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**Report to:** Business Innovation and Growth Panel

**Date:** 8 September 2020

**Subject:** **Business Support Update**

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## **1 Purpose of this report**

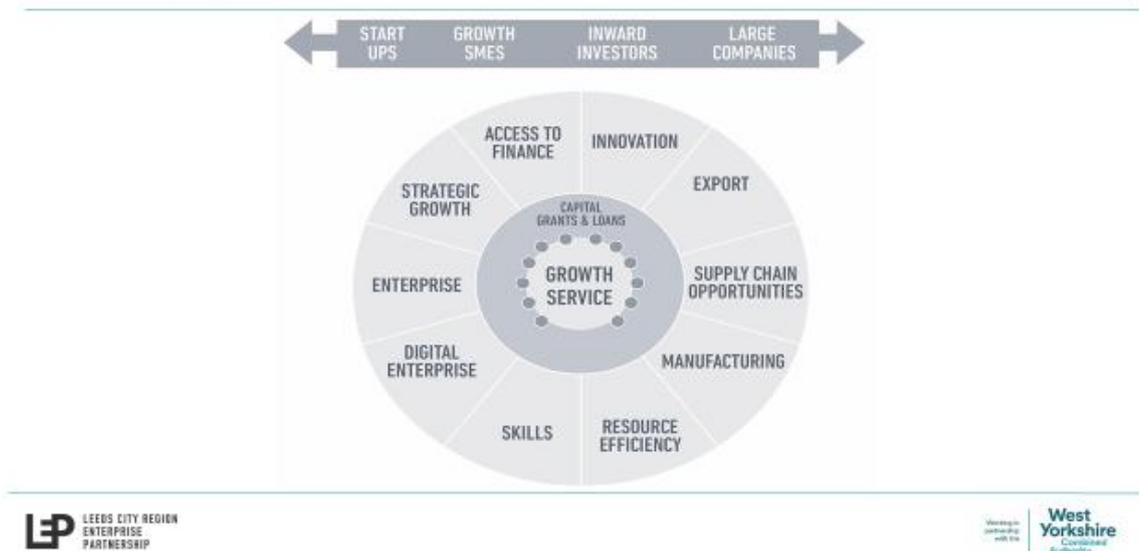
- 1.1 To provide the Panel with an update on business support activity and plans undertaken since the last meeting in May 2020.
- 1.2 Business support activity and plans specifically related to the COVID-19 situation is covered within agenda item 6.

## **2 Information**

### Business Support Context and Strategy

- 2.1 The support provided to businesses via the LEP's products and services is complemented by a wide range of others available to City Region firms and delivered by local, regional, and national partners. This includes export support from the Department for International Trade (DIT) and the Chambers of Commerce, innovation support from universities, Innovate UK and the wider Knowledge Transfer Network, and finance such providers as the Northern Powerhouse Investment Fund and the Start-Up Loans Company. The private sector plays a critical function within the support ecosystem, particularly banks and other funders/investors (now more than ever in terms of the new COVID19 - related loan products), and providers of professional advice and support.
- 2.2 The figure below shows the eco-system of business support in the City Region and how this is integrated within the LEP Business Support Service model.

**Figure 1 : Business Support Eco-System**



LEP Business Support Service

- 2.3 The service provides businesses in Leeds City Region with direct access to the full range of publicly-funded products and services available to help them grow and/or sustain. This includes those delivered directly by the LEP and those available via partner organisations.

Progress to date

- 2.4 Table 1 below highlights the annual service performance against the headline targets for 2020/21. Appendix 1 provides more detailed information on the scope, scale and impact of the Service.

**Table 1: Performance against headline targets 2020/21.**

Target Measure	Target	April-July 2020
SMEs supported - light-touch & intensive (including enquiries/support from LEP products and services plus events)	3300	2035
Intensive support to SMEs by Growth Managers (ongoing support over the year i.e. several meetings, diagnosis of need, personal referral to relevant products/services, support with funding applications etc).	630	410
Intensive support to SMEs (including support from Growth Managers, and the LEP's core business support products)	1035	852

Delivery of Business Advice Pop Up events (with over half in more disengaged / disadvantaged parts of the City Region)	14	0
Proportion of businesses supported by the Growth Service likely to recommend it	90%	91%
Service Expenditure (combined budget) - BEIS (£512,500)	£512,500	£102,446

