

**GREATER BIRMINGHAM AND SOLIHULL LOCAL ENTERPRISE PARTNERSHIP
JOINT SCRUTINY COMMITTEE**

Report to:	Greater Birmingham and Solihull Local Enterprise Partnership Joint Scrutiny Committee
Meeting Date:	16 December 2022
Subject/Report Title:	GBSLEP Growth Hub and support for businesses
Report From:	Name: Ian McLaughlan Tel. 07703 824875 e-mail: ian.mclaughlan@gbslep.co.uk
Report Author/Lead Contact Officer:	
Area Affected:	The Joint Scrutiny Committee is constituted by Members from District / Borough Councils in Staffordshire and Worcestershire, together with one Member each from Birmingham City Council and Solihull Metropolitan Borough Council.
Public/Private Report:	This report is to be considered in the public session of the GBSLEP Joint Scrutiny Committee.
Exempt by Virtue of Paragraph:	Not applicable, the report is to be considered in the public session of the meeting.
1. Purpose of Report	
1.1 To provide information for the Scrutiny Committee on the delivery of support for businesses, particularly the GBSLEP Growth Hub service	
2. Recommendation	
2.1 To note the contents of the report	
3. Background of the Report	
3.1 GBSLEP Growth Hub provide no cost, impartial, growth focused advice and guidance for small and medium size businesses (SMEs) across the region as part of a network of 38 Hubs across England. This is funded through the Department for Business (BEIS) as well as utilising other funding streams such as European Regional Development Fund (ERDF) and LEP monies	
3.2 It also acts as the connector and facilitator for businesses into and across the	

wider ecosystem of support, particularly focusing on enabling access to public programmes, investment and opportunities (e.g. Commonwealth Games, HS2). This includes a number of LEP programmes, such as the Clean Growth Programme. The Hub serves almost 2,000 businesses annually

3.3 The Hub has also delivered a number of specific initiatives in recent months, particularly to focus on engaging diverse businesses, for instance the Founders' Collective (a scale up and access to finance peer group) is now in its third iteration, representation at UK national and Birmingham Black Business Conferences, the re-launch of Intellectual Property Office partnership through the Innovation Enabler and, critically, the integration of the Clean Growth Programme with Growth Hub support through our account managers.

3.4 This has driven enquiries from target businesses; demand for the service has been high in the late summer through autumn period. The Clean Growth Programme in particular has been useful in terms of providing a comprehensive response to companies that are seeking to alleviate high energy costs, with both a local project enhanced by advice and guidance around business options and national funds or private sector solutions.

3.5 A successful funding extension bid through DLUHC for ERDF was a vote of confidence in delivery for the team. This was submitted in April and approved by June, extending match funding for the Hub to June 2023. As a result, targets have been raised in terms of jobs and businesses supported, with 186 additional high intensity assists (500 in the original project, 686 in total now) and a further 100 jobs created added to existing targets (30 in the original project so now 130). The target of 1,429 3 hr or information, diagnostic and brokerage outputs was reduced as part of the extension to 1,302, to reflect the reduction in capacity and historic underperformance due to Covid. As at 1 December 2022 the jobs created target had already been achieved.

3.6 However, despite additional funding there have been some major changes in the Growth Hub team over recent weeks as several longstanding delivery partners such as the Chamber of Commerce, BCU, Aston University, University of Birmingham and Innovation Birmingham (Bruntwood) will end their involvement on 30 September as the main ERDF project completes

3.7. This represents a real loss of experience, expertise and capacity across the team. Some of which is exceptionally difficult to replace as individuals move on in their careers or, in at least two cases, take retirement. Mitigation has come in the form of recruiting directly through the LEP to take on board partner roles where possible but in the current climate of uncertainty it is inevitable that front-line delivery capacity is reduced and additional pressure placed on other areas of the operation.

3.8 Current priority is front line delivery of the service for the remainder of the contract, enabling small businesses to access the help they need in exceptionally challenging times. However, this too takes place against a backdrop of funding uncertainty (BEIS core funds not confirmed for next year) and the LEP integration agenda, where the Growth Hub function is specifically named as being subject to transfer to the West Midlands Combined Authority. With no clear home for current staff and discussions still ongoing about the funding available for the service, though

UK Shared Prosperity Fund has been earmarked for it, it is potentially destabilising for the team.

3.9 Mitigating actions have been taken such as offering a retention bonus to staff, a commitment that the LEP will fund the Growth Hub service to December 2023, if required, in order to facilitate a smooth transition into the new structures and operations. In addition, the Growth Hub Director is working with WMCA two days a week to provide additional resource and capability to ensure a successful new regional service is operation from the new financial year.

