

Hull and East Riding Business Board
Agenda
9.30am on 13 December 2024
Aura, Bridgehead Business Park

	Item	Reporting Officer	Time
1.	Chair and Deputy Appointments To confirm the appointments of Chair and Deputy.	Cllrs Handley and Ross	9.30am
2.	Apologies To receive apologies.	Chair	9.50am
3.	Minutes of the Meeting held on 25 October 2024 To approve the minutes as a true and correct record.	Louise Hawkins	9.50am
4.	Devolution Progress Update	Cllrs Handley and Ross	9.55am
5.	Governance Matters	Lisa Dixon/ Lisa Jane Nicholson	10.15am
6.	Business Support Services in Hull and East Yorkshire	Jon Brunton, Phil Hall and Dawn Hall	10.25am
7.	Further Local Intelligence into the National Industrial Strategy	Peter Campey	10.45am
8.	Transport Developments – Verbal Update	Claire Hoskins/ Garry Taylor	10.55am
9.	Hull and East Yorkshire Skills Board – Verbal Update	Chris Howell/ Teresa Chalmers	11.05am
10.	North East and Yorkshire Net Zero Hub	Harry Baross	11.15am
11.	Work Programme To discuss the future work programme for the Board.		11.25am



**Hull and East Riding Business
Board 9.30am on 25 October 2024
C1, The Guildhall**

Present

Phil Ascough, Jo Barnes, Robert Brocklesby, Andy Capes, Amelia Caruso, Martin Corcoran, Chris Crystal, David Garness, Paula Goldthorpe, Daniel Haley, David Hall, Councillor Anne Handley, Beckie Hart, Phil Jones, Angela Kirkwood, Thomas Martin, Madge Moore, Stephen Parnaby OBE, Professor Dave Petley, Councillor Mike Ross, Jason Speedy and Katy Swaby.

In attendance

Ian Anderson, Teresa Chalmers, Andrew Hewitt, Louise Hawkins, Chris Jackson, Matt Jukes and Alan Menzies.

Minute No	Item	Action By/Deadline
1	<p>WELCOME AND INTRODUCTIONS</p> <p>Councillors Handley and Ross welcomed all to the first meeting of HEY Business Board. It was noted that the number of applications to the Board had exceeded expectations and the selection process had been difficult.</p> <p>C. Jackson provided the Board with an update on the progress of the devolution deal for Hull and East Riding. It was confirmed that an Order would need to be laid before Parliament which was expected to take place sometime in November 2024; that the Combined Authority would be set up in January 2025, and that the process was on track for a Mayoral election in 2025.</p> <p>The Board was informed that –</p> <ul style="list-style-type: none"> i. there was significant work being undertaken to ensure that the Combined Authority was ready to start operating in January 2025; ii. the Business Board and the Skills Board would advise the Combined Authority and the Mayor and there would be an advocacy role for Board members; iii. the two Board were equal in standing; the Skills Board would manage the Adult Skills Fund which was likely to be in the region of around £15m, and it was important to recognise the relationship between the two Boards; 	

	<ul style="list-style-type: none"> iv. the structure for the Combined Authority was already in place. The Hull and East Riding Unitary Leader’s Board would act as the shadow Combined Authority until the Mayor was elected, and v. there were other regions which were at different stages in relation to devolution and had taken differing approaches. 	
2	<p>APOLOGIES</p> <p>Apologies were received from Mark Barrett and Finbarr Dowling.</p>	
3	<p>ELECTION OF CHAIR AND DEPUTY</p> <p>Councillor Ross explained that it had been suggested that a Chair and Deputy Chair would be elected at the next meeting to provide members with an opportunity to consider whether wished to put themselves forward as Chair/Deputy.</p> <p>Agreed – that the role description for the Chair of the HEY Business Board is circulated to all Board members.</p>	L. Hawkins
4	<p>BUSINESS BOARD TERMS OF REFERENCE</p> <p>A discussion took place around the Terms of Reference; the need for Board members to declare any personal interests, and the membership of the HEY Skills Board. It was confirmed that any suggested changes would have to be approved by the Hull and East Riding Unitary Leader’s Board.</p> <p>It was suggested that informal meetings of the Boards could be arranged to provide an opportunity for issues to be discussed in more detail.</p> <p>Agreed –</p> <ul style="list-style-type: none"> a. that the HEY Business Board Terms of Reference be noted; b. that a guidance note in relation to declaration on interest is circulated to members of the Board, and c. that the membership of the HEY Skills Board is circulated to members of the Board after the first Skills Board has met. 	<p>(b)T. Chalmers</p> <p>(c)L. Hawkins</p>
5	<p>HEY ECONOMIC FRAMEWORK</p> <p>A. Hewitt attended the Board to present the draft HEY Economic Framework to the Board.</p> <p>The Board was informed that –</p> <ul style="list-style-type: none"> a. the document was a framework rather than a strategy as the Mayor could have different views and priorities; 	

- b. the data sets had been refreshed; that the local economic website would be launched in the near future, and the Government had recently launched its Industrial Strategy;
- c. that consultation on the document had taken place over the summer months. The Business Engagement Board and the Federation of Small Businesses had been included within the consultation, and
- d. the Economic Framework would provide the Mayor with an economic snapshot. There would need to be a focus on investment and there would need to be a flexible approach.

The Board discussed the following matters –

- i. that the document was a useful piece of work however there had been no surprises in relation to its content;
- ii. that the Board would have a role in looking at what the vision for Hull and East Riding was over the next 15/20 years;
- iii. that it was acknowledged that there were significant challenges in the region and there was a need for a focus on ‘quick wins’, and
- iv. that the Mayor would provide their vision for economic development in the region however there were some important statement within the document.

M. Jukes and A. Menzies explained that –

- i. the framework was not a finished document however it set the scene for the Mayor and that there was time for the Board to work on and influence the document, and
- ii. that the Economic Framework along with a number of other documents had to be completed before the mayoral election.

