations to our Thrive intensive support remains at a good level. As with recent months, there was again a high proportion of registrations from businesses from non-ERDF eligible sectors such as farming. Conversion of a relatively strong Thrive pipeline (700+) to completion of 3hr, 6hr and 12hr support received remains challenging; albeit there is a lag with output conversion, and we continue to see an improving picture.

Recent Highlights and Developments:

- A highly successful 'Spotlight on Somerset Food and Drink' business event is on 5th July; delivered by the Growth Hub in partnership with SWT and Sedgemoor Councils. Karl Tucker was a keynote speaker. We had terrific coverage of the event and the Growth Hub on BBC Radio Somerset's breakfast show.
- Lots of interest on our Growth Hub stand at the Going Local (public sector procurement) event at Bicton College on 21 July. Working with and being alongside the Buy with Confidence / Trading Standards team worked well for joining up regulatory advice to mainstream business support.
- Driven by Katriona Lovelock we had a useful morning at Bruton Enterprise Centre to discuss business support needs with Katriona and Harry from Somerset County Council alongside Ruth Lambert from the FSB and had the opportunity to meet with business tenants at the Centre.

Other meetings and events attended by the Growth Hub team during July include our Growth Hub stand at the Devon County Show (30 June, 1-2 July), UK Shared Prosperity Fund related discussions, Set-Squared Business Support Provider Steering Committee meeting, Exeter Uni Business School re. Help to Grow and HEROG.



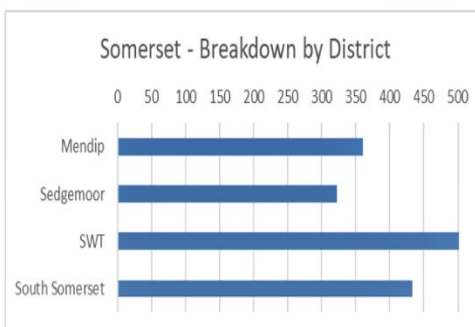
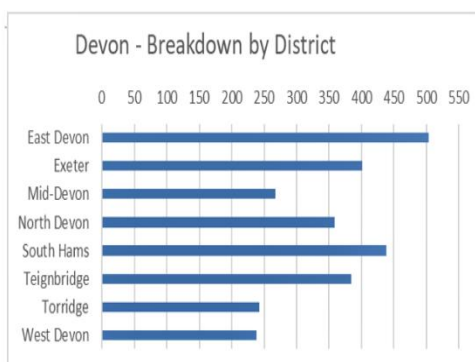
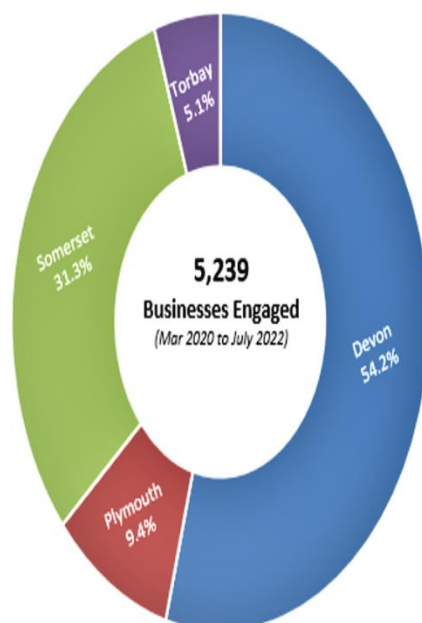
Top Web Page Views (July 2022) (exc. Homepage & Get in Touch)

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

Engagement via our Growth Hub channels has increased in July, which is reflected in our rise in B1 counts for this month. Newsletter subscriber numbers had a substantial increase, partly boosted by specific events run in month and partly due to reconciliation with our sign-up records. Growth Hub social media channels continue to be helpful as does wider marketing such as the Thrive campaigns that have been running with Global (e.g., Heart FM) over several months.

