

GM LOCAL ENTERPRISE PARTNERSHIP BOARD

SUBJECT: Business Rates Funded GM Business Productivity, Innovation & Inclusive Growth Programme – Phase 2: 2021-2023

DATE: 20th April 2021

FROM: Mark Hughes, Group Chief Executive, Growth Company

PURPOSE OF REPORT

To provide GM LEP with a programme overview and outcomes for GMCA business rates 21-month funding of the Growth Company's extension of the Business Productivity, Innovation and Inclusive Growth Programme (BPIIG) via GC Business Growth Hub (GC BGH) to June 2023 (financial close September 2023).

RECOMMENDATIONS

The LEP are asked to:

- Note and comment on the report
- Endorse the Programme and Outcomes

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EQUALITIES IMPLICATIONS

- The programme of work to be undertaken will support GMCA and LEP in tackling inequalities and encouraging economic growth by championing diversity, inclusion and equal opportunities.
- Delivering inclusive growth and tackling inequality across GM, including working closely with the Good Employment Charter team, and GC Employment and Skills teams. GC BGH captures and monitors EDI data of businesses and individual employee beneficiaries to understand the impacts of delivery. Over the last 12 months, 16.5% of businesses supported have been ethnic minority led (6.3% of UK businesses are ethnic minority led) and 22.5% of businesses have been female led. 25% of business start-ups have been ethnic minority led and 56.5% being

female led, and of jobs created, as a result of our support, 25% have gone to ethnic minority candidates and 54% to females.

- In the extension programme we will have an enhanced focus on diversity to provide an inclusive approach to engaging businesses to deliver equality of opportunity for all businesses and individuals looking to start a business by including dedicated resource to target and provide specific support to diverse businesses, to give greater focus towards the third sector, and support SME procurement along with a Lead for Social Value who will support businesses to help them focus on this area along with ensuring our staff are fully trained and knowledgeable in this area.
- As part of the Growth Company, the GC Business Growth Hub is committed to delivering 10 EDI pledges published on its website and will shortly appoint an Equality & Diversity Specialist who will review GC's service design and delivery, with recommendations made to the GC Board.

CLIMATE CHANGE IMPACT ASSESSMENT AND MITIGATION MEASURES

The Programme will:

- Increase awareness of GMCA, Local Authority and GM LEP's roles in encouraging businesses to address, and mitigate against, the impact of climate change. GC champions measures that will enable GM to achieve its ambition of carbon neutrality by 2038.
- Directly focus on supporting companies that are specialists in low carbon technologies, including the creation of such companies and those diversifying into the sector or through dedicated resource, the encouragement of companies to focus on becoming net zero.
- Proactively support businesses with a resource efficiency review that identifies opportunities to save carbon, cut energy, materials and water consumption, and reduce waste from existing processes.
- BPIIG is delivered by the GC Business Growth Hub which, as part of the Growth Company, has elevated its ambition to become NET-Zero Carbon as one of its 11 Priority Outcomes in its 2021/22 Business Plan, via offsetting residual carbon. The Growth Company has achieved net Carbon zero for 2019/20 and 2020/21 (Gold standard verified to our Scope 1 and 2 activities) and continues to work to further reduce its remaining carbon footprint.

1. Introduction

In 2017, GMCA invested £26.1M into GC Business Growth Hub (GC BGH) via the Business Productivity and Inclusive Growth Programme (BPIIG), leveraging £21M of ERDF (and partner match) to create a £47M programme.

BPIIG supports businesses to start, grow and develop through innovation, digitalisation, access to finance, leadership/workforce development, investment, internationalisation and resource efficiency/ carbon reduction.

As part of its 2020/21 budget process, the GMCA has agreed an additional funding allocation of £7.4M which will extend delivery of the programme to June 2023 (with financial close September 2023) and leverage additional funds from ERDF of £7.2M and additional public/private match of £2.2M to create a full programme value of £16.9M. In addition to this, there is an opportunity to access a further £700k of retained business rates which has been agreed to further develop a Greater Manchester branded Leadership and Management programme (this can be matched with ERDF funding to create a total of £1.4m). To reflect an increased focus on innovation, the next phase of the programme will be named the Business Productivity, Innovation and Inclusive Growth Programme (BPIIG). Innovation, along with productivity and inclusivity will be a thread which will run through all GC BGH programmes.

An investment from GMCA of £7.4M presents a pro rata reduction in CA funding of c50% and reduces the ability to leverage other funds such as ERDF. This will remove some key GC BGH services, whilst reducing others. Reductions in overall funding also significantly reduce our ability to flex and respond to local needs, as GC has done throughout the COVID-19 pandemic. To seek to mitigate this, the method of delivery will focus on:

- retaining client facing resources and increasing their efficiency;
- greater use of online delivery (both light touch enquiry and one to one/cohort delivery, whilst remembering the vital role of direct human interaction);
- increased use of one to numerous mode of delivery; and
- increased leverage of partnerships across the public and private sector.

We will be working to secure other funding to address this shortfall and address the real economic/business challenges such as the Shared Prosperity Fund and levelling up funding and welcome GMCA and GM LEP support to achieve this.

This paper sets out the:

1. Key benefits of the programme aligned to the GM Strategic Context
2. Value of the current BPIIG to the GM Economy and Existing Return on Investment (ROI)
3. Impacts of COVID-19 and changing operating environment; and
4. Refreshed Phase 2 programme outputs that better reflect the GM Economic Vision and priorities
5. Governance of the Programme including measuring performance & evaluation

2. Supporting Delivery of GM's Strategies

Ensuring that GM has a resilient business base, with innovative and inclusive businesses and leaders, will significantly contribute to GM's economy and directly align with the GMS, GM's COVID-19 one-year recovery plan, LIS and Economic Vision (For detail see Annex A).

