

Report to the Greater Birmingham and Solihull Supervisory Board

30th July 2014

Delivering the GBSLEP Growth Hub

1. Purpose of the Report

- 1.1. To seek endorsement from the Supervisory Board following agreement by the LEP Board on 16th July to spend up to £200k Business Rate Pool on the proposals outlined in the report below and subject to accountable body requirements.

2. Recommendations

That Members are asked to:

- 2.1. Endorse the LEP Board decision to spend up to £200k Business Rate Pool on initial work to establish the GBS LEP Growth Hub.

3. Background

- 3.1. In December 2013 Government launched its Small Business Strategy; Small Business: GREAT Ambition. It sets out Government's commitment to making sure that small businesses (employing less than 250) are well equipped to take advantage of opportunities highlighted within its Industrial Strategy which set out its long term approach to promoting growth, creating jobs, boosting skills and making the UK more competitive.
- 3.2. An important aspect of the Great Ambition report are the initiatives that will be put in place to support businesses across the UK, including a commitment to roll out Growth Hubs during 2014 and 2015, to provide a single place for businesses to go to for local advice and support.
- 3.3. Under the leadership of the Board Director for 'Growing Businesses', Steve Hollis, a GBS LEP led Enterprise Board has been established. The Enterprise Board have been meeting regularly to progress the business work stream activities for the LEP, with a key purpose being to seek to achieve an agreed position on business support that can then be used to inform decisions at a higher level. Further work is being undertaken on Growth Hub Governance arrangements, with potential proposals for a Growth Hub Board being established.
- 3.4. The GBS LEP Leaders received a Business Case on the 17th April outlining proposals for the Growth Hub and seeking funding from the Business Rate Pool up to £200k, the high level proposals and funding were agreed.
- 3.5. The GBSLEP Enterprise Board has recently met on a number of occasions to discuss the mechanics of establishing a Growth Hub for the LEP, a task and finish group was set up to focus on initial priority activity that could be progressed through the Business Rate Pool allocation. The outcome of these discussions has led to proposals for the development of a CRM platform and knowledge bank, further details on these are provided below.

3.6. The GBS LEP Board received a report at their meeting of the 16th July which included the following recommendations:

- Agree to spend up to £200k Business Rate Pool on the proposals outlined in the report below and subject to accountable body requirements;
- Note all activities will be externally procured through an external competitive process, as per the accountable body requirements;
- Note future funding allocation through the GBS Growth Deal;
- To receive a further update on longer term Growth Hub proposals at September Board

3.7. All recommendations were agreed, subject to endorsement from the GBS LEP Supervisory Board.

4. Key Issues

PHASE 1 – SHORT TERM IMMEDIATE START

4.1 Through the work of a Task and Finish Group set up by the Enterprise Board to consider the implementation of two key components of a Growth Hub, they recently concluded that funding from the GBSLEP Business Rates Pool should be prioritised for the development of an IT based customer relationship management (CRM) solution and the development of an online interactive information “Knowledge Bank”, seen as the essential infrastructure that will underpin the Hub.

4.2 **Funding to develop a common CRM System** will allow partners, subject to data sharing protocols to:

- Share basic company information and interactions that are being held / undertaken by different delivery partners to allow the exchange of information, to limit duplication of collecting information and to be more joined up.
- To interact on different aspects of the same project by different delivery partners.

4.3 This activity is seen as a crucial step in aligning and co-ordinating the support we provide to our businesses. Currently businesses can be approached by a number of organisations from across the LEP and wider, these meetings are recorded by the visiting organisation along with the intervention/support provided, this data is not shared any further. The proposed CRM platform will, for the first time, gather this key high level data and make it accessible to all stakeholders. It will begin to provide us with a clearer understanding of our businesses, we will know who they are engaging with and why and we will also be able to identify those businesses that are not engaged at all. This new knowledge will help provide us with a greater understanding of the businesses in the LEP area and help us shape future provision accordingly.

4.4 **Funding to develop an online interactive information “knowledge bank”** to provide a range of important information to businesses as well as details of business events etc. and having the following characteristics:

- Be accessible by multi devices and services to an interactive web portal
- Have social media networks and functionality
- Have dynamic content to show that it is alive
- Provide a large front end presence of information based on a modular layout giving

them access to relevant and up to date information on a range of matters with the heavy use of digital / video content, diagnostic tools so that businesses can help themselves.

- 4.5 Whilst the LEP does have its current portal this was set up as a basic signposting site whereby a postcode search provides an extensive list of every key provider of business support in their area. It is somewhat out of date and is not sophisticated enough to deliver desired outcomes. The proposed online interactive knowledge bank will completely supersede the LEP portal with an advanced on line support system that is managed and maintained to ensure it is up to date and accurate.
- 4.6 In addition to this, BIS are keen for us to utilise the business information and tools that are contained within the national business support site called GOV.UK and through a dedicated GBSLEP 0300 telephone number for the national contact centre to handle all enquiries free of charge. A visit was arranged to the national contact centre and we are in further discussions around how we can best utilise the national offer.
- 4.7 Subject to your endorsement further work will be progressed by the Enterprise Board, through a task and finish group, to include:
- Complete the work on the CRM system and the online interactive information “Knowledge Bank”.
 - Completes discussions with BIS on them providing a free enquiry handling and management service for the LEP Growth Hub.
 - Draws up tender specifications for the procurement of both the CRM system and the online interactive information “Knowledge Bank” which includes a tender evaluation process and panel (in accordance with the LEP’s accountable body protocols).
- 4.8 The Enterprise Board will also be considering longer term proposals for the Growth Hub with an overarching 3 year vision for the establishment and development of our Growth Hub using the Growth Fund allocation, which will be brought to the LEP Leaders and Board for further consultation and agreement, local authority officers are also heavily involved in this development work.

5. Financial Implications

- 5.1. A budget of up to £200k has been allocated to the development and delivery of the CRM and Knowledge Bank activity, which will also include all associated costs such as staffing support, a full breakdown will be available once more detailed work has been progressed around the commissioning of these activities.
- 5.2. If agreed, the CRM solution can be open for business by the end of November 2014 and the Knowledge Bank by end of December 2014 with a launch in January 2015

6. Conclusion

- 6.1. This paper provides the Supervisory Board with initial proposals for the development of the shared CRM and Knowledge Bank using the Business Rate Pool and seeks their endorsement to progress with proposals as detailed.

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