

REPORT TO: Employment, Learning & Skills and Community Policy and Performance Board

DATE: 21 November 2016

REPORTING OFFICER: Strategic Director Enterprise, Community and Resources

PORTFOLIO: Economic Development

SUBJECT: Halton Growth Hub

WARD(S) Borough-wide

1.0 **PURPOSE OF THE REPORT**

1.1 The report and presentation will inform members about the development, delivery and current performance of the Growth Hub initiative in Halton

2.0 **RECOMMENDATION:** That Members note the performance of the Growth Hub in Halton to date.

3.0 **SUPPORTING INFORMATION**

3.1 **Background**

The creation of Growth Hubs is a government initiative intended to:-

- Provide clarity, consistency and simplification across the business support agenda
- Increasingly migrate business support from the public to the private sector.
- Provide gateway support, that is information, guidance and brokerage to the business community

Growth Hubs are, therefore, not intended to be suppliers of business support rather the interface between the business community and, increasingly, commercial business support providers

3.2 **The Liverpool City Region Growth Hub**

The Liverpool City Region (LCR) secured an initial funding package of £500,500.00 from government to establish a City Region Growth Hub.

The LCR Growth Hub is not a physical entity but rather a virtual organisation providing business support services across six Local Authority (LA) areas. The LCR Growth Hub is delivered by a core team of Business Brokers based within the Local Enterprise Partnership (LEP) and a single Business Broker based within each LA area.

The Business Brokers will:-

- Provide a business brokerage service to help SME's select appropriate advice and support services
- Maintain 'Advice Finder' <http://www.advicefinder.co.uk/> a pan-Merseyside online resource to assist businesses to identify commercial business support providers
- Work with providers of support to ensure their services are visible and accessible to businesses
- Undertake a simple business diagnostic to quickly assess SMEs support needs
- Maintain a shared pan-Merseyside Customer Relationship Management (CRM) system

The Growth Hub will not provide on-going business aftercare or investor development support to companies based in the Borough. The establishment of long-term sustainable relationships with the Borough's more significant companies remains the responsibility of the LA. Local Growth Hubs, however, where appropriate, can deliver support directly to SME's from their existing portfolio of services

3.3 **The Halton Approach**

The procurement of local Growth Hub delivery partners was subject to a full OJEU tender. The tender was broken down into six lots, one for each LA's area.

Halton Borough Council and Halton Chamber of Commerce and Enterprise submitted a joint response to the Growth Hub tender as Halton Growth Hub Partnership.

The tender submission acknowledged that it would be impossible for a single 'Growth Hub Broker' to provide a comprehensive business brokerage and diagnostic service to all Halton businesses. The tender, therefore, identified the 'virtual Halton Team' made up of both Council Officers and Chamber staff who will support the Halton Growth Hub Broker

Halton Growth Hub Partnership successfully secured the contract to deliver the Growth Hub in Halton, initially for one year. The Partnership subsequently successfully tendered to deliver the Growth Hub in Halton until 31 March 2018.

In April 2016 a dedicated Halton Growth Hub Broker was recruited.

3.4 Halton Growth Hub Performance to Date

Halton's dedicated Growth Hub Broker will present to the Policy and Performance Board, in detail, the activities and performance of the Halton Growth Hub to date.

4.0 POLICY IMPLICATIONS

4.1 The rationalisation and simplification of the delivery of business support across the LCR will impact not only upon business performance in Halton but also upon the way that Halton Borough Council and partners currently deliver a business support service.

The core function of a Growth Hub is the provision of a brokerage and diagnostic function rather than hands on, face to face, business support. The Growth Hub model is also predicated upon increasingly migrating business support from the public to the private sector. The role of the LA will become, therefore, a strategic\contract management function rather than operational delivery of business support

5.0 FINANCIAL IMPLICATIONS

5.1 The costs associated with delivering the Growth Hub in Halton are met from fee income secured as part of the OJEU tender process.

However, funding has only been secured until March 2018. While the Local Enterprise Partnership are confident that funding for future years will be forthcoming from government this has yet to be confirmed and will doubtless be subject to a further competitive tendering round

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 Children & Young People in Halton

Growth in the LCR business base will result in greater employment opportunities for the Borough's young people.

6.2 Employment, Learning & Skills in Halton

Growth in the LCR business base will result in greater employment opportunities for the community of Halton.

6.3 A Healthy Halton

Access to sustainable employment will impact positively upon the health of the Borough.

6.4 **A Safer Halton**

No implications.

6.5 **Halton's Urban Renewal**

Increasing the LCR business base will stimulate demand for land and premises in Halton which may, potentially, be a catalyst for urban renewal.

7.0 **RISK ANALYSIS**

7.1 There remains a financial risk associated with maintaining the Growth Hub in Halton beyond the current contract period should government decide to discontinue the programme.

8.0 **EQUALITY AND DIVERSITY ISSUES**

There are no equality and diversity issues

9.0 **LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972**

None.