The Board discussed the following matters -

- i. the data sets were in place and the performance indicators could be measured. It would be possible to add additional performance indicators if the Board felt it was necessary;
- ii. that there should be focus on targets that it was felt could be achieved;
- iii. that the presentation had been useful and whether the information could be shared more widely within the business sector. M. Jukes explained that there would be some sensitivity around the information that was provided to the Board and that a communications protocol would be developed;
- iv. that it would be useful for an executive summary to be inserted at the front of the document, and
- v. that it was acknowledged that there could be conflicting views within the membership of the Board.

	<p>Agreed –</p> <ul style="list-style-type: none"> a. that members of the Board provide their comments on the Economic Framework to A. Hewitt at the earliest opportunity, and b. that a communications protocol for the HEY Business Board is developed and submitted to a future meeting of the Board for approval. 	<p>(a)All (b)J Gay</p>
<p>6</p>	<p>LINKS TO OTHER BOARDS</p> <p>A discussion took place around whether representatives were from other Boards were invited to attend meeting of this Board when appropriate. It was agreed it would be helpful to invite the Chair of the Skills Board where appropriate.</p> <p>It was noted that there were representatives from the Humber Freeport Board on this Board; that the delegations and decision making structure for the various Boards in the region was required, and that it was important that all decision making was transparent.</p> <p>Agreed –</p> <ul style="list-style-type: none"> a. That the Chair of the Skills Board be invited to attend b. that representatives from the Humber Energy Board and Humber Vision are invited to attend meetings of the HEY Business Board as observers when appropriate, and c. that a structure of the various Board, and their delegations, in the region is provided to members of the Board. 	<p>(a-b) L. Hawkins (c)T. Chalmers</p>
<p>7</p>	<p>FUTURE MEETING DATES</p> <p>L. Hawkins submitted a list of future meeting dates for approval.</p> <p>Agreed – that the meeting dates in February and April be reviewed and alternative dates be circulated to members of the Board.</p>	<p>L. Hawkins</p>
<p>8</p>	<p>WORK PROGRAMME</p> <p>T. Chalmers explained that there would be a number of standing items which the Board would need to consider at each meeting which included the monitoring of existing contracted programmes from the former HEY LEP.</p> <p>It was confirmed that the revised Economic Framework and the impacts of the Autumn Budget 2024 would be added to work programme. The Chair of the Skills Board would also be invited to attend a future meeting of this Board.</p> <p>Agreed – that the work programme be submitted to the next meeting of the Board for review.</p>	<p>T. Chalmers/ L. Hawkins</p>

Briefing Paper to the HEY Business Board**Paper A - Hull & East Yorkshire Publicly Funded Business Support****1. Purpose of the Paper and Summary**

1.1. To inform the HEY Business Board on the scope of public funded Business Support Services delivered by Invest East Yorkshire (ERYC), Invest Hull (HCC), and incorporating the HEY Growth Hub's delivery. This report therefore includes:

- A background into the work of the teams
- Current funding
- Overview of the current business support offer
- Delivery models
- Latest outputs and successes
- Future plans and recommendations

1.2. This paper also focuses on the success of business support services, and its various initiatives, impacts and the feedback on the same from the business community.

1.3. Also incorporated at Appendix A is the HEY Growth Hub Operational Update Report for the six months to 30th September 2024. This is a requirement from government, as Growth Hubs are a regional resource funding by the Department for Business and Trade. Business input to delivery is an integral governance requirement.

2. Background

2.1. Growing the economy is a strategic priority for East Riding of Yorkshire Council (ERYC) and Hull City Council (HCC). Both Councils have been pivotal in providing business support services to local enterprises for many years, aimed at fostering economic growth. The government's national Growth Hub service (funded annually and currently managed by the HEY Business, Growth & Skills Hub (BGS Hub) with HCC being the accountable body) has been incorporated into the overall offer.

2.2. HCC & ERYC have constantly maintained a core business support team as a key part of their economic development services, to ensure access to consistent support, for our business communities. Historically both councils have worked across political boundaries and supported each other to ensure consistency of service delivery where possible. These teams have been the key delivery arms of numerous projects, working collaboratively with the Growth Hub service whose function is to help streamline business access to funded business support, to manage discrete

Author:

Status:

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regional-level programmes, and to collate business and economic intelligence to help inform local, regional and government policy and business support interventions. We collectively support regional and national business focused events such as Humber Business Week and Global Entrepreneurship Week.

- 2.3. Through the last round of the European Regional Development Fund (ERDF), work has been undertaken cooperatively on several business support programmes, such as ICT for Growth, Finance for Growth, the Business Growth Scheme, and The Sustainable Supply Chain Programme, which collectively supported circa 2,000 businesses across the Humber during the 5 years from 2018 – 2023. This was in addition to independent yet complimentary programmes such as The Hull Business Energy Efficiency Scheme, Making Changes for Careers and Love your High Street, amongst others
- 2.4. Over and above these programmes, during the COVID pandemic, from 2020 to 2022, both HCC and ERYC business support teams directly advised thousands of businesses, helping them maximise the available assistance and gain access to COVID grants, loan schemes, and other financial aid. The Humber Growth Hub contributed by sharing information, organising stakeholder groups, updating websites, and relaying information back to the Government.
- 2.5. The end of European funding and the closure of the ERDF programmes in June 2023 created a potential cliff edge for both HCC and ERYC business support teams and their delivery of support. Therefore in response to this:
 - HCC created 14 permanently funded positions using Enterprise Zone uplift funding to ensure the continued delivery of business support (The ‘Invest Hull’ team)
 - ERYC made a commitment to the team of 20 by making positions permanent with the opportunity to use Enterprise Zone uplift funding if UK Shared Prosperity Funds (UKSPF) were not forthcoming (The ‘Invest East Riding’ team)
- 2.6. It is to be noted that this report directly focuses on the delivery of business support primarily aimed at the SMEs and Micro Businesses within our business community and does not expand into the wider offers and key services delivered by the councils such as Inward Investment, Managed workspaces and Key Account Management. All of which form a key part of the offer in supporting our business community.
- 2.7. It is key to highlight the business make up of Hull & East Yorkshire. Based on Office of National Statistics data in 2024, 99.6% of the HEY business community is classified as an SME, with 87.7% being identified as micro businesses. Currently ERYC stats are showing that 75% of businesses currently being supported are micro businesses and for Hull this is slightly over 80%.

