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**Date Not Specified** 

To: Members of the SCR - Business Recovery and Growth Board and Appropriate Officers

You are hereby invited to a meeting of the Sheffield City Regional Mayoral Combined Authority to be held at **Virtual Meeting**, on: **Wednesday**, **21 October 2020** at **10.00** am for the purpose of transacting the business set out in the agenda.

Dr Dave Smith
Chief Executive

You can view the agenda and papers at <a href="https://www.sheffieldcityregion.org.uk">www.sheffieldcityregion.org.uk</a> or use a smart phone camera and scan the QR code

#### **Member Distribution**

Mayor Ros Jones CBE (Co-Chair) Neil MacDonald (Co-Chair) Sharon Kemp

Councillor Bill Mordue Councillor Mazher Iqbal Councillor Denise Lelliott

Richard Stubbs Dr Dave Smith **Doncaster MBC** 

Private Sector LEP Board Member

Rotherham MBC Doncaster MBC

Sheffield City Council Rotherham MBC

Private Sector LEP Board Member

SCR Executive Team

# **SCR - Business Recovery and Growth Board**

Wednesday, 21 October 2020 at 10.00 am

**Venue: Virtual Meeting** 



# **Agenda**

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3.	Urgent items / Announcements	Co-Chair	
4.	Public Questions of Key Decisions	Co-Chair	
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6.	Terms of Reference & Meeting Arrangements	Dr D Smith	13 - 24
7.	RAP Draft Implementation Plan	Mr David Grimes	25 - 88
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10.	India Trade and Investment Programme	Ms Rachel Clark	103 - 110
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12.	Any Other Business	Co-Chair	
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**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)

Neil MacDonald (Co-Chair) Councillor Denise Lelliott Councillor Bill Mordue

Sharon Kemp Dr Dave Smith Barnsley MBC

Private Sector LEP Board Member

Rotherham MBC Doncaster MBC Rotherham MBC SCR Executive Team

#### In Attendance:

David Grimes Assistant Director - Growth Hub SCR Executive Team Script S

Assurance

Gareth Morgan Senior Business Development

Manager

Emily Hickey Governance and Compliance

SCR Executive Team

SCR Executive Team

Officer

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 25<sup>th</sup> 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:

- 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	





#### **BUSINESS RECOVERY & GROWTH BOARD**

#### 21st October 2020

#### **Terms of Reference & Meeting Arrangements**

#### **Purpose of Report**

This report summarises the governance arrangements for the Business Recovery and Growth Board, approved by the Mayoral Combined Authority on 21<sup>st</sup> September 2020 and the Local Enterprise Partnership on 10<sup>th</sup> September 2020. The paper also confirms the schedule of meetings.

#### Freedom of Information

Thematic Board Papers and any appendices will be made available under the Combined Authority Publication Scheme. This scheme commits the Authority to make information about how decisions are made available to the public as part of its normal business activities.

#### Recommendations

Board members are asked to:

- 1. note the approved governance arrangements and identify any issues,
- 2. note the schedule of Business Recovery and Growth Board meetings

#### 1. Introduction

- **1.1** Thematic Boards were first established by the MCA in early 2019 with the rationale of:
  - achieving an efficient, effective and transparent model for decision making;
  - collaborating to build collective and combined decisions to deliver the outcomes identified in the Strategic Economic Plan (SEP);
  - providing strong and accountable leadership in setting the agenda, and delivering a defined programme of activity, to rigorously realise the outcomes of the SEP; and
  - scrutinising planned and ongoing activity to deliver the best outcomes for the region and value for money

A review of the Boards has been undertaken to ensure that they are well placed to fulfil the duties and responsibilities secured through the recent devolution agreement and are aligned to the priorities of the new Strategic Economic Plan (2020-2040). Proposed changes were considered by the LEP Board on the 10<sup>th</sup> September 2020 and approved by the MCA on the 21<sup>st</sup> September 2020.

**1.2** This paper provides the Terms of Reference for the Business Recovery and Growth Board (appendix 1), summarises the key changes and clarifies arrangements.

#### 2. Proposal and justification

- 2.1 The Business Recovery and Growth Board is one of four new thematic boards established within the MCA. The role of each Board is to take a city region wide strategic perspective on issues relevant to the thematic area, to support the delivery of the Strategic Economic Plan and the Recovery Action Plan. The principle role of the Business Recovery and Growth Board is to:
  - shape future policy development and priorities on issues related to business recovery, innovation, enterprise and growth
  - develop new business recovery and growth programmes
  - monitor programme delivery and performance on business recovery and growth
  - monitor the performance of services provided to support business and develop trade and investment opportunities
  - receive reports from the Growth Hub Board

#### **2.2** Other matters to note are:

**Delegations** (section 3 of the Terms of Reference)

Each Board has a delegation to:

- agree investments up to £2m
- recommend investments over £2m to the MCA
- accept grants up to £2m
- award contracts for the supply of goods/services up to £200,000

These delegations remain unchanged from previous arrangements.

#### **2.3** Transparency (section 13 of the Terms of Reference)

To ensure an appropriate level of transparency it has been agreed that for each Board:

- papers will be made available to the public 5 clear working days before the meeting
- the public can submit questions and receive a written response
- meetings will be held in private and minutes made available to the public within 10 working days of the meeting taking place

These arrangements remain unchanged from those previously in place.

#### **2.4** Advisory Boards (section 12 of the terms of reference)

It has been agreed that the Growth Hub Board will be a formal advisory board to the Business Recovery and Growth Board.

#### **2.5** Frequency of Meetings (section 5 the Terms of Reference)

It has been agreed that the Board continues to meet on (at least) an 8-week cycle aligned to the 8-week MCA meeting schedule. This remains unchanged from the arrangements previously in place. Additional meetings, dependent on business need, can be agreed with co-Chairs and will observe publication requirements for papers, minutes and key decisions. The Board may also determine to have informal intermediate meetings where discussion is required mid-cycle

#### 2.6 Meeting Schedule

Meetings have been scheduled to ensure the Business Recovery and Growth Board meets around the 4<sup>th</sup> week of the MCA 8-week cycle. This allows any decisions requiring

escalation to the MCA, for example, due to the value exceeding delegations, to progress through the decision-making process in a timely manner. The schedule agreed to date is as follows:

Business Growth Board dates (week 4 of the 8-week cycle)	MCA Date (week 8 of the 8-week cycle)
6 <sup>th</sup> January 2021	25 <sup>th</sup> January 2021
3 <sup>rd</sup> March 2021	22 <sup>nd</sup> March 2021

Dates further than March are in the process of being identified.

#### 3. Consideration of alternative approaches

3.1 There is no discretion to change governance arrangements, as these have been approved by both the MCA and the LEP however, each Board is empowered to determine an appropriate work plan to ensure thematic priorities are met.

#### 4. Implications

#### 4.1 Financial

Thematic Boards have the authority to approve projects and schemes with a value of less than £2m. The Thematic Boards are also able to accept tenders and quotations for the supply of goods, materials and services up to a limit of £200,000.

#### 4.2 Legal

The changes to the Terms of Reference have been captured in the MCAs Constitution.

#### 4.3 Risk Management

Strong governance arrangements are an important mechanism in managing a number of corporate risks. These arrangements reflect the commitment of both the MCA and LEP to transparency, and the clear delineation of responsibilities between different elements of the decision-making system.

#### 4.4 Equality, Diversity and Social Inclusion

There are no equality, diversity and social inclusion issues arising from this report.

#### 5. Communications

5.1 The roles and responsibilities of the new Thematic Boards are explained in the Assurance Framework and the MCA Constitution which is published on the website. All meeting papers, minutes and membership of the Thematic Boards are also published on the website. In addition, members of the public can submit questions to the Thematic Board and receive a written response.

#### 6. Appendices/Annexes

#### **6.1** Appendix 1- Terms of Reference

REPORT AUTHOR Claire James

POST Senior Governance & Compliance Manager

Officer responsible Dave Smith

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Background papers used in the preparation of this report are available for inspection at: 11 Broad Street West, Sheffield S1 2BQ

Other	SOURCES	and	reference	٥.
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MCA Meeting September 2020 & LEP Board Meeting September 2020

# **Business Recovery and Growth Board**

#### **Terms of Reference**





#### 1. Purpose and Role

- 1.1 The purpose of the Business Recovery and Growth Board is to provide leadership, development of policy and the delivery of a programme of activity aligned to the priorities of the Strategic Economic Plan, the Recovery Action Plan and other approved strategies associated with business support and business growth.
- 1.2 The role of the Business Recovery and Growth Board is to:
  - Shape future policy development and priorities on issues related to business recovery, innovation, enterprise and growth
  - Develop new business recovery and growth programmes
  - Make investment decisions up to £2 million within the agreed budget and policy on business recovery and growth, as delegated by the Mayoral Combined Authority (MCA)
  - Accept grants with a value of less than £2 million
  - Monitor programme delivery and performance on business recovery and growth
  - Monitor the performance of services provided to support business and develop trade and investment opportunities
  - Receive reports from the Growth Hub Board

#### 2. Responsibilities

2.1 The Business Recovery and Growth Board is responsible for:

#### **Funding**

- Approving, deferring or rejecting funding applications for business recovery and growth projects that fall within the financial limit of delegated authority, and which are within the budgets agreed by the MCA and Local Enterprise Partnership (LEP)
- Making recommendations to the MCA to approve, defer or reject funding applications for business recovery or business growth projects in the that exceed the financial limit of delegated authority, and which are within relevant budgets
- Making recommendations to approve, defer or reject applications for business recovery or business growth projects to form part of a project pipeline where relevant.

#### Strategy and Policy

- Ensuring that business recovery and growth policies developed by the Board and agreed by the MCA and LEP are enacted effectively through appropriate investments
- Reviewing economic intelligence and evidence of regional economic performance on business recovery and growth and identifying propositions to accelerate growth
- Developing and managing relationships with key stakeholders and partners.

#### **Programme Delivery**

- Commissioning of activity to deliver and implement the priorities on business recovery and growth
- Monitoring business recovery and growth programmes and project delivery
- Overseeing the management and development of the Growth Hub through the Growth Hub Board

#### Performance and Risk Management

- Reviewing project performance, outputs and outcomes
- Identifying and recommending mitigations for any programme risks or poor performance
- Escalating any strategic, policy or programme risks to the MCA and LEP.

#### 3. Delegated Authority

- 3.1 In order to enact its responsibilities, the Business Recovery and Growth Board will have delegated authority from the MCA to approve investment decisions for agreed pipeline projects up to £2 million.
- 3.2 The Business Recovery and Growth Board will have delegated authority to accept grants with a value of less than £2 million.
- 3.3 The Business Recovery and Growth Board will have delegated authority to accept a tender or quotation for the supply of goods, materials or services for which financial provision has been made in the Authority's Revenue Budget up to a limit of £200,000.00 in value for any one transaction.
- 3.4 The Business Recovery and Growth Board may refer a matter or decision within their delegated authority to the MCA or LEP.

#### 4. Membership

- 4.1 The Business Recovery Growth Board will be co-chaired by the MCA portfolio lead for Business Recovery and Growth and a private sector LEP Board member.
- 4.2 Membership of the Business Recovery Growth Board will comprise of:
  - One Leader, who is the portfolio lead, from an MCA constituent Local Authority, who will co-Chair the Board;

- A nominated elected member representative for each of the constituent Local Authorities;
- A lead Chief Executive from a constituent Local Authority
- Two private sector LEP Board members, one of whom will co-Chair the Board; and
- The MCA Head of Paid Service (or their nominated representative).
- 4.3 Elected Members can nominate a deputy to attend meetings of the Board in their absence. All deputies must be named, elected members and must complete a Register of Interests Form.
- 4.4 Each of the non-constituent Local Authorities can nominate an elected member to attend and participate in the meetings but not vote.

#### 5. Frequency

5.1 The Business Recovery and Growth Board will meet on an eight-weekly cycle.

#### 6. Secretariat

- 6.1 The MCA Executive Team will provide the secretariat for the Business Recovery and Growth Board.
- 6.2 Papers and presentations for Board meetings will be circulated to Board members five clear working days in advance of the meeting.

