

SCR - BUSINESS GROWTH BOARD

MINUTES OF THE MEETING HELD ON:

WEDNESDAY, 2 SEPTEMBER 2020 AT 10.00 AM

11 BROAD STREET WEST, SHEFFIELD S1 2BQ



Present:

Councillor Sir Steve Houghton CBE (Co-Chair)	Barnsley MBC
Neil MacDonald (Co-Chair)	Private Sector LEP Board Member
Councillor Denise Lelliott	Rotherham MBC
Councillor Bill Mordue	Doncaster MBC
Sharon Kemp	Rotherham MBC
Dr Dave Smith	SCR Executive Team

In Attendance:

David Grimes	Assistant Director - Growth Hub	SCR Executive Team
Carl Howard	Senior Programme Manager	SCR Executive Team
Felix Kumi-Ampofo	Assistant Director Policy and Assurance	SCR Executive Team
Gareth Morgan	Senior Business Development Manager	SCR Executive Team
Emily Hickey	Governance and Compliance Officer	SCR Executive Team
Andrew Shirt (Minute Taker)		

Apologies:

Lucy Nickson	Private Sector LEP Board Member
Rachel Clark	SCR Executive Team

1 Welcome and Apologies

The Chair welcomed everyone to the meeting.

Apologies for absence were noted as above.

2 Declarations of Interest by individual Members in relation to any item of business on the agenda

None.

3 Urgent items / Announcements

None.

4 **Public Questions of Key Decisions**

None.

5 **Matters Arising**

F Kumi-Ampofo reported that no further issues had been raised by Sheffield City Council regarding concerns from Councillor Iqbal at the June Board meeting about a potential disconnect between the SCR's RAP and local authority plans.

6 **Minutes of the Previous Meeting**

The minutes of the previous meeting held on 25th June 2020 were agreed to be an accurate record and approved for signing by the representative of the Head of Paid Service.

7 **MCA/LEP Business Support Operating Model**

A report was presented to raise awareness of, and engage Members of the Board, in work that had started to examine options for how business support should be organised to meet the business-facing objectives of the Renewal Action Plan (RAP) and the Strategic Economic Plan (SEP).

The Board was reminded that the MCA Executive Team was working with PwC to examine alternative models for the delivery of business growth and support agendas and trade and investment functions of the MCA and LEP.

It was noted that work had commenced to examine the options for how the region wide functions should be organised.

Members noted that the work which is scheduled to be completed at the end of September, will assess the current model for business support and develop a range of options for how this may need to change to support the ambitions of the new SEP and RAP.

Paragraph 2.1 of the report set out the intended benefits of any changes to the operating model.

The Board noted that there were two aspects to the review being undertaken. The first, to look at the operating model (how the city region business support teams are structured to deliver the business facing objectives of the RAP and SEP) and secondly, the delivery model (looking at options of service delivery).

It was noted that a wide range of stakeholders would be engaged with to inform this commission and the outcomes of the work would be reported at the October Business Growth Board meeting.

The Board had a full discussion and made the following points:

- The need for inclusive growth.
- The need for adaptable and flexible opportunities in each area to

- meet local needs.
- To define Inward Investment in the SCR.
- To understand what success looks like.
- Collaboration should take place with existing business support providers to allow PwC to obtain intelligence and feed into the review.
- Noted that key leadership roles within the MCA Executive Team had been consulted on the review.
- The next phase of the review would include feedback from a wider group of stakeholders.
- There is a need for communications and marketing resources to be in place at the local authorities and the Growth Hub to direct individuals to business support.
- The Board's overall support for the work and there being a willingness from Board Members to consult with PwC regularly.

The Board was thanked for their feedback, noting that this would be reflected in the review.

RESOLVED – That Business Growth Board Members:

1. Noted the commencement of this commission aimed at further developing the approach to business support, investment and engagement.
2. Agreed to provide any steer and direction deemed necessary to shape the progress and eventual outcome of this commission.

8 **Renewal Action Plan Delivery Update**

A report was submitted to provide the Board with an update on progress for the delivery work on the Renewal Action Plan and an opportunity for Members to discuss and provide input and direction on any specific areas of work. Appendices attached to the report set out the high level delivery framework document, setting out progress to date.

