

AGENDA

Growth Hub Governance Board Meeting

Date: 9 May 2018

Time: 12.00pm – 2.00pm

Venue: University of Lincoln, Vice Chancellors Boardroom, Minerva Building, University of Lincoln

	Item	Format
	Apologies – Prof Scott Fleming BGU Declarations of Interest	
1	Approval of Minutes from; Governance Board Meeting - 29 November 2017	Minutes
2	Growth Hub Management Report /Operational Board meeting– Samantha Harrison (LCC)	Paper 1 & verbal update
3	Growth Adviser Update – Phoebe Edwards/Paula Edwards (EMB Group Ltd)	Paper 2 & verbal update
4	Scale Up Provision – Samantha Harrison	Presentation
5	Debate : Local Industrial Strategy – Pillar 4 Supporting Business to start and grow – local plans and what will success like ? – Liz Shutt Director of Policy (UoL/GLLEP)	Paper 3 & Presentation Open Discussion
8	AOB	All
9	Future meeting date; 10 July 2018 10am-12pm VC Boardroom, University of Lincoln University of Lincoln	

Actions Required:

It is recommended that board members;

- Note the progress to date
- Provide feedback & comment on the strategic direction of activity
- Discuss next steps

Growth Hub Governance Board ToR Refresh / Forward Plan

The Growth Hub's Governance Board Terms of Reference have been refreshed in line with the Mary Ney LEP Board recommendations, see attached. The forward plan (enclosed) shows how board will have a greater strategic focus and look at future development work. Opportunities to align our work with the outcomes of both the ESB Board and the Innovation Council have been included.

Growth Hub Continuation Funding

We are delighted to confirm that we will be receiving continuation funding £246,000 p.a. from BEIS for year 2018/19 and 2019/20. This funding will be used for Scale up provision, Sector support, CRM system and marketing and PR.

Business Lincolnshire Growth Lincolnshire Performance Statistics

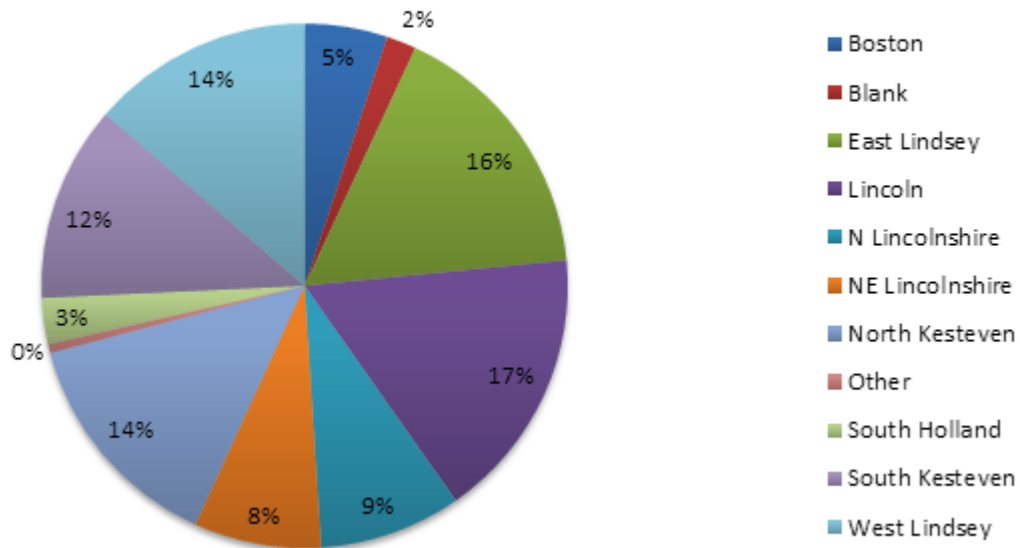
The overall management information figures for the Growth Hub are presented below;

Figures from April 2015 to end March 2018	Number
Growth Hub Adviser Engagements	2779
Business Diagnostics	1394
Client satisfaction with Growth Hub Service	93%
Intermediary interactions	346
Businesslincolnshire.com unique users (since April 2015)	124,009
National Helpline call centre referrals	268
Start up enquiries to Growth Hub	366
Business Workshops event attendees	666
Sponsored event attendees	8085
Twitter followers	4887
Facebook Likes	840
Newsletter sign ups	10652
New Jobs created (potential)	456

ACTION

For information / discussion

Clients Engaged by District



PR & Marketing Overview – 18 Months

The Growth Hub's marketing activity has been structured to provide a consistent targeted approach and this has consisted of:

- Re-brand Business Lincolnshire
- Suite of print materials (and growing)
- Weekly email newsletter
- E-shots
- Social media marketing
- Promotion of events
- Press and media relations
- Advertising: outdoor, magazine, local press, online ads, social advertising
- Promotional materials
- Website refresh – end June 2018
- Development of a digital health check tool

Marketing Progress Overview

Project KPIs	Target	Baseline (Aug 2016)	Baseline (Aug 2017)	Figures March 2018
Newsletter opens	-	-	593	830
Newsletter subscribers	4146 (by Aug 2018)	852	3605	3692
Website sessions (per month)	-	2258	3860	6296
Website users (per month)	3000 (monthly average)	1763	3347	4755
Number of Enquiries	30 per month	30	55	110
Twitter followers	5488 (by Aug 2018)	3327	4390	4866
Facebook likes	-	332	486	818