#### 7. Attendance

7.1 Consistent attendance at the Business Growth Board meetings is essential and attendance will be recorded.

#### 8. Quorum

- 8.1 Meetings of the Business Recovery and Growth Board will be quorate when five members are present and provided that there are at least 2 constituent Local Authority elected member representatives and one LEP member present. A member who is obliged to withdraw under the Code of Conduct for Members shall not be counted towards the quorum.
- 8.2 A Board member may be counted in the quorum if they are able to participate in the meeting by remote means e.g. telephone, video or electronic link and remain available for the discussion and decision items on the agenda.

#### 9. Decision Making

- 9.1 Board decisions are legally taken by the Head of Paid Service (or their nominated representative) in consultation with the co-Chairs of the Board. By protocol, decisions will not be taken unless there is Board consensus for the decision. Where consensus cannot be reached the issue will be escalated to the MCA and/or the LEP as appropriate for final decision.
- 9.2 Decisions made by the Business Recovery and Growth Board will be presented to the MCA in a written Delegated Decisions Report at the next meeting. As the delegating body, the MCA will have the right to review or amend decisions made by the Business Growth Board where such decision has not been acted upon subject to giving due reason for doing so.

#### 10. Conflicts of Interest

#### Register of Interests

- 10.1 All Board Members and deputies must complete a Register of Interests Form within 28 days of being appointed to the Business Recovery and Growth Board. This must disclose any disclosable pecuniary interests (as defined in The Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012) for the Member, their spouse, their civil partner or partner. Completed Register of Interests Forms for all Board Members are published on the website.
- 10.2 It is the responsibility of every Business Recovery and Growth Board Member to ensure that their Register of Interests Form is up-to-date and declare any new interests within 28 days of this being known.
- 10.3 Interests declared by Business Recovery and Growth Board Members will be listed on the Register of Members' Interests and published on the website.

#### Declarations of Interest at Board Meetings

10.4 It is the responsibility of Board members to declare any disclosable pecuniary interest (as defined in The Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012) and any other personal interests whether financial or non-financial in specific agenda items at the start of each Business Recovery and Growth Board meeting.

#### 11. Urgent decisions between meetings

- 11.1 This procedure is to be used only by exception
- 11.2 When an urgent matter or decision falls outside the parameters of the meeting cycle, the Business Recovery and Growth Board will be permitted

to make decisions through this procedure. If the matter is a Key Decision the procedure in Part 5B (Access to Information Procedure Rules) of the Constitution also needs to be complied with.

- 11.3 The Head of Paid Service (or their nominated representative), in consultation with the Chairs of the Business Recovery and Growth Board, will contact Board Members by email to notify them of the following:
  - Details of the matter requiring comment and/or decision;
  - The name of the person or persons making or putting forward the proposal/decision;
  - The reason why the matter cannot wait until the next Board; and
  - The date responses are required by.

Two working days after the close of responses, the following will be circulated to all Board Members:

- The outcome of the decision taken (noting that for a decision to be agreed the unanimous agreement of all those Board Members that respond by the date set for responses is needed;
- The date when any decision comes into effect; and
- Any mitigating action taken to address stated views or concerns.
- 11.4 Decisions and actions taken will be retrospectively reported to the next meeting of the Business Recovery and Growth Board and MCA in accordance with paragraph 9.2 above.

#### 12. Advisory Groups

- 12.1 The Growth Hub Board will be an advisory board to the Business Recovery and Growth Board. The Business Recovery and Growth Board will approve changes to the advisory board terms of reference and will receive regular reports from the Growth Hub Board Chair.
- 12.2 The Business Recovery and Growth Board will be supported in making investment decisions by an independent Appraisal Panel. The Appraisal Panel will assess all applications for funding and will present their findings and recommendations to the Board on whether the application should be approved, deferred or rejected.
- 12.3 The Business Recovery and Growth Board is permitted to form Task and Finish groups of key stakeholders and advisors to assist in the management and monitoring of individual programmes or projects. Any such groups are purely advisory and must submit reports to the Business Recovery and Growth Board.

#### 13. Transparency

#### Key Decisions

- 13.1 Key decisions to be taken by the Business Recovery and Growth Board will be published in the Forward Plan of Key Decisions on the website 28 days in advance of the decision being made.
- 13.2 Questions and comments submitted by the public on the pending decisions will be notified to the Business Recovery and Growth Board and will be responded to in writing.

#### Meeting Papers

13.3 Agendas and papers for the Business Recovery and Growth Board will be published on the website at least five clear working days before the meeting date.

#### **Exemptions**

- 13.4 Where reports or information for Board meetings is exempt from disclosure under Section 12A of the Local Government Act 1972 or the Freedom of Information Act 2000, these papers will either be reserved or specific information in the paper will be redacted.
- 13.5 Reserved papers and reports can still be requested under the Freedom of Information Act. Requests will be considered on a case by case basis (taking into consideration such factors as timing, any applicable exemptions and the public interest test).

#### Meeting Record

13.6 Draft minutes will be published on the website within ten clear working days of the Business Recovery and Growth Board meeting taking place. The meeting record (approved minutes) will be published on the website within ten clear working days of the subsequent Business Recovery and Growth Board meeting.

#### 14. Amendments to Terms of Reference

14.1 These Terms of Reference will be reviewed annually. Any changes will be approved by the MCA and LEP Boards.





#### BUSINESS GROWTH THEMATIC BOARD

#### 1<sup>st</sup> October 2020

#### **RAP Draft Implementation Plan**

#### **Purpose of Report**

This paper is intended to provide the board with the draft plan of the implementation plan for the Employer section of the Renewal Action Plan. Following the progress update at the last board meeting, the Board will be presented with the proposed delivery plan to review, discuss and endorse the current set of proposals.

#### **Thematic Priority**

- 1. Facilitate and proactively support growth amongst existing firms
- 2. Increase sales of SCR's goods and services to other parts of the UK and abroad.

#### Freedom of Information and Schedule 12A of the Local Government Act 1972

The paper will be available under the Combined Authority Publication Scheme

#### Recommendations

The Business Growth Board:

 Members are requested to consider and endorse the overall package of support detailed in the paper and agree the priorities as identified in paragraph 2.5.

#### 1. Introduction

- 1.1 Following the progress update at last board of the Employer section of The Sheffield City Region (SCR) Renewal Action Plan (RAP), a consolidated draft implementation plan is presented which brings together the areas highlighted in the RAP for progressing. It includes proposals in the format agreed that have been developed to address the key challenge themes under the employer section, specifically:
  - 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

#### 2 Proposal and justification

2.1 The enclosed document for review in appendix A outlines the agreed delivery interventions under the Employer section of the RAP, to be delivered across a 3 year timeline, with some interventions delivered within 6-12 months providing essential relief,

with some delivered over 3 years, all are focussed primarily on providing relief and essential support to employers and businesses.

Each task and finish group was led by a local authority and included representation from all four local authorities and also the LEP, along with external representation being invited to provide advice and support where the local authorities required.

Each task group reported into a wider delivery group for discussion and agreement chaired by a LEP board member, which collectively agreed and discussed the relevant plans and tracked progress. The resulting initiatives for delivery of the employer section, all of which are detailed in full in the document, include:

2.3

Intervention	Interventions	Investment	Projected	Total	Overall Targets and
intervention	interventions	Per	Outputs	Outputs	Outcome
		Intervention	Cutputs	Cutputs	
Services and	Including	£3,343,280	2500	Over 3 Years	Over <b>25,845</b>
knowledge	Specialist	per annum	Businesses	Engaging and	businesses
support for	Advisors	£808,320 for	per annum	supporting	supported: COVID-
COVID-19	Specialist	Regional	supported	up to 7500	19 adapted working
adaptation	Framework	advisors		businesses	environments.
		£2,424,960			Reduced carbon emissions. Access
		accessing			to specialist support
		specialist			over 8,000 jobs
		support			created/safeguarded
Digital	Regional	£5.680 m	1000	5000	through supply
adoption and	Digital Hub	over 3 years	businesses	business	chain re-shoring /
upskilling for	comprising	(£2.09m PA)	per annum	supported	localising. Invoice
our	Advisory,	excluding	supported	over three	and cashflow
organisations	Incubation,	Digital		years –	support. Investment
	Accelerators	investment		supporting	to innovate and
	and soft	funds		tech	thrive.
	landing			adoption and	
Flexible	support Including:	£71m in	8,025	Approx. 7500	
investment	Relief Grant		businesses	businesses in	
and	Capital Fund	year 1 including	supported	Yr 1	
recapitalisation	Grant	Relief Fund	over 3 years	7275 of	
recapitalisation	Repayable	£30m - Yr 2	Over 5 years	which	
	Loan Funding	£10m - Yr 3		supported	
	Equity Fund	220		via the relief	
				fund	
Employer	Including	£5m per	1000	3000	
leadership	training	annum	businesses	individuals/	
support	Coaching,	years	supported	businesses	
	Mentoring,	£3m	Of which	supported	
	Peer to Peer	Coaching	500	over 3 years	
	support and	£2m NED	receiving		
	Non – Exec	Access	one to one		
	support		business		
			coaching		

Supply chain	Supply Chain	£7.6m in	Businesses	4320
and	opportunity	total - 3 Yrs	supported	businesses
procurement	Development	£2.83m Yr 1	4320	supported
support	Supply	£2.38m Yr 2	Jobs created	(many light
	readiness	£2.38m Yr 3	/	touch) –
	Supply Chain		safeguarded	Over 8600
	mapping		8,640	jobs
				safeguarded
				and created
Marketing	Range of	£121k per	Essential to	Forecast to
J	Marketing	annum	market the	reach target
	activities and		identified	25,000
	prime and		initiatives	employers
	market the		overall and	with the
	offers		pump prime	interventions
			activity	in the RAP,
				with a 121k
				budget circa
				£5 per
				conversion.

- 2.4 The total intervention cost for the employer section for this draft document totals £149,328,040 supporting up to 25,845 businesses. Due to the nature of this document still being finalised some elements may change slightly.
- 2.5 The delivery group have identified the most immediate priorities as being;
  - Priority 1 A Relief Fund, providing financial support to businesses
  - Priority 2 Extending regional access to advisory and specialist support
  - Priority 3 Access to Digital adoption and upskilling support
  - Priority 4 Supply Development support Mapping and opportunity development
  - Priority 5 Marketing Activity Positive messaging and comms on initiatives

#### 3. Consideration of alternative approaches

3.1 Following discussions at the September 2<sup>nd</sup> Business Growth Thematic Board, this approach was agreed for progress however any recommended approaches will be fully explored. The RAP document itself has been consulted on heavily with partners and stakeholders to shape evidence, the options, approaches, objectives and the delivery team will continue to engage and bring in expertise where necessary and prudent.

#### 4. Implications

#### 4.1 Financial

This is a draft document for review and agreement and as a result there are no financial implications arising from this report at this stage.

#### 4.2 Legal

There are no legal implications arising from this report

#### 4.3 Risk Management

There are no legal implications arising from this report due to this being a draft document for review and no risk analysis has taken place or deemed necessary at this stage.

#### 4.4 Equality, Diversity and Social Inclusion

No requirements associated with the discussion of this paper at this point.

#### 5. Communications

5.1 It is anticipated that following this discussion, at the next thematic board a further paper and a draft plan will be brought back for discussion and consideration.

#### 6. Appendices/Annexes

**6.1** Appendix 1: Employer Delivery Plan

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Background papers used in the preparation of this report are available for inspection at: 11 Broad Street West, Sheffield S1 2BQ

Other sources and references: N/A

# SCR RENEWAL ACTION PLAN

# EMPLOYER IMPLEMENTATION PLAN

**OCTOBER 2020** 

DRAFT

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### Purpose of the report

The SCR Renewal Action Plan has been developed in close partnership with our business community, councils, universities and other partners. It focuses on the immediate relief we must provide over the coming months/years (depending on how long it takes to fully control this virus) and the seeds we must sow now to build back better. That support is targeted around three areas of action:

- **People** supporting people adapt to the new economy and be better able to fill higher-skilled jobs
- Employers supporting businesses to adapt, survive and thrive in the new environment
- Places stimulating the local economy to create jobs and transform places.