The Board was reminded that the Sheffield City Region (SCR) Renewal Action Plan (RAP) had been agreed in response to the immediate need brought about by the Covid-19 crisis with a longer term view to support ongoing recovery and dovetail into developing a more resilient economy.

The RAP focuses upon three main areas of action, People, Employers and Place.

The Employer area of the RAP had identified a number of themes for development and implementation, these included:

1. Flexible Investment and Re-capitalisation
2. Access to Specialist Advice
3. Supply Chain and Procurement Support
4. Leadership Support
5. Digital Upskilling and Technology Adoption

The development of delivery interventions under the Employer section of the RAP, were scheduled to be delivered within the next 12 to 18 months and focussed primarily on immediate relief to employers and businesses.

A Task and Finish Group for each of the above five areas had been implemented and involved Members from the four local authorities and also the LEP, along with external representation being invited to provide advice and support to each Group, including Chambers of Commerce etc.

It was noted that, each Task Group was reporting into a wider Delivery Group for discussion and agreement, which collectively had been working to identify the most immediate priorities with a resulting proposal developed around four priority areas.

D Grimes delivered a presentation which provided the Board with a consolidated version of the key priority areas contained in the Employer area of the RAP.

The presentation set out the ongoing discussions and developments taking place around each priority area, the target number of business expected to be supported and the expected number of business (from currently identified initiatives).

It was agreed that the presentation be sent to Board Members after today's meeting. **ACTION: D Grimes**

Councillor Mordue queried if there should be a further priority included within the employer area of the RAP around both physical and mental health.

D Grimes acknowledged Councillor Mordue's comment and agreed to raise internally and with the implementation Group. **ACTION: D Grimes**

The Board was informed that each Local Authority had been consulted on the priority areas contained in the RAP.

It was noted that a first draft of the Delivery Plan would be presented at the next Business Growth Board in October for review and sign off. A consolidated position would then be presented to the LEP and MCA in November.

The Chair requested that an additional meeting of the Board be held at the beginning of October to allow Members to consider the first draft of the Delivery Plan. **ACTION: E Hickey**

D Grimes reported that, at the Task Group meeting held on 2nd September, there had been a discussion around the potential inclusion of the EU Exit in the RAP. The Board was asked to provide any comments.

The Board agreed to the inclusion of the EU Exit, highlighting that, businesses would need to be supported in the next 12 to 18 months due to both the Covid-19 pandemic and the EU Exit. The Board noted that there would need to be flexibility built into RAP due to availability of resources and potential demand.

RESOLVED – That the Business Growth Board:-

Discussed and explored the progress made to date from the update and provided input and thoughts on direction and content.

9 **BEIS - Peer to Peer Networks**

A report was presented which informed the Board that, following the development of a national programme by BEIS to support business leaders, each LEP area is requested to opt into the initiative, or to opt out. The report requests approval to opt into the scheme and accept the grant and terms associated with this initiative.

Councillor Mordue reported that Doncaster MBC had been using Peer to Peer Networks for a number of years. If required, Doncaster MBC's Peer to Peer Networks could assist the SCR Team by contributing their knowledge and expertise in this area.

RESOLVED – That the Business Growth Board considered and approved:

1. Agreement to opt into the Peer to Peer Scheme with approval to accept associated grant value.

Delegated Authority to the Head of Paid of Service, in conjunction with the Section 73 and the Monitoring Officer, to enter into the contractual arrangements required as a result of the above approval.

10 **BEIS Growth Hub Uplift Funding**

A report was presented to remind the Board that, at the last budget (2019) the Chancellor had announced an additional £10million for Local Enterprise Partnerships (LEPs) for their Growth Hubs. Following the allocation to each LEP earlier this financial year, the Board is asked to consider acceptance of this grant.

RESOLVED - The Business Growth Board considered and approved:

1. The contents of the report and agreed to accept the additional grant funding.
2. Delegated Authority to the Head of Paid of Service, in conjunction with the Section 73 and the Monitoring Officer, to enter into the contractual arrangements required as a result of the above approval.