- 2.5 The service supported 2035 SMEs in between April-July 2020 against an annual target of 3,300. The COVID-19 situation has led to a huge increase in demand for business support which will likely result in the target being surpassed. The gateway function has been particularly busy with approximately 2.5 times more enquiries compared to the corresponding period in 2019/20. High volumes of enquiries have tended to coincide with key announcements from central government about COVID-19 related business support and funding. The number of businesses supported in July was particularly high due to the launch of the Digital Resilience Vouchers which saw over 600 enquiries.
- 2.6 The Growth Managers have also worked with increased numbers of SMEs in this period as part of the COVID-19 response. Other factors explaining the high volumes are that most Growth Managers are now well established and the new online reporting mechanisms are embedded. The report at Item 6 provides more details on the support for businesses related to COVID-19.
- 2.7 An evaluation of the Growth Service was completed in July 2020 by Add Specialists. The evaluators found that the service performed well in a very challenging year and that it proved to be highly adaptable in response to uncertainty around Brexit, flooding and the outbreak of COVID-19. Satisfaction from business beneficiaries (80% highly satisfied or satisfied) was higher than in previous years and businesses were positive about the service's professionalism and knowledge. As a result of accessing the service, 64% of businesses felt they were more likely to meet their growth aspirations (the figure was 74% for Growth Manager clients). The top five benefits that businesses identified had already been achieved through accessing support were helping the business to survive, safeguarded jobs, resilience, improved skill levels and raised finance.

#### Service developments

- 2.8 Following testing of the new updates to the CRM system by colleagues at Calderdale Council, the Service went live with these updates on 1 May 2020. The developments will enable more consistent collection and reporting of data more broadly across Economic Services. They also allow for clients supported via ERDF projects to submit signed documents online, which has reduced time and resources for all parties.
- 2.9 Professional development of the SME Growth Managers has continued with the completion of Social Media Training and the videos of the workshops are

available online. Growth Managers have also been undertaking activity as part of their SFEDI accreditation (occupational standards for business support professionals) which is due to complete by the end of March 2021.

- 2.10 SME Growth Manager meetings are now taking place remotely. Meetings over the last quarter have included sessions on the innovation support landscape, resource efficiency and clean growth. Presentations have taken place from the West Yorkshire Consortium of Colleges and Oxford Innovations, who are delivering the new Strategic Business Growth project. In addition to building strong links with partners, these meetings support the professional development of both the Growth Managers and the Gateway team. They also provide a platform for the Growth Managers to share best practice about business engagement and client support. Over the last quarter, Growth Managers have shared practical tips on how the development of local online business networks has supported SMEs through some of the challenges relating to the pandemic.
- 2.11 The Professionals' Perspective Network (PPN) event for private sector business intermediaries has also moved to an online delivery model. The network now meets fortnightly for 40-minute calls, with feedback from members favouring the shorter, but more frequent and focussed sessions. Insights gained from the PPN have been particularly useful in gathering intelligence about the issues being reported by SMEs to professional services organisations, including banks, accountants and legal firms. At each meeting the LEP provides a brief update on activities of the Economic Recovery Board and on any relevant changes to local or national business support and finance provision.

#### Marketing and communications

- 2.12 The proactive marketing campaign to drive more customer traffic to the service, and to promote business support more widely across the City Region, has continued over the last quarter. A case study-driven radio campaign targeting digital, engineering manufacturing SMEs is currently underway. The businesses featured depend on the geography of the radio coverage – for example, a Bradford business features on the version of the advert heard in the Bradford district.
- 2.13 The social media campaign is also ongoing and is encouraging SMEs to contact the service for support in response to COVID-19. This has included a regular stream of content being publicised through the LEP's twitter and LinkedIn channels. A campaign is also underway promoting how the Employment Hub can support businesses that are either making redundancies or recruiting.
- 2.14 The Combined Authority's Research and Intelligence team has developed an online survey for businesses to report the impact of COVID-19 on their operations and future plans. The survey is now live on the LEP website.

- 2.15 The monthly SME eNewsletter continues to be issued to over 10,000 business contacts on a bi-monthly basis, with content in the last two editions focussing on the latest COVID-19 support, funding and webinars.
- 2.16 Remote working has prevented Pop-Up events from being held so far in 2020/21. However, other online activity and webinars have taken place through tailoring support available on the Strategic Business Growth and Investment Readiness projects to focus on COVID-19 response, resilience and future planning. Attendance from businesses has been high which has supported the strong KPI performance in the year to date.

#### ERDF Growth Service (Business Resilience Programme)

- 2.17 The team of 21 SME Growth Managers has spent a significant amount of time providing support to their clients, and other businesses within their districts, on the impact of COVID-19. They have also been active supporting the Business Support and Business Rates teams within their host Local Authorities on the grants schemes i.e. fielding enquiries and supporting the appraisal of applications on the discretionary schemes.
- 2.18 Peer to Peer workshops organised by Otley-based business consultancy, Biskit, have been taking place over the last quarter. Facilitated workshops are being delivered via a virtual, interactive platform, for a maximum of ten business leaders per session. Workshop content is being influenced and led by businesses and their needs. Early findings show that businesses welcome assistance with business planning, guidance on how to innovate and maximise future opportunities, financial assistance, as well as motivational support to maintain operations in these difficult times.

#### Business Growth Programme (BGP)

- 2.19 The BGP provides grants of between £10,000 and £250,000 to businesses in the City Region towards capital investment (land, building, plant, equipment, machinery) that will lead to new job creation. Grants contribute up to 20% of the total cost of an investment, with businesses needing to demonstrate that they have access to the remaining finance required.
- 2.20 The total allocation for the programme is £49.7m. Of this, £5.38m is being used to provide match-funding to four projects being supported by the European Regional Development Fund (Access Innovation, Strategic Business Growth, Digital Enterprise and Ad:Venture). Table 3 below presents progress on BGP since LGF funding commenced in April 2015.

**Table 3: Programme performance against headline targets**

Target Measure	6-Year Target (April 15 to March 21)	Achieved (as of 31 Jul 20)
Expenditure	£44.32m	Committed - £39.29m Actual - £35.06m

New Jobs Created	4,100	Committed – 6,073 + 1,693 safeguarded Actual – 4,826 + 1,691 safeguarded
Businesses Supported	No contractual target	Committed - 685 Actual – 620
Number of Grants Awarded	765	Committed - 858 Actual – 764
Public/ Private Sector Leverage	£168.5m	Committed - £397.22m Actual - £326.71m
Total Cost Per Job	No contractual target	Committed - £6,469 Actual - £7,266

2.21 As the above table highlights, the programme is achieving a good return in terms of cost per new job at just over £7,000. This figure would be lower if the 1,682 actual safeguarded jobs were included in the overall calculation and would reduce the figure to £5,381 per job.

2.22 The table below compares the proportion of SMEs per district within the City Region against the proportion of all grants awarded. It shows that West Yorkshire districts (particularly Calderdale and Kirklees) all perform well in terms of successfully accessing the programme.

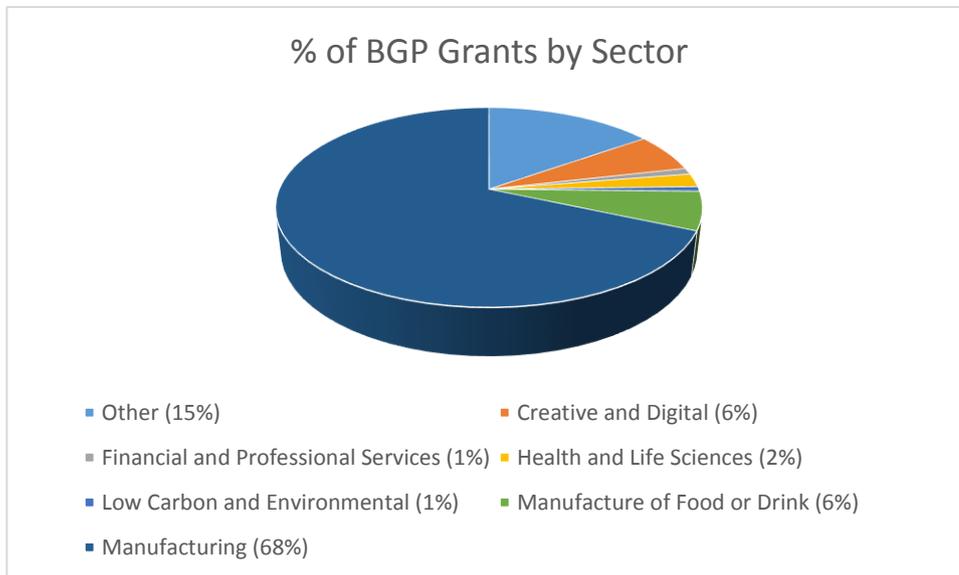
**Table 4: Grant awards by district April 2015 – July 2020**

