

Leicester & Leicestershire Enterprise Partnership

Business Gateway Evaluation

August 2019



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CONTENTS

	Page Nr
1.0 Introduction	2
2.0 Background	3
3.0 Management and Governance	7
4.0 Policy Context	8
5.0 Performance	10
6.0 Benchmarking	15
7.0 Staff, Partner and Stakeholder Consultation	31
8.0 Business Consultation	35
9.0 Future Arrangements	49
10.0 Conclusions	50
11.0 Recommendations	52

1.0 Introduction

In May 2019 Focus Consultants was appointed by the Leicester and Leicestershire Enterprise Partnership (LLEP) to undertake an evaluation of the LLEP's Business Gateway (Growth Hub). The aim of the evaluation was to establish what has been the impact of the Gateway to date and what difference the investment has made on the business community. Specifically, the brief requested:

- A process evaluation of the LLEP's Business Gateway (Growth Hub) project, reviewing the operational arrangements and their effectiveness.
- A review of the data being collected in relation to the BEIS evaluation framework to test robustness and assess progress towards targets.
- A review of partnership arrangements, seeking feedback from two partners on the value of the Growth Hub and the LLEP's ERDF Programme.
- Consultation with a representative sample of beneficiaries to provide their view on the project benefits and assess value for money of the interactions.
- To capture good practice and lessons learnt and provide recommendations on the LLEP Business Gateway for consideration.
- To assess the value for money and customer satisfaction delivered by the Growth Hub

To undertake the evaluation the following work was undertaken:

- Desk-based review and descriptive analysis of the most recent management and reports and data prepared by the Gateway.
- An analysis of the outputs achieved through the ERDF project, customer satisfaction levels, the reach of the Business Gateway through social media and penetration levels in terms of website hits and number of businesses engaged.
- Feedback on the delivery model, partnerships and operational arrangements put in place to deliver the Gateway, drawing upon a review of background information and consultations with stakeholders, staff and delivery partners.
- Consultation with businesses supported through or engaged with the Gateway.
- Desk-based review of approaches adopted by other Growth Hubs.

2.0 Background

In May 2010, the Coalition Government announced its plans to close the Regional Development Agencies and replace them with more locally-accountable business bodies, the Local Enterprise Partnerships. National business support provision would become more streamlined, through the Department for Business, Innovation and Skills and information and advice were separated.

Many of the LEPs have the promotion of enterprise, access to finance and business growth as one, joint, key strategic priorities. Working mainly through LEPs during 2014 and 2015, the Coalition Government rolled out Growth Hubs as the vehicle for business support at LEP level. They are viewed by government as an important part of making it easier for firms to start and grow, by ensuring business support is simpler, more joined up and easier to access.

Growth Hubs are local public/private partnerships, often led by LEPs and local authorities, designed to provide a single local access point for business support, and to join up different sources of support so business owners can get the support they need quickly and easily. There is no single defined model for a Growth Hub because they are designed to reflect local needs and partnership arrangements.

The Leicester and Leicestershire Growth Hub – known as the Business Gateway was launched as a virtual hub on 1st October 2014, before the securing of ERDF funding in 2016 enabled the Growth Hub to develop to employ staff that could provide face to face support to businesses. The Gateway project was originally due to start 1st September 2015, and although some activity was undertaken, a full complement of staff activity did not commence until April 2016. It is managed by the Leicester and Leicestershire Local Enterprise Partnership (LLEP) and governed by the LLEP Board. The Gateway responded to the 2013 LLEP Business Survey which identified a number of barriers around regulation and acquiring business premises; the survey indicated that 70% of LLEP businesses have growth plans however the constraints of a confusing business support landscape without a central information point. As a consequence, businesses were reluctant to seek or engage with business support services thereby negatively impacting on business growth potential, the development of new products and services, accessing new markets and increasing local employment.

The LLEP area is home to 42,065 SMEs in a mix of rural and urban settings, the majority of the businesses are SME with 89% of the business community comprising of micro businesses. The aim of the Business Gateway since its launch has been to offer a single point of access to information and guidance on business support available to enterprises across the region. The Gateway receives core funding of approximately £205,000 per annum to deliver a local business support service and act as a signposting service across a wide range of topics including:

- Business start-up training and mentoring
- Business growth and expansion plans, recruitment and investing
- Access to finance, including local and national grants and loans programmes
- Premises and search for new commercial property
- Employment and skills
- Regulation and compliance

As of June 2019, the Business Gateway has had 4,997 enquiries through telephone, email and web channels; 2,873 of these have been direct to the Growth Hub, with 2,124 via the National Business Support Helpline for LLEP.

From its launch, there was very limited operational resource in place within the LEP with an Economic Strategy Manager who managed the Hub, a Communications and Support Officer and an Economic Intelligence Officer. The Gateway, as a virtual hub, initially acted as a signposting service, providing a single point of access and signposting to information and guidance on business support available to enterprises across Leicester and Leicestershire.

The Gateway signposts to both the GREAT Business website and the Government's Business Support Helpline, which offer free advice about starting up a business and can direct business to more support. At local level, in the Gateway signposts to a range of partners, including a network of European Regional Development Funded projects. Partners include:

- De Montfort University
- Loughborough University
- University of Leicester
- East Midlands Chamber
- Federation of Small Businesses
- Leicester City Council
- Leicestershire City Council
- The seven Local Authorities across the Districts and Boroughs of Leicestershire

Partners of the Business Gateway need to be a business support provider; an organisation that offers advice, expertise, coaching or mentoring to help a business start, improve or achieve growth. The organisation must be offering this service via a publicly funded contract so that the support is free or subsidised for clients. All partners must sign an Information Sharing Agreement.

In 2016, European Regional Development Funding was secured by Leicester City Council as the accountable body for the Gateway which enabled the Gateway to develop to employ staff that would provide face to face support to businesses and offers a single point of access to information and guidance on business support available to enterprises across the area, regardless of sector, or stage of development.

The Business Gateway ERDF project offered SMEs across Leicester and Leicestershire a single point through which they can access all ERDF business support. In developing the application for ERDF funding, the LEP sought through a tender process, delivery partners for the project. This led to the selection of East Midlands Chamber (EMC) and East Midlands Business (EMB) as the delivery partners for the ERDF Growth Hub project, which are explored in more detail below:

- East Midlands Chamber (EMC): the leading business organisation in the region (Derbyshire, Nottinghamshire, Leicestershire) with a growing membership of more than 4,100 businesses. Members benefit from a wide range of business support services, from lobbying and campaigning, helping businesses realise their international trading ambitions, showcasing and market-making activities to workforce training and development.

- East Midlands Business (EMB): EMB Group helps organisations of all types of sizes become more effective, more efficient and more profitable, summed up in the phrase Catalysing Better Business. EMB achieves this by providing market-leading accreditation and risk management solutions, business improvement consultancy and through the delivery of a range of publicly funded programmes. EMB was formed in 2005 and since then have delivered around 100 substantial programmes and projects.

The project operated from September 2015 through to the end of 2018. Further ERDF funding has been secured for a second Growth Hub project which will operate from 2019 for a further three years.

The original ERDF project, initially worth £1.5 million in total, was awarded £750,000 from the European Regional Development Fund as part of the European Structural and Investment Funds Growth Programme 2014-2020. A Project Change Request in April 2018 made amendments to the Expenditure Profile of the project in order to account for project underspend throughout the duration. The total project cost was revised to £1.35 million, with £675,000 of ERDF funding.

East Midlands Chamber employed the information advisers and 2 business advisers and more recently an events manager and East Midlands Business employed 2 advisers (1.6 FTE). The LLEP were responsible for overall management of the service, the claims and monitoring of the project and the marketing, communication and events. LLEP was responsible for all other activity within the delivery of the project, including: marketing, systems, partnerships, performance, claims etc. The activities undertaken by each partner were split with LLEP taking responsibility for the information (Infrastructure) and the Chamber and EMB's activity being focused on the provision of Advice and Support (Account Management).

The Business Gateway project focussed on ERDF-eligible SMEs with growth aspirations and individuals looking to start a business within the Leicester and Leicestershire LEP area. The Gateway specifically targets beneficiaries in the LLEP priority sectors which include:

- Food and Drink
- Textiles Manufacturing
- Creative Industries
- Low Carbon
- Logistics & Distribution
- Engineering & Advanced Manufacturing
- Tourism & Hospitality
- Business & Finance

The Gateway championed entrepreneurship and the take up of business support, to achieve sustainable growth. This single channel enables efficient local referral routes, based on a common infrastructure, and ensures easy access to the most appropriate business support based on the needs of the SME, identified through a two-stage diagnostic process. The outcome of this support is for SMEs to engage in the innovation of new products, markets and processes to achieve their aspirations for growth.

Project activity is focused in two key areas:

- Providing information on ERDF business support to SMEs and what support is available and how they can access it.
- Providing Advice and Support to SMEs on accessing the right business support to overcome their barriers to growth; supporting them through dedicated Account Management and mentoring to achieve their growth aspirations.

An early finding of the evaluation has been that it is difficult to distinguish between the Business Gateway as a strategic service for the LEP and the ERDF project. There is a strong sense that the ERDF project has become seen as the Growth Hub in its entirety, and certainly the two are often interchangeable when talking to partners and stakeholders about the Gateway.

The initial ERDF project ended in December 2018 and further funding has been secured for a further 3 years. This is discussed further later in the report.

3.0 Management and Governance

The Business Gateway initially fell under the strategic oversight of the LLEP Business Board, whose membership was represented on the LLEP Executive and the LLEP Strategic Board via the chair and the CEO of the Chamber of Commerce. It is recognised that the Business Board has not met for over 12 months and essentially the performance of the Gateway is reported to the LEP Programme Board as a project with limited scrutiny or strategic direction.

To a large extent, the governance of the Gateway came through the Project Board established to manage the ERDF project. This included representatives of each of the three delivery partners. Typically, on a monthly basis, an initial strategic meeting was held with senior representatives from each partner, followed by a wider meeting involving the delivery team.

The management and governance structures for the Business Gateway have clearly evolved since inception in 2014 and with the introduction of ERDF funding in 2016. In July 2018, a new Business Gateway Manager was employed by LLEP and a new governance structure has been in place since January 2019 in part, to manage the new ERDF funded Gateway project.

4.0 Policy Context

Since the initial policy drive starting in 2010 which led to the establishment of the LEPs, the government has reaffirmed its commitment to Growth Hubs in the Industrial Strategy White Paper which stated:

“Over the last three years, we have established and tested Growth Hubs in every Local Enterprise Partnership area in England. We will build on this programme, providing continued funding to enable Growth Hubs to bring public and private sector partners together, such as UK Research and Innovation, the British Business Bank, Tech Nation, investors and universities. We want Growth Hubs to carry on building their reach, developing peer-to-peer networks, connecting businesses to the best support available from the private and public sectors. We will also work with Local Enterprise Partnerships, Growth Hubs, universities and the private sector to support high potential businesses to scale up.”

There is an enhanced focus from BEIS on identifying and supporting high growth potential/scale up businesses and the Gateway has to project a quarterly update on the progress of its Scale-Up Plan, in terms of providing services to scale up businesses through the Gateway. The Gateway is also expected to report on how LLEP is ensuring the Growth Hub is embedded in the developing Local Industrial Strategy.

It is well recognised that core funding for Growth Hubs has been limited and often short-term. This has made it difficult for Hubs to develop the strong local presence needed to influence the coordination and delivery of services. To counter this, many growth hubs, including the LLEP Business Gateway have sought to boost their resources with funding from the European Regional Development Fund. This helped strengthen local presence by providing a delivery mechanism rather than just signposting but has also meant that Hubs have had to manage and deliver their own services at the same time as working to coordinate and influence services provided by others. This has been a difficult, but necessary balance to strike in order to provide the review process which is critical to the Growth Hub's offer to businesses.

The future of Growth Hubs is also being influenced by the Government's drive to strengthen Local Enterprise Partnerships, as published in the 'Strengthened Local Enterprise Partnerships' report of July 2018. The review proposes a number of changes to boost the performance of LEPs, increase their diversity and ensure they're operating in an open and transparent way. The key areas covered by the review were:

- Roles and responsibilities
- Leadership and organisational capacity, including increasing representation and diversity on LEP Boards
- Accountability and performance
- LEP geographies and boundaries

The reports states that all LEPs should have a legal personality - for areas without a combined authority, this means incorporating as a company. This “reflects [LEPs]’ more prominent role in local growth, that they are their own business led organisations and will allow them to enter into legal commitments to take on further responsibilities in the future.”.

LEPs will continue to have accountable bodies (a lead local authority), with their Section 151 Officer (finance director) accountable for the proper conduct of financial affairs. The governance arrangements for the LLEP are in the process of evolving to respond to the requirements of the ‘Strengthened Local Enterprise Partnerships’ report.

5.0 Performance

The performance of the Business Gateway to date has been measured in a number of ways and these are explored below.

5.1 ERDF Outputs

The table below shows the contracted outputs of the Business Gateway ERDF project and the actual outputs achieved. We have calculated the cost per ERDF output by dividing the Project Total Cost (£1,350,000) by the total number of outputs achieved. This demonstrates that the project was very close to achieving its outputs and in some cases exceeded the targets.

Output ID	Output Definitions	Total project outputs required	Total outputs achieved	Cost per output (rounded)
C1	Number of enterprises receiving support	205	192	£7,000
P13	Number of enterprises receiving Information, Diagnostic and Brokerage Support	750	861	£1,600
C4	Number of enterprises receiving non-financial support	205	192	£7,000
C5	Number of new enterprises supported	40	35	£38,600
C8	Employment increase in supported enterprises	36	59	£23,000
C29	Number of enterprises supported to introduce new to the firm products	25	35	£38,600

In 2013, Regeneris, as ex-ante evaluators, were appointed by the Department of Communities and Local Government to research the unit cost of a number of key economic outputs to inform the Local Enterprise Partnership's proposals for the ESIF programme. This work involved analysing data from 1,185 previous projects from across the English regions.

