



Business, Energy and Industrial Strategy Committee

House of Commons, London SW1A 0AA

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Rt Hon Kwasi Kwarteng MP
Secretary of State
Department for Business, Energy & Industrial Strategy
1 Victoria Street,
London
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Friday, 20 May 2022

Dear Secretary of State,

On 17th March 2022 the Business, Energy and Industrial Strategy Committee held a one-off session on the Help to Grow schemes.

Whilst we heard that there is enthusiasm for both Help to Grow: Digital and Help to Grow: Management amongst stakeholders, there are concerns that take up of the schemes has been low due to the scheme eligibility criteria being overly restrictive. We have been told that a large proportion of businesses, which would benefit significantly from the schemes, as well as a large proportion of interested software providers, are not eligible to take part in either of the Help to Grow schemes. I am concerned that the design of the products, and the restrictive nature of its rules, will once again result in a failure to successfully deliver a project which should help to deal with our chronic productivity challenges.

Looking to maximise on the potential for the Help to Grow schemes to benefit small and medium sized businesses, I would recommend that you consider taking the following actions:

1. Remove the requirement for a business to have a minimum number of employees in order to take part in either of the Help to Grow schemes.
2. Enable more software suppliers to take part in the Help to Grow: Digital scheme. Consider including suppliers that are eligible under the HMRC Making Tax Digital scheme, as well as re-sellers and partner networks.
3. Expand the costs and types of software that are allowable within Help to Grow: Digital grant. We have heard that it would be useful to include installation and training costs as well as a broader range of software such as Enterprise Resource Planning (ERP) software, and financial planning and forecasting software.
4. Reduce the cost of participation in the Help to Grow: Management scheme. We have heard that, although subsidised, £750 remains a prohibitive cost for many of the small businesses which could benefit most from the programme.

Yours sincerely,

Darren Jones MP
Chair of the Business, Energy and Industrial Strategy Committee