3.10 It is important to recognise that these changes are driven by the Levelling Up white paper, which mandates LEP functions to come under the remit of local democratic institutions, i.e. Mayoral Combined Authorities where they exist, such as in the West Midlands. This means that overlap areas (i.e. Southern Staffordshire and North Worcestershire) will no longer be serviced by the GBSLEP Growth Hub moving into 2023/24. Given the relatively low levels of funding (e.g. UKSPF) available and the uncertainty over BEIS monies it is for those areas to seek to build economies of scale for business support within their county boundaries. GBSLEP Growth Hub must focus its resources on successful integration within the WMCA and accessing UKSPF to ensure there is continued high quality service for businesses.

3.11 A suite of more detailed data points are included in the Appendices, taken from the Growth Hub CRM. Appendix 1 is the current headline performance of the Growth Hub, as referenced above. Appendix 2 provides information on the Access to Finance service, which is generating the greatest impact and return on investment at present. Appendix 3 includes EDI information, which is monitored as a matter of course with clients to ensure that the service is fairly and consistently reaching all of Greater Birmingham's diverse business communities. The data indicates that this is the case.

4. Evaluation of Alternative Option(s)

4.1 N/a

5. Reasons for Recommending Preferred Option

5.1 N/a

6. Scrutiny

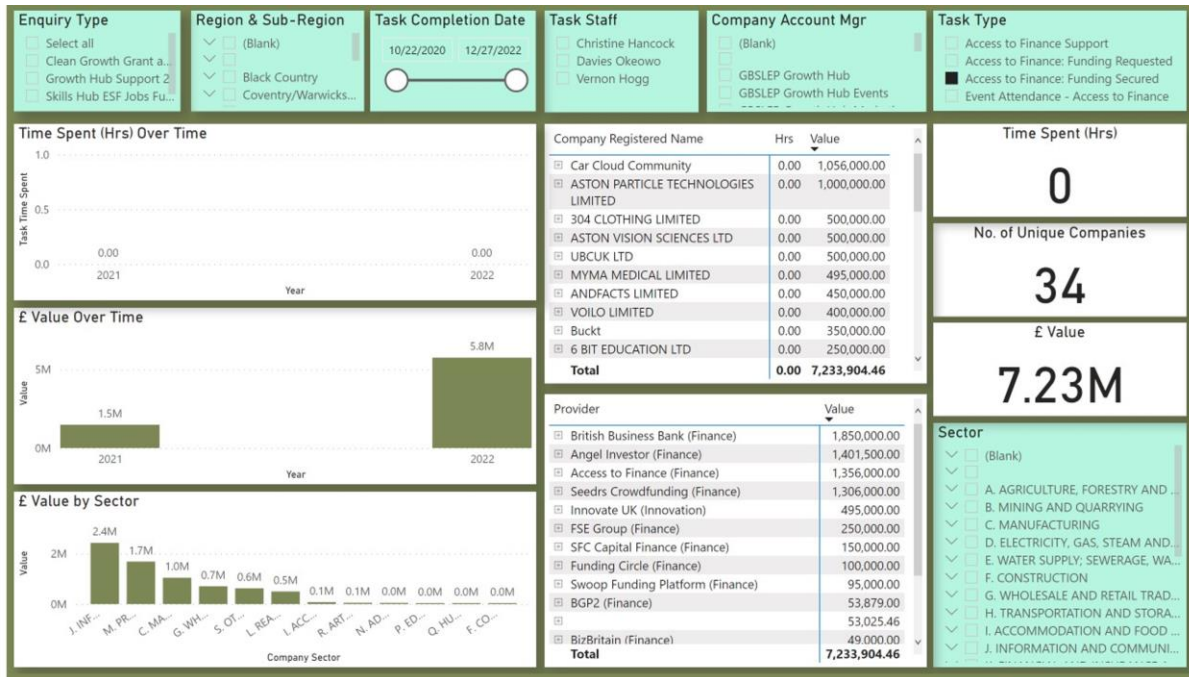
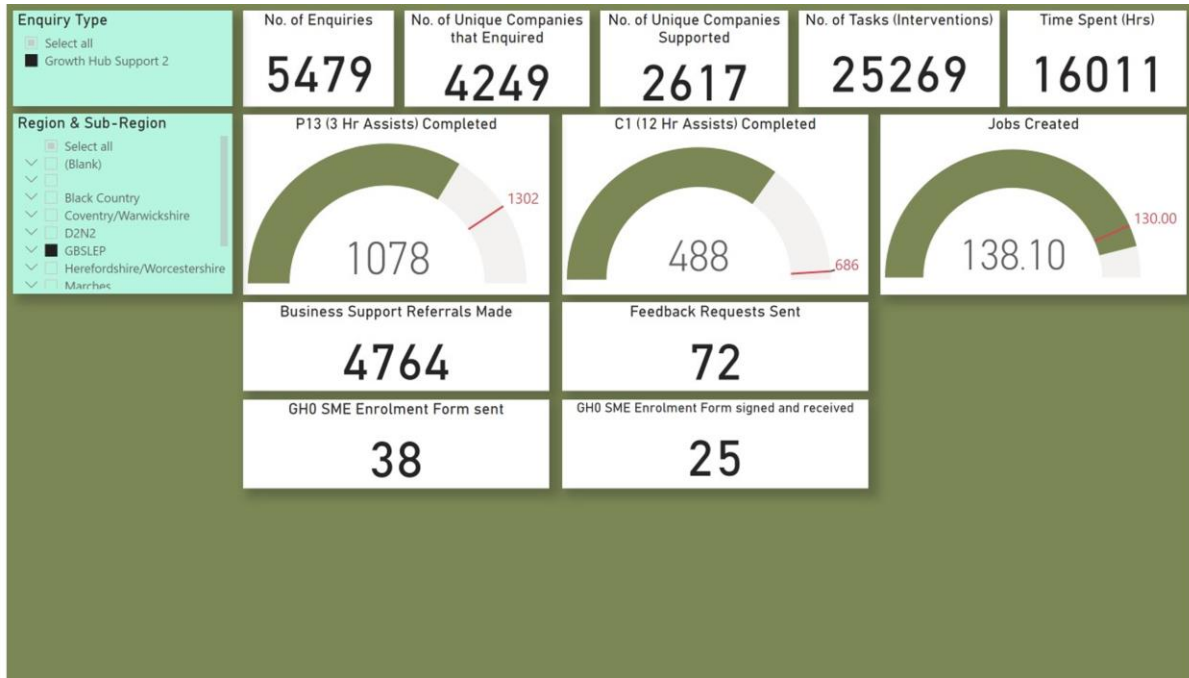
6.1 N/a

