

**BEIS FUNDING FOR FINANCIAL YEAR 2020-21 EU TRANSITION BUSINESS
READINESS GRANT FUNDING FOR GROWTH HUBS**

GROWTH HUB FUNDING TO LOCAL ENTERPRISE PARTNERSHIPS (LEPs)

SCHEDULE 3 – DETAILS OF PRINCIPLES AND CONDITIONS OF FUNDING
(2020-2021)

Local Enterprise Partnership:	Marches LEP
Growth Hub name/: Cluster Name	Marches Growth Hub
Date of Completion:	18 th December 2020
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STRATEGIC CONTEXT

The forthcoming end of the EU Transition Period requires a ramping up at pace of Growth Hub activity through the deployment of additional targeted resources within each English region to make businesses aware of what they need to do for EU Transition, and to improve business resilience for the end of the EU Transition Period (and the immediate period afterwards) to 31st March 2021. This includes: an element of proactive outreach to business to both raise awareness and drive them to the right sources of advice and guidance, with an ambition to reach at least 145,000 businesses through proactive outreach by 31 March 2021; to fulfil the information and guidance needs of businesses approaching a Growth Hub through any channel; to ensure that key developments are communicated quickly and simply to those who need it; and for Government to have access to rich information on economic impacts and business needs and concerns relating to EU Transition.

As part of this programme of work the Department for Business Energy and Industrial Strategy (BEIS) has secured additional Growth Hub funding of up to £6.4m for the current financial year (2020-2021) which will need to be quickly deployed to boost the Growth Hub network's ability to play a key and proactive role. The funding period for the ringfenced £2.4m element of the grant begins on 1st November 2020, and for the £4m additional element of the grant on the 16th November 2020. The funding period for the total grant ends on the 31st March 2021. None of this grant money can be carried forward to the next financial year, nor can any activity funded by this grant create any recurring liabilities beyond the financial year 2020/2021.

SCHEDULE OF WORK

To consider the requirements attached to the grant as set out below, and provide responses to the questions below which will enable BEIS to develop and issue a formal grant offer letter.

Responses should be kept short, while clearly outlining the actions to be taken to achieve the agreed activities and objectives. Please feel free to attach any supporting documents that would be of interest to BEIS.

Completed template should be returned to Growth.Hubs@beis.gov.uk and copied to Karen.Hopwood@beis.gov.uk by no later than **6 January 2021**.

1. What approach will the LEP and Accountable Body take to governance in 2020-2021 to ensure that the Growth Hub will continue to fall under the direct leadership and governance of the LEP and under oversight of the Accountable Body when undertaking these activities? To include confirmation that all appropriate LEP governance, transparency and accountability arrangements are in place and compliant with the national LEP Assurance Framework.

The Marches LEP (MLEP) has operated as a Company Limited by Guarantee (CLG) since February 2019 and the LEP Board (comprising both public and private sector partners) is the ultimate decision-making authority.

The LEP Board oversees the setting of the strategic direction for the Marches Growth Hub (MGH) and Shropshire Council acts as the Accountable Body. The LEP Board receive progress updates at each LEP Board meeting, the last of which was on 24th November 2020.

The Marches LEP can confirm that all appropriate LEP governance, transparency and accountability arrangements are in place and compliant with the national LEP Local Growth Assurance Framework [Accountability-and-Assurance-Framework-2019-final.pdf](#) (marcheslep.org.uk).

The Marches Growth Hub (MGH) Steering Group is a sub-group of the LEP Board and meets quarterly. The MGH governance is outlined in the Accountability & Assurance Framework including the Terms of Reference (TOR) for the group. [Business Support - The Marches LEP](#)

The Marches LEP continue to work with the contracted PR & Marketing consultants to ensure that the MGH meets the minimum requirements as laid out in the Growth Hub Network Branding/Communications Guidelines and Media Toolkit.

