

The Manufacturing Growth Programme Phase 2 Final Summative Assessment



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Executive Summary

January 2023

Project	The Manufacturing Growth Programme Phase 2	
Time period	April 2019 – June 2023	
Geographical Areas Covered	<ul style="list-style-type: none"> • Black Country • Coventry & Warwickshire • D2N2 • Enterprise M3 • Greater Birmingham & Solihull • Greater Lincolnshire • Hertfordshire • Hull and East Yorkshire • West Yorkshire Combined Authority (WYCA) 	<ul style="list-style-type: none"> • Leicester & Leicestershire • South Yorkshire Mayoral Combined Authority (SYMCA) • Solent • South-East • South East Midlands • Stoke-on-Trent & Staffordshire • The Marches • Worcestershire • York and North Yorkshire
Original Project Value	£22,668,228	
Current Project Value	£35,954,426	
C1: Contracted Nos. of SMEs Receiving Support	2,935	
C6: Contracted Private Investment Matching Public Support to Enterprises (grants)	£17,090,020	
C8: Contracted Employment Increase in Supported Enterprises	3,918	
Range of Support Available	<ul style="list-style-type: none"> • Providing support and guidance for each SME through a dedicated Manufacturing Growth Manager • Enabling SMEs to procure an independent Manufacturing Growth Expert to assist in the delivery of the improvement project • Offering grants to SMEs for improvement projects including products, processes and services and capital investment • Delivering a series of specialist workshops 	

Overview

The Manufacturing Growth Programme (MGP) is managed and delivered by Oxford Innovation Services Ltd (OIS) trading as Oxford Innovation Advice. MGP was designed to create a targeted service supporting manufacturing SMEs to invest in their growth through delivering business improvement projects in areas such as strategic planning, productivity and process improvement, competitiveness, innovation and leadership & management.

The European Regional Development Fund (ERDF) contract for MGP2 was awarded by the Department for Levelling Up, Housing and Communities (DLUHC) to OIS, commencing 1 April 2019 and completing 31 March 2022. The Project included 16 LEP areas. Following its commencement, the Project changed to include two new LEP areas and additional funding in one existing LEP area. The Project also extended its completion date to 30 June 2023. The 18 LEP areas covered Transition and More Developed categories of regions.

MGP2 was funded from Priority Axis 3c (Supporting the Creation and Extension of Advanced Capacities for Product and Service Development) of the ERDF Operational Programme (2014 – 2020) and sought to deliver the specific objective to ‘Increase the growth capacity of small and medium sized enterprises’ by working with SMEs to drive growth, innovation and productivity.

The total Project budget was £35,954,426 of which ERDF contributed £18,864,405.

The Interim Summative Assessment allowed 4 Local Enterprise Partnership (LEP) areas to be sampled and these were Greater Lincolnshire, Hertfordshire, WYCA and Stoke-on-Trent and Staffordshire. The Interim Summative Assessment reported on outcomes and impacts, focusing on the documentation and data review, up to 31 December 2021. The Final Summative Assessment reports on outcomes and impacts forecast to 30 June 2023.

Key Findings

Market Failure

Evidence suggests that there was a strong rationale for the Project at the time of application which was designed to address clear market failures and that this rationale continued to be relevant. The interim on-line business survey provided indication that MGP2 had been successful in addressing the market failures, identified at the outset of the Project, these being: low levels of productivity; SME failure to seek business support; lack of innovation and lack of investment capital. A larger survey of all 18 participating LEP areas, was undertaken for the Final Summative Assessment and used to test the conclusions drawn from the interim sample exercise.

The final business survey suggested that aiming support solely at SME manufacturers, providing impartial advice and small capital grants, combined with expert support, does have a significant positive impact on businesses who are looking to innovate and grow. Both business surveys indicated that businesses were highly satisfied and the Final Business Survey demonstrated how critical the support had been, particularly during recent economic uncertainty. This was evidenced when businesses were asked 'Without the support from MGP2, would you have been able to progress plans to develop and grow your business?'. 15.6% of businesses claimed they would not have invested at all, 13% said 'yes but in a different way' and 69% said 'yes, but at a slower rate'.

The responses from the surveys suggest that the full achievements and impacts of the Project could be significantly under-estimated at the point of meeting the required MGP2 reporting timescales. Looking ahead, 95.2% of businesses expected their business to grow in the next 5 years, as a result of receiving MGP2 support, with 63% identifying the development of new products, as one of the growth areas.

In conclusion, the context which formed the basis of need for MGP2 still remains relevant. MGP2 has enabled the businesses it has supported to overcome these barriers to growth. In addition, MGP2 has continuously reviewed and adapted its systems, processes, marketing strategy and business support offers to respond to real-time economic changes and to make the service accessible and relevant to the manufacturing sector.

Strategic Added Value

MGP2 offered a distinct manufacturing service to businesses and stakeholders across a large geographical area. The following areas of Strategic Added Value have been identified through the Summative Assessment process:

- The delivery of a single programme (compared to 18 separate projects) that enabled cost and administration efficiencies and offered a consistent, yet flexible, approach
- Specialist strategic insight that was available to stakeholders
- Local business knowledge of the MGP2 Project Team and local MGMs whose roles involved supporting manufacturing businesses. This was given high importance by stakeholders/Growth Hubs and the beneficiary businesses. Particular emphasis was given to the MGM role in providing insight into the development of UK economic policy and regulatory systems, as these related to advanced manufacturing; technical innovation and its associated application & benefits to industry; and practical advice on areas such as process management and efficiency, skills need assessments and supply chain management
- Qualitative reporting techniques including LEP infographics used in providing stakeholders with monthly information on MGP2 progress and effectiveness in their LEP areas, through monthly MI/Insight reports and SME surveys. These were noted by stakeholders as easy to absorb and pitched at the right level
- OIS GROWTHmapper provided a more in-depth analysis of all activity being undertaken through MGP2 than was previously possible through MGP1. 'Manufacturing GROWTHmapper' was specifically designed for MGP2; other iterations of GROWTHmapper exist, including high growth, export, innovation and sustainability. GROWTHmapper was effectively used in MGP2 to produce Project Action Plans for businesses that identified key manufacturing issues/challenges as well as key opportunities to achieve high growth potential.

Project Delivery and Management

Experience developed through MGP1 enabled the Project to hit the ground running. The benefits this brought to the Project cannot be underestimated as it allowed: continuity of support; the building of relationships in MGP1's existing LEP areas; and, in the new participating LEP areas, the ability to understand the work, capacity and time required to engage stakeholders and businesses.

MGP2 is delivered by a highly motivated, dedicated and committed team. Throughout the delivery of MGP2, the team played to their strengths with a combination of technical, business development and specialist manufacturing skills.

The roles of the Operational Director, Regional Managers and MGMs were held in high regard by stakeholders including LEPs, Growth Hubs and Local Authority Economic Development Teams and the businesses they supported. Their reliance on expert manufacturing advisors to interpret trends and innovations in future manufacturing was highlighted in conversations with the stakeholders. In addition, the MGP2 support package for manufacturing businesses was seen by the stakeholders as a significant resource that was integrated with each LEP's business support offer.

Following MGP1, MGP2 streamlined and refined its management systems and processes. The systems allowed immediate access to critical data that made informed decisions to ensure the Project remained on profile. The margins for ensuring the right balance of projects that maximised outputs, spend and match funding were extremely tight. To be able to interpret data accurately and quickly, requires highly efficient project management tools and a skilled Project Delivery Team. The results were reflected in the high performance of the Project and its successful delivery over a multi-LEP area.

The Project Delivery Team facilitated a quick turnaround at each stage of the customer journey, including approval of support and payment of grant. The Project's delivery arrangements also met all compliance requirements. This efficient approach made participation in MGP2 very attractive to SMEs.

COVID-19

Following the arrival of COVID-19 in March 2020, the delivery of the Project faced unanticipated challenges. The MGP2 Team quickly adapted to deliver the Project remotely. This new way of working severely impacted on how MGMs could interact with clients as they were unable to visit them at their business premises and see businesses in operation. There were also additional challenges with specialist advisors and contractors having restricted access into businesses to undertake work and many SMEs having to revisit project priorities. MGP2 reacted quickly and worked with businesses to reassess their priorities. The Project adapted its delivery arrangements to ensure the delivery timetable was not adversely affected. The COVID-19 crisis did not diminish the value of the Project but arguably increased its relevance within the post-Covid economic context.

The MGP2 Team is to be commended on its management of the associated risks COVID-19 placed on the Project and how it continued to deliver under restricted conditions.

Marketing

It was evident that some LEP areas were easier to work with than others, however the Marketing Team was keen to improve and adapt its services to meet the needs of the LEPs. In 2022 the Team upgraded its media packs to make them a lot easier for stakeholders to upload, including preformatted text for Twitter and LinkedIn and images that aligned with the size constraints of the different social media channels. These were well received by stakeholders.

Some MGMs were more active on social media and EDM than others, however training, a handbook and one to one support was made available. A weekly tracker picked up the MGM marketing support required, which the Marketing Team responded to.

Within the MGP2 Team there were a variety of opinions on how and where marketing should have been focussed and whether the marketing had achieved maximum impact.

Notwithstanding the difficulties in undertaking a marketing campaign for a Project that spanned 18 LEP areas and competed in a very confusing business support landscape, the Project had a strong flow of interest and, even during COVID, was able to generate good quality applications. This interest indicated that marketing approaches worked

sufficiently well and the marketing evaluation work, that was undertaken in 2022 helped to sustain the momentum. The journey that marketing has taken and approaches adopted will help to inform future programmes.

Workshops

Specialist workshops were included in MGP2 in response to lessons learned in MGP1. As well as industry-specific topics, workshops were designed to cover areas such as leadership and management practices. Following COVID-19 the workshops were suspended. It is evident that the workshops were highly valued and seen as an important activity as part of the MGP2 offer to businesses. Workshops were not re-introduced at the time of writing the Final Summative Assessment (January 2023) although virtual reality workshops were being developed that could potentially be offered online as well as in a workshop environment.

Since the Interim Summative Assessment, it was encouraging to see that different digital learning platforms are being explored that could be part of future support programmes that OIS take forward.

Project Value for Money

On current projections, and following discussions with the Project Delivery Team, the Project will achieve 99.4% of its forecast Project expenditure and is on track to exceed its output targets, or to deliver well within the 15% tolerance level, by 30 June 2023. The Project has demonstrated that it has performed well against the Regeneris benchmark measurements for performance unit costs and has achieved a good return on investment when compared with the average achieved return across all Regional Development Agencies business development and competitiveness interventions.

MGP2 Delivery Team has worked hard to ensure value for money, providing cost and administration efficiencies whilst offering a consistent, yet flexible, approach that was high in quality and achieved significant impact. Overall, it is considered that the Project provided excellent value for money when compared to the likely costs of delivering 18 separate projects.

In conclusion, the delivery of MGP2 during the COVID-19 pandemic, presented unanticipated challenges. However, despite these challenges MGP2 demonstrated an ability to be flexible and continued to deliver in a cost-effective manner, achieving very good value for the ERDF investment.

SCOTTS OF THRAPSTON LTD: East Northamptonshire

Established in 1920, the family run business manufactures luxury, hardwood timber garden rooms, summerhouses, garages, pavilions, and stables.

The MGP2 GROWTHmapper review helped to underpin the need to investigate the production processes and efficiencies in the joinery and wood-shop areas, enabling greater throughput and integration from the ordering processes to final assembly.

After finding an expert business coach, a production efficiency project was conducted with great success. The business has since created two new jobs and has increased GVA of £75,000 and improved the production process in the joinery and wood-shop areas by 20%.

In return, the company supported MGP by hosting a productivity workshop and conducting production tours to evidence the improvement projects that have been carried out.

David Pooley, the Financial Director of the business, stated, "The Manufacturing Growth Programme is a support tool that makes a great difference to SMEs who really need third-party support, I would advise other businesses wanting to improve to make contact."

For more information about Scotts of Thrapston visit <https://www.scottsofthrapston.co.uk/>

1. Project Context

1.1 Introduction

1.1.1 In September 2021 Paula Rogers Consulting was commissioned by Oxford Innovation Services Ltd (OIS) trading as Oxford Innovation Advice to conduct an Interim and Final Summative Assessment of The Manufacturing Growth Programme Phase 2 ('MGP2' or 'the Project'). The Interim Summative Assessment was completed in December 2021.

1.1.2 The Final Summative Assessment provides:

- A review of European Regional Development Fund (ERDF) claims, change requests, reports and project performance data from 1 April 2019 to 30 June 2023
- Progress and performance against the project deliverables in comparison to those forecasted in the ERDF application
- Data and information gathered from project team and stakeholder consultations and business beneficiary surveys
- Conclusions on delivery, performance and impacts

1.1.3 MGP2 works with manufacturing SMEs across 18 LEP areas, providing complimentary intervention options that are locally configured, these being:

- Support for Priority Sectors - undertaking an independent business review to identify opportunities for business improvement and growth using a diagnostic tool (GROWTHmapper) specifically designed to help benchmark businesses against internal aspiration and goals. A detailed action plan is prepared, guiding the business through the process of change and improvement
- Sector Growth Engagement Initiatives and Support to Procure Specialist Sector Expertise - working with external experts to implement action plans
- Manufacturing Innovation – providing dedicated, experienced specialist Manufacturing Growth Managers (MGMs) skilled in manufacturing innovation
- Manufacturing Leadership – delivering leadership and management support to a growing manufacturing SME's management team
- Manufacturing Support Grants – providing manufacturers with broader grants to encourage/assist co-investment in improvement projects with third party Manufacturing Growth experts
- Connecting SMEs to wider support to maximise opportunities for growth

1.2 Objectives

1.2.1 The overall objective of the Summative Assessment is to gather evidence to assess the:

- Continued relevance and consistency of the Project
- Progress of the Project against contractual targets
- Experience of delivering and managing the Project
- Economic impact attributable to the Project
- Cost effectiveness of the Project and hence its value-for-money

1.2.2 The Final Summative Assessment provides:

- A review of European Regional Development Fund (ERDF) claims, change requests, reports and project performance data from 1 April 2019 and forecasting to 30 June 2023.
- Analysis of:
 - face-to-face discussions with the Project Support Team
 - survey consultations with stakeholders in all 18 LEP areas
 - business survey with all businesses that had received MGP2 support up to April 2022 (1,961 number of businesses in total)
- Detailed review of:
 - Progress and the continued relevance of the Project

- Performance against forecast spend and deliverables
- The experience of implementing and managing the Project and any lessons which have emerged from this
- The economic impact attributable to the Project and any intended or otherwise outcomes
- Value for money analysis of the cost-effectiveness of the Project considering its intended and unintended outcomes and impacts
- Business and stakeholder consultation
- Issues for consideration in future delivery of the Programme
- Issues identified by [Warwick Economics & Development \(WECD\)](#) in the MGP Summative Assessment April 2019
- Conclusions and lessons learned up to 31 December 2022
- Mini case studies, demonstrating the variety of businesses and the impact MGP2 has had

1.2.3 The intended audience of the Final Summative Assessment is the managing authority, the Department for Levelling Up, Housing and Communities (DLUHC)¹ and the service provider, OIS. Other interested partners, outside of the Project, could include Local Enterprise Partnerships (LEPs) and their Growth Hubs and other organisations providing business support across England. The Final Summative assessment provides the relevant information for the audience to understand how the Project has performed up to 31 December 2022 and is forecast to perform to 30 June 2023.

1.3 Evaluation Methodology

1.3.1 The Final Report is part of the wider Summative Assessment process, which is based around three phases, these being

- Stage 1: Summative Assessment Planning - Preparation of the Logic Model and The Summative Assessment Plan - This process has been completed by OIS as the service provider
- Stage 2: Data Collection and Reporting on the ERDF Programme's Monitoring Requirements – ongoing until 30 June 2023
- Stage 3: Reporting and Communication – Submission of the Interim and Final Summative Assessments by date 20 December 2021 and 13 March 2023 respectively

1.3.2 The framework for the evaluation is provided within the Project's Logic Model developed at the Project's inception. The Logic Model shows the link between the investment in business support, the Project output targets and predicted outcomes and impacts (see Appendix 1).

1.3.3 The Final Summative Assessment reports on outcomes and impacts, focusing on the documentation and data review, forecast to 30 June 2023.

1.3.4 The documentation and data review were undertaken to provide an understanding of MGP2's:

- Aims and objectives
- Delivery management, activities and delivery structure
- Impact in terms of forecast and achieved spend and outputs

1.3.5 The documentation and data reviewed included:

- ERDF Full Application
- Project Change Requests
- Financial and output monitoring data
- Internal monitoring and reviews

¹ Formerly the Ministry for Housing, Communities and Local Government (MHCLG)

- 1.3.6 Face to face consultations were conducted with the MGP2 Project Team and the Manufacturing Growth Managers. Consultations were undertaken with Growth Hub and LEP staff in each of the 18 LEP areas. A list of consultees is provided in Appendix 2.
- 1.3.7 A survey was distributed to a total of 1,961 businesses across the 18 LEP areas. 425 responses were received (21.7% response rate) which was considered very good and representative of the businesses that have received MGP2 support. Survey questions and overview of responses are attached in Appendix 3. The Marketing Team emailed the surveys to businesses. Survey responses were returned to and analysed by Paula Rogers Consulting. All survey responses remained anonymous.

1.4 Project Context

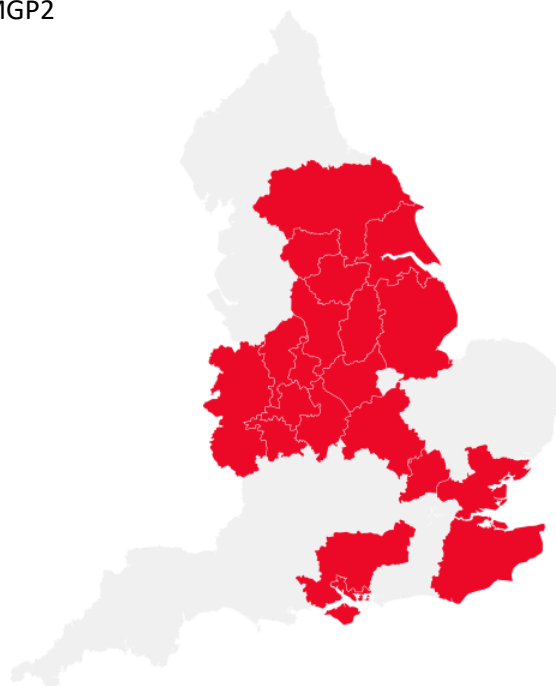
1.4.1 The ERDF contract for MGP2 was awarded by DLUHC to OIS, commencing 1 April 2019 and completing 31 March 2022. The Project comprised 16 LEP areas, 2 of which were new to the Programme (Enterprise M3 and Solent) and 14 of which were included in MGP1. During its delivery two LEP areas joined the Programme (D2N2 and South Yorkshire MCA). Greater Birmingham and Solihull increased its contribution during delivery and the Project completion date was extended to 30 June 2023. The 18 LEP areas cover Transition (T) and More Developed (MD) categories of regions and these are listed in Table 1 below. ERDF resources allow up to 60% of funds in Transition regions and up to 50% of funds in More Developed regions.

Table 1: LEP Areas and Category of Region

LEP Area	MD	T	LEP Area	MD	T
Black Country	✓		Solent	✓	
Coventry & Warwickshire	✓		South-East	✓	
D2N2	✓		South-East Midlands	✓	
Enterprise M3	✓		South Yorkshire Mayoral Combined Authority	✓	✓
Greater Birmingham & Solihull	✓	✓	Stoke-on-Trent & Staffordshire		✓
Greater Lincolnshire		✓	The Marches	✓	✓
Hertfordshire	✓		West Yorkshire Combined Authority	✓	
Hull and East Yorkshire		✓	Worcestershire	✓	
Leicester & Leicestershire	✓		York and North Yorkshire	✓	✓

1.4.2 The MGP2 map below indicates the LEP areas in which the Project has operated.

Map 1: LEPs included in MGP2



1.4.3 At the commencement of MGP2’s delivery a standard Return of Investment was agreed for each LEP area. A standard output formula was used, including the additionality offered for MGP2 (compared to MGP1) i.e., workshops, longer deeper interventions and capital grant funding. Each LEP provided varying amounts of match funding that they felt was appropriate to deliver the Programme in their individual LEP area. The different LEP areas and the match contributions are detailed in Table 2. The table also indicates the ERDF contribution rates depending on the Category of Region the LEP falls within.

Manufacturing Growth Manager (MGM) resourcing reflected the LEP contributions that had been made, for example two MGMs covered the South-East LEP compared to one MGM who covered both the Marches LEP and Worcestershire LEP areas.

Table 2: LEP Areas and Associated Match Contributions

LEP Area	% ERDF Contribution Rate	Match Contribution	Total Project Funding (Match + ERDF)
Black Country	50	£1,350,000	£2,700,000
Coventry and Warwickshire	50	£1,087,500	£2,175,000
D2N2	50	£500,000	£1,000,000
Enterprise M3	50	£900,000	£1,800,000
Greater Birmingham and Solihull	50	£843,750	£1,687,500
Greater Birmingham and Solihull	60	£187,500	£468,750
Greater Lincolnshire	60	£1,000,000	£2,500,000
Hertfordshire	50	£840,000	£1,680,000
Hull and East Yorkshire	60	£217,937	£544,843
Leicester and Leicestershire	50	£750,000	£1,500,000
Solent	50	£750,000	£1,500,000
South East	50	£2,100,000	£4,200,000
South East Midlands	50	£1,125,000	£2,250,000
South Yorkshire Mayoral Combined Authority	50	£300,000	£600,000
South Yorkshire Mayoral Combined Authority	60	£600,000	£1,500,000
Stoke-on-Trent & Staffordshire	60	£980,000	£2,450,000
The Marches	50	£225,000	£450,000
The Marches	60	£350,000	£875,000
West Yorkshire Combined Authority	50	£1,600,000	£3,200,000
York and North Yorkshire	50	£720,000	£1,440,000
Worcestershire	50	£450,000	£900,000
York and North Yorkshire	60	£213,333	£533,333
Total		£17,090,020	£35,954,426

1.4.4 MGP2 is funded from Priority Axis 3c (Supporting the Creation and Extension of Advanced Capacities for Product and Service Development) of the ERDF Operational Programme (2014 – 2020).

1.4.5 MGP2 sought to deliver the specific objective of Priority Axis 3c to ‘Increase the growth capacity of small and medium sized enterprises’ by working with SMEs to drive growth, innovation and productivity. The Logic Model identified the following Project Objectives:

- Create a highly beneficial, targeted service which can support all eligible high growth potential manufacturing SMEs, encouraging them to invest in improvement projects that will significantly enhance their business. Projects will be tailored to the individual SME and may focus on any business area, such as strategic planning, productivity and process improvement, competitiveness, innovation and Leadership & Management

- Build long-term capability, empowering SMEs to maintain sustainable growth beyond the improvement project, embedding innovation cultures and processes through educating SMEs on agile innovation tools
- Embed sustainability, equality and quality within SMEs with a focus on delivering effective improvement plans which recognise the requirements of environmentally sustainable business and equal opportunities
- Raise growth aspirations of the manufacturing SMES in the 18 supported LEP areas – attracting skilled workers from elsewhere with a view to building the skills force

1.4.6 The original total budget of the Project was £22,668,228, within which ERDF contributed £11,832,937. The ERDF contribution was split between the More Developed region (£8,840,000) and the Transition region (£2,992,937).

1.4.7 As part of the delivery process projects can submit Change Requests to DLUHC for consideration. Change Requests provide DLUHC with a rationale to change the delivery of the Project, which can impact on the original forecast spend and outputs. MGP2 submitted four Change Requests up to 31 December 2021 that were approved by DLUHC. The Change Requests resulted in overall spend and outputs being increased. From April 2020 the total budget increased to £35,954,426 (representing a 63% increase). The ERDF contribution totalled £18,864,405 and was split between the Transition region (£5,323,155) and the More Developed region (£13,541,250).

1.4.8 Table 3 provides a breakdown of contracted MGP2 activity and associated costs:

Table 3: MGP2 Activity and Associated Costs

Expenditure Profile	More Developed	Transition	Total
Capital	£6,509,836	£1,991,256	£8,501,092
Revenue	£20,572,664	£6,880,670	£27,453,334
Salaries	£4,990,989	£1,975,893	£6,966,882
Consultancy	£13,833,400	£4,231,422	£18,064,822
Rent	£176,201	£61,099	£237,300
Professional Fees	£31,162	£10,598	£41,760
Marketing	£120,915	£43,085	£164,000
Other Revenue	£469,366	£181,133	£650,499
Office Costs	£201,983	£81,056	£283,039
Flat rate indirect costs	£748,648	£296,384	£1,045,032
Total capital + revenue	£27,082,500	£8,871,926	£35,954,426

1.4.9 Match funding contribution totalled £17,090,022 and comprised cash contributions from SME beneficiaries.

1.4.10 In March 2020, the implementation of UK Government lockdown measures, to fight the coronavirus global pandemic, resulted in the immediate closure of most UK manufacturing business operations for an unknown period of time. At the start of the pandemic client-businesses were focused on short term plans to adapt to lockdown and the implications this had for their business. During this time MGP2 flexed its project pipeline to facilitate this. Following this initial slow period, businesses realised that COVID-19 was not short term and MGP2 could help them to adapt and grow and the programme continued to deliver at pace. Further detail is provided in Section 3.5.

