

Buckinghamshire

LOCAL ENTERPRISE PARTNERSHIP

THE ENTREPRENEURIAL HEART OF BRITAIN

Covid 19 (Coronavirus) LEP Board Briefing March 20th

What is being done so far....

Buckinghamshire's Growth Hub, Buckinghamshire Business First, has moved swiftly to co-ordinate an accessible response for business including the collation of business insight, support services available and offers of partner/community assistance for businesses in need. A summary of the current offer is available via this link <https://bbf.uk.com/covid-19>

Bucks LEP has provided an additional £72k of funding to the Growth Hub to support business continuity and has made available specialist research and project management staffing resources to support a co-ordinated approach together with the Growth Hub and Buckinghamshire Local Authorities. Major partners including the Buckinghamshire Healthcare Trust, Universities and all the Buckinghamshire MPs are directly engaged in this co-ordinated response.

The Critical Issues to Highlight

The Chancellor's package of measures for business support is widely welcomed and shows a proportionate response to the scale of the challenge faced, however, this alone will not address the immediate and pressing cashflow imperative for many businesses. The speed of response will be critical in supporting at risk businesses in Buckinghamshire.

In addition to the government response, BLEP may wish to target 2 business categories:

- Businesses that qualify for the funding, but fear that the funding will arrive too slowly and be too late to prevent business redundancy or closure.
- Businesses, especially micro-businesses, that fall below the current threshold for existing support particularly if they operate from home or from another shared space.

How can these issues be addressed?

The LEP Network has asked for financial liquidity, in short to allow currently held Local Growth or European Funding to be allocated immediately by LEPs and Growth Hubs directly to at risk businesses.

This approach within Buckinghamshire could allow circa £1.8m to be immediately provided to at risk businesses, though this would mean diverting resources from LGF projects that are not yet contractually committed and allowing capital funds to pass to revenue which has not to date been possible. Government has been asked for this flexibility as an emergency response to the current economic situation. We would hope to be able to update further at the Board meeting tomorrow.

BLEP could also amplify messages to government of quick release of funding and measures that would assist business and work closely with the Buckinghamshire Council Covid -19 response team to ensure alignment of support.

What else are we seeking?

We are seeking assurances from HMCLG that the core funding for LEPs and the Growth Hub funding for 2020/2021 is released as soon as possible.

This funding is dependent upon a successful outcome of the Annual Performance Review process, and although the final scores have not been released, we understand that there is no reason for the anticipated full funding allocation to be withheld for Bucks LEP.

All funding is due to be released in April and we will be seeking that the core funding for Bucks LEP £500k and the Growth Hub Funding £328k plus a pro-rata proportion of the £10m allocated by the Chancellor in the Budget (expected to be circa £263k) all be released in a single tranche at the beginning of April 2020 so that it may be deployed early in response to any additional operational requirement.

How Could the Emergency Business Fund Operate?

The Growth Hub could use a well-tested voucher scheme of up to £10k per business to swiftly pass funds to businesses.

Bucks Covid 19 Emergency Fund eligibility criteria would need to be approved by BLEP Board and through delegated authority but may include:

- A company must be a registered small business (250 employees or less) with an annual turnover not exceeding £40 million turnover - SME definition.
- The business must have paid business rates to a Bucks local authority during the last 12 months.
- The assistance requested must be for a specific Covid-19 related issue.
- The business must have a satisfactory trading record to be assessed by the Growth Hub Team and be capable of recovery after a 3 month period of inactivity.
- Business can demonstrate resilience (for future agreed period) upon deployment of funding.

LEP Network Activity

The LEP Network is holding a meeting with Government Officials tomorrow (March 20th) in response to a letter the LEP Network issued on March 16th (copy attached). LEP Chairmen have been invited to attend this meeting. Our regional (ARC) representatives are Jeremy Long OXLEP and Doug Field New Anglia LEP. Jeremy Long has confirmed that he will be in attendance and Andrew Smith has highlighted the critical issues around speed of delivery and funding flexibility to be highlighted.

How Can Board Members Assist?

Direct all businesses to the business support service and encourage completion of the survey so that our requests of government are backed up by current insight.

Be available for media and press interviews highlighting the support services available and the value of a joined-up approach between Growth Hub, LEP and Local Authorities.

Support the lobbying of government officials for swift release of funding and flexibility for the LEP and partners to deploy existing capital funding. A full briefing note will be provided for Board members but the key message will be:

“Speed of action is critical, and cash is required now to ensure healthy businesses survive”