The findings of this research are used to compare the unit cost of some of the Business Gateway outputs.

Regeneris suggest that for intensive business assistance, a unit cost of £10,000 should be used as a benchmark. The unit cost for a C1 output under the Gateway project was c.£7,000 and therefore represents very good value for money

In terms of jobs created, Regeneris suggested that a figure of £26,000 gross cost per job is used. The unit cost per job for Gateway was c.£23,000, again representing very good value for money.

5.2 Business Gateway Engagement

Between October 2014 to July 2019 the LLEP Business Gateway had recorded 104,571 website users and received 4,997 enquiries. The table below benchmarks this against other LEP areas to demonstrate comparative penetration levels:

Comparative Analysis, Growth Hub Penetration Rates					
	No. of Businesses	Unique Website Users	% Penetration – Website Users	B1: Businesses Engaged	% Penetration – Businesses Engaged
LLEP	42,065	104,571	248.6%	1,098	2.6%
Heart of SW	71,510	56,217	78.6%	6,606	9.2%
Marches	30,780	42,246	137.3%	8,296	27.0%
SEMLEP	90,615	94,190	103.9%	10,012	11.0%
West of England	45,010	30,892	68.6%	5,059	11.2%

Source: Data from individual Growth Hubs, as reported in the BEIS 18/19 biannual review

B1: Businesses engaged relates to the measure “Businesses that have received ‘light touch’ triage, information and/or signposting support cumulatively since launch of Growth Hub

This table demonstrates that whilst the penetration rate in terms of unique website users is very high, the level of penetration in terms of business engagement is much lower than the comparator areas.

An analysis of social media engagement shows that the Business Gateway has a comparatively high number of Twitter followers and LinkedIn follows for the number of businesses in the area, demonstrating good social media presence.

Comparative Analysis of Growth Hubs Social Media							
Growth Hub	No. of businesses ¹	Website Users ²	Penetration Rate	Social Media ³			
				Twitter Followers	Tweets	Twitter Likes	LinkedIn Followers
Heart of SW	71,510	56,217	78.6%	1,232	2,638	801	141
Marches	30,780	42,246	137.3%	3,577	10,000	2,530	335
Enterprise M3	79,460	No data	N/A	2,492	6,210	2,102	262
SEMLEP	90,615	94,615	104.4%	2,705	7,694	2,677	433
West of England	45,010	30,892	68.6%	1,763	2,666	481	183
Lincolnshire	37,650	No data	N/A	5,483	3,747	433	251
Gloucestershire	29,235	No data	N/A	6,184	3,665	1,530	847
CloS	24,000	No data	N/A	3,965	8,402	4,906	272
LLEP	42,065	104,571	248.6%	2,432	7,732	776	1,105

Sources: ¹Office of National Statistics (2018); ²Data from individual Growth Hubs, as reported in the BEIS 18/19 annual review or by direct contact; ³Data as of 5.07.2019.

5.3 Customer Service Feedback

In line with the requirements of the 2018-2019 'Metrics and Evaluation Framework' for 'medium' and 'high' intensity interventions, the LLEP Business Gateway undertakes customer satisfaction surveys, the results of which are below:

Question	1/5	2/5	3/5	4/5	5/5	Total	Average
2017-2018							
"How satisfied or dissatisfied are you with the quality of this service?"	2	0	1	2	60	65	4.8
How likely would you be to recommend this service to a friend/colleague?"	7	3	14	20	12	56	3.5
2018-2019							
"How satisfied or dissatisfied are you with the quality of this service?"	3	5	1	0	75	84	4.7
How likely would you be to recommend this service to a friend/colleague?"	7	3	17	24	13	64	3.5
Total 2017-2019							
"How satisfied or dissatisfied are you with the quality of this service?"	5	5	2	2	135	149	4.7
How likely would you be to recommend this service to a friend/colleague?"	14	6	31	44	25	120	3.5
Note: 1 – very dissatisfied; 2 – somewhat dissatisfied; 3 – neither satisfied nor dissatisfied; 4 somewhat satisfied; 5 very satisfied							

These results are benchmarked against a number of other Growth Hubs in the table below. The dates are not directly comparable as are based on which data sets could be sourced.

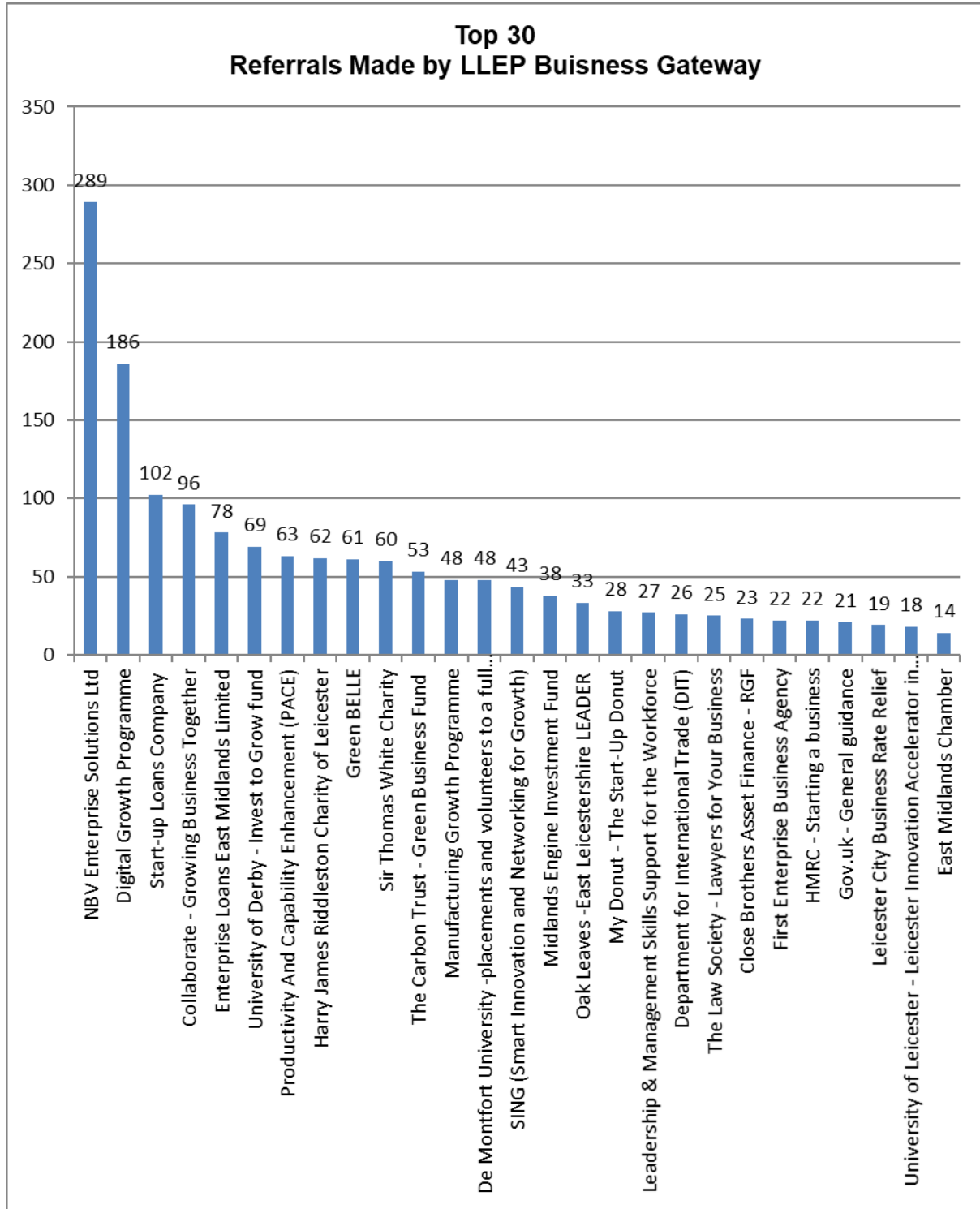
Question	Comparison with Other LEP's				
	LLEP	SEM LEP	MARCHES	HERTFORDSHIRE	HUMBER
"How satisfied or dissatisfied are you with the quality of this service?"	4.7	4.73	4.79	4.37	4.62
	(18/19)	(Apr 18-Sept 18)	(17/19)	(17/18)	(16/17)
How likely would you be to recommend this service to a friend/colleague?"	3.5	4.9	3.48	4.5	4.88
	(18/19)	(Apr 18-Sept 18)	(17/18)	(17/18)	(16/17)

This demonstrates that in relation to the specific questions asked through this survey, the levels of satisfaction are broadly in line with other Growth Hubs although the average score for the businesses that would recommend the service are generally lower in the LLEP area compared to other Growth Hubs.

Referrals

Over the last three years the Growth hub has accelerated the level of referrals to a number of both publicly and privately funded business support programmes. As the Growth hub does not currently have any grant funding or specialisms a key aspect of the work undertaken has been to ensure that the businesses that are engaged are provided with easy to access support which are provided by other partners.

The table below provides an indication of the top 30 referral partners from April 2016 to the beginning of September 2018 - the majority of referrals have been for businesses seeking prestart support and these have been referred to the locally funded ERDF programme operated by NBV. There have also been a significant number of referrals to the Digital Growth project and DIT.



6.0 Benchmarking

This section provides a review of a selection of other Growth Hubs to identify examples of best practice and benchmark the Business Gateway against other Growth Hubs with regards to funding, process, perception and performance. An awareness of other Growth Hubs will enable the Business Gateway to ensure it is conscious of success criteria elsewhere and the review will make recommendations on how to improve their overall offer.

As part of the review we have analysed the following:

- Marches Growth Hub
- Business Lincolnshire Growth Hub – partly sub-contracted to East Midlands Business Limited
- Gloucestershire – “The Growth Hub” – run by the University of Gloucester
- Cornwall & The Isles of Scilly Growth and Skills Hub – delivered by Cornwall Development Company
- Heart of the South West Growth Hub

Whilst every Growth Hub has been set up slightly differently, there are a number of key variables which can determine the shape/characteristic of Growth Hubs including:

- Direct delivery / signposting – some deliver direct business support (such as Enterprise M3), while others simply signpost to other providers (such as West of England).
- Virtual delivery / physical bases / multiple sites – the role of physical space within Growth Hub offers is also varied. Most were set up as virtual hubs, but the likes of the Marches, Gloucestershire and CloS have implemented on-site measures such as incubator spaces and ‘On the Road’ programmes.
- Prioritising support for sectors / themes / types of businesses – some Growth Hubs are more specific in their support for particular business or local needs. Nearly all initial models were open to all, but some now offer specialist growth services for businesses in key sectors.
- Business networking / ownership – most Growth Hubs provide a forum for networking and collaboration or representation of the business community.
- Delivery organisation – some are delivered internally by the LEP, others through partnership models or externally through procurement.

In our review of comparator areas, we have explored how other LEPs have approached these issues.

6.1 Marches Growth Hub

Background



The Marches Growth Hub was launched in October 2015 to deliver a key Strategic Priority for the LEP, that of Supporting Businesses. The Marches is home to 29,800 SMEs. The LEP supports several ERDF projects.

Funding

A BEIS grant of £250,000 (2015/16) funded the set up of the virtual hub website, helpline, CRM, staffing, and the set-up and marketing of the Physical Hubs. Although this funding was reduced to £205,000 per annum, the partner organisations maintained the commitment to running the Physical Growth Hubs including staffing. During this period (2015/16 to September 2017), the Growth Hub boosted total business interactions by c.60% while customer satisfaction and awareness increased.

Activities

The Growth Hub's main partners are the three Local Authorities of Herefordshire, Shropshire and Telford & Wrekin, the Department for International Trade (DIT) West Midlands and the University of Wolverhampton. Other strategic partners include both the Shropshire and the Herefordshire & Worcestershire Chambers of Commerce, the Federation of Small Businesses (FSB), the Marches Skills Provider Network, the University Centre Shrewsbury, Harper Adams University, Herefordshire Business Board, Shropshire Business Board and Telford & Wrekin Business Board, which also link into multiple private sector-led business network groups.

Support offered to businesses through the Marches Growth Hub is delivered by:

- A virtual hub
- A local helpline
- Three Physical Growth Hubs located in Telford & Wrekin, Shrewsbury and Hereford

The Marches Growth Hub operates at a relatively low cost, providing a virtual hub (based in the Marches LEP offices) that is 100% funded by BEIS, plus Physical Hubs supported by staff and financial resources from the Local Authorities and the University of Wolverhampton. The Physical Hubs are located in buildings either owned or leased by the University or Local Authority – that bear the bulk of the cost of these facilities.

The Growth Hub focuses on linking businesses to intensive support delivered by partners; however, partner projects are delivered under the banner of the Growth Hub.

Physical Hubs

The Growth Hubs links businesses to ERDF funded projects that all have been holding regular clinics at the Physical Hubs (free of charge) to increase the opportunity for local businesses to update their knowledge, obtain quality advice and access networking opportunities.

Performance

Grant Funding

A total grant amount of £1,317,120 was received by local businesses to date (October 2015 to September 2017) in grant funding, alongside expert support to develop new products, access new supply chains and export overseas.

Grant funding is borne out of the Marches LEP's standing as a key partner in the Midlands Engine; one of the strands of this strategy is the Midlands Engine Investment Fund (MEIF), which is a collaboration between the government-owned British Business Bank and ten LEPs in the West Midlands and East & South East Midlands and provides commercially focused finance to help SMEs start up and grow.

