

#AB

## Supplemental Growth Hub Funding 2020-2021

DETAILS OF EXPENDITURE ITEMS AND SERVICES,  
FORECAST SPEND AND QUARTERLY CLAIM FORM**Accountable Body Primary Contact Details**

|                                       |  |
|---------------------------------------|--|
| Name of Accountable Body              | Shropshire Council   |
| Accountable Body Office Address       | Shirehall<br>Abbey Foregate<br>Shrewsbury<br>Shropshire<br>SY2 6ND |
| Name of Accountable Body Finance Lead | James Walton   |
| Contact Details for This Person       |  |

**Other Details**

|  |                    |
|--|--------------------|
| Name of LEP                                | Marches LEP        |
| Name LEP Project Manager                   | Yasmin Sulaman     |
| Contact Details for This Person            |                    |
| Name of Growth Hub                         | Marches Growth Hub |
| Name of Principle Growth Hub Delivery Body | Marches LEP        |

**Important Information**

To note that in awarding this Supplemental Grant funding in 2020-21, the Department for Business Energy and Industrial Strategy (BEIS) will provide additional revenue funding to Local Enterprise Partnerships (LEPs) which can only be spent on agreed core Growth Hub delivery activities and on activities and solutions to alleviate the immediate pressures presented by COVID-19 as set out in Schedule 3 of this Supplemental Grant.

**Note:** Examples of 'Eligible and Ineligible Expenditure' for the purpose of this Supplementary Grant are set out in **Schedule 1A**.

| PROJECT ACTIVITY INFORMATION                                   |   |                            |
|--|---|----------------------------|
| Period of claim  | Items and services needed to deliver contracted 'conditions of funding' and forecasted costings of each purchase/procured service |                            |
| <b>Quarter 1</b>   | <b>Expenditure Detail</b>   | <b>Estimated Spend (£)</b> |
| April to June 2020<br>(including specific COVID-19 activities) | <b>Including COVID-19 Specific Costs and Activities</b>   | £                          |
| <b>TOTAL AMOUNT BEING DRAWDOWN FOR QUARTER 1</b>               |   | <b>£0</b>                  |
| PROJECT ACTIVITY INFORMATION                                   |   |                            |

|  |   |                            |
|--|---|----------------------------|
| Period of claim  | Items and services needed to deliver contracted 'conditions of funding' and forecasted costings of each purchase/procured service   |                            |
| Quarter 2<br><br>July to September 2020 (including specific COVID-19 activities)   | <b>Expenditure Detail</b>   | <b>Estimated Spend (£)</b> |
|  | <b>Including COVID-19 Specific Costs and Activities</b>   | £                          |
|  | <p><b>COVID-19 Specific Costs and Activities</b><br/> <b>Q2 Additional Business/Specialist Advisers</b><br/> Each physical growth hub will be allocated £21,416.66 to help source this external support.</p> <p>There will be a mix of FTE and PTE advisers sourced in line with the need identified from local recovery plans.</p> <p>If we assume £500 per day as the daily rate for advisers, this will equate to 129 days of adviser support. A flexible menu of 1:1 support has been designed, including generalist advice and specialist support (HR, legal and financial inputs). If we assume that each business will receive 4 days support, this will equate to 32 additional businesses receiving in depth and tailored support across the Marches. Please note that the specialist adviser rate maybe higher.</p> | £64,250.00                 |
| <p><b>Sponsored Social media</b><br/> This will help MGH PR/Marketing consultants boost the promotion of additional business/specialist adviser 121 sessions, MGH event programme and scale-up support. This will help maximise take up of support and planned activity, increase light/medium/high touch individual/business interactions and referrals to national, regional and local partners projects/programmes. The allocation will include covering the cost of VAT.</p> | £1750.00  |                            |
| <b>CLAIM INFORMATION (£)</b>   |   |                            |
| Quarter 2 claim  | <b>TOTAL BEING DRAWDOWN FOR QUARTER 2</b>   | <b>£66,000.00</b>          |
|  | ORIGINAL ESTIMATED AMOUNT OF DRAWDOWN IN QUARTER 2  | £                          |
|  | VARIANCE  | £                          |
| Overall Supplementary Grant position including funding committed but not yet spent   | TOTAL SPEND TO DATE   | £                          |
|  | TOTAL FUNDING REMAINING TO BE CLAIMED   | £                          |
|  | TOTAL SUPPLEMENTARY GRANT FUNDING COMMITTED   | £                          |
| Supporting narrative relating to Supplementary Grant spend, amount of money committed and any early indications of potential end of year underspend:   |   |                            |
| <p><b>Evidence of defrayal of Supplementary Grant/type of spend:</b> Please also provide 2 example invoices paid by the final recipient of the money which confirms the type of expenditure or services acquired to support delivery of the Growth Hub service. In addition, please provide evidence of assurance of payment; via the provision of a copy of the relevant general ledger and updated spend spreadsheet.</p>  |   |                            |

