

Present:

Mary Stuart (MS) Chair – Vice Chancellor of University of Lincoln
 Samantha Harrison (SH) – LCC
 Angela Driver (AD) – LCC
 Simon Beardsley (SB) – Lincolnshire Chamber of Commerce
 Richard Blackmore (RB) – CBI
 Ruth Carver (RCa) – GLLEP
 Helen Thompson (HT) – North East Lincs
 Mark Webb (MW) – E- factor
 James Pinchbeck (JP) – Streets Chartered Accounts
 Russell Copley (RCo) - Greenborough
 Andrew Stevenson (AS) – University of Lincoln
 Noreen Read (NR) - EMB
 Phoebe Edwards (PE) - EMB
 Katrina Pearce (KP) - FSB

Apologies were received from:

Zoe King

Ian Green

Paul Scott – taken early retirement and will no longer be a member of the board.

Mark Webb declared that he also provides business support in Northern Lincolnshire.

**Approval of minutes of meeting from Governance Board Meeting 19th December 2019 –
Mary Stuart**

All approved minutes of last meeting – no outstanding actions.

**Update and
Discussion**

Review of Governance Board terms of Reference - AD

The terms of reference are still the original terms of reference that were put together back in 2015. No proposal to make any substantial changes to the Terms of Reference as they are still fit for purpose in terms of the main content. However there have been changes of representation on the boards so these changes will be updated. Also, the Terms of Reference state that the board should meet 4-6 times per year and the board has previously agreed to meet 3 times per year.

SH stated that these will be reviewed on an annual basis.

JP asked whether or not there is anything in place to review the effectiveness of the board. MS reported that this is something that has been discussed and also the possibility of adding more members onto the board. It is potentially something that should be put to the LEP regarding how

**Action AD
to confer**

Update on Growth Hub Programme Board Meeting from 5th October 2020 – James Pinchbeck

JP provided an update on the main points from the Programme Board held on 5th October.

From the meeting most of the focus was on the interventions that have taken place with colleagues around the work that they have been doing to support businesses. One big take away from this was the growth in the number of start-up businesses that have taken place in this time as well as businesses seeking advice to repurpose or reimagine their structure post Covid. Most of the business support provider organisations stated that interventions put in place have helped a large number of businesses, but within certain sectors there are still a large number of challenges to face.

Time was also spent speaking of future challenges such as work forces needing up skilling in certain areas such as technology as well as the challenges that will come from a likely spike in redundancy following the end of the furlough scheme.

Other concerns that were mentioned were surrounding the need for greater support to be provided to combat things such as areas where businesses are working within a tier 3 lockdown.

Run through of Paper 1 – Growth Hub update, Business Support Landscape, BEIS Bi Annual Review, Impact Report – Angela Driver

AD started by stating that it has been a very busy time for business support providers and that the efforts put in have been commendable. The Covid emergency forced operational changes across the board and that advisor teams have provided the crisis and signposted support that was needed.

AD ran through the key points of paper 1 which was sent out to all board members which highlighted the Response and Recovery measures which has developed into a new Business support landscape which has been put in place to answer the needs of local businesses as defined in the Business And Economy Recovery Plan developed by the Business and Economy Cell of the Lincolnshire Resilience Forum.

Run through of Paper 2 – Growth Hub Adviser Update - Phoebe Edwards and Noreen Read

PE stated that Greater Lincolnshire has handled the pandemic and the extra requirements that this has brought very well. Advisers have dealt with over 300 businesses on Covid specific enquiries.

NR reported the different types of examples of enquiries that advisers have been dealing with from people who have put their all into starting businesses at this time who couldn't claim any of the financial support that was provided. Other businesses struggled with the fear of losing valuable members of staff.

It is getting to stage now where people who were initially seeking general advice have made it out the other side of challenges faced and are now seeking advice surrounding growth plans.

PE stated that one thing to be noted is that businesses that contacted advisers had areas in their business plans that were causing issues, so going forward this is something to think about to ensure that businesses have their basics in order.

