

Surrey Business Leaders Forum

November 2024



Agenda

No.	Timings	Item	Speaker(s)
1.	14:00- 14:15	Welcome	Chris Hurren (SBLF Chair)
2.	14:15- 14:40	Autumn Statement Review and Devolved Funding	Patricia Huertas (Head of Economic Programmes & Localities, Surrey County Council)
3.	14:40- 15:25	Economic Strategy Update and Surrey Growth & Innovation Fund	Patricia Huertas (Head of Economic Programmes & Localities, Surrey County Council)
4.	15:25- 15:50	Delivery Programme Update	Rhiannon Mort (Head of Economic Programmes & Localities, Surrey County Council)
5.	15:50- 16:00	Reflections and Close	Chris Hurren (SBLF Chair)

Welcome

- **Chris Hurren – Surrey Business Leaders Forum Chair**
- *Declarations of Interest*

Recap from last meeting

- **When we last met...**

- Joint workshop with OSGB – key discussion to explore drivers of change that will influence the future of Surrey's economy
- You provided comprehensive insight that we fed into the development of the strategic priorities and is also helping us shape the future Surrey Growth and Innovation Fund – some highlights:
 - Identified and prioritised the following drivers of change: **education and skills development, investment in R&D, entrepreneurship and startups, and digital transformation**
 - Encouraged us to be **delivery focused**, structuring our work around practical ideas and actions to drive forwards
 - Made clear **connections between the economic infrastructure and place-making priorities and asked us to consider how we link them together**

- **This led us to...**

- Completion of the strategy evidence review informed by the insights you provided
- Identification of the three economic strategic priorities, and development of the draft Economic Strategy and Growth & Innovation Fund Framework – to be presented and discussed for further input today
- Now looking for SBLF input into prioritisation of initiatives for the first funding round

Autumn Statement Review and Devolved funding

Item 2

Autumn Statement Review

SMEs

- Lower business rates multipliers for retail, hospitality and leisure properties and £1.9b of support to small businesses and the high street
- Increase rate of employer NICs to 15% and per-employee threshold reduced
- Commit to funding for 2 key growth-driving programmes in 2025-26: Growth Hubs in England and Help to Grow
- Extend the Made Smarter Innovation programme with up to £37m funding in 2025-26

Workforce and skills

- Forthcoming publication of the Get Britain Working White Paper and establishment of Skills England
- Providing an additional £300m for FE to support skills development of young people
- Transform the Apprenticeship Levy into a Growth and Skills Levy
- NLW will increase by 6.7% (to £12.21 per hour) from April 2025

Industrial Strategy and growth-driving sectors

- Commitment to target interventions to drive growth where the UK has, or could develop, a comparative advantage – SCC response to strategy
- Launch of the National Wealth Fund to mobilise investment into the UK's world leading clean energy and growth industries
- 8 key sectors identified and align with Surrey's specialisms*, along with long-term funding for growth-driving sectors
- Tax reliefs for world-leading creative industries and providing £3m to expand the Creative Careers Programme
- Supporting commercialisation of our world-class university research by providing at least £40m for proof-of-concept funding and improvements

Infrastructure and planning

- Investing over £500m to deliver Project Gigabit and Shared Rural Network
- Responding to the National Planning Policy Framework consultation to confirm pro-growth reforms to the planning system

Devolved Funding

- **Connect to Work**

- Government investment of £115m in 2025-26 to deliver a new supported employment programme (3-year programme, possibly increasing to 5 years)
- Matching people with disabilities or health conditions into vacancies and supporting them to success in their roles
- Local authorities will be able to tailor their delivery of Connect to Work to meet their local needs
- Maximum grant for Surrey of £3.6m per year

- **Adult Skills Fund**

- SCC has been notified by Department for Education of the Adult Skills Fund (ASF) Implementation Funding
- Will prepare for devolution of the Adult Education Budget (AEB) to SCC by May 2026 – total expected to be in the region of £11m, TBC
- This is in line with SCC's intention to get a Level 2 County Deal from Government
- Will enable innovate approaches and to respond to priorities as set out in Surrey's Skills Plan and Economic Strategy

