

Name of Committee

3 March 2026

Business Growth Dorset – Government Growth Hub Funding Financial year 26/27 to 28/29

For Decision

Cabinet Member:

Cllr R Biggs, Property & Assets and Economic Growth

Local Councillor(s):

All

Senior Leadership Team:

J Britton, Executive Director for Place Services

Report author and job title:

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Statutory Authority: Local Government Act 2000

Report status: Public (the exemption paragraph is N/A)

1. Executive summary

- 1.1 Government has confirmed a three-year Growth Hub funding allocation for Dorset, providing £341,000 per year (total £1.023m) for 2026/27–2028/29. This funding enables Dorset Council, as the accountable body, to deliver the Business Growth Dorset service across both Dorset and Bournemouth, Christchurch & Poole (BCP) areas.
- 1.2 The Growth Hub provides free, impartial advice and access to business support, aligned with national policy through the Department for Business and Trade and the new Business Growth Service. The report seeks approval to accept the grant and deliver the service in accordance with government conditions, supporting both national objectives and local economic priorities.
- 1.3 This service was delivered by Dorset Local Enterprise Partnership until March 2025 and by Dorset Council since April 2025.

2. Recommendation(s)

That Cabinet:

- 2.1 Approves acceptance of the Growth Hub grant for 2026/27 - 2028/29 and its associated grant conditions.
- 2.2 Approves in principle the proposed budget, resourcing and activities.
- 2.3 Delegates authority to the Executive Director, Place, in consultation with the Cabinet Member for Property, Assets and Economic Growth, to implement and adjust delivery plans within grant rules.

3. Reason for the recommendation(s)

- 3.1 Accepting the funding advances the Council's "Grow our Economy" strategic priority and supports delivery of the Economic Growth Strategy 2025–2040, supporting entrepreneurship and local business. It contributes towards actions in the Council Plan aiming to narrow the Dorset to UK productivity gap by 5% by 2029 and create 1000 business start-up courses for 16-34 year olds.

4. The report

- 4.1 The Department for Business and Trade announced multi-year Growth Hub allocations on 19 December 2025. Multi-year funding provides stability for long term planning and integrates local delivery with the national Business Growth Service.
- 4.2 Dorset Council is the accountable body for the Business Growth Dorset service, part of a national network of 41 Growth Hubs offering triage, diagnostics, signposting and brokerage to local businesses.
- 4.3 The Growth Hub model has been delivered for pan-Dorset since 2017 with Dorset Council the accountable body since 2019.
- 4.4 This Financial Year Business Growth Dorset have delivered a high-quality information, diagnostic and signposting service in addition to five programmes focusing on Dorset's key priority sectors and high-growth potential businesses with over 400 businesses supported so far:
 - **Scale-Up Smart Tech** – focused on Advanced Engineering & Manufacturing, Defence & Marine SMEs to become more productive through the adoption of technology.
 - **Scale-Up Growth** – equipping senior business leaders in Advanced Engineering & Manufacturing, Defence, Marine and Digital sectors with strategies and insight to drive growth and long-term success.
 - **Scale-Up Finance** – split into two strands this programme supports new and established businesses to understand and access finance for their business.
 - **Build: Not For Profit** – helping Charities, Social Enterprises, B-Corps, Mutuels, Cooperatives and Circular Economy businesses to thrive.
 - **Supporting Our High Streets** – equipping Dorset's independent retail, hospitality and leisure businesses with vital tools and knowledge to grow and innovate.
- 4.5 The three-year funding deal covering Financial Years 26/27, 27/28 and 28/29 brings in £1.023m of funding to benefit Dorset businesses.
- 4.6 Proposed 3-year Growth Hub funding allocation:
 - £771,000 to cover salaries, on-costs and 25% Dorset Council indirect costs for 3.5 Full Time Equivalent fixed-term posts directly linked to the

funding. This includes an allocation for potential redundancy payments in year 3.

- £116,500 to deliver programmes focused on Start-Up, Scale-Up and Sustain targeted on Dorset and Department for Business & Trade key priority areas.
- £105,000 to provide the Business Insight and Intelligence tools required for delivery, reporting and compliance.
- £31,000 operations budget (marketing, website, expenses, events and staff development).

5. Alternative options considered

- 5.1 Dorset Council could choose to reject the grant, and deliver similar services using Council funds, which does not represent best value.
- 5.2 Dorset Council could choose to reject the grant and not offer similar services, which would not best serve the residents and businesses of Dorset.
- 5.3 Dorset Council could choose a different mix of commissioned services and employed staff. The proposed mix best fits the expectations of the grant funder for core services to be delivered in-house, with specialist functions, such as programme delivery, commissioned from third parties. Recent commissioning experience shows there is a functioning and competitive market for these services.

