



Business Lincolnshire Governance Board Meeting

9th May 2018

Present:

- Mary Stewart (MS) Chair – Vice Chancellor of University of Lincoln
- Ian Green (IG) – HSBC (MEIF GLLEP Representative)
- James Pinchbeck (JP) – Streets Chartered Accountants (Chair Growth Hub Programme Board)
- Simon Beardsley (SB) – Chamber of Commerce
- David Thorpe (DT) – FSB
- Andrew Stevenson (AS) – University of Lincoln
- Samantha Harrison (SH) – LCC
- Holly Wells (HW) – LCC
- Phoebe Edwards (PE) – EMB Group
- Liz Shutt (LS) - Director of Policy, GLLEP and University of Lincoln
- Alex Borman – University of Lincoln (observer for one meeting)

SH welcomed the attendees and introductions were done round the table.

Apologies were received from:

- Professor Scott Flemming – University of Lincoln
- Justin Brown – LCC
- Ruth Carver - GLLEP

No declarations of interest were received.

Growth Hub Management Report/Operational Board meeting – Samantha Harrison

Update and Discussion

SH clarified that there have been some changes to the terms of reference, following the Mary Ney Governance review of LEP's across the UK some changes will now be made. The board will now be called the 'Business Lincolnshire Board' covering all aspects of growth and scale up, this will enable the growth hub to manage the forward plans and shape debate. The board will align with both the Innovation Council and the Employment & Skills board and work jointly on cross cutting themes. MS - Feeling this is a real moment of opportunity for the County, been very successful in attracting funding and ensure everything is joined up and a full range of expertise is on offer. All agreed.

BEIS have confirmed continuous funding for the next 2 years with a further 2 year years dependant on achievement, this is excellent news and will enable us to continue with the services that are currently available to businesses in Greater Lincolnshire.

Engagements by district results are in line with the number of businesses in each district but also align with LEP cross over boundaries. Our N & NE Business Advisers are in place and proactively engaging with clients. The marketing channels are really working well, there is a healthy pipeline of clients. We have to be mindful of the new GDPR regulations that will come into force on 25th May and the impact this will have on how we contact our current registered businesses and the numbers that are signed up to the newsletter. These will reduce for a period of time until we receive written confirmation they have opted back into our correspondence.

Social Change have been completing some evaluation research to feed into ERDF and BEIS, interviews are taking place and reports are being generated and will be feedback to this board once complete.

All of the Midlands Engine Investment Fund products have finally launched, Lincolnshire businesses are already accessing the products. Lewis Stringer from the British Business Bank will update the board on its progress at a future meeting.

The Growth Hub's ERDF outline bid has been accepted and a full application will now be submitted on the 29th June, it will seek to continue with the Growth Lincolnshire programme and include lessons learnt, a leaner referral process and scale up provision. The majority of partner ERDF business support programmes (Start Up & Grow, Innovation, G4G, C4G etc) have applied for continuation funding which will provide a seamless transition to 2022.

A Business Lincolnshire meeting forward plan has been devised; this was agreed by the board.

Growth Hub Advisor Update – Phoebe Edwards

The programme is on track to meet with the targets, the number of enterprises receiving support is 405. The pipeline has more than 700 in the system. A Project Change Request will be submitted shortly to repurpose some of the budget areas and update the delivery profiles.

The business growth grant funding pot has now been fully allocated, the capital fund is fully committed and revenue fund is not far behind. There is also a pipeline of businesses on a waiting list to access any future underspends. The digital programme is also running very smoothly and the grants are nearly allocated.

A new advisor will be joining the team over the next month – Trudy Roberts. Noreen Read will then focus on account managing the scale up provision.

The Advisers continue to work with small businesses, which does have an impact on job creation. A table has been devised to demonstrate what type of jobs are being created; there are a range of roles from managerial, technical to administration roles including apprenticeships.

Work is ongoing to update the current CRM system, once this has been completed the reports will also reflect the activity figures for N & NE Lincs.

The growth hub has a very full events programme going ahead this year, and it is now becoming very busy with several taking place every week. We have had a very good take up on the events particularly the GDPR programme.

