

Coast to Capital

Reference: Coast to Capital Board Meeting
Date: Thursday 15 October 2020
Report Title: Executive Report
Report by: Executive Team
Item No: 6
Part: A

Recommendation:

The Board is asked to note the Executive Report.

1. Introduction

Business Priorities

Continuing uncertainty about the likely path of COVID-19 and the economic impact on our region dominates the medium-term agenda for Coast to Capital.

We have made good progress in articulating the disproportionate impact that the crisis will have on our region. Our evidence base and investment plans, as set out in *Stronger, Smarter, Greener* have been received and acknowledged by MPs and Government. The wider challenge facing local economies which are dominated by aviation is certainly well understood, and documented in the media.

In the absence of political direction on regional policy, devolution or the delivery of the Government's priorities in this area we will continue to make our own luck by proceeding quickly to develop projects that are compelling and investable for discussion whenever Ministers are ready to do so.

2. Corporate update

Equality, Diversity and Inclusion

Equality, Diversity and Inclusion continues to be a priority for Coast to Capital and we are working to embed this across areas of the business. Progress has been made in particular in relation to our Corporate and Growth Hub activity and a full update is provided as part of our diversity statement in section 6.

Governance

A full Governance update is covered in item two; however, the following updates should be noted:

- Our **Mid-year Review** with Government took place on 7 October and key points will be shared with the Board.
- We have invited quotations from Local Authorities from within the Coast to Capital area to deliver our **Accountable Body Service** with a deadline of Friday 9 October.
- The **Internal Audit** Report for 2019-20 can be found in **Annex A** and we are progressing with our **Audit Plan** for 2020/21.
- There has been one **complaint** about our handling of personal information, which is being carried out by the ICO.

Communications

Our focus over the last quarter was to promote our COVID recovery activity in particular the Getting Building Fund and our Growth Hub support. Highlights include:

- **Getting Building Fund** – working with Government and key partners to announce details of the fund and high level information on the shortlisted projects with over 6,000 views on related Twitter posts.
- **Recovery Grants** – executing an extensive launch strategy targeting our business support audience, resulting in over 250 applications by the end of September.
- **ERDF Kick-start Tourism and Restart and Recovery SME Grants** – working with neighbouring LEPs on a time critical launch strategy, delivering messaging to our audience as quickly as possible and reacting quickly to the fund closing.
- **Diversity** – evolving our approach to diversity in our communications as set out in more detail in section 6.

Going forward, we are focusing our communications on recovery and coordinating consistent messaging between our Growth Hub and strategy work, in particular promoting Building Back Smarter, Stronger and Greener.

During July, August and September we issued the following press releases (including highlights from mentions in stakeholder news):

- [Prime Minister announces £152.1 million to boost London and South East economy](#)
- [Coast to Capital appoints new Chair](#) (featured in BHEP, Shoreham Herald, Worthing Herald, Crawley & Horley Observer, Chichester Observer, Mid Sussex Times, Littlehampton Gazette, West Sussex County Times, Bognor Regis Observer, Midhurst & Petworth Observer, West Sussex Gazette, LEP Network, Shoreham Today, Brighton Business, Worthing Today, Gatwick Diamond Business, Surrey Chambers Business Magazine)
- [Future of Business Growth & Innovation is BRITE for Sussex](#) (featured in

TechRound, Brighton Business, StartUps Magazine, Absolute Magazine, Gatwick Diamond Business, South East Business, Brighton & Hove Chamber of Commerce)

- [Southern region driving entrepreneurship and green growth in post-COVID economy](#) (featured in The Landsite, Techregister)
- [Funding secured for new Haywards Heath College](#) (featured in Mid Sussex Today, Mid Sussex Times, West Sussex Gazette)
- [Coast to Capital awarded £19.2 million Getting Building Funds](#)
- [Coast to Capital appoints Interim Vice Chair Karen Dukes](#) (featured in Littlehampton Gazette, Midhurst & Petworth Observer, Mid Sussex Today, West Sussex County Times, West Sussex Today, Worthing Today, Chichester Observer, Crawley Observer, Bognor Regis Observer, Shoreham Today, Shoreham Herald, Mid Sussex Times, Gatwick Diamond Business, Crawley Observer)
- [Coast to Capital Growth Hub launches Peer Networks programme](#)
- [UK's most operationally challenging railway junction to be unblocked as part of Brighton Main Line proposals](#) (featured in Sussex Express, Hastings Observer, Crawley Observer, Midhurst & Petworth Observer, Mid Sussex Today, Shoreham Today, Eastbourne Herald, Rye and Battle Observer, West Sussex Today, West Sussex County Times, Bexhill Today, Rail Professional, Brighton & Hove Independent, Littlehampton Gazette, Rail Business Daily, Chichester Observer, Worthing Today, Bognor Regis Observer, Rail Advent)
- [New grants launched to help support business recovery](#) (featured in Midsussex Times, West Sussex County Times, More Radio, Epsom and Ewell Borough Council)
- [Ricardo receives provisional funding award for hydrogen engine development facility](#) (featured in H2 View, Just, The Argus, Engine Technology International, Electronic Specifier, Aftermarket Online, Machinery Market)
- [Coast to Capital sets out plan for economic recovery and skills at virtual Annual General Meeting](#) (featured in Gatwick Diamond Business, Mid Sussex Times)
- [Joint working to regenerate Caterham Valley town centre](#)

We also issued the following blog posts:

- [We have awarded £1.98 million in grants to help businesses adapt, innovate and evolve](#)
- [Tim Wates – reflections on six years as Coast to Capital Chair](#)
- [Coast to Capital Chair – A new direction](#)

In total we were mentioned in 151 articles between July and September. In addition we gave our views on economic recovery in two interviews with BBC Radio Sussex.

Stakeholder Engagement

Over the last three months we have continued to deliver our new coordinated and joined up approach to stakeholder engagement. Highlights include:

- Continuing to add new posts to our Economy Watch blog, which now has a total of 30 articles.
- Continuing to provide regular updates on business intelligence and business activity with key stakeholders and partners through:
 - Regular email updates to Local Authority Chief Executives, Leaders and MPs across our area
 - Regular email updates to Local Authority EDOs and Growth Hub partners
 - Growth Hub specific updates including to intermediaries (funders, banks and accountants), business support providers and HE/FE contacts

We are continuing to review and implement our engagement with our priority stakeholder groups, as well as looking to implement a more targeted and focused approach to engaging with key businesses and organisations. This work will also link closely with the promotion of Building Back Smarter, Stronger and Greener.

Marketing

Over the past three months, the following marketing highlights include:

- The Coast to Capital **Twitter** account was mentioned 551 times with 139,700 views (impressions). We have 124 new followers now with over 4,459 followers.
- Trending topics on Twitter included our 2020 Annual General Meeting, Business Recovery Grants, Getting Building Fund allocation, and the appointment of Julie as our new Chair.
- Following an increase of 180 followers we now have 1,414 followers on **LinkedIn**. There was a total of 1,408 page views, with 575 unique visitors and 17,474 views on individual posts.
- Top trending topics on LinkedIn included the appointment of Julie Kapsalis as Chair and Karen Duke as Interim Vice Chair, Hayward's Heath College Local Growth Fund investment, and Coast to Capital's Getting Building Fund allocation.

Events

As part of our enhanced stakeholder engagement, we hosted a briefing with MPs from across the Coast to Capital area. The meeting took place on 2 September and provided an opportunity for Jonathan and Julie to talk to MPs about Coast to Capital's work to develop a regional economic recovery plan, in response to the impact that COVID-19 is having on our economy. Nine MPs joined the meeting representing over half of our area.

Our 2020 [Annual General Meeting \(AGM\)](#) took place on 17 September at Plus X Brighton, in partnership with Platf9rm, with over 200 people attending the interactive event from home. The full [AGM](#) is available to watch on our [YouTube Channel](#) with subtitles also available.

Organisational Developments

Over the summer we were pleased to make our offices COVID-secure ready for a trial return to the office in September. Unfortunately, given the Prime Minister's announcement at the end of September we were unable to complete the trial which has now been paused. We received positive and constructive feedback from the team members that were able to participate which will help inform our approach at the right time. We are currently reviewing how we can operate as effectively as possible as a team that is working remotely for the foreseeable future.

The following changes have taken place in the Coast to Capital team:

- **Alice Masterson** has joined the team as Investment Administrator providing administrative support to the Investments team.
- **Tom Hughes** has joined the team as Growth Hub Administrator providing administrative support to the Growth Hub team in particular to deliver the Peer Network Programme.
- **Karen Tyrrell** has joined the team as Growth Relationship Manager. Karen will be working closely with the Growth Hub team and with high growth potential businesses to help them develop their growth plans and facilitate the provision of expert help.

We are in the process of recruiting a further **Growth Relationship Manager** and a **Growth Recovery Administrator** to support the delivery of the Growth Recovery Grants.