1.4.11 Documentation and data gathered for the Interim and Final Summative Assessment have provided no indication of BREXIT-related impacts upon the delivery of the MGP2 Programme nor any prevalence of business projects that are seeking to mitigate against BREXIT related issues.

1.5 Economic and Policy Context

1.5.1 European

The Project is funded through the Priority Axis 3, Enhancing the Competitiveness of Small to Medium Sized Enterprises (SMEs) of the ERDF England Operational Programme. The primary aim of this Priority Axis is to improve the competitiveness of SMEs by increasing the capacity and capability of SMEs and promoting entrepreneurship. The Priority Axis complements the Government's commitment to support SMEs and in doing so strengthen the pipeline of high growth business across England.

1.5.2 National

The Government's Industrial Strategy, 'Building a Britain Fit for the Future, 2017', provided an ambitious vision for the future, setting out how productivity would be raised across every sector, how skill levels and wages would be increased and living standards improved across the country. The Industrial Strategy identified four grand challenges that the UK economy would need to address if businesses remained competitive in an increasingly global race, these were to:

- Put the UK at the forefront of the artificial intelligence and data revolution;
- Maximise the advantages for UK industry from the global shift to clean growth;
- Become a world leader in shaping the future of mobility; and
- Harness the power of innovation to help meet the needs of an ageing society.

The Strategy highlighted that there is a gap between SMEs and larger firms. In 2014, SMEs contributed 45% of total gross value in Great Britain, despite representing 57% of total employment. Also, while many SMEs say they want to grow in the next two to three years, most will not actually show growth in any given year.

As part of the approach to improving the business environment, the Industrial Strategy White Paper announced that government would launch a review of the actions that could be most effective in improving the productivity and growth of small-medium sized businesses (SMEs). The Business Productivity Review (November 2019) following The Call for Evidence Business Productivity Review (May 2018) highlighted that SMEs in the UK are less likely to use formal management practices (internationally the UK is ranked only 5th in the G7 for management best practice adoption), skills gaps exist in business workforce and businesses are too slow to adopt tried and tested technologies that can improve productivity.

This Strategy provided an economic policy context for the first two years of MGP2 delivery. Since the Strategy was published, the UK's business and economic environment has entered a period of continuous change. Successive Cabinets have put plans in place to stimulate the economy following the Covid -19 pandemic and its associated global and local economic impacts. Further crises, including the war in Ukraine and energy & market destabilisation, have only added to the complexity in designing appropriate policy responses. Driving sustainable economic growth across the UK remains the government's primary economic focus and central to this is an effective national policy response to the energy crisis and stabilisation of the markets. The 2022 Growth Plan, published in late September, has already seen some policies pruned back, reversed or deleted altogether. At the time of writing (January 2023) there remains a Growth Plan commitment to addressing critical energy issues for business & citizens and supply chain stimulation through plans to boost employment and investment in selected infrastructure projects focussed on transportation, energy assets, decarbonisation, digital, Investment Zones, Freeports and housing growth. The Government is starting to map out a new framework, that will be based on four pillars – Enterprise, Employment, Education and Everywhere. The Government plans to achieve growth in multiple sectors across the UK, including digital technology, green industries, life sciences, advanced manufacturing and creative industries.

1.5.3 Local

Local strategies, including Local Industrial and the Strategic Economic Frameworks for the 18 LEP areas, set out the economic evidence base for business needs across their geographies.

All LEP areas have identified Advanced Engineering and Manufacturing as strategic sectors, contributing to their economy and GVA, within their Local Industrial Strategies, Strategic Economic Plans and other evidence-based policy documents. These policy documents identify the need for specialist provision to

support manufacturing sector growth, raise productivity rates, increase investment in R&D, automation & digitisation in manufacturing processes, in order to increase GVA and global competitiveness. These manufacturing business needs were found to be consistent across all LEP areas and were supported by their Growth Hubs.

The MGP2 project was designed to provide specialist business support to address these identified needs and has strategic fit with these strategy documents.

PURE HAUS LTD: Leeds

The business designs and manufactures eco homes that are carbon zero (or can be easily achieved with the introduction of renewable energy) affordable to local authorities and easy to cost and process from enquiry to an installed home.

MGP2 supported two projects: the first developed a roadmap from product design to the commercial launch of the company's timber frame offsite panels. The project also investigated raw material requirements and identified potential suppliers. The second helped to develop the factory layout and machinery required. MGP2 also helped to identify consultants to assist with establishing the ISOs and the BOPAS (Built Offsite Production Assurance Scheme) accreditation.

Managing Director Kevin Pratt stated, "The grant has helped us with improving the efficiency and reducing the cost of the build system. MGP is an excellent initiative which boosts the economy through identifying and working with companies looking to make an impact in the manufacturing business."

Since the project with MGP, Zero Carbon Workshop has created new employment opportunities and plan to put in place a process for developing a culture which nurtures and develops new recruits. The company's five-year plan is to build 1,000 homes a year, representing a turnover of £10m per annum with 150 employees.

For more details on PureHaus visit <https://purehaus.co.uk/>

2. Project Overview

2.1 Introduction

2.1.1 This section considers the economic context in which the Project was designed, including its aims and objectives, lessons learned from MGP1, market failure, strategy and alignment, the delivery model, management and governance and marketing and publicity.

2.2 Project Aims and Objectives

2.2.1 MGP2 commenced 1 April 2019 and will end 30 June 2023. The key outcomes for the Project, identified in the Project Logic Model, were as follows:

- Gross increase in GVA
- Employment increase in supported enterprises

2.2.2 In general, the overall objective of MGP2 was to improve the productivity, efficiency and competitiveness of SME manufacturers across the 18 LEPs areas by raising awareness, generating demand for improvement and growth opportunities and promoting the adoption of new processes and technologies. By offering SMEs opportunities for co-investment in improvement projects coupled with expert industry advice, MGP2 aimed to drive growth, innovation and productivity.

2.2.3 MGP2 provided revenue grant assistance to enable a business to procure external advice from a knowledgeable expert (Standard Business Improvement Project and Intensive Business Improvement Project) and, if the business wished to invest further, grant assistance towards capital equipment (Capital Improvement Project).

2.2.4 The support involved the following interventions:

- i. Strategic Business Review: A GROWTHmapper assessment, conducted by an MGM resulting in the identification of a Business Improvement Project. This support had a maximum value of £500 and was provided free of charge to the SME beneficiary.
- ii. Business Improvement Project (Standard and Intensive): Undertaken by a Manufacturing Growth Expert (MGE) independently procured by the SME beneficiary. The MGE worked with the SME beneficiary to implement its Business Improvement Project.

The minimum and maximum interventions are detailed in Tables 4 and 5 below.

Table 4: Business Improvement Projects – Minimum and Maximum Interventions in More Developed Regions

More Developed				
		% Split	Min	Max
Standard	Project	100.0%	£2,991	£5,300
	Grant	33.4%	£1,000	£1,772
	Match	66.6%	£1,991	£3,528
Intensive	Project	100.0%	£5,300	£10,000
	Grant	33.4%	£1,772	£3,344
	Match	66.6%	£3,528	£6,656

Table 5: Business Improvement Projects – Minimum and Maximum Interventions in Transition Regions

Transition				
		% Split	Min	Max
Standard	Project	100.0%	£2,327	£5,300
	Grant	43.0%	£1,000	£2,277
	Match	57.0%	£1,327	£3,023
Intensive	Project	100.0%	£5,300	£10,000
	Grant	43.0%	£2,277	£4,297
	Match	57.0%	£3,023	£5,703

Businesses were able to submit more than one application, subject to support provided to a single supplier did not exceed £24,999 (project value). The following numbers of projects (per business) were supported (up to 31 December 2022).

Table 6: Numbers of projects supported per SME (up to 31 December 2022)

Project Support Received	No's of SMEs
1 Project	1,670
2 Projects	800 (1,600 total projects)
3 Projects	218 (654 total projects)
4 Projects	13 (52 total projects)
5 Projects	1 (5 total projects)
Total SMES Supported	2,702 SMEs
Total projects supported	3,981

- iii. Capital Improvement Project: Investment in equipment to improve the productivity and capability of the Manufacturing SME.

The minimum and maximum interventions of Capital Improvement Projects are detailed in Tables 7 and 8 below.

Table 7: Capital Improvement Projects – Minimum and Maximum Interventions in More Developed Regions

More Developed				
		% Split	Min	Max
Capital	Project	100.0%	£2,991	£24,999
	Grant	33.4%	£1,000	£8,359
	Match	66.6%	£1,991	£16,640

Table 8: Capital Improvement Projects – Minimum and Maximum Interventions in Transition Regions

Transition				
		% Split	Min	Max
Capital	Project	100.0%	£2,327	£24,999
	Grant	43.0%	£1,000	£10,742
	Match	57.0%	£1,327	£14,257

Manufacturing Workshops

In addition, the Project offered Manufacturing Workshops, managed and delivered by MGMs with specific areas of expertise, providing up to date information and guidance on current key manufacturing topics such as Lean Manufacturing, Improving Your Supply Chain and Industry 4.0. This support had a maximum value of £500 per attendee/workshop and SME beneficiaries were able to attend up to 4 workshops. Workshops were provided free of charge to SME beneficiaries.

- 2.2.5 Regarding State Aid, the Strategic Business Review, Capital Grants and Manufacturing Workshops operated under the De Minimis state aid regulation and the Business Improvement Project (consultancy grants) operated under the Article 18 GBER Commission Regulation (No 651/2014) - Aid to enable SMEs to purchase consultancy to improve or develop their business) where it falls within the scope of Regulation 6(5).

2.3 Lessons learned on MGP1 and the MGP2 Interim Summative Assessment

2.3.1 MGP1:

A market survey was undertaken with MGP1 clients to assess market need and formed the basis of a LEP roadshow prior to the MGP2 bid being submitted. Lessons learned on MGP1 have been used to inform MGP2. The questions that were asked are as follows:

1. Would you like to see MGP provide support for more 'in-depth' needs within your business?
2. Would you like to see MGP provide support to make small scale capital purchases to help make improvements?
3. Would you like to see a series of manufacturing themed workshops that would help to upskill your employees?
4. What is the biggest training need within your business?
5. Have you received support to help you export over the past 18 months?

The following key lessons from MGP1 were used to enhance the processes and inform the design of MGP2 as follows:

- SME Acquisition: Delivery of MGP1 has tested the most effective marketing techniques for SME acquisition. Social media campaigns used were particularly successful, as were leads generated through the MGP website. MGP2 undertakes Social Media posts and campaigns and continues to follow up on leads generated from enquiries through the MGP2 website
- SME Management: MGP1 SMEs asked for more time with MGMs for additional support. To meet this need, MGP2 reduced the number of projects, as well as the number of SMEs to be supported, to allow MGMs to spend more time with SMEs on an individual basis
- SME Completion: Spending more time with SMEs on an individual basis, to substantially reduce drop out completion rates
- SME Activity: Grants towards capital equipment and availability of workshops including varied themes that would assist development of existing staff. Capital Grants were included as part of the support package in MGP 2

2.3.2 The MGP2 Interim Summative Assessment:

The Interim Summative Assessment highlighted points for consideration in the final 18 months of the Project and potential lessons for the future. These lessons are still relevant and have been updated as part of the Final Summative Assessment's 'Conclusions and Lessons Learned' (see Section 8). The actions that have been undertaken, following the recommendations in the Interim Summative Assessment, are as follows:

Recommendation 1

'Within the remaining period of the Project an internal analysis of all leads and their sources would enable the Marketing Team to consider the comparative benefits of various proposed approaches and provide their recommendations on the most effective use of marketing resources.'

Actions since January 2022.

The Marketing Team has continued to undertake marketing campaigns, analysing and reviewing their impact. The Marketing Team presented these statistics and data to the Senior Management Team, to ensure the right approaches were being made. MGMs continued to request specific LEP marketing needs as part of their weekly performance update. All requests for marketing were considered and actioned appropriately, in consultation with the MGM.

Recommendation 2

'MGP2 increases its profile and working relations with national and local stakeholders, including: Department for Business, Energy & Industrial Strategy (BEIS); Department for International Trade (DiT); growth hubs; local and combined authorities; universities and research centres; and other government funding bodies.'

Actions since January 2022.

OIS has worked hard at actively promoting the profile of the work that has been undertaken by MGP2, building collaborative work opportunities and keeping itself ahead of the emerging policy context. Examples of activity include:

- The establishment of a Stakeholder Engagement Group with representation from the MGP2 Unitary Authorities, County Councils, Combined Authorities and City Regions. The purpose of the Group is to share information and to ensure contact details remain relevant
- OIS Operations Director, meets regularly with the BEIS Manufacturing Sector Team and sits on the National Made Smarter Sustainability Working Group and the Scale-Up, Sustainability and Productivity Board. The OIS Operations Director is Chair of Enterprise Research Centre
- MGP2 Team meet with WMG centre High Manufacturing Catapult and monthly meetings with the Manufacturing Technology Centre (MTC)
- Regular meetings undertaken with Steve Havins (DIT)
- Joint promotional events with Make UK
- Throughout the life of MGP2, ongoing dialogue has been undertaken with the Secretary of State for Levelling Up, Housing and Communities and also MPs. Since the departure of Gregg Clark, dialogue has continued with Jacob Rees-Mogg and Secretary of State for BEIS, Grant Shapps. In June 2022 Grant Shapps visited an MGP2 client, 'Silver Fox'.

Recommendation 3

'The Project to remain an effective and efficient support service for manufacturing businesses and stakeholders going forward the MGP2 Team undertakes a review of new and emerging manufacturing business needs and develops a MGP2 Action Plan. The Action Plan should set out a framework for how MGP2 is best equipped to respond to these findings in the short and long term.'

Actions since January 2022.

MGP2 has considered the feedback received from the business surveys undertaken for the Interim and Final Summative Assessments and from its own consultations with clients. OIS has modelled a package of support in response to these needs and demands that could be launched as MGP3 in March 2023.

Recommendation 4

'Workshops are re-introduced in the remainder of the Project to: reinstate new learning opportunities; drive business interest; build new local communities of support; increase referrals and foster stronger working relationships with other local and national stakeholders. A review of the workshops, including the format they will take, to be undertaken in Quarter 1 2022.'

Actions since January 2022.

Workshops were not re-introduced at the time of writing the Final Summative Assessment (January 2023) although virtual reality workshops were being developed that could potentially be offered on line as well as in a workshop environment.

2.4 Market Failure

2.4.1 The manufacturing sector is critical to the UK economy, providing 10% of UK GVA (£177bn), generating around 50% of UK exports and accounting for 70% of business-led Research and Development. MGP2 seeks to support the Government's ambitions for growth in productivity of the manufacturing sector, by addressing a number of market failures:

- Low levels of productivity
- SME failure to seek business support
- Lack of innovation
- Absence of capital investment

2.4.2 MGP2 worked with SMEs across 18 LEP areas, helping them to realise their potential. By offering SMEs opportunities for co-investment in improvement projects, coupled with expert industry advice, MGP2 has driven growth, innovation and productivity. Market Failure is discussed in more detail in Section 4.7.

2.5 Project Strategy and Alignment

2.5.1 MGP2 is regarded as sitting well within Priority Axis 3 (Enhancing the Competitiveness of SMEs) of European Regional Development Fund England Operational Programme. The primary aim of this Priority Axis is to improve the competitiveness of SMEs by increasing the capacity and capability of SMEs and promoting entrepreneurship. The priority axis supports the Government's commitment to support SMEs and in doing so strengthen the pipeline of high growth business across England. The clear focus on working with SMEs to raise awareness, generate demand for improvement and growth opportunities and promote the adoption of new processes and technologies is an excellent example of how ERDF can be used to deliver this ambition and is cited as a benefit by SMEs through evidence received as part of this Final Summative Assessment.

2.5.2 Similarly, there is a good understanding of how the MGP2 aligns with the Strategic Economic Plans within each of the City Regions and LEP areas. For example, West Yorkshire Combined Authority, which has the largest manufacturing sector in the country outside London, has identified the need to improve productivity rates, including through increased investment in R&D, automation and digitisation of manufacturing processes. To do this, West Yorkshire Combined Authority has identified the need for SMEs to review and improve their systems, and skills and investment plans to keep ahead of the competition.

Within the areas, key manufacturing sectors include: automotive; aerospace; telecommunications; food and drink; textiles; medical components and equipment; chemicals and bio-technologies; sustainable construction; life sciences and agricultural technology; ports and logistics; steel and polymers; energy generation and advanced materials.

2.6 Delivery Model

2.6.1 The Economic Growth Solution Ltd staff involved in the successful delivery of MGP1 were transferred to OIS under TUPE for the delivery of MGP2. OIS has delivered MGP2 with robust controls that ensure full compliance with project management and governance requirements, these have included a:

- Bespoke Project Delivery Manual to ensure the delivery team complies with ESIF project regulations and deliver the best possible support for SMEs
- Comprehensive Financial Management System
- Business Management System (hosted on SharePoint)
- Robust Governance Structure including monthly management meetings to monitor all relevant KPI's and practises

2.6.2 MGP2 has worked closely with LEPs and Growth Hubs through the MGMs to align business projects with other local business support delivery, ensuring that effective cross-referrals were made.

2.7 Management and Governance

2.7.1 Oxford Innovation Services managed and delivered MGP2. The Operations Director reported to OIS CEO and had overall responsibility for the administration and operational functions of MGP2. The Stakeholder Manager reported to the Operations Director. The Regional Director had overall responsibility for managing MGP2 and reporting directly to the Operations Director.

MGP2 included the following senior management roles who reported to the Regional Director:

- 2 x Regional Managers
- 1 x Head of Finance
- 1 x Operations Manager
- 1 x Marketing Manager
- 1 x ERDF Programme Manager

At its full capacity, 19 MGMs were employed to cover 18 LEP areas. Each MGM was assigned and based within a specific locality. An organogram is attached in Appendix 4 that identifies all Team members and its reporting lines (as at 30 June 2022). All staff within MGP2 were 100% funded by the Project. Delivery and management are analysed further in Section 6.

Since July 2022 some members of the Team have left the organisation. At the time of reporting (January 2023) it is anticipated that further staff will leave leading up to closure of the Programme. Work undertaken by these members of staff will continue to be absorbed by existing staff or new staff will be employed on a fixed term contract to replace leavers to achieve targets for MGP2 and minimise underspend.

2.7.2 A governance structure was in place with clear reporting lines and schedules of meetings. Table 9 below summarises the groups that met and frequency of meetings; the members in each group and their responsibilities.

Table 9: MGP2 Governance Structure

Groups	Members	Responsibilities	Schedule
Project Sponsors ↑	Operations Director Regional Director Head of Finance CEO	Provision of strategic oversight on delivery & development of the project	6 monthly
Contract Management ↑	DLUHC (previously MHCLG) Head of Finance ERDF Programme Manager	Updates on project delivery, outputs and impacts	Monthly
Management Group	Operations Director Regional Managers Operations Manager Marketing Manager ERDF Programme Manager	Updates on delivery of project targets, outputs and match funding	Monthly

2.7.3 The Senior Managers Team Meeting met monthly and reported into the Management Group. The meeting had responsibility for:

- Reviewing the previous month performance and looking forward to the following month
- Programme performance – finance and outputs
- Monitoring spreadsheet through Earn Value Management (comparing against targets)
- EBI ('even better if') and whether there are any gaps
- Future – clients and claims
- Marketing activity

- Compliance – Article 125, internal audits, Summative Assessment

2.7.4 There were frequent and regular meetings between smaller groups of the Project Delivery Team and each line manager was responsible for scheduling these as required. Other programmed meetings included:

- MGP2 Operations Meetings (weekly)
- Programme Support (weekly)
- Marketing (monthly)
- Finance (monthly)
- Strategic Marketing (monthly)
- Management Information (monthly)
- Compliancy and ERDF (monthly)

2.7.5 As part of the governance structure, key team members had responsibility for authorising sign off on delivery related activities and these are illustrated in Table 10 below:

Table 10: MGP2 Sign-Off Responsibilities

Sign Off Areas	Nominated Team Members
SME eligibility check	ERDF Programme Manager and Regional Manager
Purchasing, financial and match funding checks	Head of Finance and Operations Manager
Outputs, systems & results check	Operations Manager
MGM/SME Paperwork Quality check	ERDF Programme Manager
ESIF Branding guidelines check	Marketing Manager

2.7.6 The delivery of the Project across the 18 LEP areas was awarded as one contract to OIS. The contract split costs and deliverables between the 18 LEP areas to ensure distribution of activity and, for reporting purposes, to enable progress to be monitored in the More Developed and Transition regions.

2.8 Marketing and Publicity

2.8.1 The Project included a dedicated marketing budget (£164,000) to implement the following marketing activities:

- Deliver an effective Marketing Plan includes case study creation, national and local press releases, social media activity, stakeholder comms, website activity and quarterly newsletters sharing market intelligence and thought leadership articles.
- Undertake electronic direct marketing
- Continuously follow up on leads gained through the website and supported Growth Hub/LEP events e.g., breakfast meetings, exhibits, networking events
- Provide marketing intelligence through the Manufacturing Barometer to enable MGP2 to provide better support to SMEs based on evolving needs

2.8.2 Marketing was used in a focused manner to ensure efficient lead generation, by identifying clients through the following activities:

- Using the Manufacturing Growth Programme database of manufacturing SMEs across the supported LEP areas who have requested contact is continued
- Working closely with Growth Hubs from each supported LEP area on the development of SME identification/referrals and engagement plans
- Adopting a multi-media approach including electronic direct marketing campaigns using e-flyers to clients/consultants and social media. MGP2 is promoted using inspiring case studies, from MGP and MGP2, on the website and through social media accounts. The website and social media messages are the principal marketing tools used to promote the project and share details of the Manufacturing Growth Managers, success stories and project contact details to encourage SME sign-up
- Maximising visibility at partner manufacturing business networking events
- Enabling direct client approaches via the website

- Delivering masterclass workshops (225 over the MGP2 programme period. This has the added advantage of supporting a range of SMEs and building peer to peer networks)

VISUAL SYSTEMS HEALTHCARE LTD: Huddersfield

A specialist in custom designed visual communication solutions for the NHS and private hospitals across the country.

The local MGM, Richard Halstead, supported the business through GROWTHmapper where it identified, in the short term, the business needed to protect its existing product offering and supply by upgrading the equipment that makes their 'patient record holder'.

Chris Hunter, Manufacturing Director of Visual Systems Healthcare commented, "We engaged with the Manufacturing Growth Programme to help us enhance our manufacturing production facility. The first stage was engaging with an external expert to design the new solution followed by the purchase of the new equipment. As a result, we have increased our productivity and have been supplying the new Nightingale hospitals with our products to combat the coronavirus epidemic."

The new machinery helped the company to meet the deadlines for the vital support during the COVID-19 outbreak. This allowed them to increase their workforce by 20%, recruiting a new production operative at the start of the year.

MGP has since helped the company to develop a full marketing plan for the business to help it grow and diversify.

For more details on Visual Systems Healthcare visit <https://visualsystemshealthcare.co.uk/>

3. Project Progress

3.1 Introduction

3.1.1 This section considers the Project's progress against contracted spend and output targets, the horizontal principles and reflects on the impact and implications COVID-19 and Brexit has had on the Project. Actual progress is reported up to 31 December 2022 and forecasted progress is reported to 30 June 2023.

3.2 Project Progress

3.2.1 MGP2 underwent changes following commencement of the contract in April 2019. The Project submitted 4 Project Change Requests (PCRs) including a request to extend the Project completion date from 31 March 2022 to 30 June 2023.

