

Hull and East Yorkshire LEP

Paper C – Growth Hub Review

Report to the Business Support Board, 1st November 2021

Report from Jon Brunton, Growth Hub Manager

1. Summary

1.1. Given the national LEP Review and government Spending Review the Growth Hub is currently at a crossroads and this is the opportune time to review the Growth Hub to identify growth and development opportunities and to refresh Growth Hub strategy. This paper provides a detailed position statement on this Growth Hub review and proposes a timetable for this to be undertaken.

2. Recommendations

2.1. That the Board:

- Notes the position statement on the review of the Growth Hub and its future direction
- Comments on the proposed Growth Hub review timetable and approach

3. Context

3.1. The HEY Growth Hub was formed on 1st April 2021 alongside the HEY LEP. The Growth Hub is funded by the Government Department for Business, Energy & Industrial Strategy (BEIS) and is charged with providing free and impartial information, advice, guidance and signposting to businesses and pre-start individuals in the HEY region. There are 38 Growth Hubs in England and are responsible for simplifying the business support “landscape” for businesses in their regions by providing a “one stop shop” service.

3.2. The HEY Growth Hub operates a hub-and-spoke model of delivery, with the management team based with the HEY LEP, and the advisor staff based within the two HEY local authorities. Support is provided to service users via these business advisors, as well as the Growth Hub website, and also a number of separately funded discrete programmes such as #GrowMySME, Peer Networks, and Made Smarter.

3.3. The Growth Hub inherited the management team and business advisor team (within Hull and East Yorkshire) from the erstwhile Humber Growth Hub on 1st April 2021. Therefore, substantial expertise, cultural knowledge and networks have been retained from the Humber Growth Hub – i.e., the HEY Growth Hub did not launch from a standing start.

3.4. The Business Support Board is required to provide a governance function for the HEY Growth Hub. It will do this by reviewing and scrutinising Growth Hub delivery, making recommendations to the LEP Board based on officer advice,

taking delegated decisions, and by providing recommendations on interventions and strategy to enable the Growth Hub to fulfil its contracted objectives and outputs.

4. Growth Hub Review

4.1. Following discussion between LEP officers in the Summer of 2021, it was felt that this is an opportune juncture to review the HEY Growth Hub with a view to creating a development strategy to determine the future of the Growth Hub. There are a number of governance, financial and strategic factors that will influence the future development of the Growth Hub and therefore a review needs to be undertaken to reflect the various impacts of these upon the Growth Hub delivery model and service offering.

4.2. These governance, financial and strategic factors are as follows:

- The national **LEP review**, which is inclusive of Growth Hubs and which is expected to more clearly define the future role of Growth Hubs
- The government's **Spending Review**, as part of which we are hoping to receive a 3-year funding settlement for Growth Hubs
- The work of the national **Growth Hub Network's task and finish groups** working on:
 - Growth Hub development & delivery
 - Growth Hub client monitoring & evaluation
 - Growth Hub branding, publicity, and marketing
- The **HEY LEP Economic Strategy**, which will make several commitments upon the Growth Hub
- The recent formation of the **LEP's Business Support Board** and its governance role of the Growth Hub where more detailed discussions will take place
- **Ongoing reviews of the business support services** being undertaken by the **two HEY local authorities** which are heavily interlinked with the Growth Hub (i.e., they are delivery partners of the Growth Hub).
- **The cessation of ESIF funds in June 2023** - which currently fund a large proportion of the annual Growth Hub service offer – and their replacement by the UK Shared Prosperity Fund (UKSPF) which is yet to launch

4.3. Given the above factors, a Growth Hub development strategy should be produced that will include a vision statement, objectives, outcomes, and a logic model for the future of the Growth Hub. The strategy should identify a preferred model for core Growth Hub service delivery which will allow the Hub to fulfil all of its objectives and meet the needs of its service users, whilst also identifying opportunities for additional delivery and possible risks as relevant.

4.4. The Growth Hub Manager has already taken part in a number of activities that will contribute toward the formation of the development strategy, including contributions to the Hull City Council business support review (which is ongoing) and also membership of national Growth Hub Network Development & Delivery task and finish group.

4.5. The following timetable for the Growth Hub review and strategy creation is proposed:

Milestone	Date
Proposal to commence Growth Hub review and strategy creation approved by LEP Board	30 September 2021
Terms of reference and Gantt chart for review created, and approved by Business Support Board (BSB)	01 November 2021
Growth Hub review takes place, including stakeholder consultation, round-table discussion groups, review of final HEY LEP economic strategy, LEP Review outcomes and Spending Review outcomes	November 2021 to January 2022
Findings of Growth Hub review discussed at BSB and top-level Growth Hub vision and objectives agreed by the BSB	February 2022
Creation of Growth Hub development strategy using the findings of the review	February 2022 to April 2022
Approval and adoption of Growth hub development strategy by the BSB	April 2022
Implementation of the Growth Hub development strategy	April 2022 onwards

4.6. A short presentation – inclusive of the terms of reference and Gantt chart – will be given at the 01 November 2021 Business Support Board meeting by the Growth Hub Manager. The board will be invited to comment and ultimately approve these two documents prior to the review commencing.

4.7. The BSB Chair, supported by the Growth Hub Manager will keep the main LEP Board apprised of progress of the Growth Hub review at future board meetings at a frequency to be agreed with the LEP Chair and the Business Support Board Chair.

5. Financial and Resource Implications

- 5.1. There are no financial implications identified for the undertaking of the Growth Hub review and the creation of the development strategy. However, this will naturally take up a reasonable amount of staffing resource which the Growth Hub Manager believes can be met from the existing Growth Hub team.