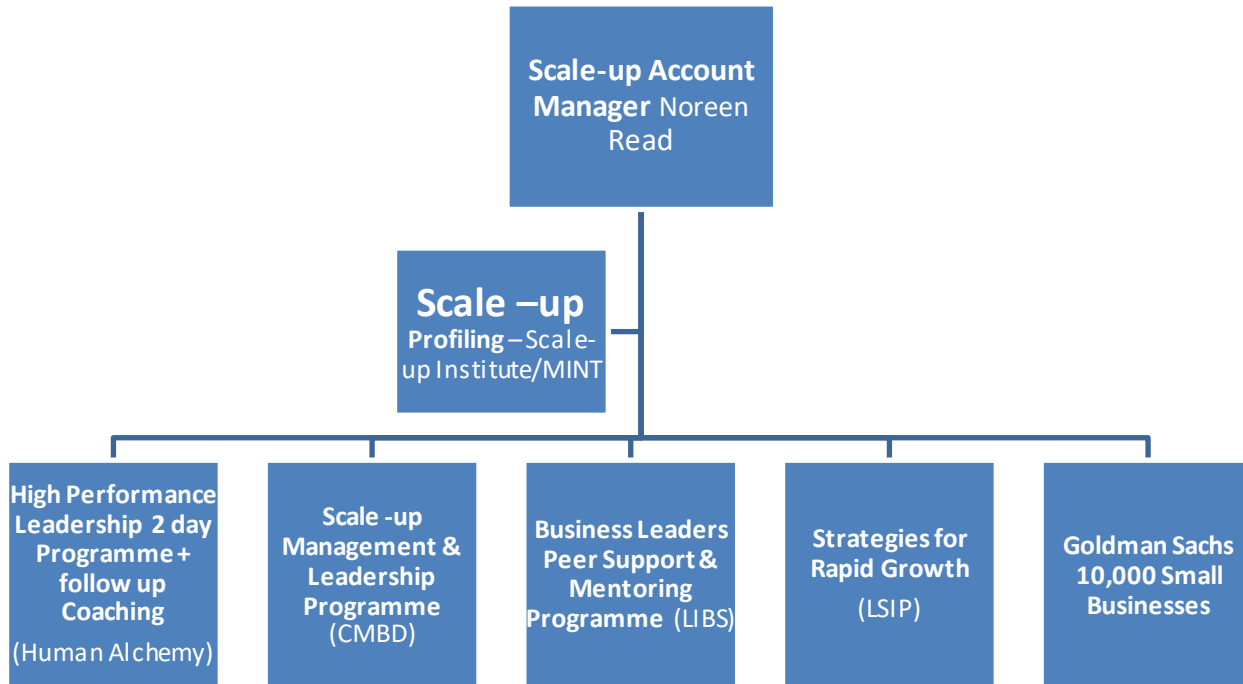
JP- Avalon Cabins success story, ensuring case studies and good news stories are told and promoted. Looking at what are the challenges of taking on new staff, could it be that there is a skills gap or that people do not want to work in certain sectors. Schemes need to look at workforce of the future not the now and then and focus on aspirations, work patterns and behaviours. PE – Younger workforce looking at different things such as work/life balance. We need to understand the skill base and also educating the businesses on what people are looking for. MS – Need to ensure we look at these issues and include the skills boards where necessary in the growth hub programmes & work, young people are different – more about lifestyle and technology. Women having children has also changed the way work is viewed in terms of flexible working. SH – some businesses are recruiting on behaviours and not skills, which has been very

SH to invite Lewis Stringer to a future meeting

ALL

<p>successful in the manufacturing sector. Employers need to look at things in a different way moving forward with recruitment. DT – Do try and educate members with this exact topic, change takes time. IG – Speaking with several big businesses – there is a skills shortage; certain businesses are now approaching their local colleges to ensure the right courses are being put on and then being able to employ local people. Very effective and working well. SB – Potentially a job to do with recruitment agencies, also the hard to reach businesses. Supply and demand and not the right candidates with any of the skill sets required to move roles or and educate in all areas. MS – The board needs to think about how they can tackle this and address the skills issue moving forward.</p> <p>IG – Sought clarity on where the money will come from after Brexit? SH - Business as usual until in terms of applying and securing European funds until 2022, the commitment has been confirmed. There will also the UK Shared Prosperity Fund moving forward – BEIS will be putting on a regional event to help shape the fund, once we know the date we will circulate the meeting.</p>	<p>ALL</p>
<p>Scale Up Provision – Samantha Harrison</p> <p>SH delivered a presentation with the following information on the new scale up provision that will be available to businesses in Greater Lincolnshire. There will also be scale up account manager, Noreen Read.</p> <p>The definition of a scale up business is explained below:</p> <p>Existing Scale -up</p> <ul style="list-style-type: none"> •Min of 10 employees at the start of the engagement • Achieved minimum £500k turnover in last yr (operating for at least 3 yrs) • Potential/aspiration to grow turnover and/or profit by a min of 20% (p.a) over a 3 yr period <p>Future Scale-up</p> <ul style="list-style-type: none"> •Min of 5 employees at the start of the engagement •Achieved minimum £250k turnover in last yr •Potential/aspiration to grow turnover and/or profit by a min of 50% over a 3 yr period <p>Growth Potential Scale-up</p> <ul style="list-style-type: none"> • Ambition, capability and capacity to be a high growth business • Demonstrate scalability, marketability & financial stability • Potential to grow turnover and/or profit by a min of 20% over a 3 yr • Adviser recommendation <p>A Scale Up business has growth of 20% p.a. for 3 years. The UK lags behind other economies for high growth or Scale-up businesses, there has been growth since 2013 in Scale-ups by turnover, only 20% are growing against turnover and employment</p> <p>In terms of Scale up businesses, GLLEP lags behind other regions - <219 Scale up Businesses in GLLEP region.</p> <p>Scaling businesses create more jobs and contribution to the economy but, scaling can be risky - there are key points where things can go wrong. Therefore to help our businesses reach this stage a comprehensive programme has been put in place.</p>	<p>Update and Discussion</p>