3.2.2 The PCRs were approved by DLUHC. An overview of each PCRs is as follows:

- PCR 1 (submitted October 2019, later approved) – 'Manufacturing Growth Experts List' removed from the Grant Funding Agreement list of conditions, amended Investment Priorities to 100% PA3c (previously 50% PA3c, 50% PA3d)
- PCR 2 (approved February 2020) – enabled changes to revenue and capital intervention rates to achieve full recovery of eligible costs within the Revenue funding profile
- PCR3 (approved May 2020) – enabled extension of the Project by 15 months to 30 June 2023, inclusion of South Yorkshire MCA and increased contribution by Greater Birmingham and Solihull LEP from April 2020 to June 2023. This change request resulted in additional expenditure and deliverables
- PCR4 (approved February 2021) – inclusion of D2N2 LEP. This change request resulted in additional expenditure and deliverables

3.2.3 The following inspections were undertaken during the course of the programme:

- Project Inception Visit (PIV) June 2019 to ensure that applicants understand the requirements of the funding agreement and required systems are in place to meet the monitoring and audit requirements
- Article 127 audit check, September 2020 and November 2022 to undertake systems review of the organisation responsible for delivery of the project followed by a detailed review of the original source documentation held in support of a selected claim.
- Article 125 On-the-Spot Verification visit (OTSV) in November 2021 to verify that the Project is delivering to the terms and conditions set out in its Funding Agreement and Offer Letter and complies with the Regulations as set out in the Council's Regulations (EC) 1303/2013.

All actions agreed at the visits were addressed accordingly.

3.3 Project Impact (Spend)

3.3.1 The original total budget was £22,668,228, within which ERDF contributed £11,832,937. The total budget was split between the More Developed regions (£17,680,000) and the Transition regions (£4,988,228). Table 11 provides details on the original Project budget.

Following the PCRs approvals in May 2020 and February 2021 the Project budget was increased to £35,954,426 and split between the More Developed regions (£27,082,500) and the Transition regions (£8,871,926). Table 12 provides details on the re-profiled Project budget and Appendix 5 provides a detailed breakdown of each LEP area and its allocation.

Table 11: Original Project Budget (up to 31 March 2022)

Category of Region	ERDF		SME Contribution		Total		
	Capital	Revenue	Capital	Revenue	Capital	Revenue	Overall
More Developed (50%)	£1,420,952	£7,419,048	£1,420,952	£7,419,048	£2,841,904	£14,838,096	£17,680,000
Transition (60%)	£481,087	£2,511,850	£320,725	£1,674,566	£801,812	£4,186,416	£4,988,228
Total (52.2%)	£1,902,039	£9,930,898	£1,741,677	£9,093,614	£3,643,716	£19,024,512	£22,668,228
	£11,832,937		£10,835,291				

Table 12: Re-profiled Project Budget (up to 30 June 2023)

Category of Region	ERDF		SME Contribution		Total		
	Capital	Revenue	Capital	Revenue	Capital	Revenue	Overall
More Developed (50%)	£2,176,636	£11,364,614	£4,333,200	£9,208,050	£6,509,836	£20,572,664	£27,082,500
Transition (60%)	£855,649	£4,467,506	£1,135,608	£2,413,164	£1,991,256	£6,880,670	£8,871,926
Total (52.2%)	£3,032,285	£15,832,120	£5,468,808	£11,621,214	£8,501,092	£27,453,334	£35,954,426
	£18,864,405		£17,090,022				

3.4 Project Impact (Deliverables)

3.4.1 Deliverables were split between More Developed and Transition regions. Following the inclusion of South Yorkshire MCA and D2N2 LEPs and increased activity in Birmingham and Solihull LEP the original targets for deliverables were increased during the delivery of the Project. All amendments were addressed and approved in PCRs to DLUHC. Original and re-profiled Project targets up to 30 June 2023 are detailed in Table 13 below.

Table 13: Original Project and Re-profiled Deliverables (up to 30 June 2023)

Indicator	Category of Region	Original GFA Target	June 2023 Target
C1 Number of Enterprises Receiving Support	More Developed	1,595	2,311
	Transition	360	624
C2 Number of Enterprises Receiving Grants (Sub-set of C1)	More Developed	1,513	2,183
	Transition	342	594
C4: Number of enterprises receiving non-financial support (Sub-set of C1)	More Developed	1,595	2,311
	Transition	360	624
C5: Number of new enterprises supported (Sub-set of C1)	More Developed	41	62
	Transition	9	15
C29 Number of enterprises supported to introduce new to the firm products (Sub-set of C1)	More Developed	504	727
	Transition	114	194
C6: Private investment matching public support to enterprises (grants)	More Developed	£8,840,000	£13,541,250
	Transition	£1,995,291	£3,548,770
C8: Employment increase in supported enterprises	More Developed	2,018	3,086
	Transition	455	832

3.5 COVID-19 & Brexit Impact and Implications

- 3.5.1 In early 2020, at the outset of COVID-19, the Management Team undertook a programme impact assessment, developing three possible mitigation plans based upon programme forecasting scenarios for the achievement of 25%, 50% or 75% of contracted targets. The scenario planning and associated mitigating actions were communicated clearly to all MGMs so that there would be full understanding of potential mitigation routes that might be followed. As early mitigation actions were put in place, it became apparent that the Team did not need to proceed with any of these three scenarios because targets continued to be met.
- 3.5.2 The Management Team pursued early dialogue with DLUHC, regarding potential programme impacts and made the following adjustments to mitigate against slow-down in delivery:
- COVID-19 had an immediate impact upon the ability of businesses to create new jobs and put existing employee jobs at risk. The Project agreed with DLUHC that numbers of FTE jobs safeguarded (collected as an additional output to measure of impact by the Project) was seen as a more realistic output for businesses to achieve during this time. Since the pandemic, numbers of FTE jobs safeguarded have been reported to DLUHC.
 - A “Crisis Management Framework” was quickly developed to support MGMs engaging with SMEs during the COVID-19 crisis. Feedback from MGMs suggested that this was received well in the market
 - A rule which only permitted up to 25% of businesses supported to return and receive a second area of support was relaxed to allow more businesses to access further support at this time of economic crisis.
- 3.5.3 The Management Team, which had been office based since the start of the programme, quickly accessed home equipment and instigated new internal procedures to accommodate efficient homeworking through lockdown. The MGMs were already home-based, fully equipped and operational for conducting online interaction with the Management Team, using systems and processes established at the Project outset. All engagement with business clients moved online with immediate effect.
- 3.5.4 MGM interactions with clients were held online from end of March 2020, with a number of implications for client support:
- Workshop delivery was suspended. Workshops were designed to cover areas such as leadership and management practices as well as industry-specific topics. Up to March 2020 workshops were accessible to the business base, being held at local venues in each of the LEP areas. Workshops were not re-introduced at the time of writing the Final Summative Assessment (January 2023) although virtual reality workshops were being developed that could potentially be offered on line as well as in a workshop environment
 - MGMs reported that, while it was possible to continue to support clients with their project development planning and delivery, the suspension of face-to-face interaction and factory visits may have led to some reduction in the ability to identify and highlight a full range of business needs e.g. the additional value of sitting with the client to work through GROWTHmapper results had potential to diminish slightly in an online setting; the ability to notice and point out areas for discussion while visiting the factory floor was lost; access to a fuller range of senior employees, and therefore to a fuller range of potential issues, could sometimes be lost
- As noted by MGMs, an online setting enabled the client to manage the information flow more closely and they will naturally present the ‘best face’ of their business to the MGM which can reduce the benefits they might otherwise receive through face-to-face meetings and site visits. MGMs needed to work far harder to try to maximise benefits of time spent with clients and the ability to build a lasting working relationship was potentially diminished

‘Lack of face-to-face contact and inability to go to ‘the factory floor’ can reduce MGM ability to identify client requirements. Online, a client can put their best foot forward and will always want to present that so MGM could potentially miss a support opportunity’

MGP2 MGM

- Client sign-off processes, previously requiring wet signatures, were relaxed to enable online approvals. This improved the speed and ease with which some processes could be brought to conclusion

The nature of the support being sought by businesses changed significantly in response to the pandemic. MGMs reported that businesses were putting planned projects on hold in favour of pursuing new time-critical projects. MGMs were required to flex immediately to respond to new needs and reported that those needs continued to change over time as the pandemic developed. For example, business face-to-face contact with the customer base stopped overnight in March 2020 and the need for new Marketing Strategies and online marketing, systems and processes increased significantly. Later in the year, enquiries increased from businesses seeking advice on COVID-19 Exit Strategies and support on how to bring staff back from furlough, often requiring HR consultancy input on this.

- 3.5.5 Documentation and data evidence gathered for the Interim and Final Reports provided no indication of BREXIT-related impacts upon the delivery of MGP2 nor any prevalence of business projects that were seeking to mitigate BREXIT-related issues.

3.6 Spend and Output Performance

Spend Performance

- 3.6.1 Table 14 provides an analysis of MGP2’s spend targets including actual performance on 31 December 2022 and forecast performance to 30 June 2023.

- 3.6.2 The spend target of £35,954,426 comprises £18,864,405 ERDF (comprising £3,032,285 capital and £15,832,120 revenue). Up to 31 December 2022 Project expenditure totalled £31,313,513 of which £16,514,333 was ERDF (comprising £2,685,736 capital and £13,828,597 revenue). By 30 June 2023 the Project forecasts Project expenditure to total £35,721,231 of which £18,726,338 will be attributed to ERDF (comprising £3,011,100 capital and £15,715,238 revenue).

At the time of writing the Final Summative Assessment (January 2023), the Project is in a comfortable position to allocate within budget and contract by 30 June 2023.

Table 14: Spend Performance

	Category of Region	Targets 31 December 2022	Targets 30 June 2023	Actual Performance 31 December 2022	Forecast Performance 30 June 2023
Capital Expenditure	More Developed	£5,682,055	£6,509,836	£5,742,894	£6,488,648
	Transition	£1,872,580	£1,991,256	£1,806,770	£1,989,427
	Total Capital	£7,554,635	£8,501,092	£7,549,664	£8,478,075
Revenue Expenditure	More Developed	£18,912,650	£20,572,664	£17,530,043	£20,409,660
	Transition	£6,285,610	£6,880,670	£6,233,806	£6,833,495
	Total Revenue	£25,198,260	£27,453,334	£23,763,849	£27,243,155
Total Expenditure	More Developed	£24,594,705	£27,082,500	£23,272,937	£26,898,309
	Transition	£8,158,190	£8,871,926	£8,040,576	£8,822,922
	Total Cap and Rev	£32,752,895	£35,954,426	£31,313,513	£35,721,231

Output Performance

- 3.6.3 Table 15 provides an analysis of MGP2’s output targets including actual performance at 31 December 2022 and forecast performance to 30 June 2023, split between Transition and More Developed regions, with an overall total.

- 3.6.4 Notable outputs, where the June 2023 target is forecast to be exceeded, include new enterprises supported (C5) and enterprises supported to introduce new to the firm products (C29).

- 3.6.5 The unanticipated arrival of COVID-19 had (and continues to have) an impact on businesses with many unable to invest time and resources in their business and to employ new staff. Despite this, the Project still forecasts to support 2,800 businesses, meeting 95.4% of its C1 target that was set pre-COVID. Also, the Project is forecasting to achieve 89.6% of its target for creating new FTE jobs (C8). This is a significant achievement of the Project.
- 3.6.6 In addition to the C8 output DLUHC requested the Project to report the numbers of jobs that were safeguarded. Although not a defined performance indicator, this measurement was particularly valuable during lockdown and continued to be an important impact measurement for those businesses that had to adapt during COVID-19 and operate during a period of economic uncertainty. By 31 December 2022 businesses had reported that 5,430 jobs had been safeguarded as a result of receiving support from MGP2.
- 3.6.7 Regarding all other outputs, on current projections and following discussions with the Project Delivery Team, the Project is making excellent progress and is on track to deliver all its targets or to deliver well within the 15% tolerance level².

Table 15: Output Performance

Indicator	Category of Region	Targets 31 December 2022	Targets 30 June 2023	Actual Performance 31 December 2022	Forecast Performance 30 June 2023	% Achieved (30 June 2023 v targets)
C1 Number of Enterprises Receiving Support	More Developed	2,117	2,311	2,061	2,159	93.4%
	Transition	563	624	641	641	103%
	Total C1	2,680	2,935	2,702	2,800	95.4%
C2 No. of Enterprises Receiving Grants (Sub-set of C1)	More Developed	2,014	2,183	1,784	2,061	94.4%
	Transition	540	594	577	594	100%
	Total C2	2,554	2,777	2,361	2,655	95.6%
C4: No. of enterprises receiving non-financial support (Sub-set of C1)	More Developed	2,117	2,311	2,061	2,159	93.4%
	Transition	563	624	641	641	102.7%
	Total C4	2,680	2,935	2,702	2,800	95.4%
C5: No. of new enterprises supported (Sub-set of C1)	More Developed	42	62	87	87	140.3%
	Transition	10	15	17	17	113.3%
	Total C5	52	77	104	104	135%
C29 No. of enterprise supported to introduce new to the firm products (Sub-set of C1)	More Developed	669	727	744	744	102.3%
	Transition	177	194	242	242	124.7%
	Total C29	846	921	986	986	107%
C6: Private investment matching public support to enterprises (grants)	More Developed	£12,166,597	£13,541,250	£11,554,306	£13,448,773	99.3%
	Transition	£3,205,271	£3,548,770	£3,258,285	£3,546,120	99.9%
	Total C6	£15,371,868	£17,090,020	£14,812,591	£16,994,893	99.5%
C8: Employment increase in supported enterprises	More Developed	2,821	3,086	2,094	2,678	86.8%
	Transition	751	832	752	832	100%
	Total C8	3,572	3,918	2,846	3,510	89.6%

² In Line with DLUHC's tolerance level for Underperforming Methodology

3.7 Delivery of Horizontal Principles

3.7.1 Whilst there were no contractual targets associated with the horizontal principles, it was noted that MGP2 gave consideration in respect of the following:

- Provided a flexible approach to delivery using remote advisory techniques. This was particularly helpful during COVID-19 lockdown and has become a good method of communication that is now widely used
- Had a standing agenda item at monthly team meetings, regularly discussing ways to improve support and activities designed to reach minority groups regularly reviewed
- OIS provided online equality and diversity training to all its employees
- Maintained a log of venues that provide suitable disabled access and facilities
- Used broadband access to enhance the service offered to anyone with a disability, for example video conferencing facilities are available at the OIS office, holding interactive events via the web
- Female MGMs actively addressed equality and diversity including participation in International Women’s Day in March 2022. The MGMs shared their own experiences in the workplace and provided advice to female entrepreneurs. Interviews were provided on the MGP website and videos were shared on social media
- As part of the diagnostic service provided by the GROWTHmapper tool, MGMs had a role in reviewing equality and diversity and environmental policies with the business, providing support (and referrals to other Programmes in the area) where appropriate
- Developed on-line case studies to champion the horizontal themes

‘Believing strongly in equality of opportunity, I have always attempted to avoid any form of discrimination in my career, pre-dating legislation in some cases, and as an Assessor for Investors in People for over 15 years, I actively encouraged and monitored organisations in following good practice in their people management’

MGP2 Team Member

‘The Horizontal Themes of Sustainable Development, Equal Opportunities and Non-discrimination are followed throughout the process with the eligibility criteria and internal training which we undertake through OI. We do not preclude anyone from the service providing the meet the requirements of the programme’

MGP2 Team Member

3.7.2 MGP2 has encouraged and supported businesses to undertake projects that address the fundamental principles of the Horizontal Themes. Case studies have been developed by The Marketing Team to promote the Horizontal Themes and these can be found here. Examples of these projects are further demonstrated in the mini case studies included as part of this Final Summative Assessment (see pages 11, 25, 42, 49, 60, 63).

NATURAL PAINT LTD: Herefordshire

Natural Paint, owner of Edward Bulmer Natural Paint, was incorporated in 2017, creating paint made with an innovative plant-based binder without plastics or harmful chemicals. The products are plastic free, breathable, 100% natural, baby, child and pet safe whilst still providing a high performing paint.

The local MGM, Catherine Bray, supported the business to maximise its opportunities by developing a corporate sustainability report and a strategic market plan. As a result, they have implemented bespoke production control software and are developing their online advertising.

Emma Bulmer, Director of Natural Paint UK Ltd commented, “We are extremely grateful to the Manufacturing Growth Programme for its support – we small businesses need it.”

For more information on Edward Bulmer Natural Paint visit <https://www.edwardbulmerpaint.co.uk/>

4. Project Performance and Impacts

4.1 Introduction

4.1.1 This section reports on beneficiary experience through a business survey and 4 detailed case studies and considers the extent to which market failures have been addressed.

4.2 MGP Market Data

4.2.1 The market data, compiled for MGP1 and MGP2, indicates that, since October 2016, the main types of manufacturing businesses that accessed support were as follows:

- Engineering: 22%
- Food and Drink: 11.65%
- Electrical/Electronic Equipment: 8.39%
- Metals & Other Basic Metal products: 6.74%
- Packaging/Paper/Print: 6.44%

4.2.2 The size of businesses accessing support, up to 31 December 2022, included micro (46%) small (42%) and medium (12%) with numbers of FTE jobs ranging from 0.5 to 248 and turnover ranging from £0 to £48,783,000. 84% of businesses had a turnover of between 0 - £5mil. Numbers of businesses that fall into the different employee and turnover bands are shown in Tables 16 and 17 below:

Table 16: MGP2 Employee Bands

FTE Jobs	SMEs
0-4	822
5-9	490
10-19	479
20-49	584
50-99	239
100-249	87
Total SMEs	2,702

Table 17: MGP2 Turnover Bands

Turnover	SMES
£1-£24k	202
£25-£49	79
£50-£99k	115
£100-£249k	247
£250-£499k	305
£500-£999k	385
£1m-£1.9m	427
£2m-£4.9m	523
£5m-£9.9m	261
£10m-£49.9m	158
Total SMEs	2,702

4.2.3 MGP2 successfully engaged with and delivered support to manufacturing businesses across all 18 LEP areas. As discussed in 6.3.3, it is evident that businesses in some LEP areas were more difficult to engage with, however MGP2 attracted interest across all LEP areas and is on track to address the Project Objectives by 30 June 2023, as set out in Section 1.4.5.

4.3 Additional Economic Impact – Key Benefits for Business

4.3.1 Two on-line beneficiary surveys were undertaken to assess the additional economic impact, to gather business perceptions about the support received and to understand business needs going forward. The first survey was undertaken in October 2021 and was circulated to 50 businesses in each of the 4 sample LEP areas. 58 responses were received (29% response rate). The conclusions from the survey informed the Interim Summative Assessment (December 2021). The second survey was undertaken in May 2022 and was circulated all businesses that had received MGP2 support at that time, totalling 1,961 businesses. 425 surveys were returned (21.7% response rate). The response rate is considered very good, providing an indicative picture of performance and effectiveness from a beneficiary point of view, in the final stages of MGP2 delivery.

The Final Summative Assessment reports on the findings of the second beneficiary survey and includes findings from the Interim beneficiary survey, where feedback provides additional context. This section focuses on additional economic impact, particularly the key benefits and impacts identified in the business surveys. Section 5 provides feedback about the business and stakeholder perceptions in relation to the processes involved in the delivery of the programme. Additionality indicators (deadweight, leakage and displacement) are presented in Section 4.6.

4.3.2 The wide range of manufacturing sub sectors that were represented in the responses indicates the significant reach MGP2 has had. The main manufacturing sub-sectors represented were as follows:

- engineering (32.47%)
- food and drink (12.94%) and;
- construction (6.35%).

The remaining respondents (each representing 4% or below) included automotive, software/IT, textiles, packaging and paper and agri-tech. 30% of respondents classified themselves as 'other' and were wide-ranging including manufacturers of cosmetics, ceramics, jewellery and plastics.

MGP2 has been particularly successful supporting businesses that may not see themselves as 'manufacturing' and therefore presume they are ineligible for assistance, e.g., cosmetics, eye ware and cycling businesses.

'I have what I call 'grey' clients where they offer engineering practices but don't see themselves as a manufacturer, instead as a 'designer' or an 'engineer'. It is trickier taking these businesses through the process and demonstrating they work B2B and producing a product or a prototype. It can take a lot longer'

MGP2 MGM

4.3.3 Size of business

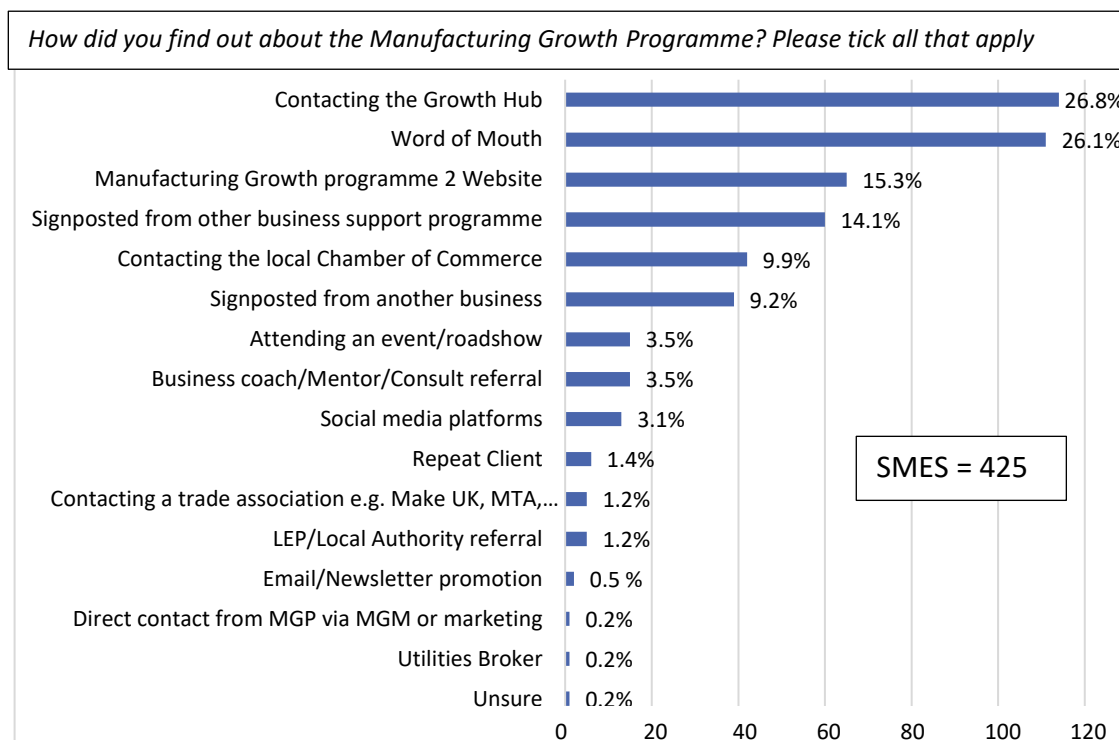
The survey responses received represent different size of businesses with 35.5% from micro (1 – 9 employees) 48.5% from small (10 – 49 employees) and 16% from medium (50 – 249 employees). Although not directly comparable with the actual apportionment of size of business that have accessed support (paragraph 4.2.2) it does provide a good indication of business experience within the different size of businesses.

4.3.4 Awareness Raising

The survey asked businesses how they were made aware of MGP2. Some businesses ticked more than one way of finding out about the Project and the informative sources are set out below, see Chart 1.

The results suggest the Growth Hubs played an important engagement role and were a good referral route (26.8%). 'Word of Mouth' (26%) and 'Signposted by another Business (9%) indicate the trusted relationships that MGP1 and MGP2 (particularly the MGMs) developed within the manufacturing community.

Chart 1: How Businesses Found Out About MGP2



4.3.5 LEP Referral Routes

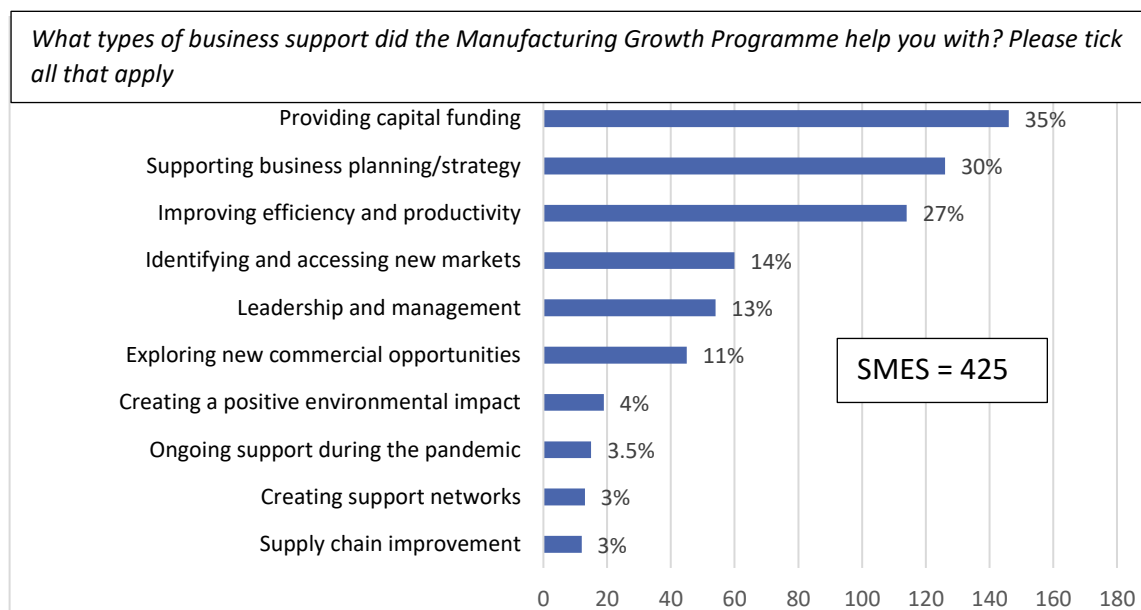
The evaluation has looked at the types and distribution of referral routes within the different LEP areas to see whether any of these varied and could be strengthened in the delivery of future programmes. The results from the business survey do not significantly differ between the LEP areas, reflecting that the awareness raising approach undertaken has enabled effective mobilisation of MGP2 across the 18 LEP areas.

