



Initiation Form

Summary		Reference:	BUS001b
Activity Name:	<i>Good Growth Hub (Year 2 and 3 Delivery)</i>		
Activity Description:	<i>Business and skills support</i>		
Investment Priority:	Supporting Local Business	Intervention:	<i>E18: Supporting made smarter adoption</i> <i>E23: Strengthen local entrepreneurial ecosystems</i> <i>E24: Training hubs, business support offers, incubators</i> <i>E26: Growing the local social economy</i> <i>E28: Export grants to grow overseas trading etc.</i> <i>E30: Business support measures to drive employment growth</i> <i>E31: Support relevant feasibility studies</i>
Funding Available:	£ 8.0m (Total)	This funding opportunity includes both capital and revenue funding . The Good Growth programme will seek to manage the capital/revenue split at a programme level and the Good Growth Hub is encouraged to come forward with a project proposal that includes the appropriate capital/revenue split	

		to delivery outputs and outcomes identified in this initiation form.	
Type of funding opportunity:	Direct delivery by Cornwall Council Good Growth Hub and small grants for businesses.		
Open Date:	02/03/2023	Close Date:	10/03/2023

Context

Description: Description of the activity and what is expected to be achieved

Low productivity is a key challenge for businesses in Cornwall and the Isles of Scilly (CloS) and we want to close the productivity gap between CloS and the rest of the country by putting in place a comprehensive, easy to access and flexible business support offer aimed at our local businesses. This business support offer will support local businesses to become innovative, to grow while taking social and environmental responsibility, increase investment into our green economy and to take full advantage of the CloS unique sector opportunities.

Through the funding outlined in this initiation form, we want to see a CloS Good Growth Hub proposal that will deliver targeted and focussed green and socially responsible business support to bring about CloS Good Growth ambitions. We want to see a targeting of businesses that have the ambition and capacity to grow/scale-up and improve productivity while delivering improvements in their environmental sustainability and social responsibility. Building on the lessons learned from past EU funded business support, we want to see a comprehensive, flexible and streamlined business support offer that is easy to access for businesses through a 'single point of contact' that will offer triage, diagnostic and specialist support.

From April 2023, we want to see a Good Growth Hub that will co-ordinate the provision of business support in CloS from across the public, private and third sectors including skills and training providers to meet local business needs and support entrepreneurs. It will link skills information advice and guidance, employer dialogue and inclusion in design of curriculum and pathways, careers and include a pathfinder single grant funding service.

£8m is made available for the Good Growth Hub offer and this activity is anticipated to be split as follows:

- £5m – Core Good Growth Hub business support offer, including;
 - Triage and diagnostic service for businesses, with specific diagnostic for business skills need, including a specific requirement to promote consideration of inclusive employment (linked to business support provision)
 - A highly motivated team of business connectors, including a dedicated connectors for the Isles of Scilly and rural sector, who respond to calls and email enquiries from businesses providing them the right business advice whether that is provided inhouse or through commissioned providers and who are able to support businesses to access relevant small grants (see below)
 - A Customer Relations Management (CRM) system that underpins the workings of the team
 - Grant management of a number of delegated small grant budgets (as specified in this initiation document as well as initiation documents BUS002b, BUS005b, BUS007c and RUR001 (forthcoming)) which will ensure that the Good Growth Hub can direct the right grant support to local businesses while minimising the red tape experienced by the business.

- £3m – Small grants scheme which will allow Good Growth Hub to offer fast and flexible business grants as part of a wider business support journey. The grants will be highly flexible and very light touch in terms of process to applicants while ensuring compliance and a robust process of approval. The Good Growth Hub shall ensure that leveraging in of private funding is maximised, with regard to the SPF outcome 'Increased amount of investment (£). Value for money must be ensured while taking a flexible approach to allow for consideration of exceptional cases where very high grant rate will be appropriate (and permissible under UK Subsidy Control regime) such as projects located on the Isles of Scilly where transport costs are high, community projects where no opportunities for private sector leverage exists or projects targeting new products and markets where entry costs are high and risks involved prevent the activity proceeding without a higher intervention rate. Grants of up to £200,000 will be offered to local businesses. Average grant sizes and leverage requirements will be based on comparative estimates from previous programming, national best practice and research on business support efficacy and UK Subsidy Control regime with default intervention suggested at 50%.