| PROJECT ACTIVITY INFORMATION   |  |                            |
|--|--|----------------------------|
| Period of claim  | Items and services needed to deliver contracted 'conditions of funding' and forecasted costings of each purchase/procured service  |                            |
| <b>Quarter 3</b>   | <b>Expenditure Detail</b>  | <b>Estimated Spend (£)</b> |
| October to December 2020   | <p><b>Additional Resource for the 3 Physical Hubs</b><br/>The three physical hubs will each be allocated £7k to help source additional resource that will help support/strengthen business engagement, account management, aftercare and the collection and reporting of data and intelligence to inform future support needs. This will also help free up growth hub team time so they can support more businesses resulting in increased business engagement.</p> <p>If any of the hubs choose not to use the allocation for additional resource support, then there will be flexibility to use the allocation towards costs relating to business events/workshops/seminars not funded through the core growth hub budget.</p>   | £21,000.00                 |
|  | <p><b>Costs towards strengthening the Marches LEP central team supporting the MGH.</b><br/>Additional FTE temporary resource will be sourced via an agency to support the Growth Hub Lead. The amount allocated is based on an estimate figure.</p> <p>This additional support will allow the Growth Hub Lead to plan and manage a much larger budget (£462k instead of £205k), support delivery of short-term COVID 19 recovery plans and support the West Midland cluster model moving forward including EU Exit activity.</p> <p>Additional resource will also enable increased engagement with business representative organisations, sector groups and other stakeholders to raise the profile of enhance support on offer.</p> <p>The allocation will include VAT costs on services.</p> | £30,000.00                 |
| CLAIM INFORMATION (£)  |  |                            |
| Quarter 3 claim  | <b>*TOTAL BEING DRAWDOWN IN QUARTER 3</b>  | <b>£51,000.00</b>          |
|  | ORIGINAL ESTIMATED AMOUNT OF DRAWDOWN<br>IN QUARTER 3  | £                          |
|  | VARIANCE   | £                          |
| Overall Supplementary Grant position including funding committed but not yet spent   | TOTAL SPEND TO DATE  | £                          |
|  | TOTAL SUPPLEMENTARY GRANT FUNDING<br>COMMITTED   | £                          |
| Supporting narrative relating to Supplementary Grant spend, amount of money committed and any early indications of potential end of year underspend: |  |                            |

**Evidence of defrayal of Supplementary Grant/type of spend:** Please also provide 2 example invoices paid by the final recipient of the money which confirms the type of expenditure or services acquired to support delivery of the Growth Hub service. In addition, please provide evidence of assurance of payment; via the provision of a copy of the relevant general ledger and updated spend spreadsheet.