The report makes recommendations from Renewal Action Plan Implementation task and finish working groups representing the prediction of £380m required to support **Employers**, set against the following criteria:

- Services and knowledge support for COVID-19 adaptation
- Digital adoption and upskilling for our organisations
- Flexible investment and recapitalisation
- Employer leadership support
- Supply chain and procurement support

Each strand has been scrutinised in collaboration to form a detailed proposal of the relief support package required to emerge from the pandemic and has taken into consideration recovery and resilience phases as a course of action to support businesses and employers.

The report considers that each criteria is interconnected in the employer and skills ecosystem and it is acknowledged there will be significant overlap in order to get the work done, however, to support agreement on seeking funding for the proposals they are presented as stand alone.

The report charts an overall picture of the criteria forecast and proposal, a brief summary of each criteria and the full proposal included in Appendices.

#### Recommendations

The task and finish groups for each area under the employer section consisted of officers from the four districts, MCA officers and other delivery partners where possible to ensure that a well-informed view of the need and required action is achieved.

Is it recommended that each of the proposals are considered as viable routes to take should funds be secured?

### Introduction

One of the largest indirect economic impacts of COVID-19 has been the knock-on effects to businesses and employers. High streets and shopping centres closed, supply chains have been disrupted and many production lines have stalled as economic conditions tightened. Businesses are facing a range of challenges and the prospect of mass insolvency will become a reality if mitigation measures are not effective and timely.

Government has responded by offering a range of financial support packages to prop up companies at risk. While this is clearly critical to keeping businesses afloat, more can be done to support organisations to survive, adapt, and be resilient to the evolving environment. SCR has had a less than national average rate of uptake for certain support schemes due to a larger portion of the SCR's firms not eligible for support.

The programmes and interventions presented in the Renewal Action Plan for employers are summarised. These interventions need to be delivered over the next 12 to 18 months to bring immediate relief to the people, employers and places, spark a strong and sustained recovery and accelerate the renewal of South Yorkshire.

Two investment programmes across five categorised interventions were proposed to support organisations to adapt and grow, unlocking significant multipliers for the local and national economy.

SUMMARY OF PROGRAMMES AND INTERVENTIONS PRESENTED IN THE RENEWAL ACTION PLAN FOR EMPLOYERS:

Focus	Intervention	Investment Per Intervention	Total Investment Required	Outcomes	Targets and Outcome
Backing employers to adapt & survive & support a job led recovery.	Services and knowledge support for COVID-19 adaptation Digital adoption and upskilling for our organisations	£2m-£2.5m £16m - £18m		22,727 businesses Based on £110 per employer  Support up to 10,000 SMEs	Over 25,000 businesses supported: COVID-19 adapted working environments. Reduced carbon emissions.
Backing employers to accelerate growth and	Flexible investment and recapitalisation	£280m - £320m	£380m	3,765 businesses Based on £850,000 per employer	15,000 jobs created through supply chain re-shoring /
deliver a job led recovery.	Employer leadership support Supply chain and	£31m		Support up to 1,000 businesses Support 300	localising. Invoice and cashflow support.
	procurement support			businesses initially and to protect 15,000 jobs.	Investment to innovate and thrive.

The following table summarises programmes and interventions as a result of breaking down each intervention with a task and finish group. Whilst considering longer term life span of interventions beyond the next 12 to 18 months.

# SUMMARY OF PROGRAMMES AND INTERVENTIONS FOLLOWING IMPLEMENTATION PLANNING PROPOSED FOR EMPLOYERS:

Focus	Intervention	Investment Per Intervention year 1	Investment Per Intervention year 2	Investment Per Intervention year 3	Outcomes	Total Investment Required
Backing employers to adapt &	Services and kr	nowledge supp	ort for COVID-:	19 adaptation		
survive & support a job led recovery.	Additional regional resource to engage directly with businesses.	£808,320	£808,320	£808,320	Included below	
Exceeds top end forecast cost in 1 year. By £843,280	Specialist advisors on a call-off basis, including: HR, Legal, Financial, H&S, QMS, Digital,	£2,424,960	£2,424,960	£2,424,960	Predicted to support over 2500 businesses per annum combined over 7500 over three	£149,328,040 1 <sup>st</sup> year £83,272,680
Meets the outcome	Import, Export.				years.	
target.	Management of each tier.	£110,000	£110,000	£110,000		
		£3,343,280	£3,343,280	£3,343,280		
	SUBTO	OTAL INVESTMI		: £10,029,840 ar £3,343,280		
NOTE: Exceeds top end	Digital adoptio	n and upskilling	g for our organ	isations		
forecast cost in 1 year. By £2,090,000	Scale up Tech Advisor provision	£1m	£1m	£1m	Support 1000 businesses PA with specialist Tech support	
	Soft landing programme	£300k			Support up to 250 new	

					investors
					per annum
	TEAM SY	£250k	£250k	£250k	Up to 100
	public sector				businesses
	challenge				supported
	accelerator				
	300k for three x accelerator				
	cohorts (£250k				
	per cohort, 60%				
	ERDF match available				
	Sheffield	£45	50k across 3 ye	ears	Engages
	Digital - sector				with wider
	engagement and				SCR supply
	data				chain
	Incubation	£900k	over a 3-year	period	Up to 500
	programme				Businesses
	support				supported
	Digital Hub –	£70k	£45k	£45k	Engagement
	platform	service and			with up to
		platform			5000
		design			businesses
	Digital Hub –	120k	over a 3-year p	l period	
	management				
	SUBT	OTAL INVESTM			
			1 <sup>st</sup> y	ear 2,090,000	
Backing Employers O	Flexible investr	nent and recap	oitalisation		
accelerate	Relief Grant	£36m	_	_	Supports
growth	> 6 months				7,275
nd deliver					businesses
i jobs led	Capital Fund	£20m	£10m	-	Supports
ecovery.	Grant				300
					businesses
IOTE:	Repayable	£10m	£10m	-	Supports
Jnder	Loan Funding				250
orecast					businesses
ost in 3	Equity Fund	£5m	£10m	£10m	Supports
ear.					200
lurtures					businesses
025	SUBTOT.	AL INVESTMEN			
ousinesses exceeding			1 <sup>st</sup> ye	ar 71,000,000	
utcome					
	Employer leade	ership support			

NOTE: matches forecast cost in 1 year. Exceeds outcome	Peer to Peer Support Leadership Coaching and mentoring	nil £2m	nil £2m	£2m	Supports 250 Businesses 500 individual leaders PA	
target by 250 businesses	Non- Executive Access	£3m	£3m	£3m	250 Leaders and boards supported.	
	SUBTO	TAL INVESTME	ENT REQUIRED: 1 <sup>st</sup> y	£ 15,000,000 ear 5,000,000		
NOTE: Under	Supply chain a	nd procuremer	nt support			
forecast Exceeds outcome	Supply Chain opportunity development	£0.229K	£0.229K	£0.229K	Businesses engaged 9,520	
target.	Supply Chain readiness	£1.859K	£1.859K	£1,859K	Individual businesses	
	Supply Chain mapping	£0.751K	£0.301K	£0.301K	supported 4320 Jobs created / safeguarded 8,640	
		D: £7,618,200 ar £2,839,400				

To market the Interventions outlined in the RAP and that are already in existence to support to businesses.

The Business Support programmes and Initiatives require marketing wrapped in a straightforward and practical campaign identity that appeals directly to businesses and can transition strategical into support packages that are held within the Strategic Economic Plan.

OUR PROMISE. We will invest to ensure employers can survive, adapt and thrive. The aim of this outline marketing plan is to work through feasible routes for **how** businesses are going to find our support. This requires a joined-up approach to deliver a single message of support to South Yorkshire.

- 1. Initially as identified within the paper a series of task groups are working to determine the implementation of each strand chaired by the LEP Board.
- 2. Building a hub of stakeholders to inform, confirm initiatives and contribute to marketing and engagement approach/delivery.
- 3. Creating a Marketing Hub across the stakeholders, to regularly meet and to build the creation of campaign assets, promotional programmes and the process for roll out, a joined-up approach for consistency of message and identity. Make use of Brand Packs and

- campaign toolkits delivered by our Boards, partners and intermediaries. Provide online engagement platforms to personalise engagement by our Boards, partners and intermediaries.
- 4. Keep in touch, identify opportunities from regular feedback, revisit goals and plan next steps.

This is more about the approach to marketing than the tactics: however, these are indicated below as a suggestion to reach the market:

- Marketing Campaign Toolkit and Portal Promotional Marketing assets and programme details
  - For all partners and stakeholders to become campaign advocates a brand pack and toolkit is proposed to enhance consistent and clear message landing to businesses. An online portal is proposed to adapt to the evolution of the programmes within the campaign strands and will hold information such as promotional items, programme papers, delivery timescales, partners, key messages, social media assets and schedules, media and connected partner contacts. With regular communication at the core across the partnerships, for feedback, progress and updates.
- Online land and steer SCR Growth Hub host centralised advice page, using Gateway to triage enquiries and direct to most appropriate support mechanism.
- **Digital Engagement Platform** Providing a sustainable solution for building and nurturing business relationships that is accessible to everyone, higher-tech, net zero. Run events, meet the buyer, network sessions, webinars and innovation pitches and masterclasses, run polls and surveys.
  - It is critical for the economic growth of the SCR to connect more people to build better relationships. The continued effects of COVID-19 presents a significant impact in the authentic way we would build connections and develop relationships. With the provision of an Online Engagement Platform, we are removing the current barriers to people coming together. This is far wider than a platform to run an event programme, the primary thread is the connections, the networking the building of trusted and knowledgeable relationships and secondly an enabler for the SCR and delivery partners in reaching and engaging with the business market in a hybrid fashion.
- **Direct Mail** Established or mined data and building on the connections and members. Push messaging on support packages segmented and direct calls to action. Encourage sign up to hear updates on what's new and what's going on, to strengthen the South Yorkshire business community engagement.
- Targeted Social Media Campaigns at appropriate segmented groups to support hard to reach and unknown contacts, promote more widely the activity and offer of support available.
- Media Local and Trade Press PR and supported Advertisements, Radio advertisement, Validation and a sense of South Yorkshire community success, with a series of case study, blogs and success stories to sell the story, as well as promote funding secured that we will invest to ensure employers can survive, adapt and thrive.

### RESOURCING THE MARKETING CENTRALLY AND LEADING THE MARKETING HUB TO DELIVER.

The Sheffield City Region Growth Hub exists to help businesses find the best possible business support. Led by the Local Enterprise Partnership - private sector-led partnerships between businesses and the South Yorkshire local authorities, playing a central role in deciding local economic priorities and undertaking activities to drive economic growth and create local jobs.

The Sheffield City Region Executive Team are positioned to lead on centralising marketing and communications efforts on the campaigns within the Renewal Action Plan, working to task groups, LEP Board Oversight and manage the stakeholder engagement working across the employer campaign strands.

Alongside, the overarching Renewal Action Plan marketing and communications.

To get our plan off the ground, we would pursue upfront investment of £20k for a Digital Engagement Platform and the Online asset portal development.

Rolling costs over six months to get the offer to market

- Agency support content marketing £40 £50k
- Agency support design for packs, advertising, digital assets £16k
- Digital marketing £12k
- Registrations to engage £8,000
- Advertising, print, online, & media buying £15,000
- Total = £121,000

Forecast to reach target 25,000 employers with the interventions in the RAP, with a 121k budget circa

£5 per conversion. If 60% of employers are reached, circa £8 per conversion.

#### **Proposals and Justification**

The following section provides a summary of each programme and interventions worked through by the task and finish groups, that strategically flesh out each of the initiatives. For a sense of how the overall costs are calculated.

### Proposal A: Backing employers to adapt and survive: Services and knowledge support for COVID-19 adaptation – Specialist Advisors

The proposal outlines provision of access to an expanded in-house team of specialists within the Growth Hub utilising the Bloom 'Neutral Vendor' Framework, utilising a two-tiered approach:

TIER ONE – Provision of additional regional resource into LA areas to provide wrap around strategic advice and brokerage support to augment the current resourced provision of one extra

advisor per region (using Growth Hub Advisor model but deployed into each LA area). This support will engage directly with businesses, discussing their challenges, advising, and brokering appropriate support, to be delivered by self-employed contracted staff with significant experience in business. It is anticipated this requires 4 strategic advisors in each local authority over the next 3 year period, engaging with new businesses where there is not an existing relationship as well as supporting those where there is an ongoing relationship and a need is identified.