These GM strategies are directly supported via the extension of this programme, as outlined in detail in the Programme Objectives and Outputs sections.

Key benefits of the BPIIG Programme extension include:

- A strong sector-focus – designed to boost internationally competitive and innovative businesses in GM's LIS transformational sectors (e.g. Health and life sciences, manufacturing materials, DCT and green technologies) together with those in foundational sectors and in high employment.
- A core focus on inclusivity – GC BGH works closely with LAs, key stakeholders and partners across all 10 Local Authority areas to ensure delivery is in line with the business base and is tailored to local economic and social need. GC BGH works collaboratively with LAs, to support all districts to drive growth, innovation and capitalise on their local distinctiveness, strengths and comparative advantages. GC BGH also provides ongoing support to individuals and communities, focusing on; health, wellbeing, employment, and job stability, social-standing and development.
- A core focus on Innovation - GC BGH will continue to support product and service innovation and make simpler access to HEI knowledge and facilities through jointly funded GM university posts that match client needs to the relevant university expertise. COVID-19 has helped stimulate SME innovation and we have experienced all-time interest in digital transformation (39% increase), sustainable growth and innovation funding to support R&D (40% increase), and interest in our Innovation Voucher Scheme is currently outstripping supply. In response to this and GM ambitions our Innovation Service has developed the Digital Springboard and the new Innov8 programme with Cohorts at capacity and 100% attendance.

The Hub's innovation service focuses on the LIS sectors of DCT, green technologies, health innovation and manufacturing/materials. This also includes dedicated access to specialist hubs and services via The Landing, Ashton Old Baths, Energy House at the University of Salford and Print City at MMU, and further discussions will take place regarding embedding with any new local/specialist innovation hubs.

- Inclusive Growth – this underpins every aspect of GC BGH's programmes, developing a clear framework of support that upskills both advisors, wider staff and SMEs through 1-2-1 and workshop engagement, building knowledge and awareness on a range of topics whilst also embedding this knowledge into processes in workforce development, recruitment and retention. Themes include volunteering, modern slavery, skills development, diversity, GM Good Employment Charter engagement, Real Living Wage, Health and Wellbeing, female entrepreneurs, ethnic minority entrepreneurs, engaging with schools through Bridge GM to promote entrepreneurship and over 50s support.

Core outcomes for priority groups include: 25% of GC start-ups are ethnic minority led businesses (compared with 6.3% of UK SMEs) and 56.5% of are female led businesses (15.5% of UK SMEs are majority female-led). 25% of jobs created were filled by people from a ethnic minority background (14% UK population are from an ethnic minority).

- Achieve GM's 2038 carbon neutral ambition. BPIIG has embedded the award-winning Enworks programme which offers companies a resource efficiency review that identifies opportunities to cut energy, materials and water consumption, and reduce waste from existing processes. BPIIG also has a sector development programme for the green technologies and services sector that helps companies identify and tackle barriers to growth and provides access to supply chains. Our

environment ambition is also supported by the innovation service which enables businesses to access the latest research in universities and other research institutions. This includes identifying opportunities for eco-innovation, helping to develop new products and services and enabling the application of eco-processes and materials. It also includes advice on considering the circular economy business model and help to gain a clear understanding of global environmental pressures and regulations.

- A more sector led focus on enterprise to ensure that we are supporting the development of higher growth focused start-ups in areas such as digital, creative and tech, green technologies and health and life sciences and ensuring we are able to support these businesses to scale through enabling them to access the right finance, understand and access market opportunities and be supported through our innovation services.
- Supporting an enhanced focus on key priority areas for GM by including dedicated resource to target and provide specific support to diverse businesses, additional resource to ensure we can give greater focus towards the third sector, and extra resource to support SME procurement along with a Lead for Social Value who will support businesses to help them focus on this area along with ensuring our staff are fully trained and knowledgeable in this area.
- Supporting recovery and resilience: COVID-19 – GC BGH has taken a key delivery role in the region's response to COVID-19 and GM's one-year recovery plan. GMCA's investment in BPIIG enabled the GC BGH to take a leading role in GM's response to COVID-19. GC BGH rapidly changed the way in which all services were delivered: programmes, events and one to one support immediately shifted to virtual delivery; the GC BGH Enquiry Team opening hours were extended to 6 days a week; and the "Strive & Thrive" series of workshop style webinars was developed to help companies develop a plan to respond to the economic situation. GC produce a weekly SitRep report which is fed into GM resilience forums. To date, over 4,850 firms in total have responded to the survey since its inception on 10th March 2020, and over 7,000 surveys completed during that time, providing the most comprehensive coverage in the UK. A dedicated COVID-19 landing page was developed to provide information on the support available. To 1 Mar 2021, there have been circa 510,000 unique visitors to the GC BGH website with the COVID-19 pages seeing over 175,000 unique visits. Building on this, further funding would allow for continued support beyond the end of the current programme, enabling businesses to survive and thrive as the future landscape emerges. This will build on learning from ongoing surveying of GM businesses (redesigning, channel-shifting and digitising of core services and pro-active outbound campaigns reaching 27,000 businesses. See Annex B for details of COVID specific support delivered by GC BGH and the Growth Company.
- Providing GM with a vital strategic, agile and responsive capability – supporting GMS delivery; Digital Blueprint; 5 Year Environmental Plan; Internationalisation Strategy; work and skills priorities; and reacting to real-time business challenges (e.g. Floods, Thomas Cook, Shop Direct and Brexit) and integrating new national and local initiatives, simplifying access for businesses.

