

**West of England Local Enterprise Partnership
Board meeting – Tuesday 21 June 2022**

West of England Growth Hub – Annual Report Summary

Purpose of the report

1. To share an overview of the Annual Growth Hub report submitted to BEIS for the year 2021/22. The report is designed for Combined Authorities and Local Enterprise Partnerships to show how core government funding has led to increased levels of take-up of support and is helping to drive business growth.

Recommendation

For Board members to note the contents of the update and progress made in building the regional Growth Hub offer.

Background

2. The West of England Growth Hub, managed by the Combined Authority, is an integral part of our regional support for businesses, drawing together a wide range of interventions into a single coherent offer, guided by our Local Industrial Strategy.
3. In the 2021/22 reporting year, the Growth Hub delivered over 12,000 business interventions which included 3,859 medium and high intensity actions supporting 2,175 businesses. Compared to 20/21 this shows a 69% increase in intensive growth support. The service has received 46,170 unique visitors to its revamped website, helped almost 800 individuals start a business, and directed 2,078 businesses to a relevant skills or training programme (see Appendix 1 for more detail).
4. The Combined Authority has built additional resource to complement the Growth Hub offer, including through regional recovery funding which now stands at £20m. This has included a Cultural and Creative Recovery Programme (including targeted support for creative freelancers), Business Growth and Adaptions Grant, and an extension to our Low Carbon Challenge Fund, among other new strategic programmes and services.
5. In addition, the West of England Productivity Challenge – a £5m investment blending core Growth Hub funding with Combined Authority Investment funding – established to tackle low productivity (our “long tail”) by promoting the uptake of new technologies, innovation, improved management practices, cleaner business models, and export opportunities, has continued to deliver.
6. The £8m Workforce for the Future programme, has enhanced the Growth Hub’s skills and training offer to small businesses, including through ‘Share to Support’ – a regional service designed to encourage levy paying businesses to support the creation of new apprenticeship opportunities across their supply chains – this has already retained

£1.136m funds in the region and generated 100 apprenticeships. Alongside this core regional offer, the University Business Support programme – a ‘hub and spoke’ model of business support delivery between the Combined Authority and West of England Unitary Authorities – has helped extend the reach of core services into all parts of the region.

All of these interventions are summarised in a refreshed [Business Support Guide](#)

7. The Growth Hub has continued to develop key partnerships with local, regional and national stakeholders. The regional Business Insights Panel has been particularly valuable and was established to provide intelligence on ‘real time’ issues and opportunities impacting on the local economy. The Panel shares good practice and information on business support projects, services and initiatives being introduced and delivered in the West of England. Membership includes Business West, FSB, Visit West, Institute of Directors, ICAEW, British Business Bank and the main regional commercial banking leads.
8. An evaluation of the Growth Hub has shown that:
 - Business feedback about the Growth Hub services is very positive. Most businesses rate the support provided very highly, and many responses to surveys mention the quality of interactions with Growth Hub staff.
 - The Growth Hub provides support to thousands of businesses, and no business network or business support provider reported receiving any significant negative feedback. Despite the breadth of support offered, the perception of the Growth Hub is positive across the board.
 - The Growth Hub has pivoted more to high intensity support in the last year reflecting the impact of macroeconomic factors like the Covid-19 recovery. Growth Hub statistics show increases in medium and high intensity support and similar increases in referrals to skills, training, finance and funding courses.
 - 50% of businesses that responded to the evaluation survey have experienced improvements in productivity or staffing as a result of the support. Some respondents describe the support having dramatic positive effects on their business, especially in the wake of Covid-19.
9. Despite this positive story, the Growth Hub faces ongoing challenges in maintaining the high-quality service which has been developed. BEIS has confirmed core funding for the 2022/23 delivery year at 50% of the value of the last two years, which means certain aspects of our offer will need to be reduced. The CA is currently looking at alternative funding sources to bridge this gap, including through the UK Shared Prosperity Fund. The reduction in funding and the absence of a longer-term funding settlement, does inhibit the ability of our services to focus more concertedly on the strategic issues that matter the most to our people and businesses.

10. Nevertheless, looking forward, the Growth Hub will play a key role in delivering on the West of England Metro Mayor's priorities. This includes, for example, the Good Employment Charter - a new voluntary and free accreditation scheme, to ensure employers provide a more rewarding, inclusive, and sustainable work environment for all their employees. The new West of England Jobs Connect service has been established to help businesses develop an end-to-end recruitment approach to make it much easier to access the people they need to fill job vacancies. In addition, the new Climate and Ecological Strategy and Action Plan 2022, will support businesses and local people to benefit from the growth in the green economy; maximising government investment in the region and supporting our businesses to grow, by tapping into new opportunities like renewable energy.

11. A range of Case Studies of how Growth Hub support has helped businesses to make real changes and increase their resilience and growth prospects can be found here : <https://www.westofengland-ca.gov.uk/case-studies/?cat=business-support>

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APPENDIX 1: KEY PERFORMANCE INDICATORS

	Annual Total (Apr 20 - Mar 21)	Annual Total Apr 21 – Mar 22	
Number of businesses that have received 'light touch' triage, information and/or signposting support (excluding website traffic)	3,313	2,064	↓
Number of individuals that have received 'light touch' triage, information and/or signposting support (excluding website traffic)	3,771	3,715	↓
Total number of unique visitors to Growth Hub website	45,611	46,170	↑
Number of businesses receiving 'medium intensity' information, diagnostic, and brokerage support.	1,097	1,643	↑
Combined turnover (amount £) of businesses receiving 'Medium intensity' information, diagnostic, and brokerage support.	£395,449,346	£520,610,468	↑
Combined employee numbers (FTE) of businesses receiving 'Medium intensity' information, diagnostic, and brokerage support.	5,052	6,046	↑
Number of businesses receiving 'high intensity' support e.g. account management / intensive support directly provided by the Hub or partner organisation.	174	532	↑
Combined turnover (amount £) of businesses receiving 'High intensity' support i.e. sustained support and using significant Growth Hub resource.	£190,944,417	£714,576,201	↑
Combined employee numbers (FTE) of businesses receiving 'High intensity' support i.e. sustained support and using significant Growth Hub resource.	2,482	7,817	↑
Number of businesses receiving 'Medium' and 'High intensity' support that, have the opportunity, ambition, and greatest potential to grow (including Scale-Ups)	75	558	↑
Total number of individuals who have been helped to start a business.	383	799	↑
Number of businesses referred to a mentoring programme (combined figure for 'Medium' and 'High' intensity interventions only)	226	199	↓
Number of businesses referred to a skills or training programme (combined figure for 'Medium' and 'High' intensity interventions only)	559	2,078	↑
Number of businesses referred to a finance and/or funding programme (combined figure for 'Medium' and 'High' intensity interventions only)	525	940	↑
Number of businesses referred to an innovation and/or R&D programme (combined figure for 'Medium' and 'High' intensity interventions only).	203	141	↓
Number of referrals to an export/import support programme (e.g. DIT) (combined figure for 'Medium' and 'High' intensity interventions only).	336	92	↓