2. What approach will the LEP and Accountable Body take to ensure compliance with funding requirements (e.g. high level of scrutiny of spend; claim submitted to BEIS in a timely fashion alongside associated evidence of defrayal before 31 March 2021; timely notification to BEIS of potential underspend, and provision of an end of year audit report?

The MLEP team meets with the Accountable Body (finance team) monthly to review spend against profile and to discuss any concerns. The information from this meeting is used to update the Performance Risk and Monitoring Committee (PRMC) which meets every 2 months and is a sub-group of the LEP Board.

BEIS quarterly claim deadline dates are noted at the beginning of the financial year. Internal deadline dates are agreed with the finance team to ensure that quarterly claims are checked and submitted on time with the appropriate evidence.

The MGH Audit report is carried out by Shropshire Council and the audit team are given sufficient notice to carry out the work required. This helps ensure the year-end reporting deadline is met. The audit service provided by Shropshire Council is a chargeable service.

PROGRAMME ACTIVITIES

The key aims of the Growth Hub EU Transition programme (the “programme”) are to make as many businesses as possible aware of how they need to prepare for the end of the Transition, and to help improve business resilience at the local and regional level for the end of the EU Transition Period and the period afterwards to 31st March 2021.

The key elements of the programme will involve the provision of additional advisory resources to undertake outreach and to fulfil the advice and guidance needs of businesses engaging with the Growth Hub; to provide specialist and more intensive support where needed, including via events and workshops; provide a local intelligence, analysis and monitoring function; and to provide a coordination function for regional and local activity, including effectively disseminating and targeting information on key developments quickly and simply to those who need it.

The available grant funding is for use within the following four specific activities. Please outline what you plan to do to meet the programme’s objectives and seek to secure successful outcomes for these activities.

3. What steps will be taken by the LEP to ensure that the following are undertaken:

Advisors for Outreach & Advice:

- Engagement in outbound telephone and email contact with businesses on EU transition and fielding top level questions emerging from those interactions.
- Please include in your answer the numbers of additional staff or FTE equivalents you intend to deploy over what timescale, how you intend to identify businesses, and how you intend to maximise the number of businesses reached to contribute to the overall programme ambition of 145,000 businesses by 31 March 2021.

The West Midlands (WMs) Growth Hub Cluster (Black Country, Greater Birmingham & Solihull, The Marches, Stoke & Staffs, Worcestershire, and Coventry & Warwickshire who are the Cluster Lead) have agreed to collaborate and 'pool' funding from their separate allocations to help deliver a central EU Transition Project. This approach has a proven track record following the successful delivery of the BREXIT project last financial year. This approach and the project plan (See Annex S3A) has been agreed with BEIS.

Following discussions between the MLEP and the 3 local authority partners who deliver the growth hub service, it has been agreed to allocate the full MLEP £136,050.00 BEIS allocation to the West Midlands Cluster project. **This would mean entering into a contractual arrangement with Growth Hub Business Solutions (company number 10369498) to provide the resource/service.** This approach will help mobilise the project quickly and identify businesses to meet project delivery timescales and targets set by BEIS.

This coordinated approach will also help project management capacity and costs, procurement, data collection/reporting and support economies of scale. It will also ensure consistency and help maximise outreach and business/specialist advice to businesses.

Outreach/engagement activity and additional advisors:-

- Tender opportunity for Customer Survey/Market Research/Telemarketing Campaign closed on 21 December 2020. This was promoted West Midlands wide and locally on the MGH and MLEP website. Copy tender can be found below;
- Tender opportunity for general advisers closed on 21st December 2020. Contracts will be awarded early in the new year;
- The cluster are targeting resource that are available to start immediately; and
- Potentially several contracts could be awarded to achieve reach and spread across West Midlands region taking into account targets set by BEIS.
- **2 x FTE equivalent business advisor resource will be allocated specifically to support outreach activity for the Marches.**

Copy Tender: Customer Survey/Market Research/Telemarketing Campaign (closed 21 December 2020) Coventry & Warwickshire LEP Growth Hub is seeking quotations from businesses across the West Midlands who can provide telemarketing or market research services to deliver a business intelligence gathering campaign.

