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1 EXECUTIVE SUMMARY

This report presents the findings of the interim evaluation of the Growth Hub project. The Growth Hub is a partnership between the GFirst LEP and the University of Gloucestershire. Its aim is to act as a catalyst for economic growth in the County by encouraging the development of world-class companies, increasing exports and supporting entrepreneurial start-ups with high growth potential. This will be achieved through provision of high intensity support to target high growth potential businesses and a lower intensity of support to any business that seeks it.

1.1 Strategic and Economic Context

Strategic economic direction for Gloucestershire is provided by the Strategic Economic Plan (SEP) and the Growth Hub is a key project to deliver its objectives. The University of Gloucestershire’s partnership in the project is framed by its Strategic Plan (2017-22).

The economic context is also relevant contextually since the Growth Hub is one of a range of initiatives in the Gloucestershire SEP to develop the County’s economy. Since the evaluation baseline was undertaken in 2015, there has been some promising movement in the County’s economic outlook, including an increase in Gross Value Added (GVA) above the national average as a result of increasing productivity and higher participation in the labour market. While the business birth rate is increasing, the number of businesses is growing and the three-year business survival rate is high, it is 7% below the ambitious target rate set by the Gloucestershire SEP. The strategic and economic rationale for the project continues.

1.2 Project Objectives

The Growth Hub’s project objectives are:

- growing the County’s GVA by 2025, with a particular focus on target sectors;
- increasing the number of business starts and three-year survival rate of Gloucestershire businesses; and
- increasing participation by students/graduates in employability initiatives.

Phase 1 was led by the University of Gloucestershire and involved establishing an initial physical presence at the University of Gloucestershire’s main campus at Oxstalls, funded by £2.7 million from the Higher Education Funding Council for England’s (HEFCE) Catalyst Fund. It opened for business in October 2014 and has remained the primary physical focus of the Growth Hub initiative.

In July 2014, GFirst LEP was awarded £62.5 million from the UK Government to take forward three flagship projects identified in the SEP (including the Growth Hub at Oxstalls). This funding facilitated Phase 2, the development of a network of resource centres to enable local delivery of business support services across the County.

1.3 Outputs

For Phase 1 of the project, to end of academic year 2017, the quantifiable target outputs are as shown in the table below. The table shows targets for Phase 1 of the project are being exceeded.
Table 1-1: Phase 1 Target Outputs for Growth Hub Project (HEFCE)

<table>
<thead>
<tr>
<th>Item</th>
<th>Target</th>
<th>Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Growth Hub visitors (business engagements)</td>
<td>7,500</td>
<td>10,506 by end FY ‘16/17</td>
</tr>
<tr>
<td>Number of support interventions</td>
<td>3,750</td>
<td>7,934 by the end of FY ‘16/17</td>
</tr>
<tr>
<td>Number of accelerated interventions for high growth businesses</td>
<td>750</td>
<td>905 by the end of AY ‘16/17</td>
</tr>
<tr>
<td>Number of new teaching programmes by end of AY ‘15/16</td>
<td>20</td>
<td>30 new teaching programmes/work based learning activities developed by end AY ‘16/17</td>
</tr>
<tr>
<td>Number of new business support services by end AY ‘14/15</td>
<td>10</td>
<td>21 new business support services developed by end ‘16/17</td>
</tr>
<tr>
<td>UoG* graduates placed in Gloucestershire jobs by end AY ‘16/17</td>
<td>1,500</td>
<td>1872 by end AY ‘16/17</td>
</tr>
<tr>
<td>New employer/HEI networks by end AY ‘13/14</td>
<td>10</td>
<td>12 new employer/HEI networks created by end AY ‘17/17</td>
</tr>
<tr>
<td>Number of work placements and internships by end AY ‘16-17</td>
<td>12,724</td>
<td>13,656 by end AY ‘16/17</td>
</tr>
<tr>
<td>Increase in KE income and activity</td>
<td>15% per year from AY ‘13/14</td>
<td>£3.19m KE income against a target of £2.81m at end of AY ‘16/17</td>
</tr>
</tbody>
</table>

* University of Gloucestershire

1.4 Impacts on Businesses

Our survey of 400 businesses, including high growth and other businesses, demonstrates a strong impact. Levels of satisfaction are high and there is a good level of profile.

Supported businesses have shown growth in employment and turnover, with a proportion of businesses apportioning these benefits to the advice received.

There is a strong sense that the Growth Hub is delivering its objectives for business customers. There is a high level of satisfaction with the services delivered by the Growth Hub.

An overarching aim of the Growth Hub is to simplify the provision of support services for businesses in the County. Over 80% of businesses surveyed felt this is being achieved.

1.5 Conclusions and Recommendations

This interim evaluation finds a project very much on track, with targets being met, funders’ objectives delivered and service users satisfied. Quantitative targets set by project funders are being met and exceeded. On all measures, the project is meeting or exceeding its targets.

The next phase of the Growth Hub’s development is now well underway, with a major development of its Oxstalls facility, digital infrastructure being implemented and a network of partners delivering services at sites across the County. The recommendations made in the project’s 2016 simplification report are being delivered.
The evidence presented in this evaluation shows that the Growth Hub is delivering what businesses want and is having a positive impact on employment and turnover.

The University’s Strategic Plan (2017-22) places an emphasis on the University’s role as an anchor institution in the County, there is no doubt that the Growth Hub is an important mechanism to deliver this through its engagement with businesses. The Growth Hub has supported University knowledge exchange activities. It has also supported the University’s employability agenda.

Within the innovation arena, there may be a case for looking at a smart specialisation approach, with the University working with groups of small and medium-sized enterprises (SMEs), where there is a cluster of activity in the County, which is an approach that the University is already developing.

A key issue for the future of the Growth Hub is its longer-term sustainability after the end of the current funding period. A sustainability strategy should be a priority. This will need to recognise that there is a continuing rationale for the services provided, based on market failure, and so there will need to be on-going public sector funding for many of the services that the Growth Hub provides.
2 INTRODUCTION

This report is an interim evaluation of the Gloucestershire Growth Hub, two years on from the evaluation baseline set for the project by BiGGAR Economics in 2015\(^1\).

The Gloucestershire Growth Hub is a partnership between the GFirst LEP and the University of Gloucestershire. The primary physical focus of the Growth Hub in the initial period was at the University of Gloucestershire’s Oxstalls Campus in Gloucester. The Oxstalls Growth Hub, which was established using initial capital funding from the Higher Education Funding Council for England (HEFCE), opened for business in October 2014.

The aim of the Growth Hub\(^2\) is to act as a catalyst for economic growth in the County by encouraging the development of world-class companies, increasing exports and supporting entrepreneurial start-ups with high growth potential. To maximise Gross Value Added (GVA) and employment growth in the County, the preferred model is to deliver high intensity support to target high growth potential businesses and a lower intensity of support to any business that seeks it. It is anticipated that this approach will enable the Growth Hub to make a significant contribution to the Strategic Economic Plan (SEP) for the County, which aims to grow the Gloucestershire economy by £493 million between 2015 and 2021.

Following the successful establishment of the Oxstalls Growth Hub, the partners are rolling out the initiative across the County. Phase 2 involves the development of a network of centres providing physical access to Growth Hub services throughout the County.

2.1.1 Approach to Evaluation

In August 2015 BiGGAR Economics was commissioned to provide a baseline, interim and final evaluation of the Gloucestershire Growth Hub. The evaluation programme is being undertaken over three phases:

- phase one developed a baseline against which future performance can be assessed;
- phase two, the subject of this report, assesses the interim performance of the Growth Hub to date and identifies any issues or improvements that could be made to project delivery; and
- phase three, which will be undertaken in 2021, will provide a final assessment of the quantitative and qualitative benefits generated by the Growth Hub. This final phase will assess the extent to which the Growth Hub has contributed to the targets set out in the SEP.

2.1.2 Evaluation Methodology

This interim evaluation is based upon evidence from a variety of sources, as follows:

- a review of the strategic and economic context for the project, to assess whether the original rational for the Growth Hub holds true and the extent of a continued need for the services it provides;

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2 All references to the Growth Hub refer to the Growth Hub network in its entirety – i.e. the Growth Hub at Oxstalls, the network of Growth Hub Resource Centres and the Growth Hub business expansion at Oxstalls.
• a review of project inputs, activities and outputs, drawing on performance data to assess whether the Growth Hub is meeting its targets;

• a series of consultations with representatives from partner and stakeholder organisations, including the University of Gloucestershire, GFirst LEP, Gloucestershire County Council and the Growth Hub itself; and

• a telephone survey of 400 businesses chosen at random from all businesses supported since the Growth Hub’s inception in 2014.

2.2 Report Structure

The remainder of this report is structured as follows:

• section three presents the strategic context for the project;

• section four reviews the changes in the economic context since the baseline report was produced in 2015;

• section five summarises the rationale and objectives for the project and outlines the target outputs;

• section six describes the project inputs, activities and presents project outputs and assesses these against the initial targets for the project;

• section seven introduces the impacts on supported businesses, evidenced by a telephone survey of 400 randomly selected project beneficiaries, this section reviews customer awareness and satisfaction;

• section eight presents impacts on high growth business;

• section nine presents impacts on less intensively supported businesses;

• section ten provides a short overview of business impacts;

• section eleven presents conclusions and recommendations for the future.
3 STRATEGIC CONTEXT

3.1 Strategic Economic Plan

Strategic economic direction for Gloucestershire is provided by the SEP, which was published by the GFirst LEP in March 2014. The plan sets out how, together with its partners, the GFirst LEP aims to grow the Gloucestershire economy by 2022. The key targets within the SEP are to:

- create 33,909 jobs and protect 2,125;
- support the development of 3,200 new homes;
- help deliver 6,108 qualifications and 5,421 apprenticeships;
- deliver an annual GVA increase of 3.2% as a result of GFirst LEP’s Core Strategy Interventions; and
- create additional growth of £493 million GVA over the period to 2020-21 as a direct consequence of the interventions within the SEP.

In order to achieve these objectives the SEP identifies three main flagship projects, these are:

- the Gloucestershire Growth Hub;
- the Gloucestershire Growth Zone that will provide space for business expansion along the M5 corridor; and
- the Gloucestershire centre of excellence in Renewable Energy, Engineering & Nuclear skills (GREEN).