- **UK Shared Prosperity Fund**

- Continuation for a transitional year, providing £900m to allow local authorities to invest in local growth, in advance of wider funding reforms
- The government will reform the local growth funding landscape at Phase 2 of the Spending Review: rationalising the number of funds, moving away from competitions, and better supporting local leaders to drive growth
- Extension of English devolution by working with Mayors and local leaders to deliver the growth mission, alongside the roll-out of new Local Growth Plans – sequencing with devolution agenda / framework and Economic Strategy

Group discussion

- What is / will be the impact of the recent Autumn Statement on local businesses?
 - Insights to be fed into the One Surrey Growth Board meeting (3rd December)

Economic Strategy Update and Surrey Growth & Innovation Fund

Item 3



Reframing the strategic priorities

- Strategic Economic Planning is crucial for fostering sustainable growth and productivity growth
- Alignment of key priorities for government and SCC
- Gross Value Added sluggish and slowing in Surrey for a number of years
- Focus on local economic opportunities, addressing challenges, and developing strategic connections across regions
- The context in which we operate in has fundamentally changed over the last 4-5 years
- The priorities of the current strategy, being reframed as follows

1. Ensuring that Surrey businesses have the workforce they need to grow

2. Creating the right conditions for Surrey businesses to start, grow and thrive

3. Enabling economic infrastructure to unlock growth through place-based approaches

Evidence review so far...

It is important that we have a clear logic chain that links our investment and funding interventions back to our strategic objectives and addresses specific opportunities and challenges highlighted by the evidence-base.

Key opportunities/challenges identified:

- Scale up issue
- Start-up acceleration, access to finance, access to workforce
- Tradeable jobs opportunity and international trade
- Internal R&D
- High industrial space vacancy rate
- Declining provision of multi-tenancy facilities, particularly impacting SMEs
- Stagnating growth in Surrey's working age population
- Earning inequalities are larger than comparators – particularly between genders and highest / lowest earners
- Highly skilled population not necessarily meeting job demands of local businesses (manufacturing / high-tech industry)

Surrey Growth & Innovation Funding Framework

- **SCC has secured a portion of legacy growth funds** (up to £24m over 8-10 years) to support local economic growth in Surrey.
- Setting up the “Surrey Growth and Innovation Fund” (GIF).
- The ambition is for **funding decisions to align with the refreshed strategy and priorities identified.**
- Currently developing a **funding framework before formally launching in Feb/March 2025 (subject to Cabinet approval).**
- The framework will also be used to direct any growth-related funds the council may receive in the future.
- We need to **use the funding in a sustainable way that delivers the maximum strategic impact** from every £ spent.
- The funding could be deployed through various methods such as competitive funding rounds, direct grant awards, strategically important projects, or SCC-led projects.
- This is a framework and not a rigid plan, so will respond in a flexible and agile way to changes and opportunities that arise.

Draft framework

Vision: *Increase Surrey's productivity and foster innovation by building on the county's economic strengths to support a resilient and high-value economy that contributes to sustainable growth across the UK.*

Objectives:

- Innovation and R&D
- Key clusters and sectors
- "Global Britain" and international trade
- Local workforce
- Net Zero and sustainable growth

Principles: strategic alignment with sustainable economic growth, encouraging partnership and collaboration, the long-term impact and legacy of initiatives, and the financial viability of decisions which demonstrate sound financial planning.

Suggested key measures of success

- Number of jobs created/protected
- New businesses created
- New to market products/services
- Increase in business profitability
- Number of businesses supported that are new to exporting
- Assisted businesses reporting significant business benefit
- Commercial floor space created
- Entrepreneurs supported to be business ready
- Match-funding attracted
- Businesses with improved productivity

Types of projects that could be funded

- Feasibility studies for infrastructure projects that will unlock economic growth.
- Start-up, incubator, and accelerator programmes.
- Seed funding to pilot new ideas and projects.
- Match-funding to support larger capital projects.
- Knowledge-sharing and networking initiatives.
- Co-funded skills programmes to meet local business needs.
- Investments in innovation –SCC-led projects – we will have a pipeline of projects identified that (subject to approval) that can be supported by the GIF.

Breakout group discussion

We are seeking ideas and input from the SBLF to help shape a shortlist.