A digital survey will be provided of approximately 20 questions and the successful contractor will be tasked with engaging SMEs across the West Midlands to complete the survey, diagnose the business' challenges with relation specifically to EU Exit, and signpost specialist support.

The successful contractor will provide quality, GDPR compliant, data for managerial and director level personnel for SMEs across the region and will be expected to demonstrate quality control measures, GDPR compliance and professionalism and to meet specified targets within the time frame of approximately 8 to 10 weeks; flexing the personnel assigned to the campaign as required in order to meet the target.

The project will commence early January 2021 and weekly reports and an overall campaign report will be required.

The campaign aims to engage with circa **6,000 business across the West Midlands (1,000 per growth hub)** before the end of March 2021, however CW LEP Growth Hub may consider awarding more than one contract for delivery of the campaign, so companies who have smaller capacity are also encouraged to provide quotations.

NOTE: This funding is ringfenced and must only be used for advisors as detailed in the S1 form.

4. What steps will be taken by the LEP to ensure that the following are undertaken:

Specialist & General Advisors

- Please include in your answer the numbers of additional staff or FTE equivalents you intend to deploy, over what timescale, and an estimate of the balance you expect between specialist, general and outreach activity, where relevant the focus of specialist advisors, and how you intend this activity to contribute towards the overall programme ambition of reaching 145,000 businesses over the funding period.

The WM's Growth Hub Cluster tendering opportunity for general advisors and specialist advisors closed on 21st December 2020. It is hoped that contracts will be awarded early in the new year.

2.5 x FTE equivalent general business business/specialist advisor resource will be allocated specifically to support Marches activity.

General Business Advisors:-

- To carry out high volume of outreach activity.
- Nominal 6,000 outreach target across the region, using data procured by the contracted companies. (1,000 per growth hub); and
- Potentially several contracts awarded to achieve reach and spread across the whole West Midlands region.

Specialist Advisors:-

- Zero-hours contracts will be awarded for approximately 2 to 3 days per week from mid-January until 31st March 2021;
- Specialists will provide in-depth diagnostic and advise businesses who are more significantly affected. An understanding of the business support landscape is a pre-requisite as signposting/referring businesses to local support and growth hubs will be required.
- Specialisms will be in the following areas:-
 - Employment Law
 - Immigration Law
 - Contract Law
 - Service Sector
 - Data Specialists
 - Human Resources
 - Transport & Logistics
 - Advanced Manufacturing and Logistics
 - Intellectual Property

5. What steps will be taken by the LEP to ensure that the following are undertaken:

Intelligence, Analysis, Monitoring & Evaluation

- The provision to Government of robust and timely information on business needs and concerns, economic activity and impacts relating to EU Transition, and on LEP activities carried out under this programme.
- This includes detailed and accurate weekly reporting using the templates provided by BEIS, including enhanced information on business priorities and demographics, the intensity and reach of engagement and dissemination activity. Provision to BEIS of any datasets from survey activity.
- Where relevant your answer should include any bought-in services or activities, and the numbers of additional staff or FTE equivalents you intend to devote to this activity.

The WMs Growth Hub Cluster existing projects team will lead on the intelligence gathering, analysis and reporting at the frequency required by BEIS. Two FTE have been recruited, starting 4th January 2021, to support the Project Manager and Projects team in this work. Each growth hub will contribute towards the costs of this additional resource.

This work will be coordinated and synchronised across the WMs Cluster to ensure a consistent approach.

6. What steps will be taken by the LEP to ensure that the following are undertaken:

Regional Co-ordination & Targeting

- Local coordination of activity and materials to maximise readiness activity inc. outreach & engagement, workshops & events, resource balancing and cluster support.
- Coordination of local web content, dovetailing local transition activity and services with Gov.uk and other central Government portals, and deployment of agreed brand identities.
- Collation of local events and workshops (including those provided by the Growth Hub, local partner organisations and third parties) to feed in to Cluster leads and National Coordinator.
- To work with your Cluster Lead with regard to cross-cluster planning and activities, or cross-border engagement and activities with other Growth Hubs outside of your cluster.