Each of these projects is expected to contribute towards the overall growth target identified in the SEP. The specific contribution that the Growth Hub is expected to make to this overall target is £135 million GVA by 2021 and over 14,800 jobs.

The GFirst LEP expects that implementing this project will require funding amounting to £62.3 million3. This funding was expected to include £12.1 million from the Single Local Growth Fund and £14.3 million from the EU Structural and Investment Fund with the balance to be made up of contributions from the public (£7.7 million) and private (£28.2 million) sectors.

3.2 University of Gloucestershire

The University of Gloucestershire’s Strategic Plan 2017-22 outlines the vision of the University as a value based, student centred, learning focused institution.

As part of this, the University has four main goals, to:

- provide a breadth and richness of experience that enables all our students to reach their full potential;
- provide teaching and support for learning of the highest quality;
- undertake excellent research and innovative professional practice which enrich students’ learning and create impact and benefit for others; and

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3 Strategic Economic Plan for Gloucestershire (March 2014), GFirst LEP
The University aims to achieve these goals through a number of initiatives, including continuing to develop partnerships with local businesses and building on the 3,000 work placements each year, and increasing the proportion of its research that is world leading or internationally excellent.

In June 2016, the University of Gloucestershire received a Silver award for the Teaching Excellence Framework (TEF), which found high proportions of students progressing to further studies or employment. Evidence was also found for:

- an integrated approach to careers, volunteering and placements, including offering shared facilities for business services and economic development;
- a personalised approach to learning;
- effective monitoring of student engagement;
- an institutional approach to developing high quality specialist teaching facilities and digital resources; and
- implementation of an institutional culture that facilitates, recognises and rewards excellent teaching.

### 3.3 Business Simplification Agenda

At the outset of the Growth Hub project, the then Department of Business Innovation and Skills was actively encouraging the consolidation of publicly provided business support programmes. The Department’s aim was to reduce inefficient duplication across the business support network that resulted in poorly targeted or under-performing service provision. This set some of the strategic context for the project, against which its performance is measured in this interim evaluation.

A review undertaken in 2014 of Government business support programmes recognised that local hubs, such as the Gloucestershire Growth Hub, could play an important role in helping to simplify the business support landscape.

EBS Consulting Ltd produced the Gloucestershire Business Support Simplification Review in March 2016. The review was based on evidence from an assessment of business needs in the County, identification of gaps in support provision and an assessment of the development potential for the Growth Hub.

In addition to providing its own service, the study found there was a need to simplify and better co-ordinate other local business provision, ensuring a focus on co-ordinating and helping access to existing provision and avoiding “crowding out the private sector business support network”.

The simplification report concluded that a key role for the Growth Hub should be to continue to help improve partnership working, bringing providers together and facilitating knowledge sharing between them and acting as a referral mechanism.

The extent to which the Growth Hub is effectively working with and signposting to other existing services is an important measure in this interim evaluation.
4 ECONOMIC CONTEXT: CHANGES SINCE THE BASELINE

This section gives an overview of the current performance of the areas covered by the GFirst LEP and changes in the County’s economic performance since the evaluation baseline was set in 2015.

4.1 Gross Value Added

Nominal GVA per head in Gloucestershire compares favourably to the rest of the UK, with an indexed value of 102, where 100 is the UK value overall. This has increased from 99.9%, as measured in 2013. This places Gloucestershire 10th out of 39 LEP areas, one position higher than in 2013.

Figure 4-1: LEPs in England by GVA per head 2015 (UK = 100)

However, the measure presented in Figure 4-1 is heavily weighted by London and Thames Valley Berkshire, which together account for 27% of nominal GVA. When London is removed from the weighting, this suggests that GVA per head in Gloucestershire is about 16% higher than the rest of the UK, excluding London. This is presented in Figure 4-2.
The nominal GVA growth rate in Gloucestershire between 2013 and 2015 was 10.7%, the 3rd highest rate of any LEP, behind only Oxfordshire and London. Over this time period, the average growth rate of LEP areas over this period was 7.3%, and 8.3% across England. Gloucestershire’s growth was comprised of 7.2% growth in 2013-14, and 3.3% growth in 2014-15.

As can be seen in Figure 4-4, this growth appears to have been driven by 28% growth in the GHI sector (wholesale and retail trade, transport and storage, and accommodation and food services), 22% growth in sector J (information and communication), 16% growth in F (construction), and 18% growth in MN (professional, scientific and technical services). Although there was negative growth in two sectors (A, agricultural, forestry and fishing, and K, financial services) these are responsible for a relatively small proportion of the economy.
4.2 Productivity

As can be seen in Figure 4-5, in 2004 GVA per hour in Gloucestershire was roughly at parity with the figure in the UK, briefly surpassing it in 2005 and 2007. However, since 2007 it has increased more slowly than the national and regional and, as a result, GVA per hour was 5.4% lower in Gloucestershire in 2015 than the UK.

Between 2013, the latest available evidence when the baseline evaluation was undertaken, and 2015, GVA per hour worked has increased by 5.1% in Gloucestershire, compared to 4.4% in the UK as a whole. It remains below the level of the UK as a whole, and above the level for the South West.

Overall, these differences are not large but productivity growth is a significant economic challenge for the UK as a whole compared with many other advanced economies and so increasing productivity should be a priority for Gloucestershire, as it will be for the UK.
4.3 Population

Between 2013 and 2016, the working age population (aged 16-64) in Gloucestershire has remained stable, increasing slightly from 372,600 to 375,900, an increase of 0.9%. Over the same period, the working age population in Great Britain increased by 1.2% and in the South West by 1.0%.

4.3.1 Economic Activity and Employment

As can be seen in Figure 4-7, the economic activity in Gloucestershire, at 85.0%, is significantly higher than in the South West, 80.3%, and Great Britain, 77.8%. Furthermore, between 2013 and 2016, the economic activity rate among those aged 16-
64 grew by 4.6% in Gloucestershire. In comparison it grew by 1.1% in the South West, and by 0.8% in Great Britain.

As can be seen in Figure 4-8, this has been reflected in an increase in the employment rate of those aged 16-64 in Gloucestershire from 77.0% in 2013 to 81.1% in 2016, an increase from 286,900 employed persons to 304,800. In comparison, the employment rate in the South West increased from 74.7% to 76.9%, and in Great Britain it increased from 71.3% to 74.0%.
4.4 Drivers of Growth

Given that the key drivers of economic growth are population (how many people can participate in the economy), participation (how many people do participate in the economy) and productivity (how much they produce), it is useful to consider what the drivers of growth in Gloucestershire have been since 2013.

As can be seen in Figure 4-9, GVA increased by 18.7% between 2013 and 2015, while productivity per hour increased by 9.8%. Over that period, the working age population also grew by 0.9%, and the employment rate grew by 5.2%. This suggests that the most significant factor in GVA growth was an increase in productivity, followed by more people entering the labour market, while population growth was not very important.

Figure 4-9: Drivers of Growth in Gloucestershire, 2013-16

4.5 Industrial Structure

Between 2014/15, the latest available data when the baseline assessment was carried out, and 2016/17, there has been an overall increase in jobs of 2.0%. In most occupations this has been reflected in small increases or decreases in total employment.

However, there have been notable increases in sales and customer service occupations, which have increased by 22.4%, and in process, plant and machine operatives, which have increased by 58.2%. Conversely, employment in caring leisure, and other service occupations has decreased by 20.6%, and employment in professional occupations has decreased by 7.0%.
The industrial make up of Gloucestershire remained broadly similar between 2013 and 2015. The largest increases and decreases in employment by sector as a proportion of total employment are presented in Figure 4-11. Professional, scientific and technical services increased by 1.5 percentage points (from 6.4% in 2013 to 7.9% in 2015), while manufacturing decreased by 1.7 percentage points (from 13.6% in 2013, to 11.9% in 2015).

4.6 Exports

Exports from the South West (export data is not available for Gloucestershire) were £21.6 billion in 2016. Although this is higher than the comparable figure sited in the Baseline Evaluation, this is the result of a revised methodology by HMRC, which takes into account where workers are based. Using this methodology, the South West accounts for 9.7% of exports in England, and 7.4% of exports in the UK.
Growth in exports between 2014 and 2016 was 1.4% in the South West, which is lower than the growth rate in England of 3.7% (the grey dashed line), where growth has been driven by the South East and West Midlands. The majority of English regions experienced a drop in exports over this period.

Figure 4-12: Exports by Region in £Billions, 2016


4.7 Business Start-up and Survival

Between 2013 and 2015, the average business birth rate was 3,170, compared to an average birth rate of 2,460 between 2010 and 2012. The average business death rate has fallen slightly from 2,500 in 2010-12 to 2,390 in 2013-15. As a result, of this difference the number of active enterprises in Gloucestershire increased from 26,870 in 2013 to 28,365 in 2015, an increase of 5.6%.

Figure 4-13: Business Demographics in Gloucestershire (2010-2015)

Source: ONS, Business Demography - 2015: Enterprise Births, Deaths and Survivals
The SEP target is to increase the three-year survival rate of businesses to 70%. The three-year survival rate of the most recent cohort, in 2012, is 63.0%, down slightly from 2011, when it was 64.8%. Although this is below the target rate, it nonetheless higher than the survival rate in the South West and the UK.

**Figure 4-14: Enterprises born in 2012 3-Year Survival Rate**

![Graph showing 3-year survival rate over years for Gloucestershire, South West, UK, and target rate.]

*Source: ONS, Business Demography - 2015: Enterprise Births, Deaths and Survivals*

### 4.8 Summary of Socio-Economic Context

Since the baseline was undertaken, the most recent statistics indicate:

- an increase in GVA above the national average, as a result of increasing productivity and higher participation in the labour market;

- the increase in GVA is most pronounced in sectors such as retail; information and communication; and professional, scientific and technical services;

- although exports have grown in the South West, the rate of growth is below the average growth rate in England; and

- the business birth rate is increasing, the number of businesses is growing and the three-year business survival rate is high although it is 7% below the ambitious target rate set by the Gloucestershire SEP.
5 PROJECT RATIONALE, OBJECTIVES AND TARGETS

The Gloucestershire Growth Hub was established by GFirst LEP and the University of Gloucestershire to tackle challenges identified within the SEP. To date the Growth Hub initiative has involved two main phases.