3. Issues for Consideration

3.1. **Current Funding**

3.1.1. As the European funding programme came to an end UKSPF became the replacement with responsibility for spend being passed directly to the Councils which has provided a greater degree of flexibility in determining a delivery model for business support services.

3.1.2. During the close of the ERDF projects, summative assessments were undertaken with these findings being taken into consideration and have been fully or partly addressed by the Councils and Growth Hub in the development of the current business support offer. Moving away from European targets which were very output driven and not business driven which clearly had a wider impact on the actual outcomes achieved.

3.1.3. Through negotiation and collective working some of the key actions agreed were:

- That those businesses gaining support through European funded programmes were automatically picked up by each appropriate council and support continued to ensure minimum disruption.
- That the Growth Hub would continue to adopt a “hub and spoke” model whereby the generalist Growth Hub business advisors were employed by, and based within the two council business support teams. This was to ensure streamlining and simplification of provision.
- To continue to use the business support teams to collect business & economic intelligence directly from local businesses to feed into the Growth Hub and DBT, including monthly intelligence reporting on key economic shocks, opportunities, and trading conditions, as well as to report on business needs and concerns.
- A commitment made by both Councils to maintain full business support teams to ensure continuity of a range of support services.
- To showcase core support services and where possible not directly publicise support through the prism of different schemes and programmes, which are invariably tied to short-term funding; thus at times confusing the business community.
- This was not to be at the detriment of projects that had already gained recognition and where support needed to continue including British Libraries Business and Intellectual Business Centre’s Humber Partnership (BIPC’s), Making Changes for Careers (MC4C), and the Supply Chain Network (TSCN).
- Ensure easy to access central entry points direct with deliverers to minimise referrals between partners and to be more cost effective.
- That where at all possible interventions would be aligned to ensure consistency of service and message across the HEY area.

- Recognised that differentials between the urban landscape of HCC and the rural one of ERYC meant that flexibility was required to meet the very different needs within these areas and that differences in delivery models would be required.
- To share examples of good practice, processes, and procedures to support consistency and ensure ongoing developments and improvements.
- Simplification and alignment of paperwork would be used by both teams.
- To maximise and review other national programmes and incorporate where appropriate such as the Growth Hub's Creative Growth and Made Smarter Programmes.

3.2. Overview of the current business support offer

3.2.1. The teams have collectively worked together to ensure a consistency of approach and access to services for both East Yorkshire and Hull businesses, to minimise any cross messages and inconsistencies.

3.2.2. Primary access been set up through central entry routes and dedicated triage teams by both ERYC & HCC whether this be for pre-start, startup, or existing companies across all sectors. The Growth Hub also refers the large majority of enquiries to the two business support teams, via the hub and spoke model.

3.2.3. This route has made it simpler to directly promote the services available to businesses and/or individuals to access the services they need, with both councils also using standard emails and websites:

- Email:
 - business.support@eastriding.gov.uk
 - business.support@hullcc.gov.uk
 - growthhub@heybusinessgrowthskillshub.com
- Websites:
 - <https://investeastyorkshire.co.uk/business-support/>
 - <https://investhull.co.uk/business-support>
 - Heygrowthhub.com
- And / or through core telephone numbers

3.2.4. Within the first 15 months (July 2023 to September 2024) this has resulted in:

- 2,791 businesses requesting support
- 1,552 (56%) formally registering to access the full suite of services
- Of which 1,077 (70%) have not previously accessed ERDF funded provision
- The remaining 1,239 (44%) of firms obtaining immediate responses to their immediate 'single issue; enquiries & needs without the need to formally register on to a programme. This demonstrates the need for business support to be

driven by the needs of the business, and not driven by programme outcomes, the latter of which should be an automatic byproduct of the support.

3.2.5. Where it is appropriate to make comparisons, this equates to 89% of the number of businesses supported by the previous ERDF projects (2018-2023) being achieved within 15 months of the current programme of UKSPF funded support, of which 70% have not accessed the previous ERDF funded programmes.

3.3. Delivery model

3.3.1. Both councils have also adopted a simplified message to support our business ecosystem meaning a clearly defined message and menu to all businesses e.g., if you are based in the East Riding go to ERYC, if based in Hull go to HCC. The Growth Hub follows this model by referring the majority of client enquiries to the appropriate advisor team.



3.3.2. Offering tailored **1-2-1 advice and guidance** to pre-starts, startups, and existing businesses, through dedicated core teams of advisers and support teams as well as subcontracted sector specialists in areas such as Innovation, Carbon Reduction, Social enterprise as well as being responsive to local, regional needs such as Tourism and Rural needs.

3.3.3. Organising and facilitating **workshops and event** programmes collectively to enhance business skills and connect local businesses through webinars, workshops, networking, and conferences. Subject matters are determined from local business intelligence or in response to changes in legislation with delivery by sector specialist's and partners. Covers a multitude of business disciplines as well as key sectors and cross cutting themes including Manufacturing, Construction, Tourism, Food and Drink and Supply Chain. The Growth Hub augments these workshops where appropriate, for example via the HEY Manufacturers Network, and workshops via Made Smarter and Creative Growth.