4.3.6 Business Support

Business support set out to focus on issues and challenges that affect key manufacturing SMEs. During its delivery, COVID-19 had an immediate impact on businesses and their sustainability and growth. The support on offer adapted quickly to meet the needs of businesses during this uncertain time. The COVID-19 crisis did not diminish the value of the Project but, arguably, increased its relevance within the current economic context.

Chart 2 illustrates the different types of business support that the Business Survey respondents accessed.

Chart 2: Types of MGP2 Business Support Accessed by Businesses



Despite the impact of COVID-19 the responses were extremely positive, recognising the various ways in which businesses have benefited from support. 24% of respondents identified one area of support, whilst 76% of respondents identified two or more areas of support. The results from the survey indicate that the full and varied range of support on offer has provided extensive benefits to businesses, especially during a period of economic uncertainty.

'The support has enabled us to create a detailed growth plan with a clear understanding of the funding needed and funding support available. So far, we have implemented phase 1 of the growth plan which has seen investment in equipment which will improve efficiency and will lead to 1 new job within 6 months. The next phases of the plan will occur in the next 6-9 months and will create a further 5 jobs. Turnover growth will follow implementation of the next phases of the growth plan'

A survey to businesses undertaken by MGP2 Marketing Team in October/November 2022, sought views on the MGP2 service that had been provided. The responses from businesses further emphasise the important role MGP2 has had to help businesses to survive and grow, particularly during economic uncertainty, and the call from businesses to be able to access similar support in the future:

'Funds are always tight in business, especially in the last 3 years with all the uncertainties. Finding the extra cash to fund additional help and support wouldn't have been possible, and it's always difficult finding the right support'

'Having extra funding for machinery gave us the confidence to invest in greater efficiency and job creation'

'MGP was useful to us in improving our efficiencies which encouraged us to invest in software development. We also used it towards our marketing. Both of these were instrumental in our growth as a business. I think investment in business creates growth and opportunities for jobs and therefore better pay for employees. Investment often is with other UK businesses creating a win win all round for business and potential tax income for the government'

'The support provided by MGP has without any doubt enabled us to survive the Pandemic. As tough times approach, UK Manufacturers need the support of MGP which will allow them to adapt to the challenges we face.'

- 4.3.7 An important addition to MGP2 was the availability of capital funding. Grants were only approved where the intervention complemented the outcome of the business GROWTHmapper. Although the average level of capital grant funding was relatively small (£5,201) it is evident from the survey responses that businesses saw it as a significant element of MGP2, enabling businesses with the capital resource required to implement growth plans. For example, a number of businesses identified equipment that had been purchased that had enabled the business to gain accreditation in ISO 9001, ISO 17020 and ISO 14001. Those respondents who cited capital funding as part of the support received from MGP2 indicated a range of capital investments, including CNC machinery, prototyping and tooling, energy efficiency and renewable energy technology, marketing and advanced digital technology.

'The capital funding allowed us to purchase a CNC Router, this machinery improved our efficiency, allows us to expand our product range and develop improved consistency'

'Purchased a set of new welding machines that are 30% more efficient than the current ones and also improved the fume extraction system'

4.3.8 Outcomes

To understand the impact the Programme has had, businesses were asked about the different outcomes following the support. Just over three quarters of the respondents selected two or more outcomes, demonstrating the multiple benefits the programme has enabled. Only 14 businesses reported that it was too early to measure any impact.

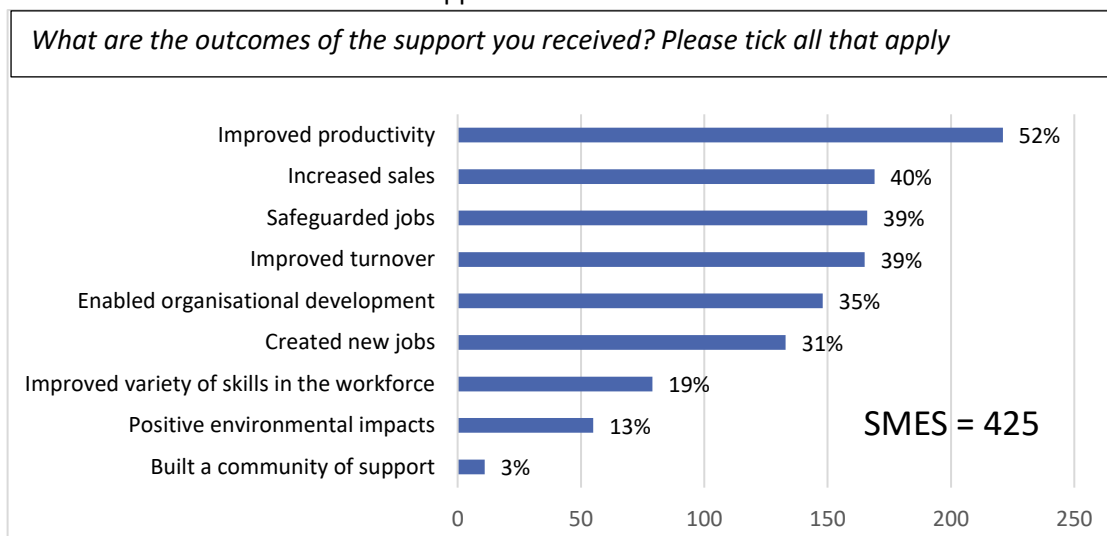
'Got a grant for new machinery to help us expand into new areas, make more profits and reduce costs.'

Over half of the businesses responding to the survey cited improved productivity' (52%) as the main outcome of the support received. This is a significant finding of the Summative Assessment as it demonstrates that the Programme has directly addressed the UK Government's central aim of creating sustainable economic growth that will increase opportunity, boost wage levels and provide sustainable funding for public services.

39% of respondents reported the support had safeguarded jobs. This figure is almost equivalent to the reported number of FTE jobs created (40%). This finding reflects the positive impact that an immediate flexing of MGP2 was able to exert on manufacturing SMEs affected by COVID the recognises and that the ability to retain staff is of equal importance to creating new jobs.

The other main outcomes identified by businesses include 'increased sales' (40%) and 'improved turnover' (39%). All main outcomes are provided on Chart 3.

Chart 3: Main outcomes of MGP2 Support



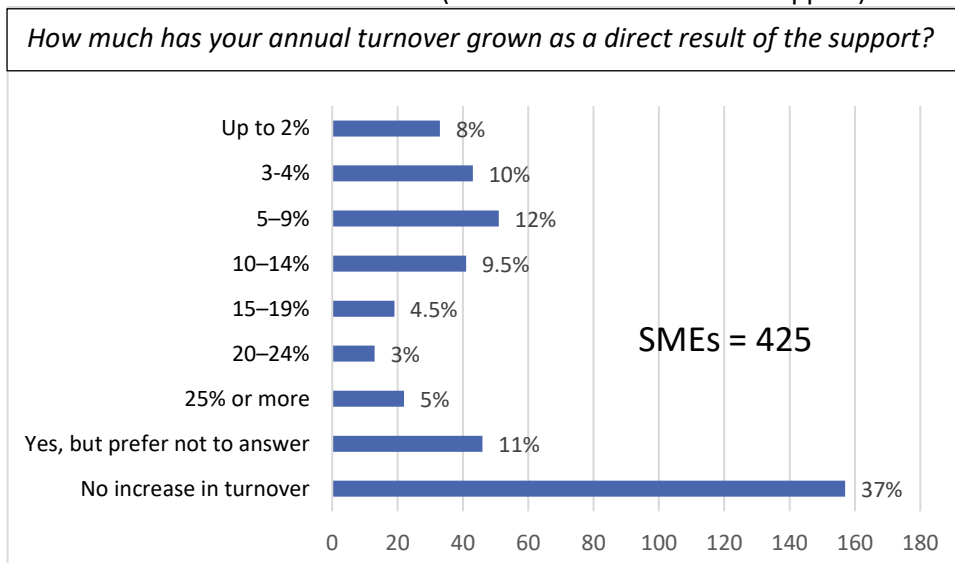
'We were supported on a wide gambit of programmes all relevant to business improvement. The support and guidance on grant application was excellent.'

4.3.9 In addition, businesses were asked further questions to explore the impact that MGP2 support has had on their 'top line' in terms of turnover.

When asked this question directly, 63% of respondents said that they had experienced an increase in turnover (compared to 39% who identified 'improved turnover' as part of the overall outcomes of the support received, see Chart 3). 39.5% of respondents reported that turnover had been uplifted between 1 – 14% (see Chart 4).

Although optimism bias needs to be considered, with this in mind the increased turnover is a significant boost to businesses for the scale of the support received and a considerable achievement of the Programme.

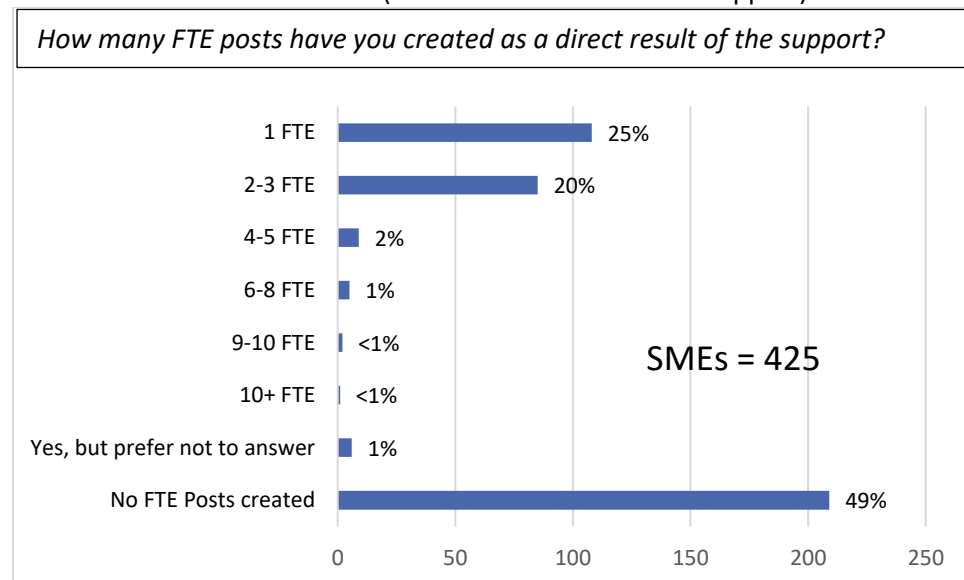
Chart 4: Growth in Annual Turnover (as a direct result of MGP2 support)



4.3.10 49% reported that, at the time of completing the survey, no new FTE jobs had been created as a direct result of MGP2 support (see Chart 5). The response to this question indicates that in May 2022 job creation was lagging behind the forecast. This could be because the business had not yet created the anticipated new

job/s (and still planned to do so within the reporting timescales of the Project) or, for unanticipated reasons, the business was unable to create the anticipated new job/s (for example, due to COVID-19, the business had to focus on retaining staff). Despite this, recent analysis undertaken by MGP2 Project Delivery Team forecasts that businesses will create 3,510 FTE jobs by completion of the Programme (30 June 2023) and achieve 89.6% of the overall Project target (3,918).

Chart 5: New FTE Jobs Created (as a direct result of MGP2 support)



4.3.11 It is important to understand whether the support provided by MGP2 is expected to have a future impact, mindful that positive impacts of business support often lag behind the intervention received. The survey asked businesses, as a direct result of the support received through MGP2, whether they expected the business to grow in the next 5 years. Overwhelmingly, 94.8% said ‘yes’. Further questions were asked to understand the nature of the anticipated growth.

4.3.12 Table 18 shows the number of FTE jobs that businesses expect to create in the next five years. The responses indicate that job expectation is extremely positive with 91% of respondents expecting to create new FTE jobs. This is particularly impressive considering the immediate impact COVID-19 has had on the manufacturing sector and business reluctance to create new jobs.

4.3.13 Businesses were then asked to indicate how many FTE jobs were anticipated by ticking the relevant banding that applied. When applying the anticipated number of jobs across all 1,961 businesses (supported up to May 2022) a minimum of 5,267 FTE jobs are anticipated to be created as a result of receiving MGP2 support in the next five years. The calculations shown in Table 18 have allowed for optimism bias by applying the minimum number of jobs in each of the job growth bandings.

Table 18: Anticipated FTE Jobs (next 5 years)

Job Growth	No. of businesses	% of all respondents (425)	Minimum number of FTE jobs created in each band	No. of FTE Jobs to be Created (21.7% of businesses supported)	No. of FTE Jobs to be Created (if applied to 100% of businesses supported)
1 - 5 FTE jobs	263	62%	1	263	1,212
6-10 FTE jobs	85	20%	6	510	2,350
10+ FTE jobs	37	9%	10	370	1,705
No new jobs expected	40	9%	0	0	0
Total	425	100%		1,143	5,267

4.3.14 In addition, 93.4% of businesses expect an increase in turnover in the next 5 years, as a direct result of receiving MGP2 support, with 17.9% expecting turnover to increase between 51 – 100% (see Table 19). This is particularly encouraging when considering 63% of respondents have already seen a growth in turnover.

Table 19: Anticipated Increase in Turnover (next 5 years)

'What is your expected growth in annual turnover IN THE NEXT 5 YEARS?'	No. of businesses	% of all respondents (425)
0 – 10%	77	18.1%
11 – 30%	169	39.8%
31 – 50%	75	17.6%
51 – 100%	76	17.9%
No growth in turnover expected	28	6.6%
Total	425	100%

4.3.15 Businesses were asked to identify other growth areas in the next 5 years, the results are provided in Table 20. It is interesting to see that only three of the respondents mentioned improving environmental impact /carbon footprint within the 'other' category. Although this figure was low, it does demonstrate the need to raise awareness of the Government's Net Zero Strategy: Build Back Greener, October 2021 and to include 'green growth and sustainable development' as a defined growth area in future.

Table 20: Anticipated Business Growth in (next 5 years)

'How else do you expect the business to grow IN THE NEXT 5 YEARS? Please tick all that apply'	No. of businesses	% of all respondents (425)
Reach new markets	289	68%
Improve productivity	282	66%
Develop new products	267	63%
Invest in new facilities and/or equipment	265	62%
Improve environmental impact, improve green credentials and company carbon footprint, improve environmental message to customers	3	3%
Branding awareness training and staff development, acquisition,	9	
Skipped question	28	7%

4.3.16 The Business Survey indicates that businesses will benefit from the support received by MGP2 for many years to come, and the outputs that are reported within the MGP2 reporting timescales, could be significantly under-estimated. Some examples of business comments which highlight positive future growth plans are provided below:

'We are planning on expanding the business'

'We are looking to develop new software support systems to enable the business to grow'

'We will be improving green credentials and company carbon footprint'

4.4 Additional Economic Impact – Case Studies

4.4.1 The following case studies demonstrate how MGP2 has supported manufacturing businesses to innovate and enabled businesses to grow through a combination of expert advice and co-investment and are as follows:

Case Study 1: Supporting Business Growth and COVID-19 Recovery Planning

Starting from their kitchen table, Daniel's Delights has been manufacturing chocolate since 2007. The Stoke-on-Trent company has worked with the Manufacturing Growth Programme, focussing on business growth and accessing advice on accreditation and marketing.

In 2019, the business accessed an MGP2 capital grant of £10,320, matched by company investment of £13,680 towards the purchase of:

- A 2,000kg chocolate melting and holding tank which enabled the company to triple their daily production of chocolate
- A box making machine to automate the packaging of the chocolate, improving process efficiency

This production boost created 6 FTE jobs.

The COVID-19 pandemic created several challenges, both during and post-lockdown, for production safety, staff retention (21.5FTE), client retention, continued access to finance and in meeting supplier and client expectations. Plans to increase market presence, volumes and profitability required detailed review. In July 2020, MGP2 grant-assisted provision of expertise to support the company in reviewing their 5 Year Plan to factor in the economic downturn and loss of a quarter of 2020/21 trading. An MGP2 consultancy support grant of £3,225 was matched with £4,275 of company funds to complete this work by August 2020.

Stoke-on-Trent & Staffordshire LEP

Case Study 2: Supporting the Journey from Prototype to Production

Watford based Ezidrops Ltd. designed an innovative eyedrop applicator. The perfected prototype received strong interest from Boots and The Royal National Institute for the Blind. In November 2019, with no previous experience in manufacturing, the company sought MGP2 advice in moving from the prototype device to full manufacturing production.

The MGM worked with the company to provide a business needs diagnostic which highlighted areas of the business that needed further work to enter the manufacturing phase and supported EZIDrops to develop an Action Plan to deliver this work. MGP2 provided the following:

- Research on CE requirements for the product
- Legal advice on requirements for registering IP
- Advice on manufacturing process management and stockpiling of a product which has a seasonal demand flow (higher in hay fever season)
- Packaging advice
- Promotional advice incl. appropriate retail, pharmacy and optical product & service channels
- A Capital Grant of £4,324 to purchase required manufacturing tooling, matched by a £8,676 capital invested by the company

The project moved this new product into manufacturing production in April 2020. The Royal National Institute for the Blind are selling the product and Boots plan to stock it in 1,800 stores. The company has gone on to:

- Create a second prototype for ear drops, with further advice & support from MGP2
- Further develop their website for French, German and Spanish customers and is working with DiT in overseas promotions.

Hertfordshire LEP

Case Study 3: Helping to Increase Manufacturing Productivity & Capacity

Founded in 2012, Axholme Brewing Company Ltd. manufactures beer, placing emphasis on consistency, quality & inventiveness and creating classic styles, utilising seasonal and home-grown ingredients for their wide range of guest beers. The company trades as *Docks Beers*, selling around the country, with their bottled beers being bottled by hand and sold to shops, festivals and markets.

In 2017 the company set up a new brewhouse to meet their ever-growing demand. The brand new 2500L plant was installed in a converted church in Grimsby, enabling them to build on their Trade Sales, adding to their E-Commerce Sales and featuring a new on-site Tap Room where beers can be purchased and consumed while watching the brewers work.

In 2021 strong online sales enabled an overall sales increase. The company contacted MGP2 for support in increasing their storage capacity. The MGM undertook a company GROWTHmapper diagnostic which identified productivity and capacity as the weakest areas for the business and identified opportunity for marketing improvements. The business was supported by MGP2 to:

- Improve their approach to digital marketing and e-commerce sales through consultancy support valued at £6,800. They accessed £2,924 MGP2 grant to match their own investment of £3,876, completing this work in May 2021.
- Increase productivity & capacity through the purchase of a new 6000Ltr brewing tank and a 20ft Refrigerated Storage Container. These additions increase capacity by 40%, which equates to roughly 130,000 pints per year (circa £330k of trade sales). MGP2 supported this project with a capital grant of £2,580 alongside company investment of £3,420. This part of the project was completed in October 2021.

These two areas of work have enabled the creation of 2 FTE jobs, including a new Brewing Assistant, and the company is forecasting at 75% increase in turnover. The company is now progressing further plans to open Docks Beers Academy on the top floor of the building, which will enable Live Music Events to be held onsite and has plans for two more large fermentation tanks.

Greater Lincolnshire LEP

Case Study 4: Developing a Roadmap from Product Design to Commercial Launch & Planning an Efficient Manufacturing Process Flow

Passive Innovations Ltd., a pre-revenue company based in Leeds, has a company objective to be a Pathfinder in modern construction methods, constructing timber-frame off site panels as a carbon zero product for house builders. This is a high growth market driven by government targets and regulations and the company has identified a set of product and process objectives including to:

- Exceed 2030 RIBA carbon targets for new homes construction
- Achieve passive house product certification
- Produce a product affordable across all sectors of the housing market, using sustainable raw materials where commercially viable and capability of erection on site (from DPC to airtight) within a few working days.
- Achieve continuous manufacturing in a controlled environment
- Use a manufacturing process suitable for CNC machining, linking architect's 3D drawings with design, cutting and framing data.

The MGM undertook a business needs diagnostic using GROWTHmapper. The company hoped to demonstrate the value of net zero carbon home construction to potential clients across Yorkshire and sought advice from MGP2 on setting up an efficient build system within a new factory setting and achieving required quality assurance standards. MGP2 provided support for the following:

- Development of a Roadmap from product design to the commercial launch of the company's timber frame offsite panels including:
- investigating raw material requirements and identifying potential suppliers; consultancy and advice on requirements for achieving quality assurance and communications standard ISO 9001 and 19650 (including Built Offsite Production Assurance scheme)
- Assessing and developing their manufacturing processes and determining their equipment requirements
- Achieving a factory design and layout/work-flow consistent with lean principles
- Revenue funding of £4,494.60 towards expert consultancy work, matched by a company investment of £9,265.40

The MGM also provided introductions to the WYCA Growth Hub (regarding capital grant programmes of potential interest) and to Huddersfield University who manage the Leeds LEP's Supply Chain programme (regarding support for an ISO9001 (Quality Management System)).

The company completed their MGP2 projects by May 2021 and has achieved the following:

- The factory is in production and has completed its first home, aiding the construction of 20 more for Pure Acre Park in Drighlington in Bradford. It is in talks with York Council to make 110 carbon free homes rising to 600, using 100sqm of panelling in each home
- The first employee is in place (currently using 8 sub-contract employees)
- A forecast turnover of £480K in the first year with 3-5 employees. A 5 Year Plan is in place to build 1000 homes/year, representing a £10m yearly turnover with 150 employees in final year.
- The company has secured £200k private investment to help scale up production

West Yorkshire Combined Authority

4.5 MGP2 Workshop Delivery

4.5.1 With the advent of COVID-19 in March 2020, workshop delivery was suspended. Workshops were designed to cover leadership and management, as well as introducing learning around industry specific topics such as Industry 4.0, Supply Chain Management, Process Flow and Lean Manufacturing.

4.5.2 From consultations with stakeholders and the Project Team, it is evident that the workshops were highly valued and seen as an important activity as part of the MGP2 offer to businesses. Stakeholders note that workshops assisted in:

- Introducing new businesses to MGP2 and the wider, local business support network
- Delivering new ideas in a bite-sized and accessible format

- Encouraging business owners to engage in new learning, often noted as particularly hard to achieve with family-owned manufacturing enterprises where learning is passed down from generation to generation and
- Bringing businesses together who might not otherwise meet up to build communities of interest.

4.5.3 Workshops offered a valuable resource for manufacturing businesses up to COVID-19. The evaluation does recognise that COVID-19, and the restrictions it placed on group gatherings, continued to make face-to-face workshops more difficult. MGMs also mentioned that trying to find a ‘host’ business or for factory tours could sometimes be difficult. Workshops were not re-introduced at the time of writing the Final Summative Assessment (January 2023) although virtual reality workshops were being developed that could potentially be offered on line as well as in a workshop environment.

‘Lean Workshops and Supply Chain Development Workshops are clearly appreciated and effective’

LEP Stakeholder

‘The workshops prior to COVID were also beneficial. There is potential to bring forward again through an online presence. We are currently looking at a ‘lean workshop’ and have been working with the Simulation Centre at Coventry University to produce this’

MGP2 Team Member

It is important that workshops continue to be available and free of charge to all SMEs across the 18 LEP areas during the remaining lifetime of the Programme. To avoid disappointment and to ensure maximum benefit to SMEs, activity needs to commence in January and be accompanied by a very targeted marketing campaign.

4.6 Employment and GVA Additional Impact

4.6.1 The Government (through the HM Treasury Green Book) maintains that public sector spending should address market failures and bring about change that would not have happened at all, or would have happened at a slower rate, or lower quality or on a smaller scale than without public intervention. This is referred to as additionality³.

The main factors that affect the additionality (impact indicators) achieved through the Project are deadweight, leakage and displacement. These are analysed below alongside optimism bias and multiplier effects.