Phase one was led by the University of Gloucestershire and involved establishing an initial physical presence at the University of Gloucestershire’s main campus at Oxstalls. This was made possible with £2.7 million of funding from the Higher Education Funding Council for England’s (HEFCE) Catalyst Fund. The Growth Hub building at Oxstalls opened for business in October 2014 and has remained the primary physical focus of the Growth Hub initiative.

In July 2014, GFirst LEP was awarded £62.5 million from the UK Government to take forward three flagship projects identified in the SEP (including the Growth Hub at Oxstalls). In January 2015 GFirst LEP then secured an additional £15 million that widened the scope of the Growth Deal to include six additional economic development projects.

This funding facilitated phase 2, the development of a network of resource centres to enable local delivery of business support services across the County.

5.1 Rationale for Intervention

The fundamental rationale for public sector investment in economic development initiatives is that an intervention should address one or more specific market failures. As described in the HM Treasury Green Book, market failure may be the result of an ‘asymmetry of information’ which can restrict the quality of services being offered or good being traded. This means that the identification of demand for a service is not sufficient to justify public sector intervention.

The main market failure rationale behind the Growth Hub is a result of asymmetry of information. Information deficiencies and asymmetries increase risk and uncertainty in several ways:

- companies may be unaware of the scale of business support and therefore be unwilling to invest time and money in engaging support service activities;
- companies may be aware that specific support exists but may not know where or how to access it; and
- even when companies are aware where business support can be obtained, they may avoid engaging with these agencies and organisations due to a belief that doing so would be too costly in terms of financial and/or time resources.

The Small Business Survey 2014 shows that this asymmetry of information does exist and most businesses had not sought external information or advice in the last 12 months. Part of this lack of interaction with business support services was because of not knowing

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4 HM Treasury (July 2011), The Green Book: Appraisal and Evaluation in Central Government
5 Whilst information asymmetry is the major market failure on which the rationale for the Growth Hub is based, there are also other relevant market failures. These include the difficulty for any private sector provider to capture the full benefit of intervention since many of the benefits will be social.
6 Department for Business Innovation and Skills (March 2015), Small Business Survey 2014:SME Employers
where to get business support services. This survey found that each year 5% of small and medium-sized enterprises (SMEs) had difficulties or opportunities facing their business about which they did not receive external support or advice. The majority of those businesses had actively sought support, but had been unable to locate it. Those that did not seek advice, despite having a need, did so because:

- 29% did not know where to find it;
- 20% did not believe that the support existed;
- 19% lacked the time to obtain this advice;
- 11% felt they lacked the internal expertise or resources to deal with the issue;
- 10% felt that the support/advice would be too expensive.

Of those respondents who did not obtain business advice despite having a need, 72% felt their business would have performed better if it had received the advice required.

The GFirst LEP was awarded funds from the Regional Growth Fund to help tackle this information market failure through the Growth Hub. This rationale for intervention continues today.

This rationale will also impact on the funding of the Growth Hub beyond the period for which funding has already been secured. As long as the information market failure exists, it will be necessary to fund services such as that provided by the Growth Hub from public sources, since it is unlikely to be possible to create a private market.

5.2 Project Objectives and Target Outputs

The Growth Hub’s project objectives are:

- growing the County’s GVA by 2025, with a particular focus on target sectors;
- increasing the number of business starts and three-year survival rate of Gloucestershire businesses; and
- increasing participation by students/graduates in employability initiatives.

For Phase 1 of the project, to end of the academic year 2016-17, the quantifiable target outputs objectives are as shown in the table below.
Target outputs for 2017 to 2021 are as follows. These ambitious targets reflect the expected contribution of the whole network not just the core and performance against these targets will be subject to the final phase of the evaluation.

In addition to delivering the objectives and securing the outputs listed above, the Growth Hub project must fit with the government’s principles for funding Growth Hubs:

- **Principle 1** – Local Strategic Partnerships: providing strategic co-ordination, inclusive partnerships with local stakeholders, the private sector and government.
- **Principle 2** – Governance: maintaining robust governance arrangements to oversee Growth Hub activity and ensure ongoing alignment with LEP’s Strategic Economic Plan.
- **Principle 3** – Local Growth Planning / Scale-Ups: Developing a strategic approach to local business growth to enable ambitious businesses to maximise their growth potential and scale-up.
- **Principle 4** – Deliverability: offer a triage, diagnostic and signposting service that joins up national and local business support (public and private), simplifying the support on offer to businesses.
• Principle 5 – Sustainability: ensuring plans for Growth Hubs are deliverable and sustainable beyond March 2018 when Government funding ends and that core services remain free to business at first point of contact.

• Principle 6 – Reporting and simplification: Applying the common metrics and evaluation framework to produce high-level impact data in bi-annual and end of year reporting and provide BEIS unrestricted access to firm level date for the purpose of research and analysis.
6 INPUTS, ACTIVITIES AND OUTPUTS

6.1 Funding

Funding for Phase 1 of the Growth Hub was secured in October 2013 from HEFCE following the University of Gloucestershire successful bid for £2.7 million of Catalyst Funding. This funding ceased in July 2017.

Alongside this funding and, as part of the wider offer for Growth Deals, Government awarded funding to LEPs to ensure that Growth Hubs and their partners delivered activities in line with a set of principles aligned to the Government’s ambition for business support.

In Gloucestershire, GFirst LEP used this funding to support Growth Hub activities relating to simplification, further Growth Hub development and impact evaluation reports.

Funding for Phase 2 of the Growth Hub is focussed on the expansion of the Oxstalls site and development of a network of additional sites across the County. Phase 2 has been revenue funded through HEFCE catalyst funding, European Structural and Investment Funds (ESIF) and Growth Hub revenue funding from BEIS.

The University of Gloucestershire has been awarded £1.7m of European Regional Development Fund (ERDF) funding to deliver the Core Growth Hub Project. Alongside this the University has also been awarded three additional business support projects which will contribute to the outputs of the Growth Hub expansion, the governance of which will be delivered through the University’s ESIF Project Board.

GFirst LEP and the University of Gloucestershire signed a formal collaboration agreement setting out the commitment of both parties to deliver the outputs and outcomes associated with the £10 million of capital investment from the Single Local Growth Fund. £5 million has been allocated towards the expansion of the Growth Hub at Oxstalls and will be delivered by the University of Gloucestershire. £5 million has been allocated to the development of Network Centres across the County and is being delivered by GFirst LEP.

6.2 Phase 1 Activities

6.2.1 Support for Businesses

The Growth Hub established its initial physical presence at the University of Gloucestershire’s Oxstalls campus. The Growth Hub building is connected to the University of Gloucestershire’s main building. There are around 40 Growth Hub staff based within the Oxstalls building (who are collocated with additional staff from the GFirst LEP). Two flag-ship business support services have been the mainstay of the project: Business Navigators and Business Guides.

The Business Navigation service is delivered by a team that provides an initial point of contact for all businesses that engage with the Growth Hub. Their role is to undertake an initial (face-to-face) diagnosis of business needs and direct clients toward the most appropriate source(s) of support. Support includes:

- referral to private providers of business support services operating in the County;
- recommendation that the business participates in an activity, event or service provided by or at the Growth Hub;
referral to the University of Gloucestershire; and/or
referral to one of the national business support programmes.

The main target market for the Growth Hub is businesses with high growth potential so the Business Navigators use the initial diagnosis meeting to help identify these businesses. When the Business Navigators identify a business with high growth potential they then refer that business on to one of the Business Guides.

**Business Guides'** role is to develop a bespoke programme of support for companies with high growth potential, focussing on:

- business growth strategy;
- sales and marketing;
- operations;
- finance;
- customer and markets;
- people and human resources; and
- exports.

The Business Guide makes referrals and introductions to enable the business to begin implementing the Growth Plan. They maintain contact to monitor implementation and identify any new support needs as they emerge.

Since its launch in October 2014 the Growth Hub has also developed a range of support services for high-growth potential start-up companies and entrepreneurs. The starting point for this service offering was an **Entrepreneurial Programme** designed to provide intensive support to potential high-growth start-ups in Gloucestershire.

This support is delivered by a network of 43 business mentors, which includes successful local entrepreneurs and individuals interested in investing in start-up businesses. Much of the support is delivered virtually but the Entrepreneurial Programme also includes an incubation service, which provides physical space for up to 20 high-growth potential start-ups at three locations across the County. This includes six offices within the Growth Hub at Oxstalls and smaller amounts of space in two other locations (one in Gloucester and one in Cheltenham).

### 6.2.2 University Transformation

As well as delivering advice and support to individual businesses the Growth Hub has also created an opportunity to bring together partners from industry, academia and civil society to collaborate on initiatives. A key driver behind this activity has been a desire to enhance the level of engagement that occurs between the University of Gloucestershire and industry.

Initiatives delivered include the development of new business/academic networks, initiatives to place students with local businesses, other student employability opportunities

### 6.3 Phase 2 Activities

Phase 2 of the Growth Hub project is now underway, supported by the Single Local Growth Fund. It will deliver the expansion of the current Growth Hub facility to
incorporate the University’s Business School by September 2018 and the roll out of Growth Hub sites across the County in partnership with a range of stakeholders. There are four key components to the development of Phase 2 Growth Hub.

6.3.1 The Core Growth Hub

This will continue to develop impartial business diagnostic and brokerage services that will support the whole Growth Hub Network. The Core Growth Hub will have responsibility for ensuring that Growth Hub engagement targets are delivered. The Navigator and Guide services will provide diagnostic and brokerage support free of charge for businesses, a central marketing function to promote Growth Hub activity and deliver the digital infrastructure.

Development of the new co-located Business School and Growth Hub facility is progressing well at the Oxstalls campus. Detailed planning permission has been secured and the work has been contracted. The structural frame for the new building has been cast and internal fitting of the building is now underway to a point where we are confident that the building will be practically complete next summer.

The University has also been awarded £1.7 million of ERDF funding to deliver the Core Growth Hub Project. Alongside this the University has also been awarded three additional business support projects which will contribute to the outputs of the Growth Hub expansion, the governance of which will be delivered through the UoG ESIF Project Board:

I. GRIP - The Gloucestershire Research and Innovation Programme (GRIP), focuses on driving an innovation culture and improving innovation capacity among Gloucestershire’s SMEs. This will be achieved by clustering and partnering of SME’s with relevant, sector specific prime businesses to drive the co-creation, application and commercial exploitation of collaborative research and development towards greater productivity in the County.