This has resulted in the following enquiries to Business Lincolnshire :

- Target – 30 enquiries per month
- Year One total enquiries – 912
- Average number of enquiries per month in Year One - 76
- Year Two - 799 enquiries so far (since September 2017)
- Average number of enquiries per month Year Two - 114
- Previous year's enquiries – 539 enquiries between September 2016 - March 2017 (increase of 260 enquiries in the same period September 2017 – March 2018)

The Return on Investment

Year 1 £28,449 Cost of marketing / £ 568,236 Earned Media Value

Year 2 (to date) £16,028 Cost of marketing / £959,595 Earned Media Value

Research and Evaluation

The following activity has been completed:

- Conducted a survey with 23 Growth Hub partners
- Conducted 20 telephone interviews with Growth Hub partners
- Conducted 20 telephone interviews with other Growth Hubs across the country
- Monthly beneficiary satisfaction survey

Upcoming work

- ERDF summative assessment interim report
- Interviews with key stakeholders to evaluate Growth Lincolnshire package (Sustainable

Business Growth and Digital Business Growth). Partners to share data openly to benefit the evaluation of the Growth Hub.

- BEIS Annual Growth Hub Evaluation report – June 2018

Midlands Engine Investment Fund- Summary of Current Position

The British Business Bank(BBB) has launched its new financial products;

The fund package consists of ;

- 1) Proof of concept/early stage equity finance **Mercia Fund Managers** Tel 0330 223 1430
info@merciatech.co.uk Apply online: merciatech.co.uk
- 2) Small Business Loans – **Enterprise Loans East Midlands** – Carol Bratton
- 3) Debt Finance – **Maven** www.mavencp.com/meif meif-enquiries@mavencp.com
- 4) Equity Finance – **Foresight Group David Miles** Investment Analyst dmiles@foresightgroup.eu
Tel 07973 68498

GLLEP has contributed £5 million of ERDF funds to the Funds, we need to ensure our businesses are fully aware of the 4 funds. We will ask Lewis Stringer from the British Business Bank to update the board on the progress of the funds at a future meeting.

MEIF Governance

A Strategic Oversight Board (SOB) has been established with the LEPs to create the appropriate Governance Framework for the MEIF. Ian Green from HSBC is the deputy member on the Strategic Oversight Board (SOB) for GLLEP.

Russell Copley from Greenborough Management Ltd will represent GLLEP on the Regional Advisory Board (RAB), the board will review the performance of the fund managers at a local level and advise on any appropriate actions.

Hunan Delegation Visit

On 17th April, we welcomed 72 delegates from Hunan Province, China. The delegation was made up of approximately half industry leaders from the food and drink sector and the other half a civic group representing the Chinese Embassy in London, the Hunan Departments of Commerce and Agriculture, other city government officials as well as the China Chamber of International Commerce.

The group met with local business leaders to explore the benefits to both regions of collaboration on areas like new technology, innovation and productivity, as well as strengthening ties within sectors such as food, engineering and education.

During the day, the delegation visited Holbeach Technology Park, Stokes Tea and Coffee, Imperial Tea, Immingham Docks, the University of Lincoln, Bishop Grosseteste University and Lincoln College. There was also time provided for cultural activities in the afternoon with visits to the Castle and Cathedral.

Hunan is home to more than 68m people, and its economy is worth around £385bn per year. Traditionally a rice and cotton growing area, Hunan has been developing its machinery, steel, tobacco and food processing, and electronics sectors, as well as new creative industries, such as broadcasting and motion pictures.

Lincolnshire has a lot in common with Hunan, and, with our formal relationship with the province recently being given the official seal of approval by Beijing, it's the ideal time for us to start taking things forward. A further delegation of senior government officials is expected later in 2018.

ERDF Business Support Bid Update

There were 8 outline applications submitted under PA3 for the January 2018 call. Of those 4 have passed the gateway threshold, endorsed by the ESIF committee and will now pass to full application.

