

**BUSINESS RECOVERY & GROWTH THEMATIC BOARD**

**25<sup>th</sup> March 2021**

**Grant Acceptance**

**Purpose of Report**

This paper requests approval to accept the annual allocation of Department of Business, Energy and Industrial Strategy (BEIS) Growth Hub Grant, BEIS grant for Peer Network Programme and Department of International Trade (DIT) Key Account Management extension grant for 12 months from 01<sup>st</sup> April 2021 until 31<sup>st</sup> March 2022 and seeks delegated authority be given to the S73 Officer in conjunction with the Head of Paid Service and Monitoring Officer to enter into legal agreements for the schemes.

**Thematic Priority**

Cross cutting - financial

**Freedom of Information and Schedule 12A of the Local Government Act 1972**

This paper will be made available under the MCA publication scheme.

**Recommendations**

Members are asked to

1. Approve acceptance of the annual Growth Hub grant allocation for £0.70m
2. Approve acceptance of the Peer Network grant allocation of £0.12m
3. Approve acceptance of the Key Account Management extension funding for 12 months and accepts the grant of c£0.08m.
4. Delegate authority to the S73 Officer in conjunction with the Head of Paid Service and Monitoring Officer to accept the grants of c£0.99m subject to their acceptance of the terms of the agreements when these are received.

**1. Introduction**

- 1.1 The Growth Hub Grant** - The MCA, as accountable body for the LEP, is requested to accept a grant of £0.70m to provide support, advice and training to assist businesses. The Growth Hub is supported by annual BEIS grant and funding from a special reserve set up with specific BEIS funding several years ago. This paper requests acceptance of the annual allocation of the BEIS grant.
- 1.2 The Peer Network Grant** - The MCA, as accountable body for the LEP, is requested to accept a grant of £0.12m to provide support, advice and training to assist businesses to navigate the challenges facing them in relation to Covid 19 by work through actions and solutions with peers. The MCA Growth Hub will act as the delivery body for the networking scheme, recruiting participants, organising facilitators/coaches, organising virtual and

physical venues as appropriate, liaising with the evaluation partner and reporting on performance.

- 1.3 KAM Extension Grant** - The DIT have funded the Key Account Manager programme since 2018/19 and have offered the LEP, with the MCA acting as accountable body, c£0.08m for 2021/22 to continue and expand the programme for a further year. The KAM programme aims at providing dedicated advisor support to help foreign owned companies achieve their growth potential

## **2. Proposal and justification**

### **2.1 Acceptance of Growth Hub annual allocation grant 2021/22**

BEIS continue to provide Growth Hub funding to all LEP areas for the provision of localised business support. Growth Hubs continue to play an important role with regard engagement with companies, providing support and signposting, including delivering new schemes and services, working to provide business intelligence and working in partnership with government on Covid-19, EU Exit and transition issues, etc. The funding is to ensure continued and locally focussed support provision for businesses.

### **2.2 Acceptance of Peer Network grant 2021/22**

The proposed grant is to provide support, advice and training to assist businesses to navigate the challenges facing them in relation to Covid 19 by work through actions and solutions with peers. The MCA Growth Hub will act as the delivery body for the networking scheme, recruiting participants, organising facilitators/coaches, organising virtual and physical venues as appropriate, liaising with the evaluation partner and reporting on performance.

The programmes will target:

- 8 SME Cohorts of 11 participants
- 18 hours of additional learning support
- ½ day of 1-2-1 support

### **2.3 Acceptance of KAM extension funding 21/22**

There are estimated to be c700 foreign-owned companies already located in the city region (based upon standard DIT terminology of a minimum of 10% foreign ownership). The KAM programme targets any Sheffield City Region businesses who are not already actively account managed directly by the DTI or local authorities.

To date the programme engaged with 77 foreign investor businesses to gather business intelligence and discuss future investment strategies. This was against a contract target of 60 businesses. From this the project is forecast to achieve notable success with 5 of these businesses creating new jobs or making further investments in the region. This contract target is 20.

The programme operates via specialist business advisors to work with the companies. This support has been contracted via a fixed term consultancy agreement. The proposal for 21/22 is to continue.

## **3. Consideration of alternative approaches**

- 3.1 Growth Hub – Do Nothing** – this option is recommended to be discounted as the funding is the annual allocation from BEIS in order to sustain the Growth Hub work

Peer Network – Do Nothing – the Peer Network funding is to provide support, advice and training to assist businesses to navigate the challenges facing them in relation to Covid 19. This option is recommended to be discounted as it would minimise the help available to South Yorkshire businesses in the coming year.

KAM – Do Nothing – this option was considered but it is recommended this is rejected as it would minimise the work the LEP are seeking to do with foreign owned business, particularly in converting interest into tangible new investment projects.

## 4. Implications

### 4.1 Financial

This report proposes the acceptance of three grants, subject to satisfactory grant conditions being received and accepted by the statutory officers

This paper sets out the indicative Growth budget and the KAM budget for 21/22. The total expenditure of the Growth Hub programme and the KAM budget will continue to be managed so that they will not exceed the financial resources available

No further resource is required from the MCA to deliver the proposed activity and the report notes that grant resource may be used to support the appropriate administration and control of activity from within the MCA.

### 4.2 Legal

Prior to accepting the grants, the MCA will ensure that the conditions are acceptable, and will subsequently put in place arrangements to comply with the grant conditions. The legal implications of acceptance of grant will be fully considered by the S73 officer in conjunction with a representative of the Monitoring Officer. The MCA, as accountable body for the LEP, already has agreements in place with BEIS and also with DTI for the established KAM work. This activity would be an extension to the agreements. The Monitoring Officer will confirm his acceptance to the conditions of the grant award prior to entering any legal agreement.

### 4.3 Risk Management

Risks to delivery are actively managed by the Programme and Performance Unit of the MCA Executive Team and high risks will be raised with the Business Recovery and Growth Board as part of the performance dashboard.

### 4.4 Equality, Diversity and Social Inclusion

None as a direct result of this paper.

## 5. Communications

### 5.1 The Growth Hub already has a comprehensive communication and marketing plan.

The Peer Network scheme provides an opportunity to deliver an element of the additional support to businesses facing the additional challenges as a consequence of the pandemic.

## 6. Appendices/Annexes

### 6.1 NONE

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