Business Support

- 236 jobs were created by businesses that have received support of medium intensity (102 jobs) and high intensity (134 jobs). It is likely that this is an underestimation of impact as the Growth Hub only began reporting this data to BEIS from April 2016.
- Customer satisfaction with the service is relatively high (between 4.5 and 5.0) across both modes of support i.e. virtual and Physical Growth Hubs.
- The website has received more than 43,000 visits (24,000 unique visitors) since launch.
- As of September 2017, the virtual hub has received 1,019 light touch enquiries (973 companies) and 246 referrals to key partners, providers and various events
- As of September 2017, the Physical Growth Hubs saw 1,910 face-to-face appointments, 2,185 telephone calls and 8,975 attendees to events undertaken (across 1,283 events)
- As of September 2017, there had been 89 medium level assists to 81 unique companies, as well as 31 referrals (18 companies) made to various events and organisations.
- As of September 2017, there had been 8 intensive level assists to 8 unique businesses.

An evaluation of the Marches Growth Hub suggests that it was operating on par with more resourced and/or longer established Growth Hubs. Despite operating across one of the largest geographical LEP areas in the country, it has established an effective network of local and national providers, and it has secured the continuous commitment of its partner organisations despite a decrease in BEIS funding.

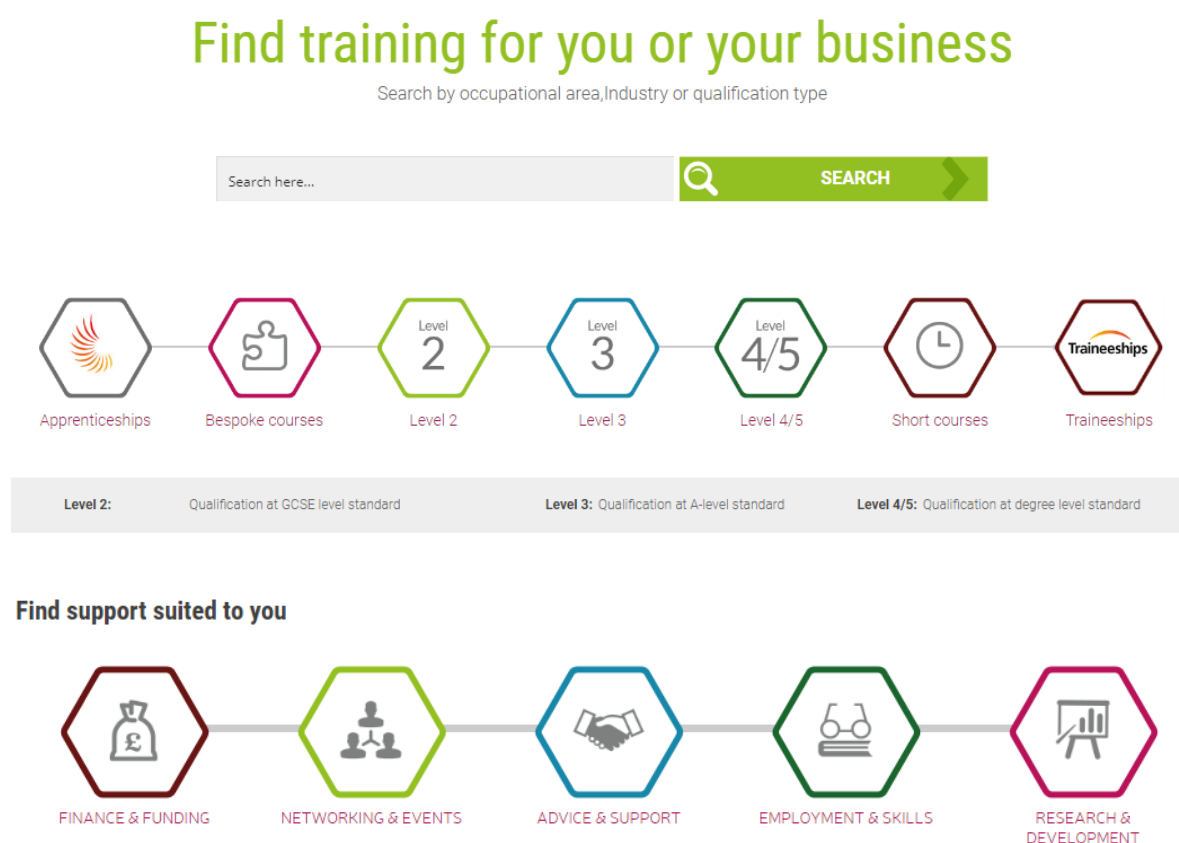
Website

Light touch engagement with businesses has been provided through a user friendly and easy to navigate website. A monthly digital news digest is issued to a growing number of users keeping them up-to-date on existing and new products and services as well as promoting achievements and events. In comparison with some other Growth Hub websites, the Marches' is clear and easy to use and includes a Skills Employer portal, which enables employers to find training to support the upskilling of staff.

Additional marketing activity includes online marketing, events that complement Government and regional business support campaigns, PR, editorials, and a sustained digital campaign via e-marketing, e-newsletters and social media to ensure viral research and recognition of the Growth Hub's brand and offer.

The website includes modern, easy to navigate tools and features, such as the infographic featured below.

Figure 6.1: Marches Growth Hub website infographics



Lessons Learned

- The Marches includes three Physical Growth Hubs as part of their offer, one located within each of the three Local Authorities which comprise the main partners; physical locations enables the Growth Hub to support specific sectors and types of businesses that are of importance to the

respective localities. The site allows businesses to meet face-to-face with Growth Hub staff, and offers space for smaller businesses to work, network and feel part of a wider business community. Cumbria LEP's Growth Hub operates from 14 Physical Hubs that include business/enterprise centres; Rural Growth Network hubs; and business Growth Hubs.

- The Marches Growth Hub provide grant funding to local businesses alongside support services to develop new products, access new supply chains and export overseas.
- In comparison with some other Growth Hub websites, the Marches' is clear and easy to use and includes a Skills Employer portal, which enables employers to find training to support the upskilling of staff.
- The Physical Hubs are located in buildings either owned or leased by the University or Local Authority – that bear the bulk of the cost of these facilities.
- Although this funding was reduced to £205,000 per annum, the partner organisations maintained the commitment to running the Physical Growth Hubs including staffing.
- The Marches Growth Hub took the decision to transfer its local helpline to the National Business Support helpline in April 2018 to allow these resources to be used to address other priorities. Key to making this a success has been monthly meetings with the national business support helpline to share information about the support available in the local area.

6.2 Business Lincolnshire Growth Hub

Background



Developed and managed by Lincolnshire County Council, Business Lincolnshire Growth Hub is an online information portal, which collates information. To complement the portal, the Growth Hub now has a team of 5 business growth and skills advisers. Businesses now have the opportunity to receive a growth diagnostic and free impartial advice, helping them to formulate and implement their growth plans. Delivery of some elements of the Hub has been sub-contracted to East Midlands Business Limited. All businesses that access any of the business support programmes have to be based within Greater Lincolnshire. Data from the ONS shows that there are 41,000 businesses in the Greater Lincolnshire area, compared to 33,300 enterprises.

Funding

The Growth Hub is funded utilising a mix of BEIS and ERDF funding. The hub directly manages 2 ERDF programmes (a £1m digital programme and a £5m business support programme). BEIS funding (£250,000) is used to cover everything that ERDF can't fund e.g. CRM and marketing. The ERDF funding is in place until 2019. Another application is being submitted to extend the provision until 2022.

Activities

The Growth Hub is delivering a range of specialist ERDF funded support. This includes diagnostic, action planning and brokerage advice. It also covers a broad spectrum of provision around Resource Efficiency, Supply Chain Development, Finance Readiness and Digital Business Support.

This is supplemented with BEIS funding to enable them to offer diagnostic and action planning support to business types that are not eligible for ERDF, particularly tourism businesses, important in the GLLEP area. There are also a number of ERDF grant pots that SMEs can access to enable them to bring forward growth and productivity improvement plans.

- One to one General Advice – fully funded, easy access to impartial business growth adviser who will undertake a Business Review and Action Plan.
- One to one specialist advice – fully funded specialist support around accessing finance, resource efficiency, supply chain development, digital, innovation, exporting as well as sectoral support such as for manufacturing and agri-food.
- Business workshops, briefings & flagship events.
- Online information portal – www.businesslincolnshire.com, providing:
 - Advice and grant scheme finder – information and access to local, regional and national business support – publicly funded and private business support offers as well as grants and growth finance
 - Guides and self-help tools
 - Events calendar
 - Information on business opportunities and skills
 - Business Lincolnshire also provides a weekly roundup of local business news and events, and has searchable lists of local Contacts and Networking Groups and a new Supplier Portal.
- Access to National Business Support Helpline via phone or online webchat.
- Facilitated access to the national programmes including: Department for International Trade, Intellectual Property Office, Innovate UK, Enterprise Europe Network, etc.
- Access to outreach 'spokes', e.g. enterprise, innovation and incubation spaces across the county, which provide services such as virtual office, hot desk facilities, meeting rooms, networking events.

Under the banner of the growth hub, they have developed joint events, annual aligned programmes and shared resources.

Performance

Business Support

Between April 2015 and January 2018, more than 7,000 businesses were supported by the Business Lincolnshire Growth Hub. A recent evaluation of the programme has found that 92.4% of businesses are either satisfied or very satisfied with the support they have had from the Growth Hub since April 2016.

Growth Hub advisers provided one-to-one engagement with more than 300 local businesses between April and September 2017.

Website

Figure 6.2: Business Lincolnshire Growth Hub 'Advice and Grant Scheme' screenshot

92 Results

**Angel CoFund**

The Angel CoFund makes equity investments of between £100,000 and £1 million in smaller businesses in the UK.

[Read more](#)
**Barclays SME Lending Fund**

Barclays has announced a £14bn lending fund as part of a series of initiatives to help small and medium-sized businesses (SMEs) to succeed and flourish through Brexit and beyond.

[Read more](#)
**Better Off in Business (Princes Trust)**

This grant provides business support for people aged 18-30.

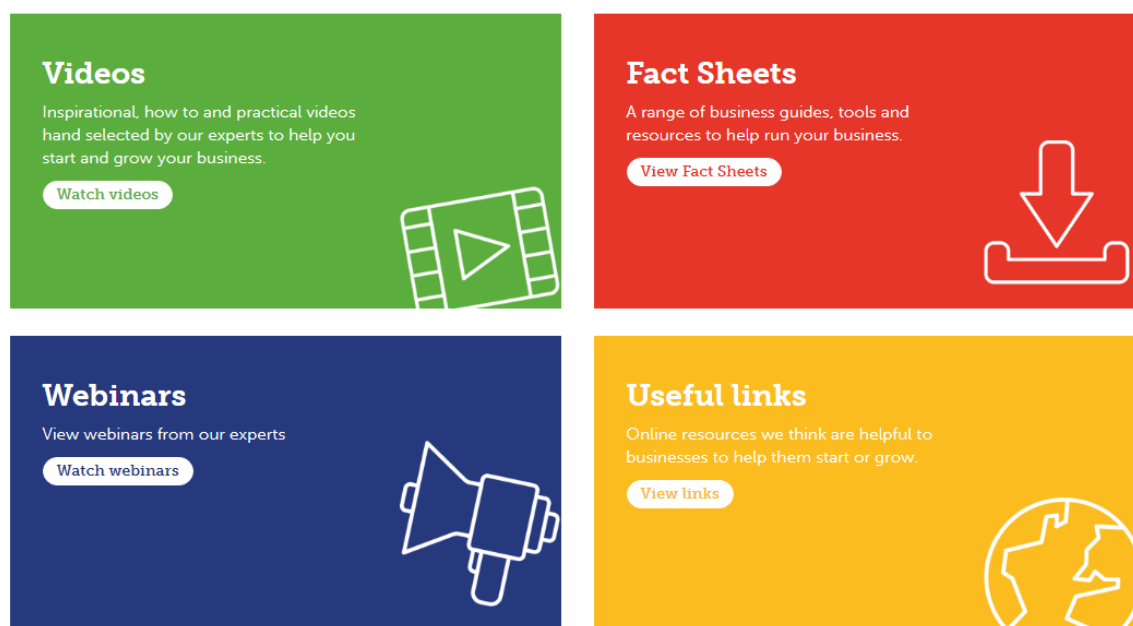
[Read more](#)

The Business Lincolnshire Growth Hub hosts a useful grant finder tool for those accessing the website; visitors can use the 'Advice and Grant Scheme' to access advice and support across equity finance, expertise and support, grants, incentives and subsidies, loans, and qualifications and training support.

In addition, the website featured an easily accessible 'Toolbox' which comprised quick links to videos, fact sheets, webinars and useful links.

Comparatively, other Growth Hub websites features useful search tools:

- The West of England Growth Hub website has two ways to search for support: an online directory allowing businesses to search by type of support (blog, events, service etc), category (finance, people, legislation etc) and location; as well as a 'recommended services for you' tool based on some basic information provided by the business.
- The Enterprise M3 Growth Hub has an information bank that is searchable on the type of information needed and or business objectives.

Figure 6.3: Business Lincolnshire Growth Hub ‘Toolbox’ screenshot

Lessons Learnt

- Business Lincolnshire facilitate access to outreach ‘spokes’, e.g. enterprise, innovation and incubation spaces across the county, which provide services such as virtual office, hot desk facilities, meeting rooms, networking events. Smaller, incubation-style spaces are a useful way of engaging with SMEs and this on-site model is increasingly being adopted by LEPs with wide-ranging rural areas.
- The Business Lincolnshire Growth Hub hosts a useful grant finder tool for those accessing the website; visitors can use the ‘Advice and Grant Scheme’ to access advice and support across various forms of finance. In addition, the website featured an easily accessible ‘Toolbox’ which comprised quick links to videos, fact sheets, webinars and useful links.

6.3 Gloucestershire – “The Growth Hub”

Background

The Gloucestershire Local Enterprise Partnership covers a population of around 600,000 and represents over 25,000 businesses. The Growth Hub is a partnership between GFirst LEP and the University of Gloucestershire and supports all businesses in Gloucestershire, regardless of sector or size. The Growth Hub is a product of the two organisations seek to achieve a step change in business growth and economic performance by working together. It also offers a more in-depth service for businesses with high growth potential that are considering, for example innovating new products and services, recruiting new staff, upskilling.