4.6.2 Deadweight represents the outputs and outcomes that would have happened anyway, even without the public investment.

As part of the Business Survey, to understand the impact of deadweight, businesses were asked ‘Without the support from MGP2, would you have been able to progress plans to develop and grow your business?’. Respondents were given a number of options. The options provided are listed below, alongside the assumption for calculating additionality:

³ The Green Book: Central Government Guidance on Appraisal and Evaluation 2022
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1063330/Green_Book_2022.pdf

Impact of Deadweight	Business Survey Responses (%)	Additionality Assumption
No, I would not have been able to progress plans	15.6%	Full additionality has taken place: 100%
Yes, but at a slower rate	69%	The investment has accelerated the delivery of the outcomes and impacts: 100%
Yes, but in a different way	13%	Partial additionality has taken place: 50%
Yes, at the same rate	2.4%	No additionality: 0

Table 21 converts gross number of jobs created to net number of jobs created, applying the above additionality and deadweight assumptions.

Table 21: MGP2 Deadweight and Additionality Assumptions

			31 December 2022 FTE = 2,846		30 June 2023 FTE = 3,510	
Response	Business Survey Responses (%)	Adjustment	Gross FTE	Net FTE	Gross FTE	Net FTE
Full Additionality	15.6%	100%	444	444	548	548
Accelerated Additionality	69%	100%	1,964	1,964	2,422	2,422
Partial Additionality	13%	50%	370	185	456	228
No additionality	2.4%	No Value	68	No Value	84	No value
Deadweight Total	100%		2,846	2,593	3,510	3,198

4.6.3 Leakage represents the extent to which any outcomes generated by the programme are lost outside of the target area (England) or whether any ineligible beneficiaries have been supported. As MGP2 was specifically targeted at businesses within the target area, with strict eligibility criteria, it is likely to have experienced minimal leakage. Therefore, Homes and Communities Agency (2014) Additionality Guide⁴ ‘low’ leakage ready reckoner of 10% has been applied.

4.6.4 Displacement represents the extent to which activities or outcomes generated by MGP2 have the effect of reducing activities or outcomes elsewhere within the target area. For example, the creation of jobs by a business supported by MGP2 may displace jobs from elsewhere in the Programme area that did not receive support.

The following considerations in relation to the criteria of the Programme have been taken into account:

- the Project was openly available to SMEs across the 18 LEP area geography (hence it did not exclude businesses) and competition is likely to be low
- the Project covered a wide geographical area, meaning the likelihood of displacement is lower than in a more restricted geography
- the Project’s direct economic impacts (see below) were relatively minimal, thereby reducing the likelihood of displacement

MGP1 ERDF Summative Assessment in 2019⁵ provided a 19% displacement benchmark. The calculation was based on a business survey that identified 25% of competition is local or England based and 75% of this competition is strong competition (percentage of main competition x percentage of strong competition = 0.25 x 0.75). 14 of the MGP1 LEP areas are the same as in MGP2 and the same considerations still apply to MGP2. To maintain a consistent approach the same benchmark as in MGP1, has been applied (19%).

⁴ HCA Additionality Guide, fourth edition, 2014

⁵ Evaluation of the Manufacturing Growth Programme, Final Report, 2019. [Warwick Economics & Development](#)

- 4.6.5 Optimism Bias - the Government has published work (HM Treasury Green Book) on the tendency for projects appraisers to be overly optimistic when estimating the benefits that a project delivers and that appraisers should make informed adjustments to redress this tendency. Government suggests that 90% confidence interval and expected value is applied for residual risk and optimism bias on standard projects. Similar to MGP1 Summative Assessment, and based on discussions with the Programme’s Management Team, it is considered that the confidence intervals of key input variables can be used. This is estimated to be around 90%, i.e., 10% uncertainty and is in line with H.M. Treasury. A 10% Optimism Bias has therefore been applied.
- 4.6.6 Multiplier effects refer to the **positive** economic activity (jobs, expenditure or income) that is associated with additional local income and local supplier purchases. The economic impact is multiplied because of the knock-on effects within the local economy.
The manufacturing sector has substantial links with many other sectors within the economy and the multiplier effects of innovation and growth-related support projects. HCA additionality guidance refers to the use of a low economic multiplier pre-calculated value of 1.3 at the regional level. A 1.3 multiplier effect has therefore been applied.
- 4.6.7 Estimates of net economic impacts (jobs created and GVA) up to 31 December 2022 and 30 June 2023 are detailed in Tables 22 and 23 below:

Table 22: Estimates of Net Economic Impacts (FTE jobs) to 31 December 2022 and 30 June 2023

Additionality Factors	Measures Applied	FTE 31 December 2022 Adjustment (Actual)	FTE 30 June 2023 Adjustment (Forecast)
Gross Calculation	100%	2,846	3,510
Deadweight	See Table 21	2,593	3,198
Leakage	10%		
Displacement	19%	1,011	1,247
Optimism Bias	10%		
Sub-total		1,582	1,951
Multiplier Effects	1.3	2,057	2,536
Total Net Jobs		2,057	2,536

Table 23: Estimates of Net Economic Impacts (GVA per annum) as at 31 December 2022 and 30 June 2023

	31 December 2022 (Actual)	30 June 2023 (Forecast)
GVA per employee ⁶	£41,808	£41,808
GVA (per annum) estimated from net jobs created	£85,999,056	£106,025,088
GVA over a 3-year return period	£257,997,168	£318,075,264
Average business benefit (per C1 output) <i>31 December 2022 SMEs assisted = 2,702</i> <i>30 June 2023 SMEs assisted = 2,800</i> <i>(forecast)</i>	£31,828	£37,866
Average benefit per intervention (On the basis of an average of 1.4 ⁷ interventions per business)	£44,559 annual GVA created to December 2022	£53,012

⁶ December 2022, MGP2 Insight Report

⁷ Calculation provided by MGP2 Delivery Team December 2022

4.6.8 GVA per annum represents a highly positive return. It is important to realise that feedback from the business surveys suggests that even more commercial benefits will take place over time and that GVA per annum could increase. Assuming that the forecasted £106,025,088 GVA calculation to 30 June 2023 (based on the creation of 2,536 net FTE jobs) persists for a minimum of three years, this would be equivalent to £318,075,264 GVA.

4.7 Market Failure and Rationale

4.7.1 The Project Logic Model (see Appendix 1) identifies the four market failures that MGP2 seeks to address:

- (i) Low levels of productivity
- (ii) SME failure to seek business support
- (iii) Lack of Innovation
- (iv) Absence of Capital Investment

4.7.2 MGP2 was designed using the delivery experience of MGP1 and included the most sought-after aspects of support and additional support that had become evident during MGP1 delivery.

The key strengths from MGP1 carried forward to MGP2 included:

- A targeted approach with a broad scope of support
- Enabling a quality service by employing credible and flexible MGMs
- A non-bureaucratic project management approach that was responsive to business needs with the ability for SMEs to access support more than once
- The ability to work in parallel with other support programmes

Additional support that was introduced following MGP1 included:

- Increased MGM time with businesses during SME engagement and project delivery. To meet this need, MGP2 reduced the number of projects, as well as the number of SMEs to be supported, to allow MGMs to spend more time with SMEs on an individual basis
- Grants towards capital equipment
- Availability of workshops, including varied themes, to assist workplace development and business growth

4.7.3 MGP2 has addressed significant market failures, as follows:

(i) Increased levels of productivity

Support has focused on issues and challenges that affect manufacturing SMEs, with one of the key drivers being to increase productivity. As part of the Business Survey, 37% of respondents recognised the support had facilitated the development of new products and processes, 30% said that it had supported planning/strategy and 30% recognised that it had improved efficiency and productivity. As a result of the support received over half of the respondents cited 'improved productivity' (52%) as the main outcome of the support received.

'Helped create a business strategy which will hopefully lead to improved turnover/sales/job creation'

'New range of products to be introduced in our portfolio'

'Projects will ensure products are more attractive in the marketplace and aid our future growth and profitability'

(ii) SMEs seeking business support

MGP2 has focused its support on SMEs and, up to December 2022, MGP2 provided support to 2,702 SMEs (46% micro, 42% small and 12% medium-sized businesses). 2,800 SMEs are forecast to be supported by 30 June 2023.

The advice and support provided by MGPs was highly rated by respondents in the Business Survey, valuing their expertise and their ability to identify business opportunities and challenges. 75% of respondents rated the advice and support from their local MGP as extremely useful, with an additional 15% rating it as very useful.

MGP2 has been able to reach businesses that do not normally seek business support or do not identify themselves as a manufacturing industry and has created a demand for the support on offer. The Growth Hubs have played an important role in raising awareness (26.8% of respondents finding out about MGP2 through this route) equally, MGP1 and MGP2 have developed a good reputation with over a third of businesses citing 'word of mouth' or 'signposted by another business' as to how they found out about the programme.

MGP2 businesses have appreciated the outcomes of the support received and 96% of the Business Survey respondents recognised that, when looking ahead, the relevant business support will help them to grow their business faster than they could achieve alone

MGP2 gained traction as a resource for manufacturing SMEs and, alongside the business advice and referral support from LEPs/Growth Hubs, manufacturing businesses were in a better position to understand where to seek business support from.

(iii) Innovation Within SMEs

MGP2 enabled SMEs to realise their potential. This was achieved by raising awareness and generating demand for improvement and growth opportunities and promoting the adoption of new processes and opportunities. Looking ahead, 95% of respondents in the Business Survey expect their business to grow as a result of MGP2 support, including 63% of respondents identifying developing new products as an area of this growth.

(iv) Provision of Capital Investment

The MGP2 Full Application stated that "SME Manufacturers struggle to raise sufficient funds for capital investment. This is because commercial lenders will not lend to SMEs at affordable rates. SMEs are often not willing to invest if it means they have to borrow money and consequently lose out on potentially big opportunities. Some Local Enterprise Partnerships (LEPs) offer capital grant funding to businesses but this is not targeted at manufacturers. Furthermore, some capital grant funding programmes are aimed at particularly large investments; upwards of £50,000, leaving a gap in the market for smaller capital grants".

MGP2 has provided a successful capital grant element, as part of the package of support. This has enabled 555 capital grant projects (up to 31 December 2022) with the average grant totalling £5,201. 92% of the Business Survey respondents, who had received a capital grant, rated the capital grant as being extremely or very useful.

The Business Surveys undertaken for both the Interim and Final Summative suggest that aiming support solely at SME manufacturers, providing impartial advice and small capital grants, combined with expert support, does have a significant positive impact on businesses who are looking to innovate and grow. Without the support on offer through MGP2, the business responses indicated that it was unlikely that they would have realised the range of options for how improvements could be made, or indeed, the type of improvements that were needed.

The Final Business Survey demonstrated how critical the support has been, particularly during recent economic uncertainty. This is evident in the results of the survey when businesses were asked 'Without the support from MGP2, would you have been able to progress plans to develop and grow your business?'

15.6% of businesses claimed they would not have invested at all, 13% said 'yes but in a different way' and 69% said 'yes, but at a slower rate'.

In conclusion, the context which formed the basis of need for MGP2 still remains relevant. MGP2 has enabled the businesses it has supported to overcome these barriers to growth. In addition, MGP2 has continuously reviewed and adapted its systems, processes, marketing strategy and business support offers to respond to real-time economic changes and to make the service accessible and relevant to the manufacturing sector.

SILVER FOX LTD: Hertfordshire

Formed as a family-run business in 1977 manufacturing specialist labelling equipment. Major clients include London Underground, Network Rail, Vodafone and Virgin Media.

The business takes a strong interest in innovation and service and corporate social responsibility. In 2020, Silver Fox became the first carbon-negative manufacturing company in Hertfordshire.

The MGP2 GROWTHmapper review highlighted the business would benefit from marketing support to drive business growth. An action plan was formed to generate more traffic to their website with new digital marketing campaigns. The business has reaped the benefits of the support with new client interest and increasing sales forecasts.

MGP2 also provided substantial investment in new machinery and celebrated this development with a launch event on 24 June 2022. Grant Shapps, the Secretary of State for Transport at that time and MP for the Welwyn Hatfield constituency where the business is located, attended.

Director Nick Michaelson wrote to his MP Theresa Villiers to comment on how helpful the funding has been in their business and offered advice to other SME manufacturers, "Make the most of your MGM – it is a really helpful service, and they make it so easy. Also look at the long-term plan for your business and use this funding to make things happen more quickly."

For more information about Silver Fox Limited visit <https://silverfox.co.uk/>

5. Added Value of the Programme

5.1 Introduction

5.1.1 This Section provides feedback on quality and satisfaction of the service provided, both from a business and stakeholder perspective and considers the MGP2’s strategic added value.

5.2 Added Value for Business

5.2.1 The Business Survey asked businesses to rate the different types of the support that they had received (‘1’ being not at all useful and ‘5’ being extremely useful). These are presented in Table 24.

Table 24: Value of Support Received

MGP2 Support	Not at all useful		Average		Extremely useful		Total Responding
	1	2	3	4	5		
Advice and support from the local MGM	4 (1%)	5 (1%)	9 (2%)	62 (16%)	320 (80%)	400 (100%)	
Grant towards specialist support from an external expert	4 (1%)	3 (1%)	14 (4%)	44 (13%)	272 (81%)	337 (100%)	
Grant towards capital work	11 (4.5%)	2 (1%)	6 (2.5%)	29 (12%)	198 (80%)	246 (100%)	
Attendance at a MGP2 workshop	12 (10%)	4 (3%)	17 (14%)	25 (21%)	63 (52%)	121 (100%)	

The results from the survey indicate that, overall, businesses have highly valued the different aspects of support that have been provided through MGP2. 94% of businesses responded to the question asking them to rate the advice and support received from their local MGM. Of those who responded, 80% found the support ‘extremely useful’ and 16% found it ‘useful’.

In total 229 businesses in MGP2 attended workshops. 121 survey respondents rated ‘attendance at a MGP2 workshop’ representing 52.8% of attendees. Of those who responded, 73% rated the workshop as ‘useful’ or ‘extremely useful’. Although these figures indicate overall satisfaction, in any future delivery there is a need to revisit the purpose of the workshops to ensure that they remain relevant and meet business expectations.

5.2.2 A valuable part of the MGP2 service is referral into the Local Growth Hub and other business support providers for further advice or support. 65% (271 respondents in total) confirmed that their MGM had made timely referrals to other business support services that they had subsequently used. The results are detailed in Chart 6.

Chart 6: MGP2 Business Referrals



The results indicate that referrals are being made by MGMs to a wide variety of additional support on offer. The remaining 35% of respondents said that their MGM had not referred them to other types of business support. Consultation with MGMs from the 18 LEP areas indicated that they do discuss with clients the other business support available in their LEP area. Notwithstanding this, a client focused on their current project may quickly forget the referrals provided for further work. There is an opportunity, in future business programmes, for the MGM to record referral suggestions and to follow-up and remind business clients, once support has been completed.

'The initial opportunity of support available from MGM ignited further support opportunities'

5.2.3 The Business Survey demonstrates that respondents were very aware and appreciative of the MGM support. Businesses were asked to provide any further suggestions on how the support from the Manufacturing Growth Manager could be improved in anyway. 76% skipped the question, indicating satisfaction with the support received. Of those providing suggestions, most of the comments (56%) received were complimentary, in many cases praising their MGM for their expertise and ability to identify opportunities for growth, support and change they may not have been aware of. Some of the compliments are highlighted below:

'Very happy with the level of service received-Michelle Connor is very proficient and professional in her advice and support-Thank-You :-)'

'We were so impressed with Amanda Freeland. She is extremely helpful which could be overwhelming to some companies. Thank you, Amanda'

'No improvements at all as David Whiteley was extremely helpful, knowledgeable and patient with our company'

'No improvements needed; Robin did a top job'

'The breadth of knowledge that Phillip our growth manager has, enabled us to identify opportunities for support, growth, and change that we otherwise may have missed or not even been aware of. Thank you for helping TMT First to grow and employ and train more people'

'Overall, very positive experience in assisting us complete a project we would otherwise have had to take a lot longer to complete'

Suggestions from the remaining 44% of respondents included:

- providing a higher grant contribution and access to more funding going forward (15 respondents)
- regular newsletters/emails to be kept informed of funding opportunities. Some respondents asked that communication is continued once a project ends (12 respondents)
- increased contact with the MGM, including more face-to-face contact post COVID-19 (5 respondents)
- streamlining the grant process (4 respondents)
- networking opportunities (2 respondents)
- change criteria - creation of new jobs and allowing more time to receive a better service from the supplier (2 respondents)
- specific activity relating to the business, such as exporting opportunities, innovation support new software systems, staffing (5 respondents)

5.2.4 Finally, to understand whether there is a need for manufacturing business support in the future to accelerate growth, beneficiaries were asked ‘Looking ahead, do you think that relevant business support will help you grow your business faster than you could achieve alone?’. Overwhelmingly 96% of businesses said ‘yes’. The types of business support that respondents identified were as follows:

Table 25: Future Business Support Requirements

Future Business Support Requirements	%
Financial investments in new equipment	66%
Improving and/or developing new manufacturing processes	59%
Reaching new markets	58%
Improving and/or developing new products	55%
Improving management systems or processes	54%
Reducing environmental impact	44%
Attending workshops that help to plan for the future (e.g., Net Zero)	37%
Building a community of support with other like-minded businesses	18%

The response to this question suggests that businesses accessing MGP2 continue to demonstrate an appetite to grow and, to do so, continue to require the types of support that MGP2 provides.

It is interesting to note that only 7 businesses identified ‘other’ types of support that might be required in the future (and most of these were already covered by the options provided). The low response to the ‘other’ option could confirm that all support currently offered is suitable for future business needs, however, it could also highlight that some businesses rely on manufacturing experts to assess future challenges and opportunities for this sector and align areas of support with these. For example, in the future, businesses will be required to respond to Government’s Net Zero Strategy: Build Back Greener and the UK Digital Strategy and most likely require support to understand government ambitions, targets and expectations and to navigate how they might prepare their own business to meet new regulatory requirements and access new opportunities for growth. This reliance on expert manufacturing advisors to interpret trends and innovations in future manufacturing has been highlighted in feedback from stakeholders as a strategic value of the MGMs delivering advice to businesses through MGP2.

‘There is a big focus on digitisation and low carbon reduction programmes however the concern I have is that not every business is ready/wants to look at digitisation, the Manufacturing Growth Programme is a great readiness programme to give support to businesses that are not at that stage yet and are a number of years away from being in a position to take advantage of these programmes which leaves businesses with little or no support in helping them remove the barriers which are holding them back to accelerate their growth’

MGM2 MGM

5.3 Added Value for Stakeholders

5.3.1 As part of the Interim Summative Assessment interviews were held with four stakeholders within Greater Lincolnshire, WYCA, Herefordshire and Stoke-on-Trent and Staffordshire LEPS. Stakeholders from the remaining 14 LEP areas completed an online survey in April and May 2022. The interviews and surveys were undertaken to understand, from a LEP stakeholder perspective, whether MGP2 had met the needs of the manufacturing businesses in its LEP area and its working relationships with MGP2 Team.

Stakeholder feedback was received from all 18 LEP areas. A list of stakeholder consultees is provided in Appendix 2.

5.3.2 The findings from the consultation exercise with the stakeholders from the 14 LEP areas reflect those identified in the Interim Summative Assessment. These are outlined below:

- The roles of the Operational Director, Regional Managers and MGMs were held in high regard by stakeholders including LEPs, Growth Hubs and Local Authority Economic Development Teams and played an important role in supporting manufacturing businesses. They were seen to have a good understanding of the manufacturing sector, some having sectoral specialisms that could be drawn upon, and their views were well respected. Their reliance on expert manufacturing advisors to interpret trends and innovations in future manufacturing and good established relationships were highlighted in consultations with the stakeholders.

'The benefit of the MGP from my perspective has been the relationships and trust established over the lifetime of the Programme, providing comfort that the programme is doing what it needs to be doing'

LEP Stakeholder

- The MGP2 support package for manufacturing businesses was seen by the stakeholders as a significant resource that is integrated with each LEP's business support offer. Although it was noted by some stakeholders that it did not always meet the needs of the manufacturing sector in their areas, this was acknowledged as being 'out of scope' of the programme, for example demand was higher than supply or the grant element of the support needed to be higher. There was acceptance from some LEPs that referral mechanisms (on both sides) could be better.
- Most stakeholders praised MGP2 as being a great asset to the support programmes already on offer in their LEP areas. However, there was recognition from some stakeholders that the market place is often crowded and there is sometimes duplication with local and national programmes (e.g., Made Smarter). Stakeholders were keen to point out that duplication has often been unavoidable at a project level.
- The MGP2 infographics charts and information, provided to LEPs monthly and included on the MGP2 website, were noted by stakeholders as easy to absorb and pitched at the right level. Other providers have gone on to replicate this approach in their own paperwork.

'These are useful to include in the monthly BEIS reporting to show the effectiveness of the programme'

LEP Stakeholder

'Clear and concise, ideal for showing companies'

LEP Stakeholder

5.3.3 Three stakeholders provided suggestions on how MGP2 could be improved in future, these being:

- More feedback on client journey and referrals
- Clear updates on support
- Additional Officer coverage in the area (however this respondent did recognise that this was limited to financial availability)

5.3.4 The support from MGP1 and MGP2 has been available for six years and the presence of this specialist knowledge is embedded within the manufacturing and business support community. To maintain credibility, any continuity Programme will need to work closely with all its stakeholders and businesses and be clear on its relationship, roles and responsibilities. Stakeholders and businesses will need to be involved in future

proposals, to ensure their suggestions for improving the service, in particular taking into account the needs of the manufacturing base in their geographies, are considered.

5.4 How MGP2 was Perceived by Businesses and Stakeholders

It is evident from the business survey and consultation with stakeholders that the MGP2 Project Team and MGMs were held in high regard and played an important role in supporting manufacturing businesses. They were seen as being well established; as having a good understanding of the manufacturing sector (some MGMs having sectoral specialisms that could be drawn upon) and their views were well respected.

A key observation of the Summative Assessment is that feedback from businesses and stakeholders confirms that it MGP2 has made a significant difference to the businesses and has gained kudos amongst stakeholders in the LEP areas it has supported.

'Yes, it definitely has. We have received excellent feedback from individual companies and have also captured some great impact data demonstrating the additional jobs and GVA created by the project'.

MGP2 Operations Director

Nearing completion, it will be important to celebrate the positive difference it has made and to raise the programme's profile by making businesses, stakeholders and funding bodies aware of its achievements, particularly those delivered during difficult and turbulent economic times.

5.5 Strategic Added Value

5.5.1 Strategic Added Value captures benefits that have arisen through the Project that are over and above those which are felt by beneficiaries.

5.5.2 Single Programme Approach

The delivery of a single, larger programme (compared to 18 separate programmes) has provided many benefits, these are listed below:

- Cost and administration efficiencies whilst offering a consistent, yet flexible, approach that was high in quality and achieved significant impact. Overall, it is considered that the Project provided very good value for money when compared to the likely costs of delivering 18 separate projects.
- MGP2 learnt lessons following MGP1 and adapted to provide a more efficient service and an improved 'offer' to businesses. OIS continue to work with manufacturing businesses to understand their needs and has modelled a package of support that could be delivered across a wide geography and launched as a future MGP3
- Impressive Management Information and data systems providing an accurate picture of the Project's progress at all times, across a multi-LEP area. These systems tracked progress of each client and each LEP and ensured detailed, up to the moment performance data, was recorded and actioned
- Efficient application, approval and claims processes and systems in place that maximised outcomes and spend
- One single point of contact with DLUHC, that enabled efficient and effective communication and administration
- Enables the development of a specialist delivery team that can be flexible in its approach to ensure there is always cover and have the ability to manage resources effectively
- Trusted and recognised brand across a large delivery area.

5.5.3 Specialist Strategic Insight

The MGP2 Regional Director and Regional Managers engaged with LEP areas and attended Board and strategic meetings, where requested. The Regional Director and Managers provided a strategic insight for partners and business as to how the sector was developing, how Government was responding and how these impacted on their LEP area. The degree to which local areas took advantage of this specialist knowledge did vary. Some Growth Hubs gained significantly greater benefit through their more formal

engagement arrangements that ensured they and their other delivery partners had access to this specialist knowledge, for example:

- Stoke-on-Trent and Staffordshire Growth Hub included the MGM and Regional Manager in their Quarterly Growth Hub Steering Group, which oversaw Growth Hub delivery and forward planning, and bi-monthly Enterprise Round Tables which included all delivery providers and partners that examined and filled gaps in business needs provision; and
- Greater Lincolnshire Growth Hub included the MGM and Regional Director on the LEP's Manufacturing Board, which set LEP Economic Strategy & Policy for the sector. The MGM also sat on the Growth Hub Operations Board, to provide input on direction of travel on manufacturing business needs, and the Providers Forum, which supported joint working by providers and used a Case Conference approach to client support management.