II. SAGE - Start and Grow Enterprise (SaGE) is designed to stimulate successful enterprise in Gloucestershire, particularly among priority demographic and geographical groups, building on the already high start-up survival rate and address SME growth failure points.

III. GAINS - Gloucestershire Accelerated Impact Network Support (GAINS) will build upon the national service previously offered by the Business Growth Service, offering a Gloucestershire specific programme of support for ERDF eligible Small and Medium Sized Enterprises (SMEs) from high growth sectors.

6.3.2 The Growth Hub Digital Infrastructure

The digital infrastructure will be procured and implemented by GFirst LEP and will enable Growth Hub activity to be measured and quality managed. It will consist of a new website, CRM, diagnostic and knowledge bank to support employer engagement, marketing and activity reporting.

It will also supports self-serve activity (where businesses directly access support), simplification and a tailored customer relationship for marketing purposes. It will integrate Companies House and Credit Check and Cobweb 1700 resources.

It will be further developed to provide a business directory, a SME digital maturity index, provide benchmarking tools and a procurement portal.
6.3.3 The Growth Hub Network

The Growth Hub network will be delivered with a range of partners in strategic locations across the County. In return for capital investment partners will deliver a Growth Hub service to businesses in their locations and or specialist services for the Network. All network partners will work closely with the core Growth Hub to deliver a ‘no wrong door’ approach to business engagement across the County. Four key network partners have been agreed to date:

**The University of Gloucestershire** is a tier one delivery partner for the Growth Hub service, as well as hosting the core.

**Gloucestershire County Libraries** started a roll out of Growth Hubs at all 31 library sites across the County from September 2017. Two innovation laboratories will also be established to provide facilities for businesses to access such as 3D printing.

**Tewkesbury Borough Council** will open a centre to service the North of the County from July 2018. The Growth Hub will be located within the Public Services Centre providing the perfect place to reach and support growing businesses in the area.

**The Royal Agricultural University** will open its centre at their site in Cirencester in the summer of 2018. The centre will specialise in support for agritech and rural businesses and will also act as a centre for the Cotswolds.

6.4 Outputs Achieved

The Growth Hub was developed to deliver a range of outcomes and outputs, described in Chapter 5 above. For Phase 1 of the project, to end of academic year 2016-17, the quantifiable outputs achieved are as shown in the table below. The table shows targets for Phase 1 of the project are being exceeded.
Table 6-1: Phase 1 Outputs Achieved (HEFCE)

<table>
<thead>
<tr>
<th>Item</th>
<th>Target</th>
<th>Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Growth Hub visitors (business engagements)</td>
<td>7,500</td>
<td>10,506 by end FY ’16/17</td>
</tr>
<tr>
<td>Number of support interventions</td>
<td>3,750</td>
<td>7,934 by the end of FY ’16/17</td>
</tr>
<tr>
<td>Number of accelerated interventions for high growth businesses</td>
<td>750</td>
<td>905 by the end of AY ’16/17</td>
</tr>
<tr>
<td>Number of new teaching programmes by end of AY ’15/16</td>
<td>20</td>
<td>30 new teaching programmes/work based learning activities developed by end AY ’16/17</td>
</tr>
<tr>
<td>Number of new business support services by end AY ’14/15</td>
<td>10</td>
<td>21 new business support services developed by end AY ’16/17</td>
</tr>
<tr>
<td>UoG* graduates placed in Gloucestershire jobs by end AY ’16/17</td>
<td>1,500</td>
<td>1872 by end AY ’16/17</td>
</tr>
<tr>
<td>New employer/HEI networks by end AY ’13/14</td>
<td>10</td>
<td>12 new employer/HEI networks created by end AY ’17/17</td>
</tr>
<tr>
<td>Number of work placements and internships by end AY ’16-17</td>
<td>12,724</td>
<td>13,656 by end AY ’16/17</td>
</tr>
<tr>
<td>Increase in KE income and activity</td>
<td>15% per year from AY ’13/14</td>
<td>£3.19m KE income against a target of £2.81m at end of AY ’16/17</td>
</tr>
</tbody>
</table>

* University of Gloucestershire
7 BUSINESS IMPACTS: AWARENESS AND SATISFACTION

This chapter, and the two chapters that follow, summarise the findings of the business survey, which was undertaken between June and July 2017, with companies and organisations that had used the Growth Hub.

7.1 Survey Approach

The survey was carried out through a series of telephone interviews with a sample of 400 businesses that had used the Growth Hub. These were chosen at random from a database of contacts provided by the Growth Hub which covered all businesses supported since its inception to June 2017.

When supplying the data, the Growth Hub had identified if a business was a “high growth” user or an “other business” user. The two groups received different levels of support. High growth businesses were allocated to a Business Guide and received intensive support. Other businesses received less intensive support.

Quotas were set according to the intensity of support received. Initially a target was set to achieve 260 interviews with high growth businesses and 140 interviews with those who had received lower intensity support i.e. a 65%/35% split between high intensity and lower intensity support. At this scale the survey was designed to produce results with a margin of error of +/- 4.5%.

During the interview stage, it was not possible to secure the full quota of high growth interviewees since they accounted for a smaller proportion of the businesses supported. The final split in interviews achieved was 52% high growth businesses (207 interviewees) and 48% other businesses (193 interviewees).

Interviews following a structured questionnaire. Key topics were:

- business sector and location;
- awareness of the Growth Hub and reason for first contact;
- the type of support provided;
- pre-support and post-support employment and turnover;
- impact of support provided in terms of changes in employment, turnover, profitability and cost reduction;
- the additionality of the service; and
- the level of satisfaction with the service.

7.2 Business Sector and Location

The businesses interviewed were classified into 18 sectors (Table 7-1) which indicates that the service has a broad spread of appeal over the key business sectors. Over one-quarter (27.5%) of businesses that used the service were engaged in business and

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7 Throughout the section numbers may not sum due to rounding.
8 The categories were based on those used by the Growth Hub and included an “other” category which covered single interviews in 15 further sectors.
professional services activities. Advanced engineering and manufacturing businesses and retailers made up a further 23.3% of those surveyed.

<table>
<thead>
<tr>
<th>Table 7-1: What sector do you mainly operate in?</th>
<th>Number</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business and professional services</td>
<td>110</td>
<td>27.5</td>
</tr>
<tr>
<td>Advance engineering and manufacturing</td>
<td>54</td>
<td>13.5</td>
</tr>
<tr>
<td>Retail</td>
<td>39</td>
<td>9.8</td>
</tr>
<tr>
<td>ICT</td>
<td>29</td>
<td>7.3</td>
</tr>
<tr>
<td>Education</td>
<td>28</td>
<td>7.0</td>
</tr>
<tr>
<td>Charities and third sector</td>
<td>25</td>
<td>6.3</td>
</tr>
<tr>
<td>Health and social care</td>
<td>22</td>
<td>5.5</td>
</tr>
<tr>
<td>Tourism and leisure</td>
<td>21</td>
<td>5.3</td>
</tr>
<tr>
<td>Creative industries</td>
<td>20</td>
<td>5.0</td>
</tr>
<tr>
<td>Other</td>
<td>15</td>
<td>3.8</td>
</tr>
<tr>
<td>Construction</td>
<td>14</td>
<td>3.5</td>
</tr>
<tr>
<td>Public sector</td>
<td>11</td>
<td>2.8</td>
</tr>
<tr>
<td>Finance</td>
<td>5</td>
<td>1.3</td>
</tr>
<tr>
<td>Land-based</td>
<td>3</td>
<td>0.8</td>
</tr>
<tr>
<td>Science and technology</td>
<td>3</td>
<td>0.8</td>
</tr>
<tr>
<td>Transport and logistics</td>
<td>4</td>
<td>1.0</td>
</tr>
<tr>
<td>Wholesale</td>
<td>4</td>
<td>1.0</td>
</tr>
<tr>
<td>Energy</td>
<td>2</td>
<td>0.5</td>
</tr>
<tr>
<td>Total</td>
<td>400</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Number of interviews = 400

Source: Gloucestershire Growth Hub Business Survey, 2017

The clear majority of businesses that had used the service were based in Gloucestershire (92.5%) and the remainder (7.5%) were based elsewhere in England. Therefore, the Growth Hub’s reach is primarily at a local level.

7.3 Awareness of the Growth Hub and Reason for First Contact

7.3.1 Awareness

Most interviewees (60%) became aware of the Growth Hub through their own network of business contacts and a further 19% were referred to the Growth Hub by another organisation. This suggests that the Growth Hub is something which is talked about and viewed positively among the business community. A further 14% became aware of the Growth Hub through an internet search and 7% heard about it through the Growth Hub’s own publicity (Table 7-2).
Table 7-2: How did you first hear about the Growth Hub?

<table>
<thead>
<tr>
<th>How did you first hear about the Growth Hub?</th>
<th>Number</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Through own network of business contacts</td>
<td>240</td>
<td>60</td>
</tr>
<tr>
<td>Referral from another organisation (please specify)</td>
<td>74</td>
<td>19</td>
</tr>
<tr>
<td>Internet search</td>
<td>57</td>
<td>14</td>
</tr>
<tr>
<td>Growth Hub publicity (please specify)</td>
<td>29</td>
<td>7</td>
</tr>
<tr>
<td>Don't know</td>
<td>5</td>
<td>1</td>
</tr>
<tr>
<td>Number of interviews = 400</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Gloucestershire Growth Hub Business Survey, 2017

Where interviewees were referred by another organisation, this was primarily the University of Gloucestershire (29%, 22 interviewees) while a further 7% (5 interviewees) were referred by the LEP. Relatively few referrals came through the local council (3 interviewees), social media (3 interviewees), UKTI (3 interviewees), the Chamber of Commerce (2 interviewees), Gloucestershire College (2 interviewees) and Gloucestershire First (2 interviewees).

Of those who heard about it through the Growth Hub's own publicity, 17% (5 interviewees) came through a personal contact with a member of the Growth Hub, while a smaller number (4 interviewees) read about it in the media.