The Good Growth Hub will also have access to refer businesses to a number of bespoke business support services that the Good Growth programme will contract external providers to provide, including a bespoke business support offer covering:

- Business finance
- Made Smarter
- Net Zero
- Social enterprise
- Farm diversification and food and drink production
- Skills
- Start up
- R,D&I

These bespoke business services will be contracted based on initiation forms BUS001c, BUS002d and BUS007d and the Good Growth Hub will be expected to manage the relationship to these providers, including the process for referring businesses to these providers, ensuring that businesses receive relevant business support services of high quality and that there is a clear process for providers of business support services to refer businesses back into Good Growth Hub for small grants where relevant.

The Good Growth Hub will be delivered by Cornwall Council's Economy & Skills Service, and the elements described above will allow CloS businesses to access a flexible business support offer channelling various business focussed intervention allocations, both capital and revenue, within a single application process. This will include business and skills grant delivery for Net Zero, Business/Employment Growth, Productivity Improvements, Digital, Export, Feasibility, Advanced Manufacturing, RD&I, and Social Enterprise.

The Good Growth Hub will ensure that the business support offer will incorporate the Good Growth principles and that delivery contributes towards these.

The Good Growth Hub shall ensure that all support offered to businesses, whether business support services or grants, is fully compliant with UK Subsidy Control and procurement rules.

Strategic Alignment: Description of how proposals should meet strategic objectives, local need and the programme priorities. Expectations for coordination with other funding programmes.

The proposal for Good Growth Hub year 2 and 3 should demonstrate strategic fit and link to local community, social or economic needs.

This opportunity contributes significantly to the achievement of Government's Mission 1 for Levelling Up: Improve productivity and pay, closing the gap between regions.

This opportunity contributes significantly to the achievement of Government's Mission 2 for Levelling Up: Public investment in R&D will increase significantly.

The UK SPF has been launched by UK Government's as part of its wider commitment to level up all parts of the UK and on the key metrics identified in the Levelling Up White Paper Cornwall and the Isles of Scilly is one of the areas in the UK that is most in need of levelling-up. In its Levelling Up White Paper Government outlined that at national level the UK SPF will have a particular focus on the following objectives:

- Boost productivity, pay, jobs and living standards by growing the private sector, especially in those places where they are lagging.
- Spread opportunities and improve public services, especially in those places where they are weakest.
- Restore a sense of community, local pride and belonging, especially in those places where they have been lost.
- Empower local leaders and communities, especially in those places lacking local agency
- To increase levels of functional numeracy in the adult population

This initiation form describes activity which is part of the Supporting Local Business Investment priority which has the following objectives:

- Creating jobs and boosting community cohesion building on existing industries and institutions, from support for starting businesses to visible improvements to local retail, hospitality and leisure sector facilities.
- Bringing together businesses and partners within and across sectors to share knowledge, expertise and resources, and stimulate innovation and growth.
- Increasing private sector investment in growth - enhancing activities, through targeted support for small and medium –sized businesses to undertake new-to-firm innovation, adopt productivity- enhancing, energy efficient and low carbon technologies and techniques, and start or grow their exports.

Interventions:

- E18: Supporting made smarter adoption
- E23: Strengthen local entrepreneurial ecosystems
- E24: Training hubs, business support offers, incubators
- E26: Growing the local social economy
- E28: Export grants to grow overseas trading etc.
- E30: Business support measures to drive employment growth
- E31: Support relevant feasibility studies

Our Good Growth Investment Plan identifies the need to invest in local businesses through a streamlined and coordinated business support offer in order to drive productivity improvements throughout the CloS economy.

In year 1 (2022/23) Shared Prosperity Fund (SPF) has been utilised to plug gaps in provision and prepare for the transition from the ESIF funded existing Growth and Skills Hub to a streamlined Good Growth Hub offer funded via SPF which will ensure coordination and eliminate any duplication that has been an element of EU funded business support. During year 2 (2023/24) this transition from ESIF business support provision to an offer funded via SPF will be completed with Good Growth Hub becoming the single-entry point for businesses and taking on the role of co-ordinating the procured delivery bodies.

Continued alignment will be required, through national Growth Hub Funding (BEIS), with a wide range of related activities including Innovate UK (IUK), UK Edge (formerly Enterprise Europe Network), Knowledge Transfer Network (KTN), Department for International Trade (DIT), British Business Bank (BBB), Intellectual Property Office (IPO), Be the Business (Productivity Leadership Group), Banks, ICAEW / Accountants, PBS sector, Angel Networks, Universities/Business Schools, Business Intermediaries (e.g. Chambers, FSB etc), Catapults/Incubators and Accelerators, Better Business for All (BBfA)/Regulators, Government Departments e.g. DCMS, DWP, HMRC and Cabinet Office (SME procurement) and National Cyber Security Centre.

