

**Present:**

Stuart Elford (SE) – Devon & Plymouth Chamber of Commerce/ Chair

Eifion Jones (EJ) – LEP Chief Operating Officer

Amanda Ratsey (AR) – Business Theme Lead / Local Authority (Plymouth City Council)

Dolores Riordan (DRi) – Local Authority (Devon County Council)

Noel Stevens (NS) – ESIF Committee Representative / Business Representative (Alder King)

Carmen Hanif (CH) – Business Body Representative/ (FSB- Devon)

Katriona Lovelock (KL) - Local Authority (Somerset County Council)

Adam Chambers (AC) – Business Representative (Smart Outcomes Limited)

Chris Wardman (CW) – General Dynamics UK Ltd

Shaun Hoppins (SH) – Business Representative (S D Solution)

**Supporting Officers:**

Carla Modley (CM) – HotSW LEP Inward Investment Manager

Colin Bettison (CB) – Local Authority (Plymouth City Council)

David Hynd (DH) – Growth Hub's Programme & Partnership Manager

Katherine Malavelle (KM) –Growth Hub (Thrive)

Julia Blaschke (JuB) – Local Authority (Plymouth City Council)

Hadelzein Elobeid (HE) – Local Authority (Plymouth City Council)

Heather Hillman (HH) - Attending Officer (Devon County Council)

**Apologies:**

Richard Stevens (RS) – Chairman/ LEP Board member / Business Representative (Citybus Ltd.)

Philip Mitchell (PM) – Photonics Lead (Lumentum)

Dee Gill (DG) – Business Support Representative (Business Information Point)

Dirk Rohwedder (DR) – Business Representative (Dartington and Bristol School for Social Entrepreneurs)

Alistair Handyside (AH) - Tourism Alliance

Julie Hawker (JH) - Business Representative (SWBC)

**Guest Presenters:**

Dan Pritchard (DP) and Joe Bevan (JoB) from Tech South West

Creating opportunities in Devon, Plymouth, Somerset and Torbay

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1	<b>Introductions, Apologies and Conflicts of Interest- Chair</b>
	<ul style="list-style-type: none"><li>- Introductions and apologies were made (please see above),</li><li>- Conflict of interest was declared by: SE, KL (mainly on peer networks and Growth Hub)</li></ul>
2	<b>Minutes of Last Meeting and Matters Arising- Chair</b>
	<ul style="list-style-type: none"><li>- Last meeting minutes were approved as a true record of the last meeting.</li><li>- Noting the action from last minutes: CM to circulate the summative assessment of inward investment to BLG members by email.</li></ul>
3	<b>Round table on issues/ challenges</b>
	<ul style="list-style-type: none"><li>• SE started the discussion saying that in a recent Chamber's event where they were discussing general issues, lots of people were saying their main issue/ challenge is lack of people- what they referred to as "skills crisis" and that the other issue is the spiralling inflation and business costs- when combined with high interest rates, create the perfect storm for businesses since they are still repaying debts from post- pandemic...etc. SE added that he asked around about net zero and people answered that this a topic to be revisited once the battles in hand- mentioned above- are dealt with. He concluded that British Chambers are pushing governments to "not to make it stick but make it carrot"; make incentives to help businesses and urged everyone in the call to work together to work-out a long strategy to do that.</li><li>• SH seconded the issue of people, saying that the South West will witness a construction boom (giving examples of Torbay and Derriford hospitals and Devonport dockyard)- he added that this boom is however faced with a shortage of people in construction and lack of adequate training division.</li></ul>

- Picking on that point, SE talked about the Local Skills Improvement Plan (written by the chamber) which identified many issues one of which is “signposting for skills” which overcomes the challenge of businesses linking up and accessing skills and training provision.
- SH added that they are sending their apprentices to Exeter College; while sending the paperwork pending at Level 4 and above to Bristol University since there is no one local meeting their needs.
- NS talked about the commercial property businesses’ point of view saying that they are seeing quite immediate issues off the interest rate rise which is killing property development deals. He added that even industrial development- which has been a bit of a saviour for the sector over the last three years- is now stalling. NS said that although they witnessed a huge amount of interest in small industrial property- which is great for the local economy- however, with the way the commercial mortgage rates have gone suddenly that starts to look a bit worrying.
- CW talked about another thing related to skills with regards to his area of work; the importance of software and hardware areas for the marine and aerospace industry skills where it is a national problem. He added that there are sites all over the country which are unable to recruit and retain and resorting to a flexible sort of hybrid work environment. CW continued saying that there is a correlation between net zero and increased costs- increasing costs of businesses impact the implementation of net zero and vice versa.
- CH commented that there are two issues they are dealing with: one is energy contracts, elaborating that they promoted a “blend and extend approach” which is now becoming unsustainable. The other issue is the HMRC tax credits where firms have previously been told that they could apply for them and have been told afterwards that they don't meet the criteria. CH asked if anyone else have come across that and whether they could learn about similar case studies.