**PROJECT ACTIVITY INFORMATION**

|  |  |  |
|--|--|--|
| Period of Claim                                      | Items and services needed to deliver contracted 'conditions of funding' and forecasted costings of each purchase/procured service  |  |
| <p><b>Quarter 4</b></p> <p>January to March 2021</p> | <p style="text-align: center;"><b>Expenditure Detail</b></p> <p><b>Strengthening Marches Growth Hub Model</b><br/>Funding has been ringfenced towards strengthening the Marches Growth Hub Model. The estimated allocation will include VAT costs on services received.</p> <p>As discussed at the Co-design meeting with BEIS on 16<sup>th</sup> July, this ringfenced allocation will cover spend in the following areas:-</p> <ul style="list-style-type: none"> <li>• Re-evaluation outcome of the Growth Hub Lead position</li> <li>• Contribution towards costs relating to West Midlands (WM) Cluster intelligence gathering activity including telemarketing surveys, quarterly surveys and formation of reports. Intel will help inform business support policy and WM wide business support offering.</li> <li>• Business information licences</li> <li>• Any allocation not used towards strengthening the growth hub model will be allocated towards sourcing additional business advisor resource following the 4 day support model.</li> </ul> | <p style="text-align: center;"><b>Estimated Spend (£)</b></p> <p style="text-align: right;">£50,000.00</p> |
|  | <p><b>Additional Business/Specialist Advisers</b> The 3 physical growth hubs will be allocated £30k each. This allocation will support costs relating to sourcing additional Business/Specialist Advisers to support business growth. This additional resource will help deliver intensive 1:1 business support/sustained engagement to help businesses to become more resilient, grow and increase productivity. In turn, this will help increase high intensity business support interaction as well as signposting and referrals to national, regional and local support.</p> <p>At this stage, we are not able to confirm the number of FTE/PT advisers that will be sourced. However, if we assume the daily rate for an adviser as £500 per day, this will equate to 180 days support. If we assume that each business will receive 4 days support, this will equate to an additional 45 businesses receiving in-depth and tailored</p>  | <p style="text-align: right;">£90,000.00</p>   |

|  |   |                    |
|--|---|--------------------|
|  | support across the Marches. Please note that the specialist adviser rate may be higher. |                    |
| <b>CLAIM INFORMATION (£)</b>   |   |                    |
| Quarter 4 claim  | <b>TOTAL BEING DRAWDOWN FOR QUARTER 4</b>   | <b>£140,000.00</b> |
|  | ORIGINAL ESTIMATED AMOUNT QUARTER 4   | £                  |
|  | VARIANCE  | £                  |
| Overall Supplementary Grant position including monies committed but not yet spent  | TOTAL SPEND TO DATE   | £                  |
|  | TOTAL FUNDING REMAINING TO BE CLAIMED   | £                  |
| Supporting narrative relating to Supplementary Grant spend, amount of money committed and any early indications of potential end of year underspend:   |   |                    |
| <p><b>*Evidence of defrayal of Supplementary Grant/type of spend:</b> Please also provide 2 example invoices paid by the final recipient of the money which confirms the type of expenditure or services acquired to support delivery of the Growth Hub service. In addition, please provide evidence of assurance of payment; via the provision of a copy of the relevant general ledger and updated spend spreadsheet.</p> |   |                    |

Note July 2020

It is noted that many of the above activities are currently being developed and BEIS may ask for further details on how these activities are being developed later in the financial year.

**I certify that:**

- (i) This claim covers satisfactorily delivered activities;
- (ii) Expenditure has been incurred by the Accountable Body<sup>1</sup>;
- (iii) No part of this claim has been included on a previous claim or will be included on a subsequent claim to the Secretary of State:
  - (iv) There are no sources of funding for these activities of which the Secretary of State has not been given notice in writing;
  - (v) No part of this claim has been or will be paid by any other Accountable Body or by any public authority as defined in the Supplementary Grant Offer Letter. No part of this claim has been received or is receivable by the Accountable Body in respect of the Project.

|                            |             |
|----------------------------|-------------|
| TOTAL AMOUNT BEING CLAIMED | £257,000.00 |
|----------------------------|-------------|

<sup>1</sup> "Incurred," means a legal commitment to pay.

|   |  |
|---|--|
| SIGNED BY SECTION 151 OFFICER OR DEPUTY 151 OFFICER |  |
| PRINT NAME IN FULL                                  | James Walton   |
| POSITION  | Director of Finance, Governance and Assurance<br>(Section 151 officer) |
| NAME OF ACCOUNTABLE BODY                            | Shropshire Council   |
| DATE OF CLAIM                                       |  |

In line with drawdown dates agreed with BEIS please send an electronic copy of this claim to

### Supplementary Growth Hub Funding (£10m)

This Schedule provides examples of the types of item and service descriptors that will be acceptable for BEIS governance and audit purposes.