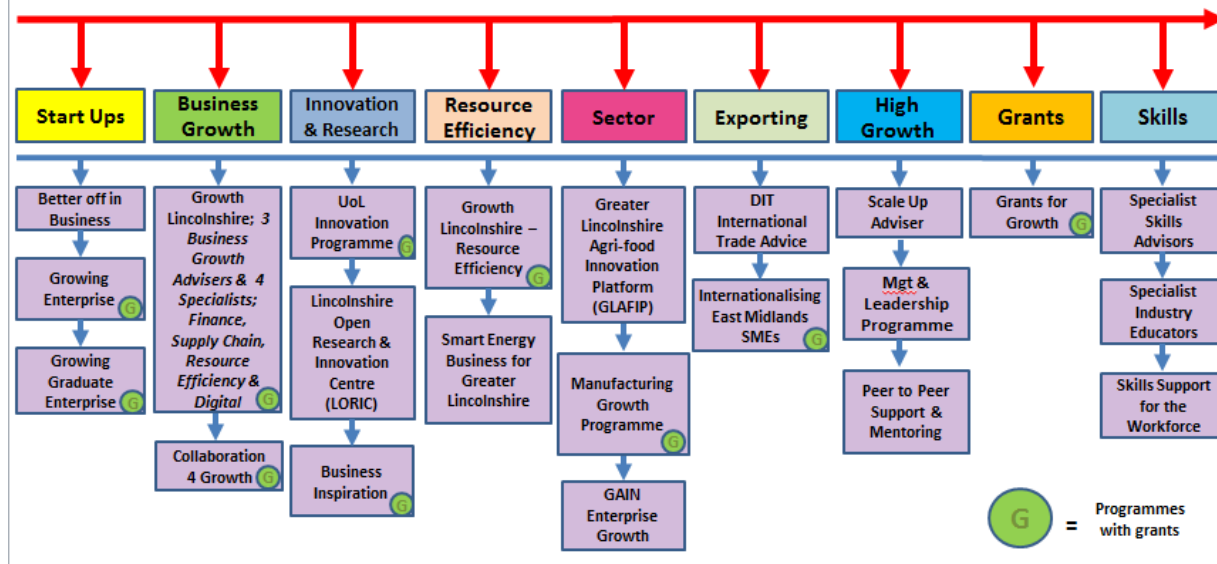
- Collaboration 4 Growth – extension project Lincoln BIG
- Growing Enterprise 2 (GE2) GLLEP NBV Enterprise Solutions Ltd
- Better Off in Business (BOIB) – Phase 2 The Prince’s Trust
- Business Lincolnshire Sustainable Business Growth 2 (BLSBG2) Lincolnshire County Council

The following applications were received for the ERDF PA 3 which call closed on the 20th April.

- Productivity Programme re-submission (Previous Innovation Programme)UoL
- WLDC Saxilby Workspace resubmission -WLDC
- Grants4 Growth – extension project SHDC
- Internationalising Trade - DIT
- Manufacturing Growth Programme – extension project EGS Ltd

The diagram below shows the current ERDF/ESF and Growth Hub funded programmes, all future programmes will need to be aligned with this provision.

Business Lincolnshire Growth Hub ESIF Business Support Programmes



Actions Required:

It is recommended that board members;

- Note the progress to date
- Provide feedback & comment on the strategic direction of activity

Performance against target for the Sustainable Business Growth Programme to 31st March 2018 is shown below:

	Performance to 31 March 2018	Target to 31 st March 2018	Project Target to 31 May 2019
Total Programme – Sustainable Business Growth			
Clients engaged – total programme	928		
Clients that have received at least 3 hours of support (potential P13s) – total programme	656		
Clients that have received at least 12 hours of support (potential C1s) – total programme	165		
Clients enrolled – Sustainable Business Growth Programme (SME enrolment forms received)	789		
P13 – No of enterprises receiving Information, Diagnostic and Brokerage support	551	516	881
C1 – No of enterprises receiving support	197	405	777
C2 – No of enterprises receiving grants	44	48	90
C4 – No of enterprises receiving non-financial support	165	357	687
C8 – Employment increase in enterprises supported	76.13	139	304
C28 – No of enterprises supported to introduce new to the market products	6	9	28
C29 – No of enterprises supported to introduce new to the firm products	7	94	158
Total Programme – Digital Development Programme			
Clients engaged – total programme	239		
Clients that have received at least 12 hours of support (potential C1s) – total programme	98		
Client enrolled – Digital Development Programme (SME enrolment forms received)	239		
C1 – No of enterprises receiving support	98	121	235
C2 – No of enterprises receiving grants	18	46	100
C4 – No of enterprises receiving non-financial support	82	75	135
C5 – No of new enterprises supported	3	2	6
C29 – No of enterprises supported to introduce new to the firm products	11	10	30
PO4 – additional businesses taking up broadband access of at least 30Mbps	1	10	25

ACTION

**For
information/
discussion**

Performance against the P13 output target for the Sustainable Business Growth Programme remains strong, with 551 outputs having been achieved to 31st March 2018 against a target of 516. The project continues to target events at those SMEs that are already in the pipeline to increase their hours of support to a minimum of 12 hours. GH Adviser diaries are also extremely busy both with new and existing clients. Members of the Board should therefore be reassured to know that the project has a

robust pipeline of clients, and the non-achievement of the outputs to date is largely an issue of timing as opposed to underperformance. It should also be noted that the above figures do not include the activities which are delivered, and any associated outputs which have been achieved, in the North and North East of the county.

The number of beneficiaries receiving a minimum of 12 hours of support via the Digital Development Programme is above profile. Nevertheless, due to the profile of beneficiary grant claims which have been received and defrayed to date, the overall performance against the C1 output target remains below profile.

In terms of growth grants, a total of 97 applications have been approved, with a further 44 applications currently in progress. A total of 44 grants have been claimed to 31st March 2018, therefore yielding a C2 output. All available grant funding is now full committed. The project has implemented a reserve list of possible additional applications, which will be reviewed subject to any additional grant funding becoming available.

In terms of the digital grants, a total of 47 digital grants have been approved, of which 18 have been completed and claimed to date. There are a further 33 applications currently in progress.