TIER TWO – Provision of a range of specialist advisors on a call-off basis, including HR, Legal, Financial, H&S, QMS, Digital, Import, Export, and others as identified. Resources will be called upon where a need is identified by LA key account manager teams or Tier One advisors. It is expected an intervention for a business would involve 1-4 days consultancy, provided at no cost to the business.

Management and administration of this activity requires a small dedicated team. This is estimated to require two full time posts, a manager and administrator, but with a degree of resource flexibility to respond to pressures at start-up and volume demand.

Financial ask (per annum): Tier One: £808,320

• Tier Two: 2,424,960

Management team and PPU costs: £110,000

• Total anticipated costs: £3,343,280

In response to COVID-19, the EU Transition and other pressures, it is recognised that many SME businesses need to adapt to survive and grow. To meet the demand from the business community and the ambition of the region, it is necessary to scale up the business support offer around providing high-level strategic and specialist advice that creates significant impact on survival and growth.

Critical specialist areas include HR, legal, company formation and structure, health and wellbeing where this is felt to be a significant issue for businesses (especially mental health), and health & safety (including COVID-19 adaptations), but also trade, supply chain or shipping specialists able to advise on issues relating to EU Transition all of which are well documented and where there is known demand from the business community.

The initiative will be proactively marketed as a boost in resource aimed at SMEs in direct response to working to shape business needs and triage the companies in the right areas of support. Feedback on progress and take up will be evidenced in case study promotion at appropriate milestones throughout the project, to gain maximum positive publicity from the regional delivery.

For the full proposal please <u>click here.</u>

## Proposal B: Backing employers to adapt and survive: Digital adoption and upskilling for our organisations

It has been highlighted that there are many facets to supporting the adoption of technology amongst our region's businesses, including raising awareness of the benefits of technology on productivity and growth into a wide range of businesses to ensuring our technology and

knowledge based start-up businesses have access to the support and investment they need to start and scale (and stay) in our region.

The implementation working group considered the following in response:

- Scale up Tech Advisor provision a knowledge network for tech companies and adopters
- Soft landing programme
- Co-investment Fund & Angel investment Fund proportionately identified with flexible investment
- TEAM SY public sector challenge accelerator
- Sheffield Digital support for sector engagement and data
- Incubation programme support
- Digital Hub platform
- Digital Hub management

By CREATING A DIGITAL HUB, a regional umbrella initiative where it could easily be promoted to businesses and act as an easy access point to a clear pathway through a range of different initiatives and brokerage with training, access to digital specialisms, implementors, financial support and access to investment funding.

This would work to increase the visibility and engagement and would provide both a self-service platform, up to date advice and information and link to real advisors to provide focused and high value engagement.

A HUB FOR DIGITAL ADOPTION that will be entirely customer centred, have clear customer journeys and pathways to relevant initiatives, which will change over time based on need, funding and priorities and will include:

- How to promote and sell your business and products online.
- How to run your business more efficiently.
- How to improve your productivity.
- How to keep your business safe.
- How to help your teams work remotely.

In order to be effective as possible it will involve the supply side and ensure that tech companies are part of the solution-based provision in the same way that Sheffield Digital as an independent organisation representing that supply side will play a pivotal role. The digital hub will have the following mechanisms for business for it to operate effectively:

- A Tech Advisor who can operate like a Non-Exec Director.
- Link with digital skills training for the businesses' employees.
- A self-service option.

SCALING UP THE TECH SECTOR, reflected in the new TEAM SY project led by Capital Enterprise. TEAM SY builds on the CASTS model and is the first move into regional working for the organisation. The £6m project has attracted ERDF investment and aims to build on the existing asset base and support faster and more integrated scale up of tech pre-starts, start-ups and scale-ups. It complements and adds to existing support provision that is sector agnostic as well as augmenting the emerging tech sector support offer. It also affords an opportunity for SCR to more closely engage with this project and agenda.

A basic mapping exercise has been conducted which highlights gaps where the City Region could act to accelerate growth within the domain of business support. The most pressing gaps are:

- Leadership, visible investment into and a clear direction for sector development
- Fit for purpose support at all stages of tech business growth particularly focused on access to the right knowledge networks and integration into supply chains
- Talent and skills supply
- Incubation support to help people and ideas to become businesses, and ensure inclusive access to digital hubs
- Early stage (pre-seed and seed) accessible investment for new tech companies
- Acceleration and scale up support including access to scale up investment, talent and accommodation
- Soft landing offers for start-ups and scale ups moving to the region
- Sector engagement at regional level/scale, intelligent use of insights and data from the tech industry and the right activities and events to foster collaboration and connection.
- Capacity building within existing business support provision around technology

Each of the initiatives will be proactively marketed and narrated as a strength of the region's distinctive capabilities. The early onset of building a HUB will cater for the members, partners and identified companies to further promote material that is produced to distribute the message far wider. In addition, a targeted media campaign to reach entrepreneurs, scales up and incubation centres with the myriad of trade journals identified, will boost the campaign exposure. Digital marketing reach and engagement will underpin the promotions of these solutions.

For the full proposal please click here.

# Proposal C: Backing employers to accelerate growth and deliver a jobs led recovery: Flexible investment and recapitalisation

A task and finish group has been established consisting of representatives from the four districts, Barnsley & Rotherham Chamber and from the Sheffield City Region Growth Hub / AFCOE team. The remit of the group was to review the existing financial support products currently available with a view to identifying gaps in provision where a COVID response was felt to be appropriate within the context of the wider employer recovery plan. The group have identified the following key areas of focus:

- Relief grants
- Capital Grant Fund
- Repayable Loan Finance
- Equity Funding

#### **RELIEF GRANT**

Target number of business supports: 7,275
 Indicative funding requirement: £36m

• Delivery period: 6-12 months

The key objective of the relief grant workstream is to provide short term financial grants to businesses in order to address cashflow challenges currently being experienced. The work of the

group identified four key categories of business where relief grant support may be required which includes:

- businesses not able to access national government grant support
- high risk business sectors
- business starts which again did not meet national government grant thresholds
- key employers that have previously approached local authorities for hardship relief

The group have proposed grants at varying intervention levels for each of the identified business categories. An assessment of potential need in this area has identified a worst-case scenario of grant support being required by approximately 29,000 businesses across the City Region at a total financial cost of circa £142m. Following identification of the worst-case scenario, the group has undertaken further modelling work based on a sliding scale of potential demand as illustrated in Table 1.

On the basis of the analysis undertaken the group are recommending that the 25% demand scenario is taken forward which will see an estimated 7,200 business supported with relief grants at a potential cost of £36m. Progressing the proposal on the 25% scenario will help to provide evidence of actual demand giving an opportunity to review future allocation should sufficient need exist.

				Relief Grant Modelling options								
			10	%	25	%	509	%	75	%	100	1%
Description	Number of	Total Grant										
Proposal	businesses	Ask £m	Businesses	Grant £m	Businesses	Grant £m	Businesses	Grant £m	Businesses	Grant £m	Businesses	Grant £m
1) Businesses not able to access national	5,400	£26	540	£3	1,350	£7	2,700	£13	4,050	£20	5,400	£26
government grant support												
2) High Risk Sectors	17,000	£89	1,700	£9	4,250	£22	8,500	£45	12,750	£67	17,000	£89
3) Business Starts	6,000	£10	600	£1	1,500	£3	3,000	£5	4,500	£8	6,000	£10
4) Businesses requesting hardship relief	700	£17	70	£2	175	£4	350	£9	525	£13	700	£17
Total	29,100	£142	2,910	£14	7,275	£36	14,550	£71	21,825	£107	29,100	£142

Table 1 – Relief Grant Scenario Modelling

#### CAPITAL GRANT FUND

Target number of business supports: 300
 Indicative funding requirement: £30m
 Delivery period: 2 years

The proposed **Capital Grant Fund will** help to ensure a continuity in offer within the City Region building on the existing Business Investment Fund. The proposed fund will see grants issued to businesses in order to support growth activity and where outputs can be identified that directly contribute to outcomes aligned to the Strategic Economic Plan. It is envisaged that over 300 businesses could be supported on their growth journey during a 2-year period at an overall financial cost of £30m.

#### REPAYABLE LOAN FUNDING

Target number of business supports: 250
 Indicative funding requirement: £10m
 Delivery period: 2 years

It has been identified that there is a requirement for provision of Repayable Loan Funding in the range of £5,000 - £100,000 to businesses with the primary focus of safeguarding employment within the context of our Jobs First recovery and supporting growth of businesses during the recovery phase. The overall financial ask in relation to this product is circa £10m with the potential to support 250 businesses across the region.

#### **EQUITY FUNDS**

• Target number of business supports: 50 for Angel Fund and 150 for Pre-Seed/Seed

Fund

• Indicative funding requirement: £5m for Angel Fund and £20m for Pre-

Seed/Seed Fund

• Delivery period: 3 years

It is further proposed that Equity Funds are established with the primary aim of addressing cashflow challenges supporting businesses to grow where longer-term capital investment opportunities exist. This product will help to address a lack of provision in this area at the moment by funders. It is envisaged that the fund will focus on two key areas with funding ranging from £50k to £250k:

• Angel Co-Investment Fund addressing gaps in funding packages.

Co-Investment Pre-Seed and Seed fund incorporating early scalable/tech businesses

The group have proposed investments at varying intervention levels dependent on business category. An assessment of potential need in this area has identified that equity support could be required by approximately 150 businesses across the City Region at a total financial cost of circa £25m over a three-year period across the 2 Funds. The Pre-Seed & Seed fund could be used to attract Co-Investment from Institutional Investors (and similar) which could attract further investment into the SCR.

#### **SUMMARY**

A summary of the proposals identified by the finance task and finish group is as shown in the table below:

Product	Туре	Timeframe	No Businesses Supported	Funding Ask
Relief Grant	Grant	6 months	7,252 businesses	£36m
Capital Fund	Grant	2 years	300 businesses	£30m
Grant				
Repayable Loan	Loan	2 years	250 businesses	£10m
Equity Fund	Equity	3 years	200 businesses	£25m
Total				£101m

The initiatives will have a combination of marketing approaches, tailored to each initiative and target business. For example, target businesses in this instance have been identified, where it is known that they have to date not qualified for national support or identified as high risk. Marketing needs to strike a balance with targeted messaging and the positive outcome of take up, as opposed to mass direct marketing of campaigns n at appropriate milestones.

For the full proposal on the: Relief Grant please <u>click here</u> Capital Fund Grant please <u>click here</u> Repayable Loan please <u>click here</u> Equity Fund please <u>click here</u>

# Proposal D: Backing employers to accelerate growth and deliver a jobs led recovery: Employer leadership support

It is recognised in the Rap and through this work, that resilient and growth potential businesses all require effective leaders and managers to have the right skills and support. It is therefore critical to ensure that businesses across our region have access to leadership support that allows for effective decision making and business planning during such economic challenges as those we are facing currently.

Key Leadership Initiatives include:

#### PEER TO PEER SUPPORT

Following the development of a national programme the Peer Networks by the Department for Business, Energy & Industrial Strategy (BEIS), the Sheffield City Region LEP opted into the scheme and is in progress of accepting the grant value and associated terms (initially as a pilot to March 21).

Peer Networks is a peer-to-peer networking programme for SMEs that is delivered locally by the network of Growth Hubs across England. Peer Networks will help more SMEs to access high quality Peer Networks whilst supporting the economic recovery from COVID-19 in the short term and improving firm level productivity in the medium to long term. Peer Network will enhance the leadership capabilities, knowledge and confidence of business owners and entrepreneurs within a local region. It will help build local connectivity and strength within the SME business community.

The initiative will be proactively marketed as a local response and boost in resource aimed at leadership support for SMEs in direct response to growing a network of support, triaging prospect companies via the gateway. Co-marketing will be initiated for a joint response and call with BEIS.