Funding



With £2.7m funding from the Higher Education Funding Council (HEFCE), the University launched Phase 1 of the Growth Hub from the Oxtsalls campus in October 2014.

The LEP benefits from £106.63m through the Gloucestershire Growth Deal, £10m of which is allocated to the Growth Hub, and €41m in European funding. The UoG has recently been awarded £1.7m of ERDF funding to deliver the Core Growth Hub Project. Alongside this the university has been awarded 3 additional business support projects, which will contribute to the outputs of the Growth Hub expansion.

Phase 2 (2017-2019) has been revenue funded through HEFCE catalyst funding, European Structural and Investment Funds (ESIF) and Growth Hub revenue from BEIS.

- £1.7m provided by ERDF
- £10m capital investment from the Single Local Growth Fund (GFirst LEP and University of Gloucester)
- £5m allocated to the development of Growth Hub Network Centres across the County and is being delivered by GFirst LEP

Activities

- Training and development tailored to business needs – including professional and work-based programmes.
- Export advice, sector-specialist knowledge, research and product development, support with innovation and business development, resourcing and expansion.
- Specialist assistance with consultancy and business planning services specifically designed for start-up businesses, including access to finance, local mentors, training, IP and access to incubation centres.
- Work-together rooms, Skype pods, drop-in clinics and social space - bright, modern and vibrant facilities at the University of Gloucestershire, in partnership with the University's Business School, allowing the opportunity to work closely with academics and students to help develop the next generation of talent, through placements, apprenticeships and graduate roles.

The Growth Hub is benefitting from £10m of capital investment from the latest Growth Deal:

- £5 million is being spent on the expansion of the Growth Hub at Oxtsalls that includes the co-location of the University of Gloucestershire Business School. This will be delivered by the University of Gloucestershire.
- £5 million is being used to roll out a network of Growth Hub sites across the county supported and network by a comprehensive digital infrastructure. This will be delivered by GFirst LEP.

There are four key components to the development of Phase 2 Growth Hub:

- The Expansion of the Core Growth Hub at Oxstalls - the creation of a physical space that integrates the Growth Hub and the Business School, providing impartial business diagnostic and brokerage services that will support the whole Growth Hub Network.
- Following the initial diagnosis and sign posting, eligible businesses will enter the bespoke Navigator Service and receive a minimum of 3 hours of independent and impartial business support. The Navigator and Guide services will provide diagnostic and brokerage support free of charge for businesses in the county. The Navigator service provides one to one support to develop an Intervention Action Plan. Once the Plan has been delivered, the 3-hour intervention will close. Businesses, which are assessed as high growth may then be referred to the Guide Service for a further 12 hours of support. Throughout delivery of the Navigation and Guide Service and for up to 12 months after, the business can access a range of added value services offered to all businesses and individuals engaging with the Growth Hub. These include advice clinics, advice panels, access to the Knowledge Bank, networking, workshops, etc.
- The Growth Hub Digital Infrastructure - The Growth Hub launched a new website in April this year with a raft of new features designed to make business support more accessible and more effective. A dedicated local helpline has been also launched. An enhanced CRM, diagnostic and knowledge bank run from the core is used by the LEP, the core Growth Hub staff and partners for the delivery of the Growth Hub in order to support employer engagement, marketing and activity reporting. A central marketing function promotes Growth Hub activity – core services, events, workshops etc. - and delivers the digital infrastructure.
- The Growth Hub Network - the physical expansion of the Growth Hub at sites across Gloucestershire. The Growth Hub network is being delivered with a range of partners in strategic locations across the county. In return for capital investment partners will deliver a Growth Hub service to businesses in their locations and or specialist services for the Network. All network partners will work closely with the core Growth Hub to deliver a 'no wrong door' approach to business engagement across the county.

Performance

In the three years since the Growth Hub opened, businesses who have received support from the Hub have seen a £20m increase in turnover; the growth rate in Gloucestershire is the third highest in the UK, behind London and Oxfordshire. A report by BiGGAR Economics (January, 2018) concludes that the Growth Hub has succeeded in meeting all the targets set by HEFCE for its first three years of operation:

- 10,506 visitors to the Growth Hub (business engagements)
- Creation of 21 new business support services
- Development of 30 new teaching/work-based learning programmes
- Creation of 12 new employer/higher education provider networks
- Completion of 13,656 work placements and internships
- 1,872 University of Gloucestershire graduates taking up jobs in Gloucestershire
- A provisional knowledge exchange income figure of £3.19m
- 7,934 businesses benefitting from support interventions
- 905 high growth business benefitting from intensive support

Phase 2 (2017-2019) intends to provide growth support to 1,750 Gloucestershire businesses and to create 1,000 jobs via growth hub support.

Lessons Learnt

- The Growth Hub's alignment with the university has proved to be a catalyst for additional benefits. The UoG has recently been awarded £1.7m of ERDF funding to deliver the Core Growth Hub Project. Alongside this the university has been awarded 3 additional business support projects, which will contribute to the outputs of the Growth Hub expansion.
- The partnership also allows the opportunity for businesses work closely with academics and students to help develop the next generation of talent, through placements, apprenticeships and graduate roles. This enables the Growth Hub to be receptive to the needs of employers.
- The partnership has resulted in a wider scope of outputs, including new teaching/work-based learning programmes, new employer/high education networks, knowledge exchange and work placements and internships.

6.4 Cornwall and the Isles of Scilly Growth and Skills Hub

Background



The Growth Hub is a single point of access to the range of support available to businesses. Advisers signpost businesses to the most suitable support enabling them to innovate, invest and grow, both nationally and internationally. The Growth Hub was one of the first projects to go live from the CIOS Growth Programme. The Hub was created in response to a common issue raised by businesses – that the range and complexity of business support available at a local and national level is far too confusing and time consuming to navigate. The CIOS Growth and Skills Hub can be accessed only by businesses residing in Cornwall and the Isles of Scilly. As of 2018, the LEP area encompassed 24,000 enterprises, out of 28,290 business units.

The Growth Hub is delivered by Cornwall Development Company, the arms-length economic development company of Cornwall Council. The Growth Hub works in tandem with the LEP's Skills Hub to provide a dual platform of support; together, they offer a free, impartial and independent business or skills review.

Funding

The CIOS LEP was allocated £2,435,910 in ERDF funding for Phase 1, which saw the creation and development of the Growth Hub from 2015 to 2018, as well as £608,977 public match from Cornwall Council, the Department for Business, Innovation & Skills and the CIOS LEP. The Skills Hub is part funded with £1,560,000 from the European Social Fund and match funded by Cornwall Council and the CIOS LEP.

Growth Hub Phase 2, taking place between October 2018 and September 2021, continues the development of the Growth Hub and its activity in conjunction with the CIOS Skills Hub. Through its second phase the project aims to engage with 2,760 small and medium sized enterprises.

Activities

At its core, the Growth Hub acts as a signposting and brokerage service; from information on how to set up a new business through to help with exports and access to finance, the Growth Hub brings all of these support services into one place. The Growth and Skills Hub combined offer help with:

- Identify support opportunities that will help the business to grow, such as funding and coaching or help with sales, marketing, leadership and management.
- Access support to start the business.
- Identify gaps in skills that the business needs to grow.
- Unpick the vast range of skills and training opportunities available.
- Understand the benefits and practicalities of apprenticeships.

All businesses can access the information on the website, while new businesses or SMEs (less than 250 employees) are offered additional support. By registering with the Growth Hub, businesses are able to create a profile and business directory listing, as well as contribute to news and views.

Businesses signing up to the Growth Hub can complete the Guidance And Support (GAS) tool, call the team and then get access to a Business Connector, who works with them to understand their ideas and ambitions. The Connector then refers the business to the correct support.

The Growth Hub commissioned Cornwall Chamber of Commerce to deliver 'Growth Hub On the Road', a grassroots outreach programme within local communities that encourages businesses to take advantage of the support available to help them grow. The On the Road programme runs alongside Growth Hub activity with communications and events tailored for local areas and communities rather than a one size fits all approach. The programme facilitated businesses the opportunity to engage with the Growth Hub through pop up events and find new routes to guidance and support to help their business grow.

Performance

During Phase 1 of the project, the organisation supported over 1,700 businesses across Cornwall and the Isles of Scilly. Over 80% of these businesses had not benefitted from publicly funded support in the last three years. The Growth and Skills Hub report the following up-to-date performance data:

- 3,984 hub members
- 5,223 followers on social media
- 2,981 businesses supported with growth
- 617 business supported with skills

Lessons Learnt

- The Growth Hub works in tandem with the LEP's Skills Hub to provide a dual platform of support; together, they offer a free, impartial and independent business or skills review.
- The On the Road programme runs alongside Growth Hub activity with communications and events tailored for local areas and communities rather than a one size fits all approach. The programme facilitated businesses the opportunity to engage with the Growth Hub through pop up events and find new routes to guidance and support to help their business grow.

6.5 Heart of South West Growth Hub

Background

The HotSW Growth Hub provides a single point of contact – completely free at the point of access – for all businesses seeking advice and support on any issues relating to the operations and aspirations of their enterprise; and by signposting them to international, national or local resources. Delivery began in February 2016 and was initially scheduled to run through to February 2019 but a following an agreed extension SERCO will continue to operate the service until March 2020.

The HotSW area encompasses the areas of Devon, Plymouth, Somerset and Torbay; combined, the Growth Hub covers over 4,230 square miles, featuring a population of almost 1.8 million, complete with 84,485 businesses, 71,510 of which are enterprises.

The Growth Hub is funded through the LEP and the Department for Business, Energy and the Industrial Strategy (BEIS). Plymouth City Council are the Managing Authority on behalf of Heart of the South West Local Enterprise Partnership. Somerset County Council is the Accountable Body.

Activities

Currently the HotSW Growth Hub operates primarily as a virtual service. It provides an on-line resource and both a web-based and telephone enquiry system where referrals are made to other 'brokered-to' support providers. Where relevant it also provides a more detailed three hour face-to-face diagnostic and if there is not a good fit between an identified business need and the programmes on offer the Growth Hub will deliver more intensive support directly through one of its consultants. This aspect of the service is known as the "Growth Support Service." The Growth Hub is closely aligned with the Growth Support Programme which offers a similar but more in-depth service that is only available for ERDF eligible businesses.



The themes must include digital support but can also include Finance, Human Resources, Innovation, Marketing and Business Planning.

Performance

The HotSW Growth Hub has delivered – and in some cases over-performed – against its contractual targets:

- Engaged with 5,327 businesses which represents 127% of its target (4,200).
- B1: Businesses engaged – 4,200 target;
- B2: Businesses referred to national or local services – 840 target; and,
- B3: Businesses receiving more intensive support – 400 target.
- 971 B2 referrals (unique businesses)
- 1,089 non-unique referrals
- 5,777 signposts

A 2019 evaluation of the HotSW Growth Hub revealed that, after adjusting for additionality, the net jobs uplift is 41.05 FTE and net turnover uplift is £1.86m. The net GVA is estimated to lie between £0.62m and £1.73m. The same evaluation analyses the operational effectiveness of each positive aspect of the Growth Hub's offer:

- The intensive advisor support – is a much smaller part of the service and is currently targeted at businesses operating in sectors that do not typically qualify for any of the available ERDF support. Although highly valued, this service could potentially benefit from additional resources to enable more face-to-face engagement with businesses as part of the diagnostic process.

The evaluation of the HotSW Growth Hub makes the following practical recommendations which can be widely applied to the future of Growth Hub development:

- More systematic use of intelligence to inform strategy and business support provision.
- Developing strategies to target the currently under-represented groups.
- Developing a clearer strategy for segmenting businesses for intensive support.
- Obliging partners to refer back to the Growth Hub.
- Automating the Growth Hub's events calendar.
- Utilising existing enterprise space across the LEP for surgeries/drop ins.

Website

The website includes an events directory which has listed 1,558 funded events and workshops since the launch of the Growth Hub and attracted more than 12,500 page views; as well as a B2B supplier directory, with 142 businesses currently listed. The most viewed business support topics were, in order of most views: starting up, funding and grants, growing a business, finance, GDPR, locating premises, Brexit etc.

Stakeholders highlighted the events pages as the most useful features of the Growth Hub's website, but it was also felt that they would benefit from more providers adding their events to the calendar which is resource intensive to manage.

Lessons Learnt

- A 2019 evaluation of the HotSW revealed some areas in which the Growth Hub is seeking to improve. For some, providers had not received as many referrals from the Growth Hub as they had expected; from the Growth Hub's perspective there would ideally be a stronger obligation for providers to feedback to them on what happened as a result of the referral to enable the team to provide the "wrap-around" support that they had envisaged.
- Stakeholders would like to see the service become more 'intelligence-led' – joining the dots between supply and demand more coherently to inform strategy development and support the simplification agenda.

6.6 Benchmarking

Below is a table illustrating the ERDF funding allocated to a range of Growth Hubs across different LEP areas and phases. The Business Gateway's first phase received substantially less funding than all of the comparator Growth Hubs. This should be appreciated when determining the effectiveness and value for money of the programme. A Project Change Request amended the total project cost to £1.35m, with £675,000 contribution from ERDF, which still remains below those featured in the table.