District	SME Stock (%)	Number of Grants	% of Number of Grants	Grant Awarded	% of Value of Grants
Barnsley	5.9%	40	4.7%	£ 1,917,141	4.9%
Bradford	14.5%	141	16.4%	£ 6,933,414	17.6%
Calderdale	7.5%	114	13.3%	£ 5,221,974	13.3%
Craven	3.2%	17	2.0%	£ 441,862	1.1%
Harrogate	8.5%	30	3.5%	£ 1,113,767	2.8%
Kirklees	13.5%	153	17.8%	£ 6,040,641	15.4%
Leeds	26.8%	252	29.4%	£ 11,491,317	29.3%
Selby	3.4%	5	0.6%	£ 258,800	0.7%
Wakefield	9.5%	90	10.5%	£ 5,335,284	13.6%
York	7.2%	16	1.9%	£ 532,057	1.4%
<b>Total</b>	<b>100.0%</b>	<b>858</b>	<b>100.0%</b>	<b>£ 39,286,258</b>	<b>100.0%</b>

2.23 The below chart presents the number of grants awarded via sector and highlights the continued importance of the programme to the manufacturing sector, which accounts for 68% of all grants awarded since April 2015. The next most popular sectors are Creative and Digital and Food and Drink, with 6% each. Other sectors represent 15% of grant awards. Projects defined as

'other' mostly relate to industries closely aligned to the manufacturing sector, such as warehousing and distribution

**Figure 3: BGP Grants by Sector April 2015 – July 2020**



- 2.24 An evaluation of the BGP was carried out by Warwick Economics & Development which was completed in June 2020.
- 2.25 Warwick Economics & Development found that BGP is a well-established, user friendly and highly valued business support programme. The application process is seen as more straightforward and streamlined than other funding schemes. It is seen as having comparatively more simple eligibility requirements, clear decision making and accessible application documentation. The sectoral focus is seen as reasonable, but a move towards focusing more on productivity in the future would be welcomed. It was felt that marketing of the programme could be improved and that the appraisal process could be further simplified for small grants.
- 2.26 91% of businesses rated the programme as 'very good' or 'good' and 98% would recommend the programme to other businesses. Businesses are particularly satisfied with the support provided by Growth Managers, the relevance of the advice given and the value for money of the support received. The application process and payment systems are seen as extremely effective. 95% of businesses said that the support and information provided by the team was 'excellent' or 'good'.
- 2.27 86% of businesses said that they had created additional jobs as a result of the BGP funded project. 82% said that BGP had also led to improvements in productivity and turnover. 54% experienced improvements in relation to market impacts (e.g. new contracts and clients). Only 5% of businesses said the project would have gone ahead in the same way without BGP funding. 36% said it would have taken them longer to achieve the same results without

the funding and 33% said it would have gone ahead on a smaller scale. 24% said the activity would not have happened at all without the BGP funding.

2.28 Between April 2015 and December 2019, 6,176 gross jobs were created or safeguarded, with around 45% in the manufacturing sector. It is estimated that these jobs have led to an increase in Gross Value Added (GVA) of just under £315 million. If deadweight is factored in, it is estimated that the programme has created an additional 4,678 net new jobs, with a GVA increase of just under £238 million (which represents 14% of the increase in GVA in the City Region between 2015 and 2017). Other benefits include:

- Generated jobs for local people including apprenticeships and training;
- Raised energy efficiency awareness among local businesses;
- Led to new research and increased exports for local businesses;
- Built up business confidence and strengthened their market position; and,
- Had positive knock-on benefits for the local supply-chain.

2.29 Warwick Economics & Development have made a number of recommendations including:

- More consideration of the needs of different sizes of businesses;
- Aligning the sectoral focus with the new Local Industrial Strategy;
- Focusing more on productivity as well as the creation of new jobs;
- A clearer link between BGP and the wider business support landscape, which could include support for business planning, skills development inward investment, exporting, digitisation of services;
- Consider offering loans as well as grants, or a grant/loan mix;
- The level of grants remain unchanged (£10,000-£250,000);
- Consider offering a higher intervention rate for medium sized businesses (e.g. 20%);
- Bring in-house the appraisal work currently undertaken by Leeds City Council to provide greater control over delivery and management;
- Utilised external expertise in relation to the award of larger grants (over £100,000);
- Utilise intermediaries for better promotion of the scheme.

