

Minutes CWLEP SME Supergroup meeting 28th June 2017

Attendees

Sean Farnell	SF	CWLEP, FSB, Chamber, Burgis & Bullock
Stephanie Kerr	SK	BID Leamington
Roger Scott	RS	Lloyds Banking
Linsey Luke	LL	Federation of Small Businesses
David Kelham	DK	Excelerate Resources
Craig Humphrey	CH	CWLEP Growth Hub
Richard Marchington	RM	Apex Recruitment
Janette Pallas	JP	University Of Warwick Science Park
Roger Douthwaite	RD	CWLEP
Graham Simpson	GS	Coventry & Warwickshire Reinvestment Trust
Dave Hope	DH	Coventry City Council
Louise Richardson	LR	WCC (Rep for Matt and Dave A.)
Ajay Desai	AD	Chamber (rep for Louise B.)

Apologies received from

Louise Bennett	LB	Coventry & Warwickshire Chamber of Commerce
Sarah Windrum	SW	CWLEP, Emerald Group
Phil Peak	PP	CWLEP Growth Hub
Dave Ayton-Hill	DA	Warwickshire County Council
Matt Epps	ME	Warwickshire County Council
Andy Williams	AW	Coventry City Council
Hannah Alexander	HA	Lloyds Banking

1. WELCOME & INTRODUCTION

SF welcomed the group and Alister de Ternant from Associate Events, to cover the agenda item on the Business Festival

2. BUSINESS FESTIVAL

Developing a business festival to place Coventry & Warwickshire at the UK centre of inward investment. Festival serves as an outward facing banner to showcase what's going on in the region and promotional tool.

100 events hosted by local business community. 5 asks:

- Needs funding
- Needs events -> Shout about what you're doing
 - o Support local business community
 - o Innovative that's come out of the region
 - o Something at the centre of political debate (e.g. future for SMEs after Brexit)
 - o Already 60 expressions of interest received for events.
- Needs attendees – Attend events and use your network to get people to events
- Needs venues
- Needs people to push message out.

Example of Leicestershire Business Festival:

12500 people attended, 120 events, 20% of attendees from outside of Midlands. Average attendance is 76%.

Register events through website: www.cwbusinessfestival.com

Register venues via email: hello@cwbusinessfestival.com

-> Assoc. get back to people within 14 days. Tickets on sale form 13th of August, list of events goes live on 1st August

Cross-sector and sector-specific events also required, attracting sector-specific press.

Opportunity for small businesses: could there be a joint event for 5-6 Small businesses?

- Associate events could help pull an event together/ match up events with similar interests
- RS proposed Lloyds could use MTC. Business Forums are also a good platform to involve.
- Potential to pull together events around different "stories", such as particular sectors, where FSB, Chamber or Growth Hub could lead on topic
- Chamber are planning four events in this time frame, event around Brexit, which is suitable for all types of businesses to join. Second, Meet the buyer on food on drink. Catalonia to have Advanced engineering delegation and Northern France are bring some businesses across.

LB, RD, LL, CH, DA & SF also sit on steering group for Festival.

AP: Discussions with businesses to listen out for topics that SMEs are concerned with – could form the core of events for Business Festival, coordinated potentially through SME group

3. MINUTES FROM LAST MEETING AND MATTERS ARISING

Minutes from last meeting were agreed, however corrections have been added to the attendee and apologies list, corrected version circulated with the minutes to members and to be uploaded to the CWLEP website.

The Action list was also agreed on, items have been actioned within the deadlines. Chamber comments/anecdotes regarding planning issues is an ongoing enquiry.

4. UPDATE CONSTITUTION OF SME/A2F WORKING GROUP

CWLEP has currently three SME representatives. The CWLEP business groups each have reign over their own constitution in terms of attendance and representation at board level.

Members to feedback suggestions by 12th July, SF to propose constitution to the CWLEP Finance and Governance Committee on 18th July.

AP: All members have been asked to feed thoughts on constitution to SF by 12th July.

