

Why LEP Growth Hubs exist – Growth Hubs exist because evidence shows businesses which access business support grow faster and become more productive than those that don't. However, ambitious businesses face an ever-changing landscape of local and national services, which include offerings not only from the public sector, but also from the private sector. This leads to a bewildering range of support which many businesses are either unaware of or do not know how to access the support which is right for them. This means businesses are often not as competitive as they could be or able to capitalise on new opportunities and achieve their full potential.

What Growth Hubs do – LEP Growth Hubs address this market need by simplifying access to the best of public and private sector business support services both local and national, addressing individual business challenges and identifying and unlocking opportunities for growth and improved productivity. Each Growth Hub has a flexible service mix, which reflects local business needs and uses its role as a convenor to develop coordinated services and harness local intelligence and insights to shape local services.

Why Government supports the network – Government has invested in the development of 38 LEP Growth Hubs across England to deliver the impartial local coordination that is needed to make accessing help and advice simpler and deliver business growth, under three common principles:

- Improve the awareness and coordination of local and national business support
- Provide clear signposting and diagnosis to help businesses find the right support easily
- Improve the impact and value for money of business support

Funding of the network's core function ensures all SMEs are able to more easily find and access the business support services they need. This role has been strengthened under devolution deals and LEP/Local Authority (LA) integration, with LEP Growth Hubs working hand in glove with LAs for example to lever UKSPF. The network, which has been evaluated nationally, engaged more than 2.2m businesses and individuals in 2021/22, supporting over 182K companies, including 14.5K to access intensive support, 12K to find funding and 1.4K to engage with International Trade services.

The impact of the business environment – Government and LEP Growth Hubs recognise that current operating conditions present a new and difficult trading environment for companies to navigate, particularly SMEs. Businesses are facing the combined effects of sharply increased operating and energy costs, together with the effect of interest rate rises and more expensive imported materials. Added to this is the wider international picture of volatility in addition to high inflation, which will be with us for a prolonged and challenging period. This is when businesses are in most need of support, not only to navigate these pressures, but to thrive, become more productive, and to identify and exploit new opportunities to innovate and grow.

During this critical period businesses will need the right support at the right time tailored to their own individual circumstance. Narrowly targeted public resources e.g., Innovate UK, International Trade, or Help to Grow are not individually sufficient to gain maximum benefit. Services need joining up and coordinating to fully unlock businesses potential. LEP Growth Hubs, as the trusted 'go to' place for business advice, are uniquely placed to deliver this role through LEP infrastructure, developing solutions to rapidly meet an ever-changing business environment and shifts in policy focus.

How LEP Growth Hubs are responding – We have set out a practical five-point plan to align with national priorities to help businesses thrive in the current conditions. This will harness the network's deep understanding of SME needs and its capability to connect the right mix of support services at the right time.

We will:

1. **Help businesses survive and thrive** – by identifying practical solutions to challenges:
 - Addressing immediate needs – helping businesses to embed the know-how, methods and skills needed culturally to successfully navigate this and future economic, financial or commercial periods of stress or uncertainty and maintain sustainable growth.
 - Find and unlock the potential for new growth – by obtaining a rounded view of each business, their ambitions and capabilities, we can help SMEs find new customers in existing and unexploited markets through deeper diagnostics and specialist support.
2. **Support improved business competitiveness** – by driving changes in productivity:
 - Proactively identify opportunities for change - helping SMEs identify/deliver effective changes in practice including by accelerating investment in new technology to overcome productivity challenges e.g. by accessing Made Smarter or Help to Grow.
 - Help companies become more innovative – by working with Innovate UK and Universities to enable SMEs to acquire the skills and knowledge needed to exploit new opportunities unlocking access to market insights, finance, design and intellectual property advice.
 - Prepare companies for their international journey – by working with the Department for International Trade to mainstream the international trade message and integrate trade expertise into existing programmes to reach businesses who could trade internationally.
3. **Deliver better jobs** – by accelerating leadership, management and workforce skills to unlock improved productivity and benefits for our local communities:
 - Inspiring leaders for the future - equipping individuals with the skills and knowledge needed to understand, adopt and embed high performance behaviours including through Help to Grow and wider local learning opportunities.
 - Building adaptable workforces – supporting businesses to identify and invest in strengthening their workforce and developing talent, filling gaps, and raising the capabilities and ambitions of their staff, through business schools, private provision and the take-up of apprenticeships.
 - Helping companies create better jobs and progression – identifying the opportunities for businesses to move away from the national minimum wage, become more inclusive and generate better jobs which benefit their local communities.
4. **Develop and level up communities** – by acting as a catalyst for change. Build on local strengths by bringing together ambitious businesses in key local sectors with the right anchor institutions (public and private) at a place level, to identify and deliver increased productivity and growth.
5. **Protect the environment** – By leading the drive to clean growth and net zero across the SME community. Collaborate with partners to enable businesses to better understand their environmental impacts, apply new sustainable practices, and deliver triple bottom line benefits.