- What are your thoughts about the examples of different funding initiatives? Are there any we should prioritise for the first round of funding?
- Do you have any additional ideas for how to use the funding to address the opportunities and challenges identified?
- How do we work together and engage with businesses as part of the funding initiatives?

Next steps

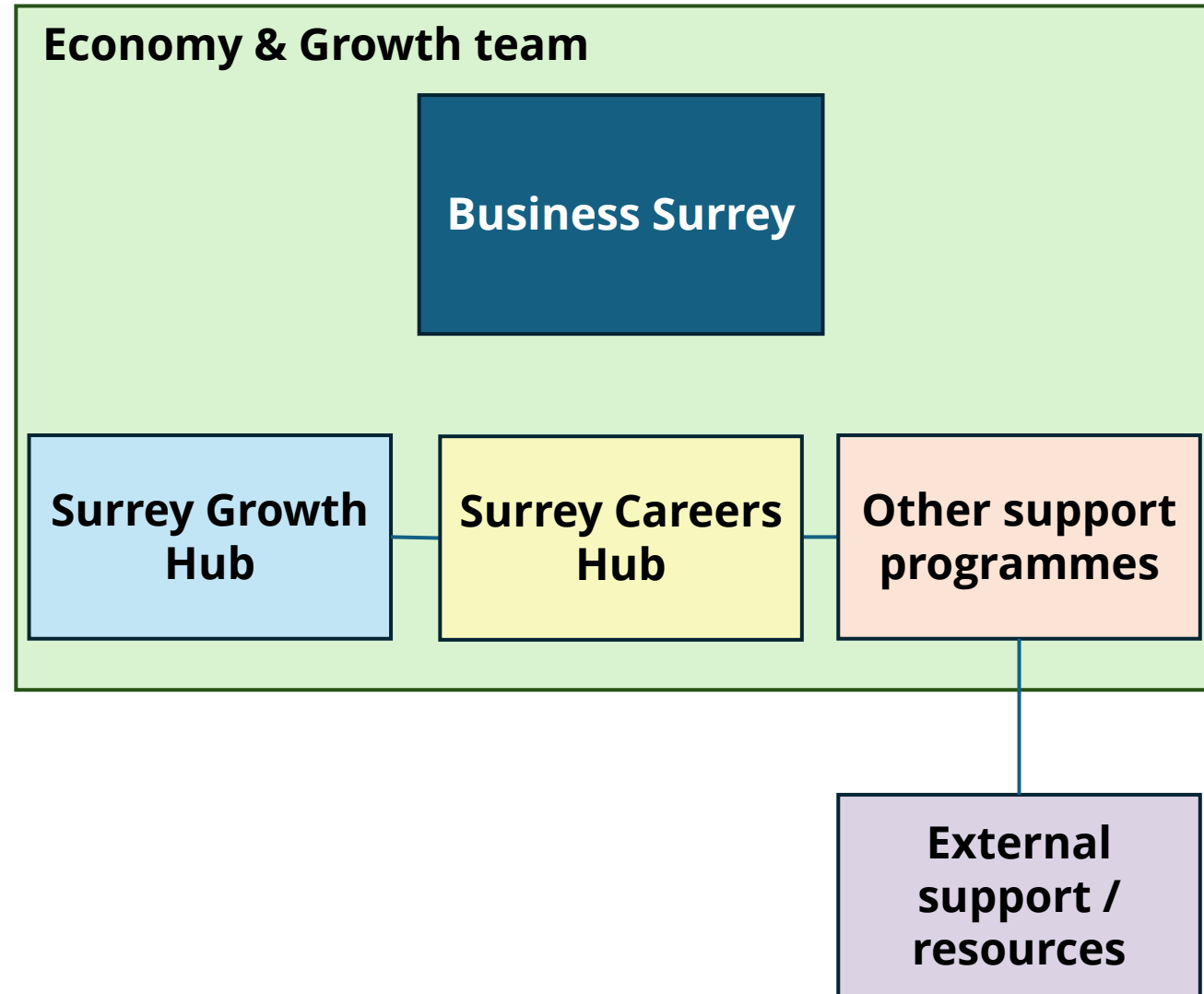
- Develop formal governance arrangements and bid approval processes (i.e. role of OSGB, Cabinet, etc).
- One Surrey Growth Board meeting 3 December 2024 – discuss this in further detail and outputs from the SBLF discussions.
- Continue to develop the draft Surrey Growth and Innovation Funding Framework.
- 25 February 2025 – Formal Cabinet endorsement for refreshed strategy, sign-off the Funding Framework and approval to launch first funding round(s).
- **Ambition to launch first funding round(s) in March 2025 (competitive funding AND/OR direct grant awards).**