5. FINANCE REPORTING

5a) SME BANKING

Meet the banks event as source, contacts within C&W on offering of banks, and work with Stephanie of the BIDs within retail offering. Offer based on size and turnover of business. Banking offer focused on high street locations with all the banks having their presence. For businesses under 10mio, Lloyds offers support from their local hubs -> Does this properly support businesses? Branch- and telephone based managers, or face-to-face SME bankers. No proper level of support for under £5mio businesses and gaps for businesses below £1 mio.

Bespoke schemes for £5-25mio, where businesses get a dedicated manager. More access to funding opportunities for these businesses.

Impact of rates increases particularly in South Warks. → Also feeds into retail case. There are operators that are doing well but there is a gap.

Manufacturing: Manufacturers are underpinned by JLR

Property: Impact on rent proposition, mainly Ltd companies due to tax position

Transport: Banks are keen to be backing this sector

Professional: Very competitive in banking, attracts lenders

Leisure and Tourism: Free hold, is attractive for bank

AP: SP: To update on development of collateral for banks/clients.

<p>Meet the bank event: Big concern is bank closures. Trend is continuing due to national direction of banks. Need to get better at referring banks into the Growth Hub.</p> <p>If lending via bank is declined, banks are required to offer access to their portal for alternative lenders. RS got only 8 referrals to the portal this year. Bankers work with what they have but currently does not deliver the value.</p> <p>Is CWRT in the front as the lender? Worcester would know Finance Birmingham and BCRS. Coventry would be better aligned for CWRT, Portal that the banks uses currently has limitations and there is a gap in their awareness</p> <p>RS: FSB event was a good catch, regarding mixed representation. FSB has good role to play in this alongside Growth Hub and Chamber. UWSP are organising finance events, also a crowdfunding event as a follow up event.</p> <p>Bankers are trained and aware of business support helpline nationally and Growth Hubs locally but need more support in getting this across to the client. -> Brief might help as a guideline, collateral / Growth guide to give to client on Business Support would be helpful.</p> <p>Growth Hub can help in many areas, and engage clients with the providers in the region in a holistic approach. But there are still gaps, to support start ups on their way to Growth</p>	<p>AP: GS/CWRT to be more visible to local banking community to counter out of region rivals</p>
<p>5b) LOANS UPDATE</p>	
<p>CWRT are here to help local community by lending money. Tends to lend to people that tend to be declined/ not fully supported by bank/ grants. CWRT is a regulated body and works with the partnership. CWRT works in loans and operate in an area of 0 to 2-3mio turnover. Up to 25k for start up and up to 75k. Also personal loans as preferable rates</p> <p>Duplex Fund: advanced discussions with CCC and WCC hoping to offer this, for capital investment. Looking to raise the upper limit of loan. Significant public sector initiative. C&W as leaders on this idea. To hopefully happen within next 9months. Working with Birmingham & Solihull, ART. Looking to approach WMCA with micro finance loan. To operate in area of bank declines. Also providing business support to attract money. Growth Hub is key in this to attract clients.</p> <p>RS: There is synergy, good solution for up to 1mio. Similar return on rate CWRT is paying around 13% for businesses. CWRT can take on more risky position on determining who gets a loan.</p>	<p>AP: GS: to update the group on the figures, showing lenders by sector.</p>