3. Investments

Growing Places Activity

The GPF portfolio regularisation work continues in regards to capital repayments and interest payments. In line with other lenders we adopted a flexible approach to any delays to plans because of the impact of COVID-19 with regular reviews by the GPF management team with guidance and direction from the Chair of the GPF Committee. Progress has been achieved post COVID-19 and the portfolio continues to be reviewed quarterly by the GPF Committee where repayment proposals/solutions are considered & approved.

4. Services

Coast to Capital Growth Hub

Core Growth Hub Activity

The Growth Hub team are responding to record numbers of business enquiries. Many of these relate to the funding introduced to help business respond to the impact of COVID-19 and future recovery.

The Growth Hub team have maintained a consistent high level of partnership and collaborative activity has increased significantly since the COVID-19 crisis. The team are also maintaining contact with local authority Economic Development Offices on a regular basis.

The Cities and Local Growth Unit (CLGU) has asked all LEPs and their Growth Hubs, in partnership with the network of Growth Hub Cluster leads, to gather information on business issues and local economic conditions, particularly around COVID-19 response/recovery and the end of the EU Transition Period. This information is provided to CLGU on a weekly basis.

Supplemental Growth Hub Funding

Coast to Capital has entered into an agreement for supplementary Growth Hub funding for 2020/2021 of £167,500. A proposal was approved by BEIS following a co-design discussion on 30 June 2020. This funding will be used to provide additional front line support to businesses during and beyond the COVID-19 recovery phase. Treasury restrictions of the funding mean that only up to 25% of the funding could be used on COVID-19 related activity in the period up to September 2020.

A Request for Quotation tendering process has been launched to procure the services of Interim Growth Relationship Managers from October 2020 until March 2021. This will be concluded by the end of October 2022.

Peer Networks programme

Coast to Capital bid for and secured £150,000 to deliver the BEIS funded Peer Networks. Peer Networks is a national peer-to-peer networking programme for small business leaders that want to grow and develop their organisation for future success.

Delivered locally by the Coast to Capital Growth Hub, the newly launched programme creates diverse cohort groups of individuals to collaboratively work through common business issues.

Through interactive action learning, this enables the discussion of challenges and provides valuable feedback to implement practical solutions to overcome them. From finance and HR to sales, marketing and more, an expert facilitator will give businesses the flexibility to create a trusted support network, helping to build and strengthen their business and improve overall performance.

Coast to Capital undertook a tender process to procure a delivery partner with the expertise and capacity to deliver the programme which runs from October 2020 to March 2021. We received proposals from 8 applicants of which 3 were shortlisted and interviewed by panel.

MDHUB were selected to deliver the Peer Network programme for Coast to Capital.

Coast to Capital are actively recruiting cohort members and to date has received 47 partial applications of which 31 businesses have submitted good quality complete applications that are being progressed. A full diversity update on Peer Networks can be found in section 6.

Coast to Capital Business Recovery Grants

Coast to Capital has launched its £2.1 million Business Recovery Grants supporting businesses across the Coast to Capital area.

The grant programme provides up to 50% of an expansion project for organisations that can demonstrate a clear link to COVID-19 recovery and growth. In addition, Coast to Capital are looking for businesses to set out plans for job creation and job retention to improve the unemployment rate in the local area and, importantly, projects that contribute to social value and benefit.

325 expressions of interest have been received with grants exceeding £9m. 75 businesses have been invited to full application with potential grants of £3.5m. To date 30 applications have been received requesting £1m of grant funding.

Coast to Capital is in the process of procuring the services of a qualified financial expert to undertake due diligence reports.

Key to the programme is to ensure that Coast to Capital attracts applications from a diverse range of businesses and more detail is set out in section 6.

ERDF Kickstart Tourism Grants and Restart and Renew SME Grants

On Tuesday 15 September Coast to Capital, alongside its Cluster Growth Hub Partners in EM3, and Thames Valley Berkshire, launched the ERDF Kickstart Tourism Grants and Restart and Renew SME Grants.

The Kickstart Tourism grant is aimed at businesses within the visitor economy with fewer than 250 employees, while the Restart and Renew SME grant is aimed at all other businesses with fewer than 250 employees.

Applicant businesses for both needed to demonstrate they have been impacted by COVID-19 and must satisfy further eligibility criteria. Businesses were able to apply for grants of between £1000 - £3000 (up to £5000 in exceptional circumstances) toward professional services to help them adapt during the COVID-19 pandemic or to purchase new equipment. There was no obligation for businesses to contribute financially.