The Good Growth Hub offer will draw on the bespoke business support services contracted by the Good Growth programme based on initiation forms BUS001c, BUS002d and BUS007d and also be required to facilitate grant deployment from other SPF activity delivered in parallel and complementary, including:

- Research, Development and Innovation skills and business support programme (small grants) as described in initiation form BUS002b
- Trade and Investment Programme as described in initiation form BUS005b
- Net Zero, Resilience & Green Skills Programme as described in initiation form BUS007c
- Rural Prosperity Fund Smalls grants fund for farm diversification, food & drink processing as described in forthcoming initiation form RUR001

Furthermore, close alignment with the CloS People Hub will be required including when this transitions to SPF funding in year 3 (2024/25):

- Coordinated People and Skills support as described in forthcoming initiation form SKI001

All funding expended should contribute to the “Good Growth” requirements outlined in the CloS SPF Good Growth Investment Plan. The Good Growth Hub shall incorporate the Good Growth principles into its delivery of business support across CloS, including its small grant schemes where higher levels of funding distribution may be spent on projects, activity or initiatives that deliver the greatest contribution to these objectives especially where they are located and/or target the areas and people of Cornwall and the IoS most in need of levelling up.

Please note:

- **Cornwall Council reserves the right to allocate more or less funding than the values set out in this initiation form.**

Route to Market: In-house Delivery Explain the chosen route to market

Activity will be delivered by Cornwall Council’s Good Growth Hub team situated with the Economy and Skills Service in Cornwall Council. Direct delivery of the Good Growth Hub will allow Cornwall Council to build on its award-winning CloS Growth Hub while consolidating a fragmented business support landscape by

providing a single front door for businesses seeking support. The business support offer will be strengthened by closely linking advice with small grants schemes will be managed by the Good Growth Hub team.

Specific Requirements: Description of specific requirements

As part of the response to this initiation form, we want to see a delivery plan submitted alongside the application form. This delivery plan should articulate how a streamlined business support offer will be put in place during 2023/25 that delivers on the Good Growth ambitions articulated in the CloS Good Growth Investment Plan. The delivery plan will need to detail how the Good Growth Hub will manage the relationship to the providers contracted to delivery bespoke business support based on initiation forms BUS001c, BUS002d and BUS007d, including the process for referring businesses to these providers, ensuring that businesses receive relevant business support services of high quality and that there is a clear process for providers of business support services to refer businesses back into Good Growth Hub for small grants where relevant.

Cornwall Council and the Council of the Isles of Scilly are committed to ensure that projects supported through the Shared Prosperity Fund deliver green and inclusive economic growth. That the jobs created are well paid, quality jobs, that all our communities are able to access the opportunities available through this fund and that our environment benefits from this economic prosperity.

The good growth outcomes have been designed to ensure that all SPF applicants consider the impact of their project and identify what contribution it will make towards good growth. Whilst we accept that not all projects can contribute to every good growth outcome, we will expect the Good Growth Hub to ensure that:

- Projects are encouraged to contribute the good growth outcomes
- use the good growth outcomes within their assessment criteria
- report on the good growth contribution of the projects they have funded

We therefore expect the delivery plan for the Good Growth Hub to articulate how the Good Growth principles will be carried into the delivery of this Year 2 and 3 activity. The good growth policy will provide further detail and support will be provided to Project Managers from within the Good Growth team.

We furthermore expect the delivery plan to outline the in-house resource required to deliver a comprehensive and streamlined business support offer that transitions from EU funding to SPF funding during 2023.

We expect the Good Growth Hub to manage Cornwall Council's relations with business support providers, including actively participate in the Prosperity Advisory Panel meetings. The delivery plan shall outline how the Good Growth Hub intends to manage the relationship with business support providers and other relevant stakeholders across Cornwall and the Isles of Scilly. The Delivery Plan must set out how it will deliver compliantly and effectively with SPF requirements set by both UK Government and Cornwall Council as Accountable Body.

The Good Growth Hub shall ensure that leveraging in of private funding is maximised and that value for money is ensured while taking a flexible approach to ensure that consideration is given to exceptional cases where very high grant rate will be appropriate such as projects located on the Isles of Scilly where transport costs are high, community projects where no opportunities for private sector leverage exists or projects targeting new products and markets where entry costs are high and risks involved prevent the activity proceeding without a higher intervention rate.

