

Excellence in Practice 2018

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# Learning from experience





**T**he Lancaster Wave 2 Growth Hub Programme is accelerating the availability of responsive and accessible business support across England.

In England, a programme of devolution to local areas has been enacted from 2010. The resulting “City Deals” empower local regions to support economic growth, job creation and regional infrastructure investment in their areas.

With local growth a key priority for the UK, a partnership led by Lancaster University Management School (LUMS) comprising the Department for Business, Energy and Industrial Strategy, Ministry for Housing, Communities and Local Government, Cabinet Office and the British Chambers of Commerce resulted in the development of the Wave 2 Growth Hub Programme.

The programme saw the establishment of 15 Growth Hubs across England providing small businesses with tailored local business support that to March 2017 engaged with 67,000 small and medium sized business and created over 4,000 jobs.

15

Growth Hubs

4k

Jobs created

### Leading from the regions

In its 2010 Budget the UK government announced the devolution of responsibility for local growth – initially to eight major UK cities (Wave 1 Cities). A short time later, City Deals were awarded to 14 of the next-largest cities and their Local Enterprise Partnership (LEP) areas, along with a further six cities that experienced the highest population growth between 2001 and 2010. These were collectively known as the Wave 2 Cities.

### Supporting regional economic growth

One of the primary ambitions of the Wave 2 Cities was to establish a “one stop shop” in each of the Cities to support their business populations and contribute towards job creation and economic growth in their areas. However, there were varying levels of existing business-support infrastructure in these areas and resourcing and capability pressures that presented a challenge.

To address the challenge, LUMS submitted a proposal to the Regional Growth Fund (RGF) to develop a ‘Wave 2 Growth Hub Programme’. Building on policy developed by the Cabinet Office and the Department for Business, Innovation and Skills and building on a model developed in Greater Manchester. The successful proposal resulted in LUMS being awarded £32 million of government funding to develop the programme.

### Programme development and creating a partnership

With funding secured, the challenge moved to planning the structures and processes that would deliver outcomes, including the creation of jobs and attracting additional private sector funding to join up existing local business support advice services.

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Due to the diverse nature of the Wave 2 Cities, it was clear that a “one size” solution would not fit all. To ensure success, each area’s delivery plan – while reflecting a number of common aims and goals – was tailored to also reflect local economic priorities, strategic fit, existing partnerships, deliverability and sustainability. Furthermore, it required the bringing together of a large number of stakeholders from across central and local government, Local Enterprise Partnerships, Higher Education institutions, the British Chambers of Commerce, and the wider public and private sectors. This enabled variation of organisations models that fitted in with different local geographies and economies.

Acting as a neutral intermediary to broker issues and achieve a balance of views among stakeholders, LUMS led a partnership between the Department for Business, Energy and Industrial Strategy, the Ministry for Housing, Communities and Local Government, Cabinet Office and the British Chambers of Commerce to form the Wave 2 Growth Hubs Programme to oversee development of the policy through a process of co-design, which ensured each city’s delivery plan addressed the local needs of businesses as well as aligning with the programme’s overall principles and strategic priorities.

LUMS established two strands of activity responsible for the design, delivery and evaluation of the Programme – the Knowledge Exchange and Research Group and the Programme Secretariat. Offering its knowledge and experience of working with SMEs, LUMS helped to build strong networks between the Wave 2 Growth Hub Cities to share best practice and worked in partnership with government departments and agencies to enable knowledge and asset sharing in “enterprise” across the UK. LUMS collected information from the Wave 2 Cities to ensure formal summative evaluation, monitored grant payment spend, and advised cities about Regional Growth Fund eligibility, process and procedures.

**Building business support capability**

Through the programme development and co-design process LUMS supported the Wave 2 Cities to:

- Create a powerful network, building trusted local and cross-UK partnerships
- Develop links with government programme providers specialising in the areas of export, innovation, research and development, and access to finance
- Establish appropriate governance structures and reporting systems
- Deliver the programme as specified and to clear fiduciary standards
- Collect metrics data from companies to ensure performance could be monitored
- Undertake evaluation of the impact of local schemes

As a result of the formation of this partnership each of the cities successfully developed and launched a business Growth Hub in its area, with each Growth Hub providing free and impartial access to the full range of local, national, public and private sector support via a single local point of access. The creation of the cross-England Growth Hub Network had begun.





4,108 67k

Across the 15 Growth Hubs created by the Wave 2 Growth Hub Programme 4,108 private sector jobs were created

And over 67,000 SMEs had engaged with the local Growth Hubs

### Programme impact

At the programme's official conclusion in March 2017 it was clear that it had been a success. Across the 15 Growth Hubs created by the Wave 2 Growth Hub Programme:

- 4,108 private sector jobs were created
- 1,442 jobs were safeguarded
- 5,790 businesses were supported
- Over 67,000 SMEs had engaged with the local Growth Hubs
- £75.3m private sector match investment secured surpassing the target set of £2 of private sector investment for every £1 of public sector investment.

Due to the success of the programme, LUMS was invited to give evidence to a House of Commons Select Committee to inform policy on government support for business. The programme also won the prestigious Academy of Management (AoM) Runner-Up Practice Research Centre Award, recognising the programme's outstanding contribution to society and the economy. Members of the team were also invited to deliver a keynote presentation at a Westminster Policy Forum Conference focusing on "next steps for universities and local growth".

Significantly, the success of the programme has seen the original 15 Growth Hubs developed by the LUMS-led programme kick-start a new national resource, creating a blueprint for the future and leading to the creation of a Growth Hub in all 38 Local Enterprise Partnership (LEP) areas across England.

### Breaking new ground

The Wave 2 Growth Hub programme was ground-breaking, representing the first time that a university had worked directly with government to deliver a policy initiative of this scale through the design, delivery and management of a truly nationwide economic development programme.

Building on its worldwide reputation as a research-intensive business school, LUMS had a proven record of translating its world-class research into programmes that drive economic impact. Having decades of experience of working closely with small businesses, it understood the importance of SMEs to local economies and could offer the successes and lessons learned from previous experiences to add real value to the programme and maximise its effectiveness.

The impact and legacy of this programme continues today, well after its end date. Growth Hubs continue to operate and develop across England and the processes, tools and knowledge exchange established in the Wave 2 Growth Hub Programme continues to positively affect economic growth across England.

