

**STOKE ON TRENT & STAFFORDSHIRE
LOCAL ENTERPRISE PARTNERSHIP
COMPANY EXECUTIVE BOARD MEETING
15 October 2020**

Growth Hub Steering Group – Peer Network Programme

1 Background

- 1.1 The Stoke-on-Trent & Staffordshire Local Enterprise Partnership (SSLEP) have been allocated grant funding of up to £405K from the Department for Business, Energy & Industrial Strategy (BEIS) in respect of a Peer Network Programme for SMEs to be spent by 31 March 2021. Details of the scheme can be found here: www.peernetworks.co.uk
- 1.2 Online details of the Peer Network Programme were [reported](#) to the Executive Board on the 15 September 2020 and that a draft grant funding agreement had been issued to the Accountable Body. Amendments to the draft contract clauses were sought by other Local Enterprise Partnerships through the LEP Network and these revisions have been agreed nationally with BEIS. The SSLEP S151 Officer signed the revised contract on the 30th September 2020.
- 1.3 The LEP Secretariat c/o the LEP Chief Executive and Growth Hub Manager advised the Executive Board that they will consider the operational commissioning matters around demand from businesses, servicing that demand through delivery arrangements, the associated procurement requirements and will bring forward options/proposal(s) via the Growth Hub Steering Group under the Chair of Hannah Ault.

2 Procurement strategy to appoint service providers

- 2.1 The LEP Secretariat and Growth Hub Manager have worked through the procurement toolkit provided by the Accountable Body to agree its sourcing strategy. The BEIS contract contains tightly defined criteria in terms of scheme parameters (e.g. how many businesses comprise what is referred to as a 'cohort') and the payment mechanism requirements for the SSLEP to draw down funding.
- 2.2 The Peer Networks Programme is to be delivered through a series of virtual high impact group sessions, with a trained facilitator, involving a specified number of hours (18 hrs). No partial claims are permitted if the course is not completed. The nature of the scheme means that individual businesses will be committing to a series of 2 to 3-hour sessions set out over a 3 to 6-month period. Based on the specified rate(s) of approximately £15K per cohort (approximately 10 businesses per cohort), it will be challenging to make full use of the full grant allocation within the time frame of up to

31 March 2021. The procurement approach being advocated is to get a service up and running as soon as possible by splitting the grant into two parts with the first part (up to £189K) being subject to a Direct Award to the Staffordshire Chambers of Commerce with the remaining (£216K) being subject to an open market tender exercise. The grant remains with the Accountable Body until BEIS are satisfied with the programme outputs and claims can be processed.

- 2.3 The Staffordshire Chambers of Commerce have provided details of operational aspects of how they would deliver a programme aligned to the BEIS contractual requirements, that is agreeable to the Growth Hub Manager and LEP Secretariat. Authorisations are in place with the Accountable Body for the SSLEP to enter into a contract with the Chambers of Commerce with the ambition to mobilise the business support service in late Autumn. The procured aspect of the service is likely to take six to eight weeks to put in place with the ambition to mobilise a supplementary service provider in the New Year.
- 2.4 BEIS require that the SSLEP keep them updated on the predicted spend profile on a monthly basis so they can make informed decisions around whether or not to modify the grant allowance if it becomes clear that it cannot be spent before the end of 31 March 2021 (or if any unforeseen flexibility arises within BEIS to allow the SSLEP to extend the programme into the Spring/Summer).
- 2.5 Alternative options are limited given the nature of the grant award conditions and as this is an unprecedented 'use it or lose it' grant situation linked to the ongoing difficulties associated with the pandemic situation. The SSLEP could chose not to accept any grant from BEIS, or decide not to split the grant and just pursue an open market tender and accept the likelihood of providing a much reduced provision of this type of business support on offer.

Recommendation of the LEP Chief Executive:

That the Board endorses the operational commissioning of the Peer Network Programme in line with the Accountable Body requirements associated with Direct Award, with the SSLEP (i) entering into a contract with the Staffordshire Chambers of Commerce who will be able to draw down on the SSLEPs grant allocation of up to £189K and (ii) a progressing an open tender process with the ambition to appoint a supplementary service provider that can draw down on the remaining £216K of grant.