

Minutes of Marches Business Support (MBS) Steering Group 28 April 2022

Present		
Yasmin Sulaman	YS	Marches LEP Business Support Lead
Dave Courteen	DC	MBS Steering Group Chair & Managing Director - Mosaic Group, Marches LEP Small Business Champion
Rachel Laver	RL	Marches LEP CEO
Amy Bould	AB	Marches LEP PR and Marketing - Director Be Bold Media Ltd
Nick Webster	NW	Herefordshire Council - Economic Development Manager
Charlie Hopkirk	CH	Senior Researcher, Black Country Consortium
John Wigley	JW	Department for International Trade – Strategic Partnership Manager
Dawn Hardman	DH	Herefordshire & Worcestershire Chamber of Commerce (standing in for Sharon Smith, Chief Executive Officer)
Graham Guest	GG	Telford Business Board Representative, Principal Telford College
Beth Heath	BH	Chair of Shropshire Business Board, Director, Shropshire Festivals, Director, Shropshire Think Tank
Matt Potts	MP	Head of Business Growth and Inward Investment, Shropshire Council
Oliver Hindle	OH	Marches Area Lead – Cities and Local Growth Unit, BEIS
Mike Goodall	MG	Federation of Small Businesses
Ruth Ross	RR	Deputy CEO, Shropshire Chamber
<p>Apologies:</p> <ul style="list-style-type: none"> Hollie Whittles - Federation of Small Businesses West Midlands Regional Chair, Director Purple Frog Systems Ltd, Director FragglesWorks with Mike Goodall, Federation of Small Businesses in attendance. Kathryn Jones - Marches LEP Head of Partnership & Strategy Kathy Mulholland - Telford and Wrekin Council - Inward Investment and Business Support Service Delivery Manager Richard Nicklin - University of Wolverhampton - Business Engagement Deputy Director Paul Kalinaukas - Marches LEP Board – Access to Finance Champion, Midlands Engine Investment Fund Strategic Oversight Board Member Colin Preece - Executive Officer - Marches Skills Provider Network, Business Consultant - SBC Training Elwyn Turner - Director, Dyke Yaxley Maisy Owen - Chair of Members Committee, Director - MO Management Consultancy Sharon Smith - Herefordshire & Worcestershire Chamber of Commerce - Chief Executive Officer Frank Myers - Chair of Herefordshire Business Board, Director - MCP Systems Consultants Ltd 		
Not Present:		

ITEM		ACTION
1.	<p>Welcome and Introductions</p> <p>DC welcomed everyone to the meeting including Rachel Laver, Marches LEP CEO, who has joined the group, and Stephanie Jones, Growth Hub Project Support Officer.</p> <p>Apologies were given.</p> <p>Members agreed for the meeting to be recorded to support minute taking.</p>	
2.	<p>Declarations of Member Interest</p> <p>No declarations had been received. DC asked for hands to be raised should any conflicts arise during the meeting.</p>	
3.	<p>“The Growth that needs to come from Energy and Carbon Reduction across the Marches”</p> <p>Presentation by Gordon Coppock (GC) Marches LEP Board Energy and Net Zero Champion and Tim Yair (TY) Regional Senior Energy Projects Officer, Midlands Net Zero Hub</p> <p>DC welcomed the guests to the meeting and handed over for the presentation, of particular interest in the light of the impact of rising energy costs on businesses.</p> <p>GC and TY gave a comprehensive presentation on the energy landscape, UK progress towards net zero, a focus on four areas linked to themes in the Marches Energy Strategy (carbon emissions reduction, energy demand reduction, locally generated renewable energy, development of supply chain and jobs) pipeline projects and next steps. Issues highlighted included domestic retrofits, addressing skills gaps/shortages, funding challenges/successor funding for BEEP, supply chain issues, planning issues related to renewable energy and complexities around connecting to the grid.</p> <p>The presentation was followed by Q&A</p> <p>Q: How much higher do you think energy prices will rise and what kind of support is available to help businesses minimize the impact?</p> <p>A: The issue is that with a lot of the present systems energy costs are linked to global market prices. We have the ability to generate energy at a lower cost to reduce reliance on global energy markets. There are various ways of doing it such as a direct wire approach whereby an organization installs a renewable supply on or next to the building to reduce cost and avoid using the grid. For example a hospital in Swansea installed a PV farm next door to supply direct to the hospital. This could be an option for large enough businesses.</p> <p>In terms of support for businesses, funding options are limited. We are raising awareness with businesses that prices are unlikely to fall in the next 12-18 months and looking at how to mitigate against future increases, promoting projects like BEEP which support energy efficiency. It would be a good time for businesses to rethink their transport strategy and the option of switching to electric vehicles. Where feasible, PV on roofs could help businesses generate more of their own electricity as a way of reducing costs including for recharging vehicles.</p> <p>Q: Where should a business start when looking to reduce its energy consumption?</p> <p>A: One place to start would be ISO 14000 environmental standards which can be started at any time and auditor’s advice built on to show improvement over time. The BEEP energy efficiency programme is excellent, starting with an energy audit of the complete business to identify waste and where improvements could be made. The LEP is looking to develop an easy format guide for businesses to conduct their own basic energy audit. There are tools around, but the LEP is looking at how they can be developed further.</p> <p>Q: Is there any financial assistance for companies able to offer roof space to install solar panels to help meet renewable targets and offset their energy costs?</p> <p>A: There are not-for-profit energy companies which use shares bought by local people to finance projects, for example the Big Solar Co-op has just signed an agreement with a business in the Marches which will supply about a quarter of their energy needs and with potential to roll out across other sites. The smallest space needed would be around the size</p>	