Early WM's Growth Hub Cluster activities commenced in December to help mobilise the project, including promotion of tenders for both outreach activity and business/specialist adviser capacity.

Several meetings have been held between the Cluster Lead and DIT West Midlands, Local Authorities, LEPs and Business Support organisations to ensure alignment and coordination to help maximise impact.

The cluster will shortly launch an EU Exit microsite:-

- To act as the go to place for all businesses and advisers, with all relevant information/ checklists/links to help businesses prepare;
- Cluster Lead project team will maintain the microsite on a daily basis and distribute updates to each Cluster Growth Hub;
- A dedicated project page will be created with a focus on a community forum. This will be led and monitored by the cluster procured specialists as well as the CWLEP Growth Hub team;
- The community forum will allow businesses to post questions relating to the transitional period who in return will receive real time answers from specialists and will be able to access additional 121 support; and
- Monthly events will start in January 2021 and will take place on Find It In Coventry & Warwickshire with high profile sector specialists focussing on end of transitional period topics.

The Marches LEP will share cluster activities with local partners and will promote activities on the MGH website, via the e-newsletter and social media platforms. This will help avoid duplication of activity and maximise outreach/impact.

7. Please can you provide details of how much of your grant allocation you plan to spend as part of the cluster group arrangement? This should include any contracts you are planning with Growth Hub Business Solutions (GHBS) and the payment arrangements for these contracts.

The Marches LEP is contracting GHBS to deliver the full project worth £136,050.00 (includes VAT costs) on its behalf, as per the project plan (See S3 Annex) which has been agreed with BEIS.

The Marches LEP will pay 50% of this amount to GHBS on receipt of suitable eligible invoices from GHBS, following payment from BEIS of 50% of the grant allocation.

The balance will be paid on receipt of suitable eligible invoices from GHBS on or before 31st March 2021.

EU EXIT TRANSITION – WM CLUSTER PROJECT

1. Background and project overview

As part of the preparations for the UK leaving the EU, BEIS have allocated £6.4M for LEP Growth Hubs to outreach to as many businesses as possible by 31st March 2021, to make them fully aware of the preparations they need to make as the UK leaves the EU, and where they can find the right information and support to make those preparations. The UK Government is concerned that a high percentage of businesses have made little or no preparations for the new trading relationship with the EU, regardless of the outcome of the Trade Deal discussions.

The £6.4m is to enable Growth Hubs across England to scale up their outreach capacity rapidly. The total is broken down as follows;

- **Up to £2.4m for EU Transition Advisors for Outreach & Advice**, the previously confirmed ringfenced funding; and
- **Up to £4m for EU Transition Business Readiness, covering:**
 - Specialist and General advisors
 - Intelligence, Analysis and Metrics & Evaluation
 - Regional Co-ordination and Targeting including event support
 - Cluster Co-ordination
 - National Co-ordination

The West Midlands cluster of Growth Hubs (Black Country, Greater Birmingham & Solihull, The Marches, Stoke & Staffs, Worcestershire, and Coventry & Warwickshire who are the Cluster Lead) have agreed to collaborate throughout this project, as they did during the Brexit project, and throughout 2020 in the response to Covid-19.

Due to the multiple layers of demand on Growth Hubs concurrently, ie high levels of demand on Covid-19 related enquiries, ERDF Specialist Grants, Peer Networks, as well as normal activities, it has been agreed by all six Growth Hubs to 'pool' amounts from our separate allocations (see section 2) into a common project.

It has also been agreed that our core resources would not be able to scale up rapidly enough to deliver this project in the timescales, so a project has been mobilised to deliver this, led by the Coventry & Warwickshire project team as Cluster Lead, and contracted via Growth Hub Business Solutions (GHBS). This document summarises the project structures.