3. Value of Business Support to the GM Economy and Existing Return on Investment (ROI)

Midterm independent evaluations of core elements of the BPIIG programme found:

- GC BGH is demonstrating strong performance throughout its BPIIG programme, with net impact of £5.58 for every £1 invested. Most outputs are exceeding contractual targets including; entrepreneurs supported (125%); job created (112%); business start-ups (124%); and, business annual reduction in greenhouse gases (131%). Currently business assists are at 98% of the contractual targets.
- The current 3-year BPIIG Programme is targeted with intensively supporting 1,300+ entrepreneurs and 3,640+ companies, creating 2,400+ jobs and reducing greenhouse gases by 5,735 tonnes.
- The current programme is responsible for 90% of the GM ERDF reductions in greenhouse gases (carbon reductions).
- Despite the pandemic, it is anticipated that the BPIIG performance will continue to be strong and most targets will be exceeded or achieved including entrepreneurs supported, business start-ups, and, reduction in greenhouse gases.
- The service also has very high customer satisfaction with 93% willing to recommend the services, 90% agreeing that they and their Adviser had been well-matched and 80% of survey respondents rating the quality of the support they had received as either Excellent or Good. Also, 50% of businesses reported that they now employ more people than when they received the support offered.
- The geographic distribution of service take-up broadly follows the overall profile of GM business base density.
- This BPIIG programme has also been a platform to secure additional resources for GM as a result of GC BGH's delivery track record and national standing e.g. DCMS investment of £1.3M for the Creative Scale Up programme, £331K from BEIS to support the co-ordination of Growth Hubs response to EU Exit Programme, £230K for supporting medical device innovation, a funded post with the Intellectual Property Office for GM and £8M to deliver the Self Employment Pilot. It has also supported SMEs to accelerate innovation by helping them access facilities such as Cyber Foundry, Print City and The Landing and providing routes to research and technical expertise.
- The BPIIG programme underpins the work of the GMCA / GMLEP on key strategies and policy responses, including but not limited to:
 - support for overall strategy development, including providing business facing insights and proposed policy responses to GMS and LIS.
 - representing GM in national and regional forums such as Chairing and running the Northern Powerhouse Growth Hub Network.

- supporting the delivery of skills priorities by actively supporting Bridge GM and delivering the start-up pods in schools programme, which was championed by the Mayor.
- supporting Greater Manchester's response to EU Exit and EU Transition.
- playing a central role in the delivery of the low carbon plans for Greater Manchester.
- helping to develop and deliver Greater Manchester's Digital Blueprint.
- supporting Greater Manchester's research and insights programme through the delivery of the GM Business Survey.

Additional key attributes of the programme include:

- Commitment to *inclusive growth*, demonstrated through the establishment of; the Greater Manchester Good Employment Charter, bi-annual modern slavery workshops (partnering with the Slave Free Alliance), inclusive local supply chains and support for the over 50s via a partnership with the Ageing Hub.
- Support for targeted priority groups: 25% of GC start-ups are ethnic minority led businesses (compared with 6.3% of UK SMEs) and 56.5% of are female led businesses (15.5% of UK SMEs are majority female-led). 25% of jobs created were filled by people from a ethnic minority background (14% UK population are from an ethnic minority).
- A place-based approach, ensuring businesses across a range of sectors and local authorities are supported to strengthen the economy across the city-region.
- Vital strategic, agile and responsive capability to support GM: GMS delivery; Digital Blueprint; 5 Year Environmental Plan; Internationalisation Strategy; work and skills priorities; and real-time business challenges (e.g. COVID-19, Floods, Thomas Cook, Shop Direct and Brexit).

4. COVID-19 Impacts on Business Support: Changed Future Focus

The Growth Company has tracked both business and labour market impacts of the pandemic since early 2020. The pre-existing business survey was enhanced early on to ensure that ongoing support could be effectively targeted, and to date has had 7,000 responses, including repeat surveys. This output has contributed to several other reports, including: an economic Situation Report (SITREP) for GMCA, the GMCA economic resilience dashboard for Greater Manchester, fortnightly briefings to Local Authorities and GM Economic Resilience Task Group, and weekly headlines submitted to the Department for Business, Energy and Industrial Strategy and Secretary of State.

The intelligence clearly highlights both challenges as well as opportunities for growth in Greater Manchester's economy. The main areas of growth during the pandemic in Greater Manchester include digital & communication technologies and software services, life-sciences and health innovation, and education-technologies. More broadly, the latest survey findings show that just under a fifth of firms are reporting an

increase in sales, two-fifths expect profits to significantly increase in the year ahead, and just under a third expect the UK to fully recover in under 3 years.

Digital industries, in particular: e-commerce; fintech, cyber security, AI & data/software services and development, have seen a significant increase in demand driven by the pandemic. There has been a clear acceleration of digital transformation across many industries as firms seek to change their business model, reduce operating costs, and to better reach both existing and new customers. There has also been a similar rise in demand for the use of digital integration, data and artificial intelligence. Whilst this creates some new risks around cyber security, it is also driving demand for these services – both within the Growth Company and across the local economy. All GC BGH client facing staff are participating in a week's cyber resilience training programme fully funded by BEIS.

Areas of healthcare, particularly those related to COVID-19 – including diagnostics, life-sciences R&D and manufacturing and digital health – have seen significant growth in recent months. This will have a lasting impact in terms of demand that goes beyond the immediate pandemic as demand is maintained for certain products and services to track and mitigate risks of infection. Further, behavioural change enforced by the pandemic will not necessarily revert to pre-pandemic trends – the increased use of digital health products is one example. To ensure continued support for such areas, GC BGH will employ a dedicated life-sciences Advisor in addition to partnership support through Health Innovation Manchester.

Survey and Advisor feedback also suggests that food manufacturing has seen an increase in activity as companies look to build resilience in UK supply chains. This reflects a rising interest in reshoring parts of operations in order to mitigate the risks linked to both global logistics disruption and the transition from the European Union. GC BGH will be continuing with the Recipe for Success cohort programme which focuses on supporting this sector.