The streams of specialist support are broadly working well, particularly the investment readiness activity being delivered by Greenborough. The Environmental support stand continues to experience less demand from project beneficiaries. Nevertheless, the project continues to promote the availability of support, and it is anticipated that momentum will build over the Summer period.

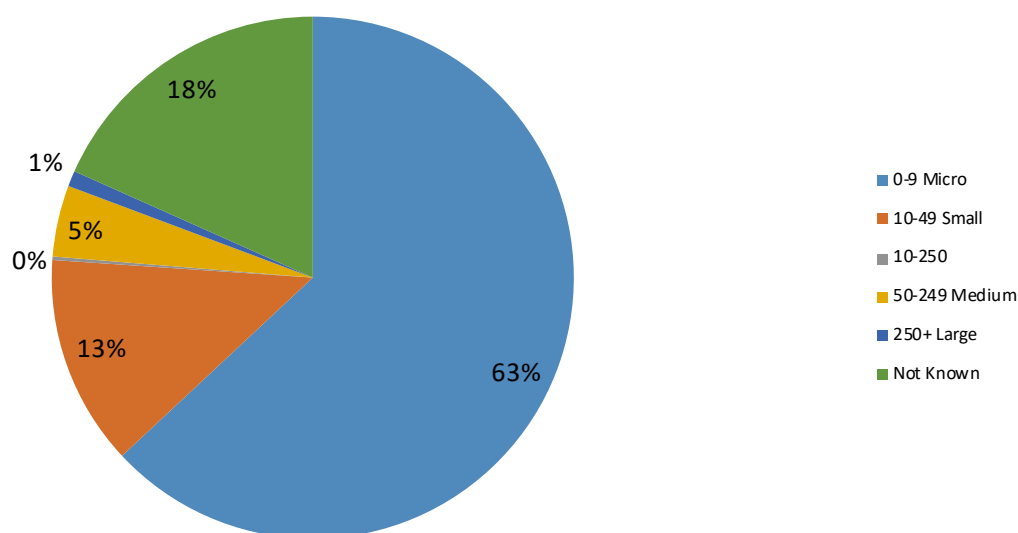
Pipeline Detail:

	No hours	0 – 3 hours	3 – 6 hours	6 – 9 hours	9 – 12 hours	12+ hours
Sustainable Business Growth Programme						
Clients active	160	133	295	153	22	165
Digital Development Programme						
Clients active	86	1	0	67	3	82