LEP Growth Hubs Funding				
Growth Hub	LEP	Phase	ERDF (£)	Total (£)
BOOST Business Lancashire	Lancashire County Council	2016-2019	£3,706,660	£7,356,660
CloS Growth Hub	Cornwall Development Company	2015-2018	£2,640,000	£3,300,000
Business Gateway	LLEP	2015-2018	£675,000	£1,350,000
Cumbria Business Growth Hub	Cumbria Charter of Commerce	2015-2019	£2,528,767	£5,057,533
Growth Hub Services 2015-2018	GM Business Support Limited	2015-2018	£4,550,000	£9,100,000
Signpost to Grow Programme	NWES	2015-2018	£2,504,487	£5,164,484
New Anglia Business Growth Programme	New Anglia LEP	2015-2018	£6,350,165	£12,700,330
Velocity Growth Hub	South East Midlands LEP	2016-2018	£2,815,814	£5,631,662
The D2N2 LEP Growth Hub	Nottingham City Council	2016-2019	£1,272,582	£2,545,164
Stoke on Trent and Staffordshire Growth Hub	Stoke on Trent County Council	2016-2019	£1,638,656	£3,011,705
S & W Growth Hub	Wiltshire Council	2016	£1,200,000	£2,400,000
SCR Growth Hub	Sheffield City Council	2016-2019	£2,738,977	£4,972,124

Source: HM Government February 2017

Lessons Learnt

- A review of comparator Growth Hubs has identified a number of elements as having potential merit for the Business Gateway. A 'drop-in' surgery style approach utilising existing physical hubs in the area to extend reach could prove productive, although this is perhaps more relevant in wider geographic LEP areas than Leicestershire. This approach could enable the Business Gateway to have more of a physical presence, capitalising on the significant investment that has already been made in enterprise infrastructure locally.
- Partnering with larger/major private sector businesses and corporates could enhance business reach. For example, Gloucestershire's Growth Hub is working with Lloyds Banking Group that is delivering the Business Connectors Programme in collaboration with BITC.
- Reach could also be improved by increasing the use of established business networks' communications channels and events or exploring combining resources with more localised events with partners; e.g. the York and North Yorkshire Popup Business Cafes for low-cost/high-impact.
- Whilst some Growth Hubs are targeting specific sectors, most have or are developing scale-up support of some kind.
- Some Growth Hubs are delivered 'in house', with or without complementary support delivered by partners in local authorities. Whilst the LEP's independence from its constituent Local Authorities can give it more credibility, the partnership model adopted by the Marches and Gloucestershire allows some integration between Local Authority/university services and the Growth Hub, bringing added value.

7.0 Staff, Partner and Stakeholder Consultation

As part of the evaluation, consultation was undertaken with Business Gateway staff, delivery partners and stakeholders. The individuals consulted and their organisation are shown in the table below:

Helen Miller	Leicester and Leicestershire LEP
Jackie Ledger	Leicester and Leicestershire LEP
Deepa Shah	Leicester and Leicestershire LEP
Sue Tilley	Leicester and Leicestershire LEP
Paul Stuart	East Midlands Chamber
Richard Gill	East Midlands Business Limited
Phoebe Edwards	East Midlands Business Limited
Anju Trevedi	University of Leicester
James Bosworth	EGS
Amit Sonpal	Barclays
Jennifer Thomas	Federation of Small Businesses
Peter Chandler	Leicester City Council
Christopher Grace	Charnwood Borough Council
Rebecca Lees	Harborough District Council
Gau Naik	NBV Enterprise Solutions Limited

7.1 Stakeholders

The key findings from the stakeholder consultation are summarised below.

Some of the stakeholders stated that it felt like there has been competition amongst the stakeholders for businesses, particularly for existing businesses and that organisations were chasing outputs. This increased when the Gateway had its own delivery mechanism through the ERDF funding and it was felt that referrals were prioritised. Stakeholders such as the District and Borough Councils would like to know how many businesses have been referred to the Gateway by them so they know how well their referrals are working and if this needs to be increased. They would also like to see businesses in their area referred back to them after a business has received support through the Gateway so they can pick up any further support that the Council could offer.

Since the new Growth Hub Manager has been in place, most stakeholders feel that referrals have improved and the Gateway is making progress in terms of making the different partners realise that they are all working with the same client group and by working together, the impact on the local business community can be greater.

The providers network is seen as a very positive resource which has enabled links to be made between the different service providers and enable more referrals to take place. One stakeholder indicated that they would like to see more presentations at these meetings on the different projects / offers to help with the referral process.

Stakeholders would like to see more joined up marketing activity to help promote the Gateway and the different services which are being delivered as part of the Gateway brand.

There was a mix of opinions on the Business Gateway website. Some people stated that it is a very good resource and they often refer people to it. Others felt it was very confusing and difficult to navigate with too much information.

It was reported that it can be difficult for businesses to sign up to the website and it can take a long time for Advisers to get back to people for the initial meeting and follow up. More video, images and case study content were suggested for a more engaging website. Stakeholders also indicated that it was very time-consuming providing information to update the website and would like this to be simplified.

Almost all consultees felt that the knowledge of the Gateway within the business community is limited and penetration levels are not high. It is considered that this is particularly the case with businesses that are more likely to need the help of the Gateway. Whilst this is recognised as a weakness locally, it was also highlighted by a number of stakeholders that the Government has not done enough to promote Growth Hubs as a brand. Building a strong brand will make it less confusing for businesses looking for support.

It was suggested that the Gateway needs better promotion and engagement to achieve greater awareness and penetration. More partnership working with banks, accountants and solicitors was suggested as a way to reach businesses who might not otherwise reach out to the Gateway. Having sector specialists within the Gateway, particularly focused on the four Industrial Strategy sectors, was also identified as a way of potentially engaging more businesses in Leicester and Leicestershire's key sector.

In terms of intelligence, stakeholders indicated that they would like more feedback from the Gateway on what businesses are saying they want in terms of support. They would like richer information on how the Gateway is performing and feedback from businesses so the partnership can collectively respond. Some stakeholders indicated that they would like more information such as a quarterly update and examples of success stories so they can share these with their teams that engage with businesses.

A number of stakeholders reported that they felt there is a lack of distinction between the Growth Hub and East Midlands Chamber. Some businesses had reported to stakeholders that think they are engaging with the Growth Hub and then get an email from the Chamber and this sometimes causes confusion. Additionally, at events, it was reported that it feels the Gateway is being promoted at a Chamber activity which has led to some questions around independence of the service.

It was felt that organisations such as Local Authorities would benefit from having a list of the Business Advisors and their specialist areas so that they could provide businesses with a specific name of someone to contact rather than just directing them to the Business Gateway website or phone number. Gateway staff acknowledge the need for better engagement with districts, although a directory of Business Advisors is unlikely to work in terms of process.

Events are considered to be well delivered, although it was fed back by one interviewee, that on occasion the events can feel more like a promotional tool for the Gateway rather than being focused on business support. It was felt that if this were not the case, events would be more useful, would attract more businesses and also be a better way of engaging people with the Gateway further. A better geographical spread of events was requested so they could be tailored to the needs of different parts of the County, perhaps with regular drop in sessions too.

Some stakeholders felt that their input isn't really recognised and the Gateway should be promoted as a partnership which recognises the input of the different partners as part of the overall service. However, delivery shouldn't be subsumed into the Gateway, it should be a strategic organisation which manages a partnership of providers.

One stakeholder stated that about 12 months ago, the Gateway felt like a marketing portal rather than a partnership but things have progressed a lot in the last year.

In terms of governance, a number of stakeholders indicated there appears to be a lack of governance and accountability for the Gateway within LLEP and the Gateway lacks any significant status within the LEP. There have also been challenges in terms of the partnership arrangements with the LEP being accountable for the service but not having direct control over its delivery. It is considered that it's been difficult for the LEP to have control over the quality of the services as a result of the partnership arrangements.

The districts indicated that they would like more information on penetration in their area and feedback on what businesses are looking for but this has to be in a simple format. There is also a sense amongst some that there has been a bit of focus on the City and not enough resource in the districts with the offer not sufficiently reflecting the diversity of the area in terms of nature of businesses. It is felt there has not been enough resource in terms of Business Advisers to facilitate a good understanding of the different geographical areas of Leicester and Leicestershire.

7.2 Delivery Staff and Partners

The key findings from the staff and delivery partner consultation are summarised below:

It was considered that the Gateway has been considered more of a project rather than a service and has been too driven by ERDF requirements. Although it was reported that this positioning has improved since the new Growth Hub Manager has been in post. This focus on the delivery of an ERDF project has inevitably meant resources have been focused on the delivery of ERDF outputs rather than necessarily the delivery of a high quality, strategic service which aims to deliver what a business needs and add value to that business. It was felt that ERDF should be considered as an enabler of the Gateway but the Gateway in its entirety which several people felt has been in the case.

It was felt that quality checks were not necessarily put in place and that businesses were potentially missed as not being suitable or eligible support under the ERDF project. However, it was recognised that when a business did see an Adviser, the support was generally good and businesses did benefit.

The referral process has been weak with the onus being on the client to follow up referrals rather than the Gateway. There has been limited reporting to partners on how many referrals have been made and no follow up to understand what happened to the business once they were referred.

In terms of the delivery of outputs, it is generally considered that the Gateway has performed well. The outputs were considered challenging for the amount of funding available. It was suggested that for the funding available, perhaps it would have been appropriate to deliver an Information, Diagnostic and Brokerage service only but due to the nature of the ERDF funding, there was a requirement to deliver intensive assists which was a challenge.

It is considered that for the funding available, a lot of businesses were engaged and a lot of outputs were achieved. However, in terms of quality, there is uncertainty as to whether businesses have received what they need and the mechanisms were not necessarily put in place to check this. In addition, in relation to BEIS' desire to focus on scale up support, this has not been considered particularly successful to date.

It is considered that the management information provided through the Gateway could have been better in order to understand what work had been undertaken with a business and what its impact has been.

Generally, it is considered that the Gateway has been significantly under resourced and this has impacted on the ability to deliver the service which some partners may have wanted. From a marketing perspective, it was felt that the service could not be marketed as widely as it might have been as there was not enough capacity to meet any more demand and waiting times to see an Adviser became very long at times.

In terms of successes, as well as the number of outputs delivered and the good value for money achieved in relation to the cost per output, the events programme has also been considered a success. This was not necessarily the case at the beginning of the ERDF project but EMC recruited an Events Officer and it is considered the programme became much more responsive and the partners tried to ensure the programme aligned with the needs being identified in the action plans. It was suggested that the inclusion of a grant programme would have been beneficial in terms of helping businesses to implement the action plans prepared through the project. The Business Festival programme has also been considered an important success for the Gateway.

From a governance perspective, it is felt that there has been a lack of accountability and direction from LLEP and it is considered the Gateway is not seen as a strategic service for the LEP. Additionally, in part perhaps due to the lack of resources, there was a lack of strong direction operationally in the early years of operation. It is felt that there has been a lack of clarity on the vision for the Gateway in Leicester and Leicestershire compared to other Growth Hubs. This has prevented the LEP from providing the strategic direction needed.

Because of the lack of direction provided from the LEP at both an operational and strategic level, the delivery partners needed to proceed and deliver the project without this input. The project partners have extensive experience in the management and delivery of ERDF projects which the LEP did not and therefore it made sense to the partners, for them to manage the delivery of the project. However, from an LEP perspective, it is felt that appropriate checks and controls were not put in place and the LEP did not take sufficient responsibility for the delivery of the service, despite being the accountable body. It is recognised that this has led to some tensions in the partnership arrangements and all parties want to avoid this in the future. New partnership arrangements have been put in place for the next phase of delivery.

The recruitment of a new Growth Hub Manager is seen as positive and has instilled more of an ambition for the Growth Hub as well as a dedicated resource to drive the vision for the Gateway from the LEP perspective. The new, bigger and better resourced ERDF project will enable more to be achieved and stronger partnership arrangements to be put in place. There is a sense that there is a big appetite from the private sector to be involved more in the Gateway but needs some direction in terms of what form that might take.

8.0 Business Consultation

The evaluation also sought feedback from businesses supported through the Business Gateway on how successful the programme has been to date, the impact of the service and how the service could be improved. An online questionnaire was prepared and circulated to businesses supported through the Gateway. A link to the questionnaire was included on the Business Gateway website and emailed to beneficiaries via news alerts and directly by Business Advisers as well as being promoted on the Gateway's social media channels.

In total, 85 businesses completed the questionnaire. The findings of the survey are detailed in the following section. The key findings are summarised below.

Business Consultation Summary

- Initial engagement – **56.47%** email, **22.35%** phone, **21.18%** event.
- Satisfaction with initial engagement – **80.48%** rated it as good or excellent
- Did the Gateway provide you with a referral for support / advice – **75.61% yes**
- Where referred to – **63.16%** Business Gateway Adviser, **33.33%** Digital Growth Programme, **15.79%** NBV Enterprise Solutions
- Were you put directly in touch with the organisation you were referred to? **84.21%** yes
- How useful was the referral? **84.21%** found it useful or extremely useful.
- Did the Business Gateway follow up to check whether the support they recommended was useful? **58.93%** yes
- Have any referrals from the Growth Hub resulted in an improvement or development in your business? **50.88%** yes
- Did you undertake a diagnostic with one of the Business Gateway Advisers? **33.33%** yes
- If Yes, how satisfactory was your experience? **86.95%** found it good or excellent
- How useful were the subsequent referrals made by the Business Adviser? **88.00%** found it useful or extremely useful
- Have any referrals from the Adviser resulted in an improvement or development in your business? **47.83%** yes
- Did you receive any additional one-to-one advice from one of the Gateway Advisers? **55.41%** yes
- If Yes, how satisfactory was your experience? **60.98%** excellent, **34.15%** good
- How likely are you to recommend Business Gateway to another business? **59.46%** said it was likely or extremely likely, **18.92%** undecided.

8.1 Initial Engagement

Businesses were asked how they initially engaged with the Business Gateway. Most businesses initially engaged via email (56.47%). The results are tabulated below.