#### LEADERSHIP COACHING AND MENTORING

It is widely accepted that Coaching and Mentoring are effective methods of providing leadership and management support and therefore a programme of support building on existing programmes is being developed to potentially include exiting national and local initiatives such as the 'Be the Business' Mentoring for Growth initiative and learning from previous Coaching for Growth programmes.

This proposal is currently in development.

#### NON-EXECUTIVE ACCESS

To support leadership teams with effective decision making a tool often employed by many organisations is the use of Non-Executives. It is therefore proposed that a funded Non-exec delivery programme is implemented providing access to seasoned business leaders whom contribute to effective decision making and can offer advice and support across the board. This proposal is currently in development.

## Proposal E: Backing employers to accelerate growth and deliver a jobs led recovery: Supply chain and procurement support

Help with developing supply chains is a key ask of Sheffield City Region businesses post COVID-19. Lack of new business, the inability to engage with potential customer and suppliers on a global scale and a need to reduce costs has become a real concern for businesses.

We are looking to address this by the provision of a regional wide supply chain programme, focussed on opportunity development - capability building and regional mapping which can be accessed by businesses competing in priority sectors within the Sheffield City Region.

The programme consists of three elements:

#### SUPPLY CHAIN OPPORTUNITY DEVELOPMENT

This strand of work will cover helping businesses to be able to access supply chain opportunities via a range of different mechanisms and different support in place to facilitate this.

#### This will include

- access to procurement specialists willing to deliver 'Masterclass' style events, initially on a virtual basis, prior to moving to the delivery of physical events spread across the SCR
- Development of opportunities such as more traditional 'Meet the Buyer' type events, as well as challenge-based programmes addressing supply challenges with larger companies.
- Awareness raising of existing opportunities. This will include dedicated e-newsletters; dedicated pages on the SCR and partner webpages; a coordinated campaign of regular posts highlighting current opportunities across Social Media (LinkedIn; Facebook, Twitter etc.). In addition, provision of regular information on the main Portals; Framework Agreements and other such tools that organisations use to publicise contract opportunities on a local / national / international basis
- engaging with public sector procurement teams within the LAs; LEP; the 2 Universities; NHS; Fire; Police etc. to gain a better understanding of their processes and how we can work better to raise awareness of opportunities and to educate businesses in respect of submitting successful bids
- engagement with existing national organisations (representative bodies; trade associations; member organisations etc.) to raise awareness of events and opportunities, and to consider collaborating to develop specific supply chain-themed events within the City Region.

#### SUPPLY CHAIN READINESS

This strand of the programme will be aimed at raising awareness levels of SME's within the SCR that have potential supply chain capabilities to be able to develop and focus on putting in place the business systems and processes which are prerequisites of businesses winning work.

• This will involve procurement professionals carrying out basic diagnostics which will identify business gaps that need to be addressed. Generally, these would be working

- towards ensuring businesses had the right skills, business planning and strategic focus, basic accreditations, the implementation of quality management systems and other cluster specific requirements helping businesses to achieve supply readiness.
- Supply Chain readiness will include working with businesses that may already have a basic level of readiness and may already be part of a key cluster supply chain, but where improvements are required to grow or move up the supply chain. This, for some businesses, will include support for diversifying into other supply chain clusters so gaining a specific kite mark or accreditation which the business currently does not possess, or simply looking at how to make a significant step change for growth in the current cluster.
- It may also mean facilitating the process for businesses looking into their own supply chains and ensuring they are fit for purpose

#### SUPPLY CHAIN MAPPING

The programme will also look to carry out a mapping exercise in order to understand the regional clusters and the number of companies that are involved at specific levels of supply chains in these specific clusters Rail, Construction, Aerospace, Automotive, Energy, Food & Drink, Defence, Space, Logistics, Design and Digital.

This would form an essential regional knowledge base and will be used to develop greater awareness of the capabilities that exist across the region, also to support inward investment opportunities and for identifying cross business opportunities.

Across all strands of the proposed supply chain programme there is the requirement to develop an online platform which will promote businesses in the SCR, create linkages between businesses and house the supply chain opportunities locally - regionally - nationally etc. that companies will be register, see and be able to bid in for. The platform will also be used as an inward investment too as investors will be able to see the capability of the SCR business community in order to aid decision making on whether to invest in the region.

Marketing will be most useful in the digital platform arena for supply chain support in facilitating engagement predominantly. Also requiring a great deal of place marketing campaign expose to connect the strengths of the ecosystem within the region and the businesses within. Marketing will be heavily narrated and promoted as opportunity. Underpinned by market intelligence from the Supply chain Mapping exercise that will contribute to how, when and the best methods to market reach each sector and where the biggest growth opportunities lay to target.

For the full proposal please click here

#### **APPENDICES**

The enclosed are the proposals that have been developed to address the challenges set up in the RAP by the Task and Finish groups that were set up to develop the initiatives.

#### Appendix A:

Services and knowledge support for COVID-19 adaptation – **Specialist Advisors** 

#### Renewal Plan - Delivery Project Proposal

Renewal Plan Section	Employer	Support Area:	Services and Knowledge Support				
Proposed Interve	Proposed Intervention: Access to services and knowledge support						
Date	Date 24.09.2020 Priority: 1						
Completed:							
Recommended Delivery Approach							

Access to an expanded in-house team of specialists within the Growth Hub utilising the 'Neutral Vendor' Framework. Agreement reached proposing a two-tiered approach -

#### TIER ONE

Provision of additional regional resource into LA areas to provide wrap around strategic advice and brokerage support initially 1 extra advisor per region (using Growth Hub Advisor model but deployed into each LA area).

This support will be front line support engaging with businesses discussing their challenges and advising and brokering appropriate support. These are self-employed contracted staff that have significant experience running a business and are able to advise and provide a strategic support for businesses as well as being able to ensure businesses access the support available to them across the region and further afield. It is anticipated this support will be best served by 4-5 strategic advisors in each local authority over the next 3 year period, engaging with new businesses where there is not an existing relationship as well as supporting those where there is an ongoing relationship but where there is a need to access help and support.

#### **TIER TWO**

Framework access to specialist advisors – Again utilising the existing Bloom framework – identify and have contracted with a bank of specialist providers on a call off basis – to include; HR, Legal, Financial, H&S, QMS, Digital, others as identified. Once provision identified via an existing LA or GH advisor through a diagnostic, specialist can be commissioned to deliver into a business. This support will be delivered based upon business need and where there is a requirement for businesses to access specialist advice, they can access this framework and be referred in for access to specialist support. Irrespective of EU Transition/ COVID-19 or other economic challenges, this framework of specialist help will be available across the region and it is expected that businesses will be able to access 1-4 days of access to a specialist at no cost to the business.

Access to specialists will be through referral from tier 1 regional strategic advisors and also the existing advisor and key account manager teams that already work with businesses across the region.

#### Supporting Reasoning for Initiative

For the provision of knowledge, supporting businesses that need to adapt and survive. It includes scaling up our business support offer, specialist areas like HR, legal, company formation and structure, health and wellbeing where this is felt to be a significant issue for businesses (especially mental health), and health & safety (including COVID-19 adaptations), but also trade, supply chain or shipping specialists able to advise on issues relating to EU Transition all of which are well documented and where there is known demand from the business community.

#### Identified Pros/Cons:

#### Pros:

- Already in place can enable access a range of specialists not just a grant to access one -
- Can complement all other grant projects and fairly quick and simple to access once specialists are contracted with.
- Cost effective access to specialists with referrals and time allocations based on need and requirement.
- Ability to form extended LA team support and bring together LEP and LA resources in a collaborative and integrated way.

#### Cons:

- Potentially less flexible on number of specialisms depending on who is registered on the framework.
- Will need extra resource to manage and implement the specialist framework.
- Large frameworks inherently come with challenges around managing activity.

#### Resource Requirements with Explanation

As a minimum there will be a requirement for at least one full time role to manage the issuing for work contracts to relevant specialists and manage the ongoing activity of tier 1 advisors along with increased administration support for processing timesheets for activity delivered and any output documents.

Dependent upon the volume of specialist referrals, this may require a project manager with the option to flex up if/when needed based on the volume of businesses accessing a specialist framework. May also need some slight uplift in contracts and performance team who manage the contract with Bloom and the issuing of contracts.

Basic requirement - one project manager - one admin staff to manage and support effective delivery as soon as this is approved and goes live.

Currently the GH/LEP have deployed a tier 1 advisor into each Local Authority team utilising existing Growth Hub resources so this approach is simple to action quickly based upon allocation of resource. Additional resources will be required to support the administration, CRM licenses etc.

#### TIER 1

1 project support to administer resources - manage timesheets – CRM administration and ongoing training - support with advisor enquiries - support with ongoing advisor support – (access to schemes – Government information on EU Transition / COVID-19 / scheme updates – and facilitating knowledge on the 100 or so local and regional business support schemes to ensure advisors are conversant and able to ensure effective brokerage. Training provision provide by existing GH resource on Timesheets/ CRM and use of SR and LA resources.

#### TIER 2

A project manager to oversee individual referrals and brokerage into framework ensuring access to the right specialists, processing applications, project completions and administration requirements.

Also 0.5 additional contract management resource within PPU team for Bloom contracting and registrations and oversight.

#### **Anticipated Costs with Explanation**

Currently difficult to predict in terms of specialist access,

#### TIER 1

Initial cost estimate £50,520 per advisor per LA based on 120 days per annum across a total of 16 individuals 4 per LA area = total cost of £808,320 per year.

From September to March for additional Advisor support 1 x per LA. - extra budget already approved for GH = not cost implication for this.

Based on each strategic advisor having at least one new business meeting/referral a day 16 \* 120 = 1920

TIER 2 - For specialist activity based upon a day rate x based upon historical enquiry levels for specific advice – per month

Based on a maximum of 40 referrals per month per LA area on average. Based on an average of 3 days of specialist support per business – per annum

based on 40 referrals per LA \* 4 = 160 \* 12 months = 1920 - estimated that a 3rd of these referrals will be separate businesses = 640

#### Cost per year.

£808,320 per annum - Strategic advisors across the region

£2,424,960 for access to dedicated specialist advice based on 40 referrals per month per LA across 12 months as above.

Plus, costs for additional resource to manage.

£40k for project support Tier 1

£45k for project manager for Tier 2

£25k 0.5 cost for PPU/internal

Anticipated project cost per annum - £3,343,280

Next Steps	Ву	By when
	whom	
NA		

Outcomes/Success Measures						
Measure	Target	Purpose				
Businesses supported	2500 PA	Enable businesses to access the specialist support they need as detailed in the RAP				
TBC						

#### Appendix B:

# Digital adoption and upskilling for our organisations — Digital Upskilling and Tech Adoption

#### Renewal Plan – Delivery Project Proposal

Renewal Plan	Employer	Support Area:	Digital Upskil	lling and Tech Adoption			
Section							
<b>Proposed Intervention:</b> Provision of support for businesses looking to adopt new technology and upskill workforce around digital and technology adoption and a gateway for tech starts and scale ups to the best tailored provision and access to investment							
Date Completed: Updated 24 <sup>th</sup> September Priority:							
Recommended Delivery Approach							

It has been highlighted that there are many facets to supporting the adoption of technology amongst our region's businesses, including raising awareness of the benefits of technology on productivity and growth into a wide range of businesses to ensuring our technology and knowledge based start-up businesses have access to the support and investment they need to start and scale (and stay) in our region.

#### **DIGITAL HUB**

It has been discussed that with such a breadth of different areas of support required to effectively support the agile development of the digital ecosystem in the city region and the varying levels of digital maturity across businesses it would make sense to pull as much of this together under a regional umbrella initiative where it could easily be promoted to businesses and act as an easy access point to a clear pathway through a range of different initiatives and brokerage with training, access to digital specialisms, implementors, financial support and access to investment funding.

This would work to increase the visibility of and engagement with support, simplify access and ensure that where a businesses may be looking to implement tech for productivity gains or be a tech start up looking for seed funding or a larger business wishing to increase digital skills in the workforce, then the Digital Hub would be an obvious entry point. It would provide both a self-service platform, up to date advice and information and link to real advisors to provide focused and high value engagement.