7. Implications

7.1 N/a

8. List of Appendices

8.1 Appendix 1-3



Enquiry Type		Task Completion Date		Region & Sub-Region		Task Type		Support Intensity		Enquiries Supported																																																																																								
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Co. Ref.	Company Registered Name	Company Account Manager	Enquiry Ref	Enquiry Project Type	Enquiry Staff	(Contact) Number	Gender	Ethnic Origin	Age	Age Band																																																																																								
1093	OXFORD BLUE LIMITED	Christine Hancock	1189	Growth Hub Support 2	Jennifer Campbell	1291	Male	Prefer Not to Say	0	0																																																																																								
22382	ILF Limited	GBSLEP Growth Hub	4329	Growth Hub Support 2	Klaudia Haines	34452	Male	White British	0	0																																																																																								
19620	C.BRANDAUER & CO. LIMITED	James Roberts	10025	Growth Hub Support 2	Jennifer Campbell	17009	Male	Prefer Not to Say	0	0																																																																																								
12835	Potential Unlocked Tuton	Charlotte Bowden	10094	Growth Hub Support 2	Sandra Cunningham				35	35 to 44																																																																																								
11496	BIRMINGHAM MANAGEMENT CENTRE (UK) LIMITED	Charlotte Bowden	10792	Growth Hub Support 2	Sandra Cunningham	15729	Male	Black/African/Caribbean/Black British	62	55+																																																																																								
15093	Safetypoint	GBSLEP Growth Hub	11016	Growth Hub Support 2	Sandra Cunningham	24467	Male		0	0																																																																																								
17990	FREDS. HATS CIC	Elizabeth Forrester	12477	Growth Hub Support 2	Sandra Cunningham	28370	Female	White British	38	35 to 44																																																																																								
20118	Faraday Battery Limited	Will Broad	13427	Growth Hub Support 2	Will Broad	31454	Male	Asian/Asian British	45	45 to 54																																																																																								
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3483	RAJJA LIMITED	GBSLEP Growth Hub	13656	Growth Hub Support 2	Jeanette Peters	32105	Male	Prefer Not to Say	0	0																																																																																								
20546	Sauce Supper Club	Craig O'Donnell	13658	Growth Hub Support 2	Klaudia Haines	32111	Female		0	0																																																																																								

9. Background Papers Used to Compile this Report

9.1 N/a

10. List of Other Relevant Documents

10.1 Clean Growth Programme performance and impact summary report



Current status
update 071222.pdf



CGG Main Analysis
Output.pdf