### Grants to Flooded Businesses

2.30 Following the widespread and devastating flooding to businesses across the region (current estimate of up to 900 affected, with the Calder Valley most severely impacted) caused by Storms Ciara and Dennis in February 2020, the LEP and CA allocated £3m of the BGP budget to establish a Flood Recovery Fund. With a focus on mid-term recovery, the fund supports businesses to meet the cost of replacing larger items of capital equipment and/or renovating and repairing damaged premises.

2.31 Grants of between £5,000 and £50,000 are available to businesses on a 50:50 match funding basis. As at 18 August 2020 eight applications had been

received, six from businesses in Calderdale and two in Wakefield. All eight were approved, with a cumulative value of £266,317. Grant support will contribute towards the safeguarding of 109 jobs, with £26,906 having been paid to three businesses, to date.

#### Update on Productivity Pilot (Rounds 1 and 2)

- 2.32 The second round of the Productivity Pilot launched on 1 November 2019, with businesses invited to complete applications by 31 January 2020. The pilot aims to incentivise productivity improvements within a small cohort of businesses, rather than requiring projects to lead to the creation of new jobs.
- 2.33 15 applications were received from businesses across Leeds City Region (the City Region) with a combined grant request of £970,208 against a budget allocation of £750,000. The applications were considered in late February 2020 by a panel with representation from the private sector and academia, with decisions made in March 2020.
- 2.34 Of 15 applications received, 10 were formally approved. The cumulative value of awards was £731,992, contributing towards investments totalling just over £7.5 million. With one exception, all awards were made to businesses within the manufacturing sector. In terms of geographical split, three awards were made to businesses in Leeds, two each in Bradford, Harrogate, and Kirklees and one in Barnsley. Encouragingly, six awards were made to small businesses (< 50 employees), with two to medium sized businesses (50 - 249 employees) and the same to large businesses (> 250 employees). All investments being supported through the second round of the pilot are anticipated to be complete by the end of quarter three, 2020/21.
- 2.35 Impact and findings from Productivity Pilot Round 1, which took place in early 2019 and supported seven businesses, are still being gathered and will be reported to the next meeting in October.

#### Inclusive Growth

- 2.36 The previously approved Inclusive Growth criteria and conditions have been in operation since August 2018 (with a revised approach introduced from July 2019). It is now mandatory for recipients of grants of £25,000 and above to undertake at least one inclusive growth commitment as a condition of the grant. Those businesses receiving grants of between £10,000 and £24,999 are now expected, and supported, to deliver one commitment, but it is not mandatory, and there is no expectation on those receiving grants below £10,000.
- 2.37 The number of inclusive growth commitments obtained to date on each programme is provided below.

**Table 5: Number of inclusive growth commitments by programme (to August 2020)**

<b>Programme</b>	<b>Number of commitments</b>
#Grow	26
#Welcome	6
Access Innovation	6
Access Innovation Equipment Grants	3
BGP Enquiry	212
Productivity Pilot	37
Strategic Business Growth Programme	1
Strategic Inward Investment Fund	17
<b>Total</b>	<b>308</b>

2.38 A summary of the number of each commitment obtained to date is provided below.

**Table 6: Number of inclusive growth commitments by commitment type (to August 2020)**

<b>Commitment</b>	<b>Number</b>	<b>Percentage</b>
Inspire the next generation by working with schools and colleges	62	20%
Develop a Skills Plan including apprenticeships	51	17%
Undertake an energy audit to identify ways to reduce energy consumption	49	16%
Other	30	10%
Offer more sustainable 'green travel' options to employees	29	9%
Offer training to low paid staff to help them progress	28	9%
Undertake a supply chain audit to identify opportunities to buy more from local suppliers	20	6%
Pay small business suppliers in accordance with the Prompt Payment Code	18	6%
Commit to paying staff the Real Living Wage within an agreed timescale	17	6%
Offer work opportunities to local people with disabilities or health issues	4	1%
<b>Total</b>	<b>308</b>	<b>100%</b>