5.5.4 Local Business Knowledge

MGMs have a strong local business knowledge and frequently supported Growth Hub Advisors in providing informal training in respect of local manufacturing business needs and on business visits to provide diagnostic advice to the Advisor and suggestions to resolve areas of business concern.

In those areas which have opportunities for multiple manufacturing business support packages, MGMs worked with partners to provide advice to other project promoters to avoid duplication of support and encouraged complementary support packages and joint working in delivering solutions for businesses. In WYCA, for example, the MGM worked closely with the Huddersfield University Supply Chain Programme, which had some areas of commonality with MGP2, to ensure there is no duplication in efforts and to minimise confusion for the beneficiary business. This MGM also met monthly with the 3M BIC Centre whose programme could provide 'match funding' for MGP2, to create a bigger combined package for the business recipient. Finally, this MGM supported the development of the Manufacturing Champions programme and made referrals to this programme where the client business required more significant funding for growth intensive support over longer periods of time than was available through MGP2.

MGMs with specialist knowledge often lent support to workshop delivery within various LEP areas e.g., Lean Manufacturing and Supply Chain Improvement.

5.5.5 LEP Infographics

MGP2 provided market data on the progress of the MGP1 and MGP2 Projects. LEP infographics were provided, monthly, to each LEP area, for their own specific reporting requirements. From consultation with stakeholders, it was evident that Growth Hubs, LEPs and Local Economic Development Officers placed a high value on the MGP2 infographics charts and information which they noted was easily absorbed and pitched at the right level. Other providers have gone on to replicate some of this approach in their own paperwork. Market data and the Manufacturing Barometer are reported on the MGP website.

5.5.6 OIS GROWTHmapper

OIS [GROWTHmapper](#) is a comprehensive diagnostic system specifically designed for manufacturers. GROWTHmapper was effectively used in MGP2 to produce a Project Action Plan that identified key manufacturing issues/challenges as well as key opportunities to achieve high growth potential. GROWTHmapper provided a more in-depth analysis of all activity being undertaken through MGP2 than was previously possible through MGP1. MGP2 used 'Manufacturing GROWTHmapper' specifically designed for MGP. Other iterations of GROWTHmapper exist, including high growth, export, innovation and sustainability.

COTSWOLD RAW LTD: Worcestershire

Established in March 2015, the independent company manufactures high quality, biologically appropriate raw food for dogs.

The business originally received MGP grant funding and support to improve their product packaging and labelling. The business has since received grant funding towards improving their digital marketing and purchasing new machinery.

The business had previously carried out many sales and marketing activities in person, such as attending country shows and game fairs, however many were cancelled due to Covid-19. Consequently, the business recognised the need to upgrade their digital marketing and MGP2 support was used towards the cost of developing a new digital marketing strategy. This strategy was put in place to increase the company's reach across social media and to develop a cost-effective strategy to assist with acquiring traffic from both paid and organic searches.

Catherine Bray stated, "The company employed just 7 people when we first engaged with them on MGP1 with a turnover of £250k. Now they have 20 employees and a £2million turnover.

More details on Cotswold RAW will be available at <https://www.cotswoldraw.com/>

6. Project Delivery and Management

6.1 Introduction

This section of the report highlights the experience of implementing and managing MGP2. It examines management and governance and day to day delivery. It also analyses compliance and marketing and communication.

Since July 2022 some members of the Team have left the organisation. It is anticipated that further staff will leave leading up to closure of the Programme (30 June 2023). Work undertaken by these members of staff will continue to be absorbed by existing staff. The Final Summative Assessment reports on MGP2's position as at **30 June 2022**.

6.2 Project Management - Overview

6.2.1 MGP2 is managed and delivered by OIS, an organogram is provided in Appendix 4 that identifies all Team members and its reporting lines (as at 30 June 2022). The Operations Director (0.6FTE) reports to OIS Chief Executive Officer and has overall responsibility for the administration and operational functions of MGP2. The Stakeholder Manager (0.6FTE) reports to the Operations Director and, alongside the Operations Director, engages with partners and stakeholders to promote MGP2. The Regional Director has overall responsibility for managing MGP2 and reports directly to the Operations Director.

The MGP2 Senior Management Team report to the Regional Director and comprise of:

- Two Regional Managers (1 responsible for the Midlands and the North regions and 1 responsible for the South and East regions). The Regional Directors monitor progress of MGP2 and line manage 19 MGMs, responsible for engaging and providing support to manufacturing businesses in their designated LEP area
- One ERDF Programme Manager – responsible for the co-ordination and delivery of the MGP2 ERDF contract
- One Head of Finance – responsible for financial support and analysis. The post line manages the Finance Assistant
- One Operations Manager – responsible for compliance and data analysis. The post line manages 2 Senior Project Co-ordinators and 4 Project Co-ordinators within the Administration Team
- One Marketing Manager – responsible for Project marketing and communication and line manages the Marketing Executive and Marketing Co-ordinator

The Team has been well resourced to ensure the Project successfully delivered and its targets met.

6.2.2 Since MGP1 the delivery and management systems and processes have been streamlined and refined to provide more detailed, timely data and comprised of 3 main tools:

- A financial database that enables the Team to manage its cashflow on a day-to-day basis and to understand where specific areas of spend may need intervention. Close monitoring of the Project is reported monthly to Senior Management Team and the Operational Financial Management Meeting
- A Management Information Tool (MIT) that records outputs, eligibility, compliance (including state aid) and progress of 'live' individual businesses projects. The MIT tracks progress of each client and each LEP and ensures detailed, up to the moment performance data, is recorded. MGMs update client data each day, enabling the Administration Team to circulate a high-level daily report to the MGP2 Team and it feeds into a more detailed weekly report, that is used for weekly 1:1s between the Regional Manager and the MGM
- The MGP2 [GROWTHmapper](#) diagnostic system enables a more in-depth analysis of all activity, being undertaken with the Project and wider business operation than was previously possible. It should be noted that GROWTHmapper is a product, developed by OIS, for start-up to mature businesses,

which has a wider application than is utilised in MGP2. Other iterations include high growth, export, innovation and sustainability.

GROWTHmapper offers an on-line analytical service comprising a range of tools designed specifically for businesses at different stages of development. The online questionnaire probes different aspects of business performance covering change, environmental, finance, leadership, market knowledge, people and skills, product and service, productivity and capacity, quality and continuous improvement and strategy. The assessment provides a clear insight on the biggest opportunities and challenges the business faces in order to achieve its high growth potential.

An important capability of the product is that it allows data across England to be consolidated and benchmarked.

The financial database, MIT and GROWTHmapper tools are used for:

- Management Information
- National & local LEP Infographics on performance
- MGM Dashboards covering individual performance
- Referral's analysis
- Monthly Outstanding Claims Analysis
- Monthly Operations Board Report
- Contracted Output analysis

6.2.3 MGP2's performance analysis is analysed via Daily Update covering all clients onboarding through to claimed grants. Forecasting via client engagement is carried out via MGM Tracker on Share Point, with individual tabs for MGMs to track pipeline and progress of new clients which includes client names, project & grant value for in month forecast, in addition to all client grant claims that are outstanding and due to complete in-month. This data is translated into a Summary Sheet that captures all MGM's current in-month forecast by volume, value, category of region, revenue and capital expenditure. An additional contract tracking document 'MGP2 Financial & Output' was introduced later in the delivery of MGP2 to update on a monthly basis with the previous months MI. This allowed the remaining KPI's and Outputs to be tracked in respect of Programme close.

6.2.4 The systems and processes in place enable Senior Managers to have immediate access to critical data and to make informed decisions to ensure the Project remained on profile. In addition, the reports can quickly indicate where a LEP may need a boost to bring it back on track, triggering, for example, a marketing campaign and/or additional MGM resource.

'My role within MGP2 is to monitor the Project's performance and to make sure it stays on track and has the necessary resources to deliver. The excellent MI and data systems we have in place provides a very accurate picture of the Project's progress at all times'

MGP2 Team Member

'Paperwork feels like a healthy balance by comparison with MGP1 paperwork'

MGP2 Team Member

'GROWTHmapper is good basis for a rounded discussion about the business and support identification of multiple needs....an excellent tool as part of the diagnostic package'

MGP2 Team Member

6.2.5 Consultation undertaken has shown that MGP2 is delivered by a highly motivated, dedicated and committed team. The Team plays to their strengths with a combination of technical, business development and specialist manufacturing skills.

'All staff are passionate about their work; the Team is fluid in how it operates and are extremely supportive to one another'

MGP2 Team Member

'The staff have an 'Even Better If' mentality. With such a complex Programme the Team is always looking to see how it can improve. The Team must constantly review and have a flexible approach'

MGP2 Team Member

'The whole MGM approach tailors all time spent to client needs and availability to make best use of their time...we're aiming for a great client experience'

MGP2 Team Member

6.2.6 Consultation with MGMs in May 2022 indicated that the majority are satisfied with the line management arrangements and the ability to work independently and flexibly. The level of support provided by the line manager was reported to be adjusted, depending on how new to the post the MGM was and, overall, this was considered to have worked well by MGMs. There were some MGMs who felt that the reporting structures in place isolated the MGMs and, at times, it was difficult to be part of the senior level decision-making process.

'An excellent Management team approach. Always available and responsive to queries; strong recruitment and induction process; high degree of hand-holding in the early days of starting your MGM role. Very helpful'

Manufacturing Growth Manager

'On a day-to-day basis I am given the freedom to operate relatively independently and I can make my own decisions. This works very well'

Manufacturing Growth Manager

'I consider MGP2 to be within a structure of silo management, with little or no formal interaction between other OI programmes, aside from those that individual MGMs/advisers have fostered themselves. Decision making processes appear to be 'top-down' and I am not aware of any influence that I have personally had on any decision at a senior level'

Manufacturing Growth Manager

6.2.7 It is evident that the skill sets amongst MGMs are diverse and varied and it is apparent that these skills have been utilised by the MGMs, examples include: MGMs that have excellent social media skills who have helped market MGP2 in their LEP areas, LinkedIn being a popular platform; MGMs with an industry background who have been able to advise businesses based on their own experience; MGMs who are qualified to lead on workshops, for example lean manufacturing and supply chain development. Although this demonstrates the excellent provision of support available, some MGMs did express the missed opportunity to be able to work more closely and to share best practice.

'The skill sets amongst MGMs are very diverse, however I do not believe that this is fully tapped into.'

Manufacturing Growth Manager

'There is a willingness for MGMs to come together and share learning.'

Manufacturing Growth Manager

- 6.2.8 The established experience of the Senior Management Team, the commitment and expertise of the MGMs and the capability of the systems in place are a real strength of the Project and are reflected in its high performance. There are lessons to be learned from MGP2 about how to deliver a successful and highly efficient Programme across a multi-LEP area.
- 6.2.9 OIS is committed to sustainable development and equality and opportunities and deploys an Equalities Policy and Procedure (16 August 2018) and an Environmental Policy (11 October 2021). Both documents are reviewed annually to ensure continual improvement. As detailed in 3.7, the horizontal principles are integrated in the management and delivery of the Project and are part of its compliance requirements as listed in 6.8.1.

6.3 Project Management – Local Level

- 6.3.1 The Growth Hubs, located within each of the participating LEP areas, are a key stakeholder for the Project. Tasked by Government to provide a one-stop-shop for business support within their area, each Growth Hub has developed its own individual operational arrangement to meet their local business needs. MGMs therefore work with their Growth Hubs/LEPs in a variety of ways, fitting in with local arrangements. As a result, the relationship between the MGM and the local Growth Hub/LEP is not necessarily the same within all LEP areas.
- 6.3.3 MGMs provided examples of where relationships with Growth Hubs/LEPs worked well. MGMs praised the active staff supporting these Growth Hub/LEPs and how they operated a holistic business support approach. MGM's delivering in these areas felt that its role and MGP2 were part of the business ecosystem in that area.

'The importance of understanding the range of support on offer across your patch cannot be underestimated. Example of WYCA, where Henry mapped a comprehensive picture of support and partners worked through the gaps to plug 'holes' in the local offer. Best practice'

Manufacturing Growth Manager

'I work closely with the SEMLEP Growth Hub delivery team and this has proved highly-effective in terms of being able to exchange referrals and to offer clients a joined-up approach to the available support'.

Manufacturing Growth Manager

In contrast, some MGMs felt that the Growth Hubs/LEPs they delivered in, were more 'arm's length', and there was often a conflict of interest where Growth Hubs had their own contracts to deliver.

'The Growth Hub is contracted out to a commercial organisation, who also deliver ESIF programmes. There is a conflict of interest and this type of operation does not sit comfortably with other organisations delivering business support activity.'

Manufacturing Growth Manager

'There has been a lot of staff changes in the Growth Hub. The Growth Hub is linked to two other grant programmes, run by 2 other LAs, and the priority is to feed businesses into these grant programmes first. There is an unhealthy competition for outputs. I feel that the Growth Hub is not robust enough and, in practice, does not work impartially.'

Manufacturing Growth Manager

6.3.4 In consultation with the MGMs it was mentioned that businesses in some LEP areas are more difficult to interact with and provide support to. This can be for various reasons, including the business support processes and systems in place (as mentioned above) the location of the business and its perception of 'business support', capacity on the ground and knowledge and understanding of the type of support available (from being involved in previous manufacturing programmes). For example, performance was lower in the 2 new LEP areas, South Yorkshire MCA and D2N2, where manufacturing support had previously disappeared and had to be re-established. Also, in consultation with stakeholders and MGMs it was noted that there is variation in the extent to which partners make referrals. The Team was keen to stress that these factors do not hinder delivery of the Project, as the arrangements within MGP2 are flexible and able to adapt to meet changing needs.

In future, it is important, that there is not a gap in provision and the relationships that MGMs have built with businesses and stakeholders are not lost, otherwise this could seriously impact on future performance.

'The 2 new LEPs have required more intense support. This creates a mixed playing field however it does not hinder delivery of the Programme. MGMs are very aware of how their LEP works and the best ways to access businesses.'

Manufacturing Growth Manager

'Referral mechanisms could be better. Everyone has good intentions at events, but they soon go back to delivering their own KPIs. It would be good if all business projects could add value together and not be in a position where everyone is competing for outputs.'

LEP Stakeholder

6.4 Delivery and Management During COVID-19

6.4.1 The Project Management Team took a fast and flexible approach in supporting the needs of the businesses and the Team in continuing to work to deliver the programme during COVID-19.

6.4.2 A 'Crisis Management Framework' was quickly developed as an engagement tool when COVID-19 broke, enabling routes to market to remain open and, in doing so, helping SMEs to recognise the need for, and access to, MGP2 support. The Framework was also developed as evidence that the MGM's time was being used efficiently as it was evident that 'regular' business support activity was being impacted. At this time, it was not known how long the crisis would last. The Framework gave MGMs a practical and structured approach that was consistent across all businesses and enabled the MGMs to be seen as the 'trusted go-to advisor'.

6.4.3 Support was provided to staff, with the focus being on their wellbeing. The Team moved from face-to-face to regular series of formal and informal online meetings and catch ups, through Teams. Staff less familiar with the technology were supported to become competent and comfortable. Informal sessions such as a fortnightly online quiz became a key feature that promoted team-building and strengthened existing relationships across the whole delivery team. This was well received by staff, who were further empowered to adopt their own informal, supportive approaches in working with colleagues e.g. Once full lockdown was relaxed, the newest member of the MGM team began meeting one of the long-established MGMs, at a mid-point motorway café, for a monthly face-to-face coffee, to check-in and receive some informal support. MGM also had a social network they used throughout the lockdowns.

'All staff had actions and things to focus on. Some staff adapted quickly and some more slowly. The quizzes that were put in place were a really good way to keep communicating and to 'check-in on one another'

MGP2 Team Member

6.5 Project Governance

6.5.1 OIS is a commercial organisation that was committed to meeting the deliverables and spend targets set out in the Grant Funding Agreement, whilst at the same time ensuring that it could deliver within a commercially viable way. The systems were set up to operate a lean, uncomplicated and efficient delivery process, that fulfilled the requirements of MGP2 from a commercial point of view whilst, ensuring stakeholders were engaged and businesses benefitted from a simplified process.

6.5.2 MGP2 had an internal governance structure that did not require representation from stakeholders on its decision-making groups, often in place for other ERDF projects. MGMs developed and maintained close working relationships with LEPs and Growth Hubs and MGP2 Regional Director and Regional Managers continually engaged with LEP areas and attended Board and strategic meetings, where requested. The Regional Director and Managers provided strategic insight for partners and business as to how the sector was developing, how Government was responding and how these impacted on their LEP area.

From the consultations and surveys undertaken with stakeholders it was evident that LEPs and Growth Hubs had good established relationships with MGMs and did not highlight the lack of external partner presence in governance structures.

'The benefit of the MGP from my perspective has been the relationships and trust established over the lifetime of the programme, providing comfort that the programme is doing what it needs to be doing'
LEP Stakeholder

'MGP2 works well with other business products that the LEP has on offer and we have a good working relationship with the MGM'
LEP Stakeholder

6.5.3 There was a closely managed MGP2 application process in place that required businesses to demonstrate suitability prior to completing an MGP2 application form. Once a business was deemed suitable it was closely monitored by the MGM to ensure the Project remained on profile and the business was carefully supported throughout the process. This system eliminated the need for a decision-making group. Positive feedback about the simplicity of the application process was received from businesses, as part of the Business Surveys.

'This is by far the easiest grant I have ever received in terms of paperwork, by far the quickest (by a significant margin) and the Growth Manager has been the most efficient I have dealt with. Superb all round'
MGP2 Business

'MGP2 has taken out bureaucracy and has hidden the wiring from client engagement'
MGP2 Team Member

'Excellent service. Very smooth process with no headaches or mountains of paperwork!'
MGP2 Business

6.5.4 MGP2 governance structures provided an efficient and robust management system for delivering a complex programme that could become bureaucratic and drawn out if additional governance layers were added. Both MGP1 and MGP2 have delivered a successful manufacturing programme for businesses and, during consultations undertaken with stakeholders, it was not suggested that governance structures should change.

6.5.5 There are lessons to be learned from how MGP2 has managed and delivered the support. By maintaining close relationships with stakeholders, and ensuring there are good checks and balances in place, there is not always the need for a complicated governance structure and decisions to be made by committee.

6.6 Marketing and Communication

6.6.1 Marketing and publicity proceeded in line with the agreed Marketing Plan and details set out in paragraph 2.8.1. The areas of activities in the Marketing Plan included:

- profile-raising with established industry connections built through MGP1 delivery
- close working with partners especially local Growth Hubs and other business support providers
- electronic direct marketing
- use of social media activity linked with a dedicated website
- attendance at networking events
- delivery of workshops within participating LEP areas
- signposting linked to other market intelligence work such as the Manufacturing Barometer

6.6.2 The business survey indicated that the two most common ways that businesses found out about the Project were via local Growth Hub (26.8%) and word of mouth (26.1%). The importance of Growth Hubs is unsurprising since they have a remit to provide a 'one stop shop' for signposting to UK business support.

6.6.3 The Marketing Team monitored the enquiries that were generated through social media platforms. By May 2022, LinkedIn generated the most enquiries with 126 enquiries being generated in May itself. The Team produced monthly social media analysis and website reports that monitored the impact of its social media marketing campaign. The reports looked at trends in online activities and the number of enquiries received. The reports were shared with the Senior Management Team and sent to MGMs who logged the progress of the enquiry. As an example, in January 2022, 71 enquiries were received via the MGP website. These enquiries were forwarded to MGMs. Ten of the enquiries resulted in a grant offer letter being issued (14% success rate).

6.6.4 The Marketing Team shared intelligence with LEPs to raise awareness about the Programme's impact in their region and nationally, providing monthly LEP reports including the latest infographics. All but one of the stakeholders surveyed said that they found the infographics easy to absorb and pitched at the right level. The majority of stakeholders surveyed used the infographics to report on the programme's performance, monitor MGP2 progress, include in marketing and PR and helping to shape future strategy. On average, the Marketing Team reported that 10 LEPs thanked the Team every month and acknowledged its usefulness. The infographics were a valuable resource for LEPs, enabling the impact of the Programme to be understood at a local level.

Promotional material, provided to LEPs, was tailored to reflect each LEP area, for example, in Solent, marketing material had sometimes focused on the maritime sector. Regionalised case studies and media packs were also developed and shared with the LEPs.

All stakeholders claimed that their Growth Hubs and LEPs promote MGP2 with a good range of activities taking place:

- All but one promoted through the website and within their newsletters
- Two thirds promoted through business interaction e.g., diagnostic/enquiry and business events
- Half promoted through social media platforms

The Marketing Team acknowledged that some LEP areas were easier to work with than others, however the Team was keen to improve and adapt its services to meet the needs of the LEPs. For example, in 2022 the Team upgraded its media packs to make them a lot easier for stakeholders to upload, including preformatted text for Twitter and LinkedIn and images that aligned with the size constraints of the different social media channels. These were well received by the LEPs. The Marketing Team is keen to replicate this approach in any future programme.

'Some stakeholders are more responsive to our marketing campaign than others ...For those LEPs/Growth Hubs that are not so responsive I expect that this is down to a lack resources and therefore marketing is not a priority for them. Also, we can sometimes be seen as competitors, especially if some LEPs are delivering similar programmes'

MGP2 Team Member

- 6.6.5 There was recognition that the more traditional manufacturing businesses may not use social media and, to ensure these businesses were reached, the Marketing Team provided MGMs and the Senior Management Team with additional marketing materials, such as PowerPoint presentations, pop-up stands, printed flyers and business cards. Electronic Direct Mail (EDM) was also used to relay and reinforce the marketing message.
- 6.6.6 The Marketing Team provided monthly updates for MGMs and produced social media posts that could be shared and replicated. Some MGMs were more active on social media and EDM than others, however training, a handbook and one to one support was made available to all MGMs. A weekly tracker picked up the MGM marketing support required, which the Marketing Team responded to.
- 6.6.7 There is a comprehensive library of case studies available on the MGP website that document the wide-ranging projects MGP2 has supported. This is an impressive resource that succinctly demonstrates the impact of the Programme across the country. Some of the MGP2 Project Team felt the case studies were an important tool, however others did question their purpose.

'In my opinion developing case studies of clients that have been through the journey and their feedback has been essential in getting credibility and raising the brand awareness'

MGP2 Team Member

- 6.6.8 There are currently two operational websites which come up when 'Manufacturing Growth Programme' is typed into a search engine. These are branded differently. Since the Interim Summative Assessment, the main website has been refreshed and contains a fresher design with a better layout for a more simplified customer journey. However, the second website is confusing as it is out of date. Links on the website do direct the user to the most recent MGP website.
- 6.6.9 Conversations with MGP2 Project Team, during the Interim and Final Summative Assessments, indicated that there were a variety of opinions on how, and where, marketing should have been focussed and whether the marketing had achieved maximum impact. Some felt that less marketing spend was required, some felt that more was needed while others considered that a more focused marketing approach on the types of activity supported may have generated greater interest.

There was a recognition, amongst some MGMs, that local marketing was also the responsibility of the MGM, admitting that more could have been done by MGMs to support one another and share best practice. Others did feel that more central support was required.

'I am happy with the central marketing. There is sufficient flexibility to create leads without needing a marketing budget'

Manufacturing Growth Manager

'There is probably not enough sharing best practice between MGMs. We do tend to operate in our own little bubbles'

Manufacturing Growth Manager

'I do not feel that the internal Marketing function was geared up to support new contracts at a local level. This has placed a greater burden on individual MGMs in the 'newer' contracted LEP areas (the South East LEPs came on stream a bit later in April 2017), to raise awareness and attract businesses to the programme'

Manufacturing Growth Manager

6.6.10 Following recommendations in The Interim Summative Assessment (Section 2.3.2) the Marketing Team undertook an internal analysis of all leads and their sources that has helped to inform the most effective use of the marketing resources in the remaining months of the Project.

6.6.11 Notwithstanding the difficulties in undertaking a marketing campaign for a Project that spanned 18 LEP areas and competing in a very confusing business support landscape, the Project had a strong flow of interest and, even during COVID-19, was able to generate good quality applications. This interest indicates that marketing approaches worked sufficiently well and the marketing evaluation work, that was undertaken in 2022, was able to make improvements to the service. The journey that marketing has taken, and approaches adopted, will help to inform future programmes.

6.7 Customer Journey

6.7.1 To ensure the Project was delivered successfully, 8 stages were established to guide business through the application, delivery and claiming processes ('customer journey'). These were noted as being:

Stage 1: Client Acquisition

Potential clients are generated through the MGP2 website, social media, word of mouth, MGM generated leads and external referrals such as Growth Hubs.