AD highlighted that the Growth Hub are planning to develop a 'Fit for Business' toolkit to help

<p>support businesses with some of these basics that businesses are missing.</p> <p>PE gives a brief run through of Paper 2 which was circulated ahead of the meeting.</p> <p>PE reported that EMB are 38% through meeting their targets for the year in terms of providing 3 hours of support to businesses which is on target. 423 blocks of specialist support have been delivered with the most popular being support to businesses around financial readiness.</p> <p>The ERDF grant fund has been well accessed with the capital and revenue fund being completely allocated for the programme lifetime unless new funds are provided. Funds are still available in the Digital Grant pot however.</p> <p>PE stated that at the beginning of the pandemic the Scale Up programme was negatively impacted as people were turning more towards surviving than trying to scale up. However, this is starting to pick up again. Scale Up support is now being delivered remotely and clients had now started to be able to commit time to courses after the initial crisis phase had subsided.</p> <p>There are now 130 Scale Up businesses that the Growth Hub has or is supporting, which shows growth over the current period with one example creating 21 new jobs.</p> <p>There was a discussion around the definition of a 'Scale Up' business. BEIS have provided a definition that the Growth Hub is working to.</p>	<p>Action – Scale up definition to be circulated with minutes.</p>
<p>Group Discussion - The business support landscape is very complex as are the needs of businesses as they deal with the effects of COVID and with the end of the EU Transition period looming.</p> <p>Board members to discuss and recommend the approach that the Growth Hub should take to prioritise its finite resources to meet business need.</p> <p>SH reported that BEIS have put a bid in to continue Growth Hub funding into the future and that the level of funding is expected to be enhanced with the uplift money once again, which will mean funding of just under £600,000 as well as potentially transition funding money which can vary from £50,000 to £150,000. This funding can be utilized if any gaps in provision are highlighted.</p> <p>SB stated that businesses are not ready or prepared for the end of the transition period on 1st January 2021. Small businesses are finding that they don't have the capacity or the capability to cope with the upcoming hurdle. Businesses are asking for more face to face or hand holding support to get them through the next phase which is difficult to provide with the current resources available. Going forward solutions can be provided via documentation for origin purposes or customs declarations but the Chamber of Commerce can't fill all the gaps that the end of the transition period will bring for small businesses.</p> <p>KP reported that businesses are suffering with fatigue due to the issues that they have already had to face within this year so it could be a good opportunity for a campaign to be put in place surrounding Lincolnshire being a good place to start up and grow a business whilst feeling good about it. KP also stated that with the challenges that will be brought with the end of the job retention scheme that people will be looking at the option of starting their own business so now is a good time to push this message whether it is a campaign or practical support.</p> <p>RCa raised the point of whether it would be worth working more intensely in certain business</p>	

communities. Also, potentially would more intense support need to be provided to certain sectors that have been hit harder such as Visitor Economy, hospitality, retail and leisure to help them reimagine how they might come out of this period. Some smaller businesses don't always know where to go for support in terms of up skilling for example.

HT raised the point that due to the hospitality, retail and tourism sector has been hit so hard during the pandemic whether or not there could be a sector focus. If tourism businesses go under then Greater Lincolnshire will be at a much weaker position to take advantage of the opportunity that we may have for tourism growth.

MW raised the point that there could be a role for growth hubs to play in order to deliver intelligence about the things that are going on nationally and internationally so that Lincolnshire businesses can not only be on the curve but ahead of the curve by looking for best practices etc. Also, there needs to be a balance between centralising and localising support as this could result in freeing up time to be able to guide smaller businesses in more detail.

MW also stated that it is important to have clear alignment between different support elements as this will enable the ability to grow certain areas by sharing experience between the different areas. This is reflected through the GAIN programme as it is sector specific.

SB highlighted that a lessons learned review would be useful to identify what has gone well / not so well during the pandemic in case another event such as this takes place.