The Hub will provide a central platform to build off, with scope for hosting events, conferences, supporting growth in the existing regional digital festival, working with key stakeholders including the network of digital physical spaces across the region facilitating connection and collaboration to deliver relevant support to enable the evolution of a scaled up tech sector and ensuring an integrated supply chain of technology and digital innovation across all industries.

#### A HUB FOR DIGITAL ADOPTION

The hub will be entirely customer centred, have clear customer journeys and pathways to relevant initiatives, which will change over time based on need, funding and priorities. The hub

by its nature is going to have to be agile in terms of what it links to but maintain an accessible and useful front end for users who will themselves have a broad range of digital skills.

The digital hub focus on digital adoption will include:

- How to promote and sell your business and products online
- How to run your business more efficiently
- How to improve your productivity
- How to keep your business safe
- How to help your teams work remotely

In order to be effective as possible it will involve the supply side from the get-go and ensure that tech companies are part of the solution-based provision in the same way that Sheffield Digital as an independent organisations representing that supply side will play a pivotal role. It will therefore have two clear entry points for it to work for both adopters and tech companies, the latter to be supported by Sheffield Digital.

The digital hub will have the following mechanisms for business for it to operate effectively:

- A Tech Advisor who can operate like a Non-Exec Director to determine the best options for a business's growth strategy and action plan their tech adoption journey (digital diagnostic based on businesses strategic direction and never tech for tech's sake). The tech advisor will also understand the supply side fully in order to do this piece of work.
- Link with digital skills training for the businesses' employees for the most effective adoption of tech in the business.
- A self-service option businesses can access an accessible online hub which will be easy to navigate include online demonstrators, successful case studies, how to guides and training for businesses.

Supporting the hub will be actions to capacity build existing business support provision to better understand and engage with companies.

#### SCALING UP THE TECH SECTOR

The city region's tech ecosystem has grown from the bottom up over the last few years and is home to a number of significant start-ups and scale ups. There is a varied range of business incubation and acceleration offers, established and emerging work and collaboration spaces, some levels of risk-based investment, some support programmes and increasing awareness outside of the region for what SCR has to offer. This is most clearly reflected in the new TEAM SY project led by Capital Enterprise. Capital Enterprise is London focused currently, and its previous CASTS programme has fostered significant growth in the capital's tech ecosystem. TEAM SY builds on the CASTS model and is the first move into regional working for the organisation. The £6m project has attracted ERDF investment and aims to build on the existing asset base and support faster and more integrated scale up of tech pre-starts, start-ups and scale-ups. It complements and adds to existing support provision that is sector agnostic as well as augmenting the emerging tech sector support offer. It also affords an opportunity for SCR to more closely engage with this project and agenda.

Ensuring that this significant programme can be as successful as possible, as well as providing stronger foundations for the tech ecosystem is a big opportunity for the region. Tech has the potential to be a strong sector in its own right as well as an enabler of growth and innovation in other industries.

A basic mapping exercise has been conducted (table at appendix 1) which highlights gaps where the City Region could act to accelerate growth within the domain of business support. The most pressing gaps are:

- Leadership, visible investment into and a clear direction for sector development
- Fit for purpose support at all stages of tech business growth particularly focused on access to the right knowledge networks and integration into supply chains
- Talent and skills supply
- Incubation support to help people and ideas to become businesses, and ensure inclusive access to digital hubs
- Early stage (pre-seed and seed) accessible investment for new tech companies
- Acceleration and scale up support including access to scale up investment, talent and accommodation
- Soft landing offers for start-ups and scale ups moving to the region
- Sector engagement at regional level/scale, intelligent use of insights and data from the tech industry and the right activities and events to foster collaboration and connection.
- Capacity building within existing business support provision around technology

Some of this will be covered by TEAM SY but there is a risk if the other gaps are not addressed then TEAM SY will not be maximised for regional benefit. There is a need to also work closely with the skills support agenda to ensure alignment of programmes and a clear customer journey.

The Digital Hub will provide a gateway into a range of support for regional tech start-ups and scale ups alongside providing a platform that will in turn promote the offer outside of the city region attracting ambitious start-ups and scale ups to soft land their business in the city region plugging them into the ecosystem and access to investment.

A mapping exercise of all the business incubation and acceleration support will inform what the offer is on the ground now and highlight the gaps in the city region for tech start-ups and scale ups. This work will continue to evolve to reflect the changing nature of the industry and the response to COVID-19. A basic mapping of the ecosystem is attached and is not intended to be exhaustive. This has helped to inform actions to support the sector.

#### PROPOSED ACTIONS:

Project/Action	Existing/new	Cost over three years
Scale up Tech Advisor	Scaling up existing SCC	£3m
provision to provide a	provision to SCR wide	
knowledge network for tech		
companies and tech adopters		
Soft landing programme –	New provision	£300k
support for accommodation		
and other related costs for		
new co.s moving to region		
Co-investment Fund (public	New provision – see Access	£20m fund (public + private)
private sector)	to Finance work (separate	- £10m ask
	paper)	

_			
	Angel investment Fund	New provision – see Access to Finance work (separate paper)	£5m
	TEAM SY public sector challenge accelerator	Integration with existing ERDF funded programme	£300k for three x accelerator cohorts (£250k per cohort,
	chanelige accelerator	ENDI Tunided programme	60% ERDF match available)
	Sheffield Digital support for	Scaling up existing SCC	£450k
	sector engagement and data	provision to SCR wide	
	Incubation programme support	Scaling up varied basic level programmes that are currently dependant on building revenue to run	£900k
	Digital Hub – platform	New	£20k service design £50k platform design £45k over three years for updates and redesign
	Digital Hub – management	New	£120k

#### SCALING UP TECH ADVISORS:

A major part of the tech advisor roles will be to ascertain the scale up support required and link in the raft of expertise, business incubation, space and acceleration on offer across the city region. This will be augmented by the 'super connector' roles within the TEAM SY project which will be funded for three years who will work across the tech sector to link up people, businesses, markets and support with the TEAM SY programme. Estimate to support up to 5000 businesses.

#### SOFT LANDING PROGRAMME

Scope to have a specific offer for tech companies (start up and scale up) moving into the region perhaps as a result of accelerator programmes for example. Budget available to support accommodation and talent onboarding costs. Estimate to support up to 250 businesses.

#### **CO-INVESTMENT FUND**

A co-investment fund for pre seed and seed investment will be key to this element of the hub providing local investment for tech starts who are at pre or early revenue stages and at Minimum Viable Product stage and require support in those early stages. Work is underway to assess feasibility and viable models of delivery. Linked into the financial Task and Finish group.

#### TEAM SY PUBLIC SECTOR CHALLENGE ACCELERATOR

The TEAM SY project allows for new accelerators to be co-created with the programme and staffing costs to be part funded by the ERDF support. LAs or the CA could lead on a public sector led programme to address challenges in service delivery. Costs would be significantly reduced by linking into TEAM SY and reach increased. Supporting up to 100 businesses.

#### SHEFFIELD DIGITAL

As an independent membership led sector organisation, Sheffield Digital is fulfilling a unique role in the city. Scaled up to the full region, and leveraging the network's knowledge, data and insights would add huge value to sector activity and ensure it remains customer centred. There should be scope to grant monies to the organisation to provide support and insights and ensure the long term viability of their service which is a key USP for the region.

#### **INCUBATION SUPPORT**

Incubation programmes are varied and not well funded. Some excellent work is happening in Sheffield Tech Parks, Kollider, DMC and elsewhere but this is dependent on income from other sources and COVID-19 has presented a significant risk for the continuity and scale of programmes. A better funded approach with greater collaboration would ensure that very early stage ideas can transition into viable businesses. Potentially supporting up to 500 incubation businesses

#### SKILLS

Work is needed to ensure that there is alignment with skills proposals and not duplication. Greater coordination of the tech agenda and the skills agenda at level 3 upwards (appropriate level for digital sector) will ensure greater buy in from businesses and a better customer journey for learners and the employers.

#### **Identified Pros/Cons:**

#### Pros:

- A Digital Hub approach offers a single resource point that can be a focal point for all digital support across the region
- Simplified approach to what is a complex area of support with awareness raising, advice, financial packages and training offers for the city region.
- Opportunity to engage with businesses and establish long term relationships.
- Promotes collaboration and co-operation across the region and with national initiatives
- Easier to communicate and to business community and join up different initiatives

#### Cons:

- Will require significant resources to implement and deliver effectively.
- Virtual and physical space ensuring connectivity to all
- Will need collective effort and significant collaboration across all LA areas for it to work on a regional scale.

Appendix C.1: Backing employers to accelerate growth and deliver a job led recovery: Flexible investment and recapitalisation – Relief Grant

#### Renewal Plan – Delivery Project Proposal

Renewal Plan Section	Employer	Support Area:	Relief Grant	t		
Proposed Intervention: Provision of COVID Relief Grants to SCR business with the primary focus of safeguarding employment within the context of our Jobs First recovery.						
Date Completed: Priority: 1						
Recommended Delivery Approach						

- It is envisaged that SCR COVID Relief will be 100% grant funded with the primary area of addressing cashflow challenges in order to stabilise/safeguard businesses and jobs.
- Delivery through a centralised digital application process integrated with a back of house business customer relationship management system providing 24/7 access for businesses. The application process must strike a balance between capturing key information/intelligence without acting as a barrier for business to access support.
- Districts and delivery partners will signpost businesses to the centralised application process providing a single point of contact.
- It is proposed that the processing and payment of grants could potentially be integrated within the existing ERDF grant framework that is being established. It is envisaged that 3 FTE resource, (Grant Manager and 2 x Grant Officers), would be required to assess and process applications. Barnsley to act as lead administrating authority, (subject to internal approval).
- It is recommended that the relief grant product is time limited operating for a 6-month period. This will provide a basis for the effective management of demand and stakeholder expectations.
- It is felt that relief grants should focus of four key areas of business:
- Businesses that have not previously accessed a COVID grant numbers of rejected/oversubscribed SBRR or discretionary grants.
  - *High Risk Sector Businesses* Currently defined as:
    - Manufacturing
    - o Wholes and retail trade, repair of motor vehicles and motorcycles
    - Accommodation and food services
    - Transport and storage
    - o Arts, entertainment and recreation
  - **Business Starts** Number of businesses who started trading over the last year but with a registration date outside of the SBRR or discretionary qualifying date.
  - Businesses that have enquired about Business Rates Relief and/or Business Rates
     Holidays within the 2020 Financial Year major employers who have been requesting
     rate relief or financial support.

#### Supporting Reasoning for Initiative

• Intelligence for the four district highlights that cashflow remains as a significant challenge to the short-term survival of businesses. A regional grant programme will help to provide additional short-term relief from a business and jobs safeguarding perspective.

- Results from the latest Chamber of Commerce Coronavirus Business Tracker, (August 2020), reveal that businesses are still facing significant cashflow challenges. More than half of the businesses surveyed reported a cashflow decrease since June 2020.
- Liaison with Growth Hubs across the country has identified that there is no current localised COVID relief grant in place although a number of Growth Hubs have indicated that this is a requirement being factored into regional recovery planning.
- The table below highlights that there are four key categories of business within the City Region where it is felt that grant relief could be targeted.

Category	Barnsley	Doncaster	Rotherham	Sheffield	Total
Businesses that have not previously accessed a COVID grant	1,000	1,533	1,376	1,510	5,419
High risk sector businesses	3,000	4,260	3,200	6,855	17,315
Manufacturing	455	540	560	1,215	2,770
Wholesale and retail trade, repair of motor vehicles and motorcycles	1,080	1,550	1,245	2,655	6,530
Accommodation and food services	490	600	420	1,145	2,655
Transport and storage	580	1,040	535	685	2,840
Arts,     entertainment     and recreation	395	530	440	1,155	2,520
Business starts	900	1,605	955	2,165	5,625
Businesses that have enquired about Business Rates Relief and/or Business Rates Holidays within the 2020 Financial Year	50	0	500	132	682
Total					0

All businesses applying for grants will be required to complete a 'light touch' COVID Health check which will provide enhanced intelligence of wider need. This will be integrated into the

application process and will help to signpost/link customers to the wider business response products, (i.e. specialist support)

#### Identified Pros/Cons:

#### Pros:

- Would address ongoing identified key post COVID challenge for businesses relating to cashflow.
- Opportunity to engage with businesses and establish long term relationships.
- COVID health check would provide key intelligence around impact and future needs of business

#### Cons:

- Risk of dash for cash.
- Do we have a robust evidence base to justify proposed offer?
- Grant framework does not currently exist
- Short term financial quick fix would not necessarily address significant underpinning business viability issues.
- Will require additional grant application processing resource
- Will require some lead in time to develop integrated electronic application process

#### Resource Requirements with Explanation

There will be a requirement to secure an external IT resource to develop the integrated online application process integrated to a backend CRM system. It is hoped that a local SCR Digital business could be used to undertake this work.