	<p>of a tennis court of panels but businesses with a bigger space are more likely to go ahead and raise finance. The benefits are savings on wholesale prices and the cost of transport over the grid and greater protection against fluctuations in market prices.</p> <p>DC thanked the guests for an informative presentation and GC and TY left the meeting.</p> <p>Action</p> <p>A copy of the presentation to be circulated with the minutes</p>	SJ
4.	<p>Minutes of the last meeting and actions 9/12/2021</p> <p>Members approved the draft minutes. Actions were reported as being complete with some being covered during this meeting.</p>	
5.	<p>LEP Update</p> <p>This item was taken after item 6, Cities and Local Growth Unit Update.</p> <ul style="list-style-type: none"> - LEP Review Outcome <p>YS updated that the LEP's core funding has been reduced. The message from the LEP CEO is that the LEP's role is changing and the priority is to maximise benefits and complement delivery of local support services.</p> <ul style="list-style-type: none"> - 2022/23 Growth Hub Funding <p>YS updated that Growth Hub funding had been reduced by 50% to £213k for FY 2022/23 which is slightly above the pre-pandemic allocation of £205k. The offer letter and detailed requirements are awaited. The grant agreement will set out the minimum core Growth Hub provision that would be expected and LEPs will have some flexibility in how the funding is used to dovetail with broader services and achieve economies of scale. The cluster model will continue. The LEP CEO is meeting local authority partners on 16 May to discuss funding and priorities.</p>	
6.	<p>Cities and Local Growth Unit Update</p> <p>Update by Oliver Hindle, Marches Area Lead – Cities and Local Growth Unit, BEIS</p> <p>The Levelling-Up White paper published in February set out the direction for LEPs and their integration with democratic and devolved institutions where they exist. A letter was sent to LEPs in April setting out further detail. The role focuses on strategic economic functions, acting as the voice of business and delivering a number of government services including Growth Hubs. Devolution is some way off in the Marches and is dependent on agreement of the local authorities so the Marches LEP will continue for at least the next 12 months.</p> <p>Growth and capital programme funding, previously managed by the LEP, will go to local authorities. The second round of Levelling-Up has been opened as a competitive process for local authorities to bid into for large capital projects.</p> <p>The UK Shared Prosperity Fund (UKSPF) allocations to replace EU funding were announced on 13 April - £10.8m to Shropshire, £5.8m to Telford & Wrekin and £6.6m to Herefordshire for a 3 year period. Local authorities need to submit investment plans developed with local stakeholders including the LEP on 3 themes (People and Place, People and Skills, Supporting Businesses) to access the funding. Government is encouraging areas to work together to achieve economies of scale so there is potential for cross-Marches projects – this would require sign-up by the three local authorities.</p> <p>In terms of Growth Hub funding, there has been a 50% reduction taking it back to pre-pandemic levels. An email has been sent to the LEP CEO setting out the broad parameters.</p>	
7.	<p>Future Priorities of the Growth Hub</p> <p>YS introduced the item as consultation with the group on priorities for the Growth Hubs.</p> <p>The core role of Growth Hubs is to sit at the heart of local business support ecosystem providing all businesses across the Marches with access to free advice and support. The website will remain to promote national, regional and local support and events. BEIS have set out the core provision as triage, diagnostics and signposting. YS invited views from the group on priorities to feed into the LEP discussion with local authority partners at the</p>	