Stage 2: Eligibility

Interested businesses are required to complete an eligibility form available on the MGP2 website or call MGMs directly. Eligible businesses are contacted by the MGM and, if suitable to progress, are asked to complete a Registration Form

Stage 3: Client Suitability

MGMs assess a company's needs and whether it is suitable for MGP2. The company must demonstrate:

- Ambition
- Opportunity
- Capacity

Stage 4: Diagnostic Assessment - GROWTHmapper

SMEs work with their dedicated MGM using the GROWTHmapper diagnostic tool to identify key manufacturing issues/challenges as well as key opportunities. A Project Action Plan is then agreed. A Strategic Business Review is completed by the SME.

Stage 5: Plans for Growth

SMEs will be supported and incentivised by the MGM to undertake improvement projects:

- Standard Improvement Project
- More Intensive Improvement Project
- Capital Improvement Project

Stage 6: Submission of Application Form

SMEs deemed suitable for MGP2 are required to complete:

- Request for quotation – appointment of supplier
- ERDF Procurement Form
- Grant Application Form – Consultancy

- Grant Application Form - Capital

Stage 7: Grant Offer and Delivery

A grant offer letter and claim pack issued. SMEs have 4 months to complete and defray costs (extensions can be requested)

Stage 8: Project Close/Funding Award

Claim, financial and output evidence submitted by the SME. Verification and compliancy checks undertaken and, if authorised, BACS payment made, alongside annual State Aid notification letters (as agreed by DLUHC) Claims not authorised are considered the following month.

- 6.7.2 The Project Delivery Team facilitated a quick turnaround at each stage of the customer journey, including approval of support and payment of grant. The Project's delivery arrangements also met all compliance requirements. This efficient approach made participation in the Programme very attractive to SMEs and that MGP2 simplicity, smooth customer journey and quick turnaround was often more appealing to businesses than the higher intervention rate of other support programmes.

'The recently introduced productivity programme does overlap with MGP and offers a better intervention rate (50%). We thought this might impact on our delivery but it doesn't seem to have done so (and its processes through the local authority teams are seen to be complex and cumbersome)'

Manufacturing Growth Manager

6.8 Compliance

- 6.8.1 Rigorous controls were in place to ensure compliance throughout all stages of the Project's delivery. The controls in place set appropriate levels of permissions and activities which aided adherence to compliance requirements, these included:

- SME eligibility
- Match funding
- Procurement
- State Aid
- Publicity
- Sustainable Development
- Equality and Diversity
- Finance - expenditure, documentation, evidence to show defrayal
- Eligible activities

MGMs were fully trained to advise SMEs about ERDF eligibility and compliance. An MGM Client Journey Workbook was in place to ensure MGMs provided consistent and compliant advice.

- 6.8.2 Data was collated, scrutinised and verified at different stages of the Customer Journey. SMEs were required to undertake checks and complete forms, as follows:
- Eligibility Check – before a business proceeds it is required to check if it is within a participating LEP area, classified as a manufacturer and is a SME. The SME must have an intention to grow/improve (this may be through the creation of increased turnover, increased jobs, improved productivity and/or the introduction of a new product, service or process)
 - Registration Form – The SME is required to declare its address, SME size, business status, De Minimis aid (if funding has been received over the previous 3 fiscal years) marketing preferences and agreement to data protection
 - Strategic Business Review – Completed following support received from the MGM. The form acknowledges the support and its value and is recorded for State Aid: De Minimis Aid purposes

- Request for Quotation – Following the scope of support that is agreed in the Strategic Business Review, SMEs are required to complete to demonstrate that a robust and transparent procurement process has been followed
- ERDF Procurement Form - Provides a framework to ensure all the required information for the procurement (direct award) is collected and declarations of compliance are completed / signed off by the SME, e.g. self-declaration that there is no Conflict of Interest between the SME and potential supplier
- Grant Application Form (Consultancy and Capital) – SME completes to declare project content, deliverables, selected supplier/contractor, budget (confirming SME contribution) and agreement to data protection. The MGM also declares that the application is accurate and compliant
- Payment of grant – SME provides an invoice from supplier, confirmation of total cost, copies of bank statement to evidence payment. Checks are in place to ensure any capital work has been undertaken.

6.8.3 The Administration Team was responsible for recording compliancy and monitors each stage of the customer journey on the Management Information System. On satisfactory completion of a business project the Head of Finance was responsible for financial sign-off. Once signed off, payment was made and the project closed.

6.8.4 The ERDF Programme Manager undertook an audit for one project application (per MGM) every month. The types of project applications selected varied and any actions/errors were fed back to line managers. Up to July 2022, approximately 22% of projects were audited every month.

6.8.5 A PIV was undertaken in June 2019 and Article 127 audit checks in September 2020 and September 2022. The purpose of a PIV is to ensure that applicants understand the requirements of the funding agreement and required systems are in place to meet the monitoring and audit requirements and the Article 127 audit check is to undertake systems review of the organisation responsible for delivery of the project followed by a detailed review of the original source documentation held in support of a selected claim. All actions agreed at the visits were addressed accordingly.

6.8.6 In conclusion, the processes are in place to ensure compliance in MGP2's delivery are thorough and well-managed.

URBAN APOTHECARY LTD: Leicestershire

Founded in 2012, the business manufactures luxury home fragrance and body products. Their products range from candles, diffusers, and room sprays to hand and body lotions, to cleansing gels, while stocked in Selfridges, House of Fraser and Next amongst other retailers.

MGP originally supported the business on a marketing project to help with international growth. A further project with MGP in 2020 helped them achieve ISO9001, which is the internationally recognized quality management system standard that is designed to help businesses identify areas for improvement.

In the three years up to December 2020, overseas sales have grown by 168% with exports now making up 47% of all sales, with key markets in Germany, USA, Hong Kong, Australia, and Japan. Hard work has paid off, in 2022 they were honoured with a Queen's Award for Enterprise for Excellence in International Trade. Founder of the company, Tajinder Banwait, stated "Engage with the Manufacturing Growth Programme as soon as possible. There is so much more that you can achieve with the assistance."

For more information about Urban Apothecary visit <https://urbanapothecarylondon.com/>

7. Project Value for Money

7.1 Introduction

7.1.1 This section of the Summative Assessment analyses the cost-effectiveness of the Project up to 31 December 2022 and looks at whether the Project is forecast to deliver good value for the ERDF investment by 30 June 2023.

7.2 Expenditure

7.2.1 On current projections, and following discussions with the Project Delivery Team, the Project forecasts to achieve 99.4% (£35,721,231) of its target Project expenditure (£35,954,426) by 30 June 2023. At the time of writing the Final Summative Assessment (January 2023) the Project is in an excellent position to allocate within budget and contract by 30 June 2023.

7.3 Deliverables

7.3.1 Table 26 provides an analysis of costs per output, using the primary contracted ERDF output targets as a benchmark. The figures are calculated as follows:

- The 'Benchmark Unit Cost Per Output' divides the forecast Project spend (£35,954,426) by the 'Contracted Output Targets 30 June 2023'
- The 'Forecast Unit Cost Per Output' divides the 30 June 2023 forecast Project spend (£35,721,231) by the 30 June 2023 Forecast Performance

The table provides the target percentage that is forecast to be achieved by 30 June 2023.

Table 26: Unit Cost Per Output - Benchmark and Forecast

Indicator	Contracted Output Targets 30 June 2023	Benchmark Unit Cost Per Output (£35,954,426)	Actual Performance 31 Dec 2022	Actual Unit Cost Per Output 31 Dec 2022 (£31,313,513)	Forecast Performance 30 June 2023	Forecast Unit Cost Per Output 30 June 2023 (£35,721,231) % of target
C1 Number of Enterprises Receiving Support	2,935	£12,250	2,702	£11,589	2,800	£12,757 (95%)
C5: No. of new enterprises supported (Sub-set of C1)	77	£466,941	104	£301,091	104	£343,473 (135%)
C29 No. of enterprises supported to introduce new to the firm products (Sub-set of C1)	921	£39,038	986	£31,758	986	£36,228 (107%)
C8: Employment increase in supported enterprises	3,918	£9,177	2,846	£11,002	3,510	£10,177 (90%)

7.3.2 As demonstrated previously, in 3.6.7, based on current projections, MGP2 is making excellent progress and is on track to exceed the output targets or to deliver well within the 15% tolerance level⁸. Similarly, the Project

⁸ In Line with DLUHC's tolerance level for Underperforming Methodology

is on track to deliver costs per output either very close to, or at a significantly lower cost than, the benchmark cost per output.

7.4 Efficiency and Effectiveness

7.4.1 A number of measures have been used in this Summative assessment to consider efficiency and effectiveness. Firstly, the Cost per Enterprise Supported (C1) and Cost Per Employment Increase in Supported Enterprises (C8) (up to 31 December 2022 and forecast to 30 June 2023) has been benchmarked against the performance of similar national low intensity business assists and job creation (Regeneris National Research)⁹ and is shown in Table 27. The Regeneris National Research was compiled in 2013 and is based on historical prices. The prices indicated are therefore not directly comparable, however do provide an indication of Project efficiency.

Table 27: Unit Cost of MGP2 ERDF Expenditure Against Regeneris National Research

Output	Outputs achieved to 31 December 2022 (Forecast to 30 June 2023)	ERDF Investment to 31 December 2022 (Forecast to 30 June 2023)	Performance Unit Cost Per Business	
			MGP2	Regeneris National Research
C1 Number of Enterprises Receiving Support	2,702 (2,800)	£16,514,333 (£18,726,338)	£6,112 (£6,688)	Mean Cost: £34,000 Median Cost: £10,000 Lower Quartile: £4,700
C8: Employment increase in supported enterprises	2,846 (3,510)	£16,514,333 (£18,726,338)	£5,803 (£5,335)	Mean Cost: £71,000 Median cost: £25,700 Lower Quartile: £11,500

7.4.2 The Table demonstrates that the Project has performed well against the Regeneris benchmark measurements and has delivered in a highly cost-effective way. It could be argued that performance could be even greater, and more accurate, if each intervention (and all the outputs it had achieved) could be measured, rather than splitting out the performance of each output.

7.4.3 The second measurement used to understand whether ERDF investment has achieved a good return on investment is to look at net GVA per £ of ERDF investment; this is presented in Table 28. The figures presented are based on actual net GVA achieved at 31 December 2022 and forecast GVA to 30 June 2023.

Table 28: Net GVA per £ of ERDF investment

	31 December 2022 (Actual)	30 June 2023 (Forecast)
GVA (per annum) estimated from net jobs created	£85,999,056	£106,025,088
ERDF Investment in MGP2	£16,514,332.82	£18,726,338
Net GVA per £ of investment	£5.21	£5.66

⁹ [England ERDF Programme 2014 - 2020: Output Unit Costs and Definitions Report, Regeneris 2013](#)

- 7.4.4 As a comparison, in 2009, the average achieved return across all Regional Development Agencies business development and competitiveness interventions was calculated as £2.80¹⁰. Although this is a historical calculation, it does indicate the recognised ratio of return on investment and, in this respect, the Project has achieved a significant return on ERDF investment.
- 7.4.5 MGP2 Delivery Team has worked hard to ensure value for money, providing cost and administration efficiencies whilst offering a consistent, yet flexible, approach that was high in quality and achieved significant impact. Overall, it is considered that the Project provided excellent value for money when compared to the likely costs of delivering 18 separate projects and delivering a complex programme during a period of time when businesses, and the Team itself, was faced with unanticipated and unprecedented economic challenges.

Based on the above findings, MGP2 has delivered in a cost-effective manner and will achieve excellent value for money by Project closure in June 2023.

GOOD VENTURES LTD: Hertfordshire

Founded in 2007, Good Ventures create organic, vegan, cruelty-free and natural personal care products that are designed and manufactured by hand in their Hertfordshire studio.

MGP2 has helped the company achieve ISO 9001 quality management and ISO 22716 cosmetic standard accreditations, which are necessary to safely manufacture, package, test, store, and transport cosmetic products. MGP2 has also provided a grant for a filling machine and supported the company to investigate the environmental impact of their ingredient sourcing and production processes, and to accurately measure their carbon footprint.

Laura Rudoe, Managing Director for Good Ventures stated, “Our mission as a business is to become regenerative. Regenerative means our impact is not zero, it is actually positive, restorative for the planet and restorative for body and mind. We are looking for ways we can help to restore the natural world and put back more than we take out”.

The project culminated in Good Ventures publishing a Sustainability Report which showcases their transparent supply chain and independent carbon footprint measurement. This enables their customers to compare the company’s environmental performance against other producers.

For more information on Good Ventures Limited visit <https://www.goodventures.co.uk/>

¹⁰ [Department for Business, Enterprise and Regulatory Reform: Impact of RDA Spending, March 2009](#)

8. Conclusions and Lessons Learned

8.1 Introduction

8.1.1 This final section of the Summative Assessment provides an overall summary of findings, lessons learned and final conclusions

8.2 Summary of Findings

- 8.2.1 Evidence suggests that there was a strong rationale for the Project at the time of application which was designed to address clear market failures and that this rationale continued to be relevant through COVID-19 and the period of economic uncertainty that followed. The Project was also well designed for delivering support to manufacturing businesses across 18 LEP areas.
- 8.2.2 The business surveys indicate that, overall, businesses highly valued the different aspects of support that were provided through MGP2, in particular support received from MGMs, pointing out that MGMs identified opportunities for growth, support and change that they may not have otherwise been aware of.
- 8.2.3 The business surveys demonstrate how critical the support has been, particularly during recent economic uncertainty, with the majority of businesses confirming that, without the support of MGP2, they would not have invested at all, in a different way or at a slower rate.
- 8.2.4 The roles of the Operational Director, Regional Managers and MGMs were held in high regard by stakeholders including LEPs, Growth Hubs, Local Authority Economic Development Teams and the businesses they supported. Their reliance on expert manufacturing advisors to interpret trends and innovations in future manufacturing was highlighted in conversations with the stakeholders. In addition, the MGP2 support package for manufacturing businesses was seen by the stakeholders as a significant resource that was integrated with each LEP's business support offer.
- 8.2.5 From consultations undertaken with stakeholders and within the Project Team, it is evident that the workshops were highly valued and seen as an important activity as part of the MGP2 offer to businesses. Since the Interim Summative Assessment, it is encouraging to see that different digital learning platforms are being explored that could feature in future support programmes that OIS take forward.
- 8.2.6 MGP2 learnt lessons following MGP1 and adapted to provide a more efficient service and an improved 'offer' to businesses, achieving significant economic benefits. After adjusting for additionality and forecasting to 30 June 2023, it is estimated that 2,536 net FTE jobs will be created, resulting in £106,025,088 GVA.
- 8.2.7 Despite the economic challenges the Project faced, it still forecasts to achieve 89.6% of the employment increase in new enterprise's (C8) target by 30 June 2023 and will be very close to reaching, or exceeding, all other output targets by this date.
- 8.2.8 MGP2 has been delivered by a highly motivated, dedicated and committed team. The Team has played to its strengths with a combination of technical, business development and specialist manufacturing skills. The Team has been well resourced to ensure the Project successfully delivered and its targets met.
- 8.2.9 The Project Delivery Team facilitated a quick turnaround at each stage of the customer journey, including approval of support and payment of grant. The Project's delivery arrangements also met all compliance requirements. It was noted that this efficient approach made participation in the Programme very attractive to SMEs and that MGP2 simplicity, smooth customer journey and quick turnaround was often more appealing to businesses than the higher intervention rate of other support programmes.
- 8.2.10 Following the arrival of COVID-19, the Project was faced with unanticipated challenges. The MGP2 Team had to adapt quickly to deliver the Project remotely. This new way of working severely impacted on how MGMs

could interact with clients as they were unable to visit them at their business premises and see businesses in operation. There were also additional challenges with specialist advisors and contractors having restricted access into businesses to undertake work and many SMEs had to revisit their own project priorities. MGP2 reacted quickly and worked with businesses to reassess their priorities. The Project adapted its delivery arrangements to ensure the delivery timetable was not adversely affected.

The MGP2 Team is to be commended on its management of the associated risks COVID-19 placed on the Project and how it continued to deliver under restricted conditions.

8.3 Lessons Learned and Final Conclusions

8.3.1 Grant Recipient (OIS)

- i. To maintain credibility and visibility and to remain effective and efficient, any continuity Programme will need to work closely with all its businesses and stakeholders and could include;
 - involving them in any proposals, to ensure their suggestions for improving the service and the needs of the manufacturing base in their geographies are considered and
 - being clear with them on its relationship, roles and responsibilities.
- ii. The skill sets amongst MGMs are diverse and varied and it was apparent that these skills were utilised by the MGMs in their LEP areas. Although this demonstrated the excellent provision of support available, there is an opportunity for staff, particularly MGMs, to work more closely and to share best practice in future.
- iii. It will be important to the celebrate the positive difference MGP2 has made and to raise MGP2's profile by making stakeholders, businesses and funding bodies aware of its achievements, particularly those delivered during difficult and turbulent economic times.

8.3.2 Those Designing and Implementing Similar Projects

- i. MGP2 governance structures provided an efficient and robust management system for delivering a complex programme that could have become bureaucratic and drawn out if additional governance layers were added. Maintaining close relationships with stakeholders, and ensuring there are good checks and balances in place, does not always require a complicated governance structure and decisions to be made by committee. This approach could be considered for similar projects going forward.

8.3.3 Policy Makers

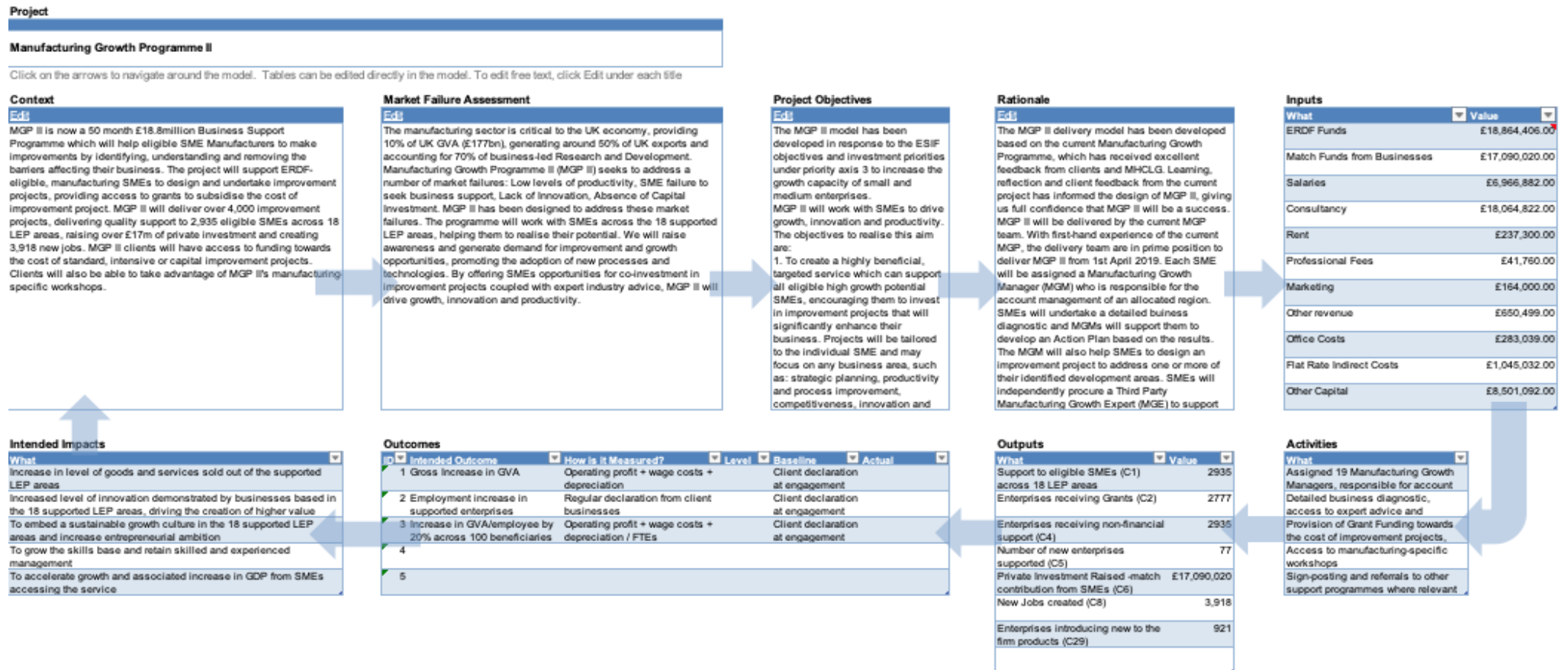
- i. Experience and lessons learned, developed through MGP1, enabled MGP2 to quickly mobilise, gain momentum and deliver relevant support efficiently. The benefits this has brought to the Project cannot be underestimated allowing:
 - continuity of support
 - the building of relationships in MGP1's existing LEP areas and
 - in the new participating LEP areas, the ability to understand the work, capacity and time required to engage stakeholders and businesses.

Future quality of provision and performance could be seriously impacted, delaying much needed support to businesses, if new programmes, with new processes and systems, are developed.

8.4 Final Conclusions

The context which formed the basis of need for MGP2 still remains relevant. MGP2 has enabled the businesses it has supported to overcome these barriers to growth. In addition, MGP2 has continuously reviewed and adapted its systems, processes, marketing strategy and business support offers to respond to real-time economic changes and to make the service accessible and relevant to the manufacturing sector.