6. Legal considerations

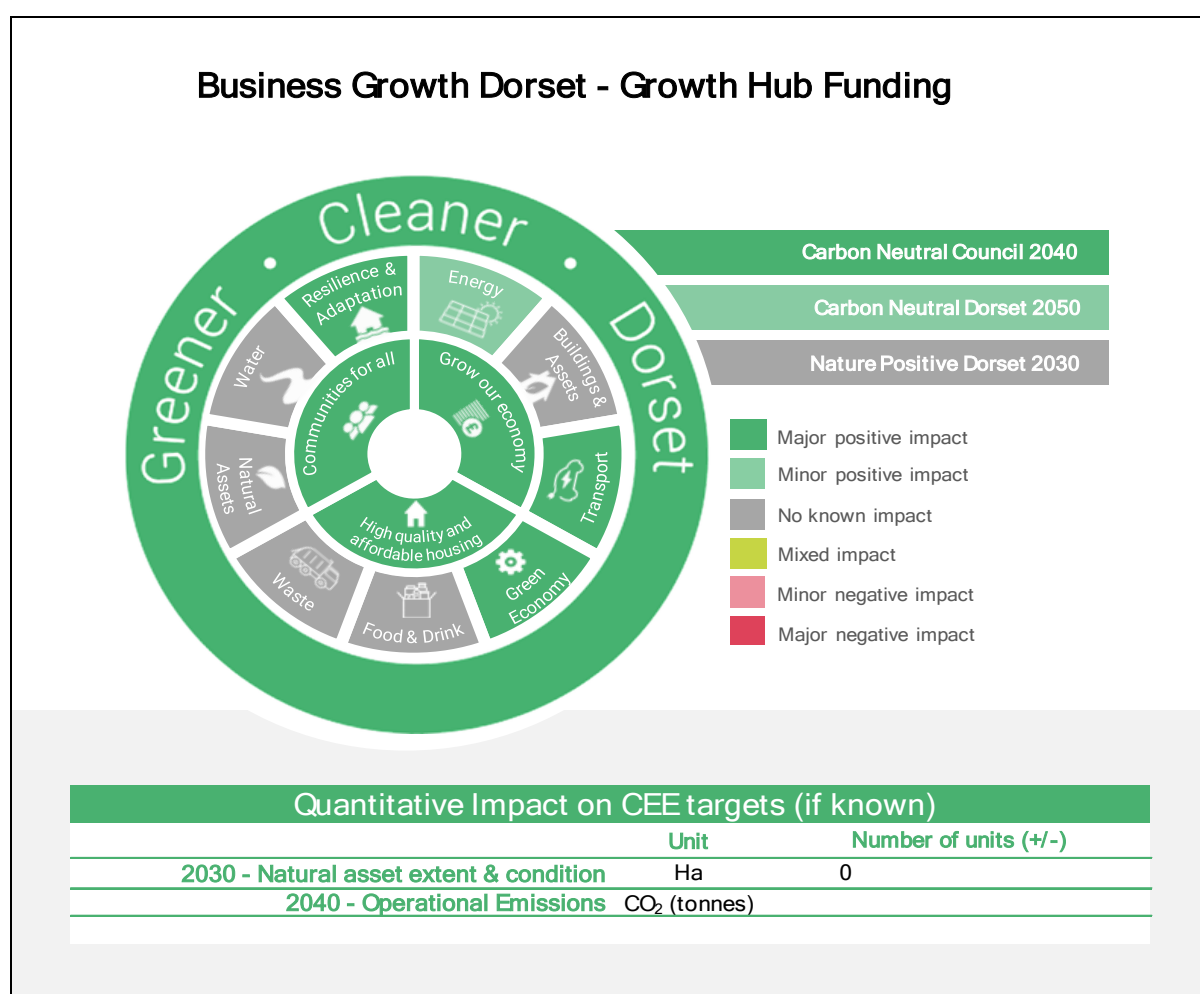
- 6.1 The Growth Hub model has been delivered locally for nine years in line with government requirements. Dorset Council has been the accountable body since 2019, with funding benefitting both Dorset and BCP areas. Business Boards being established across both authorities will link to Growth Hub activity.

7. Financial implications

- 7.1 The allocation is ring fenced specifically for Growth Hub activity. It funds the Business Growth Dorset team, Dorset Council's costs and any procured delivery contracts. Activities and benefits will be delivered pan Dorset, with at least 50% of interventions in the Dorset Council area.
- 7.2 There are no additional costs to the council therefore no additional Council funding is required and some un-funded ambitions of the Council will be part-funded by Growth Hub funding.

8. Natural environment, climate & ecology implications

- 8.1 Business Growth Dorset promotes Net Zero and sustainable business practices. The website has information and resources relating to Net Zero and business conversations include appropriate information to help businesses with their approach.
- 8.2 As a Network Partner of the National Business Growth Service this is a key priority of the Department for Business & Trade and we fully support the UK Government's Willow Review regarding the Sustainability of Small Businesses.
- 8.3 Climate Wheel:



- 8.4 For impact assessment see full paper [Climate Emergency Wheel](#)

9. Well-being and health implications

- 9.1 Supporting business growth contributes to higher quality jobs and improved financial wellbeing - key determinants of health.

10. Other implications

10.1 None identified.

11. Risk implications

11.1 HAVING CONSIDERED: the risks associated with this decision; the level of risk has been identified as:

Current Risk: Low

Residual Risk: Low

12. Equalities

12.1 The EQIA shows mostly positive impacts on businesses, with actions ensuring accessibility for all users.

13. Appendices

13.1 [EqIA](#)

14. Background papers

14.1 Department for Business and Trade funding allocation letter to Council Chief Executives (19 December 2025).

[Growth Hub Funding Allocations letter to CEOs](#)

15. Report sign-off

15.1 This report has been through the internal report clearance process and has been signed off by the Director for Legal and Democratic (Monitoring Officer), the Executive Director for Corporate Development (Section 151 Officer) and the appropriate Portfolio Holder(s)