

Chief Executives' Group – North Yorkshire and York

14 February 2013

York, North Yorkshire & East Riding Local Enterprise Partnership

1 Purpose of the Report

- 1.1 To provide an update on the performance on the York, North Yorkshire & East Riding LEP and seek agreement on how to create the most compelling Regional Growth Strategy to maximise growth and investment into the LEP area

2 Background

- 2.1 The York, North Yorkshire & East Riding LEP has focused in three priorities;
- Support and encourage small businesses to grow
 - Provide support for Major Growth Opportunities (Potash & FERA)
 - Being recognised as a strong voice for business

These have reflected the level of resource within the LEP and where we can make a difference across our region.

- 2.2 Appendix 1 provides an overview of the LEP Growth Plan and a separate Annex provides an overview of the business support available across the region. It should be noted that several Local Authorities fund localised business support activity over and above that enclosed in the Annex. The Annex also summarises joint activity undertaken in partnership between the LEP and each local Authority.

- 2.3 Following the Autumn Statement. Local Enterprise Partnerships are to be asked to develop a 5 year Growth Strategy for their local area. The strategy will then bid into a single pot which will be made available by central government. The size of the pot and bidding arrangements are yet to be finalised, however it is anticipated the funds will be available from 2015.

This strategy will also be aligned with future EU structural funds and form the local priorities for these funds. EU Structural Funds primarily consist of;

- a. European Regional Development Fund (ERDF) – Innovation, Enterprise & Infrastructure Funding
- b. European Social Fund (ESF) – Skills & Employability
- c. Rural Development Programme for England
- d. Maritime & Fisheries Programme

- 2.4 In developing the strategy, capacity is a key consideration, both the capacity within the LEP Secretariat and capacity of the LEP Board. It is expected that Government will provide £250k per annum to the LEP from 2013/14 for the development of the strategy and implementation of delivery plans; however the initial planning will need to be delivered from existing resources.

The strategy could include the following elements;

- a. Business Growth & Investment
- b. Skills
- c. Transport
- d. Housing
- e. Worklessness

3.0 Performance to Date

3.1 The table below summarises the achievements to date and planned forward activity **Appendix 2 provides a more detailed Business Support summary**

	Achievements to date	Planned Forward Activity
Support and encourage small businesses to grow	<ul style="list-style-type: none"> ✓ Over 1300 Businesses supported ✓ £2.2m Skills Funding secured ✓ 79 Free Business Mentors recruited ✓ Chamber, IOD, FSB, W2Y, NFU collaborating to support Local Business Seminars ✓ Visitor Economy Partners - W2Y, Visit York, VHEY, Visit Harrogate ✓ Food & Drink – Deliciously Yorkshire, FERA, SCY ✓ Activity in every LA area ✓ Business Support available including 1-1 advice, Seminars, Workshops & Online ✓ Business Support offer inc. Strategy, Finance, Staff, Productivity, New Markets, New Product Development 	<ul style="list-style-type: none"> ✓ Improved Website simplifying support for business ✓ Telephone Helpline ✓ Webinars ✓ Collaborative RGF Bid ✓ Better Regulation Programme ✓ Local Business Seminars – 21 Confirmed, 70 in development ✓ Access to Finance programme ✓ Broadband/Skills programme roll out ✓ Tour De France – Business Support Programme ✓ Apprenticeship hub roll out
Support major growth opportunities – Potash	<ul style="list-style-type: none"> ✓ Supporting NY Moors Economic Assessment ✓ 135 Suppliers introduced ✓ £2.5m Whitby Business Park Investment 	<ul style="list-style-type: none"> ✓ Supply Chain development (linking Scarborough successful CCF Bid & LEP RGF Bid) ✓ Skills Development using £2.2m SFA Funding
Support major growth opportunities – FERA	<ul style="list-style-type: none"> ✓ DEFRA support secured ✓ Campus development plan ✓ FERA science business plan ✓ Site Masterplan complete (potential capacity for 800 new jobs) 	<ul style="list-style-type: none"> ✓ Campus Market Research ✓ Campus Investment Plan ✓ Campus marketing ✓ Infrastructure Developments (Road & IT)
Be a strong voice for business	Key issues: <ul style="list-style-type: none"> ✓ Key transport schemes ✓ Rural growth ✓ Broadband ✓ EU Funding 	<ul style="list-style-type: none"> ✓ Local Growth Strategy ✓ Devolved Transport ✓ Rural Growth