PE answered the question of what has worked well by saying that different companies and sectors have all come together and worked well together, especially in Lincolnshire which has meant support has been provided very quickly.

PE echoed the point that a lot of businesses are not ready for the end of the EU transition period and that there perhaps won't be enough advisory support available when there is a surge in demand. Also, businesses that gain the most success from support are the businesses that advisers go out and find and then connect them to support, rather than waiting for them to respond to marketing.

NR reported that there are still many clients saying that the EU exit won't have an effect on them. The best way to handle them is to triage the businesses. This involves the business issues being identified, before passing them on our specialist EU adviser who address the issues and then refers them to other programmes. This means that resources are saved on businesses that only have a minimal amount of issues. The other effective way to deal with this issue is via workshops.

PE added that businesses are now becoming more alert of the EU Exit date so we need to ensure that there are enough channels available to manage the amount of support that will be required.

MW added that as a growth hub it is important to start looking ahead and thinking about plans to put in place to be able to reduce the impact of leaving the EU on businesses.

SH summarised that all points from this discussion will be put into the forward plan and align it.

Business Support Reform

SH reported that the Small Business Policy Unit within BEIS have reported that 10 of the national programmes and the way they are structured aren't effective enough as there aren't any clear objectives, no baseline for data, no evaluation, too many funding streams and that the outputs weren't measurable.

One thing that has resulted from this is that they will look into the business support arena and will build this into the future CSR review. It is felt that there needs to be consistency of offers and clarity of message as well as a clear focus with clear accessibility, stability and that we work well alongside the private sector.

This would see an increase in provision around leadership and management, increased tech adoption, making more use of the gov.uk provision, making more use of specialist support and to make sure there is a clear core function across all of the growth hubs.

This would be achieved by making sure there is a clear start up offer, an ambition to grow offer and a scale up offer that is provided by a tiered service from web services through to full adviser support.

We account manage relationships with businesses well and this is something that needs to continue. Data sharing agreements are in place however in Lincolnshire we seem to share more data than we receive back from BEIS, this is something that we need in order to be able to grow businesses more going forward, e.g., data from DIT in relation to Trade and Investment support is only provided at a regional level.

We are still in the early stages of the reform but it is important that all members of the board are aware of this so they can provide feedback.

RCa added that nationally LEPs are pleased with the direction of travel but they want further understanding of where this might end up as there is a huge value in a local growth hub due to the local connection and flexibility so it is important to find a balance between national and local. RCa stated that is important to make sure that we have a clear vision going forward.

Midlands Engine Investment Fund July Report – RCo

RCo updated that as at the end of July the fund is 30% deployed, the fund is around £250,000,000 and there has been around £78,000,000 that has been invested in the East and West Midlands. Greater Lincolnshire has around 8% of the businesses by number across the East and West Midlands. £5,000,000 of LEP money has been contributed which is 6.4% of the overall contributions but already 12% of the overall funds invested have been drawn down into Greater Lincolnshire businesses, so Lincolnshire is punching above its weight in terms of value of investments.

There are 4 elements of the Midlands Engine Investment funds.

Small business loan which is a loan of £25,000 to £150,000 which is managed by Enterprise Loans East Midlands;

Larger loans fund £150,000 up to £1,500,000 which was initially managed by Maven but has now been joined by the FSE Group.

Two equity funds - One of which is a proof of concept fund which is investments of up to £750,000 which is managed by Murcia and a larger equity fund which is investments up to £2,000,000 which is managed by Foresight.

<p>Maven and Foresight are doing really well in Lincolnshire and are making more investments per capita than anyone else.</p> <p>There isn't much traction with the small business loans which is something that is now being worked on to try and get the visibility of this fund improved.</p> <p>SH will work Russell to ensure alignment to try and gain traction on the small business loans.</p>	
<p>AOB: None</p>	
<p>Date of next meeting: 23rd February 2021</p>	