Below is an outline of the new Scale up programmes:



Noreen will be proactively targeting existing and future scale up businesses and offering them support.

However, if you are aware of businesses that fit these categories please can you let Noreen Read know.

IG – Speak to the bank manager or accountant of those businesses we already know about to ensure we get that introduction to the client.

JP – Streets Accountants happy to help where they can. SH – 62 places for the first year. If there is an opportunity to shadow on part or the entire programme it would really help to sell it when talking to their businesses.

AS – The Innovation Council is bringing together industry visits linked to a peer to peer networking. The roadshows will focus on different types of innovation and will operate as a pilot for future activity. We need to align activity and make direct links to this programmes and the scale up offers.

**UoL/
Growth Hub
alignment**

Debate: Local Industrial Strategy – Pillar 4 Supporting Businesses to start and grow – local plans and what will success look like? – Liz Shutt Director of Policy (UoL/GLLEP)

**Update with
Actions**

A white paper was published before Christmas – 'the challenge growth in all places'. RSA

Inclusive Growth Commission identified that over 50 percent of people living in poverty are in working households It has been observed that the UK economy no longer makes sense as a single currency zone according to the rules that Gordon Brown put in place for the UK to join the single European currency back in 2000.

Each LEP is now working on their own industrial strategy and GLLEP are working on all aspects of how we move forward and can drive change and feed into the main strategy.

Emerging priorities (where Lincolnshire has expertise) Local led solution required then feed into main government strategy

- Food processing productivity
- National Centre for rural health
- Industrial digitalisation and future skills needs
- Rural energy solutions

JP – What are we trying to achieve? How does it all fit together, danger of reinventing what has already been discussed and decided previously. LS - SEP'S pretty much the same over all area's need to be more localised and pacific to the area and its challenges. JP – Could be seen that it is heavily referenced to UoL, could be things like Tourism and other institutions involved. LS – Does have a broader reach and is shaped by lots of different research reports.

MS – Doesn't help linking digitalisation and skills together! Don't have too many ideas just a few that work for all areas. As – Digitisation cross cutting theme.

LS –What should the strategy focus on for skills? AS – Idea developing people for jobs they don't know exist and planning for the future. JP – Work replacement and improving process etc and internalisation. PE – Cross cutting themes needs pulling out. MS – Attitude and learning. SH – Portfolio career, change businesses idea of what people want & need.

IG & DT – Current boxes/themes will put some businesses of and make them think it does not fit them.

MS – Struggling with productivity because we are no longer cutting edge, not bringing through the impact on business in a rural coastal area. Issues like infrastructure and electricity.

AS – Something that is not replacing the SEP's and Business Lincolnshire.

JP – Useful to look at the ageing population – care sector

SH – Path finders for the growth hub, looking at cross sector working ie: Industry 4.0. It is not just for the manufacturing sector. Lessons learned can be applied by all businesses.

MS – Logistics will be transformed by digitalisation. IG – Are we being daring enough?

DT – Those that are open to engagement rather than just sector specific.

LS – Survey going out shortly. Opportunity to look at and shape.

AOB: DT – FSB will be at the Lincolnshire Show again this year, everyone welcome.	
Date of next meeting: 10 th July 2018 10am – 12pm – Minerva Building, Vice Chancellors boardroom, UoL	