4 Developing a 5 Year Growth Strategy

- 4.1 In developing a 5 year growth strategy the following must be demonstrated
1. A compelling vision which clearly aligns with government policy. Securing single pot is likely to be a competitive process.
 2. Private sector growth must be the driver, but clearly identifying where local government can intervene to provide the right infrastructure and stimulus
 3. We must demonstrate public/private partnership from the bottom up
 4. Prioritisation of activity and investments
- 4.2 In delivering the above strategy, we must also consider;
- Capacity is an issue for both the LEP and Local Authorities. Additionally, neither the LEP Board nor the LEP secretariat possesses the skillset and knowledge to address the wider issues, particularly covering transport and housing.
 - Wherever possible, we utilise and maximise existing structures rather than creating new. It is important to note that East Riding are a key member and stakeholder in the LEP, however the established Boards currently include York & North Yorkshire Local Authorities only. Established are;
 - Housing Board – Strategy & Investment Plan signed off October 2012
 - Local Devolved Transport Board (NY Only) – In development. York sit within the West Yorkshire & York Transport Body, East Riding within the Humber Transport Body.
 - Strategic Skills Advisory Group – NYCC Led, creates annual statement of learning needs
 - Spatial Planning Board.
 - Their role, remit and membership should be reviewed to ensure;
 - They reflect a true public private partnership.
 - They are the right structures to deliver the elements of the LEP strategy.
 - To create the most compelling strategy & bid document to government prioritisation of investment plans will be required. This prioritisation should be driven by private sector growth. Feedback is welcomed on whether Local Authorities would prefer;
 - The LEP to propose prioritisation criteria to be submitted to the Leaders Forum for approval; or,
 - Local Authorities should develop the prioritisation criteria for submission to the LEP Board for approval.
 - York, East Riding, Harrogate, Craven & Selby are members of neighbouring LEPs and may be contributing investment into related City Deals for Transport and/or Housing. We should consider how we can support and compliment these positions, without compromising the wider area, to maximise the potential for the whole LEP region.
- 4.3 Whilst all areas require public and private contribution, they can be broadly split into;

1. Activity most effectively led by business - focused on growing businesses and business investment opportunities – Business Support, Sectors, Green Economy, Business Skills, Inward Investment

2. Activity most effectively led by the Public Sector - focused on creating the right infrastructure and environment for growth – Housing, Transport, Broadband, Worklessness, Market Towns

5 Action Required

5.1 Whilst the exact process for bidding, timescales and value of the single pot are not yet known, we need to move quickly to be in a position to develop the strategy. The initial phase should include;

1. Developing a project plan

2. Agreeing the content of the strategy. Proposed segments;

- Overview of the LEP area
- Economic Evidence Base
- Relationship with neighbouring economies
- Strategy & Investment plans
 - Investing in Business Growth Opportunities
 - Small Business Growth
 - Sectors
 - Green Economy
 - Business Skills
 - Inward Investment
 - Developing the Infrastructure for Growth
 - Transport
 - Housing/Employment Land
 - Broadband
 - Market Towns
 - Future Workforce - Employability

3. For each segment identify;

Chief Executive lead

Existing groups/boards

Existing intelligence, strategies, investment plans

Key public/private consultees

4. Agree prioritisation criteria for investments.

6 Recommendations

6.1 Comment on progress to date

6.2 Feedback on the strategy development plans and content

6.3 Identify Chief Executive leads for each strategy segment

6.4 Recommend key consultees for each segment

6.5 Provide recommendations regarding developing prioritisation criteria

7 Appendices

7.1 Appendix 1 – LEP Business Plan (separate attachment)

7.2 Appendix 2 – Summary of Business Support

James Farrar

Chief Operating Officer

York, North Yorkshire & East Riding Local Enterprise Partnership

29 January 2013

Appendix 2: Business Support Summary

Rationale for Supporting Small Businesses:

Research has shown that 3 out of 4 businesses don't rate themselves as having strong skills in the key areas of growth (finance, new markets etc). Additionally businesses that get external advice and help are twice as likely to grow as those that don't.