#### **ELIGIBLE EXPENDITURE:**

1. Direct Growth Hub staff salary costs, for example:
  - i. Salary and on-costs for additional generic business advisers/navigators (1.5 FTE) where related to the provision of support to businesses directly affected by COVID-19 (see note (iii) below)
  - ii. Salary and on-costs for additional specialist business advisers e.g. Account Managers and Senior Account Managers (1.0 FTE)
  - iii. Salary and on-costs for additional Sector Specialists (1.0 FTE)
2. Travel and expenses costs (directly related to Account Managers, Senior Account Managers and Sector Specialists) and provide basic details and cost breakdown.
3. Training, L&D, accreditation costs (e.g. SFEDI) with focus on Account Managers, Senior Account Managers and Sector Specialists) and provide basic details and cost breakdown.
4. Additional telephone costs (where not provided by the national Business Support Helpline) and where directly associated to the provision of inbound and outbound support to businesses affected as a result of COVID-19 e.g. extended evening and weekend cover.
5. Customer Relationship Management (CRM) system (please separate out cost of any new licences and where system changes are required to support collection of additional data as a direct result of COVID-19 intelligence gathering and reporting requirements.
6. Growth Hub website/portal (please separate out cost of development of new local content and any new tools, diagnostics and analytics directly related to COVID-19). Also includes cost of embedding new links and RSS feeds from the GOV.UK website.
9. Client engagement, marketing and printing which could include (but not exclusively) and only where not already funded via existing 2020-21 core Growth Hub funding awards:
  - a) Primary targeting campaigns for scale-up/high-growth and productive businesses and raising the profile of those businesses who have benefit from COVID 19 related advice and support packages e.g. Small Business Supplementary Grants etc
  - b) Corporate communications external press and PR for new Growth Hub openings and including the provision of launch collaterals
  - c) Viral business campaigns and new business engagement, particularly where linked to COVID-19 related advice and support.
11. Project management and consultancy costs (should be kept to a minimum and details provided)
12. European Regional Development Fund (ERDF) match to expand delivery of Growth Hub services and programmes (providing details of the specific programme/s you plan to match fund with approximate amounts)
13. Any additional evaluation of impact of COVID-19 specific support (only where directly linked to the Growth Hub and adding value to the annual independent evaluation of impact that will be conducted by BEIS during 2020-21).
14. Other items and services that will drive business growth via the Growth Hub will be considered and approved only on a case by case basis in discussion with BEIS (provide detail including benefits and approximate costings).

15. Legal, procurement and financial costs should be kept to a minimum and details provided.
16. In-house or external development and delivery of business support intervention solutions / training / events and bootcamps to support businesses affected by COVID-19 delivered via digital and other innovative online / virtual channels based on local circumstances and need.
17. Other expenditure agreed on a case by case basis in discussion with BEIS.

#### **INELIGIBLE EXPENDITURE:**

1. All sponsorship activity - including part/whole events such as "Business of the Year" and including purchase of tables at events, food, alcohol and other refreshments.
2. Other categories of entertainment e.g. purchase of food and alcohol at partner dinners.
3. Growth Hub branded luxury goods e.g. chocolates and umbrellas.
4. Payment of outbound and inbound overseas travel and accommodation expenses including payment for consultants and experts based overseas.
5. Support activities of a political or exclusively religious nature, such as lobbying.
6. Supplementary Grant award payments in the form of direct payments to business.
7. Award funding to business in the form a voucher e.g. growth voucher.
8. Fund cost of preparation of auditor's reports.
9. Input VAT reclaimable by the Supplementary Grant Recipient from HMRC.
10. Contributions in kind (i.e. a contribution in goods or services, as opposed to money); or interest payments (including service charge payments for finance leases).
11. Statutory fines, criminal fines and penalties.
12. Payment of bad debts to related parties.
13. Payments for unfair dismissal or other compensation.
14. All other Growth Hub related costs that are already covered by the BEIS core funding,
15. Other expenses classified as improper by BEIS for the purpose of this Supplementary Grant.

#### **Supplementary Notes**

- (i) BEIS Supplementary Grant funding cannot be drawn on by the Accountable Body to provide a service to the LEP in the form of a flat fee.
- (ii) BEIS Supplementary Grant funding cannot be used to pay for completion of end of year audit where the services of the Accountable Body or neighbouring Mayoral Combined Authority (MCA) or Local Authority (LA) can be used at no cost.
- (iii) No more than 25% of the total annual supplementary grant allocation can be claimed for COVID-19 costs/activities in quarter 1 and quarter 2 only.