

Projects update

Report to the Business Development Board, 20 February 2018
Report from Richard Kendall, Executive Director – Strategic Policy & Business Development

1. Introduction

1.1. This paper provides an update on work led by sub groups and the Executive under the Business Development Board's remit, where not covered on the agenda.

2. Growth Hub

2.1. A recent meeting with BEIS officials has confirmed that the Growth Hub will receive a 2-year funding deal with further funding for an additional 2 more years subject to HM Treasury approval. Each Growth Hub will receive the same value as last year which in the Humber's case is £205k. This value will now ensure that we have the match funding to draw down ERDF for the ICT, Investor Readiness and Business Support projects previously described. In a similar manner to previous years the funding will be dependent on fulfilling a number of criteria, and these are headlined as below:

- Principle 1: Management, governance, value for money and coordination
- Principle 2: Data, monitoring, reporting and evaluation
- Principle 3: Strategic partnerships and business support simplification
- Principle 4: Triage, diagnosis and signposting
- Principle 5: Scale-ups and high growth businesses

2.2. Web site analytics show there are now 1,190 registered users and during December and January there were 1,285 (unique but not necessarily registered users) visits to the site resulting in 5471 pageviews. Promotion of the site and related business support activities continues through social media as well as more traditional media channels. Recent activity during December - January has resulted in 61200 twitter viewings and 130 new followers.

3. Funding event

3.1. A successful funding event was hosted at the Scunthorpe Baths Hall on 13 February. The event was jointly organised by the British Business Bank, the Humber Growth Hub, North Lincolnshire Council and Pepperells Solicitors.

3.2. The aim of the event was to broaden the awareness of alternative sources of funding including the Northern Powerhouse Investment Fund (NPIF). Over 90 people attended the event and heard directly from a panel of businesses that had successfully accessed funds to support their growth. Amongst those businesses were Ash TV, Whey Box and Westlinks construction, each of which had benefitted from the LEP's investment in NPIF.

4. Growing the Humber

- 4.1. Grants of £5,000 to £500,000 are offered to SME businesses to support capital investment leading to job creation. By 2021, both programmes combined will have created 805 jobs and achieved £60m private sector leverage.
- 4.2. Across the full £12m LGF allocation, to date 117 applications have been approved, committing approximately £6.06m grants (including £250k ringfenced subject to conditions), with £4.476m claimed to date and £32.10m private sector leverage achieved
- 4.3. 589 jobs contracted and 322 evidenced to date.
- 4.4. The re-opened programme continues to attract interest from businesses with a healthy pipeline of EOIs and regular application approvals by the Investment Panel. A new series of case studies is being prepared.

5. Business Loan Fund

- 5.1. Programme utilises the LEP's £8.1m Growing Places Fund allocation to deliver business loans of £100k - £1m for capital investment and the unlocking of stalled infrastructure projects.
- 5.2. To date 18 loans awarded to a value of approximately £8.7m and drawn down to a value of approximately £5.6m.
- 5.3. Approx £432k interest will have been achieved by the end of FY 17/18. Approx £4.2m repaid in total and 3 loans repaid in full.
- 5.4. 174 direct jobs created, 92 indirect jobs created.

6. Growth Deal

- 6.1. As recommended by the Business Development Board, the following projects were added to the project pipeline in January, with those highlighted being invited to submit outline business cases for consideration in utilising the current programme underspend:

Project	Status	Sub Board
Grovehill Enterprise Park Phase 2 – Business Centre	New	BDB
K2 Bond Street	New	BDB
Danish Buildings/Bayles House	New	BDB
Old Town Grants Phase 2	New	BDB
The Trade Yard, Hull	New	BDB
Tech Centre for Resource Efficient Manufacturing	New	BDB
Sirius Business Centre	New	BDB
City Centre Building and Conversion Fund	New	BDB
Blundells Corner	New	BDB
SME Enterprise Hub	New	BDB
Phase 2 Eco Offices	Retained	BDB
HUY Business Park Unit Development	Retained	BDB

The outline business cases received are currently going through a peer review process prior to being assessed and prioritised.

- 6.2. ERGO business centre, the specialist managed workspace building targeting business and professional services to support the development of the environmental technologies sector, is now almost complete. The project received £1m from the Local Growth Fund to support the development on Bridgehead Business Park. The development is set to create 1 direct job and 48 indirect jobs through unit occupation.

7. Energy-intensive industries study

- 7.1. In June last year the Humber LEP procured a study of the Humber's energy intensive industries cluster to map this sector, obtain some baseline data and investigate opportunities for efficiencies, increased productivity and economic growth. The intention is that the findings will contribute to future policy and strategy development and could inform further work/research in this area.
- 7.2. The study is being undertaken in advance of the development of the Energy Strategy and will inform the latter where appropriate.
- 7.3. The research is almost complete and the steering group are currently reviewing the first draft of the report which will be delivered by the end of the month.
- 7.4. A dissemination and next steps event will be held at HCF CATCH on Friday 16th March. Invitations will be issued to key stakeholders shortly.

8. Digital sector group

- 8.1. The video element of the marketing project commissioned by the group is nearing completion. This will be used as part of a campaign to attract new digital sector businesses to the area.
- 8.2. The second priority identified by the group, digital coaching, has been taken forward under the Growth Hub ICT programme reported earlier on the agenda.
- 8.3. Members will be aware that the current chair of the group, Gary Young, has announced that he will be leaving KCOM.
- 8.4. At the previous meeting, the Business Development Board agreed that this area of work should be refreshed under the industrial strategy.