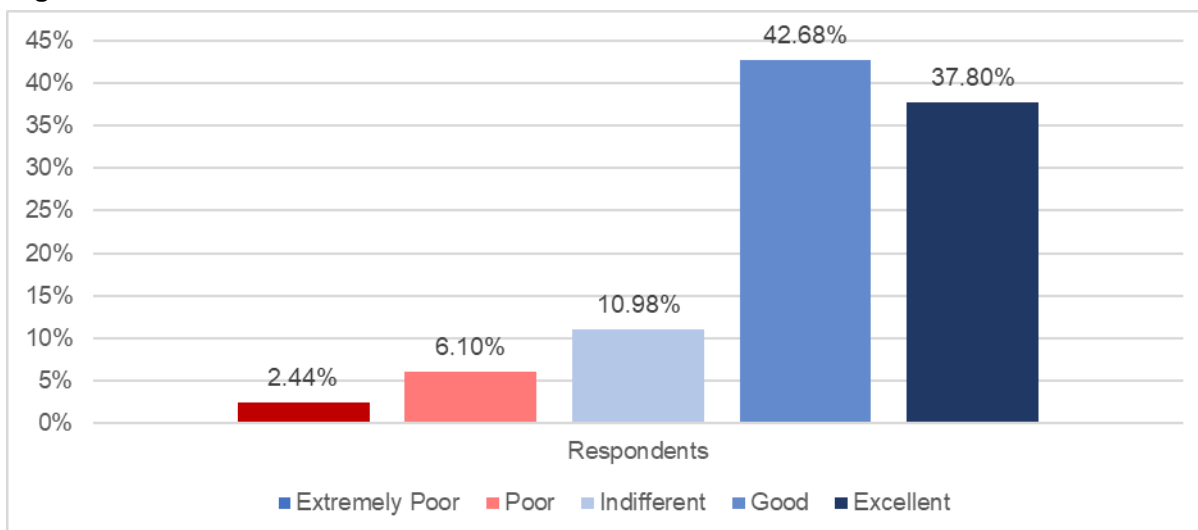
Method of Initial Engagement with Business Gateway	
Method	Number of Businesses
Phone	22.35%
Webchat	2.35%
Email	56.47%
Event	21.18%
Other	10.59%

A small number of 'other' responses were provided, supplementing the list of methods provided; these included: "recommendation from colleague", "walk-in via Coalville Council", "Bizgrants introduction" and via a "visit to our offices".

8.2 Satisfaction

The graph below illustrates how satisfied businesses were with their overall experience with the Business Gateway. The vast majority of respondents expressed a very positive response – 80.48% considered their experience to be 'good' or 'excellent'.

Figure 8.2: Satisfaction



8.3 Referrals

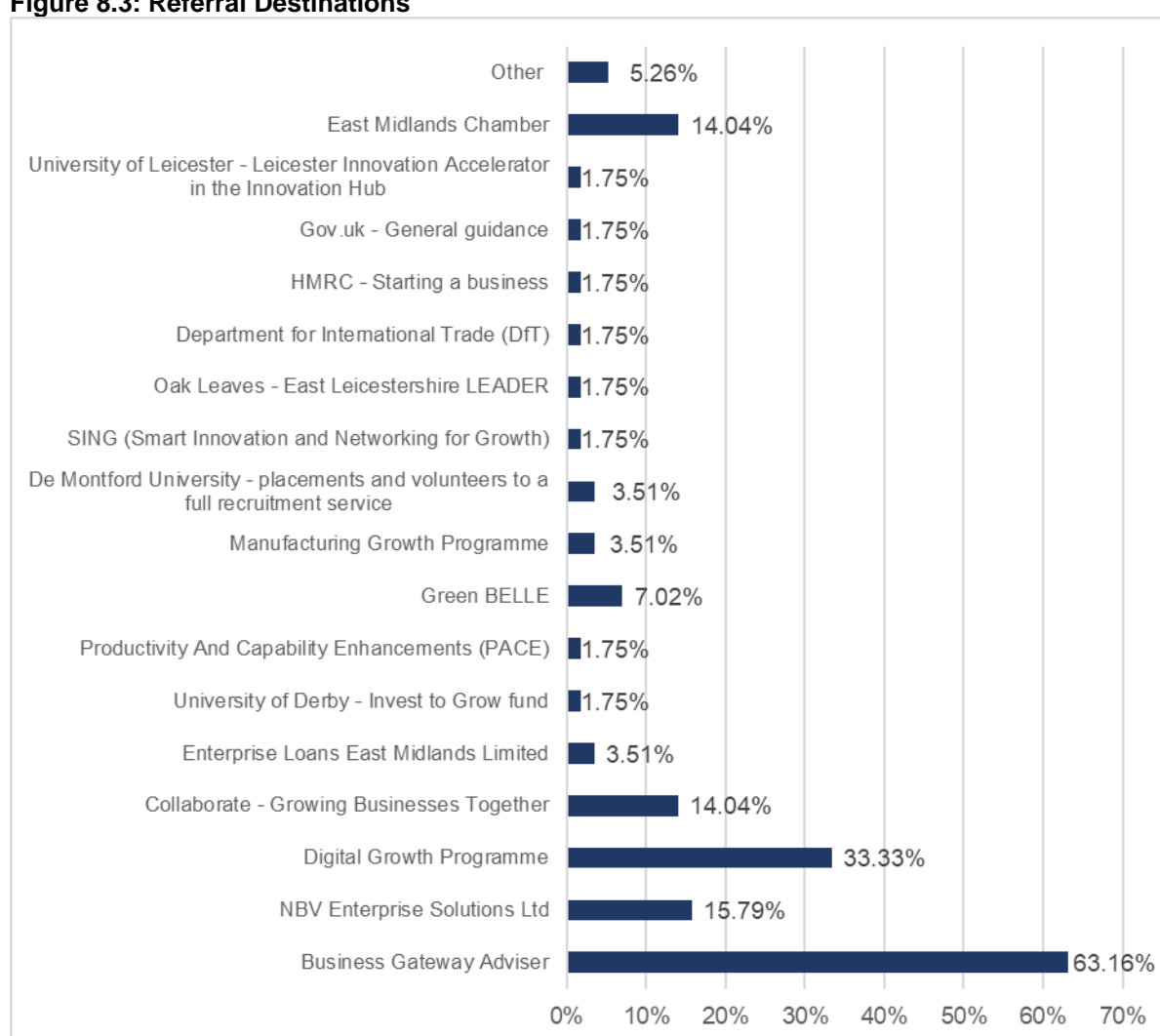
The next section of the survey sought to determine how effective the Business Gateway's referrals service has been for businesses.

- **75.61%** of businesses were provided with a referral for support / advice. This also reflects that c.1 in 4 businesses who seek support through the Business Gateway are referred externally.

- **84.21%** of businesses who were referred were put directly in touch with the organisation they were referred to. The 15.79% of respondents who said otherwise represents the number who are referred to an external organisation, sometimes indirectly.
- In **58.93%** of cases, businesses said that the Business Gateway followed-up to check whether the support they recommended was useful.

Businesses who had been provided with a referral were asked where they were referred to. The graph below demonstrates that most (63.16%) were referred to a Business Gateway Adviser. The Digital Growth Programme (33.33%), Collaborate (14.04%) and NBV Enterprise Solutions Ltd (15.79%) also featured regularly in businesses' responses. The chart below excludes providers who weren't mentioned by respondents to the questionnaire. In addition, "Blaby Networking Group & FSA" and "Better Businesses for All" were mentioned by one respondent respectively.

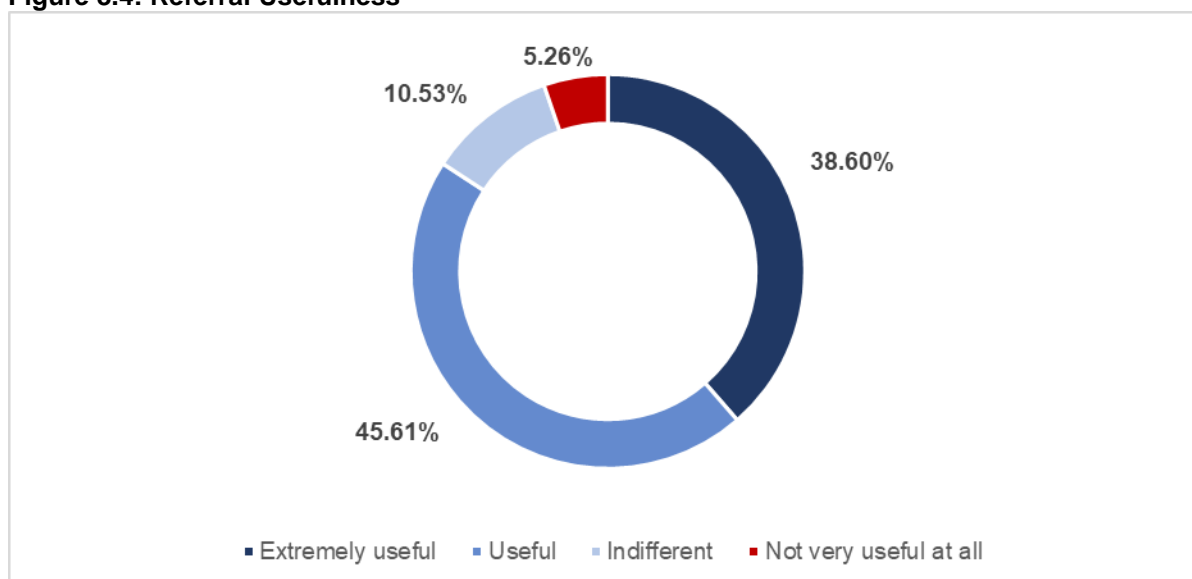
Figure 8.3: Referral Destinations



Source: Survey Monkey (28 skipped this question)

Respondents were asked how useful they found the referral. A combined 84.21% considered their referral to be either 'useful' (45.61%) or 'extremely useful' (38.60%), whereas only 5.26% found their referral to be not very useful at all.

Figure 8.4: Referral Usefulness



Source: Survey Monkey (28 skipped this question)

8.4 Referrals Outcomes and Impact

Businesses were asked whether their involvement with the Business Gateway – specifically their referral from the Growth Hub – had resulted in an improvement or development of their business.

- **50.88%** of businesses said that referrals from the Growth Hub had resulted in an improvement or development in their business.

The questionnaire provided the opportunity for businesses to explain what impact the Growth Hub referral had on their business in terms of developments and improvements. The responses indicate that the referral process has acted as a catalyst for a wide range of impacts.

For many businesses, the assistance has centred on capacity building – for some, the referral has resulted in increased “knowledge and expertise”, for another the benefits have centred on providing “focus” and “direction”, while one respondent said the referral afforded them the “confidence in tackling Business planning and making decisions regarding business expansion”.

For others, the referral has had a tangible, quantifiable impact on their business – resulting in a grant, increased profit, increased sales or new business initiatives.

A selection of the responses is below:

- We have had a grant to improve our business.
- Website rebuild, blogging platforms.
- Greater knowledge and expertise.
- We are currently working with East Leicestershire LEADER and they are incredibly useful.
- I had assistance in applying for the Digital Growth Technology Grant. Also had help in refining our business plan.
- I have since put price up as I wasn't charging enough to make profit.

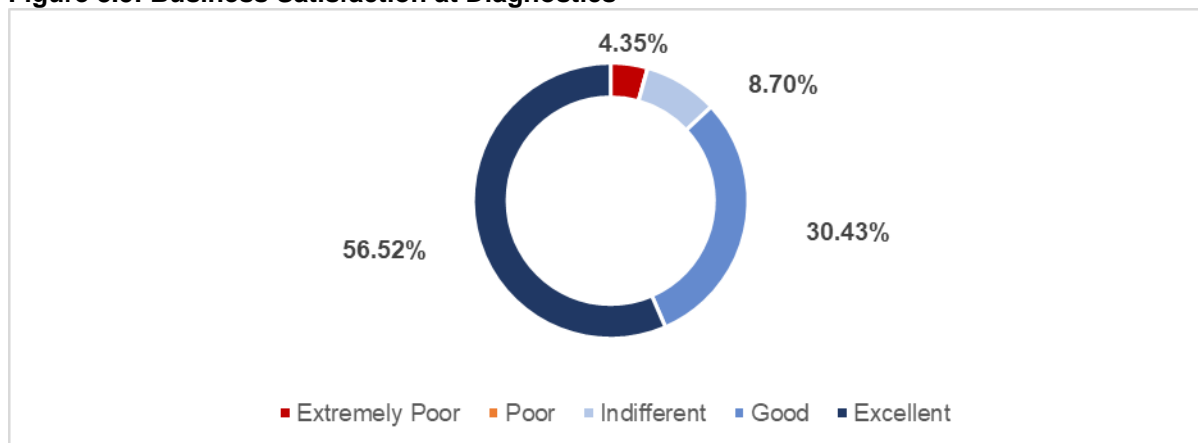
- Reforming the business plan.
- NBV – supported our move to bigger premises MGF – supported H&S and vital coaching for the directors, Collaboration helped to buy vital equipment and supported workshops on sixsigma, 5's.
- Focus, direction, targeted marketing.
- Enhanced website-related sales.
- Got me properly on track.
- The advice Ian Evley has given us has been invaluable, he has made a considerable difference to our company.
- Improved confidence in tackling Business planning and making decisions regarding business expansion.
- By attending workshop (integrating social media into your business).
- Market research.
- I was able to offer self-employed contract work to other groomers.
- We have been able to grow the business by working more efficiently with increased data storage, new software, training and computer equipment, which has led to new business initiatives enabling us to secure new clients.
- The workshops attended are useful.
- Growth of our business has been accelerated greatly.
- Introduced a business strategy.
- We submitted plans for a new IT project for which we gained financial support.
- We were offered a grant under SING; however, we were not able to take this forward at the time due to changes in the business. We were also offered a grant under Green BELLE but were not able to take forward due to cash flow.

8.5 Diagnostic

Businesses were asked whether they undertook a diagnostic with one of the Business Gateway Advisers.