2. Financial Budget for West Midlands Cluster Activity

These are the amounts each Growth Hub has agreed to allocate to the combined project, the remainder of their allocations are being retained for local capacity building and activities related to EU Exit (see attached for more detailed breakdown). These allocations will be reviewed with each Growth Hub as the project progresses.

- a. Black Country Growth Hub
 - i. Allocated Amount - £68,375
- b. CWLEP Growth Hub
 - i. Allocated Amount - £130,000
- c. GBSLEP Growth Hub
 - i. Allocated Amount - £138,125
- d. The Marches Growth Hub
 - i. Allocated Amount - £113,375
- e. Stoke and Staffs Growth Hub
 - i. Allocated Amount - £87,500
- f. Worcestershire Growth Hub
 - i. Allocated Amount - £87,500

Total £624,875

Each Growth Hub will be invoiced 50% of these allocations by GHBS as soon as funding has been received by Cluster members from BEIS. As stated by BEIS in the Letter of Comfort (attached), upon completion of their respective S1 and S3, each Growth Hub can claim 50% of their allocations up front to aid cashflow, and this will be used by GHBS to rapidly mobilise the project.

3. Key Activities

Early activities have already commenced to mobilise the project, including tenders posted for both outreach call centre, and business adviser capacity. Several meetings have been held with DIT West Midlands, to ensure alignment and coordination of activities, to maximise impact for the West Midlands region.

a. West Mids EU Exit Project Management – (Budgetary spend £40,000)

- CWLEP Project Team to coordinate all activities, manage finances, progress reporting, and support for all six Growth Hubs

b. EU Exit cluster wide website / microsite – (Budgetary spend £80,000)

- To act as the goto place for all businesses and advisers, with all relevant information / checklists / links etc that businesses will need to prepare for EU Exit
- Cluster Lead project team will maintain on a daily basis, and distribute updates to each Growth Hub
- A dedicated project page to be created with a focus on a community forum led and monitored by our procured EU Exit Transition Specialists, as well as the CWLEP Growth Hub team
- Community Forum - This will provide businesses with an opportunity to post questions related to the Transition period in order to get real time answers from specialists and additional 1 to 1 support
- Monthly events starting in January to take place on FIICW with High Profile sector specialists on EOTP topics

c. EU Exit Transition Advisor Training – (Budgetary spend £10,000)

- Training for all existing and contracted advisers in EU Exit preparation for businesses

d. EU Exit Transition Advice Clinics – (Budgetary spend £50,000)

- 1 to 1 sessions to be held in collaboration with DIT
- A diagnostic will be done to determine if further support or training is needed and referrals will be made to relevant DIT EU Exit Workshops

e. Business Adviser capacity (Budgetary spend £117,675)

- Contracted out to businesses with Business Adviser capacity available to start immediately
- Tender already out on FIICW and being promoted by all Growth Hubs
- Potentially several contracts awarded to achieve reach and spread across the whole region
- Outreach calls working with existing Growth Hub teams, using existing Growth Hub data and potentially procured by each Growth Hub
- Nominal target of 1,000 businesses per Growth Hub (6,000 total)

- f. Specialist Business Adviser capacity (Budgetary spend £100,000)**
 - Contracted out to businesses with Specialist Business Adviser capacity
 - Specialisms to be agreed, but with international trade experience e.g. Legal, VAT, Tax, Service sector, Employment, GDPR, IP
 - Provide in-depth diagnostic and referral advice for businesses who are more significantly affected
- g. Telemarketing/Market Research outreach Campaign (Budgetary spend £127,200)**
 - Tender already out on FIICW and being promoted by all six Growth Hubs
 - Potentially several contracts awarded to achieve reach and spread across the whole region
 - First contracts to be awarded before Christmas
 - Nominal 18,000 businesses target across the West Midlands, using data procured by the contracted companies
- h. Data Intelligence and Reporting (Budgetary spend £50,000)**
 - To be sourced by the CWLEP Growth Hub via GHBS
 - Telemarketing Reports/Internal Diagnostics to be sent to a data analyst (TBD) on a weekly basis and reports are to be produced on a bi-weekly basis for submission by each Growth Hub to BEIS
- i. Social Media Campaign (Budgetary spend £50,000)**
 - Makeup the reach/fill the gaps in order to reach at least 23,000 businesses before the end of March

4. Customer Journeys

Several meetings have been held with DIT West Midlands, to ensure alignment and coordination of activities, to maximise impact for the West Midlands region.