ACTION

For information/discussion

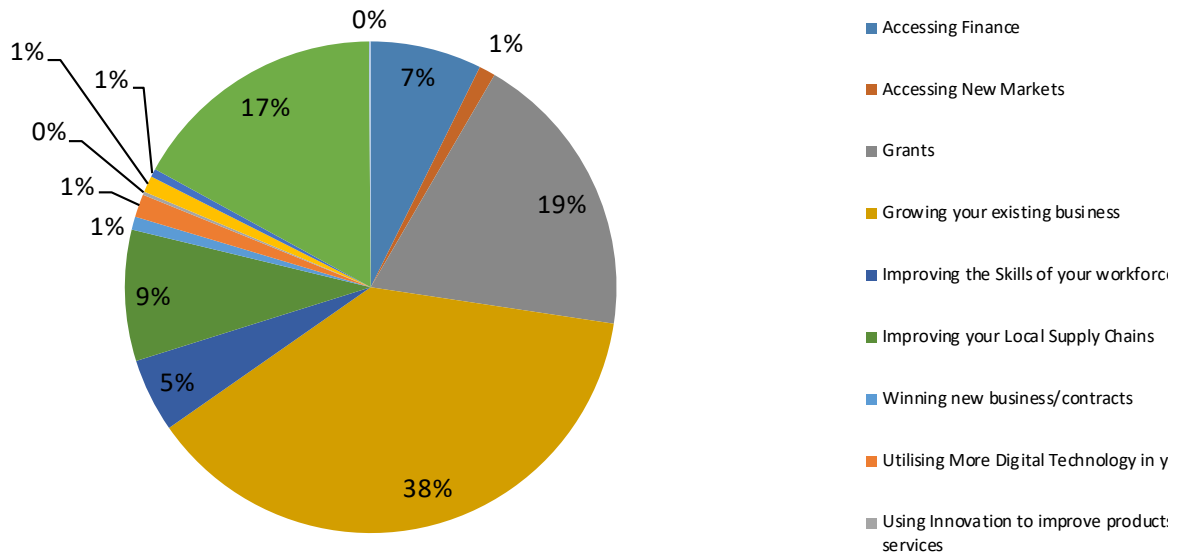
Clients Engaged by Size-band



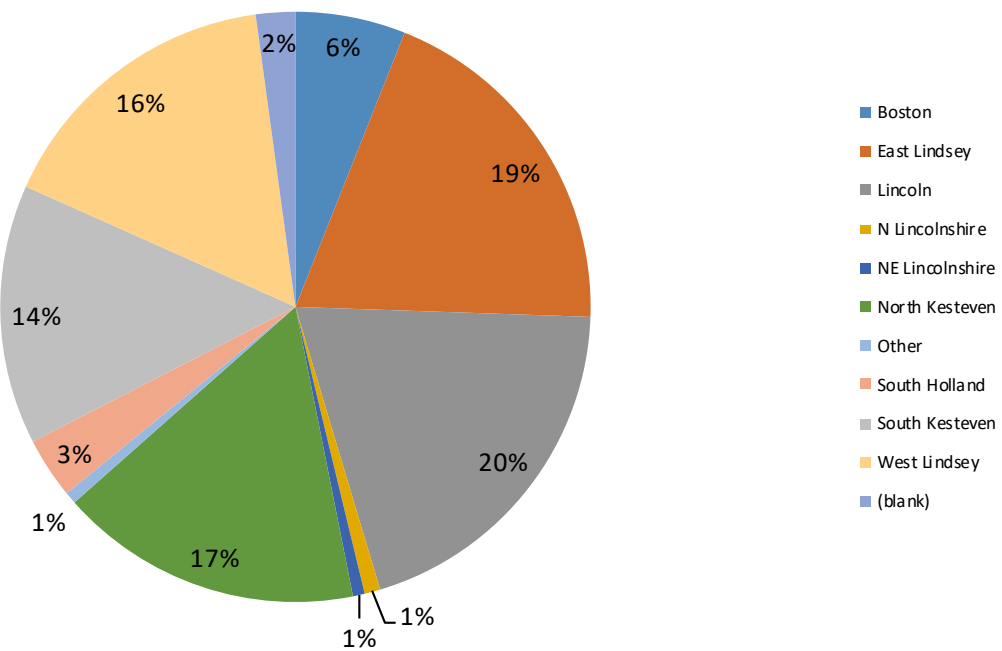
The majority of businesses that advisers are working with continue to be very small with many of them being sole traders. This has a knock-on impact in terms of job creation, which is further compounded by both the current economic and political climates, and the nervousness of companies to create new jobs due to Brexit. Nevertheless, the project continues to track and record new job creation, with a total of 76.13 new jobs having been created to 31st March 2018, details of which are provided in the table below:

Company Name	Sector	Number of Employees	No of jobs created	Skill Level
Able Training Support	Education	0-5	4	Office / Administrator
Alto Electrical	Electronics & Electrical	0-5	3	Office / Administrator & Skilled
Hammden Consulting Ltd	Computer (IT) Related Services	0-5	0.27	Office / Administrator
Made To Measure	Manufacturing	0-5	0.86	Apprentice
BFIT Personal Training	Health, Beauty & Leisure	0-5	2	Office / Administrator & Management
Giger Media	Marketing & PR	0-5	1	Office / Administrator
Matthew Cox Antiques	Retail	0-5	1	Management
Secret Source Marketing	Marketing & PR	6-10	4	Office / Administrator & Skilled
PAB Languages Centre Ltd	Other	6-10	1	Office / Administrator
My Credit Controllers Ltd	Financial Services	0-5	1	Office / Administrator
UK Alternative Energy Ltd	Renewable Energy	0-5	4	Office / Administrator & Technical
Pallinc	Waste Management	0-5	1	Manual
PAT-IT	Electronics & Electrical	0-5	2	Office / Administrator
JMP Solicitors	Business Services	11-25	1	Management
LCS IT Solutions Ltd	Computer (IT) Related Services	6-10	1	Engineer
Bacchus Hotel Limited	Leisure & Tourism	10-25	5	Manual
Liz Drury Voiceovers	Other	0-5	0.5	Technical
Pro active Teamwear	Leisure & Tourism	11-25	1	Office / Administrator
Progreen Weed Control Solutions Ltd	Agriculture, Forestry & Fishing	0-5	1	Office / Administrator
Timmins Engineering and Construction Limited	Construction & Construction Services	11-25	10.5	Office / Administrator
Recruitme	Business Services	0-5	4	Management
Avaoln Cabins Limited	Construction & Construction Services	6-10	10	Office / Administrator & Skilled
UK Sampling Gauges Limited	Manufacturing	6-10	6	Office / Administrator & Skilled
Emberton & Co	Automotive	0-5	5	Office / Administrator
Andrew E Barnes Ltd	Construction & Construction Services	11-25	1	Apprentice
Gifts Online 4 U	Retail	0-5	1	Management
Landmark Ltd	Business Services	0-5	1	Office / Administrator
J W Ruddock & Sons Limited t/as Ruddocks	Marketing & PR	26-50	3	Office / Administrator & Management

% Clients Engaged by Business Issue



Clients Engaged by District



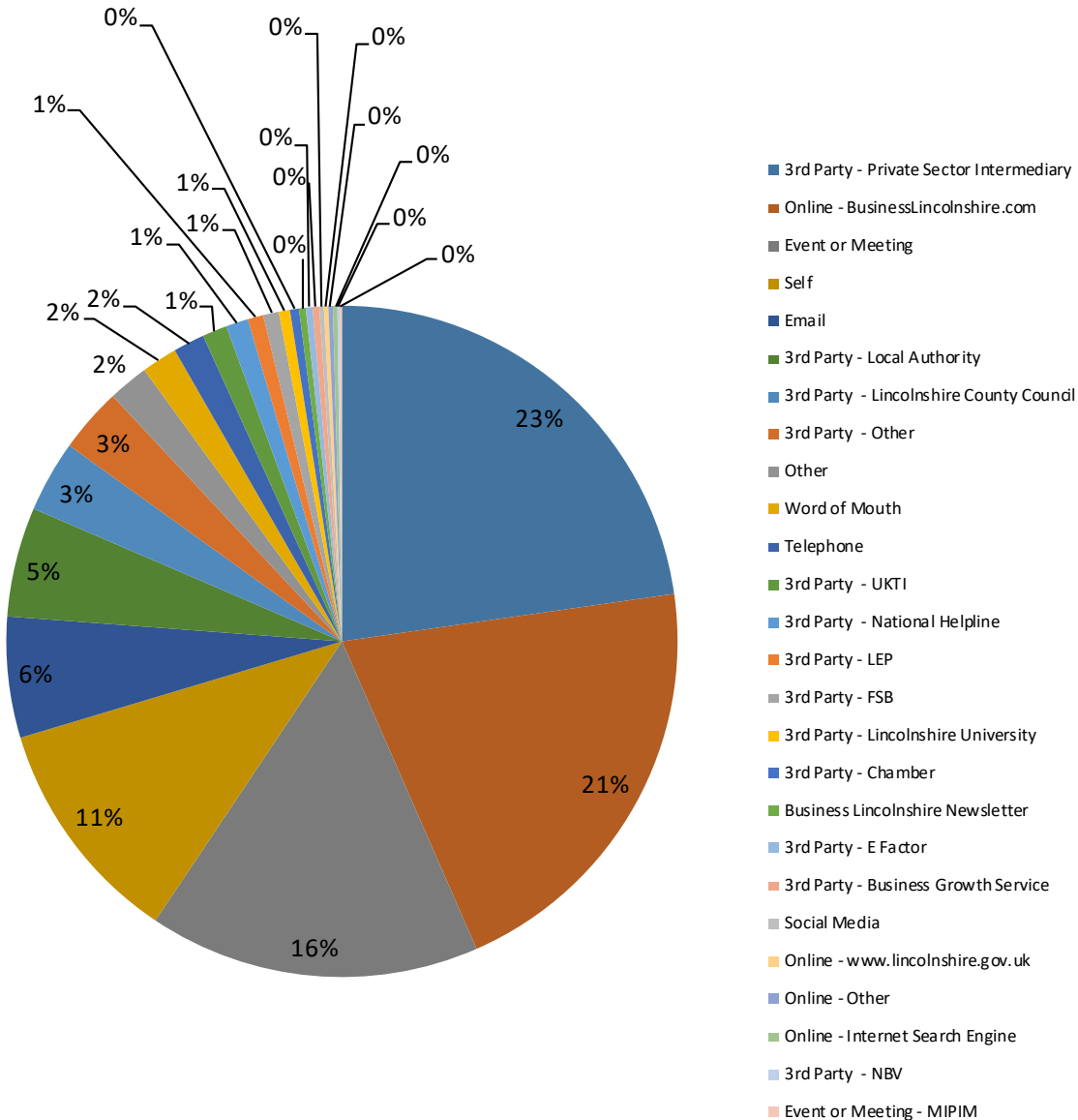
There continues to be a good spread of support across the Greater Lincolnshire districts. Regular liaison with district colleagues is undertaken by the relevant adviser to ensure awareness levels are maintained.

Board members should also note that quite naturally, participation rates continue to be lower in areas that have an alternative Growth Hub offer available to them from either the Humber LEP or the Greater Cambridge and Greater Peterborough LEP.

Through the Sustainable Business Growth Programme North and North East Lincolnshire now each has a dedicated adviser. Steve Parker continues to deliver support in North East Lincolnshire and Russell Hardy covers the North Lincolnshire area.

Key sectors continue to be Business Services, Manufacturing, Leisure & Tourism, and Food & Drink, many of which tend to be micro businesses. A breakdown by sector is provided in Appendix 1.

% Clients Engaged by Referral Source



Grant Funding

Demand from project beneficiaries wishing to access the grant funding available through the project remains strong. The table below provides a detailed summary of the commitment against budget to date for the three grant programmes:

	Capital Grants	Revenue Grants	Digital Grants
TOTAL GRANT POT AVAILABLE	£275,000	£175,000	£100,000
TOTAL GRANT POT REMAINING	£0	£0	£20,000
Number of pipeline applications received	21	26	33
Value of pipeline applications received	£75,215.74	£78,245.49	£33,000.00
Number of applications approved	57	40	47
Value of applications approved	£199,784.26	£96,754.51	£47,000.00
- of which pending awaiting beneficiary claim	£93,645.91	£56,547.42	£25,000.00
Value of grants paid to date	£106,138.35	£40,207.09	£22,000.00
Value of private sector contributions received based on grants paid	£207,794.20	£70,783.69	£43,634.38

All capital and revenue grant funding is now committed. The project is however operating a reserve list for new applications should any additional funding become available in the future.

