**Business Growth Committee**

**Discussion Paper**

**Tuesday 9th August 2022, 10am**

**Background**

The terms of reference for the group were refreshed in late 2021 and set the key remit of the group as the following:

* Define and deliver a high-quality support offer in line with Government contracts – This is focussed but not restricted to the successful delivery of the Growth Hub and FDI contracts.
* Develop local insight to identify priorities to inform ‘proactive/targeted’ business-support provision and identify/respond to gaps.
* Collaborate with partners to ensure a ‘no wrong door’ approach with shared intel and service standards
* Agree more appropriate (locally driven) KPIs that will highlight meaningful impact and efficiency of our collective work
* Celebrate the impact of joint working through case study to reinforce team culture
* Considering performance monitoring and evaluation reports including financial reports
* Considering re-profiling and re focusing of resources if required to ensure optimum outcomes are maximised
* Work together with our stakeholders to understand and address challenges and

opportunities to support business growth in Cheshire and Warrington

* Set the strategic direction of the Growth Hub taking into account national policy and budget considerations. Monitor performance and delivery of the Growth Hub ensuring it meets the key objectives set out in the purpose pyramid
* Make recommendations to the main LEP Board on potential investments and delivery opportunities for Cheshire and Warrington.
* Develop and deliver an Investment & expansion strategy for Cheshire and Warrington
* Establishing and overseeing working groups as required
* Regular reporting of progress to the LEP Board and BEIS

The KPIs were designed to ensure the Committee had a greater influence on the wider Business Growth Ecosystem and was able to be more than a standard oversight group for the Growth Hub. The Business Growth Committee was influential in creating ambitious targets for the business growth eco system which would result in a greater a focus on account management and a gradual departure from high volume, low impact interventions. This would provide strong intelligence and key impacts in target sectors and geographies.

The expertise of the committee also resulted in the desire to create bespoke tools to focus on inclusion, net zero, innovation, access to finance and more. An evidenced based approach to analysing support and designing measures to fill gaps to support SMEs in Cheshire and Warrington.

**Budget & Resource**

Throughout the pandemic Growth Hubs across the country were instrumental in supporting businesses. In some cases, this was to take advantage of new opportunities, though in many cases it was just to survive.

BEIS allocated additional funding to the network and here in Cheshire and Warrington the decision was made to supplement the team with additional staff and expertise which resulted in the Growth Hub taking a leading and visible role through this time.

Unfortunately for 2022/23 BEIS have reduced the level of funding to a level below what was received pre pandemic. BEIS have also introduced new reporting metrics which continue to based on volume of business engaged with further requirements for new types of data and reporting. With the new level of funding and direction of travel from BEIS the work of the Growth Hub and Committee must be restricted to achieving BEIS KPIs and responding to urgent need.

Earlier this year the main LEP board approved a budget which included the option of using LEP reserves to continue funding the Growth Hub at current staffing levels by extending temporary staffing contracts into 2023. At this stage, the Growth Hub is currently well on track to meet its BEIS KPIs. The additional business advice support that has been funded through reserves would have limited additional impact. As a result of this the temporary contracts of the two business advisors will end on 30th September 2022.

**Moving Forward**

As well as this decision being taken, Kerry Hall the Growth Hub Manager has now left her post to take up a new role within the LEP working on net zero. This would leave just one full time team member, Paul Chapman so we will be recruiting a role to act as support to Paul which will allow all BEIS KPIs are achieved. This role will be temporary until end of March 2023 and will be a more junior level to the adviser roles.

We will also be using the final 6 months to determine how the Growth Hub can continue post 2023 by looking at digital solutions, greater collaboration with partners, and other delivery models. It is unclear what level of funding will be granted from BEIS after this year so all options will need to be considered. This will be integrated into the wider LEP review and LEP delivery plan that will be submitted to Government at the end of November.

**Role of committee**

Due to the changes within the team and the resulting lack of resource, much of the work of the committee will be unable to come to fruition. Concerns have been raised by several members that the scope of the committee was restricted to basic oversight of the Growth Hub and there was little opportunity to influence policy or direction. The committee has also lost several members over the last year and is now operating without enough members to fulfil its original remit.

With the current structure and budget it is unlikely that the role of the committee will change to meet these concerns and recruiting new members is a lengthy process. It is clear that the committee has reached a point where a decision should be taken on how or indeed if it should continue in its current form.

**Recommendation**

The chair and committee members to come to a decision on a recommendation to the main board on the future of the Business Growth Committee taking into account the contents of this paper.