The survey has tracked some of the harder impacts of the crisis, including those affecting the bottom line of local companies, and workforce resilience. In the four weeks up to the beginning of March this year the three main impacts facing businesses were decreased sales (59% of all respondents, vs 90% during the pandemic peak summertime last year), challenges travelling to see clients (29% vs 40% back in April/May), and cashflow problems (currently 20%, vs 40% prior to support). The latter risk has been suppressed by the introduction of many support schemes, including government backed loans and furlough support. The easing of support (timing and scale) is likely to have varying effects on sectors and places across Greater Manchester depending both on the impact of the announcements made in the Budget, as well as different sectors ability to return to full operation.

Certain sectors have felt the impact of the pandemic more acutely, in particular creative and cultural services, and tourism, hospitality and leisure/sport. These sectors will continue to require significant support to help them recover. During the pandemic, Marketing Manchester and GC BGH have worked together to create the Tourism, Hospitality and Leisure Hub to ensure that affected businesses can quickly access the support they need, as well as connecting businesses with Access to Finance

specialists for the sector, to help businesses understand their finances, look at cash flow, and help identify sources of finance. For the self-employed, freelancers or people working in the gig economy, GC has also provided access to the Enterprising You Programme.

The survey has highlighted that the main areas that businesses are requesting for future support (as well as continued advice on guidance on access to finance and managing company finances) are focused upon the adoption of digital technologies and digital transformation, growing the customer and supplier base and managing supply chains, and workforce development to mitigate the challenges around matching skills to business objectives. The main labour and skill shortages have been experienced in marketing and sales, and digital technology roles.

The survey findings since the start of 2021 suggest that 80-90% of firms are not currently planning any redundancies, and around 20% are currently recruiting staff – mostly in experienced marketing & sales and digital technology roles.

Activity that GC BGH has undertaken to date to support GM's response to COVID-19 is outlined in Annex B.

Recovery & Building Back Better – Supporting GM's Economic Recovery

The global pandemic has both shone a light on, but also exacerbated, the economic inequalities that exist in society and has led to reflection by both politicians and business leaders alike on what a fairer, more inclusive and more sustainable society and economy could look like post-pandemic, with the aim to “build back better”.

All future activity has been built around the pillars of ‘Build Back Better’, GMS and the LIS; encouraging clean growth, digitisation, health innovation and advanced materials and manufacturing support.

The programme will build resilience across GM, focussing on supporting and enabling companies to innovate and plan more effectively for the future, whilst maintaining the health and wellbeing of their workforces.

The extended programme will also introduce new approaches to supporting the foundational economy, specifically construction and hospitality, leisure and tourism. A new dedicated resource will be created focusing on the social enterprise and co-operative sectors; this workstream will also support the priorities emerging from GM Social Enterprise Advisory Group.

In addition to supporting businesses to grow and create jobs, it is imperative that businesses are supported through periods of uncertainty to safeguard jobs and effectively plan for the future. Given the work taking place to enable this, future reporting within BPIIG Phase 2, will also include jobs safeguarded/projected jobs safeguarded.

To ensure that all programmes are fully accessible and adapted to meet the needs of under-represented and hard to reach groups or individuals, GC BGH is also enhancing data collection relating to wider impacts, to include more in-depth data collection relating to additional impacts, particularly around:

- More detailed ethnic minority data collection
- Supporting businesses to reduce zero hours contracts
- Encouraging the uptake of using GM suppliers
- Supporting businesses to pay the real living wage
- Encouraging businesses to do more voluntary work
- Supporting businesses to employ more locally

5. Programme Outputs & Outcomes

Ultimately, the key benefits of the programme will be to significantly contribute to GM's Vision and GM's post COVID-19 recovery plan.

The 21-month programme will also be independently evaluated at the end of the programme.

The extension of the programme, to June 2023, will engage with 8,100 businesses, support 2,700 businesses and enable over 1,350 more businesses to be intensively assisted, as well as an additional 200 entrepreneurs assisted to be enterprise ready, a further 800 ERDF compliant jobs to be created and 1,200 projected jobs safeguarded. In the current programme's mid-point evaluation, 50% of all businesses had increased their staffing numbers since the start of their support through the programme.

GC BGH will integrate inclusive growth outcomes throughout the programme by: helping businesses reduce dependence on zero-hour contracts; encouraging businesses to pay at (or above) the real living wage; increase the use of GM suppliers; and promoting employee volunteering to meet GM objectives.

A further focus will be to create greater awareness of all GC BGH provision to ensure that we reach businesses who would not ordinarily look to access business support.

GC BGH will continue to flex activities to meet the emerging challenges as the economy transitions out of an unprecedented period of uncertainty and we look towards re-establishing growth.

An overview of the focus of BPIIG 2 is set out in Annex C and includes:

Themes	Sectors	Universal & Reach
Innovation	Green Technology and Services	Inbound inquiries and website
Digitalisation	Digital, Creative and Technology	Account Management
Climate Change & Resource Efficiency	Manufacturing	Social Enterprise/ Third Sector
Leadership & Workforce Development	Health Innovation and Life Sciences	Procurement
Ethic Communities Inclusion	Foundational Sectors	Partnerships
Access to Finance		

Growth and Access to New Markets		
Start-up		

Changes to the BPIIG Programme

To reflect the reduction in resources and realignment, we will need to stop a number of programmes.

Activities not extended:

- Support for those wishing to develop a livelihood style start up business. The current start-up programme provides enhanced support to those on the DWP New Enterprise Allowance programme to ensure they are able to set up, sustain and grow livelihood type businesses. This currently supports c 1,300 individuals. Support will still be available to individuals wishing to establish a livelihood business in Greater Manchester through the NEA programme and organisations such as Princes Trust and the Women's Org. Once trading, support is available through the GMCA funded Enterprising You programme.
- Amplify (a scale up programme for the digital and creative sector which acts as a follow on from the Greater Connected programme which will be maintained). The core DCT scale-up and other mainstream activity will continue. BGH will also investigate alternative delivery models for Amplify including client fees and partnering with other organisations.
- Manufacturing Growth Fund which provides small grants for manufacturing companies.
- We will also need to seek alternative funding for programmes and flagship events such as Venturefest.