Growth Hub July 2022 Dashboard- Continued

Tier 1 Authority Engagement Breakdown



Top 5 Sectors Engaged (in July 22)

- Accommodation & Food Services
- Agriculture, Forestry, Fishing
- Manufacturing
- Wholesale & Retail
- Other Service Activities

For July 2022 (overall in brackets)

74% (77%) Trading / Established
26% (23%) Pre / Start-up

60% (51%) Rural
40% (49%) Urban

Top Business Support Scheme Referrals (for July)

- Business Growth
- Start Up support
- Skills & Training
- Digital Capability / Skills

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 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 August 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	5,397	1,700	550	612	Green
B2	Number of businesses referred to schemes	890	350	125	69	Yellow
B3	Businesses receiving intensive support	354	250*	70	62	Yellow
Annual Targets						
B4	Number of networking events for partners	-	12	5	5	Green
B5	Number of OLAs actively managed	-	15	15	19	Green
B6	Annual Report of Mapped Business Support	-	1	1	1	Green

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



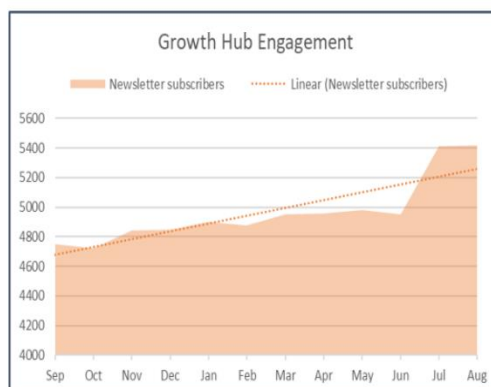
The overall picture remains that enquiry levels are generally good with engagement ahead of profile. Business engagement levels remained strong in August with 182 new, countable businesses engaged and it was also a good month for Thrive registrations. Referral numbers reported are not currently reflecting the work being done to signpost businesses, but we are looking at the methodology to correct that anomaly. Broad range of enquiries received in month, with any grant mentions tending to attract high levels of interest.

Converting businesses to take-up of the full 12hrs of Thrive intensive support remains challenging within the current delivery timescale. Workshop attendances are generally significantly down on expectations. Other schemes are reporting similar issues. On the plus side, there is lots of activity planned for September and October, including workshops targeted at farming/non-ERDF audiences to increase our B3 delivery. Whilst the Thrive ERDF pipeline looks ok, particularly in Somerset where the target is lower, achieving all 12hr intensive support targets within the current project timeframe may not be achievable. We are working with the Thrive delivery providers and with DLUHC to explore an ERDF project extension for Thrive and where necessary adjust project expectations and revise delivery plans to address this challenge.

Recent Highlights and Developments:

- Business engagement and new Thrive registrations remained at good levels through August. Newsletter and website engagement also remained at good levels.
- A busy September is planned with significant in-person events with Growth Hub stands at the Somerset Climate Summit, the Somerset Innovation Expo and the Devon Business Show amongst other event activity.

With it being holiday season, August was relatively quiet for meetings and events. Sessions attended by the Growth Hub team included a British Business Bank stakeholder information session, an Exeter business group meeting, various Shared Prosperity Fund sessions and visit with drop-in session at Wiveliscombe Enterprise Centre.



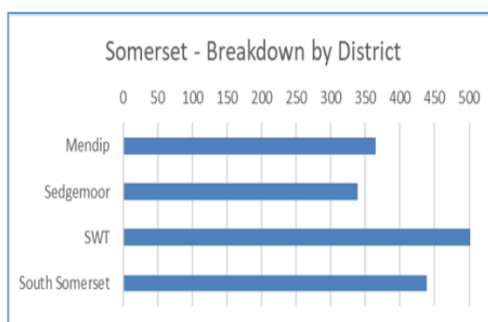
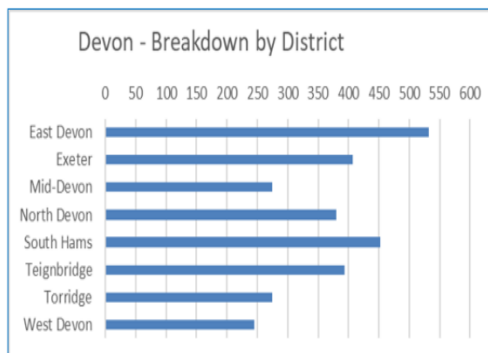
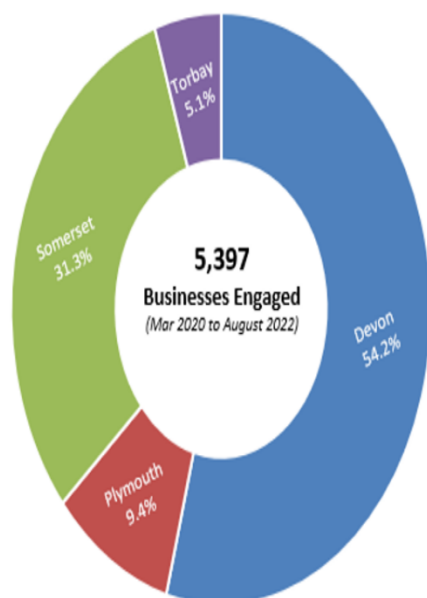
Top Web Page Views (Aug 2022) (exc. Homepage & Get in Touch)

- Spotlight on Hospitality events
- Growth Hub's Thrive
- Workshops / Events listing
- Support by Topic Categories
- Business Support Schemes

Website views and newsletter engagement remained stable through August. Engagement overall continues on a steadily improving trend, albeit somewhat below the exceptional highs through the Covid impacted 2020-21 year. The Growth Hub fortnightly newsletter has a good click through rate, which indicates its effectiveness in directing businesses to the support available.