The Good Growth Hub proposal should also:

1. Set out how people and skills and talent development opportunities are included as part of wider project delivery
2. Demonstrate how activity will complement and not duplicate mainstream, existing and other funded activity. Highlighting the wrap-around support being proposed, and how communities and beneficiaries to be supported will be identified and engaged.
3. Respond to a clearly identified need and clearly describe the need.
4. Not conflict with national policy or local strategies.

Budget & Spend Profile

Funding Available:	£ 8.0m (Total)	This funding opportunity includes both capital and revenue funding . The Good Growth programme will seek to manage the capital/revenue split at a programme level and the Good Growth Hub is encouraged to come forward with a project proposal that includes the appropriate capital/revenue split to delivery outputs and outcomes identified in this initiation form.	
Minimum award related to small grants for businesses:	£ 5,000	Maximum award related to small grants for businesses:	£ 200,000
Year	23/24	24/25	Total
Intervention (E)	Funding (£m)	Funding (£m)	Funding (£m)
E18: Supporting made smarter adoption	0.51	0.51	1.02
E23: Strengthen local entrepreneurial ecosystems	0.97	2.67	3.64
E24: Training hubs, business support offers, incubators	0.36	1.02	1.38
E26: Growing the local social economy	0.25	0.51	0.76
E28: Export grants to grow overseas trading etc.	0.25	0.26	0.51

E30: Business support measures to drive employment growth	0.26	0.25	0.51
E31: Support relevant feasibility studies	0.05	0.13	0.18
Total per year	2.65	5.35	8.00
Intervention Rate for small grant scheme:	Flexible	Target Leverage:	£ 3.0m (Total)
Spend Start:	01/04/2023	Spend End:	31/03/2025

Good Growth Principles

All SPF investments must be made in consideration of the Equality Act 2010. It is mandatory for all applications to assess impact of their project between people who share a protected characteristic and those who do not.

In addition, the following specific good growth principles must be considered for this activity:

Clean and Green		Business / Economy		Equality/Inclusive growth	
C1 Reduction in CO2 emissions	<input checked="" type="checkbox"/>	BE1 Increase % of workforce earning real living wage	<input checked="" type="checkbox"/>	EQ1 Invest in projects that encourage a healthy lifestyle	<input checked="" type="checkbox"/>
C2 Circularity - reduction in use of virgin raw materials. Recycle reuse principles	<input checked="" type="checkbox"/>	BE2 Improve productivity for businesses in CloS	<input checked="" type="checkbox"/>	EQ2 Reduce gender pay gap	<input checked="" type="checkbox"/>
G1 Nature recovery	<input checked="" type="checkbox"/>	BE3 Contribute positively to CloS economy, environment and equality through purchasing/procurement	<input checked="" type="checkbox"/>	EQ3 Increased levels of functional numeracy and literacy in the adult population	<input type="checkbox"/>
G2 Attracting private sector green finance income to Cornwall	<input checked="" type="checkbox"/>			EQ4 Maximise opportunity for people with disability and ill health (including mental health)	<input checked="" type="checkbox"/>
Contribute to the Environmental Growth Strategy for Cornwall and Isles of Scilly	<input checked="" type="checkbox"/>			EQ5 Maximise work based opportunities for those with SEND particularly relating to spectrum disorders and dyslexia	<input checked="" type="checkbox"/>
				EQ6 support for the ageing population to remain economically active	<input checked="" type="checkbox"/>

			EQ7 Support young (under 30) entrepreneurs	<input checked="" type="checkbox"/>
			EQ8 Levelling-up of towns and neighbourhoods throughout CloS	<input checked="" type="checkbox"/>
			EQ9 Increased capacity and place-based leadership in communities	<input checked="" type="checkbox"/>
			EQ10 Advance equality of opportunity between people who share a protected characteristic and those who do not (Equality Act 2010)	<input checked="" type="checkbox"/>
			EQ11 Assist individuals with complex barriers to employment to access opportunities	<input checked="" type="checkbox"/>
			EQ 12 Have a positive impact on children and promote and uphold children's rights under UNCRC	<input type="checkbox"/>

Outputs/Outcomes

For this invitation to bid we are looking for activity that delivers the following outputs and outcomes:

E18: Supporting made smarter adoption	Output / Outcome	Total for the period 2022/23 – 2024/25
Number of enterprises receiving non-financial support*	Output	41
Number of enterprises receiving grants*	Output	22
Number of people attending training sessions	Output	128
Increased amount of investment (£)	Outcome	408,000
Number of businesses introducing new products to the firm***	Outcome	6
Number of enterprises adopting new to the firm technologies or processes*	Outcome	6
E23: Strengthen local entrepreneurial ecosystems	Output / Outcome	Total for the period 2022/23 – 2024/25