7.3.2 Reason for First Contact

The main reason for first contacting the Growth Hub was for advice on how to grow their business. This was mentioned by 30% of interviewees, closely followed by a curiosity to find out more about the work of the Growth Hub (23% of interviewees). A further 17% of interviewees were looking for support and advice about setting up a new business and 16% were looking for information on funding opportunities. Advice on business growth, finance, management advice and product and/or service development were the main reasons for contacting the Growth Hub (Table 7-3).
Table 7-3: What was your main reason for first approaching the Growth Hub (multiple responses allowed)?

<table>
<thead>
<tr>
<th>Reason</th>
<th>Number</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>I wanted advice about how to grow my business</td>
<td>121</td>
<td>30.3</td>
</tr>
<tr>
<td>I was curious to find out more about what they do</td>
<td>92</td>
<td>23.0</td>
</tr>
<tr>
<td>I was looking for support and advice about setting up a new business</td>
<td>66</td>
<td>16.5</td>
</tr>
<tr>
<td>I wanted to find out about funding opportunities</td>
<td>62</td>
<td>15.5</td>
</tr>
<tr>
<td>I was looking for business management advice</td>
<td>45</td>
<td>11.3</td>
</tr>
<tr>
<td>I was looking for help with product or service development</td>
<td>22</td>
<td>5.5</td>
</tr>
<tr>
<td>I wanted advice about selling my products/services overseas</td>
<td>7</td>
<td>1.8</td>
</tr>
<tr>
<td>I was interested in collaborating with the University of Gloucestershire</td>
<td>5</td>
<td>1.3</td>
</tr>
<tr>
<td>Other (please specify)</td>
<td>14</td>
<td>3.5</td>
</tr>
</tbody>
</table>

Number of interviews = 400

Source: Gloucestershire Growth Hub Business Survey, 2017

7.3.3 First Impression

All businesses that approach the Growth Hub are first interviewed by a Business Navigator who initially assesses their needs. If the business is identified as having high growth potential it is then referred to a Business Guide in the Growth Hub who provides more intensive support. If the business is not identified as having high growth potential, the Business Navigator will direct them towards the most appropriate source of support, which may be another provider in the County or one of the national business support programmes.

Overall, the Business Navigators made a very positive first impression on the interviewees:

- almost 9 out of 10 (88%) interviewees agreed or strongly agreed that the Business Navigator listened to them and were interested in what they had to say;
- over 8 out of 10 (83%) interviewees agreed or strongly agreed that the Navigator was knowledgeable about the various sources of support available;
- around 80% of interviewees agreed or strongly agreed that the Navigator helped them to understand how the Growth Hub works;
- almost three quarters (74%) of interviewees agreed or strongly agreed that the Navigator recommended an appropriate course of action for their business; and
- over 70% of interviewees felt that the Navigator clearly explained what would happen next after the initial contact.
**Figure 7-1:** (All Businesses) Thinking about the initial discussions you had with the Business Navigator you spoke to at the Growth Hub can you tell me how strongly you agree or disagree with each of the following statements?

“The Business Navigator I spoke to...”

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly Agree/ Agree</th>
<th>Neither Agree or Disagree</th>
<th>Disagree/ Strongly Disagree</th>
<th>N/A</th>
</tr>
</thead>
<tbody>
<tr>
<td>Listened to me and seemed interested in what I had to say</td>
<td>65%</td>
<td>25%</td>
<td>8%</td>
<td>2%</td>
</tr>
<tr>
<td>Was knowledgeable about the various sources of support that might be available to my business</td>
<td>68%</td>
<td>22%</td>
<td>10%</td>
<td>0%</td>
</tr>
<tr>
<td>Helped me to understand how the Growth Hub works</td>
<td>73%</td>
<td>17%</td>
<td>10%</td>
<td>0%</td>
</tr>
<tr>
<td>Recommended an appropriate course of action</td>
<td>67%</td>
<td>24%</td>
<td>9%</td>
<td>0%</td>
</tr>
<tr>
<td>Clearly explained what would happen next</td>
<td>71%</td>
<td>20%</td>
<td>9%</td>
<td>0%</td>
</tr>
</tbody>
</table>

Number of interviews = 400

Source: Gloucestershire Growth Hub Business Survey, 2017

**7.4 Satisfaction**

All interviewees were asked to rate their overall satisfaction with the quality of the service the Growth Hub provided for their business. The results were very positive with 48% reporting that they were very satisfied with the service and a further 29% reporting that they were quite satisfied. In total this is a strong result with over three-quarters of all business users being either very satisfied or quite satisfied with the service. At the other end of the scale around 10% reported that they with either quite dissatisfied (7%) or very dissatisfied (3%) with the service (Figure 7-2).
Figure 7-2: (All Businesses) Overall how satisfied are you with the quality of the service the Growth Hub provided for your business?

![Bar chart showing satisfaction levels](chart1)

Number of interviews = 400

Source: Gloucestershire Growth Hub Business Survey, 2017

Finally, based on their experience of using the Growth Hub, all businesses were asked, for their views on the extent to which they felt the Growth Hub was helping to simplify the provision of support services for businesses in the County. This is one of the overarching aims for the Growth Hub. Over one-quarter (26%) felt they were doing this extremely well and a further 36% felt they were achieving this aim quite well. Around 22% felt they were achieving this aim to some extent while 10% did not think they were achieving this and 6% felt unable to express an opinion.

Figure 7-3: (All Businesses) One of the overarching aims of the Growth Hub was to simplify the provision of support services for businesses in the County. Based on your experience to date how well do you believe they are achieving this objective?

![Bar chart showing extent of simplification](chart2)
Number of interviews = 400

Source: Gloucestershire Growth Hub Business Survey, 2017
8 IMPACTS: HIGH GROWTH BUSINESSES

8.1 Type of Support Provided (High Growth Businesses)

From the sample provided, 207 interviews were undertaken with businesses that had been identified by the Growth Hub as being high growth organisations or as having high growth potential. This group had been allocated to a Business Guide and had received a more intensive level of support.

This group was asked to what extent they felt that the Business Guide understood and assisted them with their problem (Figure 8-1).

Figure 8-1: (High Growth Businesses) Our records show that you were supported by one of our Business Guides. Thinking about the discussions you had with the Business Guide, can you tell me how strongly you agree or disagree with each of the following statements?

“The Business Guide I worked with …”

Almost 80% of high growth businesses either agreed or strongly agreed that the Business Guide understood their business. This is a strong endorsement of the quality of the Guides and the initial impression they made on the businesses. In almost three-quarters of all cases, the Guide suggested a course of action that the business owner felt could help the business to grow in the long-term. In almost 70% of cases the Business Guide helped to identify where the business could benefit from support and over 60% of interviewees had their thinking challenged in a positive way.

One third of the high growth businesses interviewed had developed a Growth Plan and a further 11% were in the process of doing so (Figure 8-2).
Figure 8-2: (High Growth Businesses) As a result of your discussion with the Business Guide, has your company developed a Growth Plan?

<table>
<thead>
<tr>
<th>Yes</th>
<th>33%</th>
</tr>
</thead>
<tbody>
<tr>
<td>No</td>
<td>56%</td>
</tr>
<tr>
<td>It’s in progress</td>
<td>11%</td>
</tr>
</tbody>
</table>

Number of interviews = 207

Source: Gloucestershire Growth Hub Business Survey, 2017

Of those who responded positively:

- 13% (9 businesses) had implemented the plan in its entirety;
- 48% (33 businesses) were well underway with the plan;
- 25% (17 businesses) had just started implementing the plan; and
- 15% (10 businesses) had not yet started implementing the plan.

8.2 Impact of Support (High Growth Businesses)

8.2.1 Employment and Turnover Profile

The database provided by the Growth Hub identified if the businesses supported were high growth or had high growth potential. In total, 207 companies in this category were interviewed. Currently, these businesses employ 2,593 people.

Some 8% of the high growth businesses using the service were pre-start companies while a further 68% were small businesses with up to 10 employees. A breakdown of businesses interviewed by size of company is shown in (Figure 8-3).
Interviewees were less willing to provide data on turnover with 28% (57 businesses) either declining the question or being unable to provide the information. The data provided by those who were able and willing to provide information (150 businesses) suggests that a wide variety of businesses are using the Growth Hub. The combined turnover of high growth businesses that use the Growth Hub currently stands at around £240 million.

Approximately 14% described themselves as pre-turnover businesses, while a further 31% had a turnover of £100,000 or less. Around 37% had a turnover of between £100,000 and £1 million and 18% had turnover of more than £1 million (Figure 8-4). The “average” high growth business supported had a median employment of 3 people and a median turnover of £192,500.
8.2.2 Changes in Employment and Turnover

Of the 207 high growth companies interviewed, 96% provided data on current employment and on their employment levels before they approached the Growth Hub. The information provided shows a positive picture. Before approaching the Growth Hub, this group employed around 2,149 people. After assistance, they employed 2,593 people, representing a growth in employment of 18% (an extra 454 jobs).
Figure 8-5: (High Growth Businesses) Change in employment pre- and post-assistance from the Growth Hub

As shown in Figure 8-5, employment had grown in around one-third of high growth businesses interviewed (32%), while for the majority of businesses (61%), employment levels had stayed the same. Only 3% of businesses reported that employment had fallen.

When asked to what extent the employment change was attributable to the support received from the Growth Hub, almost half (49%, 102 interviewees) either felt unable to answer the question or had not experienced any change in employment (Figure 8-6). A further 29% (61 businesses) did not think that any of the change was attributable to the support received from the Growth Hub while a further 12% (24 businesses) felt a small amount was attributable. Almost 10% (20 businesses) felt that a significant amount of their change in employment was due to the support they received from the Growth Hub.
Figure 8-6: (High Growth Businesses) Approximately how much of this [employment] change do you think is attributable to the support you received from the Growth Hub?

Number of interviews = 207

Source: Gloucestershire Growth Hub Business Survey, 2017

Data on change in turnover for the high growth businesses interviewed is less comprehensive with only 150 out of 207 businesses (72%) being able and willing to provide information. Of those who provided data, this group of businesses had a combined turnover of around £221 million before approaching the Growth Hub for assistance. After assistance, (i.e. at present) their combined turnover is around £240 million. This represents a growth in turnover of 9% (an extra £20 million).