It is estimated that additional short-term resource of 3 FTE would be required to assess, and process grant payments.

Opportunity to integration with ERDF business support grants.

#### **Anticipated Costs with Explanation**

#### PROJECTED LEVEL OF GRANT PAYMENTS ARE OUTLINED IN THE TABLE BELOW:

Category	Grant Level –	Suggested Criteria -	Comments / Rationale
Businesses not previously eligible for	£7,500 MAX	'Need for grant' demonstrated e.g.	Lower level than previous COVID grants
COVID grants		declining T/O; market	in order to maximise
	Tiered	collapse; potential	number of grants that
	amounts –	redundancies; financial pressures evidenced (arrears; increased borrowing; working capital	can be given out
Businesses that have not previously	£2.5k, £5k and £7.5k due to	issues).	Note: need to ensure that there is scope for

accessed a COVID grant	the size of businesses varying so much.  Suggestion: Tier 1 - <10 employees and/or < £500k T/O pre COVID  Tier 2 - From tier 1 to 50 employees and <£5m T/O  Tier 3 - Above 2 to max SME level.	Potential applicants will include:  • Home-based businesses; • Businesses outside of retail and hospitality sectors; • Businesses unable to access previous Discretionary funding (all criteria met) but grant over-subscribed at time of application;  Ineligibility for other forms of COVID grant support currently available	a business to only apply for grant support under this scheme ONCE i.e. a new start manufacturing business cannot apply under 'Business Starts' as well as under 'High Risk Sector' businesses
High risk sector businesses  • Manufacturing • Wholesale and retail trade, repair of motor vehicles and motorcycles	£10,000 MAX  Suggestion:  Tier 1 - <10 employees and/or < £500k T/O pre COVID	'Need for grant' demonstrated e.g. declining T/O; market collapse; potential redundancies; financial pressures evidenced (arrears; increased borrowing; working capital issues)	Businesses that have already had COVID grants under retail and hospitality sector support are ineligible to apply.
<ul> <li>Accommodation and food services</li> <li>Transport and storage</li> <li>Q. Does SCR have any data analysis to back</li> </ul>	£2.5k  Tier 2 – From tier 1 to 50 employees and <£5m T/O  £5k  Tier 3 – From 2 to 100 employees	<ul> <li>Legal Status (Sole Trader / P'ship / Ltd. company);</li> <li>Size of business;</li> <li>Sector;</li> <li>Whether occupying business premises or home-based;</li> <li>Employee numbers;</li> <li>Capital expenditure invested in business to date;</li> </ul>	

these choices of sector up?	and T/O <£10m.  £7.5k  Tier 4 – Above 3 to max SME level £10k	<ul> <li>Growth potential;</li> <li>Potential to become VAT-registered (smaller scale businesses);</li> <li>Max grant amount linked to historic turnover.</li> <li>Ineligibility for other forms of COVID grant support currently available</li> </ul>	
Business starts — includes businesses of any legal entity e.g. Sole Traders; Partnerships; Limited Companies etc.	£5,000 – Feel this figure is too high? £1,000 Minimum Grant	'Need for grant' demonstrated e.g. declining T/O; market collapse; potential redundancies; financial pressures evidenced (arrears; increased borrowing; working capital issues)	Businesses that have already had COVID grants are ineligible to apply.  Businesses that have received previous  START-UP grants (e.g.
	£2,500 for more established starts (i.e. longer trading period)	Business Start Up Date     needs to be an     agreed date (WHEN?)     for when the business     was in existence and     physically trading as a     cut-off point (e.g. can't     offer a grant to a     business that started	UKSE £500 grant in Rotherham) are eligible for support — the purpose of the original grant being on starting up the business, rather than a response to the adverse impact of
	Tier 1 - 1 to 5 employees and <£200k T/O Tier 2 – Above Tier 1 to max SME level.	trading on 07/08/20); Include up to 3 years trading (in-line with new Launchpad guidelines) – however, envisage this will not add many additional businesses, as majority will likely be picked up through other categories within the Relief Grant scheme; Documented Business Plan in existence, outlining what were the intentions for the	COVID on the business.

			business before COVID struck;  Commitment / sign-up to business start-up provision and ongoing support, if not already a client;  Growth potential i.e. a viable business in existence.  Ineligibility for other forms of COVID grant support currently available	
for ra (man empl	nesses qualifying ate relief, ufacturers/major oyers etc.)  nk this should be ged to:	Grant equivalent to 50% / 6 months' Business Rates bill up to a MAXIMUM of	'Need for grant' demonstrated e.g. declining T/O; market collapse; potential redundancies; financial pressures evidenced (rent and rates arrears; increased borrowing; working capital issues)	Note: A business with multiple sites would only be able to apply for 1 grant / site.
enqui Busin and/o Holid 2020 (Cond majo Libert swalld alloca if left	nesses that have ired about ness Rates Relief or Business Rates lays within the Financial Year - cern being that a remployer, e.g. ty Steel could ow up the entire lation of funding, is simply as or' employers)	£25,000	Ineligibility for other forms of COVID grant support currently available	

#### INDICATIVE GRANT COST EXPOSURE

The table below contains the estimated  $\underline{\text{maximum}}$  level of need across the City Region.

Grant Category	Potential Financial Demand
Businesses that have not previously accessed a COVID grant	£25,740,250
High Risk Sector Businesses	£88,739,375
Business Starts	£9,843,750
Businesses that have enquired about BRRLF in 20/21	£17,050,000

Overall Potential Exposure	£141,103,375

The maximum assessment of potential need in this area has identified a worst-case scenario of grant support being required by approximately 29,000 businesses across the City Region at a total financial cost of circa £142m.

Following identification of the worst-case scenario, the group has undertaken further modelling work based on a sliding scale of potential demand as illustrated in table below. On the basis of the analysis undertaken the group are recommending that the 25% demand scenario is taken forward which will see an estimated 7,200 business supported with relief grants at a potential cost of £36m. Progressing the proposal on the 25% scenario will help to provide evidence of actual demand giving an opportunity to review future allocation should sufficient need exist.

				Relief Grant Modelling options								
			10	1%	25	%	509	%	75	%	100	%
Proposal	Number of	Total Grant										
Proposal	businesses	Ask £m	Businesses	Grant £m	Businesses	Grant £m	Businesses	Grant £m	Businesses	Grant £m	Businesses	Grant £m
1) Businesses not able to access national	5,400	£26	540	£3	1,350	£7	2,700	£13	4,050	£20	5,400	£26
government grant support												
2) High Risk Sectors	17,000	£89	1,700	£9	4,250	£22	8,500	£45	12,750	£67	17,000	£89
3) Business Starts	6,000	£10	600	£1	1,500	£3	3,000	£5	4,500	£8	6,000	£10
4) Businesses requesting hardship relief	700	£17	70	£2	175	£4	350	£9	525	£13	700	£17
Total	29,100	£142	2,910	£14	7,275	£36	14,550	£71	21,825	£107	29,100	£142

The overall indicative cost exposure for the relief grant based on the 25% demand scenario is £36,000,000.

#### **DELIVERY RESOURCE**

There will be a requirement for a development budget of £40,000 to develop the integrated online application process integrated to a backend CRM system. It is hoped that a local SCR Digital business could be used to undertake this work.

It is estimated that additional short-term resource of 3 FTE for a six-month period at a predicted salary costs of £80,000 would be required for the duration of the grant scheme

#### Total indicative cost exposure £120,000

	Next Steps	By whom	By when
1	Commission development of application form and CRM	BMBC	
	integration		
2	Recruitment of temporary grant processing resource	ВМВС	
3	Release and promotion to business base	SCR Marketin g Team & District Partners	
4	Monitoring and evaluation	Employer Recovery Group	

-		

Amendments	Proposal updated to include % modelling scenario and identification of the preferred 25% scenario as identified on the Finance Subgroup meeting 24 <sup>th</sup> September	Date	28/09/20
Amendments:	Proposal updated to include ONS business data for districts and associated level of financial modelling based on potential need.	Date	10/09/20
Amendments:	Revised following feedback from subgroup	Date	13/08/20
Amendments:	First draft completed.	Date	03/08/20
Amendments:		Date	

Outcomes/Success Measures		
Measure	Target	Purpose
Number of COVID Business relief contacts by category		Capture and understand level of interest/demand for the product for each of the defined major categories.
Number of businesses by category allocated Grant supported		<ul> <li>Retention of number of business contacts converted into grant payments by category.</li> </ul>
		<ul> <li>Provide understanding of level of qualifying demand</li> </ul>
Number of COVID Health Checks completed		Maintain a record of number of businesses completing Health Checks
Total amount of grant issued by category		Provide monitoring of grant allocation against available resource
Number of jobs safeguarded		Evidence base around the number of jobs safeguard. Critical success measure based on grant allocations.
Number of jobs created		<ul> <li>Expected to be minimal based on intervention being a response but grant funding may potential result in job creation.</li> </ul>

Number of businesses	Specialist business support
signposted to other support	Wider COVID business support offer
packages	People, Employment & Skills

References/Data Sources	
Area	Definition
Businesses that have not previously accessed a COVID grant	Numbers provided by district finance teams
Businesses that have enquired about Business Rates Relief and/or Business Rates Holidays within the 2020 Financial Year	Numbers provided by district finance teams
Business numbers by category and district	Extracted from 2019 ONS data
Eform and CRM integration	Based on quotation secured by BMBC with 50% contingency.
Financial modelling % ratios	Existing business demography % breakdown with the district of Barnsley utilised to undertake modelling work with appreciation that there may be some variation across other districts.
High Risk Sectors	Sheffield City Region at Risk sectors 13/08/20
High Risk Sectors Business Numbers	Derived from ONS data
Business Starts	Derived from ONS data
Staffing Structure	Based on emerging ERDF Business support project of PM at Grade 9 and 2 x PMO at Grade 7 (BMBC)

# Appendix C.2: Backing employers to accelerate growth and deliver a jobs led recovery: Flexible investment and recapitalisation – Capital Fund Grant

#### Renewal Plan – Delivery Project Proposal

Renewal Plan	Employer	Support Area:	Direct Finan	icial Support -						
Section										
Proposed Interve	<b>Proposed Intervention:</b> Provision of project grant funding in the range of £15,000 - £250,000									
to SCR indigenou	s businesses with t	the primary focus of s	afeguarding e	mployment within the						
context of our Jo	bs First recovery ar	nd supporting growth	of businesses	during the recovery						
phase.										
Date Completed:	18/9/2020	F	Priority:	1						
Recommended Delivery Approach										

- It is proposed that the Growth Capital Fund ("GCF") is available through grants in the range of £15,000 to £250,000
- It is suggested that outputs are based on a blend of outputs based on factors identified in the latest published Strategic Economic Plan which is open for consultation until 18 September 2020. Whilst high quality jobs are important, projects that improved productivity would be eligible as would those that were in recovery phase with social inclusion/zero carbon impact/health benefits. One suggestion is that a weighted matrix of factors could be considered in assessing applications.
- Supply chain impact could also be a factor to consider when assessing applications, for example the applicant may be improving productivity growth but not increasing jobs directly, however by increasing activity suppliers in the region would see jobs benefits.
- It is considered very unlikely that any company whose plans included job reductions would be supported.
- It is not yet known whether State Aid criteria will have to be applied to grants. It is suggested that whether or not this is the case a tiered approach is taken to the intervention rate based on the size of company, with a greater contribution being given to smaller companies. Consideration could also be given to how in depth the application process is dependent on the size of grant.