## Resource Efficiency Fund & Resource Efficient Business (REBiz) Programme

- 2.39 The Resource Efficiency Fund (REF) was delivered through the Growth Service until December 2019. It was jointly funded by the Local Growth Fund (LGF) and the European Regional Development Fund (ERDF), and provided advice and funding (grants of up to £10,000) to SMEs to identify and implement improvements related to their use of resources i.e. water, waste and energy.
- 2.40 A summative assessment impact evaluation of the programme was undertaken in December 2019 and the results were reported to panel at February's meeting. The findings have informed the development of the successor programme Resource Efficient Business (REBiz), particularly for example:
- Stakeholders agreed the breadth of scope covering energy, water and waste was appropriate – hence the new programme retains full coverage in terms of advice although the grant funding will be restricted to energy efficiency projects to achieve carbon saving outputs.
  - However, there were calls for a broader approach to resource inefficiency such as supporting the development of resource efficient or circular business models – the new programme is trialling a circular economy support service to address this aspect.
  - The wrap around support from Resource Efficiency Managers was highlighted as good practice and the resource efficiency assessments were very highly rated by clients – both of these elements have been strengthened or retained in the new programme.
  - Marketing capacity and the ability to reach the right clients was a highlighted weakness – this has been addressed by introducing programme specific marketing capacity within the new programme co-managed with the Marketing and Communications Team
- 2.41 The new REBiz programme, also supported by ERDF and the Local Growth Deal, and covering an extended geography of all West and North Yorkshire, has been running for eight months. It is a £6.099 million project, including £2.8 million of ERDF, and will run until 31 December 2022. It continues to deliver grants and advice to improve resource efficiency but has also introduced a new circular economy pilot to explore business model innovation in more depth. The first project in this area was approved in August 2020 and involves the recycling and re-use of carpet tiles within the construction sector.
- 2.42 As of 3 August 2020, REBiz has engaged with 103 businesses, with eight businesses being approved for grant funding and four having already completed their investments. Twelve businesses have been supported with more than 12 hours of intensive support.
- 2.43 The programme has been affected by the COVID-19 situation more severely than some other programmes as the majority of support requires a physical visit to site to undertake audits. It is, therefore running, behind forecasts, but it is anticipated that this can be recovered over the course of the programme if restrictions continue to be eased.

## Access Innovation / Connecting Innovation

- 2.44 Access Innovation is currently in its final quarter of activity and is anticipated to realise the majority of its contractual outputs with the Managing Authority. It is currently forecasting that 278 enterprises will be supported assisted against a contractual target of 285. Meeting the employment generation target may be more difficult as businesses refrain from increasing headcounts due to the current economic situation.
- 2.45 Access Innovation is currently finalising its summative assessment impact evaluation. The draft report recently received from the evaluators concludes that there is a continued rationale for a programme which aims to unlock the innovation potential of the business base and build relationships. Stakeholders involved in Access Innovation viewed the programme as an 'essential starting point' in transforming the region into a collaborative innovation hub. Furthermore, they felt that any future innovation support offer should acknowledge the varying needs of businesses at different stages of the innovation journey, and with different levels of absorptive capacity, and target the intervention accordingly.
- 2.46 Identified as key components of any ongoing programme were the following:
- The provision of brokerage, and advisory assistance. In particular, the need for advisory support to help businesses identify opportunities and develop an R&D specification/proposal which the knowledge base can respond to, has emerged as a key learning point from Access Innovation.
  - Financial assistance to help de-risk the investment in innovation activity.
  - Raising awareness across the City Region of innovation and its potential to unlock growth. Working to increase the number of innovating businesses by promoting and marketing the assistance available, with a focus on encouraging businesses new to R&D and collaborative research to engage in support.
- 2.47 These recommendations have been built into the structure for the new Connecting Innovation programme which has now commenced. In particular, in addition to ongoing grant support to de-risk innovation investment, there is a much stronger focus on the programme acting as an impartial and objective 'connector' for businesses to the wider innovation eco-system within the region.
- 2.48 In 2017 an MoU between Leeds City Region LEP and Innovate UK was agreed, demonstrating the commitment of both parties to joining up, and deepening the impact of, innovation support across the City Region. Connecting Innovation is the City Region's key vehicle for achieving the ambitions set out in the MoU, and for delivering the joint ambition to establish a West Yorkshire Innovation Network (as specified in the devolution agreement).
- 2.49 Clear coordinated communication and messaging to support a culture of business innovation within the region is seen as fundamental to the success of

the programme. To reflect this, a Marketing and Communications Officer has been recruited to the programme. The role is leading both SME engagement for Connecting Innovation as a programme, but also coordinating communications with partners to help simplify the innovation eco-system for SMEs. A more detailed report on the Connecting Innovation programme and the West Yorkshire Innovation Network will be brought to the December 2020 meeting.