Over one-third of the high growth businesses interviewed (37%) had experienced an increase in turnover since they first contacted the Growth Hub. For 32% of businesses turnover had remained the same while for 3% turnover had decreased. A large proportion of interviewees (28%) either did not know how turnover had changed or declined to answer the question Figure 8-7.
When asked how much turnover change was attributable to the support received from the Growth Hub, again almost half (46%, 96 interviewees) either felt unable to answer the question or had not experienced any change in turnover (Figure 8-8). A further 29% (59 businesses) did not think that any of the change was attributable to the support received from the Growth Hub while a further 15% (30 businesses) felt that a small amount was attributable. Almost 10% (22 businesses) felt that a significant amount of their change in turnover was due to the support they received from the Growth Hub.

The main benefit experienced by high growth businesses that used the service has been help to maintain their current levels of employment: this was reported by 45% of businesses. This was followed by around 30% of businesses each who benefitted in
terms of efficiency gains, improvements in profitability and improvements in their product or service quality. One in five (20%) high growth businesses had benefitted through achieving a reduction in operating costs. Almost one in ten (9%) had benefitted through increasing their exports.

Figure 8-9: (High Growth Businesses) Has the support provided by the Growth Hub enabled your business to:….

<table>
<thead>
<tr>
<th></th>
<th>Yes</th>
<th>No</th>
<th>N/A</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maintain current levels of employment</td>
<td>45</td>
<td>50</td>
<td>5</td>
</tr>
<tr>
<td>Increase efficiency</td>
<td>33</td>
<td>64</td>
<td>3</td>
</tr>
<tr>
<td>Improve profitability</td>
<td>29</td>
<td>68</td>
<td>3</td>
</tr>
<tr>
<td>Improve product or service quality</td>
<td>28</td>
<td>69</td>
<td>3</td>
</tr>
<tr>
<td>Reduce costs</td>
<td>20</td>
<td>77</td>
<td>3</td>
</tr>
<tr>
<td>Increase exports</td>
<td>9</td>
<td>84</td>
<td>7</td>
</tr>
</tbody>
</table>

Number of interviews = 207

Source: Gloucestershire Growth Hub Business Survey, 2017
9 IMPACTS: LESS INTENSIVELY SUPPORTED BUSINESSES

9.1 Type of Support Provided (Non-High Growth Businesses)

The remaining 193 businesses in our survey sample had received less intensive support from the Growth Hub. This group was asked what course of action the Business Navigator had recommended to them (multiple responses were counted).

Over half (53%) of interviewees reported that they were recommended to participate in an activity, event or service provided by the Growth Hub. Around one in seven (14%) were signposted to a private provider of business support services operating in the area and a similar proportion (13%) were signposted to one of the national business support programmes. Around 8% were signposted to support provided by the University of Gloucestershire. In 15% of cases, no recommendation was made by the Business Navigator (Figure 9-1).

Figure 9-1: (Other Businesses) After your initial discussions what did the Business Navigator you spoke to recommend? (please select all that apply)

<table>
<thead>
<tr>
<th>Recommendation</th>
<th>% of Interviewees</th>
</tr>
</thead>
<tbody>
<tr>
<td>No recommendations</td>
<td>15</td>
</tr>
<tr>
<td>Signpost to private providers of business support services operating in the county</td>
<td>14</td>
</tr>
<tr>
<td>Signpost to one of the national business support programmes</td>
<td>13</td>
</tr>
<tr>
<td>Signpost to the University of Gloucestershire</td>
<td>8</td>
</tr>
<tr>
<td>Don't know</td>
<td>5</td>
</tr>
</tbody>
</table>

Number of interviews = 193

Source: Gloucestershire Growth Hub Business Survey, 2017

Of the 53% (102 interviewees) who were recommended to participate in an activity, event or service provided by or at the Growth Hub,

- 39% (40 interviewees) were invited to attend or consider the events on offer in general;
- 16% were recommended some “other” event;
- 11% (11 interviewees) were recommended to attend a networking event; and
- 10% (10 interviewees) were recommended to attend an advice session or clinic.
Other courses of action which were mentioned by less than 10 interviewees each were marketing events, attendance on courses, attendance at meetings, legal/tax advice, social media training events, to present a business plan, funding advice.

Of the 14% (27 interviewees) who were signposted to private providers of business support services operating in the County, this was mainly for

- marketing support (14 interviewees);
- business support/advice (3 interviewees);
- financial advice (3 interviewees); and
- mentoring support (3 interviewees).

For the 13% (26 interviewees) who were signposted to a national business support programme a wide range of responses were given including the local council (for funding advice), the Prince’s Trust, the Engine Shed (an innovation centre based in Bristol), Enterprise Europe Network, EU funding schemes, National Grant Services, the Department for Rural Affairs, Worcestershire Growth Hub and government bodies.

Around two-thirds (65%) of the businesses that received less intensive support from the Growth Hub followed up on the action recommended to them by the Business Navigator. In almost half of these cases (45%) the recommendation was followed up in its entirety, in 15% of cases it was partially followed up and in 6% of cases the recommended course of action was still in progress.

Just over one-fifth (22%) of interviewees did not follow through with the course of action that was recommended to them.

Figure 9-2: (Other Businesses) Have you since followed up these suggestions?

![Bar chart showing the percentage of interviewees who followed up recommendations](chart.png)

Number of interviews = 193

Source: Gloucestershire Growth Hub Business Survey, 2017

The less intensively supported businesses who followed up the recommendations made by the Growth Hub (65% of the 193 businesses interviewed) were asked if they would have been able to access the same support without the help of the Growth Hub. Over
half (54%) would not have been able to access the same support at all while a further third (33%) would not have been able to access it so easily or so quickly. Only 13% of interviewees stated that the Growth Hub had made no difference to the outcome.

Figure 9-3: (Other Businesses) If yes (to Q18). If the Growth Hub did not exist would you have accessed this support?

![Bar chart showing the impact of support.]

Number of interviews = 193

Source: Gloucestershire Growth Hub Business Survey, 2017

9.2 Impact of Support (Non-High Growth Businesses)

9.2.1 Employment and Turnover Profile

A total of 193 businesses were interviewed that had received a less intensive level of support from the Growth Hub. The businesses in this group currently employ 5,228 people; however this figure is skewed by two very large businesses. Excluding these outliers, total current employment was 2,128 people. The median company size for this group was two employees.

Some 14% of the less intensively supported businesses interviewed were pre-start companies while a further 74% were small businesses with up to 10 employees. Compared to the profile of high growth businesses that have received support from the Growth Hub, those receiving less intensive support tend to be smaller businesses. A breakdown of businesses interviewed by size of company is shown in Figure 9-4.
Figure 9-4: (Other Businesses) How many full-time equivalent staff does your business employ in Gloucestershire?

![Pie chart showing the distribution of staff size among businesses in Gloucestershire.]

Number of interviews = 193 (Data provided by 182)

Source: Gloucestershire Growth Hub Business Survey, 2017

Interviewees were less willing to provide data on turnover with 39% (76 businesses) either declining the question or being unable to provide the information. The data provided by those who were able and willing to provide information (117 businesses) suggests that a wide variety of businesses are using the Growth Hub. The combined turnover of less intensive businesses users that have used the Growth Hub currently stands at around £686 million. However, as with the data on employment, this is skewed by the inclusion of two outlying businesses. Removing their data results in a total current turnover for the group of £116 million.

Approximately 16% described themselves as pre-turnover businesses, while a further 44% had a turnover of £100,000 or less. Around 25% had a turnover of between £100,001 and £1 million and 15% had turnover of more than £1 million (Figure 9-5).

The “average” non-high growth business supported had a median employment of 2 people and a median turnover of £80,000, meaning that a typical business in this group has 1 fewer employee and turns over half the amount of business than the “average” high growth enterprise.
Of the 193 non-high growth companies interviewed, 94% provided data on current employment and also on their employment levels before they approached the Growth Hub. Two outlying values have been excluded as they skew the results significantly. The information provided shows a positive picture. Before approaching the Growth Hub, this group employed around 2,018 people. After assistance, (i.e. current employment) they employed 2,128 people, representing a growth in employment of 6% (an extra 110 jobs⁹).

⁹ Including the outlying values, total employment before assistance was 4,918 and after assistance it was 5,228: a growth of 6.3% or 310 jobs.
As shown in Figure 9-6, employment had grown in 18% of other businesses supported (this is just over half the rate of the reported growth in high growth businesses which was 32%), while for the majority of businesses (72%), employment levels had stayed the same. Only 4% of businesses reported that employment had fallen.

When asked to what extent the employment change was attributable to the support received from the Growth Hub, over three-quarters (77%, 148 interviewees) either felt unable to answer the question or had not experienced any change in employment (Figure 9-7). A further 13% (26 businesses) did not think that any of the change was attributable to the support received from the Growth Hub while a further 6% (12 businesses) felt a small amount was attributable. Over 4% (7 businesses) felt that a significant amount of their change in employment was due to the support they received from the Growth Hub.
Figure 9-7: (Other Businesses) Approximately how much of this [employment] change do you think is attributable to the support recommended to you by the Growth Hub?

Data on turnover for the other businesses interviewed was less comprehensive with only 113 out of 193 businesses (59%) being able and willing to provide information. Two outlying values were excluded as they skewed the data significantly. Of those who provided data, this group of businesses had a combined turnover of around £112 million before approaching the Growth Hub for assistance. After assistance, (i.e. at present) their combined turnover is around £116 million. This represents a growth in turnover of 4% (an extra £5 million).

Over one-fifth of the non-high growth businesses interviewed (21%) had experienced an increase in turnover since they first contacted the Growth Hub. For 35% turnover had remained the same while for 3% turnover had decreased. A large proportion of interviewees (41%) either did not know how turnover had changed or declined to answer the question Figure 9-8.
When asked how much turnover change was attributable to the support received from the Growth Hub, two-thirds of non-high growth businesses interviewed (67%, 130 interviewees) either felt unable to answer the question or had not experienced any change in turnover (Figure 9-9). A further 19% (36 businesses) did not think that any of the change was attributable to the support received from the Growth Hub while a further 11% (21 businesses) felt that a small amount was attributable. Around 4% (6 businesses) felt that a significant amount of their change in turnover was due to the support they received from the Growth Hub.

The main benefit experienced by non-high growth businesses that used the service has been help to increase their efficiency (reported by 26% of non-high growth businesses...
Improvements in product or service quality and profitability were reported by over one-fifth of those interviewed. Around 17% non-high growth businesses had achieving a reduction in operating costs as a result of their contact with the Growth Hub and 5% had benefitted through increasing their exports (Figure 9-10).

