



BUSINESS GROWTH HUB MAY 2014

LEEDS CITY REGION
ENTERPRISE PARTNERSHIP



WHAT IS A GROWTH HUB?

- An access and referral point for all business support products and services available in a LEP geography
- Clear focus on support for growth-oriented SMEs
- Ranging from 'light-touch' web presence to dedicated helpline and teams of advisers

GROWTH HUBS IN ENGLAND

There are established Growth Hubs in:-

- Greater Manchester <http://www.businessgrowthhub.com/>
- Lancashire <http://www.boostbusinesslancashire.co.uk/>
- Cumbria <http://www.cumbriagrowthhub.co.uk/>
- Northamptonshire
<http://www.northamptonshiregrowthhub.co.uk/>

POLICY CONTEXT

- Closure of regional Business Links
- National business support contracts awarded e.g. MAS, UKTI, Growth Accelerator, TSB etc.
- BIS dialogue with Core Cities and LEPs
- £32m RGF funding for 16 Growth Hubs in Wave 2 City Deal areas e.g. £2.5m for Humber
- **'Small Business: Great Ambition' makes a commitment to 'roll out Growth Hubs during 2014 and 2015 to provide a single place for businesses to go for local advice and support'.**

THE NEED FOR A GROWTH HUB

- SMEs that access business support are more successful
- Growth-oriented SMEs create a disproportionately high number of new jobs
- The business support landscape has become more fragmented and complicated for SMEs
- There is lots of business support out there which SMEs are not benefitting from
- It is resource-intensive to map, promote and maintain business support information
- A central hub with local spokes makes sense (why do it 10 times for LCR?)

GROWTH HUB FOR LCR

Underpinning Principles

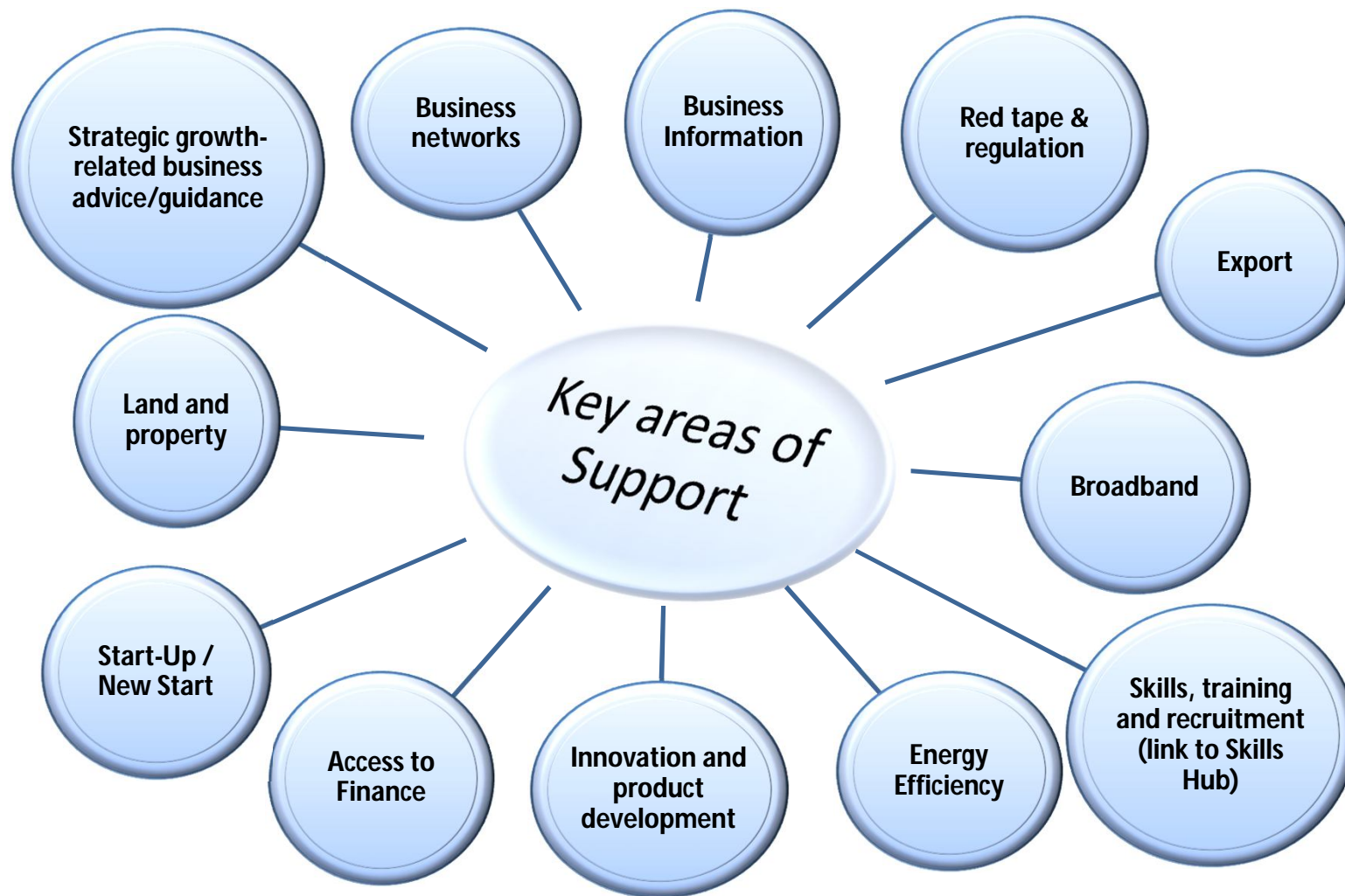
- Makes things easier for SMEs and intermediaries i.e. everything is in one place
- Proactive focus on growth-oriented SMEs (to be defined), but can react to all businesses in LCR
- It doesn't deliver advice, but provides access and referral to trusted, good quality business advice
- Partnership approach with local providers critical
- Co-location of other business support services e.g. Skills Hub, Access to Finance, MAS, Chambers etc.