Growth Hub August 2022 Dashboard- Continued

Tier 1 Authority Engagement Breakdown



Top 5 Sectors Engaged (in Aug 22)

- Other Service Activities
- Human Health
- Agriculture, Forestry, Fishing
- Accommodation & Food Service Activities
- Professional, scientific and technical activities

For August 2022 (overall in brackets)

75% (77%) Trading / Established
25% (23%) Pre / Start-up

67% (51%) Rural
33% (49%) Urban

Top Business Support Scheme Referrals (for Aug)

- Start Up support
- Business Growth
- Skills & Training
- Digital Capability / Skills

Ref	Risk Description	Mitigation / Actions	RAG
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Growth Hub- August 2022 Update

Growth Hub Activity

Growth Hub events activity has increased, and there was terrific coverage on BBC Somerset radio following the Spotlight on Somerset Food and Drink event. The coverage was longer than expected with great mentions for the Growth Hub.

Preparation is underway with the FSB and LEP for two events aimed at hospitality, leisure and retail businesses, on 15th September at the Node, Barnstaple, and 29th September at South Devon College. Speakers were being sought for slots on recruitment and retention of staff, and better procurement. While these slots may now have been filled, please get in touch if you know of anybody. The Growth Hub have also had confirmation of a stand at the Somerset Innovation Exchange event at Somerset County Cricket Ground on 27th September and will be at the Devon Business Show on 28th.

Growth Hub Funding 2022-23:

We received our Offer Letter from BEIS, and this has been signed and returned, together with our claims for Q1 and Q2.

Growth Hub-September 2022 Update

Performance has continued to be steady during the last month, with another very positive meeting of the Growth Hub Working Group. However, the group recognized that businesses are now facing some tough challenges from the cost of living crisis. While the support the Growth Hub is able to offer is limited, they have established a specific webpage that collates the resources and tools available to help businesses. In addition, through their Thrive Programme, businesses can access sessions on business planning and resilience.

Growth Hub Activity

Due to the holiday season, August was slightly quieter for events and meetings, however, preparation work continued on activity planning for September. Sadly, due to lack of numbers, the first of the two events with the FSB in September had to be cancelled. The second event, at the end of September, has more encouraging numbers.

Growth Hub Funding 2023-24:

We are beginning to look at options to ensure continued Growth Hub delivery beyond the end of the current funding envelope from BEIS, which will conclude at the end of March 2023.

A Growth Hub Success Story Devon Sea Salt



After five years in the making, Devon Sea Salt planned to launch their first product in March 2020, with exhibitions at many food fairs, markets, and events in the pipeline. However, Following the Coronavirus pandemic, the whole country was plunged into a lockdown and Devon Sea Salt were forced to rethink their business strategy. With help from the Heart of the South West Growth Hub, they were able to get things back on track, and move their business forward.

Devon Sea Salt are the only producers of sea salt in Devon. The brainchild of owner Chris Hambley, they use traditional techniques to produce 'proper honest and sustainable sea salt'. All of their sea water is collected from the South Devon coastline and the salt is then harvested within their small family run salt house overlooking the River Tamar. The process used to produce their fresh, crisp sea salt is always evolving to ensure the company is as environmentally friendly as possible whilst retaining their true hand harvested approach.

Chris was made aware of the Growth Hub through the Trading Standard's 'Made in Devon' programme, and he decided to get in touch to see what help and advice they could offer. After contacting the Growth Hub, Devon Sea Salt received business development guidance as well as financial advice, helping to get the business back on track after what had been a very turbulent time due to the Coronavirus pandemic. Chris said:

"The Growth Hub really enabled us to gain the expert knowledge we needed to move the business forward. The pandemic threw the whole year of planning off-track, and the growth hub was invaluable in enabling us to pave a new way forward for Devon Sea Salt."

Devon Sea Salt were finally able to offer their sea salt for sale, launching to the market in November 2020, nearly seven months later than originally planned. They have since been presented with a silver award at the 'Taste of the West' awards.

For more information, take a look at: www.devonseasalt.co.uk