Appendix 1: MGP2 Logic Model



Appendix 2: List of Consultees**MGP2 Project Delivery Team**

Name	Role	Name	Role
Jane Galsworthy	Operations Director	Nabila Khaliq	Operations Manager
Dean Barnes	Regional Director	Amanda Johnston	Marketing Manager
Simon Hall	Interim Stakeholder Manager	Kate Cale	Marketing Executive
David Ledbury	Regional Manager (North and Midlands)	Deanna Shellard	Marketing Coordinator
David Caddle	Regional Manager (East and South)	Emma Weston	Senior Project Coordinator
Paul Gosling	ERDF Programme Manager	Stuart Deverall	Project Coordinator
Kapil Patel	Head of Finance		

Stakeholders and Manufacturing Growth Managers

LEP Areas	Stakeholders	MGP2 MGMS
Black Country	Lucy Cross, Senior Account Manager, Black Country Growth Hub	Helen Fortune
Coventry & Warwickshire	Gary Thyeson, Operations Manager, Coventry & Warwickshire LEP Growth Hub	Michelle Connor
D2N2	Frank Horsley Head of Business & Innovation D2N2 LEP	Mark Taft
Enterprise M3	Paul Scott, Growth Champion, Enterprise M3 Growth Hub Kathy Vuillaume, ESIF Programme Manager, Enterprise M3 LEP	Stephen Sharp
Greater Birmingham & Solihull	Ian McLaughlan, Director, GBSLEP Growth Hub	Sharn Haywood-Higgs
Greater Lincolnshire	Samantha Harrison, Head of Economic Development, Greater Lincolnshire LEP	Neil Harriman
Hertfordshire	Tim Burton, Partnership and Delivery Manager, Hertfordshire LEP	Amanda Freeland
Hull and East Yorkshire	Phil Glover, Business Development Officer, Hull and East Yorkshire LEP	Shaughan Farrow
Leicester & Leicestershire	Rachel York, Growth Hub Manager, LLEP	James Bosworth
Solent	James Ford, Head of Enterprise and Skills, Solent LEP	Robin Simpson
South-East	Jo Simmons, Business Development Manager, South-East LEP	Daren Booth Sarah Goodwin
South-East Midlands	Sam Hunter, Partnerships & Events Manager, SEMLEP Growth Hub	Adrian Waters
South Yorkshire MCA	Bev Foster, Senior Development Manager South Yorkshire Mayoral Combined Authority	Marcus Pearson Richard Halstead
Stoke-on-Trent & Staffordshire	Nicola Kent MBA, Head of Funding Business & Enterprise, Staffordshire County Council	Phillip Somers
The Marches	Yasmin Sulaman, Growth Hub Programme Manager, The Marches LEP	Catherine Bray
West Yorkshire Combined Authority	Henry Rigg, Head of Business Support, Leeds City Region, West Yorkshire Combined Authority	David Whiteley Jeremy Boye
Worcestershire	Phoebe Dawson, Director of Business Engagement, Worcestershire LEP	
York and North Yorkshire	Charlie Wilson, Economic Development Officer, North Yorkshire County Council	Shaughan Farrow

Appendix 3: Business Survey**Manufacturing Growth Programme
Business Survey (Combined Results)****1. In which Local Enterprise Partnership area is your business based? Please refer to your covering email**

	No. Received	Region
Hertfordshire	16	South
South East	47	
Solent	21	
EM3	15	
Hull and East Yorkshire	5	North
West Yorkshire Combined Authority	22	
South Yorkshire	17	
York and North Yorkshire	12	
D2N2	18	East
Greater Lincolnshire	18	
Leicester & Leicestershire	29	
South East Midlands	13	
Black Country	56	West
Coventry and Warwickshire	34	
Greater Birmingham and Solihull	29	
Stoke-on-Trent and Staffordshire	35	
The Marches	21	
Worcestershire	16	
Unknown	1	
Total	425	

2. What type of manufacturing business do you operate?

	No. of respondents	% Against no. of respondents
Engineering	138	32.4%
Agri-tech	1	0.24%
Food and Drink	55	12.94%
Construction	27	6.35%
Aerospace	1	0.24%
Electronics	10	2.35%
Defence	0	0%
Packaging/paper/print	14	3.29%
Automotive/Trailers/other transport	16	3.76%
Textiles	13	3.06%
Software/IT	13	3.06%
Medical	8	1.88%
Other (Please state)	129	30.35%
Total	425	100%

Manufacturing sub sectors (Other) Include

<ul style="list-style-type: none"> • <i>Liquid storage</i> 	<ul style="list-style-type: none"> • <i>Sponge conversion technologies for the ceramics, baby care and car care sectors</i>
<ul style="list-style-type: none"> • <i>Signage and Display</i> 	<ul style="list-style-type: none"> • <i>Education</i>
<ul style="list-style-type: none"> • <i>Ceramics</i> 	<ul style="list-style-type: none"> • <i>Joinery and upholstery</i>
<ul style="list-style-type: none"> • <i>Children's retail</i> 	<ul style="list-style-type: none"> • <i>Boat building / Sports equipment</i>
<ul style="list-style-type: none"> • <i>Plastics</i> 	<ul style="list-style-type: none"> • <i>Metal Furniture</i>
<ul style="list-style-type: none"> • <i>Artificial plant manufacturing</i> 	<ul style="list-style-type: none"> • <i>Digester Maintenance</i>
<ul style="list-style-type: none"> • <i>Scientific Glass</i> 	<ul style="list-style-type: none"> • <i>DIY pest control</i>
<ul style="list-style-type: none"> • <i>Kitchen manufacture</i> 	<ul style="list-style-type: none"> • <i>Steel fabrication</i>
<ul style="list-style-type: none"> • <i>Chemicals</i> 	<ul style="list-style-type: none"> • <i>Crystal glassware</i>
<ul style="list-style-type: none"> • <i>Leather Manufacture</i> 	<ul style="list-style-type: none"> • <i>Bespoke Fabricator of Electrical Cabinets</i>
<ul style="list-style-type: none"> • <i>Design & assembly</i> 	<ul style="list-style-type: none"> • <i>Metal coatings</i>
<ul style="list-style-type: none"> • <i>Metallising and Moulding</i> 	<ul style="list-style-type: none"> • <i>Plastics Machinery</i>
<ul style="list-style-type: none"> • <i>PU Foam Moulders</i> 	<ul style="list-style-type: none"> • <i>Steel Processing</i>
<ul style="list-style-type: none"> • <i>Manufacturing</i> 	<ul style="list-style-type: none"> • <i>Packaging Manufacture</i>
<ul style="list-style-type: none"> • <i>Gifts manufacturing</i> 	<ul style="list-style-type: none"> • <i>Furniture</i>
<ul style="list-style-type: none"> • <i>Waffle machines</i> 	<ul style="list-style-type: none"> • <i>Couture Brand</i>
<ul style="list-style-type: none"> • <i>Clothing / motocross kits</i> 	<ul style="list-style-type: none"> • <i>Healthcare</i>
<ul style="list-style-type: none"> • <i>Jewellery Manufactory</i> 	<ul style="list-style-type: none"> • <i>Dental</i>
<ul style="list-style-type: none"> • <i>Wood fuel</i> 	<ul style="list-style-type: none"> • <i>Marine Engineering</i>
<ul style="list-style-type: none"> • <i>Nutritional supplements</i> 	<ul style="list-style-type: none"> • <i>Paint</i>
<ul style="list-style-type: none"> • <i>Tableware manufacturers</i> 	<ul style="list-style-type: none"> • <i>Accessories</i>
<ul style="list-style-type: none"> • <i>Batteries & Energy Storage</i> 	<ul style="list-style-type: none"> • <i>Joinery</i>
<ul style="list-style-type: none"> • <i>Laser systems</i> 	<ul style="list-style-type: none"> • <i>Design and manufacturing of decorative light fittings</i>
<ul style="list-style-type: none"> • <i>Corporate & Promotional merchandise print and manufacturing</i> 	<ul style="list-style-type: none"> • <i>Telecommunications</i>
<ul style="list-style-type: none"> • <i>Acrylic fabrication</i> 	<ul style="list-style-type: none"> • <i>Warehouse solutions provider</i>
<ul style="list-style-type: none"> • <i>Pet care products</i> 	<ul style="list-style-type: none"> • <i>Health</i>
<ul style="list-style-type: none"> • <i>Fire Protection</i> 	<ul style="list-style-type: none"> • <i>Woodwork manufacturing</i>
<ul style="list-style-type: none"> • <i>Cosmetics</i> 	<ul style="list-style-type: none"> • <i>Cryogenics</i>
<ul style="list-style-type: none"> • <i>Elevator interior protection</i> 	<ul style="list-style-type: none"> • <i>Design and printing clothing</i>
<ul style="list-style-type: none"> • <i>Home Fragrance</i> 	<ul style="list-style-type: none"> • <i>Aromatherapy Products and skin care</i>
<ul style="list-style-type: none"> • <i>Eyewear</i> 	<ul style="list-style-type: none"> • <i>Biotechnology</i>
<ul style="list-style-type: none"> • <i>Recycled Tyres</i> 	<ul style="list-style-type: none"> • <i>Vending</i>
<ul style="list-style-type: none"> • <i>Toy Design and Distribution</i> 	<ul style="list-style-type: none"> • <i>Presswork, wire forming, drawing & metal finishing for various industries</i>
<ul style="list-style-type: none"> • <i>Highways</i> 	<ul style="list-style-type: none"> • <i>Forging</i>
<ul style="list-style-type: none"> • <i>Space</i> 	<ul style="list-style-type: none"> • <i>Garden equipment</i>
<ul style="list-style-type: none"> • <i>Outdoor Furniture Wholesale and Retail</i> 	<ul style="list-style-type: none"> • <i>Meditation and wellbeing products</i>
<ul style="list-style-type: none"> • <i>Stone Fabrication</i> 	<ul style="list-style-type: none"> • <i>Construction of automated units</i>
<ul style="list-style-type: none"> • <i>Rotomoulding</i> 	<ul style="list-style-type: none"> • <i>Instrument</i>
<ul style="list-style-type: none"> • <i>Educational and Household items</i> 	<ul style="list-style-type: none"> • <i>Control panels</i>
<ul style="list-style-type: none"> • <i>Enamel Metal badges etc</i> 	<ul style="list-style-type: none"> • <i>Online product selling for kebabs</i>

3. What size is your business?

	No. of respondents	% Against no. of respondents
Micro (1 – 9 employees)	151	35.53%
Small (10 – 49 employees)	206	48.47%
Medium (50 – 249 employees)	68	16%
Total	425	100%

4. How did you find out about the Manufacturing Growth programme?

Please tick all that apply

	No. of respondents	% Against no. of respondents
Contacting the Growth Hub	114	26.8%
Word of Mouth	111	26.1%
Manufacturing Growth Programme 2 Website	65	15.3%
Signposted from other business support Programme	60	14.1%
Contacting the local Chamber of Commerce	42	9.9%
Signposted from another business	39	9.2%
Attending an event/roadshow	15	3.5%
Business coach/Mentor/Consult referral	15	3.5%
Social media platforms	13	3.1%
Repeat Client	6	1.4%
Contacting a trade association e.g., Make UK, MTA, Semta, GTMA	5	1.2%
LEP/Local Authority referral	5	1.2%
Email/Newsletter promotion	2	0.5%
Direct contact from MGP via MGM or marketing	1	0.2%
Utilities Broker	1	0.2%
Unsure	1	0.2%

5. What types of business support did the manufacturing Growth programme help you with

Please tick all that apply

	No. of respondents	% Against no. of respondents
Facilitating the development of new products and processes	156	36.71%
Identifying and accessing new markets	60	14.12%
Exploring new commercial opportunities	45	10.59%
Improving efficiency and productivity	114	26.82%
Supporting business planning/strategy	126	29.65%
Leadership and Management	54	12.71%
Creating a positive environmental impact	19	4.47%
Supply chain improvement	12	2.82%
Ongoing support during the pandemic	15	3.53%
Creating support networks	13	3.06%
Providing capital funding (please specify what the grant supported e.g. tooling equipment, energy efficiency improvements, internal alterations)	146	34.35%

Examples of capital grant support

• Tooling	• Plant and machinery
• Large Format Digital Print Machinery	• Waste management
• New factory location set up	• Energy Efficiency improvement and support to obtaining ISO 9001 and improved H+S
• Kilns	• Manufacturing
• CNC Router	• Bespoke ovens
• Chocolate melting and tempering equipment	• New website design
• NSI Gold and NSI Fire Gold Accreditation consultancy	• Alcohol Meters
• Welding machine	• Liquid dispenser
• CNC Machinery	• Configurator
• Integrated Quality Management System	• Lathe
• Value Proposition Define Digital Marketing Strategy	• Global standards for new products
• Digital Activity	• Chiller unit
• Auto depositor and capping machine	• Public relations
• Sales consulting	• Production capabilities and quality
• 3D Printer	• Industry accreditation
• Laser cutter	• Fabrication of test skids
• Energy efficient mill	• Extraction
• Auxiliary plant	• Printing equipment
• Factory space improvements	• Expansion improvements
• Material testing instrumentation	• IT and Manufacturing Flow
• Bio mass heater	• Packing equipment
• Computer infrastructure	• Powder plant
• Labelling machine	• Coating thickness measuring device
• Robot equipment	• Specialist air gauging
• Prototyping	• Business consultant

6. Please rate the support you received
1 Not at all useful – 5 Extremely useful

	1	2	3	4	5	NA	Total
Advice and support from the local MGM	4	5	9	62	320	16	416
Grant towards specialist support from an external expert	4	3	14	44	272	75	412
Grant towards capital work	11	2	6	29	198	162	408
Attendance at a MGP2 workshop	12	4	17	25	63	278	399

7. What are the outcomes of the support you have received?
Please tick all that apply

	No. of respondents	% Against no. of respondents
Improved productivity	221	51.9%
Increased sales	169	39.7%
Safeguarded jobs	166	39%
Improved turnover	165	38.7%
Enabled organisational development	148	34.7%
Created new jobs	133	31.2%

More diversity amongst the workforce	79	18.5%
Positive environmental impacts	55	12.9%
Too early to say	14	3.3%
Built a community of support with like-minded businesses	11	2.6%
Improve marketing/business strategy	4	0.9%
No Impact	3	0.7%
New product design	3	0.7%
Service expansion new markets/new areas	3	0.7%
Business improvement	2	0.5%
Not able to continue with support	2	0.5%
Continual Improvement	1	0.2%
Quality systems	1	0.2%
Relocation of business	1	0.2%
Improving supply chain	1	0.2%
Existing product development	1	0.2%
Improved financial efficiency	1	0.2%

8. As a direct result of receiving the support through the Manufacturing Growth programme, has your annual turnover grown?

	No. of respondents	% Against no. of respondents
Yes	268	63.06%
No	157	36.94%
Total	425	100%

9. How much has your annual turnover grown as a direct result of the support?

	No. of respondents	% Against no. of respondents
Up to 2%	33	12.5%
3-4%	43	16.29%
5-9%	51	19.32%
10-14%	41	15.53%
15-19%	19	7.2%
20-24%	13	4.92%
25% or more	22	8.33%
Prefer not to answer	42	15.9%
Total	264	100%

10. Have you created any Full Time Equivalent (FTE) jobs as a direct result of receiving support through the Manufacturing Growth programme?

	No. of respondents	% Against No. of respondents
Yes	216	51.4%
No	204	48.6%
Total	420	100%

11. How many FTE posts have you created as a direct result of the support?

	No. of respondents	% Against No. of respondents
1 FTE	108	50%
2-3 FTE	85	39.35%
4-5 FTE	9	4.17%
6-8 FTE	5	2.31%
9-10 FTE	2	0.93%
10+ FTE	1	0.46%
Prefer not to say	6	2.78%
Total	216	100%

12. As a result of the support received through the Manufacturing Growth programme, do you expect the business to grow IN THE NEXT 5 Years?

	No. of respondents	% Against no. of respondents
Yes	399	94.77%
No	22	5.23%
Total	421	100%

13. (If yes) How many new jobs do you expect to create IN THE NEXT 5 YEARS?

	No. of respondents	% Against no. of respondents
1-5 FTE	263	65.91%
6-10 FTE	85	21.3%
10+ FTE	37	9.27%
No new jobs expected	14	3.51%
Total	399	100%

14. (If yes) What is your expected growth in annual turnover IN THE NEXT 5 YEARS?

	No. of respondents	% Against no. of respondents
0-10%	77	19.3%
11-30%	169	42.36%
31-50%	75	18.8%
51-100%	76	19.05%
No growth expected	2	0.5%
Total	399	100%

15. How else do you expect the business to grow IN THE NEXT 5 YEARS?

	No. of respondents	% Against no. of respondents
Improve productivity	282	71.03%
Reach new markets	289	72.8%
Invest in new facilities and/or equipment	265	66.75%
Develop new products	267	67.25%
Other (please specify)	12	3.02%
Total	397	100%

Other includes:

*Launching online brand
Increase brand awareness
Develop new software*

*Improve environmental message
Improve green credentials and carbon footprint
Return to pre covid volumes*

Enhance training and staff development
Expanding business
Improve quality

Acquisition
Increase trade sales

16. Has the Manufacturing Growth Manager made timely referrals to other business support services that you have subsequently used?

	No. of respondents	% Against no. of respondents
Yes	271	64.83%
No	147	35.17%
Total	418	100%

**17. Which business support service/s did the Manufacturing Growth Manager refer you to?
 Please tick all that apply**

	No. of respondents	% Against no. of respondents
Local Growth Hub	182	67.41%
Chamber of Commerce	75	27.78%
Department of International Trade	60	22.22%
Skills provider	64	23.7%
Local university	45	16.67%
Supply chain advisor	30	11.11%
Other (please specify)	23	8.52%

Other includes:

Innovate

Further grants

Consultancy

Development group

Local Council

SEC experts

Environmental experts

Mentoring networks

Website support

18. Without the support from the Manufacturing Growth Programme, would you have been able to progress plans to develop and grow your business?

	No. of respondents	% Against no. of respondents
Yes, at the same rate	10	2.4%
Yes, but in a different way	54	12.95%
No, I would not have been able to progress plans	65	15.59%
Yes, but at a slower rate	288	69.06%
Total	417	100%

19. Please provide any further suggestions on how the support from the Manufacturing Growth Manager could be improved in anyway

'Very happy with the level of service received-Michelle Connor is very proficient and professional in her advice and support-Thank-You :-)'

'No improvements at all as David Whiteley was extremely helpful, knowledgeable and patient with our company'

'I think the support that we received has been absolutely amazing and we cannot think of any further suggestions. The manufacturing growth manager has been fantastic'

'More money available'

'More money available'

'Overall, very positive experience in assisting us complete a project we would otherwise have had to take a lot longer to complete'

'Be good to hear about any further opportunities that could help our business'

'Streamline the grant process'

'Larger grants to have a greater impact'

'Networking by the organisations that are experiencing the same problems or have solved the same issues'

'Very happy with the service provided'

'Suggest efficient routes to employ new workers'

'6 monthly/yearly review to see how progressing and if anything, new is available'

'He was excellent, patient and understanding. Very encouraging and supportive, thank you Adrian'

20. Looking ahead, do you think that relevant business support will help you grow your business faster than you could achieve alone?

	No. of respondents	% against No. of respondents
Yes	400	96.15%
No	16	3.85%

**21. Please indicate the types of business support that could benefit your business in the future.
Please tick all that apply**

	No. of respondents	% against No. of respondents
Improving and/or developing new manufacturing processes	234	58.65%
Improving and/or developing new products	220	55.14%
Improving management systems or processes	215	53.88%
Reaching new markets	233	58.4%
Financial investments in new equipment	265	66.42%
Reducing environmental impact	177	44.36%
Building a community of support with other like-minded businesses	70	17.54%
Attending workshops that help to plan for the future (e.g., Net Zero)	109	27.32%
Other (please specify)	7	1.75%
Total	399	100%

Other Includes:

Marketing support

Investment in people and plant machinery and new process is the only way to have longevity in industry

Access to finance

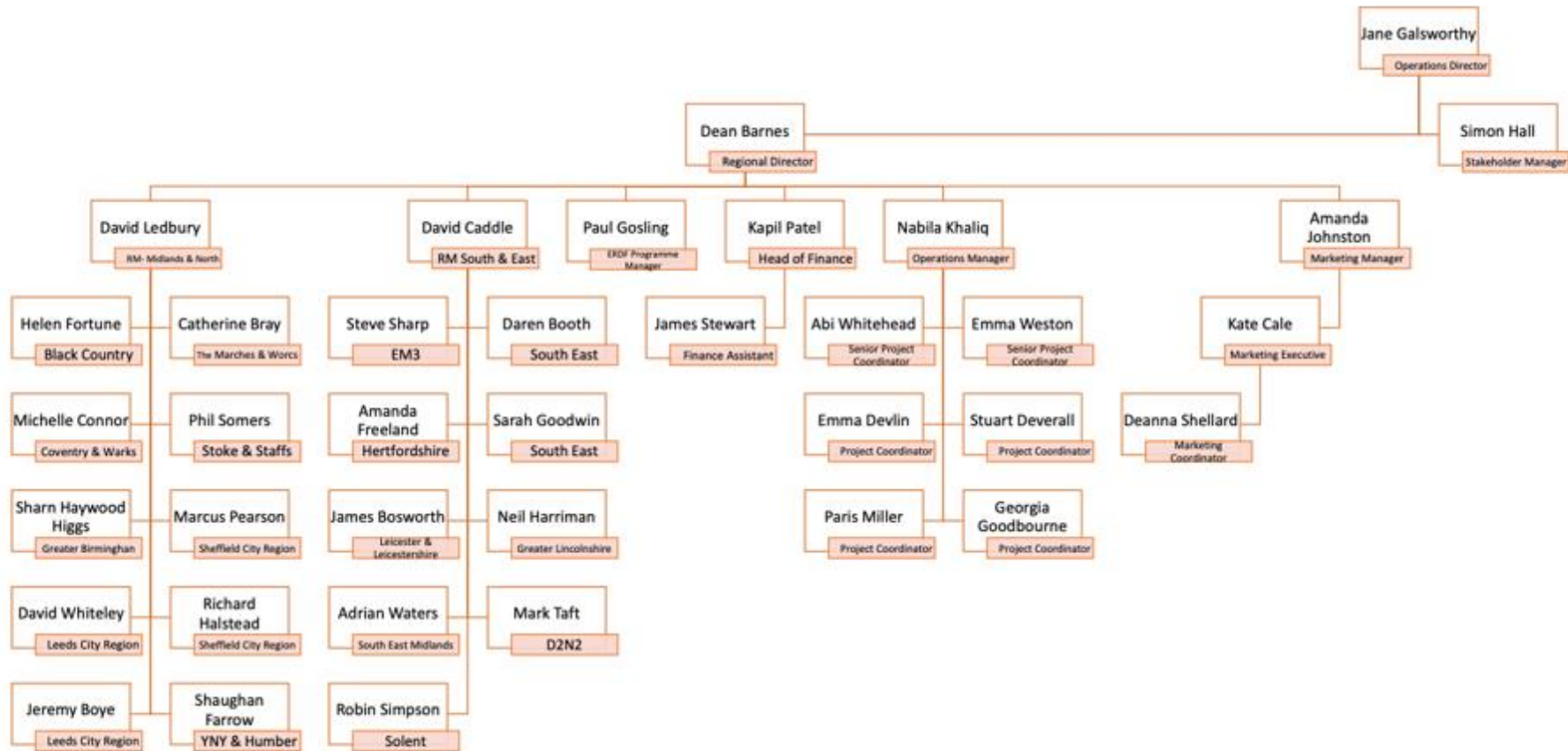
Strategic planning and plan execution support

Access/Develop skills

Appendix 4: MGP2 Organogram
June 2022



Organogram



Appendix 5: 18 LEP Areas: Financial Split Between More Developed and Transition Regions

CoR	LEP	Capital		Revenue		Capital + Revenue		New LEP Funding
		ERDF	Match	ERDF	Match	ERDF	Match	
More Developed	Black Country	£216,908.63	£431,817.14	£1,133,091.37	£918,182.86	£1,350,000.00	£1,350,000.00	£2,700,000.00
	Coventry and Warwickshire	£175,207.79	£348,800.00	£912,292.21	£738,700.00	£1,087,500.00	£1,087,500.00	£2,175,000.00
	D2N2	£80,371.00	£160,000.00	£419,629.00	£340,000.00	£500,000.00	£500,000.00	£1,000,000.00
	EM3	£150,178.11	£298,971.43	£749,821.89	£601,028.57	£900,000.00	£900,000.00	£1,800,000.00
	Greater Birmingham & Solihull	£136,968.63	£272,674.29	£706,781.37	£571,075.71	£843,750.00	£843,750.00	£1,687,500.00
	Hertfordshire	£133,506.96	£265,782.86	£706,493.04	£574,217.14	£840,000.00	£840,000.00	£1,680,000.00
	Leeds City Region	£259,114.64	£515,840.00	£1,340,885.36	£1,084,160.00	£1,600,000.00	£1,600,000.00	£3,200,000.00
	Leicester & Leicestershire	£125,148.42	£249,142.86	£624,851.58	£500,857.14	£750,000.00	£750,000.00	£1,500,000.00
	Sheffield	£48,222.33	£96,000.00	£251,777.67	£204,000.00	£300,000.00	£300,000.00	£600,000.00
	Solent	£125,148.42	£249,142.86	£624,851.58	£500,857.14	£750,000.00	£750,000.00	£1,500,000.00
	South East	£333,744.44	£664,411.43	£1,766,255.56	£1,435,588.57	£2,100,000.00	£2,100,000.00	£4,200,000.00
	South East Midlands	£175,207.79	£348,800.00	£949,792.21	£776,200.00	£1,125,000.00	£1,125,000.00	£2,250,000.00
	The Marches	£33,388.22	£66,468.57	£191,611.78	£158,531.43	£225,000.00	£225,000.00	£450,000.00
	Worcestershire	£66,730.52	£132,845.71	£383,269.48	£317,154.29	£450,000.00	£450,000.00	£900,000.00
York, North Yorkshire and East Riding	£116,789.89	£232,502.86	£603,210.11	£487,497.14	£720,000.00	£720,000.00	£1,440,000.00	
	Total More Developed	£2,176,635.80	£4,333,200.00	£11,364,614.20	£9,208,050.00	£13,541,250.00	£13,541,250.00	£27,082,500.00
IR		33.44%		55.24%		50.00%		
Transitional	Greater Birmingham & Solihull	£47,192.44	£62,633.14	£234,057.56	£124,866.86	£281,250.00	£187,500.00	£468,750.00
	Greater Lincolnshire	£235,551.55	£312,620.72	£1,264,448.45	£687,379.28	£1,500,000.00	£1,000,000.00	£2,500,000.00
	Sheffield	£144,666.99	£192,000.00	£755,333.01	£408,000.00	£900,000.00	£600,000.00	£1,500,000.00
	Stoke-on-Trent and Staffordshire	£235,551.55	£312,620.72	£1,234,448.45	£667,379.28	£1,470,000.00	£980,000.00	£2,450,000.00
	The Humber	£53,555.14	£71,077.54	£273,350.86	£146,859.46	£326,906.00	£217,937.00	£544,843.00
	The Marches	£85,678.03	£113,710.68	£439,321.97	£236,289.32	£525,000.00	£350,000.00	£875,000.00
	York, North Yorkshire and East Riding	£53,454.22	£70,943.69	£266,545.78	£142,389.31	£320,000.00	£213,333.00	£533,333.00
		Total Transitional	£855,649.91	£1,135,606.51	£4,467,506.09	£2,413,163.50	£5,323,156.00	£3,548,770.00
IR		42.97%		64.93%		60.00%		
	Total MGP2 PCR#3	£3,032,285.71	£5,468,806.51	£15,832,120.29	£11,621,213.50	£18,864,406.00	£17,090,020.00	£35,954,426.00
		35.67%		57.67%		52.47%		