Figure 9-10: (Other Businesses) Has the support that you accessed through the Growth Hub enabled your business to:

- Increase efficiency: 26% Yes, 69% No, 5% N/A
- Improve product or service quality: 23% Yes, 73% No, 5% N/A
- Improve profitability: 21% Yes, 74% No, 5% N/A
- Reduce costs: 17% Yes, 78% No, 5% N/A
- Increase exports: 5% Yes, 88% No, 8% N/A

Number of interviews = 193 Source: Gloucestershire Growth Hub Business Survey, 2017
10 BUSINESS IMPACTS: OVERVIEW

There is a strong sense that the Growth Hub is delivering its objectives for business customers. Chapters 7, 8 and 9 report on a telephone survey of 400 businesses and this short section presents an overview of the highlights from this survey, to answer the key evaluation questions.

10.1 Satisfaction, Simplification and Profile

There is a high level of satisfaction with the services delivered by the Growth Hub: 48% of all users reported that they were very satisfied with the service and a further 29% reported that they were quite satisfied.

The overarching aim of the Growth Hub is to simplify the provision of support services for businesses in the County. Over 80% of business felt this is being achieved (46% of all business users interviewed felt they were doing this extremely well and a further 36% felt they were doing this quite well. Around 22% felt they were achieving this aim to some extent).

The profile of the Growth Hub amongst businesses in our survey sample is good, with 60% of users in the survey having heard about the Growth Hub through their own network of contacts. A further 19% were referred to the Growth Hub by another organisation. Note that this is a self-selecting sample, with respondents drawn from businesses that are already engaged with the project. So this level of recognition may not necessarily be replicated across the business community in Gloucestershire.

Almost 50% of users contacted the Growth Hub for advice on how to start up or how to grow a business.

Navigators, the first point of contact at the Growth Hub, are highly regarded by all service users for their understanding of the businesses’ needs and their knowledge of the different sources of support available.

10.2 High Growth Businesses

10.2.1 Business Guides and Growth Plans

High growth users felt strongly that their Business Guide both understood their business and was able to recommend an appropriate course of action to help them grow. As a result of these discussions, 44% of high growth businesses had either developed a Growth Plan or were in the process of doing so.

10.2.2 Employment Growth

The “average” high growth business supported had a median employment of three people and a median turnover of £192,500 per year (based on 207 businesses interviewed). 8% of the high growth businesses using the service were pre-start companies while a further 68% were small businesses with up to 10 employees.

The 207 high growth businesses interviewed employed 2,149 people before approaching the Growth Hub for support and 2,593 people afterwards: representing an 18% growth in employment. In fact, around one-third (32%) of high growth businesses increased their employment levels during this time: 10% felt that “a significant amount” of this change was due to the Growth Hub’s support while a further 12% felt that the Growth Hub was responsible for “some” of the change. The remainder (78%) either did not feel that the Growth Hub was responsible for any of the change in employment or had not
experienced any employment change following the Growth Hub’s support or were unable to answer the question.

**10.2.3 Turnover Growth**

72% of high growth businesses provided data on turnover. Before assistance their combined turnover was £221 million and afterwards it was £240 million: a growth of 9%. Over one-third of the high growth businesses interviewed (37%) had increased their turnover since they first contacted the Growth Hub: 10% felt that a significant amount of this change was due to the Growth Hub, and a further 15% felt it was responsible for a small amount of the change. The remainder (75%) either did not feel that the Growth Hub was responsible for any of the change in turnover or had not experienced any turnover change following the Growth Hub’s support or were unable to answer the question.

The main benefit experienced by high growth businesses that used the service has been help to maintain their current levels of employment: this was reported by 45% of businesses.

9% of high-growth businesses had benefitted through increasing their exports.

**10.3 Other Business Users, Non High Growth Companies**

The remaining 193 interviewees were classified as having received less intensive support from the Growth Hub (other business users). Some 14% of the less intensively supported businesses interviewed were pre-start companies and a further 74% were small businesses with up to 10 employees. 44% had a turnover of £100,000 or less. On the whole, the ‘other businesses users’ tend to be smaller in size than the high growth businesses. The median company size for this group was two people and the median turnover was £80,000.

**10.3.1 Activity and Signposting**

Over half (53%) of this group reported that they were recommended to participate in an activity, event or service provided by the Growth Hub. Around 35% were signposted to another support provider. Most (65%) followed up the support recommendations. Over half (54%) felt they would not have been able to access the same support without the Growth Hub while a further third (33%) would not have been able to access it so easily or so quickly. Only 13% of interviewees stated that the Growth Hub had made no difference to the outcome achieved.

**10.3.2 Employment and Turnover Growth**

Employment and turnover data for this group was skewed by the inclusion of two very large companies which together accounted for 3,100 jobs and £570 million turnover. Excluding these two, total employment for the 191 other business users was 2,018 before support from the Growth Hub and 2,218 after support: a growth of 6% (110 jobs).

18% of other businesses interviewed reported a growth in employment. 10% of this group felt that some of this change was due to the Growth Hub’s support. The remainder (90%) either felt that the Growth Hub was not responsible for any of the change in employment or had not experienced any employment change following the Growth Hub’s support or were unable to answer the question.

59% of other businesses users provided data on turnover change. This group had a combined turnover of £112 million before approaching the Growth Hub for assistance and around £116 million after receiving support from the Growth Hub: representing an average growth in turnover of 4%. Over one-fifth of the other businesses users
interviewed (21%) had experienced an increase in turnover since they first contacted the Growth Hub: 15% felt that some part of this was due to the assistance they received. The remainder (85%) either did not feel that the Growth Hub was responsible for any of the change in turnover or had not experienced any turnover change following the Growth Hub’s support or were unable to answer the question.

The main benefit experienced by these non-high growth businesses has been help to increase their efficiency (reported by 26% of non-high growth businesses interviewed). Improvements in product or service quality and profitability were reported by over one-fifth of those interviewed and around 17% of the non-high growth businesses interviewed had achieved a reduction in operating costs. 5% of other business users had benefitted through increasing their exports.

## 10.4 Profile of Businesses

The survey found that the Growth Hub has been mainly working with small businesses. For the high growth businesses, 68% had less than 10 employees (74% for the other businesses) and just 6% had 50 or more employees (4% for the other businesses).

Whilst there can be economic impacts from working with the smallest businesses, the Growth Hub has recently been targeting medium sized and larger businesses, with a change to the tone of marketing activities to encourage such businesses to engage. An increase in medium-sized and larger businesses engaging with the Growth Hub may also provide more opportunities to identify organisations that may benefit from innovation interactions with the University.

In the next phase of the Growth Hub’s development, the ESIF funding will mean that engagement with SMEs will continue to be important. However, the needs of larger businesses in the County will remain a focus, including through supporting SME businesses in the corporate supply chain and providing workforce skills programmes such as Degree Apprenticeships.
11 CONCLUSIONS AND RECOMMENDATIONS

This interim evaluation finds a project very much on track, with targets being met, funders’ objectives delivered and service users satisfied.

11.1 Meeting Targets

Section 6.4 described the project targets, which include number of business engagements, support interventions, high growth businesses supported, new business support services developed, as well as targets for University outputs related to student experience, outcomes and knowledge exchange activity.

On all measures, the project is meeting or exceeding its quantitative targets.

11.2 Impacts on Business Users

The interim evaluation survey of 400 businesses, including high growth and other businesses, demonstrates a strong impact. Levels of satisfaction are high, with almost 80% of businesses reporting they are very (48%) or quite (29%) satisfied with the service. 60% of supported businesses heard about the Growth Hub through their own network of contacts, suggesting it has a good level of profile in the County.

The first point of contact for businesses are the Navigators, and they are highly regarded by service users for their understanding and knowledge. This, in fact, was supported by our study consultees, who also hold the Growth Hub’s staff in high regard.

Our survey reported that almost half of high growth businesses had developed a growth plan, suggesting room for improvement in this area. Over the period of support, there was an 18% growth in employment among supported high growth businesses. Almost a quarter of these businesses apportioned this growth at least in part to the services of the Growth Hub. A similar proportion thought that the Growth Hub contributed to their growth in turnover (around one third of high growth businesses increased turnover).

There were similarly positive impacts on the non-high growth companies sampled. Over half were recommended to participate in an activity and around 35% were signposted to another provider (a key recommendation of the simplification agenda). Almost 20% of these businesses reported a growth in employment, with a small proportion (10%) saying they felt this was in part due to the Growth Hub’s support. 15% of the sample increased turnover, with a larger proportion suggesting the Growth Hub influenced this benefit.

The main benefit experienced by the non-high growth businesses has been to increase efficiency, improve product/service quality and profitability. 5% of this group increased exports.

It should be noted that the objective of the Growth Hub has been focussed on delivering support for businesses who approached it – there has been no requirement to focus on achieving additionality. Also, identifying additionality is particularly challenging in evaluations such as this one. Only a minority of businesses apportion benefits to the Growth Hub, however, there is always a bias in survey questions like this because successful business owners will often be inclined to attribute success to themselves rather than external advice.
11.3 Knowledge Exchange, Commercialisation and Student Outcomes

The Growth Hub has met and exceeded the quantitative and activity targets set by the HEFCE Catalyst Fund. As well as business interventions reported above, these targets included the number of graduates placed in Gloucestershire jobs, new employer/HEI networks, work placements, internships and knowledge exchange income and activity.

The Growth Hub has supported University knowledge exchange activities - by providing a space that academics, students and businesses could interact. And it was reported during consultations that the Growth Hub and the space it provided meant that the University interacted with some businesses that it would not have done otherwise.

The University’s Strategic Plan (2017-22) places an emphasis on the University’s role as an anchor institution in the County, there is no doubt that the Growth Hub is an important mechanism to deliver this through its engagement with businesses. The Growth Hub has also supported the University’s employability agenda, exposing students to businesses and engaging businesses in educational programmes.

11.4 Changes in Economic Measures

Since the baseline was undertaken, there has been a positive change in the economic context within which the Growth Hub operates. It is too early to suggest these changes are related to this project specifically.

There has been an increase in GVA above the national average, as a result of increasing productivity and higher participation in the labour market. This is most pronounced in sectors such as retail; information and communication; and professional, scientific and technical services. While the structure of employment remains relatively unchanged, there has been an increase in the proportion employed in professional, scientific and technical services, and a decrease in manufacturing.