Basic principles of the customer journey are;

Growth Hub outreach

-> Growth Hub Diagnostic

-> DIT Webinars

-> DIT Workshops

-> 1:1 Clinics

Customer Journey 1

- ii. **Step 1:** Outreach Call Centre to administer basic 1 to 1 diagnostic and determine specialist advice needed in relation to EU Exit Transition
- iii. **Step 2:** Referral list is sent through to the CWLEP Growth Hub who will forward on to additional 1 to 1 specialist support. Please see below for specialist advisor support:
 - 1. **Service Sector Specialist on EU Exit Transition related issues (to be sourced by CWLEP Growth Hub)**
 - a. **Tender to be put out on FIICW**
 - 2. **Employment Specialist on EU Exit Transition related issues (to be sourced by CWLEP Growth Hub)**
 - 3. **DIT Channel Manager for importing and exporting EU Exit Transition related issues**
- iv. **Step 3:** After discussions with the relevant specialist, the specialist can refer back to the Growth Hub's for additional Account Management and/or refer them on to relevant EU Exit Workshops provided by Central Government and DIT

Customer Journey 2

- v. **Step 1:** Organic enquiries, related to EU Exit Transition, into any West Midlands Growth Hub (if interested) can be sent through to the CWLEP Growth Hub's dedicated EU Exit diagnostic advisor. The CWLEP Growth Hub, funding permitted, would look to hire/contract a dedicated, general EU Exit diagnostic specialist to take the business through the same 1 to 1 diagnostic as mentioned in Customer Journey Step 1
- vi. **Step 2:** The dedicated advisor would then determine the relevant specialist the business need to speak with and then forward on for additional 1 to 1 support with the following:

- **Service Sector Specialist on EU Exit Transition related issues (to be sourced by CWLEP Growth Hub)**
 - **Tender to be put out on FIICW**
 - **Employment Specialist on EU Exit Transition related issues (to be sourced by CWLEP Growth Hub)**
 - **DIT Channel Manager for importing and exporting EU Exit Transition related issues**
- vii. **Step 3:** After discussions with the relevant specialist, the specialist can refer back to the Growth Hub's for additional Account Management and/or refer them on to relevant EU Exit Workshops provided by Central Government and DIT.

Attachment 1 – West Midlands Growth Hub Funding Allocations

LEP Area	Total FTE equivalent allocation from full grant of £6.4m	Section A	Section B	Section C	Section D	Pooled (Nett of VAT)
		Advisors for Outreach and Advice up to £2.4m Ringfenced - (allocated 2 or 3 per LEP based on business population)	Specialist & General Advisors from £4m of grant (allocated 2.5 or 4 per LEP based on business population)	Total award for 'other activities' from £4m grant	Total per LEP area from full grant of up to £6.4m	
Black Country	4.5	£54,000.00	£67,500.00	£14,550.00	£136,050.00	£68,375.00
Coventry & Warwickshire	4.5	£54,000.00	£67,500.00	£59,550.00	£181,050.00	£130,000.00
GBS	7	£81,000.00	£108,000.00	£14,550.00	£203,550.00	£138,125.00
Stoke & Staffs	4.5	£54,000.00	£67,500.00	£14,550.00	£136,050.00	£87,500.00
The Marches	4.5	£54,000.00	£67,500.00	£14,550.00	£136,050.00	£113,375.00
Worcestershire	4.5	£54,000.00	£67,500.00	£14,550.00	£136,050.00	£87,500.00
					£928,800.00	£624,875.00