Activities will be reduced because of reduced staffing resource across all of our programmes and services with the main areas impacted being:

- Merging of Large Company and SME Account activity
- Access to Finance - a greater focus will be spent on one to many activities
- Global Scale up - To mitigate this, the programme will continue to work with partners such as KPMG, Santander and will be delivered by an inhouse team. This programme already works closely with the Department of Trade team and further synergies will be explored.
- Made for Manufacturing will reduce its resource and will be delivered by our internal team. It will leverage our Manufacturing Champions network for the sharing of best practice and factory tours along with continuing to work closely with Made Smarter.
- Leadership and Management will be significantly reduced to just Mentoring (subject to the further negotiation with the CA and the 4 GM Business Schools for additional L&M funding). If this funding is agreed, GC BGH and the GM Business Schools will create a Greater Manchester branded leadership and management programme and will work in partnership to ensure that GM businesses are able to access face to face and online provision to develop their leadership capabilities.
- A significant reduction of the marketing budget.

The table below shows current staffing resource and the plans for the extension project on a pro rata basis.

Area	Pro Rata Current Staffing Resource	Pro Rata Future Staffing Resource	% point difference
Management Team	5.1%	3.1%	-2.0%
Operations, Quality and Finance	15.3%	12.5%	-2.8%
Digital Transformation	0.0%	1.5%	1.5%
Intelligence	1.5%	2.00%	0.5%
Account Mgt.	11.9%	10.0%	-1.9%
Client Engagement and Universal Support	6.2%	6.2%	-0.1%
Champion Roles - Social Value, EDI, SME Procurement & Third Sector	0.0%	3.9%	3.9%
Growth and Start-up	9.6%	10.0%	0.4%
Access to Finance	5.7%	3.5%	-2.2%
Leadership, Management and Workforce Development (inclusive of additional funds)	5.9%	5.8%	-0.2%
Manufacturing	5.1%	5.0%	-0.1%
Resource Efficiency	5.7%	5.4%	-0.3%
Green Technology Sector, Eco Innovation and Net Zero	4.9%	8.0%	3.2%
Digital, Creative and Tech Sector & Global Scaleup	4.5%	3.9%	-0.7%
Digital and Innovation	8.5%	9.3%	0.8%
Workshops & Programmes	2.8%	4.6%	1.9%
Marketing	7.4%	5.4%	-2.0%
TOTAL	100.00%	100.00%	

Figure 1: 21 Month Inclusive Value Outputs

Output	BPIIG Phase 2			
	Jan 22 – Mar 22 target yr 1	Apr 22 – Mar 23 target yr 2	Apr 23 – Sept 23 target yr 3	21 month total (18 month Delivery)
GMBS Core KPIs (Inc Partners)				
Businesses Assisted	204	883	271	1,358
Jobs created	120	518	159	797
New business start ups	16	66	18	100
Entrepreneurs supported	30	130	40	200
New products to firm	17	74	23	114
No of R&D Collaborations	4	16	6	26
Greenhouse gas reduction (tonnes)	511	2,213	681	3,405

6. Governance, Measuring Performance & Evaluation

The programme will be monitored through the Growth Company's established procedures:

- Quarterly reports to the Business Support & Business Finance Advisory Board
- Quarterly reports into the GC Board
- Annual reports GMCA, GMCA Growth Board & Scrutiny Committee and GM LEP

GC BGH is fully accountable to both the LEP and GMCA to ensure that we are fully aligned to the work of both around business support and growing GM's economy across each of the 10 Local Authorities. This is also supported by the Business Support and Business Finance Advisory Board (drawing from the private and public sectors and includes the GMCA Economy Lead CX).

Day-to-day project management is the responsibility of the Project Executive Team at The Growth Company, who will be ultimately responsible for monitoring the financial and delivery performance of the project, including monitoring, reporting, evaluation and value-for-money and project claims.

Annex A. Aligning Programme Activity to Key GM Ambitions

This programme seeks to balance ambition with realism to enable GM to grow back and support economic recovery, protect its hard-won reputational gains to date, achieve recognition as a global city region, and deliver on its key strategic ambitions set out in GM's Economic Vision, LIS, Internationalisation Strategy, 5 Year Environment Plan and Digital Blueprint.

Programme activity will be reviewed regularly to respond to the changing environment and will be aligned to support GM's developing ecosystem:

Theme/Deliverable	Activity
<p>Securing R&D investment in our global assets and translational activity across GM to drive national and local growth: <i>Attracting R&D investment based on GM's areas of strength and excellence and translating this to drive economic growth nationally as well ensuring it supports economic growth in all parts of GM is vital.</i></p>	<p>Innovation GM:</p> <ul style="list-style-type: none"> • By 2022/23, the programme will enable GM to capitalise on its innovative R&D assets by bringing together key partners to bridge the gap between knowledge, academia and commercialisation; supporting businesses with product and service development, and collaborating with the research and knowledge base to carry out proof of concept, proof of market, 3D design and prototyping, technical testing, evaluation and validation studies. <p>Driving public-private collaboration and investment through the GM Local Industrial Strategy:</p> <ul style="list-style-type: none"> • Supporting businesses to access funding, technical expertise to accelerate market entry and commercialisation into complex markets such as the NHS. • Collaboration with key partners (Graphene Engineering Innovation Centre (GEIC), Henry Royce Institute and Health Innovation Manchester (HInM)) to support businesses to develop new products and services and support increased sales.
<p>Supporting a culture of business innovation: <i>Driving the innovation adoption of all firms in Greater Manchester to achieve a productivity uplift at scale with digital activity at its heart.</i></p>	<p>Business Productivity and Inclusive Growth Programme (BPIIG), helping to protect companies and jobs now and with recovery/change:</p> <ul style="list-style-type: none"> • BPIIG is delivered by GC BGH and a range of delivery partners. This programme includes support for GM businesses such as: Innovation and Digitisation; Access to Finance; Sector (DCT, clean tech, life sciences and manufacturing) and Business Growth Support; Leadership, Management and Mentoring; Startup and Scaleup Support; Internationalisation; Resource Efficiency and Carbon Reduction; along with specific support around how businesses can grow more inclusively.