	<p>meeting on 16 May. For example, energy is high on the government agenda and could be a theme for targeted activity.</p> <p>DC commented that it is important, particularly in the tough economic climate, to continue to signpost businesses to where they can get advice and support. Case studies show how businesses have benefitted from the support and the added value of the Growth Hubs.</p> <p>YS thanked BH for her message highlighting issues with skills and recruitment. These were backed up by AB who reported that BeBold were hearing a lot about issues with training and recruitment as well as energy costs.</p> <p>YS thanked everyone for their comments noting that although BEIS have relaxed requirements for quarterly intelligence reporting, the Marches LEP will continue to feed intelligence on what businesses are saying in quarterly reports.</p> <p>Action</p> <p>Any further views on Growth Hub priorities to be emailed to YS after the meeting</p>	ALL
8.	<p>PR/Marketing Update</p> <p>AB updated on the Q3 & Q4 report and 2022/23 Q1 Themes</p> <p>The dip in visitor numbers in Q3 was due to a cookie issue on the website which has been resolved – organic traffic did not drop. The Q4 data reflecting activity from January is more representative.</p> <p>A meeting was held in January for BeBold to understand LEP priorities and it was agreed the focus should be on a strategic campaign to get people to the front door, under the ‘here to help’ banner.</p> <p>A short sharp social media campaign in January used case studies with the twin aims of increasing business engagement with the Growth Hubs and engaging MPs so they recognise the value and impact on businesses.</p> <p>The access to finance campaign has continued focusing on the Small Equipment Grant (SEG) with an uptick in SEG page visits showing in Q4. The idea is for the campaign to lead to an access to finance summit in conjunction with the British Business Bank. The Manufacturing Growth Programme has been showcased in Q1. A focus on Innovate UK is in the wings, pending discussions with the British Business Bank.</p> <p>An energy themed campaign is being looked at with the LEP and Tim Yair potentially linked to a Marches energy summit. BEEP and LOCOP were promoted in the last Newsletter.</p> <p>Overall, visits to the site have dropped back to pre-pandemic levels.</p> <p>Details of the 2022/23 budget is awaited from the LEP but in the meantime it is business as usual.</p>	
9.	<p>Marches Growth Hub 2021/22 Contract Update</p> <ul style="list-style-type: none"> • Bi-annual Report – YS updated that the report has now been approved by BEIS • Spend position – YS updated that the 2021/22 budget (£462k) had been fully spent • Q3 & Q4 Light Touch Interaction Data Analysis: Microsoft Power BI <ul style="list-style-type: none"> - CH presented headlines from the Light Touch (less than 1 hour) dashboard data: - A spike in Covid enquiries in January 2022, the highest since June 2021 - Interactions tend to follow enquiries so an increase in January stabilising in February and March - Start-ups vary across the area; 4% in Herefordshire, 13% in Shropshire and 23% in Telford and Wrekin - Events pick up in February and March, possibly due to lifting of Covid restrictions - The Spark Conference drove attendance figures in February with good attendance at Friday Hub and Hereford Business Breakfast - Strong uptick in referrals in Q4 - over 1,200. Covid grants high in January, shifting to growth enabling programmes like BEEP and BGP in February/March 	