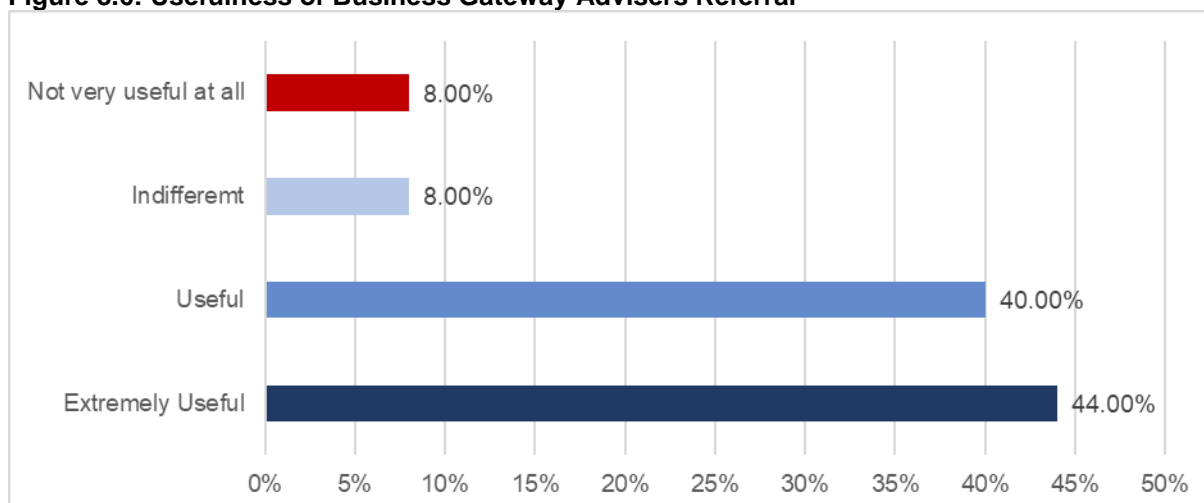
- **33.33%** of respondents undertook a diagnostic with one of the Business Gateway Advisers.

Respondents were asked, if they had undertaken a diagnostic, how satisfactory their experience was. The vast majority responded positively – 86.95% said that their experience was 'excellent' (56.52%) or 'good' (30.43%). Only 1 respondent considered their experience to be 'extremely poor'. The results are illustrated in the graph below.

Figure 8.5: Business Satisfaction at Diagnostics

Source: Survey Monkey (62 skipped this question)

Respondents were asked how useful they found the subsequent referrals made by the Business Adviser. 84.0% said that the referral was either 'extremely useful' (44.0%) or 'useful' (40.0%). This data is graphed below.

Figure 8.6: Usefulness of Business Gateway Advisers Referral

Source: Survey Monkey (60 skipped this question)

8.6 Post-Diagnostic Referrals Outcomes and Impact

Businesses that had undertaken a diagnostic with one of the Business Gateway Advisers were asked whether any referrals resulted in an improvement or development in their business.

- **47.83%** of businesses said that referrals from the Business Gateway Adviser had resulted in an improvement or development in their business.

When asked to describe what developments and improvements were made by way of a referral from the Business Gateway Adviser, one respondent said that they had since "increased turnover and access to new markets", whilst, for another, "the sales process has been improved".

A selection of the responses is below:

- I improve making more customers by advertising.
- My business is on hold at present.
- NBV – supported our move to bigger premises MGF – supported H & S and vital coaching for the directors Collaboration helped to buy vital equipment and supported workshops on sixsigma, 5's.
- More focused approach to marketing my services.
- Encouragement, sounding board and highlight other opportunities/avenues.
- Ian has spent a good deal of time with us 'getting his hands dirty' to understand our business and really give value and expertise.
- Increased turnover and access to new markets.
- Development of an action plan to work towards.
- Looking to work with Collaborate to continue to develop the business further particularly from a management and business planning and strategy implementation point of view.
- The sales process has been improved.

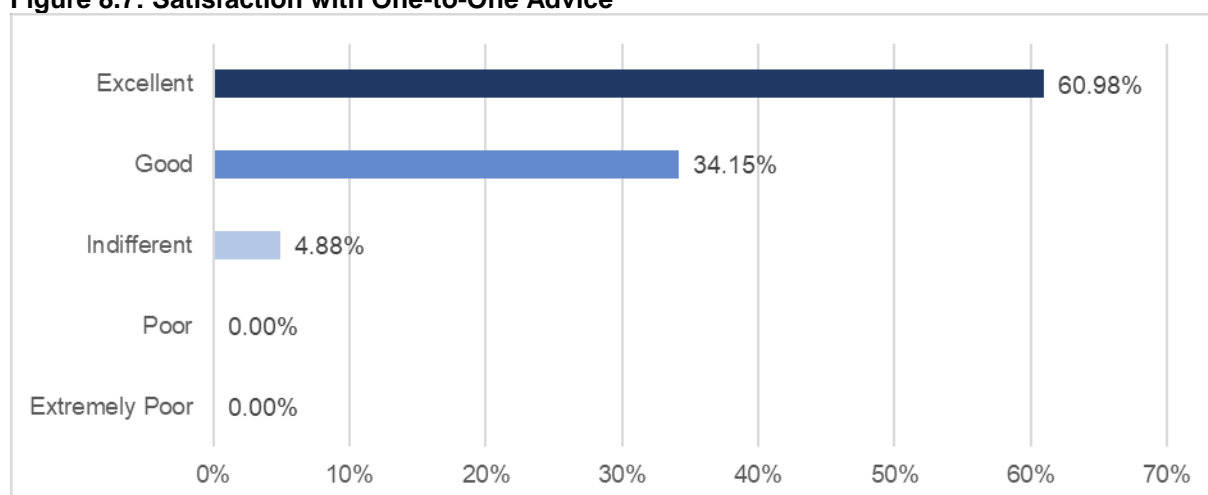
8.7 One-to-One Advice

Businesses were asked whether they had received any additional one-to-one advice from one of the Business Gateway Advisers.

- **55.41%** of businesses said that they had received additional one-to-one advice.

Businesses that had received one-to-one support were asked how satisfactory they found their experience. 95.13% of respondents rated the support offered as 'excellent' or 'good', with nearly two-thirds (60.98%) suggesting they thought it was 'excellent'. The data is illustrated in the graph below.

Figure 8.7: Satisfaction with One-to-One Advice



Source: Survey Monkey (44 skipped this question)

8.8 Business Advisers

The questionnaire sought to determine how businesses felt about the Business Gateway Advisers; businesses were asked to rate to what extent they agreed with eight notions regarding the Advisers, on a scale from 'Strongly disagree' to 'Strongly agree'. The chart overleaf illustrates the results.

Figure 8.8: Business Advisers

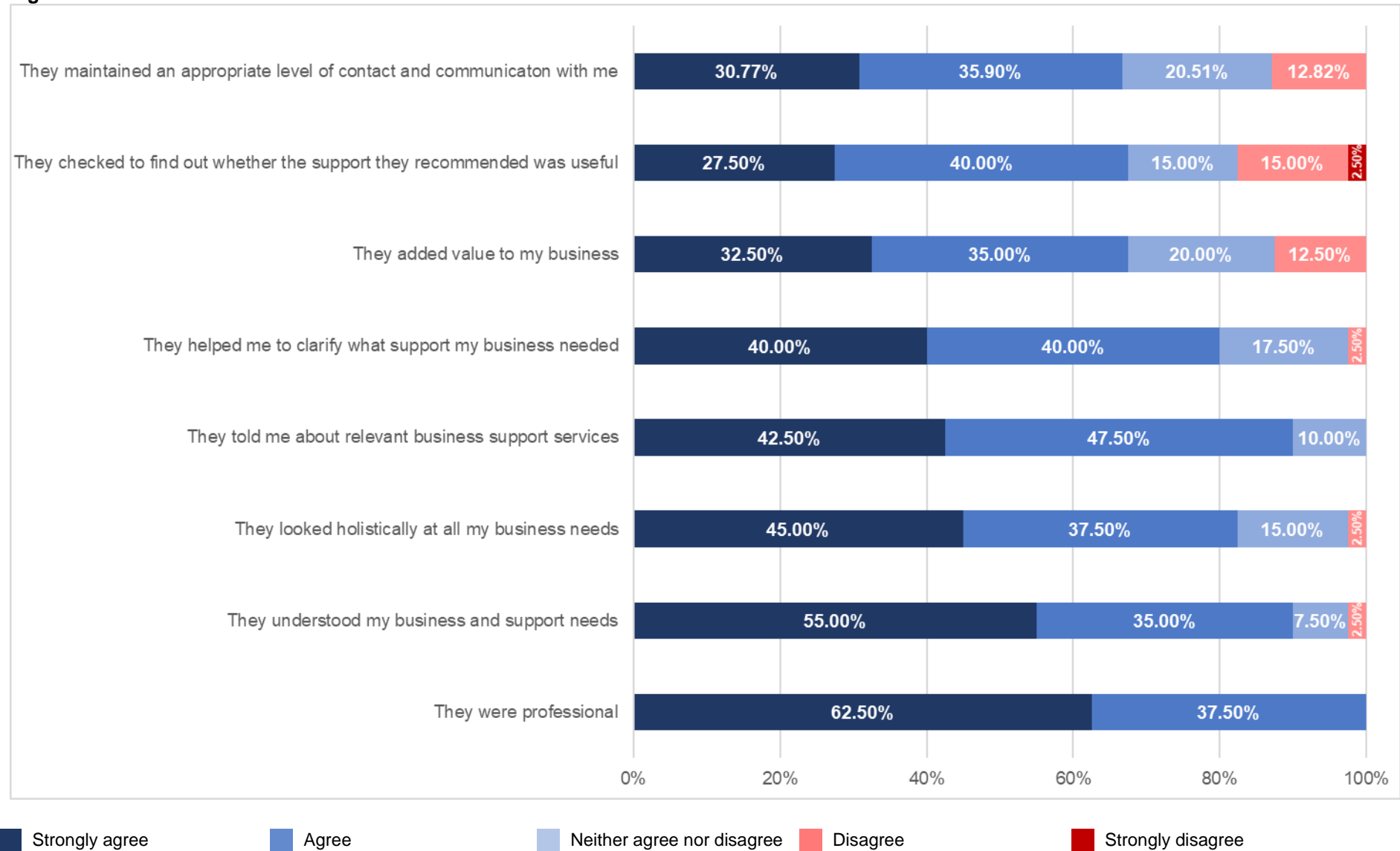


Figure 8.8 shows that businesses, across all eight factors, largely agreed or strongly agreed with each of the assertions made about the Business Advisers. For all statements, at least two-thirds of respondents said that they agreed or strongly agreed. In particular, all respondents at least agreed with the statement that the Business Advisers were professional.

Moreover, no respondents disagreed with the statement that the Business Advisers (Bas) told them about relevant business support services. We can draw the following conclusions from the data:

- 66.67% at least agreed that the BAs maintained an appropriate level of contact and communication.
- 67.50% at least agreed that the BAs checked whether the support they recommended was useful.
- 67.50% at least agreed that the BAs added value to their business.
- 80.00% at least agreed that the BAs helped them to clarify what support their business needed.
- 90.00% at least agreed that the BAs told them about relevant business support services.
- 82.50% at least agreed that the BAs looked holistically at all their business needs.
- 90.00% at least agreed that the BAs understood their business and support needs.
- 100.00% at least agreed that the BAs were professional.

The Gateway team think it is imperative to ensure that the Business Advisers continue to have the correct qualifications and experience in order to carry out their role, as they are the first point of one-to-one support.

8.9 Business Adviser Improvements

The questionnaire provided respondents with the opportunity to discuss whether there was anything the Business Advisers could have done better / differently. We can thematically divide the feedback as a means of better understanding the areas of concern:

- **Positive** – some respondents expressed how delighted they were with the service provided by their Business Adviser, and couldn't think of any way to improve the offer. One business described their Adviser as "utterly perfect".
- **More tailored advice** – one respondent suggested that the support they received was too generic and they would have benefitted more from a specialist adviser who concentrates on a particular sector.
- **Follow-up** – some businesses thought that the Business Advisers could undertake a more comprehensive follow-up after their engagement with the business. This could take the form of continuing advice on opportunities, or advice on future courses.
- **Response time / consistency** – a couple of businesses said that the response time could be faster, or the contact from Business Advisers could be more consistent.

A selection of comments can be found below.

- The follow through wasn't good so that could be improved but we appreciate any help.
- I think I need more 1 to 1 help as I am not good with a computer.
- Advice I received was very generic. Time should be taken to understand different businesses and adviser previous experience matched to business e.g. I'm involved in software; my agent should

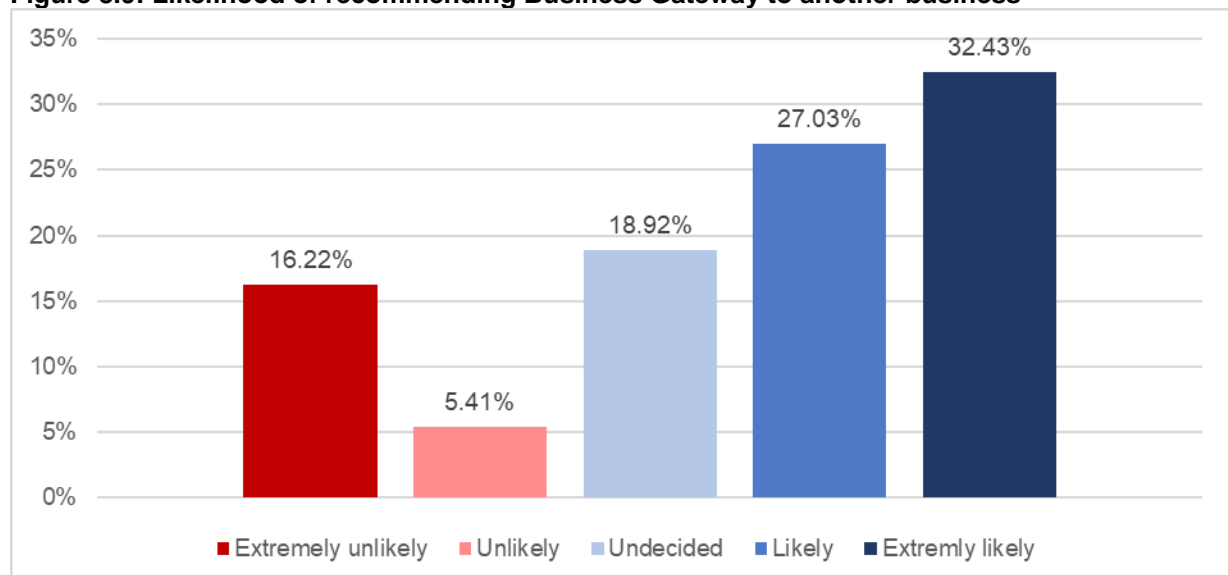
have a background in software. It's probably too much to ask but I found the people support weren't very business-minded or innovative and just viewed it as a 9-5 job.