	<ul style="list-style-type: none"><li>SE concluded the roundtable discussion saying that there is an agreement that the issues concerning all are: skills, interest rate and costs of doing business.</li></ul> <p><b>Actions:</b></p> <ul style="list-style-type: none"><li>To have a presentation on Local Skills Improvement Plan in the next meeting.</li></ul>
4	<p><b>23/24 work programme:</b></p> <ul style="list-style-type: none"><li><b>Growth Hub 23/24 funding options</b></li><li><b>Access to finance platform demonstration</b></li><li><b>Proposal for SME small grant programme</b></li><li><b>Peer Networks Update</b></li></ul>
	<p><b>Growth Hub 23/24 funding options</b></p> <ul style="list-style-type: none"><li>DH gave a Growth Hub update, explaining the context of having big changes to programmes of funded business and skills support with the final ERDF/ESF programmes closing, Shared Prosperity Fund projects and other initiatives emerging as well as the more fragmented business and skills support landscape, the changing local structures (LEP), Devolution Deal, new Somerset Council and the challenging economic conditions. Eventually, he questioned how an enhanced Growth Hub service could best provide support and what targeted interventions could be prioritised to address gaps in needs.</li><li>DH went on and talked about the current position of Growth Hub; mentioning that funding has been confirmed for 2023/24 year- adding that LEP underwrote the funding approved in November 2022 to cover any shortfall in Government allocation and to fund additional business support.</li><li>He said a proposal was put forward to LEP OIC to propose:<ul style="list-style-type: none"><li>LEP underwrite fills shortfall in Government funding for Growth Hub core service (approx. £66.4k).</li><li>Remaining LEP funding is allocated to additional business support options.</li></ul></li></ul>

- DH then talked in detail about Growth Hub's enhanced awareness raising, spotlight events / masterclasses, partnership activity, tools and resources and business insights. He concluded his presentation with a call for brainstorming preferred priorities for business support investment.

(For further details, please refer to the attached presentation slides)

**Comments and Questions:**

- SE talked about how important it is to run pitch and procure and meet-the-buyer events which are becoming popular, then he gave an example of a similar event the chamber had with Babcock and FSB.
- EJ said there is a choice between spreading this funding very thinly, which is probably not good idea, but people may feel differently for just targeting one or two things. He urged members to explore opportunities for making as big an impact as possible- given the amount and the time frame of 6 to 9 months.
- JuB said that given that time frame, the most important thing is how you are going to procure it because it will determine how your programme is going to look like. AR seconded that and added that it is important to consider delivery time scale when commissioning- given that most businesses are seasonal.
- SH suggested pursuing small investments- small grant awards- because they make a real difference in funding SMEs; covering the costs of employing people or buying equipment ... etc.
- SE concluded this session by asking members to continue brainstorming and suggesting funding ideas to DH and EJ via emails.

**Access to finance platform demonstration**

- DP and JoB from Tech SW gave a live demo of the finance platform. DP explained that the platform has originated from the previous report by David Bird about financing challenges faced by businesses of all stages and all types, the access to knowledge in terms of the full range of dilutive and non-dilutive funding. Hence, they secured a project

working for the LEP in terms of going out, understanding the needs and requirements, talking to stakeholders, sourcing an option, finding a platform off the shelf that could be adapted rather than built. He went on explaining how it was agreed with the steering group around the platform choice, explaining that the platform has now been developed and that testing is underway.