- 3.3.4. Providing **financial support** through revenue and capital grants to enable business development, job creation and growth, offering up to 50% towards the costs of the project. Consistency around types of grants offered and criteria is complementary to each other, ensuring lessons learnt were and continue to be shared from previous grant programmes. Examples of grants awarded include Test Trading Grants (100%), Energy Efficiency Projects, Consultancy Support, Farm Diversification, Innovation, Accreditations and Capital Equipment purchases. A requirement of all grant schemes is that existing council procurement processes are followed which incorporates the requirement for buying local / regional where possible and directly links into and supports the development and ongoing promotion of The Supply Chain Network. Businesses are also referred to other sources of internal funding (e.g. the BGS Hub growing places grant and loan fund) and external funding (e.g. the Northern Powerhouse Investment fund).
- 3.3.5. The teams act as a conduit to the wider council services as well as **signposting** to other external services, partners, and programmes such as British Business Bank, Innovate UK, BIPC and local Universities.
- 3.3.6. Ongoing development and merging of **resources** being undertaken collaboratively through the development of the current The Invest East Yorkshire Resource Portal where businesses can find a variety of useful information, articles, videos, tools, and templates. Also, the joint publication and promotion of The Supply Chain Network a free platform including a directory for businesses to post a listing to promote their products and services to potential buyers and those looking for partners to work with. The resource also includes an opportunities map, offering businesses the ability to post tenders, requests for quotations etc which businesses can search for and be notified when opportunities are posted.

3.4. **Latest outputs and successes**

- 3.4.1. All of the UKSPF level outputs are currently on course to be achieved, with many already being overachieved, with actual evidence of wider outcomes and impacts currently being gathered. Appendix A- HEY Growth Hub2024/25 Operational Update, Appendix B – ERYC – Current UKSPF Targets and Achievements and Appendix C – HCC Current UKSPF Targets and Achievements.
- 3.4.2. With key indicators of success being shown, such as:
- Over the last 15 months a bigger initial impact has been identified with key reasoning for this being the continuation of core services by key deliverers and maintaining of staff / teams along with a clear marketing message and menu of support.
 - Attracting more businesses to engage in services offered with 70% of those registering for the full support package having not accessed the previous ERDF programmes.

- That 44% of enquiries are dealt with by responding to their immediate questions/ needs without the need to formally register on to a programme, showcasing the need for support to be business driven.
- That the support attracts businesses from across all sectors, with the majority coming from within our key local economic priorities.
- Confirmation that financial assistance is not the key outcome for businesses accessing support but acting more as a marketing tool with ERYC showing at present only 13% of businesses being paid a grant and Hull 47% (26% collectively)

3.4.3. Case studies:

- [Invest East Yorkshire helps Luke discover the recipe for success | Invest East Yorkshire](#)
- [Local business reduces its carbon footprint with support from Invest East Yorkshire | Invest East Yorkshire](#)
- [Invest Hull | Rockcity scaling the heights at Olympics as expansion...](#)
- investhull.co.uk/latest-news/council-grants-help-to-propel-the-whoopie-bakery

4. Next steps

4.1. Despite the successes, there are challenges and risks and to further enhance the effectiveness of business support services, we are collectively exploring the following aspects:

- **Secure longer-term funding:** With present funding limitations and security of future funding the services are constantly delivered against short term plans, increasing the potential for loss of staff, skills, and knowledge.
- Continue to **reduce fragmentation** and continue to **use easy to understand point of contacts**: Continue to promote and establish clear points of contact additional funding streams can create an ever-changing business support landscape, if not aligned and reduces awareness of services by stakeholders.
- **'Maintain awareness' campaigns**: Continue to enhance marketing efforts with a clear consistent map of support to ensure more businesses are aware of available support and to maintain a consistent message. Changes creates breaks in communications to business, causes a loss of traction and momentum and a lack of trust by the business community to access support.
- **Alignment of services**: Ongoing discussions ensuring consistent support arrangements across the MCA area whilst acknowledging the need for bespoke offers in relation to rural / coastal communities.

- **Additional funding options:** To continue to maximise on additional national or other funding options / schemes that become available but ensure these compliment the current offer and not compete against them.
- **Increase data collection:** Range of other data that would contribute to KPI's and recognised local drivers to compliment any government expectations. This data sometimes is left out of conversations as it may not be a contractual requirement but adds the local more- in depth picture which can inform decisions. (There needs to be a balance between having and achieving pre-set target outputs and the need to provide bespoke and meaningful guidance to businesses. Requested reports tend to be standard output / outcome driven when there is an opportunity for outcomes to be more applicable to the local economy)
- **Ensure independent reporting of local business intelligence:** This is presently covered by the Growth Hub but recognise this will potentially change in line with the roles of the Mayoral Combined Authority
- **Access to advice for all:** All businesses can access current support which is based on the businesses need, growth plans and economic impact rather than only giving access to those that can achieve pre-set targets and meet a direct programmes requirement.

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Officer Interests: None

Background Documents: Annex A – HEY Growth Hub 2024/25 Operational Update

Briefing Paper to the HEY Business Board**Appendix A to Board Paper A – HEY Growth Hub 2024/25 Operational Update****1. Purpose of the Paper and Summary**

- 1.1. The HEY Growth Hub continues to deliver a suite of funded business support services in the region, as part of the HEY Business, Growth and Skills Hub and working in partnership with both local authorities. This paper provides an overview of Growth Hub performance in the six months to 30th September 2024, as well as indicative funding arrangements for 2025/26.
- 1.2. This paper also summarises the ongoing performance of the Growth Hub's discrete programmes in the six months to 30th September 2024, as well as funding arrangements for these programmes in 2025/26.
- 1.3. Finally, this paper presents an overview of the ongoing consultation and research work associated with the government's Industrial Strategy and Small Business Strategy developments.

2. Background

- 2.1. It is a requirement of funding from the department of Business and Trade (DBT) that the Growth Hub has appropriate business and governance arrangements in place. This is to ensure that there is a strong business voice in setting the strategic direction of the Growth Hub, and to ensure that the Growth Hub is meeting local industry needs.

3. Issues for Consideration**3.1. Core Growth Hub Service**

- 3.1.1. HEY Growth Hub is one of 41 Growth Hubs in England, and provides free and impartial information, advice, guidance, and signposting to businesses across the Hull & East Yorkshire region. It has been in operation since 1st April 2021, and was previously under the jurisdiction of the HEY LEP up until 31st March 2024.
- 3.1.2. Funded by the government Department for Business and Trade (DBT), the Growth Hub's primary purpose is to simplify the business support landscape for businesses in the region, by providing diagnostic, triage and signposting functions for regional businesses.
- 3.1.3. HEY Growth Hub operates a "hub and spoke" delivery model, which sees the Growth Hub managed by the HEY Business, Growth and Skill Hub, and the Growth Hub's two generalist business advisors employed by – and based within – the two HEY local authorities, complemented by LA's wider business advisor teams. Specialist

advisors and programme staff of discrete schemes are based with the core Growth Hub team within the HEY BGS Hub.

3.1.4. The Growth Hub operates a website that contains a wealth of business support advice and information, including a directory of all currently available business support and funding programmes in-region and nationally.

<https://heygrowthhub.com>

3.1.5. The Growth Hub also oversees the delivery of discrete and specialist schemes in-region, which are externally funded by government. Presently these include:

- **Workforce Development Business Advisor** – an initiative that supports employers with their workforce development, including staff upskilling, apprenticeship and trainee recruitment, and workforce wellbeing.
- **Made Smarter Yorkshire & Humber** – a programme that supports manufacturers to explore and adopt industrial digital technology to aid productivity and competitiveness.
- **Creative Growth Hull & East Yorkshire** – a programme that support ambitious and growth orientated firms in the creative industries to scale up and become ‘investment ready.’

3.1.6. The Growth Hub’s bi-annual performance report for 2024/25 was returned to DBT on 31st October. This contained comprehensive detail on Growth Hub activities in 2024/25, including client engagement outcomes. A summary of aggregated KPI outputs across all Growth Hub activity is presented as follows.

KPI Output Indicators	Half-Year Target	Actual	Variance
KPI.1 - Number of businesses receiving light touch interaction (under 1 hour)	140	416	+276
KPI.2 - Number of businesses receiving medium intensity intervention (1 to 12 hours)	91	156	+65
KPI.3 - Number of businesses receiving intensive support (12 hours+)	52	42	-10
KPI.4 - Number of ‘Scale up’ businesses engaged	39	31	-8

In addition to contracted KPI outputs, the Growth Hub also achieved the following set of wider outputs in the first half of the 24/25 year:

Output	Number
Number of individuals that have received ‘light touch’ triage, information and/or signposting support	425
Total number of individuals who been helped to start a business	4
Number of businesses referred to a mentoring programme	33
Number of businesses referred to a skills or training programme	49
Number of businesses referred to a finance and/or funding programme	85
Number of businesses referred to an innovation and/or R&D programme	45

3.2. Workforce Development Business Advisor

3.2.1. The Growth Hub's Workforce Development Business Advisor (WDBA) provides specialist support to regional employers on all matters relating to workforce development including:

- supporting employers to develop workforce development plans
- encourage workforce wellbeing best practice in the workplace
- aiding the upskilling of regional workforces.

3.2.2. In practice, the most prevalent types of enquiry for the WDBA are the following:

- Support to recruit and onboard apprentices. Including advice on the Digital Accounts Service (DAS), the apprenticeship levy and levy transfer.
- Advice on sources of funding for workforce training and upskilling.
- Support for employers to offer work experience placement, internships and T-Level placements.

3.2.3. The WDBA achieved the following outputs in the six months to 30th September 2024:

Output	Number
Number of businesses receiving light touch interaction (under 1 hour)	9
Number of businesses receiving medium intensity intervention (1 to 12 hours)	51
Number of businesses receiving intensive support (12 hours+)	2
Number of 'Scale up' businesses engaged	14
Number of businesses referred to a mentoring programme	19
Number of businesses referred to a skills or training programme	44
Number of businesses referred to a finance and/or funding programme	22
Number of apprenticeship vacancies supported via employer advice	54
Number of job vacancies supported via employer advice	20
Number of traineeships and internships supported via employer advice	37
Number of firms supported to access upskilling & reskilling funding	40

3.3. Made Smarter Yorkshire & Humber

3.3.1. The Made Smarter Yorkshire & Humber Programme supports manufacturers to explore and adopt industrial digital technology (IDT), in order to improve business productivity, competitiveness, and innovation. The programme is funded by DBT and is delivered across Yorkshire in partnership between the four Yorkshire Growth Hubs, with the programme management undertaken by the South Yorkshire Mayoral Combined Authority (SYMCA).

3.3.2. HEY Growth Hub employs 1 FTE Made Smarter Digital Transformation Specialist. This postholder actively promotes the programme to the regional manufacturing sector, and also manages a caseload of client businesses in order to facilitate their access to the other interventions of the programme.

3.3.3. The programme supports manufacturers to explore and adopt IDT, such as:

- Additive manufacturing
- Augmented & virtual reality
- Big Data & Analytics
- AI
- Data & Systems integration
- Industrial internet of things / Smart sensors
- Robotics and Process Automation

3.3.4. The following interventions are available via the programme:

- **Digital Roadmaps** – A detailed diagnostic exercise to identify a business’s current level of digital tech adoption and areas for leveraging new IDT.
- **Intensive Technical Support** – support and guidance from IDT experts to help businesses integrate new digital technologies.
- **Capital grant funding** – grants of between £10,000 and £50,000 to cover 50% of the cost of new digital hardware and equipment.
- **Leading Digital Transformation** – a bespoke learning programme for business owners and leaders to develop the skills needed to take their firm on a “digital transformation journey.”

3.3.5. The Made Smarter DTS achieved the following outputs in the six months to 30th September 2024:

Output	Number
Number of businesses receiving light touch interaction (under 1 hour)	2
Number of businesses receiving medium intensity intervention (1 to 12 hours)	22
Number of businesses receiving intensive support (12 hours+)	25
Number of businesses referred to a finance and/or funding programme	35
Number of businesses referred to an innovation and/or R&D programme	42
Number of IDT workshops held in HEY	6

3.4. Creative Growth Hull & East Yorkshire

3.4.1. The Creative Growth Programme supports SMEs in the creative industries to develop growth plans and to become ‘investment ready’. Funded by the government Department for Culture, Media & Sport (DCMS), the programme is one of 12 regional programmes in England, and operates alongside Innovate UK, who lead the delivery of the grant funding and investor engagement activity as part of the programme.

3.4.2. The programme is delivered in-region via a partnership of HEY Growth Hub, Hull City Council, East Riding of Yorkshire Council, and the University of Hull Business School. The Business School are responsible for the structured programme of support to cohort groups of businesses; a 12 week programme which consists of:

- 6-8 full day workshops covering various business growth and investment related topics (final number dictated by needs of client businesses), culminating in a mock ‘pitching session’ day.
- Access to experienced mentors, with a minimum of 3 in person meetings
- Peer-learning sessions, for clients to discuss challenges in common
- Ad-hoc masterclasses delivered by guest speakers on a range of topics, including EDI in the creative industries, bid writing, and business planning
- Networking and social events
- Digital resources and toolkits

3.4.3. The programme has achieved the following outputs in the six months to 30th September 2024.

Outputs	Number
Number of cohorts commenced	2
Number of businesses enrolled onto cohorts	17
Number of businesses receiving light touch interaction (under 1 hour)	114
Number of businesses accessing investment as a result of the programme	3

3.5. Future Funding and Strategy Development

3.5.1. The government’s autumn budget statement on Wednesday 30th October contained announcements on future funding for the Growth Hub and its programmes. Currently known detail is as follows.

- **Core Growth Hub funding** – DBT have confirmed funding for the Growth Hub network in 2025/26. DBT funding settlements for individual Growth Hubs are currently being developed as part of their business/financial planning process. It has been advised that the funding settlements will be “at least” the same value as the current year, with a possible modest uplift.
- **Made Smarter** – DBT have confirmed funding for continued Made Smarter programme delivery in 2025/26. Programme scope is being widened to include a specific focus on workforce development in relation to industrial digital skills (IDT), including leadership & management training, facilitated student placements, and defined interventions for workforce upskilling on IDT skills. Additional funding is being made available for this new workstream.
- **Creative Growth** – DCMS have confirmed funding for continued programme delivery in 2025/26. Funding settlements for individual regions are currently being worked on by DCMS as part of their business and financial planning process.

3.5.2. HEY Growth Hub, along with other colleagues from across the LAs is currently supporting the development of three economic & business strategies with local authority and government colleagues. These include:

- **Hull & East Yorkshire Economic Strategy Framework** – this framework will form the basis of the economic strategy for the HEYCA, a piece of work that will commence upon the election of a mayor in May 2025.

- **Government's Industrial Strategy** – the new government have commenced work on a new national industrial strategy. The Growth Hub is assisting government colleagues to engage with the regional business community as part of the strategy consultation.
- **Government's Small Business Strategy** – in addition to the national industrial strategy, government have begun work on a strategy specifically for small businesses, with an expected publication date in 2025. The strategy's objective is to support small business productivity and growth. Whilst this strategy is still early in its development, government have confirmed the following 5 pillars for the strategy:
 - **High Streets** – Focusing on business rates reform, tackling anti-social behaviour, and piloting new business support based on the 'BID' model
 - **Finance** – Focus on tackling late payments, enhanced British Business Bank financial products for small firms, and funding for innovation.
 - **Markets** – Focus on better access to public contracts, enhanced exporting support, and removal of 'market access barriers'
 - **Business capabilities** – focus on small business leadership skills, digital adoption, and innovation.
 - **Wider environment** – A review of small business tax reliefs, a focus on skills and talent planning, business regulation and decarbonisation.

4. Next steps

- 4.1. HEY Growth Hub will continue to deliver its core support service and discrete programmes until 31st March 2025, in line with conditions of funding from DBT.
- 4.2. The Growth Hub will play a full and active part in the design and development of business support that will sit under the forthcoming HEY Combined Authority. This will include the creation of a delivery plan to fulfil the DBT conditions of funding for 2025/26.

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Officer Interests: None

Background Documents: None

Appendix B – ERYC Current UKSPF Targets and Achievements

SUMMARY OUTPUTS	Expected Contract Total	Total as of Sept 2024	Comments – on target to overachieve in all areas where funds have been used.
Number of enterprises receiving non-financial support (Number of enterprises)	440	493	Already overachieved
Number of enterprises receiving grants (Number of enterprises)	164	67	Numbers equates to actual grants paid, an additional 49 grants already committed with a further 76 in progress, total estimated at 192
Number of potential entrepreneurs assisted to be enterprise ready (Number of entrepreneurs)	127	117	On target to achieve – supported by delivery of “Is business right for me” across the patch,
Number of enterprises engaged in new markets (Number of enterprises)	24	39	Already overachieved
Amount of low or zero carbon energy infrastructure installed (M2)	4800	28703	Already overachieved
Number of decarbonisation plans developed as a result of support (Number of plans)	20	43	Already overachieved
Number of properties better protected from flooding and coastal erosion (Number of properties)	10	0	To date no grants directly submitted for this reason
SUMMARY OUTCOMES	Expected Contract Total	Total June 2024	Comments - Monitoring of businesses now underway and outcomes being collected
Jobs created as a result of support (Number of Full time equivalent (FTE))	100	44.8	Evidence currently being collected with 179% in pipeline of overall target and 97% expected within current funding timeline.
Jobs safeguarded as a result of support (Number of Full time equivalent (FTE))	50	0	Decision made that due to the majority of supported businesses not having the level of evidence required to show that jobs were at risk on commencement of support, to concentrate on new job creation.
Number of new enterprises created as a result of support (Number of enterprises)	45	13	Currently undertaking a monitoring exercise and capturing the evidence to show that businesses have been registered.
Number of organisations engaged in knowledge transfer activity following support (Number of organisations)	20	0	Currently awaiting returns, info through contracted work with University of Hull

Number of enterprises adopting new to the firm technologies or processes (Number of enterprises)	39	6	Currently awaiting returns, info through contracted work with University of Hull
Number of new to market products (Number of products)	2	0	Currently awaiting returns, info through contracted work with University of Hull
Estimated Carbon dioxide equivalent reductions as a result of support (Tonnes of CO2e)	80	81.14	Already Overachieved
Number of enterprises with improved productivity (Number of enterprises)	21	0	Due to measurement being GVA, insufficient time available to collect evidence unless UKSPF funding is extended.
Number of enterprises increasing their export capability (Number of enterprises)	24	8	On target, working with DBT / HCC re: potential trade missions
Increased number of properties better protected from flooding and coastal erosion (Number of properties)	10	0	To date no grants directly submitted for this reason
Number of enterprises adopting new or improved products or services (Number of enterprises)	0	27	Already Overachieved.

NOTE: Based on previous ERDF feedback, it has been identified that there needs to be a balance between having and achieving pre-set target outputs and the need to provide bespoke and meaningful guidance to businesses. Requested reports tend to be standard output / outcome driven when there is an opportunity for outcomes to be more applicable to the local economy.

All businesses can access current support which is based on the businesses need, growth plans and economic impact rather than only giving access to those that can achieve pre-set targets and meet a direct programmes requirement.

For this reason, additional information, and outcomes applicable to our local economy have started to be collected with others being identified and agreed between HCC and ERYC.

Appendix C – HCC Current UKSPF Targets and Achievements

SUMMARY OUTPUTS	Expected Contract Total	Total Sep 2024	Comments – on target to overachieve in all areas where funds have been used.
Number of enterprises receiving non-financial support (Number of enterprises)	700	416	820 enquiries received to date, into the Enterprise development Team alone, and we expect the vast majority of these to convert into an output.
Number of enterprises receiving grants (Number of enterprises)	310	155	Number relates to actual grants paid. An additional 76 grants already committed with a further 27 currently in progress.
Number of potential entrepreneurs assisted to be enterprise ready (Number of entrepreneurs)	170	94	On target to achieve – Business Ideas Clinics delivered by the Library Service and Test Trading Grants available through the Youth Enterprise Team.
Number of people attending training sessions (number of people)	40	137	Already overachieved.
Number of enterprises engaged in new markets (Number of enterprises)	10	1	Will be achieved through Business Growth Grant; evidence currently being collected with an additional 9 in pipeline.
Amount of low or zero carbon energy infrastructure installed (M2)	5000	32,593	Already overachieved with another 18,476 forecasted.
Number of decarbonisation plans developed as a result of support (Number of plans)	80	116	Already overachieved with another 8 scheduled.
SUMMARY OUTCOMES	Expected Contract Total	Total Sep 2024	Comments - Monitoring of businesses now underway and outcomes being collected
Jobs created as a result of support (Number of Full time equivalent (FTE))	223	142	Evidence currently being collected, with an additional 240 FTEs in pipeline.
Jobs safeguarded as a result of support (Number of Full time equivalent (FTE))	87	21	Evidence currently being collected, with an additional 102 FTEs in pipeline.
Number of new enterprises created as a result of support (Number of enterprises)	100	34	Currently undertaking a monitoring exercise and capturing the evidence to show that businesses have been registered.
Increased business sustainability (number of enterprises)	100	20	Currently undertaking a monitoring exercise.
Number of organisations engaged in knowledge transfer activity following support (Number of organisations)	10	0	Currently awaiting returns, info through contracted work with Manufacturing Performance Review.

Number of enterprises adopting new to the firm technologies or processes (Number of enterprises)	100	54	Evidence currently being collected, with an additional 36 in pipeline.
Number of new to market products (Number of products)	5	1	Evidence currently being collected, with an additional 2 in pipeline.
Estimated Carbon dioxide equivalent reductions as a result of support (Tonnes of CO2e)	500	253.8	On target to achieve, awaiting grants agreed to be defrayed for evidence then to be counted which equates to 116 tonnes.
Number of enterprises with improved productivity (Number of enterprises)	100	0	Due to measurement being GVA, insufficient time available to collect evidence unless UKSPF funding is extended.
Number of enterprises engaged in new markets (number of enterprises)	20	33	Already overachieved.
Number of early stage enterprises which increase their revenue following support (number of enterprises)	10	8	Currently undertaking a monitoring exercise, on target to overachieve.

NOTE: Based on feedback / report funding tends to be output driven rather than outcomes and it is recognised that additional outcomes are available and these are being developed and agreed between HCC and ERYC – applicable to local economy / links with MCA

Briefing Paper to the HEY Business Board**North East and Yorkshire Net Zero Hub Introduction****1. Purpose of the Paper and Summary**

This paper provides an introduction to the role of the North East and Yorkshire Net Zero Hub in Hull and East Yorkshire.

This paper outlines the current activities undertaken in the region through the Net Zero Hub and opportunities for businesses to be involved with and benefit from these activities. The Board has the opportunity to highlight areas for potential future activity.

2. Background

Hull City Council and East Riding of Yorkshire Council have both declared a Climate Emergency and both support the work of Yorkshire and Humber Climate Commission to drive decarbonisation across sectors.

The Hull and East Yorkshire Devolution Deal states that '[a]s part of its Net Zero Strategy and Net Zero Growth Plan, the government recognises that devolved and local government can play an essential role in meeting national net zero ambitions. Local leaders in the Hull and East Yorkshire area and elsewhere are well placed to engage with all parts of their communities and to understand local policy, political, social, and economic nuances relevant to climate action. This is why the devolution framework grants places the opportunity to adopt innovative local proposals to deliver action on climate change and the UK's net zero targets'.

3. Issues for Consideration**Net Zero Hub Introduction**

The Hull and East Yorkshire Business Growth and Skills Hub (HEY BGS Hub) is a full and equal partner of the North East and Yorkshire Net Zero Hub (Net Zero Hub), alongside Tees Valley Combined Authority (the accountable body), North East Combined Authority, York and North Yorkshire Combined Authority, West Yorkshire Combined Authority, and South Yorkshire Combined Authority. The Net Zero Hub is one of five covering England and is funded by the Department of Energy Security and Net Zero (DESNZ) to support the regional and local delivery of net zero ambitions.

A central Net Zero Hub team is hosted by Tees Valley Combined Authority. Region-wide programme roles are currently hosted by Tees Valley Combined Authority and West

Yorkshire Combined Authority. In addition, the Net Zero Hub funds one Regional Project Manager in each of the partner organisations to be a local representative of the Net Zero Hub and provide local capacity support. The Regional Project Manager is responsible for supporting Local Authorities with additional capacity, technical knowledge and sharing of good practice to grow their pipelines of commercially investable net zero project propositions.

Aims and Objectives

The purpose of the Net Zero Hub, as set out by DESNZ, is to support and accelerate progress to net zero through regional and local delivery, with a focus on supporting the development of commercially investable capital project business cases. In the latest Memorandum of Understanding between DESNZ and the Net Zero Hub, the primary objectives are identified as:

1. Attract commercial investment into projects and help to develop investment models which accelerate progress to net zero.
2. Increase the number, quality, and scale of local Net Zero projects being delivered across the region.
3. Develop and support Net Zero elements to wider programmes and initiatives delivered across England.
4. Support a national knowledge transfer programme to improve information sharing, training, and evaluation.
5. Raise local awareness of opportunities for and benefits of local Net Zero investment.

Locally, these objectives are generally delivered by providing support to Local Authorities and other key stakeholders in three main ways:

1. Development of detailed business cases and identification of suitable funding opportunities for feasible net zero projects.
2. Project ideation and initial feasibility assessment for net zero projects.
3. Strategic enabling to break down barriers limiting progress in developing and/or delivering net zero projects.

Funding and Resources

DESNZ funds the Net Zero Hub through annual funding settlements for commitment in a given financial year and defrayal by end September the following financial year. The Net Zero Hub accordingly provides annual funding to the HEY BGS Hub to host a Regional Project Manager, which is claimed quarterly in arrears. The current funding agreement between the Net Zero Hub and the HEY BGS Hub is in place until September 2025, providing an allocation of £65,000.

The Net Zero Hub regularly manages national funding pots at a regional level on behalf of DESNZ, such as the recent Community Energy Fund.

As a delivery support body, the Net Zero Hub does not channel significant discretionary funding, but funding arising through efficiencies or underspend is allocated through the Strategic Projects Pipeline mechanism, which also allows the Hub to bring forward projects for consideration when it becomes aware of other sources of funding from DESNZ. The Pipeline invites proposals from public and private sector organisations within the region for projects with strategic enabling value, which can be delivered by the Net Zero Hub or a sponsoring organisation. The Pipeline is refreshed twice a year.

Management and Decision Making

Day to day management of the Net Zero Hub is the responsibility of the Net Zero Hub Manager, hosted by Tees Valley Combined Authority. The Net Zero Hub Board meets bimonthly to review progress and make key decisions, including allocation of any grant funding. The Net Zero Hub Board is comprised of one senior officer from each partner authority and four independent members. The Net Zero Hub Board Member for HEY BGS Hub is Teresa Chalmers.

Ongoing Activity

Within Hull and East Yorkshire, Net Zero Hub support for business case development is currently in place for the Hull City Centre District Heat Network, proposed expansions of numerous East Riding solar and battery farm projects, and potential routes for local authorities to support businesses to install rooftop solar.

Project ideation support is being provided by leading the development of the Local Area Energy Plan, which will spatially analyse energy generation, transmission, and usage scenarios through to net zero and identify potential projects such as solar farms and regional retrofit schemes. This project, due for completion in December 2025, will also be able to identify future energy plans for potential areas for investment for businesses.

Strategic support is being delivered through supporting local trials of internal carbon pricing, Hull City Council's exploration of mechanisms to ensure energy and infrastructure project funding and delivery efficiency, and HEY BGS Hub work further developing green skills and careers opportunities. The HEY BGS Hub will shortly begin delivering a project covering the entire North East and Yorkshire Net Zero Hub geography assessing the efficacy of careers education, information, advice and guidance related to net zero to ensure it meets the needs of future net zero business activity.

4. Next steps

The Net Zero Hub continues to explore how it can best support Net Zero activity at a local and regional level in light of policy changes brought in by the new national government, particularly the National Wealth Fund and GB Energy, and through the establishment of the Hull and East Yorkshire Mayoral Combined Authority. The Board is invited to highlight particular areas where the Net Zero Hub could focus its activity.

The Local Area Energy Plan has the potential to be a significant strategic document that can guide energy policy and projects in the region for the coming decades. Developing, disseminating, and delivering upon this work will require substantial stakeholder engagement and partnership working. The Board will be kept up to with progress in this project and is invited to support with strategic insight.

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Officer Interests: None

Author:
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Background Documents: -