The overall available funding was £140,000 for the tourism grants and £250,000 for the wider SME grants and was therefore extremely limited. The scheme had to be paused very quickly after launch due to high levels of demand. The fund attracted 70 initial applications for the SME grant and 36 for the visitor economy.

Experts in Residence

Vicky Stevens, our banking Expert in Residence, is due to resume her activity with Coast to Capital this month. This area of activity had been paused due to Natwest requiring additional resources to address the Bounce Back Loan scheme. Vicky is key in ensuring that the Growth Hub promotes diversity within our programmes and ensure that we engage with, and support women business leaders.

Work with our Microsoft Experts in Residence, Mike Furness and Paul Collimore, was put on hold in March 2020 due to COVID-19. Prior to the lockdown they had engaged with the Escalator Alumni Groups. Discussions are taking place to resume this activity with an initial focus on providing intensive Microsoft team support to Ridgeview Estate Winery and how the adoption of digital technology can support future developments in the business.

5. Strategy and Policy

In addition to its work on the production of the Coronavirus (COVID-19) Economic Impact Assessment and Stronger, Smarter, Greener (covered under agenda item 4), the Strategy and Policy team has been focussing on these key areas of delivery:

Skills

The Skills 360 Board met on Friday 9 September and were joined by the Chair of the EM3 Skills Advisory Panel (SAP), Barney Ely from Hays, who observed the meeting at the invitation of Frances Rutter, the Skills 360 Board Chair. This is on the back of discussion meetings that have been taking place between the six Catalyst South LEPs Skills Leads and SAP Chairs to ensure greater collaboration across the area.

Gillian Keegan, the MP for Chichester and Parliamentary Under Secretary for Skills and Apprenticeships, also joined the Skills 360 Board meeting. This is the first SAP meeting in the country that the Minister has attended and she had the opportunity to hear Board member updates on what they feel are the current priorities for their sectors post COVID-19.

The Skills 360 Board signed off on the Coast to Capital [Skills Strategy and Action Plan](#) and the [COVID-19 Skills and Labour Market Impact Assessment](#), which were soft launched at our recent AGM and are now available on our website. We are planning to have a formal launch event later in the year which at which we will set out a collaborative approach to delivering the plan. In the meantime are well underway with implementing the shorter term activities.

Unspent European Social Fund allocation from across all LEPs has now been put into a central reserve fund by DWP. LEPs will need to 'bid' into this central fund to release funds for particular calls. We are developing applications for two Calls from the reserve fund - one to support employed people and those at risk of redundancy or recently redundant; and another to support jobseekers and inactive people into work. Project such as these will be essential to support the economic recovery of our

area, but realistically projects are unlikely to be contracted before the start of the 2022 calendar year.

Enterprise Adviser Network (EAN) and the Careers Hub

Careers Hub

Implementation of the Careers Hub is now underway with the targeted 35 education centres in East Surrey, Gatwick and Mid-Sussex now signed up.

A Steering Group will provide direction and support for the Careers Hub and we are pleased that it will be chaired by Liane Richardson of Thakeham Homes, a business representative on the Skills 360 Board and Enterprise Advisor. The Group is formed of the Lead School and College representatives and partners from local business, DWP, upper tier local authorities and training provider networks. The inaugural meeting is to be held on 20 October.

We are in the process of engaging a group of Cornerstone Employers to give strategic support to clusters of secondary schools and colleges within the Hub area. The Cornerstone Employers Group will be made up of a range of different businesses from key sectors within the Hub area.

Enterprise Adviser Network

As anticipated, over the last few months, schools and colleges have struggled to deliver the careers activity that we are contracted to support them to achieve. The economic impact on businesses in the region and their capacity to adapt to virtual encounters has reduced their ability to engage and to offer encounters and work experience.

The key focus for the EAN and Careers Hub this year will be working with employers to increase opportunities for virtual, meaningful employer encounters and workplace experiences whilst ensuring that all education centres have a stable careers plan in place for 2020/21.

This has been an opportune time for our Enterprise Coordinators to support the development of our Enterprise Advisers and school Careers Leaders to participate in development training. In partnership with the Careers and Enterprise Company, we have developed and delivered virtual regional networking events and training to ensure that careers remains high on the agenda for education centres during this challenging time.

Energy Strategy

Stronger, Smarter, Greener confirms the importance of decarbonisation toward reducing climate change impacts and simultaneously the opportunity arising from innovation in green technology and green job creation in our region.

Coast to Capital has been successful in joining a handful of other pilot LEP areas around the UK to work with the Energy Systems Catapult in a model for 'Home Decarbonisation Academies' that could be rolled out nationally. The principle is to create skilled, local supply chains for the installation of clean energy products in homes and other settings. The pilot links to our green construction priority within the Skills Action Plan. Initially our pilot area is focussed on Brighton and Crawley, with involvement of the universities and further education colleges.