11 **Business Growth Pipeline**

An exempt report and presentation was delivered for two purposes. Firstly to give an overview of the pipeline of projects that are currently being worked on both in growth of business already located in South Yorkshire and in brand new investment projects where businesses don't have a base within the region and the rationale for the approach. And secondly, to start a discussion on what

needs to be developed in order to secure both these investments and stimulate further opportunities. These will contribute to the growth of the economy in South Yorkshire and make the economy more resilient and ultimately lead to higher value jobs.

Following discussion, the Board requested that a discussion paper on the pipeline of business growth projects be presented at a future LEP Board meeting. **ACTION: D Smith**

RESOLVED – That the Business Growth Board:-

1. Discussed the on-going development of Investment Growth services across South Yorkshire in order to facilitate both these investments and further opportunities that will develop in a Post Brexit environment.
2. Discussed new funding models required in a post LGF environment which will be needed to advance these investment opportunities.
3. Discussed how the SCR develop innovative transformational projects that lead to the development of new clusters.

12 **LGF Programme Approvals**

An exempt report was received which requested the Board's approval of two schemes with a total value of £1.9m Local Growth Fund (LGF) and approval to delegate authority to the Head of Paid Service in consultation with the S73 and Monitoring Officer to enter into legal agreements for the schemes.

The Appraisal Panel Summary Table attached at Appendix A to the report asked the Board to take a decision whether to support the proposal of a LGF grant of £1.5m to a Rotherham based company to help capitalise on growth opportunities currently limited by production capacity, by meeting existing demand, bringing to market new products, and expanding into new countries and sports. The project involved the purchase and development of land to build a 100,000 sqft premises, along with associated fixture and fittings.

The project was estimated to deliver 210 net additional jobs at a cost of £7,157. This was estimated to generate net additional GVA of approximately £66.18m over a 10-year period for the SCR economy, equating to a return of £48.69 for every £1 of LGF, which was considered good value for money for the LGF investment.

The Board considered and approved the request.

The Appraisal Panel Summary Table attached at Appendix B to the report asked the Board to take a decision whether to support the proposal of a LGF grant of £400,000 to a Sheffield based company to fund Phase 1 of a project to develop a new digital product within its existing SCR facility. The company had explained that, Phase 1 funding was essential to enable Phase 2 investments which would develop and commercialise a suite of wider digital products between 2021 and 2023.

The Phase 1 project was estimated to deliver 13 net additional jobs at a cost per jobs of £31,234. The project was estimated to generate net additional GVA of approximately £4.35m over a 10-year period for the SCR economy (based on all jobs created/safeguarded), equating to a return of £11.64 for every £1 of LGF, which was considered good value for money for the LGF investment.

The Board considered and approved the request, subject to there being a discussion with the company and inclusion in the contract that, upon practical completion of Phase 1, an element of the Phase 2 project, must be delivered locally within the SCR. **ACTION: F Kumi-Ampofo to explore options and present to the Board via email following today's meeting.**

RESOLVED - That the Business Growth Board considered and approved:-

1. Progression of Project one to full approval and award of £400,000 grant from the Local Growth Fund subject to the conditions set out in the Appraisal Panel Summary Table attached at Appendix A to the report.
2. Progression of Project two to full approval and award of £1.5m grant from the Local Growth Fund subject to conditions set out in the Appraisal Panel Summary Table attached at Appendix B to the report, subject to there being a discussion with the company and inclusion in the contract that, upon practical completion of Phase 1, an element of the Phase 2 project, must be delivered locally within the SCR.
3. Delegated authority be given to the Head of Paid Service in consultation with the s73 and Monitoring Officer to enter into legal agreements for the scheme.

13 **Any Other Business**

N MacDonald reminded Members that today would be Councillor Sir Steve Houghton's last Board meeting.

On behalf of the Board, N MacDonald thanked Councillor Sir Steve Houghton for all of his hard work and support as Co-Chair of the Board.

In accordance with Combined Authority's Constitution/Terms of Reference for the Board, Board decisions need to be ratified by the Head of Paid Services (or their nominee) in consultation with the Chair of the Board. Accordingly, the undersigned has consulted with the Chair and hereby ratifies the decisions set out in the above minutes.

Signed

Name

Position

Date