GROWTH HUB FOR LCR

Underpinning Principles (continued)

- Drives 'deal-flow' to growth-oriented products and services
- Becomes part of a joined-up network of hubs across the country to share good practice and lobby
- Uses customer feedback to jointly-develop new products and services with Government
- It doesn't chase public money for the sake of it e.g. ERDF debate
- **Underpinning architecture for a sustainable business support model**

CONTENT AND LINKAGES



GROWTH HUB FOR LCR

Key Features

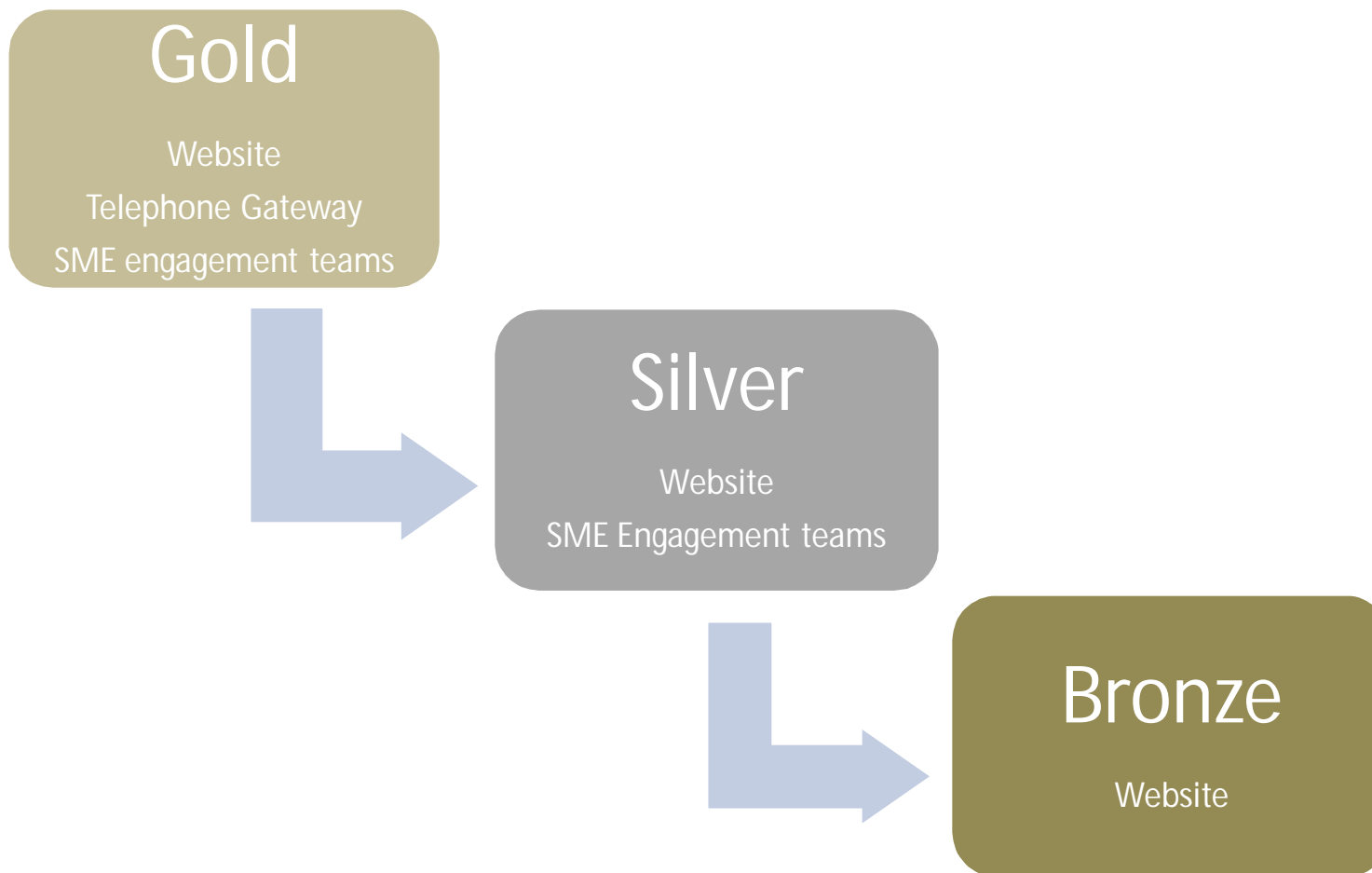
- Gold, silver and bronze models dependent on resources
- Hub and spoke model i.e. central hub linked to wider network of local spokes (how many?)
- Shared CMS system for all Growth Hub partners (Evolutive)
- Central business intelligence function to report on SME demand/needs (may include a regular business survey and reports to Government)
- Consistent branding (LEP), QA and evaluation across the Hub partners (local and national)
- Consistent approach to business diagnosis and definition of 'growth-oriented'
- Public and private sector support e.g. staff, premises, free events/workshops/seminars etc.