For
information /
discussion

Bitesize Events

The programme of Bitesize and Flagship events continues. Future events include the following:

- Going Global (supported by Streets Accountants) – 17th May 2018, Hemswell Court, Hemswell Cliff
- Funding Your Business – 22nd May 2018, The Pelham Suite, Grimsby
- Funding Your Business – 5th June 2018, The Golf Hotel, Woodhall Spa
- Top Tips for Creating and Effective Online Marketing Plan – 7th June 2016, Boilerhouse, Gratham
- Introduction to Researching Export Markets – 14th June 2016, Admiral Rodney, Horncastle
- Cyber Security Conference – 15th June 2018, Petwood Hotel, Woodhall Spa
- Introduction to Industry 4.0 – June 2018, Lincat, Lincoln
- Funding Your Business – 4th July 2018, Springfield Events & Conference Centre, Spalding
- Manufacturing Sector Update: Workforce Development – 5th July 2018, Lincoln College
- Top Tips for International Web Optimisation and Digital Marketing – 11th July 2018, Sleaford New Life Conference & Events Centre
- Digital Conference 2018 – 18th July 2018, Issac Newton Building, University of Lincoln
- Leadership and Management – 14th August 2018, Boston West Golf Club
- Lincoln Technology Hub Showcase – September 2018, Lincoln Technology Hub, University of Lincoln
- Introduction to Research & Development (R&D) Tax Credits – September 2018, Grantham
- Application of Automation Transfer from Agri-Foods to Manufacturing Sector – 4th October 2018, The National Centre for Food Manufacturing, Holbeach
- Dream Board Mastermind – for small business owners that want to grow (part of Lincolnshire Business week) – October 2018,
- Visitor Economy Conference – November 2018, Woodhall Spa
- Introduction to Managing Employee Performance – November 2018, Eventus Business Centre,

For
information /
discussion

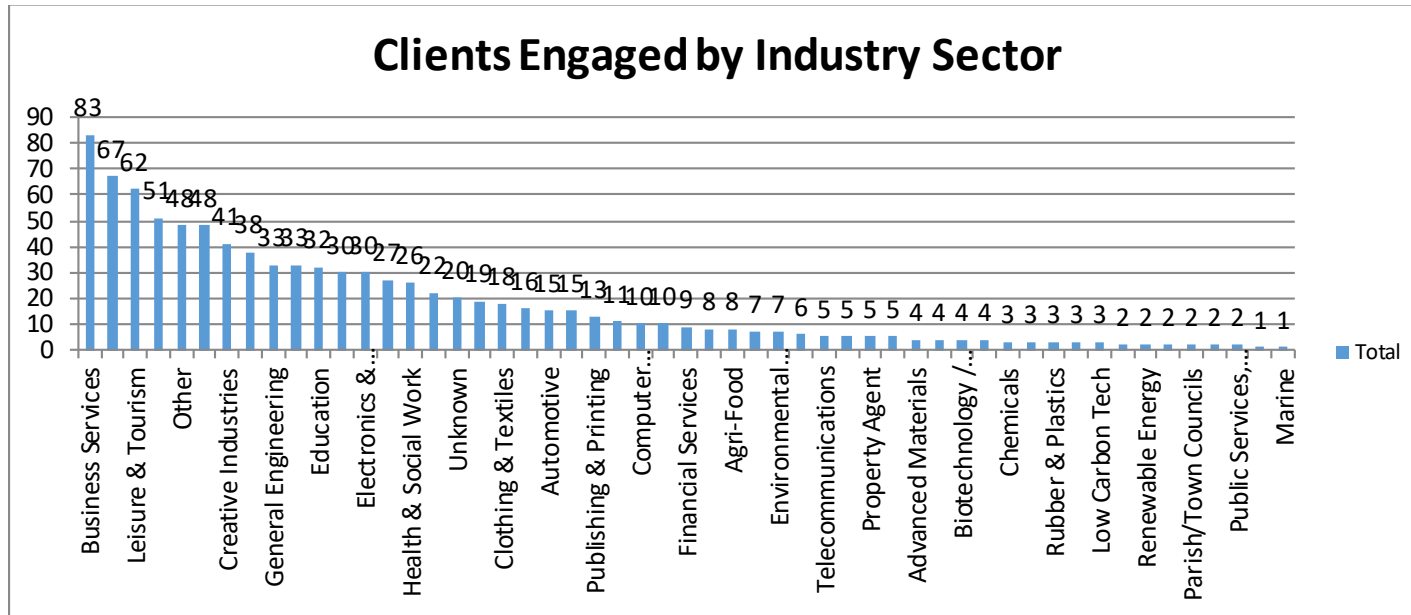
Market Deeping

- Manufacturing Breakfast Briefing – December 2018
- High Growth Conference 2018 – date TBC
- Business Marketing Conference – February 2019
- Greater Lincolnshire Manufacturing Conference 2019 – March 2019, RAF Cranwell

In addition, each of the specialist streams continue to deliver a workshop programme and a number of successful events have been delivered to date, such as:

- A series of 'Taming the Dragon events' and Investment and Finance workshops
- How to create an App and protect it workshop
- Getting investment ready
- Crowdfunding workshop
- How to bid for funding workshop
- Accessing grant funding in Lincolnshire
- Your Business: from Strategy to Marketing Plan
- Supply Chain Development workshop highlighting opportunities in Offshore wind, Nuclear and Biomass industries
- 2 day ISO14001 workshop
- Programme of Digital Workshops including Welcome to the Digital World, Social Media for Business, Selling over the internet, Digital Marketing, Facebook for Business, Social Media for Business, Cyber Resilience and Protecting Your Data, Google Analytics, Creating Digital and Video Content, Twitter & Linked-in, and GDPR.