- No – I was delighted with the service; they couldn't have been more supportive.
- Advice on further courses to get my business up and running.
- No my adviser is brilliant.
- Perhaps more follow up down the line would be good.
- Follow-up sequence.
- Utterly perfect.
- I would like to know about any future projects when this one comes to the end. I understand we aren't there yet so I'm sure Ian will help us with this further down the line. I honestly could not recommend Ian highly enough, I tell all my business associates about him and collaborate as a project and tell them to get involved.
- Bigger grants needed.
- Respond time could be faster.
- Keep me abreast of any other opportunities.
- Consistent contact.
- I have tried a few times to email our adviser this year but have not received any response as I was not sure if he was still our adviser.
- Found the solution we were looking for.

8.10 Recommending the Business Gateway

Businesses were asked how likely they are to recommend the Business Gateway to another business. 59.46% of respondents said they were either 'extremely likely' (32.43%) or 'likely' (27.03%) to do so.

Figure 8.9: Likelihood of recommending Business Gateway to another business



Source: Survey Monkey (11 skipped this question)

8.11 Additional Feedback

Businesses were asked about any other comments that they had about the Business Gateway. Below we have both illustrated and analysed the responses below.

We can use a word cloud to illustrate the most prevalent words used by respondents; in the graphic, the more frequent the word has been used, the larger the word. The graphic shows that the comments generally followed a positive trend – words such as ‘excellent’, ‘helpful’ and ‘support’ were some of the most commonplace in the feedback.

Figure 8.10: Word Cloud



We can group the comments thematically, as a means of better understanding the types of comments or concerns mentioned by survey respondents. We can divide the comments into positive and complementary, and those that make general suggestions of improvements.

- **Positive** - a large number of the comments were entirely positive, with respondents conferring that they found the offer very useful, instilling confidence and providing a good resource for businesses.

"I would advise every business men and women to benefit with the professional guidance"

"The idea of the Gateway from a business perspective is excellent. I feel in our case, maybe like many small businesses, there is so much to do on a day-to-day basis that I feel possibly more support or a support worker that a company can have allocated hours to free of charge, or on a set cost per hour, may help this situation. As with all small businesses we get trapped in the time/cost scenario and whilst you want to progress with a development project you just have no time. Allocation of a support adviser may support this."

"The gateway has been invaluable for the growth and sustainability of DPI"

"Easily accessible and informative, great response rate."

"Good resource to have available for new/micro businesses."

"From the support we get, they make us more confident"

"The events have been very helpful and the consultants running the training are excellent and clearly experts in their fields."

- **Improvements** – a selection of constructive comments from respondents can be found below. Some suggested improvements include: partnerships with consultancies to provide workshops; additional adviser support; newsletter consistency; and funding information. One respondent also expressed fears about the uncertain economic climate borne out of Brexit.

"Link-in with management consultancies such as Deloitte, PWC, banks etc. These guys are hot on trends and can run much better workshops on business development, growth, innovation, marketing etc. I attended one marketing session run by the Business Gateway and the guy had a slide deck from the 90's and was more interested in selling his services at the end of the session – not very inspiring or much integrity"

"The idea of the Gateway from a business perspective is excellent. I feel in our case, maybe like many small businesses, there is so much to do on a day-to-day basis that I feel possibly more support or a support worker that a company can have allocated hours to free of charge, or on a set cost per hour, may help this situation. As with all small businesses we get trapped in the time/cost scenario and whilst you want to progress with a development project you just have no time. Allocation of a support adviser may support this."

"I'm not getting the newsletter about courses anymore and I'm a bit disappointed as they were helpful"

"More information and help with funding options and how to make the application process easy would be beneficial. We met with the adviser three years ago. Our business has revolved and developed since then."

"Allowing the advisers to have more time for each business"

"The funding options are still limited for pre-start; just started, and I have found the Start-up-Loans Co to be a long-winded process (still outstanding) and very conservative – low risk."

"We were basically shown a flyer with a list of funding options. The 'adviser' didn't recommend which we should apply for nor have much understanding about our business. It was a waste"

"It treated us as if computers are second nature."

"It feels like it is too restricted, too tight criteria, and nothing available for a young growing business like mine. Funding feels too labour intensive for little return."

"Unfortunately, an unpleasant experience. Was not lucky with the adviser. The only useful advice was to attend a NBV workshop. Then we lost contact."

9.0 Future Arrangements

The original Business Gateway ERDF project came to an end in December 2018. In recognising some of the difficulties that arose in the management and operation of the original project as well as the successes in terms of achievement of outputs, a new partnership approach is now being taken forward. The new project brings together the Collaborate project which is a Leicester City Council ERDF funded business support project with the Business Gateway to deliver a single project in partnership with Leicestershire County Council and East Midlands Chamber with the aim of providing a more co-ordinated and joined up service which will be significantly more resourced with a team of 8 Advisers. The Business Advisers will be employed by Leicester City Council, Leicestershire County Council and East Midlands Chamber to provide a wider coverage across Leicester and Leicestershire.

Alongside this, the Business Gateway website is being refreshed with the aim of it being live from September 2019. The aim is for a much clearer website with clear calls for action for businesses.

10.0 Conclusions

There are many positives to draw from the findings of the evaluation. The feedback received from businesses supported is positive and securing of ERDF funding meant the Gateway could become more than just a signposting service, adding capacity to also have a delivery element to the model. The ERDF project was successful in its delivery of the required outputs and offered good value for money for the limited resources available. However, there have also been a number of challenges. The evaluation has considered various aspects of the operation and management of the Gateway as follows:

Awareness and penetration: Many stakeholders felt that awareness of the Gateway within the business community could be improved and that penetration levels are not high; this is supported by the benchmarking work which showed the penetration levels are comparatively low. Awareness is likely to be lowest amongst those businesses most likely to need the help of the Gateway. Whilst this is recognised as a weakness locally, the challenge of engaging harder to reach groups was also acknowledged and it was also highlighted by a number of stakeholders that the Government has not done enough to promote Growth Hubs as a brand.

Website: The comparator benchmarking demonstrated that levels of website hits for the Gateway is high and the business consultation identified this as the most frequent entry route to the Gateway. There was a mix of opinions on the Business Gateway website amongst stakeholders. Some people stated that it is a very good resource and they often refer people to it. Others felt it was very confusing and difficult to navigate with too much information. More video, images and case study content were suggested for a more engaging website.

Referrals and Stakeholder Engagement: The referral process appears to be working much better than it previously did. At times it has felt like a competition between stakeholders for businesses and this increased when the Gateway had its own delivery mechanism through the ERDF funding and it was felt that referrals were prioritised. There is a sense that the competition potentially got in the way of the coordination role of the Hub and undermined good-will between providers. This is supported by the findings of the business consultations which demonstrates that the highest number of referrals were to a Business Gateway Adviser. Stakeholders reported that it is starting to feel more like a partnership and less like they are in competition. The performance analysis demonstrates that a large number of referrals are taking place and this is supported by the information provided by businesses as part of the evaluation. There is a need to ensure the onus is on the Gateway to follow up referrals rather than the businesses themselves and for the Gateway to engage with stakeholders to report on referrals made and understand what happened to the business once they were referred to ensure as an ecosystem the Gateway is adding value.

Support for Scale Ups: There is an enhanced focus from BEIS on identifying and supporting high growth potential/scale up businesses. It is considered that this element of the Gateway support has had limited impact to date and further work is required to meet this focus. This may be challenging for the Gateway to deliver directly within the existing partnership arrangements given the requirements to meet ERDF outputs and is likely to be outsourced and commissioned directly by the LEP.

Delivery Model: The fact that the Gateway is a delivery model as well as a signposting service and the partnership arrangements that have been put in place has caused some concerns regarding the independence / impartiality of the Gateway. There is a sense that the Gateway can be seen as a competitor to other providers. However, it was recognised that the Growth Hub Manager is helping to address this and to develop the partnerships with stakeholders. Consultation and benchmarking have demonstrated that in the delivery of ERDF projects, subcontracting arrangements rather than having delivery partners may work better as it allows the accountable body to develop and control the vision of the service and put contractual checks and controls in place as well as demonstrating independence through the tender process. This approach generally also works better for the contractor as the requirements of the contract are clear and they do not have to take the risk of bringing match funding to the project. However, it is recognised that the need to have delivery partners that can bring match funding to the project was a key driver for this model.

Resources: Generally, it is considered by stakeholders and partners that the Gateway has been significantly under resourced and this has impacted on the ability to deliver the service which some partners may have wanted. Whilst ERDF significantly increased the resources available, the level of funding was still small to meet the ambition in terms of reach and penetration. The lack of resources has led to long waiting times for businesses to receive a response to an enquiry and to have an initial meeting with a Business Adviser.

Positioning of the Service: there is a strong sense that the Gateway has been treated as an ERDF project rather than a strategic service of the LEP. Certainly, the two are often interchangeable when talking to partners and stakeholders about the Gateway. As a result, the Gateway delivery model has been driven by ERDF requirements and the need to achieve the contracted outputs. The Gateway needs to have a strong vision for what it wants to achieve for the business community, and ERDF should be an enabler of this and not the driver of the vision.

Governance and Management: There appears to have been a lack of accountability and direction from LLEP compared to other Growth Hubs and it is considered the Gateway is not seen as a strategic service within the LEP. Additionally, in part perhaps due to the lack of resources, there was a lack of strong direction operationally in the early years of operation. It is felt that there has been a lack of clarity on the vision for the Gateway in Leicester and Leicestershire compared to other Growth Hubs. The recruitment of a new Growth Hub Manager is seen as positive and has instilled more of an ambition for the Growth Hub as well as a dedicated resource to drive the vision for the Gateway from the LEP perspective.

Impact on businesses: Evidence on the impact of the support provided to businesses does not appear to have been collected as part of the management information. However, the findings of the business survey carried out as part of this evaluation does demonstrate the positive impact the Gateway has had on businesses. Over 80% of businesses were satisfied with their initial engagement, found their referral to be at least useful, whilst nearly 90% found the referrals made by the Business Adviser to be useful. More than half of businesses have seen a development or improvement in their business as a result of referrals from the Growth Hub. Nearly 60% would recommend the Business Gateway to another business.

11.0 Recommendations

From the different elements of work undertaken as part of the evaluation, the following recommendations are put forward, these are designed to be practical recommendations, recognising the absence of additional funding for the Gateway.

- There is a need to develop a strong vision for the service that is not driven by ERDF output targets but recognises that the targets need to be achieved. A detailed delivery plan is needed to ensure a balance between adding value, delivering impact and capturing this impact as well as being able to meet contractual requirements. KPIs should be agreed which look beyond basic customer satisfaction or number of hours a business has been supported but measures what the Gateway sees as success and measures impact including for example the value added to businesses supported and return on investment.
- The Gateway needs stronger governance in terms of providing strategic direction, accountability and scrutiny in terms of both budget and the KPIs discussed above. This could potentially be through a new sub-board of the LEP which should be private sector led. Together, these will help to raise the profile of the Gateway within the LEP so that the LEP can effectively utilise the Gateway as a strategic service which can support other LEP work areas including the Local Industrial Strategy through effective engagement of the business community. The Gateway could be well positioned to offer access to and insight about these businesses, their support needs and how best to engage with them which will add value to the work of the LEP.
- Improvements in information exchange should be implemented, including more feedback to stakeholders on what businesses want in terms of support and more feedback from stakeholders on what has happened to businesses once they were referred. Better use of intelligence on how the Gateway is performing and feedback from businesses which should be fed back to stakeholders so the Gateway can collectively respond in an informed way and have a clear evidence base from which to prioritise service delivery.
- Evidence from the evaluation suggests that penetration rates vary across different geographies and sectors. There is a need to improve penetration rates and ensure an equitable coverage across Leicester and Leicestershire which recognises the diversity of the area including developing strategies to target currently under-represented groups. A strategy to increase penetration rates in a targeted way is required along with quantifiable targets for measuring the achievement of this strategy.
- Developing a clearer strategy for delivering scale up support and given the limited resource for the face-to-face support is limited, it is suggested that the Gateway could adopt a clearer, evidence-based approach to focusing those resources in order to achieve the required focus on scale up support and maximise impact.
- Consider delivering more joined up marketing activity with stakeholders to help promote the Gateway and the different services which are being delivered as part of the Gateway brand, for

example start up marketing could be delivered in partnership with NBV eEnterprise Solutions and the Princes Trust. This will further help develop the sense of partnership and a joint vision for the area, make it less confusing for businesses and boost referrals across the partnership.

- Considering utilising existing enterprise space in Leicester and Leicestershire for surgeries/drop-ins. The benchmarking of other Growth Hubs suggest that having some form of physical presence helps to raise awareness and profile and therefore the utilising of existing assets of enterprise and incubation spaces to develop a 'drop in' surgery approach may be worth piloting to see if this can impact on profile and also coverage across Leicester and Leicestershire. This could be done in partnership with stakeholders including for examples banks and accountants as well as business support providers.