We are also supporting initiatives to deliver the energy 'project models' identified by our South2East local energy strategy, particularly to create a local hydrogen fuel supply chain, through the Greater Brighton Hydrogen Hub working group, and a Getting Building Fund grant allocation to Ricardo for a specialist hydrogen fuel engine testing facility.

6. Diversity Statement

Corporate Activity

Our **Equality, Diversity and Inclusion Policy** is under review and will reflect the progress being made across the organisation. This will be presented to the Board in January for approval.

An expert organisation D&A has carried out an **Inclusion Maturity Review (IMR)** to assess our disability inclusion. A report on the findings will be discussed internally in October.

We were pleased to offer **Unconscious Bias** to the team in August and we are planning further training sessions, the first having a focus on neuro-diversity.

We have identified short, medium and long term interventions for addressing diversity in our **communications**.

We are increasing our involvement in diversity conversations on **social media**. We keep a rolling schedule of upcoming key dates including key faith-led celebrations and national/international days. We have become more proactive in posting to mark these occasions, with a particular focus this month on [Black History Month](#).

We are also improving **accessibility of our communications** and have included subtitles on our recent [AGM recording](#). We are in the process of backdating our previous YouTube videos with subtitles to ensure they are also more accessible.

Our **diversity stakeholder project** aims to help establish and build relationships with diverse businesses representative groups and networks in the area. We have already identified a number of groups in the charity, women-led, LGBTQ+, BAME and disability-led sectors. We intend to reach out to each group to find out more about them, offer our business support services and identify the best ways to communicate and how to evolve our messaging.

We have already reached out on social media to promote Peer Networks and Business Recovery Grants including to Pink Shoe Club, GScene Magazine and UK Black Tech.

Growth Hub Activity

Data Sources

We are currently investigating the use of a platform to assist in identifying women owned businesses in the Coast to Capital area. Currently the Growth Hub has access to FAME, Artesian and Beauhurst databases but none of these are provide readily accessible and usable information.

The platform provides gender analysis within industry, funding and investor reporting. This would be incredibly valuable in helping the Growth Hub understand the baseline makeup of women owned businesses, our level of engagement and enable us to target women owned businesses more effectively in the future.

The provider of the platform is keen to develop a partnership relationship with Coast to Capital. There are opportunities to develop innovative work in this area with the potential to be shared as best practice with the LEP network for potential wider adoption.

Peer Networks

The Peer Networks programme has been actively promoted to business leaders from diverse groups:

- The promotion of the Peer Networks to the MDHUB Membership of which 55% are female led businesses. This community was asked to share the opportunity with their networks
- The promotion of the Peer Networks via Brighton Business Women WA Group
- Writing and publishing articles in PLATINUM Business magazine, which is also distributed to DYNAMIC (The Business Magazine for Women) and Surrey Chambers Magazine
- Inviting female business leaders to speak at an upcoming webinar
- Press release distributed to Women of Colour group in Brighton (562 Members), the Thrive Effect Womens Network and Diversity by Design.

A number of expressions of interest to take part in the Peer Networks programme is being monitored closely. Currently 8 of 36 (22%) applications are from women business leaders.

Business Recovery Grants

In designing the Business Recovery Grants care was taken to ensure that the scheme was accessible to women business leaders. This included broadening the range of the grants to between £10,000 and £170,000.

The response to the programme is being closely monitored for diversity. Key stats to date are:

- Out of the 339 expression of interest applications received 101 are from women led businesses
- 15% of the full application forms that have been sent out are to women-led businesses. (Those that have successfully passed the EOI stage)
- 7% of the full applications completed and returned have been from women-led businesses.

This currently represents an increase of 6% on expression of interest submissions from women-led businesses relating to the previous Growth Grants programme.

Future Engagement

We are agreeing a three month plan with our banking Expert in Residence on how they can support the Growth Hub over this coming period. This will include supporting the Growth Hub activity described above and our approach to engagement.

As set out above we have identified a number of business groups across the Coast to Capital and we are working with our banking Expert in Residence to create a full picture across the area.

We are also planning tailored training for the Growth Hub team on understanding the issues and barriers facing BAME businesses.

7. Legal Statement

No legal position has been sought on this paper.

8. Finance Statement

There are no decisions to be taken in this report and therefore no financial implications.

Annexes:

- **Annex A** – Internal Audit Report 2019/20