- A key focus of this programme over the last 12 months has also been to provide support for businesses impacted by COVID-19 around their recovery.

Creating a new generation of Leaders and Managers in GM – including a world leading programme of Female Entrepreneurship and increasing the number ethnic minority leaders:

- GC BGH's Executive Development Programme (EDP) and Mentoring Programme delivers specialist bespoke leadership and management support to GM SMEs. Specialists deliver leadership support (1-2-1 and group cohort programmes) specifically tailored to businesses within digital, childcare and retail sectors and with a focus on supporting ethnic minority leaders to undertake leadership development. Tailored sessions have also been held encouraging mentoring to female entrepreneurs, attracting both new female mentors and mentees onto the programme.
- GC BGH's Digital, Creative and Tech Sector programmes (such as Greater Connected and Exceed) support leaders within the sector to innovate and confidently lead their businesses through ambitious expansion strategies both on a national and global scale.

Develop GM's Innovation Finance Offer:

Through its Access to Finance service, GC BGH offers:

- Specialist 1-2-1 support integrated with core GC BGH programmes, Step Into Healthcare and Creative Scale-Up.
- Access to extensive and growing network of funders/funding support agencies both nationally and internationally.
- Workshops promoting early-stage investment opportunities for innovative businesses.
- Development of 'innovation pipeline' in collaboration with GC Angels private investment network.

Growing an integrated pipeline for talent, skills & progression at all levels: *Attracting, developing and growing our own talent is vital to an innovation ecosystem. GM will put this at the heart of its approach – focusing on supporting residents to have a clear pathway to jobs; and*

Creating a single Talent City Region system and supporting a targeted plan to: drive BRIDGE GM; tackle Digital Exclusion; support Apprenticeship placements in GM; and create a Kick Start Board.

GC BGH provides two fully funded Workforce Development (WFD) programmes:

- The ERDF funded WFD programme looks to support GM SMEs with a wide remit of organisational development including but not limited to; organisational change, recruitment, induction and retention, people and performance management, employee engagement, motivation, and communication.
- The ESF funded programme 'Skills for Growth' (SfG) SME support provides a full and holistic view of a company's training and development needs to meet their growth

businesses to invest in talent development.

ambitions. Skills Coaches (SC) work with business owners/senior managers to identify productivity ambitions and wider training needs which are then followed by the completion of individual skills plans for employees of that business. Once training needs have been identified, the SC accesses GM Skills Map (a training directory of all GM provision) to provide tailored solutions for that business from both funded and non-funded providers. Specialisms include apprenticeships, business change and health and wellbeing.

- Support is also available to all businesses on the SfG programme through Specialist Advisors. SfG also works in partnership with other funded programmes/initiatives e.g. Skills Support for the Workforce, EmployGM, Working Well/Early Help.
- SfG will work with 4000 SMEs and 17,000 individual employees, support businesses to create 564 new apprenticeships and make 2000 referrals into Bridge GM and The Good Employment Charter by September 2023.
- GC BGH People Skills and Talent Programmes incorporating EDP, WFD, Mentoring and SfG fully support Bridge GM, with 15 Advisors/Skills Coaches completing 350 hours annually to support as ambassadors within schools and businesses.
- GC BGH is actively involved with the GM Digital Inclusion Taskforce through initiatives such as Digital Drive, and collaboration with Digital Boost and the Cyber Security Steering Group.

Driving Good Employment:

Tackling inequalities, embracing diversity and balancing profit with people and sustainability.

Supporting productive, job rich, fair employment - enabling people and employers to reach their full potential and 'level up'.

Supporting the Good Employment Charter to: drive GM as a Living Wage City Region; encourage inclusivity and diversity in company leadership; and ensure employers have mental health/wellbeing support in place:

- GC BGH has integrated inclusive growth and diversity across all aspects of its programme delivery. During initial conversations with businesses, baselines are explored around what is done to support people within the business and wider economy. This includes reviewing pay against the real living wage, volunteering activity, use of local suppliers, diversity within the workplace and the employment of local staff. Activity in this area is actively encouraged with relevant support provided, such as becoming mentors for other businesses, supply chain development and the enhancement of positive work practices to benefit both the employer and employee.
- A number of our programmes include support around health and well-being for staff such as our ERDF workforce development programme, Enterprising You and Skill for Growth. All of these programmes focus on enhancing diversity and inclusivity within the workplace, in addition to providing specific support for business leaders from diverse backgrounds.

	<ul style="list-style-type: none"> • The Enterprising You (EY) programme focuses on supporting those who are self-employed or in the gig economy earning less than the national average salary to focus on earning more money whether this be through growing their business or career development. • EY will provide information to 2000 businesses by September 2023. SfG and Enterprising You also have Health and Wellbeing Specialist Advisors which SME individuals are able to access to support them with ensuring they have employee well-being and mental health support in place for their employees. • Advisors also work to support and encourage inclusivity and diversity through working with other organisations i.e. to increase digital skills, diversity, raise awareness of modern slavery and with the Ageing Hub.
<p>Stimulating investment to create desirable places where people thrive: <i>Creating places where people want to live, work and invest and where people can thrive is vital to success.</i></p>	<p>Attracting private and VC investment into GM from organisations who share our aims, to support companies and place infrastructure:</p> <ul style="list-style-type: none"> • Through its Access to Finance service, GC BGH: <ul style="list-style-type: none"> ○ Offers engagement with the funding eco-system (funders, intermediaries and networks), at regional, national and international level. ○ Facilitates greater exposure geographically to GM based investment opportunities, such as through UKBAA DealShare platform. • A focal point of the Creative Scale-Up Programme is to showcase the Creative Sector businesses in GM and after helping them to get investment ready to educate and subsequently attract private and VC investment.