- DP said that there are two or three dimensions to this platform: one is it all comes down to the audience and how they make use of its content, secondly it is a peer-to-peer platform that allows for group discussions, signposting... etc.
- JoB started the demo of the platform and went in detail through how it actually works. (For further details and to learn more about the platform, visit this link: <https://www.accesstofinancesw.co.uk>)

**Comments and Questions:**

- SE asked about how the platform helps its user search the market and how it ensures it has the whole market data on it. DP responded that what is available is a product database- and that the clustering and grouping of businesses will help the funding search and signposting.
- EJ said that the idea is not to duplicate what's out there, but rather to use the platform as a channel to bring groups and communities together and bring people back to their main resource- to create a marketplace rather.
- KL explained her reservations; that businesses have lots of different forums in which to engage which is challenging and therefore questioned why would a small business join yet another platform; what this is it offering over and above? DP responded saying that here is no access to finance platform for the South West of England, that there is no point duplicating and that the platform would serve as a diagnostic tool and hence learning from across sectors as it is really important in this space. JuB seconded KL's point and urged making sure this platform differentiates and doesn't duplicate what is on other platforms.

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- CW mentioned that this platform should be perceived primarily as a signposting and an interactive forum and not necessarily about how to it was similar to.

**Proposal for SME small grant programme**

- EJ talked about the circulated paper highlighting LEP's relatively small amount of unallocated growth deal money- looking at how best to allocate this amount which needs to be spent by December 2024. He added that the investment committee were interested in the potential for a small grant programme for businesses- learning from the inward investment programme, in which BLG collectively provided sort of advice on the individual awards. EJ said something - which is not necessarily targeted only overseas owned businesses- can be done and because it's not ERDF, the complications around that can be avoided. EJ mentioned that CM wrote a proposal for discussion and feedback to try and take it to the next investment committee beginning of August and went on explaining details of the amount and how it could be used (proposal previously circulated to the group) then asked members for their thoughts. EJ added that it was proposed for BLG to be part of the governance; to advise on individual investments in terms of the process similar to the investment programme.
- CM explained the point around the criteria for SMEs, that they will not be taking into account the parent company, so hopefully that opens up to a lot more businesses- adding that they are looking at the businesses and entity in their own right, and that they obviously need to be in HotSW area.
- HH commented that the only thing that puzzled her in the circulated paper was the massive expense of running it- for example over £4000 per application for running costs. CM said that was an example from the ERDF, which obviously is a much more complicated scheme and that they would probably be looking more around £1000.

- CW revisited some of the points made earlier around job creation and skills creation; whether they could be included in the criteria. He added that there is a need to look at the ways in which focus essentially could be on the elements that are going to be important in the region. SE added productivity, upskilling and investment to grow as suggestions to the criteria.
- AR said the problem with small grants is running the risk of opening up small grants and then get hundreds of applications that come in, processing these applications and further carrying on costs only based on saying a yes- which is a real risk.
- HH said a lot of the districts in Devon are just about to undertake a small grants programme with the rural UKSPF money and that's a capital money as well. So, CM and team need to make sure that it doesn't duplicate that.
- JuB said that the paper mentioned that the grant will be predominantly capital, but the cost of running the programme will be revenue and asked- while the programme is supposed to be running until December 2024- how the revenue will run. EJ answered that the LEP will cover it.
- HH talked about importance of procurement. She added that most of the business support schemes are no longer running, so CM and team have to do a really good marketing job on that and on procurements that really only leaves them probably less than a year then to get all that money out the door- which could be tricky.
- SH suggested running a self- scoring system to help reduce applications.

#### Peer Networks Update

- CB gave a background saying that one programme happened in 2020 to 2021, and that was followed by a second programme in 2021 to 22 with the programme coming to an end soon after that. CB talked about a paper pulled together, taken to the operations and Investment committee and then signed and how BLG was sought for final



	<p>feedback- which suggested having something for social enterprises; to which a cohort was dedicated. And another suggestion was to include microbusinesses.</p> <ul style="list-style-type: none"><li>• He explained that now they are working with four delivery partners and are looking to have six delivery partners- now working through contracts around data sharing and the claims process for four and then there are two more that they will be engaging with shortly. He added that after giving them a quote, they will use the same specification so that process should be fairly straightforward. He added that they are looking to recruit and onboard clients between July up to September and then delivery happening between October right through to March next year.</li><li>• CB explained that they have the benefit with this programme since previous programme because it was funded by BEIS, the money had to be used and spent, delivery had to happen in within the financial year. Now however, because this is LEP funding, this is not an issue and rather a benefit.</li><li>• He concluded the session saying that in a nutshell, 3 have come back with a yes, that they are now working through contracting, and they got one more in the pipeline. CB added that they are engaging with two more delivery partners in the next couple of weeks and then it is in delivery stage from October through March 2024.</li></ul>
5	<p><b>AOBs-</b> NA <b><i>Next Meeting: 05 October 11-13:00</i></b></p>