Finally, there are positive moves towards key project objectives, with the business birth rate increasing, the number of businesses growing and the three-year business survival rate high, although it is below the ambitious target rate set by the Gloucestershire SEP. The economic rationale for the Growth Hub project continues.

11.5 Recommendations

The next phase of the Growth Hub’s development is now well underway, with a major development of its Oxstalls facility, digital infrastructure being implemented and a network of partners delivering services at sites across the County. The recommendations made in the project’s simplification report are being delivered and target output and outcomes are being met.

The evidence presented in this evaluation shows that the Growth Hub is delivering what businesses want and is having a positive impact on employment and turnover. Unlike some business support models, it does not focus on ‘products’, but really does work with businesses to understand their individual needs. The Growth Hub should continue with this approach, and continue to focus on areas where it can have the most impact, already identified by the project partners as the “super seven” challenges (people and skills; operations; strategy; finance; export; sales and marketing; and innovation).

The next phase of the Growth Hub will mean that there is less flexibility in terms of what can be offered to businesses, most notably the requirement of the ERDF funding to provide a service within a structure of 3 hours and 12 hours support and only for eligible
SMEs. This will be a challenge for the Growth Hub team, including managing the expectations of returning clients who may be used to a more flexible model and there is a danger that the high levels of satisfaction found in this interim evaluation could be lower in future, given how valued the flexible business-led approach has been. This is something that the Growth Hub should manage and will be an issue to be explored in the final evaluation.

Within the innovation arena, there may be a case for looking at a smart specialisation approach, with the university working with groups of SMEs, where there is a cluster of activity in the County. This is an approach that the University is already developing as part of the GRIP project. This may include, for example, working on development or productivity projects with groups of companies that might be too small to engage in innovation activity alone. The artisan food and drink area has been suggested during our research\(^\text{10}\).

A key issue for the future of the Growth Hub is its longer term sustainability to support it after the end of the current funding period. A sustainability strategy should be a priority. This will need to recognise that there is a continuing rationale for the services provided, based on market failure, and so there will need to be on-going public sector funding for many of the services that the Growth Hub provides. So, while the sustainability strategy may include consideration on whether there may be aspects of the Growth Hub’s services that businesses may be willing to pay for, it is likely that the majority of funding will need to continue to be from the local, regional and national public sector organisations with a remit that includes economic and business development.

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\(^\text{10}\) Note that case studies of this approach are available. For example, Scotland’s oilseed rape producers’ work with Queen Margaret University [https://www.qmu.ac.uk/news-and-events/news/20150608-university-partnership-forecasts-health-growth/](https://www.qmu.ac.uk/news-and-events/news/20150608-university-partnership-forecasts-health-growth/)
APPENDIX 1: STUDY CONSULTEES

Jeannie Cohen-Brand, Head of Enterprise & New Ventures, University of Gloucestershire
Sarah Danson, Senior Project Manager, Growth Hub
Chris Finn, Associate Director Student Employability, University of Gloucestershire
Mark Hawthorne, Leader, Gloucestershire County Council
Gwyn Jones, Dean of Business School, University of Gloucestershire
Stephen Marston, Vice Chancellor, University of Gloucestershire
David Owen, CEO, GFirst LEP
Polly Pick, Director for Business Engagement, University of Gloucestershire
APPENDIX 2: BUSINESS SURVEY QUESTIONNAIRE

Introduction

Good morning/afternoon, I am calling from Research Resource on behalf of the Growth Hub. You should have received an email from someone at the Growth Hub recently to let you know that we might be calling.

Our records show that your business has engaged with the Growth Hub team at some point over the past few years. It would be very helpful if you could spare the time to answer a few questions about your experiences. The overall aim of survey is to help evaluate the performance of the Growth Hub to ensure that it is achieving its objectives. The results will be used to help the Growth Hub to secure future funding.

The survey should take up no more than 15 minutes of your time and your input would be very much appreciated. Are you happy to proceed?

If yes…

Business Details: All respondents

1. What is the name of your business?

2. What sector do you mainly operate in?
   - advance engineering and manufacturing
   - business and professional services
   - charities and third sector
   - construction
   - creative industries
   - education
   - energy
   - finance
   - health and social care

3. Is your business based
   - In Gloucestershire
   - Elsewhere in England

(If elsewhere in England please ask what proportion of activity occurs in Gloucestershire.)
Approach and Initial Discussions: All respondents

4. How did you first hear about the Growth Hub?
   • Growth Hub publicity (please specify source)
   • internet search
   • referral from another organisation (please specify which one)
   • through my own network of business contacts

5. What was your main reason for first approaching the Growth Hub? (select as many as apply).
   • I was curious to find out more about what they do
   • I was looking for support and advice about setting up a new business
   • I was looking for help with product or service development
   • I was looking for business management advice
   • I wanted advice about how to grow my business
   • I wanted advice about selling my products/services overseas
   • I was interested in collaborating with the University of Gloucestershire
   • I wanted to find out about funding opportunities
   • other (please specify)

6. Thinking about the initial discussions you had with the Business Navigator you spoke to at the Growth Hub can you tell me how strongly you agree or disagree with each of the following statements:

<table>
<thead>
<tr>
<th>The Business Navigator I spoke to…</th>
<th>Strongly agree</th>
<th>Agree</th>
<th>Neither agree nor disagree</th>
<th>Disagree</th>
<th>Strongly disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Helped me to understand how the Growth Hub works</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Listened to me and seemed interested in what I had to say</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Was knowledgeable about the various sources of support that might be available to my business</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Recommended an appropriate course of action</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Clearly explained what would happen next</td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

11 All businesses that approach the Growth Hub are first seen by a Business Navigator who assesses their needs. If the business is identified as having high growth potential the business will then be referred to a Business Guide in the Growth Hub who provides more intensive support. If the business is not identified as having high growth potential the Business Navigator will direct the business toward the most appropriate source of support, which may be another provider in the County or one of the national business support programmes.
Type of Support Provided: High Growth Potential Businesses Only

7. Our records show that you were supported by one of our Business Guides. Thinking about the discussions you had with the Business Guide, can you tell me how strongly you agree or disagree with each of the following statements:

<table>
<thead>
<tr>
<th>The Business Guide I worked with…</th>
<th>Strongly agree</th>
<th>Agree</th>
<th>Neither agree nor disagree</th>
<th>Disagree</th>
<th>Strongly disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Understood my business</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Helped me to identify where my business could benefit from support</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Challenged my thinking in a positive way</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Suggested a course of action that I think could help my business to grow in the long term</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

8. As a result of your discussion with the Business Guide, has your company developed a Growth Plan?
   - Yes
   - No
   - We are in the process of doing this

9. If yes, how much progress have you made in implementing this plan?
   - The plan has been implemented in its entirety
   - We are well underway with the plan
   - We have just started implementing the plan
   - We have not yet started implementing the plan
Impact of Support: High Growth Potential Businesses Only

10. How many full-time equivalent staff does your business employ in Gloucestershire?

11. How many full-time equivalent staff did your business employ in Gloucestershire before you approached the Growth Hub?

for businesses that report an increase please ask…

12. Approximately how much of this change do you think is attributable to the support you received from the Growth Hub?
   - None of it
   - A small amount
   - A significant amount
   - Almost all
   - All of it

13. Approximately how much turnover does your business generate in Gloucestershire?
14. Approximately what was the value of your businesses turnover in Gloucestershire before you approached the Growth Hub?

for businesses that report an increase please ask…

15. Approximately how much of this change do you think is attributable to the support you received from the Growth Hub?
   - None of it
   - A small amount
   - A significant amount
   - Almost all
   - All of it

16. Has the support provided by the Growth Hub enabled your business to:

<table>
<thead>
<tr>
<th></th>
<th>Yes</th>
<th>No</th>
</tr>
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<tr>
<td>Maintain current levels of employment</td>
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<td>Improve profitability</td>
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<td>Increase exports</td>
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<td>Improve product or service quality</td>
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Type of Support Provided: All Other Businesses

17. After your initial discussions what did the Business Navigator you spoke to recommend? (please select all that apply).
   - signpost to private providers of business support services operating in the County (please type, e.g. marketing support, financial advisor);
   - recommendation that the business participates in an activity, event or service provided by or at the Growth Hub (please specify type);
   - signpost to the University of Gloucestershire; and/or
   - signpost to one of the national business support programmes (please specify which one).

18. Have you since followed up these suggestions?
   - Yes – completely
   - No – not at all
   - Yes – we are in the process of taking up the recommendations
   - Yes, partially – we took up some of the suggestions but not others

19. (If respondent answered “yes” to Q. 12) If the Growth Hub did not exist would you have accessed this support?
   - No
   - Yes – but it would have taken us longer/been more difficult to find it
   - Yes – the Growth Hub really didn’t make any difference

Impact of Support: All Other Businesses

1. How many full-time equivalent staff does your business employ in Gloucestershire?

2. How many full-time equivalent staff did your business employ in Gloucestershire before you approached the Growth Hub?

   for businesses that report an increase please ask…

3. Approximately how much of this change do you think is attributable to the support recommended to you by the Growth Hub?
   - None of it
   - A small amount
   - A significant amount
   - Almost all
   - All of it

4. Approximately what is the turnover of your business in Gloucestershire?
5. Approximately what was the value of your businesses turnover in Gloucestershire before you approached the Growth Hub?

for businesses that report an increase please ask...

6. Approximately how much of this change do you think is attributable to the support recommended to you by the Growth Hub?
   - None of it
   - A small amount
   - A significant amount
   - Almost all
   - All of it

7. Has the support that you accessed through the Growth Hub enabled your business to:

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<thead>
<tr>
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<th>Yes</th>
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<tbody>
<tr>
<td>Improve profitability</td>
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Views on Service: All respondents

8. Overall how satisfied are you with the quality of the service the Growth Hub provided for your business?
   - Very satisfied
   - Quite satisfied
   - Neither satisfied nor dissatisfied
   - Quite dissatisfied
   - Very dissatisfied

9. One of the overarching aims of the Growth Hub was to simplify the provision of support services for businesses in the County. Based on your experience to date how well do you believe they are achieving this objective?
   - Extremely well
   - Quite well
   - To some extent
   - Not at all

That is the end of this survey, thank you for your time.