Annex B. Responding to COVID-19

GMCA's investment in BPIIG enabled GC BGH to take a leading role in GM's response to COVID-19. GC BGH rapidly changed the way in which all services were delivered: programmes, events and one to one support immediately shifted to virtual delivery; the GC BGH Enquiry service opening hours were extended to 6 days a week; and the "Strive & Thrive" series of workshop style webinars was developed to help companies develop a plan to respond to the current economic situation.

GM BGH Business Intelligence. GC produce a weekly SitRep report which is fed into GM resilience forums. To date, over 4,850 firms have responded to the survey since its inception on 10 March, and 7,000 surveys have been completed during that time, providing the most comprehensive coverage in the UK.

GM Business Organisation Representatives. GC increased the frequency of these meetings to weekly early in the pandemic; they are attended by the GM Chamber, CBI, FSB, NWBLT, pro-manchester, ICAEW, MakeUK, Manchester Hoteliers Association and GMCA, including the GM Mayor. They have provided a source of intelligence sharing and a mechanism to collectively lobby Government to address gaps in provision.

BGH COVID-19 website. A dedicated COVID-19 landing page was developed to provide information on the support available. To date, there have been over 508,500 unique visitors to the BGH website, with 18,652 unique visitors engaged with the site between 11 February and 24 February. To date, the COVID-19 pages have seen over 175,850 unique visits, with 4,589 unique visitors engaged with the site between 11 February and 24 February.

#HereForBusiness digital campaign. The #HereforBusiness digital campaign was launched in March 2020. This campaign has targeted business leaders across Greater Manchester, with messaging to showcase the value of Hub services. 156k users have been reached with content being displayed almost 2 million times since the launch of the campaign.

Outbound Contact Campaign. A pro-active outbound contact operation, supporting businesses to access and navigate the national COVID-19 offer of support, ensuring that GM is well placed to recover from the economic impacts of the pandemic. GC BGH reached out to over 13,000 businesses, of these, 2055 decisionmakers were offered information and support. This resulted in 503 businesses receiving in depth support and 716 new businesses receiving marketing updates moving forward.

Webinars. GC BGH has delivered a COVID-19 webinar series focusing on the emergency response, practical steps for the return to work across different workplace settings, mental health & wellbeing, skills & training, cyber security and the end of furlough.

Risk Assessment Tool. GC subsidiary CfA produced a downloadable risk assessment template, which aligns with the workplace settings Government has provided advice on. CfA also offer a paid for coaching option for businesses that need support in completing their risk assessment.

PPE. From mid-March, GC took on a leading role to source PPE to support GM's key services and key workers, working with the GMCA, NHS, Health & Social Care Partnership, GMP and other partners to co-ordinate efforts. As a result, GC has sourced 19M pieces of PPE equipment (and made considerable price savings on other routes).

EmployGM. Established with the GMCA and launched on 27 March, EmployGM is an integrated one-stop-shop platform for newly unemployed and furloughed workers. This includes a job portal as well as access to extensive advice and training support from across GM stakeholders (including GC). The site has seen 19,180 unique visits, with most individuals accessing vacancies directly with employers, along with other key services such as NCS, Job Centre Plus and vacancies in our Aspire service.

GC Business Finance. GCBF have been on the forefront as an accredited CBILS provider. £3m funding was made also made available via the GMCA to be lent alongside NPIF capital under CBILS. CBILS enquiries have reduced significantly following the launch of the Bounce Back Loan scheme (BBLs) providing loans of up to £50k.

Access to Finance. The team have been providing support to a range of SMEs to help them work up business cases for accessing Local Authority Discretionary Grants. The team proactively reaches out to many SMEs who have not qualified for Business Support Grants ensuring that were aware of qualifying criteria across all GM Local Authorities. Since lockdown started the team have helped 129 SMEs in GM to apply for £14.97M in funding across loans, grants and equity, of which, to date £9.34M has been approved, supporting 98 SMEs.

Tourism & Hospitality Support Hub. Marketing Manchester set up the Tourism and Hospitality Support Hub on www.MarketingManchester.com to signpost and connect the sector to advice, support and guidance across a variety of areas.

ANNEX C: CORE ELEMENTS OF BPIIG 2 PROGRAMME

<u>Sector</u>	<u>Description</u>	<u>How will this be delivered</u>
Green Technology and Services	GC BGH will continue to support the growth and diversification into the low carbon and environmental goods and services sector, to ensure it is best placed to both grow and support GMs environmental ambitions.	One-to-one support Cohort Programme Low Carbon Network
Digital, Creative and Technology	GC BGH will continue to support the sector through cohort programmes such as Greater Connected and Exceed with a greater focus on internal specialist teams delivering these to create efficiencies and ensuring the content is based on COVID recovery and growth – particularly through innovation and new market opportunities.	Cohort delivery model Some one-to-one support
Manufacturing	GC BGH will provide one to one and cohort support through specialist Manufacturing Advisors with a specific focus on high value business models, operational excellence, supply chain development, Ind 4.0, environmental sustainability, use of advanced materials and innovation links with universities. The programme will also leverage in support from champions within the manufacturing sector. The Manufacturing sector grants which have been available during the current BPIIG programme will no longer be available.	Mainly one-to-one Some cohort delivery
Health Innovation and Life Sciences	Enabling companies within the sector to create new products and services that GM can export, while simultaneously improving the health of the city-region's population. Health Innovation Manchester will continue to deliver the Step into Healthcare programme which	One to one support Cohort Delivery