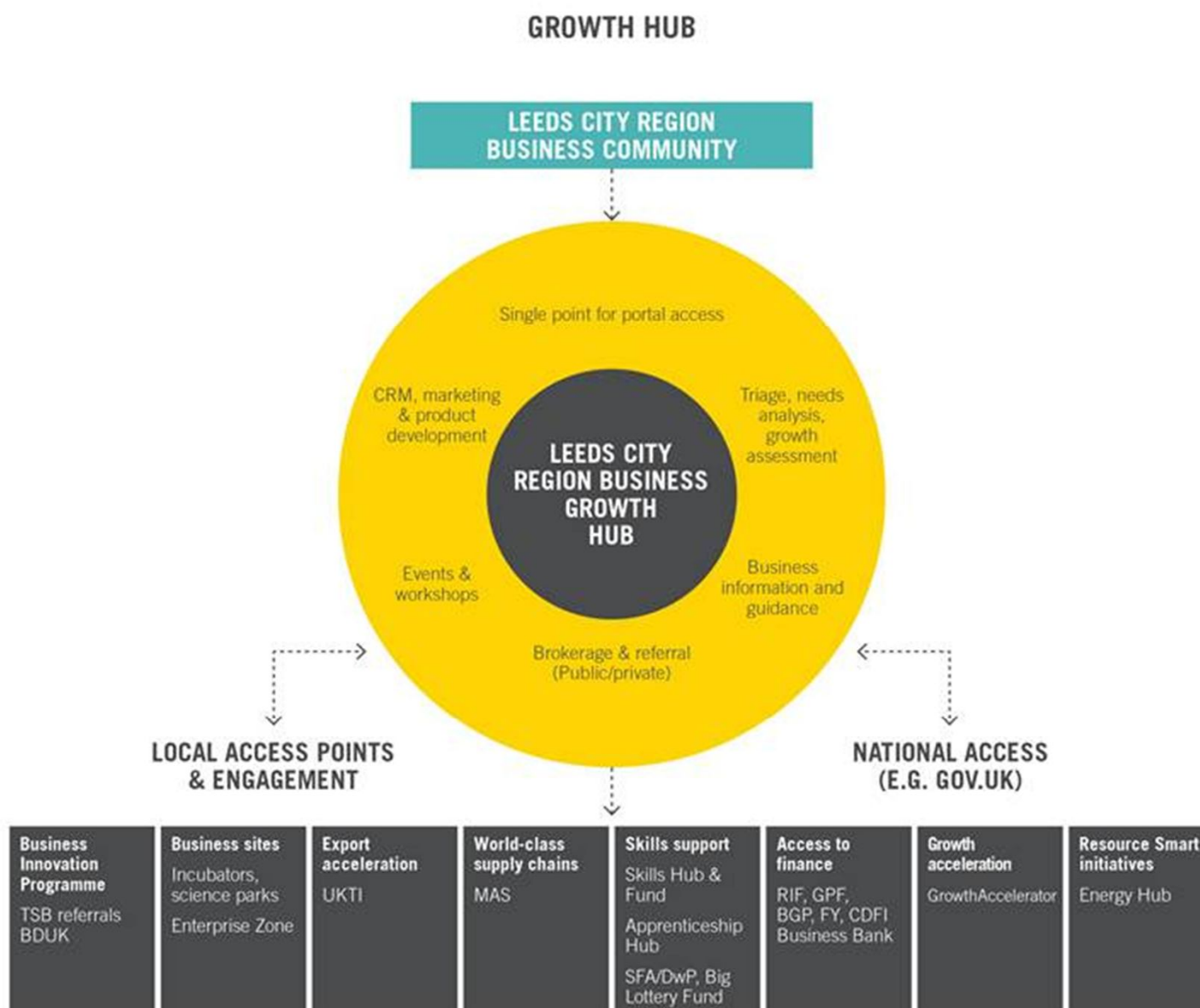
GROWTH HUB FOR LCR

Key Features (continued)

- Website with links to local spokes
- Utilisation / adaptation of the national business support offer (website, telephone gateway & knowledge bank)
- Locally-embedded SME account managers (expert knowledge on products and services)
- Local partners to determine where managers should be based, and who they should target (strategic exercise based on economic priorities and opportunities at the district level)
- Requires a consistent approach and sharing of intelligence and good practice.
- Ongoing development of new products and services.

GROWTH HUB MODEL OPTIONS





RESOURCE OPTIONS

- **Local Growth Fund (£0.625m from LGF for 15/16)**
- **Includes £125K for evaluation linked to Ministerial Star Chamber Review of business support**
- ESIF, including 'opt-ins' (more suited to delivery of services from the Hub)
- Horizon 2020 (as above)
- Regional Growth Fund Round 6
- Growing Places Fund interest repayments
- Other Government funding schemes
- Private Sector support (sponsorship, staff, venues, events/workshops/seminars, expertise)
- Public Sector support (staff, venues, expertise)

ROLE OF THE HUB

- Branding (LEP Growth Hub linked to local ones)
- Co-ordination and promotion of activity across LCR
- Content Management
- Underpinning CMS (Evolutive)
- Gathering/analysing business intelligence (LCR survey)
- Governance (BIG Panel to LEP Board/CA)
- Securing additional resources form Govt. and partners
- Quality Assurance & evaluation
- Product / service design and development

ROLE OF THE SPOKES

- Proactively target and account-manage growth-oriented SMEs
- Provide match-funding for SME account managers
- ‘Light touch’ diagnosis and impartial brokerage (‘right products at the right time’)
- Map & coordinate local provision
- Share data and intelligence with central Hub and other spokes
- Communications with local partners and strategic leadership at local level
- Contribute to product/service design, development and evaluation

NEXT STEPS

- Consult with EDOs and DoDs in summer 2014
- Ongoing dialogue with Government re-funding and policy
- Ongoing development of the model with Working Group and partners
- Ongoing development of the LEP CMS
- Potential commissioning of the website
- Incorporation of elements of the national business support offer
- Learning from other Growth Hubs across the country