	<ul style="list-style-type: none"> - Fall in response rates to satisfaction surveys over the 6 months, but positive results recognising added value - Majority of enquiries to the virtual hub related to finance and funding with a focus on start-ups and small companies - Better data on source of enquiries is coming though – a good mix of word of mouth, business support helpline and direct enquiries reflecting the range of digital tools, search engines and social media - CH would like to understand if the dashboard provides the right data or if any changes would be useful <p>BH asked if it would be possible to identify how many unique companies access the service and then return to use other services, what stage the business is at when they first use the service and which sector they are in.</p> <p>YS explained that the contact form on the website had been updated at the request of the LEP Board to include the number of employees, trading status and business sector as mandatory fields so this information is captured and fed into the dashboard. Unique interactions are captured in the light touch data but firm level data is only captured for businesses receiving medium and high intensity support to report to BEIS. To capture firm level data on light touch interactions would be too resource heavy. BEIS are reviewing the data framework so data collection will be reviewed when the new framework comes out. There may be a requirement to collect additional equalities data.</p> <p>RR asked if the location of businesses is mapped. YS responded that a mapping exercise had been commissioned from the Black Country LEP for medium and high intensity support which identifies hot and cold spots and sector representation. CH shared a link to the report. The Shropshire Growth Hub would also be able to provide information on distribution and sectors of businesses using the service.</p> <p>Action LEP and CH to review the option of capturing postcode data on the dashboard as part of the review of new data framework</p>	YS/CH
10.	<p>Business Board Updates</p> <p>BH provided an update from the Shropshire Business Board:</p> <ul style="list-style-type: none"> – The new website is about to be launched. The website will be linked to sector-based questionnaires to enable businesses of any type, size or location to feed in. The Business Board will share the data/intelligence with the LEP and local authorities to help monitor and shape support services. The work is being led by the sector leads with small groups of businesses and the Chamber and FSB will be linked in. Any suggestions from the group would be welcome. – Still hearing issues from the food and drink sector around food security, cost of ingredients, food poverty and supply chain issues – The tourism sector had started to bounce back from the pandemic but is now seeing the impact of the economic climate with consumers cutting down on non-essential spend, also impacting the high street and retail sector – a concern given the importance of the tourism sector to the local economy. <p>DC noted that updates were not available for the Herefordshire and Telford and Wrekin Business Boards as FF had sent apologies and GG had had to leave the meeting.</p> <p>Action Members of the group to send ideas for the Shropshire Business Board questionnaire to BH</p>	ALL
11.	<p>Members Updates</p> <p>DC introduced this as a new agenda item and invited other members of the group to provide an update or feed in issues they are hearing from businesses or the sector they work in.</p> <ul style="list-style-type: none"> - AB reiterated the need for access to finance particularly around energy technologies - DH echoed comments made by the Shropshire Business Board and other members of the group in terms of what the Herefordshire and Worcestershire Chamber are hearing from businesses. 	

	<ul style="list-style-type: none"> - MP updated on the support programme delivered by Shropshire Council with partners over the pandemic including £164m in direct grants to businesses which has dominated work over the last 2 years. The focus now is on reviewing data to develop a new economic growth strategy including sector development, recruitment, skills and retention, new investment opportunities, attracting inward investment. The Local Plan is also in the final stages. - MG updated on findings from the FSB Q1 Small Business Index: <ul style="list-style-type: none"> o Echoed comments about the impact on businesses of rising costs – 87% say operating costs are up compared to the same period last year citing increases in fuel, utilities, tax, NI contributions, regulatory changes and support mechanisms coming to an end. o Confidence is starting to improve in the first quarter of 2022/23 compared to the last quarter of 2021/22 – something to build on. o Businesses trading internationally have struggled – a 4% drop in the number of businesses exporting and 1 in 8 have temporarily or permanently stopped sales to the EU because of the challenges. o The FSB had put out a national statement around the Shared Prosperity Fund expressing concern about delays and still being reliant on EU funding to top up funds, and uncertainty about the future of LEPs and Growth Hubs. The FSB supported continuation of funding for Growth Hubs as a vital business support. o The FSB is currently running a Business Without Barriers campaign with a series of webinars in June on how to make the workplace more inclusive for people with disabilities – small businesses punch above their weight in employing people with disabilities. - RR echoed points already made, adding that Shropshire Chamber are hearing a lot about recruitment issues and increasing wage pressure making it difficult for small firms to compete. Firms wanting staff to work from the office are attracting fewer candidates with more people looking for remote working. The Chamber is currently working on the business awards which showcase success stories. Members continue to be supported with the events programme and soft skills training courses. - JW gave a reminder to all members of the group to contact DIT to see how they can support and build on any pieces of work or activities, including UKSPF investment plans. DIT is keen to get involved. <p>Actions SJ to contact MG for links to promote Building Without Barriers webinars on the MGH website</p>	SJ
12.	<p>Any Other Business</p> <p>YS noted she had shared a link to an article about the winners of the 2021/22 Queens Awards which included businesses in the Marches.</p> <p>DC noted the following meeting dates as 14 July and 24 November at 4.30pm.</p> <p>There was no further business.</p> <p>DC thanked everyone for attending and closed the meeting.</p>	