Appendix 1 – Clients Engaged by Industry Sector



Paper 3

Industrial Strategy White Paper and Local Industrial Strategies

What is the Industrial Strategy and what is it trying to resolve?

1. Fundamentally, the [Industrial Strategy White Paper](#) sets out a strategy that is aiming to address issues affecting low productivity and regional disparities to create growth and improve living standards across the country. Rebalancing the economy is a central theme, as Theresa May highlights in the introduction “for me it is not enough to see growth in the national economy if your local economy is shrinking.”

How is the Industrial Strategy seeking to address the UK’s productivity gap?

2. The White Paper identifies five foundations of productivity as the “essential attributes of every successful economy.”
 - **Places:** focusses on reducing UK economic disparity and supporting all places to realise their potential. The role of Local Enterprise Partnerships, drawing together Local Authorities, Business and other local leaders, is a significant focus.
 - **Ideas (innovation):** focusses on increasing investment in R&D, boosting the ‘D’ research translation and improving linkages into local economies, strengths & clusters.
 - **People (skills):** focusses on improving the quality of technical education, the shortage of STEM skills, entrenched regional disparities in education and skill levels and ensuring that people (throughout their working lives) are not left behind by technological change.
 - **Infrastructure:** focusses on making investments more geographically balanced and becoming more forward looking in terms of significant global economic trends.
 - **Business Environment:** focusses on spreading best practice of the most productive businesses, access to finance, increasing exports, management and leadership skills.
3. The White Paper also proposes four Grand Challenges - developments in technology that are set to transform industries and societies around the world, and in which the UK is in a position to seek competitive advantage. These are:
 - a. **Artificial intelligence and big data:** e.g. the AI Sector Deal, an AI Council to support rapid adoption of AI technologies at scale, working initially in 6 sectors: cybersecurity, life sciences, construction, manufacturing, energy, agricultural technology.
 - b. **Clean growth:** e.g. low carbon technologies, transforming construction techniques to improve efficiency, improving efficiency of energy intensive industries.
 - c. **The future of mobility (public and private transport systems):** e.g. new modes of transport and business models, zero emission vehicles, self-driving technology.
 - d. **Meeting the needs of an ageing society:** e.g. supporting care providers to adapt business models to changing demands and develop new models of care, supporting new products and services for the growing global population of older people .

Developing a Local Industrial Strategy

4. Local Industrial Strategies, to be developed in partnership with Government, are intended to help identify priorities to improve skills, increase innovation and enhance infrastructure and business growth. Eventually it is expected that they will guide the use of local and national funding streams such as the UK Shared Prosperity Fund, which will

replace EU Structural Funds.

5. The White Paper sketches out a phased approach to LIS's with the first set to be agreed by March 2019. They are initially working with the Greater Manchester Combined Authority, the West Midlands Combined Authority and the Oxfordshire – in relation to the Oxford – Cambridge Corridor. In our ongoing discussions with Government Officials they remain interested in new locally led approaches to address the challenges of productivity and growth.
6. In Greater Lincolnshire we have been undertaking a number of activities to prepare for the development of a Local Industrial Strategy including:
 - A research programme which has initially focussed on three main areas:
 - productivity at a macro level considering the varying productivity challenges that our sectors face;
 - assessing the potential impact of Brexit on our priority sectors factoring in various types of Brexit deal; and
 - a refreshed sector analysis to help us understand our business and employment make-up at a micro level including concentrations, specialisations and supply linkages.
 - A Strategy Day with our Board in December where we started to identify areas of competitive advantage that a LIS could focus on.
 - A future scenarios exercise with our Innovation Council supported by the Centre for Urban and Regional Development Studies at the University of Newcastle – a draft report is attached.
 - We are one of the areas that the What Works Centre for Local Growth have selected to provide support to help develop a Local Industrial Strategy.
 - A series of MP led Roundtable discussions with business on the Industrial Strategy in each of the Greater Lincolnshire constituencies.
7. Through these activities we are starting to define the following areas of focus:
 - a. **Food processing productivity:** Productivity increases in the food processing sector, automation and robotics potentially through the development of the digital demonstrator for food manufacturing.
 - b. **National Centre for Rural Health:** Linking with the Ageing Society Grand Challenge, we have been supporting locally led plans to develop a National Centre for Rural Health and Care. The Centre will support the development of a cluster of businesses with expertise in the development of technological and service innovation around rural health and care.
 - c. **Future skills needs:** Building on the opportunity of our involvement in the Skills Advisory Panel and Career Learning Pilots we would like to develop an approach that builds the partnership between providers, businesses and the LEP to improve our capacity to plan for and deliver against future skills needs and test the impact of greater local control. This could include a particular focus on groups at risk of being left behind by the process of industrial digitalisation.
 - d. **Test bed area for rural energy solutions:** Linking to the Clean Growth Grand Challenge, we would like to work with the University to support and to develop the SMART GRID Energy supply (farmers with renewable generation, waste conversion sites) and demand market (EV / Batteries and existing large energy users).

8. At the Growth Hub Board we would like to seek input into this process and test views on these emerging priorities.