	is aimed at supporting health and life sciences businesses access the NHS supply chains. In addition to this, GC BGH will appoint life sciences specialists to provide support for other health and life sciences businesses	
Foundational Sectors	The extended programme will introduce dedicated new streams to support elements of the foundational economy specifically care, construction and hospitality, leisure, tourism. Activities will be focused on developing higher value business models and key cross cutting themes of sustainability and workforce development.	Mainly cohort delivery model and some one-to-one support Workshops
Third Sector	A new dedicated resource embedded within the social enterprise and co-operative sectors including GM Co-operative Zone and GM Centre for Voluntary Organisations. This will tune 'mainstream' provision to specific interests of these sectors and also work with them to improve their understanding of viable and sustainable business models.	Mainly cohort delivery model and some one-to-one support
Universal Access	GC BGH will continue, at a reduced cost, to offer a universal service to all businesses across GM. Greater use of digital delivery (via new Puzzel omnichannel platform). This is light touch with online support, sector and thematic network events and workshops, brokerage, and onward referral to the Hub's business support partners. Clients will also have access to the Business Knowledge Finder, a navigational digital tool which will inform them of all of the support and funding available to them.	Digital platforms and channels, email, telephone, livechat, events, workshops
Account Management	GC BGH is committed to working collaboratively with LAs to support all districts to drive growth, innovation and capitalise on their local distinctiveness,	One-to-one Workshops

	<p>strengths, and comparative advantages. GC BGH also provides ongoing support to individuals and communities, focusing on; health, wellbeing, employment, and job stability, social-standing and development.</p>	
Innovation	<p>GC BGH will continue to support product and service innovation and make simpler access to HEI knowledge and facilities through jointly funded GM university posts that match client needs to the relevant university expertise. The Hub's innovation service will also refocus its resources on the four LIS sectors of DCT, green technologies, health innovation and manufacturing/materials. A focus will be dedicated access to specialist hubs and services such as The Landing, Ashton Old Baths, Energy House at the University of Salford, GM Cyber Foundry, Manchester Digital, and Print City at MMU.</p>	<p>One-to-one support</p> <p>Cohort Programmes</p> <p>Vouchers of up to £5,000 for HEI collaborations</p>
Digitalisation	<p>The GC BGH Digital team will continue to ensure that the wider base of businesses can adopt digital technology to achieve growth and productivity improvements: BGH is at the centre of the Greater Manchester Digital Blueprint and will refocus the service on transforming business attitudes to financing growth and facilitate investor confidence in innovative digital developments leading to greater investment in digitally innovative businesses.</p>	<p>One-to-one support</p> <p>Cohort Programmes</p> <p>Vouchers of up to £5,000 for HEI collaborations</p>
Leadership and Management	<p>BGH will help companies identify specific needs, provide support through the Executive Development Programme and via our Mentoring programme. Service is being co-designed with HEIs</p>	<p>One-to-one coaching</p> <p>Executive Team delivery</p>

	<p>and L&M providers and underpinned by an integrated marketing campaign at a GM level.</p> <p>*The programme is reliant on securing additional L&M funds from GMCA to lever further ERDF funding – we are currently in the process of securing this.</p>	<p>Cohort programmes</p> <p>Voluntary mentors</p>
Workforce Development	<p>GC BGH will be continuing this area as a key contributor to business and inclusive growth. GC BGH will target businesses with opportunities to increase the number and value of roles as drive forward many aspects of the Good Employment Charter. A tailored Action Plan will be developed for each business that establishes their workforce development needs.</p>	<p>One-to-one support</p> <p>Cohort Delivery</p>
Resource Efficiency and Carbon Reduction	<p>Continue to delivery grants and advice to support businesses with a resource efficiency review that identifies opportunities to save carbon, cut energy, materials and water consumption, and reduce waste from existing processes.</p>	<p>Grants</p> <p>One-to-one support</p>
Growth	<p>GC BGH will be continuing to provide support to businesses who are focused on growth. Support will include areas such as business planning and strategy, financial analysis, identifying market opportunities and operational efficiencies.</p>	<p>One -to-one support</p> <p>Cohort Delivery</p>
Access to Finance and Co-Angels	<p>Continue, at reduced scale, dedicated access to finance service that provides investment readiness support to help companies access the full suite of financial solutions across GM. A focus of this service will be building a pipeline of businesses to access GM's Co-Angel fund. This will now be revenue funding</p>	<p>One-to-one support</p> <p>Pitching events</p>

	only – we will need to secure investment resource elsewhere.	
Internationalisation	Global Scale-up programme will be slimmed down and delivered in partnership with key private sector partners and inhouse specialist advisors to significantly reduce the cost.	Cohort Delivery
Start up and early stage	Continue, at reduced scale, to provide support to pre-start, start-up and early stage scale-up support for business less than three years old and shift focus from a generic support offering towards a sectoral based programme (especially DCT and Green Technologies and local incubators).	Workshops Cohort Programmes Some one-to-one support
Social Value and Diversity	Enhancing support focusing on supporting businesses to address their own social value and enhancing equality, diversity and inclusivity support such as programmes aimed at female and ethnic minority led businesses along with support for young entrepreneurs, older first-time entrepreneurs and those with disabilities	Cohort programmes
SME Procurement	Enhancing support to work with commissioners (public and key private) to support the development and uptake of sustainable local procurement. Also ensure local companies are best placed to bid and win commissions.	Cohort Delivery Workshops Some one-to-one support
Net Zero	Introducing support which is aimed at supporting businesses to become Net Zero and around significantly reducing their carbon footprint.	Cohort Delivery Workshops Some one-to-one support