Over 90% of our businesses are micro businesses and therefore stimulating ambition and the demand for external support is a priority for our area.

The Heseltine review recognised this, positioning the LEPs and business networks, and in particular the Chamber of Commerce, as the key strategic delivery partnership for business support.

Our Approach

The LEP approach is to promote better business and the take up of external advice, Memorandums of Understanding have been signed with 39 networks with the 'big 5' membership organisations (Chamber, FSB, NFU, W2Y & IOD) providing a key collaboration to support the LEP activity.

What is clear is that;

1. It is unsustainable to create a new 'Business Link'. Public Sector cuts make this unaffordable, and in addition, businesses prefer to receive advice from the private sector. Additionally;
2. There is no shortage of business support available across the whole LEP area, however it is fragmented and complex for small businesses to understand and navigate. Support is available via 1-1 advice, seminars, workshops, formal training, online webinars and online tools/guides.

The LEP role is to stimulate demand for business support and make it easy for businesses to understand and access.

Of the membership organisation a comparison of the 'big 5' identified most have similar benefits and discounts available (legal helpline, financial services, discounts etc), however business support is primarily available through Chamber of Commerce at a business level and IOD at an individual level.

More details are provided below

Annex 1: Examples of solutions being delivered with partners

Annex 2: Details the range of business support available, demonstrating its complexity and confusion.

Annex 3: Provides a comparison of the offers from the big 5 membership organisations.

FREE MEET THE EXPERT WEBINARS

in York, North Yorkshire & East Riding

Engage expert advisers using
your Internet enabled
computer or smart phone. It
starts with a free webinar.

**Business
Inspired
Growth**

1st Wednesday of the month webinar Planning & Finance Themes:

- 1.Developing a success plan
- 2.Business expenses and capital allowances for the self employed
- 3.VAT awareness
- 4.Managing your cash flow
- 5.First steps as an employer
- 6.Changing legal structures
- 7.Raising finance and venture capital
- 8.Engaging professional advisers

2nd Wednesday of the month webinar Enterprise Development Themes:

- 1.Making the most of a webinar
- 2.Do you own your brand
- 3.Design delivers for business
- 4.Changing legal structures
- 5.Accessing R&D funding

3rd Wednesday of the month webinar Business Development Themes:

- 1.Retain and grow your customer base
- 2.PR and Social Media
- 3.Realising your export potential
- 4.Collaborating to compete
- 5.Improve speed, cost and quality
- 6.Achieving high growth

4th Wednesday of the month webinar: Resource Development Themes:

- 1.First Steps for new employers
- 2.Deploying manufacturing best practice
- 3.Managing people
- 4.Managing change
- 5.Engaging professional advisers



The Chartered
Institute of Marketing



INTELLECTUAL
PROPERTY OFFICE



Growth Accelerator





LUNCH AND LEARN

Evolution Business Centre Northallerton 12 noon

Business briefings to help improve and grow business

January 31	Growing your business - plan it!
February 14	Marketing on a shoestring
February 28	Using social media
March 14	Keeping finances in order
March 28	Growing your business - you and your people!
April 11	Financing growth
April 25	Pick and Mix - pick the brains of a mix of experts

Booking essential - £5 (including lunch)

For further details phone Jayne
or Marie on 01609 751600 or email
info@evolutionbusinesscentre.co.uk