Delivery Programme Update

Item 4

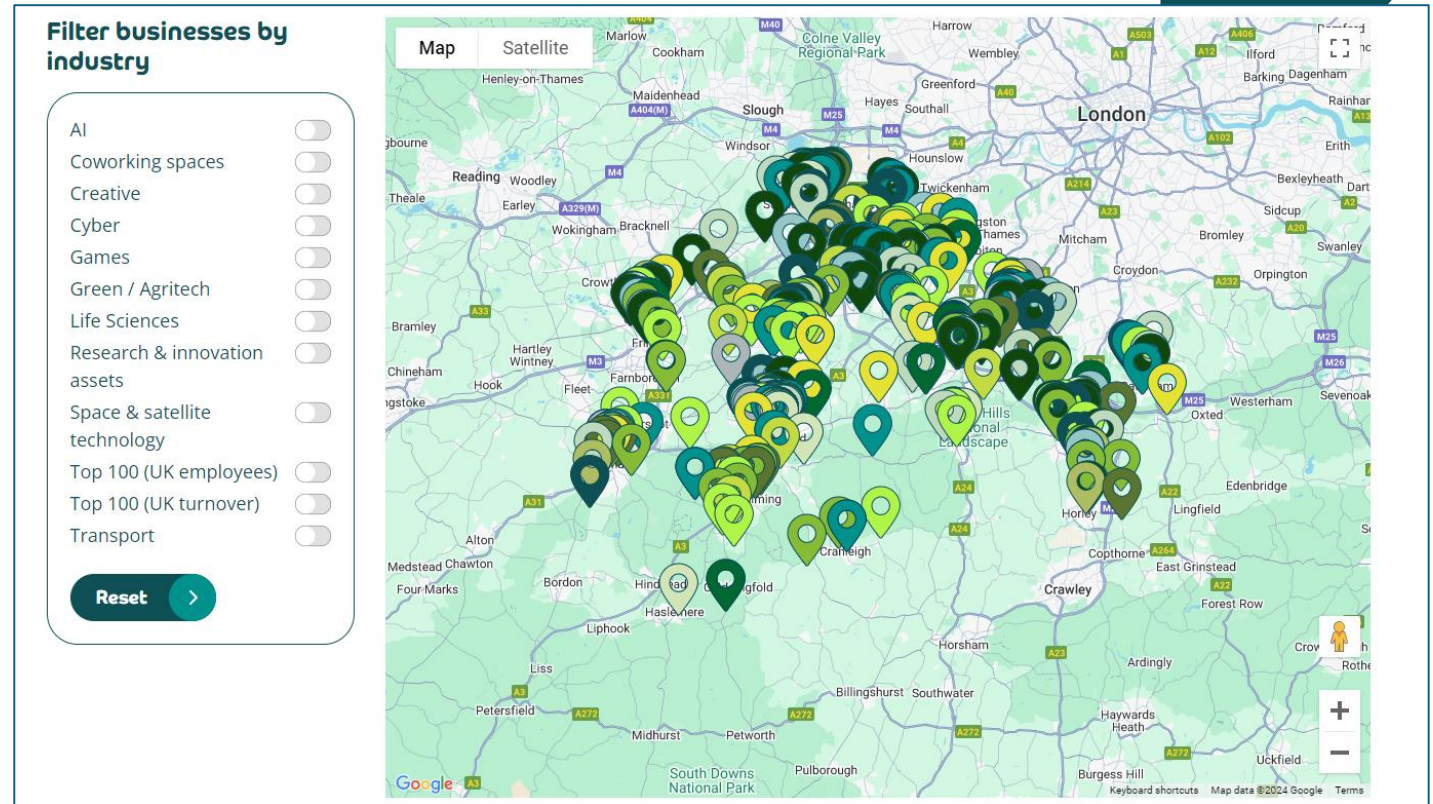
Delivery Services

- Surrey County Council's (SCC) key delivery services, Surrey Growth Hub and Surrey Careers Hub, sit within the **Economy & Growth team**.
- In practice, all three service delivery areas **work together as a singular operational unit** to support businesses
- **Business Surrey** is SCC's business-facing brand – it is the single entry-point for local businesses and is the gateway to other services and resources.
- **Surrey Growth Hub** is the Surrey-wide business support service that offers free and accessible targeted support and advice to high-growth SMEs across the county.
- **Surrey Careers Hub** supports Surrey schools, special schools, and colleges with their provision of careers education, connecting education and the world of work. Engages with employers to align education to skills gaps and industry needs.



Support to Surrey Businesses

- SCC's business support service, [Business Surrey](#), continues to grow its reach with 15,490 unique website users (39,742 total website views) and 747 enquiry forms completed by the end of October (achieving a conversion rate of 4.8%, more than double the industry standard of 2%).
- The new [interactive map](#) on Business Surrey was launched in October, showcasing key businesses and sectors – this was the most viewed page on the website this month (1,819 views) with users able to view the location of key businesses in Surrey and filter by industry.



Delivery Programme Update

Support to Surrey Businesses

- The **Surrey Growth Hub** team is well established and building momentum in delivering targeted business support and advice to high-growth Surrey SMEs. To date (end of October 2024) our Growth Hub has provided support to 886 businesses, with:
 - 757 of those receiving light touch interventions (up to 1 hour) – annual target of 2000
 - 127 receiving medium intensity support (1 to 12 hours) – annual target of 250
 - 2 receiving high intensity support (exceeding 12 hours) – annual target of 50.
- The Growth Hub team has also organised and hosted various business support events, including the *Navigating the Business Lifecycle* series which covers specifics such as ‘From Idea to MVP’, ‘Finance and Funding Strategies’, and ‘Mastering Marketing and Communication’. Planning is ongoing for the 2025 event programme.

Surrey Workforce and Skills Delivery

- In its first year of operation, the **Surrey Careers Hub** supported an increase in performance across all Gatsby Benchmarks (government recognised framework of good careers education) and achieved its target of 90% of schools achieving at least 3 Gatsby benchmarks