#### Strategic Business Growth Programme – support for SMEs with high growth potential

- 2.50 Phase One of the Strategic Business Growth Programme (SBG) completed in April 2020 and supported 353 businesses. 329 of these developed detailed growth action plans and received coaching support where specific needs were identified. As a result, over 11,860 hours of one-to-one coaching support were provided, with 39 businesses receiving grant support totalling £902,700.
- 2.51 Businesses supported through the programme have, to date, created 823 new jobs, exceeding the contractual target of 604 by just under 40%. Increased Gross Value Added (GVA) collected from 99 businesses amounted to £27.3 million. Extrapolated across the 329 companies that received support to develop detailed growth plans gives a total increase in GVA of £90.85 million.
- 2.52 A short-term extension to Phase One was agreed in April 2020 to enable the participant businesses to access additional business resilience support over a six-week period. The triage service to identify immediate needs was accessed by 283 businesses, which led to 187 'resilience' projects being delivered via 630 hours of coaching. This rapidly deployed service provided valuable practical support to businesses adversely impacted by the COVID-19 pandemic. Many were supported to successfully pivot their operations to supply new markets and/or manufacture different products. For example, a printing company solely involved in supplying the events market is now designing and printing signage for safe working, and a bakery supplying schools and shops/cafés has started to sell direct to consumers via a new website. It has also created new products, including baking kits for children.
- 2.53 Phase Two of the programme was recently launched with ongoing support from ERDF and LGF totalling £3.24m. The delivery model is as per Phase One, with a third-party business support provider procured via an open and competitive tendering process. This took place in May 2020 and resulted in Oxford Innovation Services Ltd being appointed to deliver the programme up to the end of March 2023. The advisory services will again be complemented by a capital investment fund for the participant businesses, providing grants of between £5,000 and £25,000 to accelerate growth projects. Phase Two is expected to support 500 high growth SMEs and create a minimum of 800 new jobs.

## Investment Readiness

- 2.54 The Investment Readiness programme was launched in early 2019 to provide businesses with impartial advice and guidance on the full range of finance products available in the marketplace. The £1.23 million programme, which runs until 31 December 2021, is funded by ERDF and the Leeds City Region Business Rates Pool and assists businesses with accessing the finance they need to grow their operations.
- 2.55 Support is accessed via the LEP's Business Support Service and is a key referral product for Growth Managers, as well as for business support professionals working on other projects, for example Export for Growth, Manufacturing Growth Programme, Supply Chain Development Programme and the Northern Powerhouse Investment Fund. Support through the programme includes seminars, covering key themes relating to finance, alongside peer-to-peer networks, one-to-one funding clinics and tailored one-to-one coaching sessions.
- 2.56 The programme is being delivered by a third-party business support provider, Winning Pitch Trading Ltd, in conjunction with local accountancy firm, Garbutt + Elliott.
- 2.57 Since April 2020, the programme has focussed on COVID-19-related issues with digital delivery. This has included the provision of COVID-19 specific support, including accessing the Coronavirus Business Interruption Loan Scheme and Bounce Bank Loans, as well as managing cashflow and customer / supplier relationships.
- 2.58 To date on the programme, 140 businesses have had a 3-hour Information, Diagnostic and Brokerage (IDB) sessions, with 36 of these progressing onto the more intensive 12-hour support package. Targets for the programme are 300 businesses to receive IDB, 150 businesses to receive 12 hours (or more) of support and 50 new jobs created.

## Travel Plan Network

- 2.59 The Travel Plan Network (TPN) provides its business members with expert advice and guidance on implementing sustainable travel solutions and relocation support. Membership of the network currently stands at 534 businesses with over 300,000 employees within West Yorkshire being eligible to access subsidised public transport options, cycling support and car sharing schemes in a concerted effort to create modal shifts and reduce single occupancy car use.
- 2.60 Over the last quarter, the team have been working closely with colleagues in Transport Services, providing feedback from TPN members about their planned travel arrangements as businesses return to work premises. TPN members have also been proactively encouraged to retain their travel cards where possible and continue to travel sustainably in the business recovery

phase of the pandemic. Work is also taking place with the Communication and Marketing team around key messaging to help restore commuter confidence in using public transport as they return to work.