Different types of businesses, currently high amount of care homes, retailers, restaurants.	
<u>6. PROCUREMENT UPDATE</u>	
<u>6a) SME SUPPLY CHAIN REPORT</u>	
<p>Slot at the next board meeting for this proposal. Group to sign off, additional comments needed.</p> <p>Group agreed on the importance of the paper, also supported by DH and AW.</p> <p>RS mentioned that big businesses face legal constraints for subcontracting but needs to be on agenda of big businesses to engage with region, but not just for charity.</p>	AP: All, any additional comments to LL on the report.
<u>6b) PORTAL</u>	
<p><i>Discussed under item 3, as an item from the action list.</i></p> <p>Portal finance is now settled for the development. No marketing budget allocated to portal. Due to be launched late Summer → JP: Launch of this could coincide with Business Festival</p> <p>Black Country and Birmingham would like a Connect portal. HVM city (Black Country) could plug into that. Focus is on Private sector opportunities, sitting alongside the public sector opportunities already out there</p> <p>It is not a portal to advertise businesses but where businesses post opportunities posted. Those that want to see the opportunities pay to see them.</p>	
<u>7. CASE FOR CWLEP RETAIL CHAMPION</u>	
<p>Case to LEP board for greater representation is being proposed through a paper and presentation at the next CWLEP board meeting. Feedback from retail focus group and Lloyds has helped and added some strong figures. Report should be compelling picture of the sector's contribution to the local economy but also risks and opportunities to the sector. Support is fragmented for retail businesses.</p> <p>BIDs – 18 mio is put into this in the last 15 years so there is appetite. 40% of businesses have seen their business rates go up. Opportunities around Culture & Tourism, Digital, Skills → More room to support, also includes transferrable skills.</p> <p>LEP is investing in different ways. Investment going into town centres. Important that businesses are heard in this space.</p>	AP: SK to represent the paper at the LEP board

<p>New LEP board member specifically for retail or allocating the role to existing board members? Put recommendation in the paper or have space to discuss.</p> <p>Feedback on the paper was good. Figures especially strong, when aligning to the board’s priorities and funding.</p> <p>CWLEP tends not to go specifically for reps within a certain sector unless the Rep has the right calibre. ->Potential conflict could be with further education. Enquiry for statutory representation for FE collees.</p> <p>Championing could be possible as well, either as a separate board member or “attached” to an existing rep on Board level, potentially from the public sector. Regeneration and business support angle. Championing is possible. Ask should be whether a public sector person could volunteer or find high calibre retail champion.</p> <p>One comment was made that the retail sector is fragmented, and reps should work across all retail areas such as BID managers.</p> <p>SF suggested for the board presentation to be held by SK</p>	
<p><u>8. UPDATE MIDLANDS ENGINE FUND</u></p>	
<p>Midlands Engine Update: General Election delayed launch of fund. Procurement process is still ongoing. Launch might be delayed beyond summer</p> <p>Delays option for the fund to businesses. ERDF programmes and CWRT still offer support in the meantime. C&W Green business network launches 14th July.</p>	<p>AP: DH to update the group on Midlands Engine Fund re delays to start of fund</p>
<p><u>9. A.O.B</u></p>	
<p>LL brought up the discretionary business rate fund that LAs are implementing and appraised the schemes of C&W in comparison with other areas. Will be distributed to districts.</p> <p>SF mentioned that David Penn came to last meeting on behalf of the Planning & Housing Business Group. SF to extend the offer and invite representatives from the other groups, SF/SP to send out the invitation. Volunteers to let us know if they want to represent the group at other CWLEP working group meetings.</p>	<p>AP: LL to distribute info on business rates fund around, once the schemes are live.</p> <p>AP: Members to put themselves forward for attending other working group meetings, SP to send around meeting dates and coordinate invites.</p>

ACTION POINTS

AP: Discussions with businesses to listen out for topics that SMEs are concerned with – could form the core of events for Business Festival, coordinated potentially through SME group

AP: All members have been asked to feed thoughts on constitution to SF by 12th July.

AP: SP: To update on development of collateral for banks/clients.

AP: GS/CWRT to be more visible to local banking community to counter out of region rivals

AP: GS: to update the group on the figures, showing lenders by sector.

AP: All, any additional comments to LL on the report.

AP: SK to present the retail paper at the LEP board

AP: DH to update the group on Midlands Engine Fund re delays to start of fund

AP: LL to distribute info around, once the schemes are live.

AP: Members to put themselves forward for attending other working group meetings, SP to send around meeting dates and coordinate invites.

NEXT MEETINGS

Wednesday, 20th September 2017

Wednesday, 15th November 2017