- The second **Surrey Festival of Skills** took place on 15th October at Surrey Sports Park—over 2,000 students and teachers from 40 schools and colleges attended and engaged with more than 80 exhibitors on the day, consisting of both employers and further and higher education opportunities.
- The team have received 554 applications to **Multiply courses** since the launch in September (vs annual target of 1,800) along with more than 1,200 leads generated for **Skills Bootcamps** since July (including 402 website forms and 826 digital social channel leads), which is double the number of available courses.





How can SBLF members get involved?



- **Multiply scheme**
 - Free numeracy training for all adults without a GCSE (C+) in Maths
 - Can you promote this to workforce? Do you want bespoke Multiply training in-house to support your colleagues?
 - We will connect you with an appropriate provider to deliver this, at no cost
- **Enterprise Adviser volunteers**
 - Use your business experience to work strategically with Careers Leaders in Surrey's schools and colleges.
 - As an [Enterprise Adviser](#), your input and advice will play a crucial role in helping educators to design and deliver 21st Century careers education.
- **Business Surrey events**
 - Would any members be interested in hosting or speaking at a Business Surrey event?
 - We're actively looking for venues for seminars, workshops, the big IdeasLab event we're developing, and potentially Peer Group Sessions.
 - We'd also love to hear from any 'experts' or business leaders that would like to be involved in inspiring others, perhaps you have an expertise in marketing, sales or sustainability, a background in making investments in businesses or seeking investment, or have a personal story that would inspire those developing an idea or business of their own.
- **Planning for your Future**
 - SCC is working with Age UK Surrey to support people to plan for life post-retirement – including power of attorney and costs of care.
 - We're looking for employers to work with on bespoke programme which fits in with your current L&D / training plans
 - Contact bob.pritchard@surreycc.gov.uk
- **Skills Bootcamps**
 - Low-cost training in key sectors. Available to all Surrey adults, including those in work.
 - Places remaining in most courses, especially Construction (Insulation) and Health & Social Care.
 - Contact skills@surreycc.gov.uk

Reflections and close