- 2.61 As site visits remain difficult, there has been a focus on online platforms and social media channels to engage current and prospective members. The team has benefitted from social media training, and a new LinkedIn page for members has been established to facilitate networking and peer to peer support. This is a cornerstone of the European partnership, SHARE-North, which provides core funding for the TPN team. The improved on-line presence of the project will allow SHARE-North partners to better engage with TPN members e.g. through sharing information and tips around shared mobility and active travel from countries in the North Sea Region, in the process engendering behavioural changes.
- 2.62 In terms of marketing campaigns, the team has focussed on promoting walking and cycling for leisure and commuting purposes to TPN members. This includes City Connect's 'Bike Friendly Business lite' scheme which provides grant support to businesses for improved cycling infrastructure. This work follows on from the £2.4m funding allocated by the Department for Transport (DfT) to encourage more active travel as part of the broader COVID-19 business recovery measures.
- 2.63 A new marketing campaign 'in a mile' is being developed to coincide with car free day on 22 September 2020. The aim is to encourage parents/carers of school age children, who live within one mile of their school, to remain car free beyond this date and take their children to school on foot or by bike. The wider objective is to help commuting parents/carers incorporate active travel within their ongoing journey to work. Likewise, a car-free pilot project with two TPN members, the University of Bradford and the University of Huddersfield, will shortly commence. This will encourage more students and employees to walk and cycle where possible to and from work, for lectures and between campuses. Both active travel campaigns will be promoted to TPN members, and other city region businesses, via social media channels, which is also a requirement of the SHARE-North project.

### #Grow

- 2.64 A total of £2.5m of LGF has been allocated to support the creative and digital sector through two grant schemes; #Welcome and #Grow. The former is an inward investment product designed to support SMEs from the sector establish new operations in Leeds City Region.
- 2.65 #Grow has been developed to sit alongside #Welcome, to support creative and digital businesses with an existing presence in the City Region. It provides capital investment grants to digital businesses to support their growth and productivity. Grants of between £10,000 and £50,000 are available as a contribution of up to 50% of eligible project costs. The priority sub-sectors for the fund are:

- Creative industries (including creative content e.g. TV, film and media and creative services);
- IT, software and hardware;
- Cyber securities and data protection technologies;
- Smart technology, smart cities, Internet of Things and new technologies.

2.66 17 applications have been approved to date with a collective grant value of £554,062. These projects are linked to the creation of 83 new jobs.

#### Northern Powerhouse Investment Fund

2.67 The Northern Powerhouse Investment Fund (NPIF) formally launched on 22 February 2017 and has since invested £38.8m in 154 businesses in Leeds City Region. £2.6m has been invested in 61 businesses via the micro fund, £20.3m has been invested in 75 businesses via the debt fund, and £15.9m in 18 businesses via the equity fund.

2.68 NPIF promotion has continued by both the appointed fund managers and the British Business Bank with extensive networking and attendance at key events. The focus continues to be private sector professional intermediaries (e.g. banks, accountants, and solicitors), business membership organisations and the LEP Growth Service to continue to widen awareness of, and participation in, the fund. This activity is contributing to the high level of take-up in the City Region, which has so far received 19% of total enquiries resulting in 25% of all applications to the fund across the North. Across the whole fund, Growth Hubs and the LEPs' Access to Finance teams continue to be a strong and fertile source of introductions with good conversion rates into completed deals.

### **3 Financial Implications**

3.1 There are no immediate financial implications directly arising from this report.

### **4 Legal Implications**

4.1 There are no immediate legal implications directly arising from this report.

### **5 Staffing Implications**

5.1 There are no immediate staffing implications directly arising from this report.

### **6 External Consultees**

6.1 No external consultations have been undertaken specifically on this report.

### **7 Recommendations**

7.1 That the Panel notes the progress made to date on delivery of the above business support projects, programmes and services.

**8 Background Documents**

None

**9 Appendices**

Appendix 1 – LEP Growth Service Performance Update