Number of enterprises receiving financial support other than grants*	Output	33
Number of enterprises receiving non-financial support*	Output	144
Number of enterprises receiving grants*	Output	71
Number of potential entrepreneurs provided assistance to be business ready	Output	72
Jobs created	Outcome	36
Jobs safeguarded	Outcome	18
Number of new businesses created	Outcome	36
Number of businesses introducing new products to the firm***	Outcome	9
Number of enterprises adopting new to the firm technologies or processes*	Outcome	9
Number of enterprises with improved productivity*	Outcome	9
Number of enterprises engaged in new markets*	Outcome	9
E24: Training hubs, business support offers, incubators	Output / Outcome	Total for the period 2022/23 – 2024/25
Number of enterprises receiving non-financial support	Output	204
Number of businesses receiving grants	Output	100
Jobs created	Outcome	20
Jobs safeguarded	Outcome	10
Increased amount of investment (£)	Outcome	408,000
Number of businesses introducing new products to the firm***	Outcome	5
Number of enterprises adopting new to the firm technologies or processes*	Outcome	5
E26: Growing the local social economy	Output / Outcome	Total for the period 2022/23 – 2024/25
Number of enterprises receiving non-financial support*	Output	87

Number of enterprises receiving grants*	Output	40
Number of potential entrepreneurs provided assistance to be business ready	Output	15
Number of people attending training sessions	Output	102
Jobs created	Outcome	15
Jobs safeguarded	Outcome	8
Number of new enterprises created as a result of support*	Outcome	10
Increased amount of investment (£)	Outcome	153,000
E28: Export grants to grow overseas trading etc.	Output / Outcome	Total for the period 2022/23 – 2024/25
Number of enterprises receiving grants*	Output	105
Number of enterprises engaged in new markets*	Output	54
Jobs created	Outcome	10
Jobs safeguarded	Outcome	5
Number of enterprises increasing their export capability*	Outcome	54
E30: Business support measures to drive employment growth	Output / Outcome	Total for the period 2022/23 – 2024/25
Number of enterprises receiving non-financial support*	Output	45
Number of enterprises receiving grants*	Output	34
Jobs created	Outcome	17
E31: Support relevant feasibility studies	Output / Outcome	Total for the period 2022/23 – 2024/25
Number of feasibility studies supported	Output	27
Increased number of projects arising from funded feasibility studies (% increase)**	Outcome	9

*Output/outcome has changed slightly compared to original outputs/outcomes published by government: [UK Shared Prosperity Fund: outputs and outcomes definitions \(2\) - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/publications/uk-shared-prosperity-fund-outputs-and-outcomes-definitions-2)

** Output/outcome has changed substantially compared to original outputs/outcomes published by government: [UK Shared Prosperity Fund: outputs and outcomes definitions \(2\) - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/publications/uk-shared-prosperity-fund-outputs-and-outcomes-definitions-2) and alternative output/outcome figure will be agreed at contracting stage.

*** Output/outcome discontinued compared to original outputs/outcomes published by government: [UK Shared Prosperity Fund: outputs and outcomes definitions \(2\) - GOV.UK \(www.gov.uk\)](#) and alternative output/outcome will be agreed at contracting stage.

The outputs and outcomes stated here reflect our Investment Plan submission to Government. Applicants should note Cornwall Council reserves the right to adjust and refine these outputs and outcomes as delivery progresses during the duration of our SPF programme and further national guidance becomes available.

Appraisal Criteria			
Strategic Alignment	Good Growth	Deliverability	Value for Money
25%	25 %	25 %	25%
Explanation for criteria weighting			
This initiation form covers year 2 and 3 delivery of the CloS Good Growth Hub and an equal importance has been given across strategic alignment, good growth, deliverability and value for money as this is a flagship activity that needs to delivery across the board.			

For further information on the programme please refer to the [Good Growth website](#). Completed Applications and relevant documentation must be submitted via email to goodgrowth@cornwall.gov.uk before the deadline stated on this Form.

Support and guidance to assist applicants through the application process is available at [Good Growth website](#).

More information on Shared Prosperity Fund can be found on the UK Government website; <https://www.gov.uk/government/publications/uk-shared-prosperity-fund-prospectus>

Date Updated:	31/01/2023	Lead:	Good Growth Team
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