www.evolutionbusinesscentre.co.uk



Federation of Small Businesses
The UK's Leading Business Organisation



Welcome
to Yorkshire
yorkshire.com

© Communications Unit HDC 2012

Annex 2: Detailed range of support available

	Getting started	Established business	Growing business
Leadership & Management Skills	Yorkshire Coast Enterprise Yorkshire Business Aid Business Support York & NY Airedale Enterprise Capability mentors Skipton & Ripon Enterprise Grp Harrogate Enterprise Gateway Princes Trust Consult Yorkshire Institute of Enterprise & Entrepreneurs Chamber Events Nidderdale+ Enterprise North Yorkshire Colleges LEP webinars Google GBO training SMARTA business builder	LEP mentors LEP webinars Chamber Mentors Chamber Events Yorkshire Coast Enterprise Yorkshire Business Aid Business Support York & NY Airedale Enterprise Capability mentors Skipton & Ripon Enterprise Grp Harrogate Enterprise Gateway Nidderdale+ Enterprise North Yorkshire Princes Trust Consult Yorkshire Institute of Enterprise & Entrepreneurs Google GBO training SMARTA business builder Lifecoach directory Business advisers online York Science park ICAEW Business Advice Service York St John Business School Hull Uni Business School Goldman Sachs Small Business Programme	Chamber Mentors Growth Accelerator Leeds Met Business School Hull Uni business School York Science Park Connect Gazelles Consult Yorkshire The Alternative Board Goldman Sachs Small Business Programme
Product & Process Innovation	LEP webinars Business & Patent Info Service	LEP webinars Business & Patent Info Service Technology Strategy Board Manufacturing Advisory Service Engineering Employers Federation WRAP FERA CeNFRA York Science Park CO2 Sense Investors in the Environment Consult Yorkshire Knowledge Transfer Partnerships	Business & Patent Info Service Technology Strategy Board Manufacturing Advisory Service Engineering Employers Federation WRAP FERA CeNFRA York Science Park CO2 Sense Investors in the Environment Consult Yorkshire Knowledge Transfer Partnerships
Personnel Recruitment & Management	LEP webinars Chartered Inst Personnel Devpt Law Society Consult Yorkshire	LEP webinars Chartered Inst Personnel Devpt Law Society Consult Yorkshire Apprenticeships Service Graduates Yorkshire G4S/Shaw Trust	Chartered Inst Personnel Devpt Law Society Consult Yorkshire Apprenticeships Service Graduates Yorkshire G4S/Shaw Trust
New Customers & Markets	LEP webinars Chartered Institute of Marketing Simple Ways to Grow Consult Yorkshire	Chamber International LEP webinars Chartered Institute of Marketing Simple Ways to Grow Consult Yorkshire European Enterprise Network UKTI Yorkshire Gold	Chamber International Chartered Institute of Marketing Simple Ways to Grow Consult Yorkshire European Enterprise Network UKTI Yorkshire Gold
Dealing with	LEP webinars Trading Standards	LEP webinars Trading Standards	Trading Standards Gov.uk

Regulation	Gov.uk Investors in the Environment York Means Business HMRC	Gov.uk Investors in the Environment York Means Business HMRC	Investors in the Environment York Means Business HMRC
Finance	LEP webinars ICAEW BEF Quickfile SMARTA business builder Princes Trust RDPE Enterprise Capital Funds Start Up Loans Charity bank Key Fund Fund Finders Whyte Knight Creative Industries Fund Rebuilding Society Youth Enterprise Bank	LEP webinars ICAEW BEF Quickfile SMARTA business builder Princes Trust RDPE Enterprise Capital Funds Charity bank Key Fund Fund Finders Whyte Knight Creative Industries Fund Rebuilding Society CO2Sense Yorks Assoc Business Angels WRAP Export Finance Guarantee Innovation Voucher	ICAEW BEF RDPE Enterprise Capital Funds Charity bank Key Fund Fund Finders Whyte Knight Creative Industries Fund Rebuilding Society CO2Sense Yorks Assoc Business Angels WRAP Export Finance Guarantee Innovation Voucher Connect Yorkshire Pitchspring Finance Yorkshire

Annex 3: Membership Organisations Offer Comparison

	FSB	IoD	Chamber	NFU	W2Y
Helplines:					
Legal	✓	✓	✓	✓	
Tax	✓	✓		✓	
Health & safety	✓			✓	
Employment				✓	
Others / Sector specific				✓	
International Trade Documents			✓		
Financial Services* :					
Commercial Insurance	✓		✓	✓	
Pensions	✓			✓	
Financial Advice	✓			✓	
Commercial Banking	✓		✓		
Merchant Services	✓		✓	✓	✓
Partner discounts:	✓	✓	✓	✓	✓
Lobbying, Representation	✓	✓	✓	✓	
Communications	✓	✓	✓	✓	✓
Communications	✓	✓	✓	✓	✓
Document templates	✓		✓	✓	
Meeting places	✓	✓	✓		
Networking, events	✓	✓	✓		✓
PR Marketing					✓
Business Support					
Business Guides (info)		✓	✓	✓	✓
Business Support (person)		✓	✓	✓	
Training & development		✓	✓		
Business Support Programmes Delivery			✓		