

# **GFirst Local Enterprise Partnership**

## **Board Paper – 20 April 2021**

1. **Agenda Item 7**

2. **What is this item for: Review of Growth Hub Management Board**

- a. To update the board on the proposal to incorporate the strategic direction for Growth Hubs in the role of the GFirst LEP board.
- b. To provide background information for the board on the above, answer any questions that may arise and ask the board's agreement of the proposal.

3. **Background:**

**3.1 Gloucestershire Growth Hub Network**

The Gloucestershire Growth Hub was established in October 2014 as a partnership between GFirst LEP and the University of Gloucestershire. Up until 2017, when the Royal Agricultural University (RAU) opened the Cirencester Growth Hub and Tewkesbury Borough Council (TBC) opened the Tewkesbury Growth Hub, the Growth Hub Management Board focussed predominantly on oversight of the transition of resource funding from HEFCE (Higher Education Funding) to ERDF (European Regional Development Funding) and the capital investment in the Growth Hub Network. During 2017 both RAU and TBC representatives joined the board and attempts were made to recruit additional business board members. Since 2017, the Growth Hub Management Board's role has mainly been one of operational oversight of the capital investment and delivery of Growth Hub and Growth Hub related projects, products and services.

4. **Local and national business support landscape:**

Over the last 12 months government has been increasingly reliant on Growth Hubs as their main channel to reach the business community, gather intelligence, support outgoing communications and deliver a number of new initiatives. Over the coming months government will also continue to work on the national business support reform and the role of Growth Hubs within it. These activities, along with the LEP review and changes to funding, make it timely to consider the incorporation of the strategic direction for Growth Hubs in Gloucestershire into the role of the GFirst LEP Board.

**4.1 LEP Review**

In light of the review and increased focus on business representation, many LEPs that have previously outsourced their Growth Hub activities are now bringing them in house. The Gloucestershire Growth Hub is unique with GFirst LEP being in partnership with every Network provider. The diversity of the partners is now such, that LEP Board oversight would ensure the long-term strategy of the Growth Hub remains cohesive and closely aligned to LEP priorities.

**4.2 Funding**

The primary source of funding for the Growth Hub is via an ERDF contract which comes to an end 31<sup>st</sup> March 2022. The ERDF contract is managed by the University of Gloucestershire with all Network partners contributing match funding, mainly from staff resources, toward the £3.4 million contract.

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The replacement for ERDF will be the UKSPF (UK Shared Prosperity Fund) and needs to be considered as the main option for the continuation of Growth Hub in its current format – free impartial advice and guidance - beyond March 2022. At present, a pilot programme of UKSPF – the Community Renewal Fund (CRF) – is open for bids. A successful CRF bid would support the roll out of additional Growth Hub projects in the short term and position the service well for applying for further funding from the UKSPF programme as it rolls out nationally. Strategic oversight of the Growth Hub by the LEP Board would strengthen any bids for future funding by ensuring activities are fully aligned to economic priorities.

The capital investment covers the costs for the Growth Hub digital infrastructure – website, CRM and licensed products – to March 2022. These associated costs will need to be considered within the future funding model for the Network.

### 4. **Risks / Issues:**

**National Business Support reform** – This activity had been progressing well with clear positioning of Growth Hubs as central to the business support delivery landscape. This work has now been paused and the continuation and resulting changes are now likely to be aligned to the timings of the LEP review. Discussions with BEIS Growth Hub teams are not indicating any major changes to the previous work that was undertaken in consultation with Growth Hubs, DIT etc. Updates will be provided to board members as and when appropriate.

**Funding** – Funding for the Growth Hub needs to be aligned to economic priorities and new funding opportunities.

### 5. **Recommendations:**

The board is asked to consider incorporating strategic direction for Growth Hubs in the role of the GFirst LEP board and to disband the Growth Hub board and replace it with a new operational board for Growth Hubs led by the GFirst LEP Director of Strategic Growth. In addition, the board are asked to consider the creation of a LEP board ‘Champion’ for Growth Hubs and for Jenny Raymond to take on this role.

### 6. **Further information:**

Further information will be presented at the meeting or is available from Sarah Danson ([sarah.danson@gfirstlep.com](mailto:sarah.danson@gfirstlep.com))