

BUSINESS GROWTH THEMATIC BOARD

28th August 2019

Performance Dashboard

Purpose of Report

This paper and accompanying performance dashboards provide board members with up to date performance information on all business growth programmes delivered by the SCR Executive on behalf of the LEP and MCA

Thematic Priority

Ensure new businesses receive the support they need to flourish.

Facilitate and proactively support growth amongst existing firms

Freedom of Information

This paper may be released under a Freedom of Information request. In this section, it must be clear if the paper has any exemption under [Part II of the Freedom of Information Act 2000](#)

Recommendations

That Board Members:

1. Scrutinise the performance information provided in order to identify future performance deep-dives or significant areas of risk;
2. Review the format and detail of information to inform future iterations of the dashboard.
3. Agree whether Members want to receive a risk register of any programme or project risks.

1. Introduction

- 1.1 Performance dashboards for the business growth programmes of the LEP and MCA are attached for members to review

- SCR Growth Hub - **Appendix 1**
- Business Investment Fund - **Appendix 2**

Inward Investment data and projects will be added to a future iteration of the performance paper and a dashboard presented.

2. Proposal and justification

- 2.1 The following is a summary of performance by programme

2.1.1 SCR Growth Hub

Further programme detail is provided in **Appendix 1a**
A full performance dashboard is provided at **Appendix 1b**

In 2014, to support enterprise, productivity, employment and skills, the SCR Strategic Economic Plan (SEP) proposed the creation of a Growth Hub to deliver the business support programme outlined in the SEP. The Growth Hub is one of 38 in England providing a 'gateway' to access specialist growth support including innovation, exporting, finance and skills training. The Growth Hub is part of the delivery infrastructure of the LEP and is overseen by the Business Growth Board.

BEIS allocated budget for Growth Hub delivery from the Local Growth Fund (LGF) from 2015/16 to 2019/20 totalling £4m, this is held in a ringfence reserve and is called upon each year. In addition, BEIS has provided top up funding to date of £1.64m from 2016 to 2020. The Growth Hub has until recently co-funded business support services in partnership with the Local Authorities including Launchpad, RISE, Growth Hub Enhancement project and Y Accelerator. It should also be noted that some business support programmes are co-funded by the European Structural Funds, final programme commitments will be made by the end of 2019/20.

The following outputs and outcomes have been agreed with BEIS for activity 2015-2021:

Outputs:

- Jobs Created: 2,500
- Businesses Supported: 5,000

Outcomes:

- Businesses Engaged: 6,500
- Businesses referred to support: 1,000

Performance Summary

Current performance against agreed outputs and outcomes are:

Outputs	Target	Actual
Jobs Created:	2,500	2,135
Businesses Supported	5,000	8,014
Outcomes		
Businesses Engaged	6,500	5,917
Businesses referred to support	1,000	4,988

Management Action

For the two areas where targets are behind profile, enhanced monitoring is being implemented, however as there remains 18 months to deliver this target no remedial action has been put in place as the trajectory indicates targets will be achieved.

2.1.2 Business Investment Fund

Further programme detail is provided in **Appendix 2a**
A full performance dashboard is provided at **Appendix 2b**

Access to finance is and will continue to be one of the key issues affecting business growth within the Sheffield City Region. From a total Local Growth Fund (LGF) programme of £360m, a £52m programme was established with the aim of supporting beneficial schemes of inward investment and to enable more indigenous companies to access external finance to grow, modernise or sustain their activities. In support of this aim the Combined Authority (MCA) and Local Enterprise Partnership (LEP) approved the Investment Strategy for the Business Investment Fund (BIF), in June and July 2015.

The Business Investment Fund aims to:

- support investment in indigenous companies where there is a demonstrable case

- for grant;
- support significant inward investment into the Sheffield City Region.

The outputs government are seeking from this investment are:

Outputs	Target (lower)	Target (upper)
Jobs Created	1,830	2,370
Private Sector Leverage	£118m	£160m

Performance summary

To the end of Q1 2019/20 the Business Investment Fund has:

- created 2,641 jobs,
- levered over £78m in private investment.
- supported 81 companies (including awards approved but pending contract)

The total BIF awarded to date is £44,881,401 and total commitment is £46,289,522 including the active BIF pipeline to 2020/21 of £1.4m.

There are currently 9 projects in contract with a red risk rating, 2 projects with amber risk rating and 15 projects with green risk rating. Seven of the nine 'red' risk rated projects are subject to clawback due to under-delivering against their jobs targets.

There is an active pipeline of schemes estimated to be c£15m. The LEP board have a discussion on the totality of the LGF pipeline scheduled.

Management Action

Where contracted scheme specific targets are behind profile, enhanced monitoring will be implemented, and appropriate remedial action agreed.

Recommendations for the underperforming projects subject to clawback will progress through the decision-making process over the next quarter.

3. Consideration of alternative approaches

- 3.1** The Performance Dashboard is the first iteration of data for the Thematic Boards. Members can shape how the dashboard looks and the data and information included to fulfil their remit for performance management.

4. Implications

4.1 Financial

LGF – Allocations must be spent within the funding year, therefore all approved projects which enter into contract are monitored closely to ensure any potential underclaims are mitigated to prevent loss of funding to the programme and the scheme promoter.

4.2 Legal

Funding Agreements are in place for all projects/programmes where the MCA is the accountable body, where appropriate they include payment clauses linked to performance.

4.3 Risk Management

Risks on all projects are recorded in a project Risk Register and mitigation actions are reviewed and escalated as appropriate. Risks could be incorporated into the individual programme dashboards if members require further oversight of these matters

4.4 Equality, Diversity and Social Inclusion

All projects promote inclusivity to ensure residents across SCR can access support/opportunities regardless of where they live. A series of inclusive growth targets have recently been included in all new LGF approvals.

5. Communications

5.1 All existing projects form part of the organisations communication plans.

6. Appendices/Annexes

6.1 Appendix 1 (a) and (b) the Growth Hub
Appendix 2 (a) and (b) the Business Investment Fund

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Background papers used in the preparation of this report are available for inspection at: 11 Broad Street West, Sheffield S1 2BQ

Other sources and references: