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# EDTT Scrutiny

## 17<sup>th</sup> January 2019

# Business Support Update



# Current Business Support Projects



collaborate  
GROWING BUSINESS TOGETHER



Business Gateway: to Dec 2018

- City Accountable Body – LLEP lead
- Partners LLEP, Chamber, EMB
- Website and Business Advice line
- Business Diagnostic support
- Generic Events / Workshops

Collaborate: to Sept 2019

- City Accountable Body – City lead
- Partners City, County, Chamber, Food & Drink Forum
- 1 to 1 sector support
- Capital Grants £5k - £25k
- Inward Investment
- Sector Events/ Workshops

Digital Growth: to June 2019

- Chamber Accountable Body
- Partners - County, Chamber
- 1 to 1 digital advice
- Capital Digital Grants £2k - £16K
- Digital Events/ Workshops

# Collaborate Project

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- City Council led 3 year project from Oct 2016 to Sept 2019, funded by £3.1m ERDF grant
- Sub-regional coverage required
- Delivering:
  - business advice in key sectors
  - sector workshops/ network events
  - Inward investment work in China/ India/ US
  - £1.2m capital grant fund



# Progress update

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- 475 Active Enquiries
- Demand greatest from textiles (112) / creative (82)
- Key Outputs to end Sept 2018
  - 186 businesses supported (3 hrs) / 83 businesses (12 hrs)
  - £913k private sector leverage
  - 55 Jobs created (145 in pipeline)
  - Over 100 events / workshops; over 1,000 attendees
- Independent evaluation pending 2019

## Clean Surface

City based business, formed in 1995 as designer and manufacturer of dry ice blast cleaning machines. Grant award of £25k to purchase new machinery to increase variety of orders and create 2 jobs



## Gokul Foods



Started in kitchen in 2005 by Bhavna Rajpra and her husband. The business now runs from a fully-functioning factory employing over 30 people over the busy wedding season. With advice and support provided by the project they have now created a new food hygiene system to increase productivity.

## Royal Tea

Based at Leicester Food Park, Royal Tea have been awarded a grant of £25k to purchase 2 new packaging machines to grow their business, creating 2.5 jobs

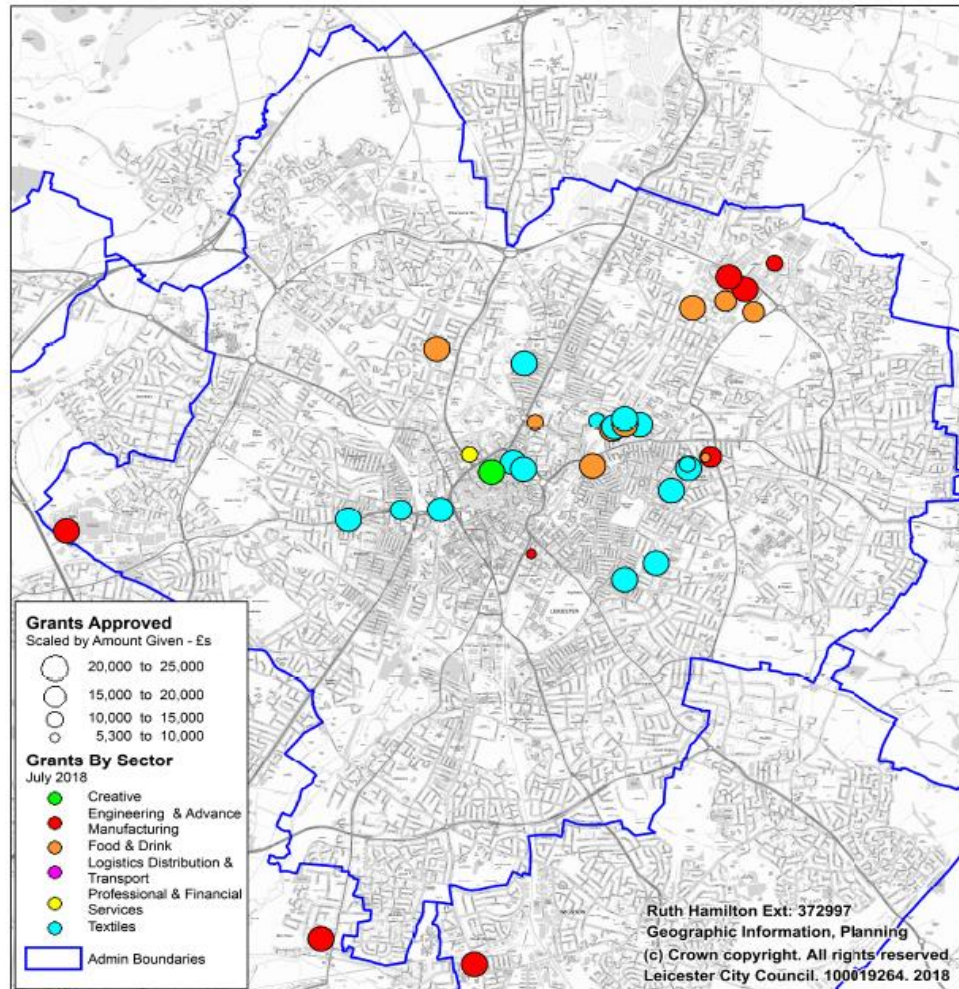


# Grants

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- £1.2m grant pot – leveraging £2.4m business match
- Capital grants between £5-25k
- 53 applications approved and fully committed
- Very popular - £1.0m grants awarded in 16 months
- Private sector leverage: £913k / £1.4m pipeline





## Grants Approved (July 2018)

Sector	City	County	Total
Engineering & Advanced Manufacturing	£103,209	£261,527	£364,736
Food & Drink	£169,502	£9,348	£178,850
Creative	£25,000	£0	£25,000
Logistics	£5,321	£25,000	£30,321
Textiles	£358,928	£50,000	£408,928
Professional	£11,880	£0	£11,880
<b>Total</b>	<b>£673,840</b>	<b>£336,527</b>	<b>£1,010,367</b>
<b>Budget</b>			<b>£1,200,000</b>

# New funding opportunities

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- 2 ERDF Expressions of Interest submitted April 2018:
  - ‘Growth Hub’ – City Council led with Chamber, County Council and LLEP for combined Collaborate and Growth Hub project: Total cost £7.9m, ERDF £3.9m
  - ‘Digital support for business’ – Chamber led: Total cost £4m, ERDF £2m
- Full application submitted at end of Nov 2018, currently in appraisal
- Sub regional coverage required



# Benefits of joint approach



Single governance/ project management structure

Streamlined events programme - remove duplication

Single business diagnostic - remove duplication

Improved delivery coordination and shared risk

# Proposed Governance

## Project Board

Reps from Partners (City Council, Chamber, County Council, LLEP)

Ensure delivery of ERDF project to time, budget and targets, with 6 monthly event/seminar plan

## Project Governance and Management

Accountable Body - Economic Regeneration Team, City Council

Project Oversight - Business Growth Hub Manager

### Business Advice

Chamber/ City &  
County Council

### Workshops/ Events/ Seminars

LLEP / Chamber

### Investment Support

City Council

### 'Scale Up' High Growth Support

LLEP

### Property Support

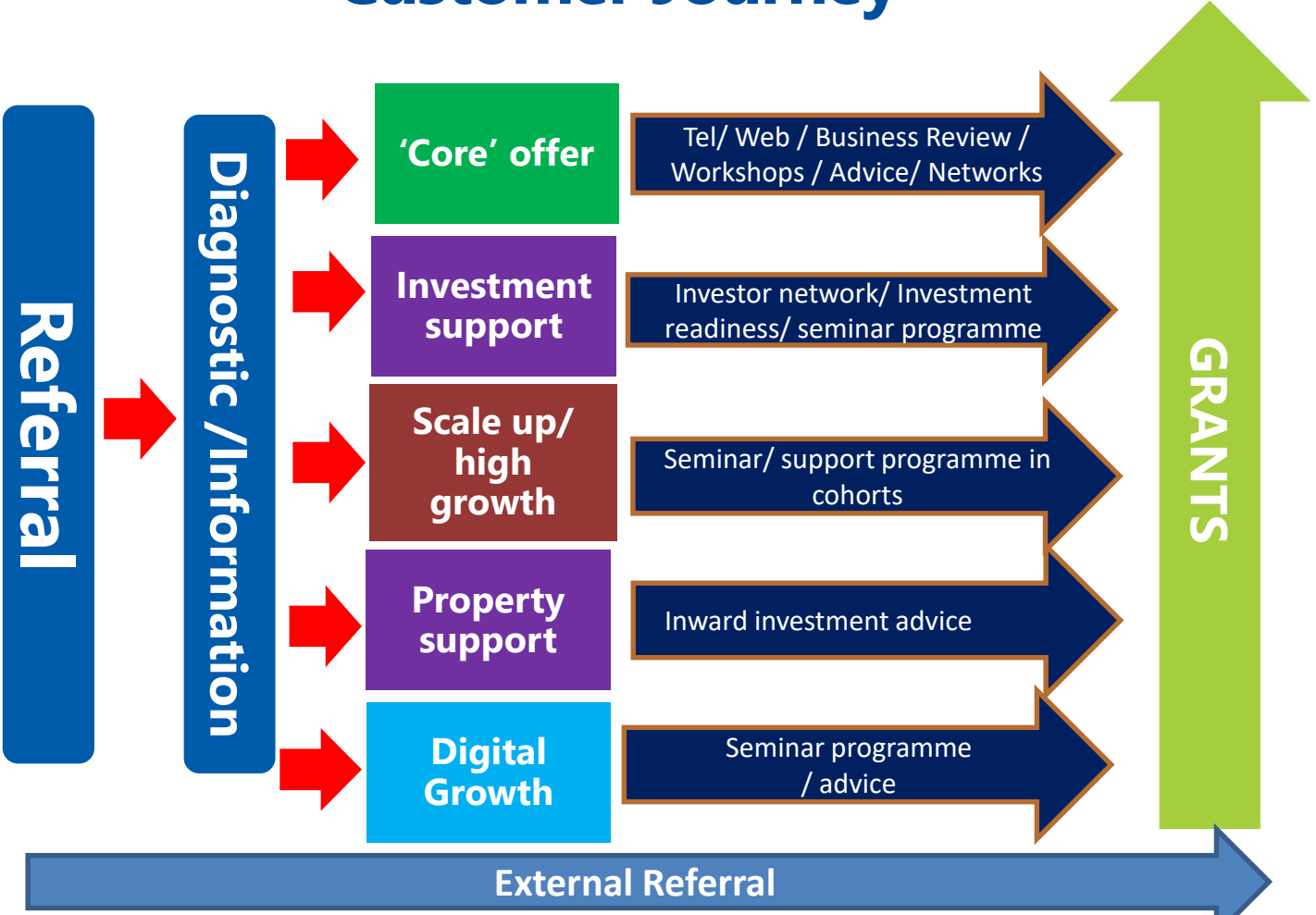
City Council  
Inward  
Investment

### Digital & Business Grants

(£2k - £25k)  
City Council

### Grant Panel

# Customer Journey



# 'Growth Hub' Project Budget

	Match	ERDF	Total
City Council	£516k	£1,116k	£1,632k
LLEP	£503k	£475k	£978k
Chamber	£168k	£913k	£1,081k
County Council	£187k	£64k	£251k
Grant (SME)	£2,600k	£1,400k	£4,000k
Total	£3,974k	£3,968k	£7,943k

- Max ERDF = 50%; Staff in-kind match only; no cash match required
- Secures business support offer to Dec 2021
- \* £928k used to cover core Council costs over 3 years

# Recommendations

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- To note progress with the Collaborate business support project
- To note the submission of the full ERDF bid for the Growth Hub project
- To note the Chamber 'Digital support for business' project