State Aid		Non-State Aid	
Employees	Max rate	Employees	Max Rate
<49	30%	<100	50%
50-249	20%	100 -249	30%
250+	10%	250+	10%

- It may be considered that the rate is affected not only by the number of employees but also by expected outputs, for example if the project is expected to achieve a high jobs growth, significant productivity improvement and high social inclusion in line with the Strategic Economic Plan then perhaps an additional 10% could be awarded. There is a risk this could be a subjective decision and all projects would then 'push' if this proceed so it would need to clear what these exceptional projects would look like to qualify for this
- Types of Eligible Expenditure
  - Capital expenditure. Typically grants similar to this have mainly supported manufacturing machinery and it is suggested that this continues to be included.

- There has historically been a demand for support towards capital items, for instance deposits where asset finance will only cover 70% of the equipment value. Capital expenditure can however cover a broad range of items including capitalised software costs, both third party and inhouse costs, and it suggested that these would be eligible. It is expected that property purchase costs would be excluded other than in exceptional circumstances.
- o Research and Development. It is suggested that the commercialisation of R&D is eligible under a new GCF grant, with emphasis on the Development rather than the Research. This could include revenue costs such as salaries. Innovate UK publish a broad range of costs they allow as eligible for claims for the grants that they award, and this could be used as a guide. It is envisaged that the development of new apps, platforms and ecommerce capabilities would be eligible whereas "business as usual" costs such as revamping an existing brochure website would not be.
- To manage demand, a proposal is that regular assessment rounds take place. This would avoid an open-ended nature of a programme and encourage applicants to submit by a prescribed date. These could take place every six weeks/quarterly.
- It is also proposed that Expressions of Interest are submitted to filter out potentially unsuitable applicants at an early stage. The filtering of the EOI will be dependent on who is selected as the delivering agent, with the Growth Hub and LA business advisors being a potential source.
- Growth Hub could provide support to the business whilst it goes through the application process to increase chances of success and also identify other areas of potential support.

#### Supporting Reasoning for Initiative

- The previous Business Investment Fund ("BIF") grant was predominantly used for capital expenditure until being suspended in November 2019. Over 95% of successful applicants had capital expenditure projects resulting in new jobs being created. This was a popular programme with SMEs. Over £10m of grants were awarded to around 70 businesses supporting projects with a combined project value in excess of £100m.
- Presently SCR has no capital grant scheme putting businesses in the region at a disadvantage to those in surrounding LEPs.
- The most common question AFCOE advisors get asked is for this type of grant and given the suspension of the previous scheme in November 2019 it is believed there is significant built up demand even in the current climate. An informal "waiting list" of businesses is in place (collected on a passive rather than proactive basis) and it is anticipated that there will be significant interest should further details be available. This list has projects totalling in excess of £40m and has not been updated for over 3 months.
- Whilst businesses have taken on debt through CBILS and BBL, for further investment debt serviceability will become tighter. Even if additional debt was available, which is doubtful given lenders appetite in the current circumstances, businesses may not be able to fully fund the required scale of investment. Previous BIF demonstrated that grant funding de-risked lending for funders and unlocked financing thereby allowing the projects to happen at a speed and scale that would not otherwise be possible.
- A Productivity grant has been launched within the SCR September 2020 with a grant size of £2,500 to £12,500. There is currently no significant grant scheme available above this size other than niche schemes, such as the Manufacturing Growth Programme which has a very limited number of capital grants which have already been allocated.

#### Identified Pros/Cons:

#### Pros:

- Ability to dovetail funding outputs with Strategic Economic Plan and other objectives
- Would meet a known demand
- Proven successes based on previous scheme
- Good opportunity for engagement with business as projects invariably part of wider expansion plans

#### Cons:

- Possibility of getting overwhelmed with initial take up from pent up demand
- Getting balance between "incentive" and "absolute need for grant" to manage fund allocation to businesses from funding pot will be a fine balance
- Defining R&D eligibility could be a grey area
- Current uncertainty over State Aid for intervention rate (although can mitigate through use of DeMinimis if required)

#### Resource Requirements with Explanation

GCF could be delivered to businesses either internally through SCR staff resources or externally. Options to consider include;

- 1. DIRECT DELIVERY THROUGH SCR. This is how the previous fund was delivered, albeit towards the end of the scheme before it was suspended changes in governance took place. Initially an external Panel was appointed comprising of a mix of public and private sector representatives. This was replaced by a new structure for the last couple of application rounds. It is considered that within the decision-making process that commercial understanding of SMEs is necessary. An option within this is that a filtering stage takes place with the submission of Expression of Interest based on eligibility criteria to reduce the administrative burden further down the process. Whichever route would still require various committees, representatives etc. to make approval decisions.
- 2. LOCAL AUTHORITIES COULD BE RESPONSIBLE FOR THE PROCESS, EITHER COLLECTIVELY OR INDIVIDUALLY. The mechanics and politics of this are beyond this draft paper.
- 3. EXTERNAL DELIVERY. A third party could be appointed to deliver the programme according to procurement rules and terms of engagement. Could be a time-consuming process and likely to be problematic should there be any perceived discrepancies or changes of scope required as the programme is flexed.

In all cases a Growth Hub Advisor could be embedded into the process to engage with the applicant and understand if further support is required.

### Identified Pros/Cons of these options: OPTION 1 – DIRECT DELIVERY THROUGH SCR

Pros:

The quickest option as can be decided internally

#### Cons:

 Requires internal resource at a time of change with potential

<ul> <li>Experienced in delivering similar programmes</li> <li>Enables flexibility should the programme need to be flexed and balanced with other streams as decision can be taken internally</li> </ul>	for initial high input requirement
OPTION 2 – DELIVERY THROUGH LOCAL AUTHORITY Pros:  • One point of contact and responsibility • Experienced in programme delivery	<ul> <li>Cons:</li> <li>Potential perceived conflict in priorities?</li> <li>Need to flex resources dependent on demand</li> </ul>
OPTION 3 — EXTERNAL DELIVERY  Pros:  • Full responsibility for staffing and resource lies outside SCR • Independent delivery and monitoring	<ul> <li>Cons:</li> <li>Lack of flexibility if needed in the future as tied to contract</li> <li>Will still require some input and monitoring</li> <li>More expensive</li> <li>Will take longer to have delivery mechanism in place</li> </ul>

#### **Anticipated Costs with Explanation**

#### INTERNAL DELIVERY COST

It is difficult at this stage to assess the size of team internally required to manage however costs could include;

- Time of senior SCR staff together with representatives from LAs and partner organisations to both
  - o set up the scheme processes and parameters
  - o participate in the appropriate quarterly application review committees
- 1 FTE for monitoring delivery against agreed outputs for approved projects
- Cost related to marketing of product
- Support required to review Expressions of Interest
- Support required to businesses accessing the scheme

A 5% allocation of fund costs towards administration of the funds including advisors, processing of EOI, managing agent etc. could be considered (in line with previous Business Investment Fund).

#### SIZE OF POTENTIAL FUND

As stated earlier the previous GCF awarded over £10m of funds to 70 businesses over 4 years. It is anticipated that post Covid-19 demand will be relatively high due to factors such as:

- Lack of debt finance available and therefore grant funding required to de-risk projects
- Pent up demand following suspension of the previous scheme in November 2019

 Businesses looking to re-invest in new ways of working in response to changes in markets caused by Covid-19

Additionally, it is anticipated that there will be more of an incentive effect from this grant i.e. slightly less challenge on the ability to obtain funding from elsewhere and an encouragement to proceed with projects that accelerate and scale outputs that dovetail with the region's Strategic Economic Plan.

The Productivity grant launched in the SCR September 2020 has a fund size of £2,715m. With a grant award range of £2,500 to £12,500 it is expected that 321 business will be supported with an average grant size of £8,457.

On a rough assumption the average GCF award is anticipated to be 10x that of the Productivity Grant. The average grant award is estimated at £100,000 based on both the range of grants available and the previous BIF grant scheme. As the Productivity Grant scheme is funded to £2.7m it seems reasonable that approximately 10x more funding will be required for a similar number of projects.

Based on 300 projects at an average of £100,000 over 2 years, the potential size of the GCF required is estimated at £30m.

	Next Steps	By whom	By when
1			

Measure	Target	Purpose
Number of businesses supported with grant, grant size and submitted outcomes	200	<ul> <li>Understand demand for product</li> <li>Predict potential future outcomes</li> </ul>
Number of Expressions of Interest received		<ul> <li>Understand level and type of demand</li> <li>Understand application of eligibility criteria.</li> </ul>
Number of businesses signposted to other support packages	200	Impact of wider business support
References/Data Sources		
Area		Definition

# Appendix C.3: Backing employers to accelerate growth and deliver a jobs led recovery: Flexible investment and recapitalisation – Repayable Loan

#### Renewal Plan – Delivery Project Proposal

Renewal Plan Section	Employer	Support Area:	Direct Fin Fund	nancial Support - Micro Loan	
•	businesses with th	•	afeguarding	ne range of £5,000 - employment within the eses during the recovery	
Date Completed:	ate Completed: 18/9/2020		Priority:	1	
Recommended D	Recommended Delivery Approach				

- It is proposed that the Micro Loan Fund will be a series of repayable loans with the primary aim of addressing cashflow challenges in order to stabilise/safeguard businesses
- and jobs and support businesses needing growth capital where opportunities exist.
  Funding would be delivering up to £100k of repayable loan, including the £5-£25k range which is currently underserved in the market.
- Delivery via an established fund manager, further detail in this area provided below. Initially the loan fund would be available for a 12-month period with an option to extend this should demand exist.
- Loans to be on repayment terms of up to 5 years.
- Interest rate and terms to be in line with the fund manager's recommendation and in line with similar offerings such as the Northern Powerhouse Investment Fund (NPIF) existing Microfinance Loan.
- Consideration to be given to whether a small interest/fee subsidy could be provided by the SCR similar to the grant provided towards interest and fee costs under both the Coronavirus Business Investment Loan (CBIL) and Bounce Back Loan schemes. This could be time limited.
- Growth Hub could provide support to the business including investment readiness whilst it goes through the application process to increase chances of success and also identify other areas of potential support.

#### Supporting Reasoning for Initiative

• Government backed schemes Coronavirus Business Interruption Loan (CBIL) finishes 30/9/2020 and Bounce Back Loan (BBL) finishes 6/11/2020 with no replacements identified at this stage. As at 7/8/2020 c£741m of funding had been accessed by businesses based in the Yorkshire and Humber from the CBIL scheme and c£2.1bn from the BBL scheme, a total of £2.84bn. Figures from NPIF performance to date indicate that c22% of funds invested in Y&H have come to SCR businesses, on this basis it is not unreasonable to assume that businesses in the SCR could have accessed 20% plus of the £2.84bn accessed through the Government backed schemes which equates to c£570m, the majority of which will be Bounce Back loans which are capped at £50k. The

- withdrawal of these schemes leaves a potential gap in available funding to SCR businesses.
- Withdrawal of the above Government backed schemes could see the possibility that Banks retrench as they have done in previous recessions leaving business struggling to access funding from Banks.
- Whilst NPIF does offer the Microfinance Loan in this region for amounts between £25k and £100k, there is not significant headroom in the fund unlike the larger Debt fund. Without additional funding from other sources or additional allocation from NPIF then businesses may struggle to fund sources of funding in this area.
- There is little provision of funding up to £25k across mainstream and sub-prime lenders. There is the Government backed Start-Up loan fund, this provides lending to directors to inject into the business for businesses up to 3 years old, however it does not support directly to business or established businesses.
- Finance Yorkshire have previously operated in this field; however, their fund is closed at the moment. Proposals being considered to deliver a similar fund but are not yet formulated and could take time to come to fruition, the SCR Micro fund could bridge the gap until FY do launch their fund.
- All businesses applying for loans could be required to complete a 'light touch' COVID Health check which will provide enhanced intelligence of wider need, to be shared with the Growth Hub so support can be provided where necessary.

#### Identified Pros/Cons:

#### Pros:

- Would help to address ongoing identified key post COVID challenge for businesses relating to cashflow.
- Opportunity to engage with businesses and establish long term relationships.
- COVID health check would provide key intelligence around impact and future needs of business
- If money is defrayed as loan, then a significant proportion should be repaid enabling the money to be recycled into other initiatives
- Covers a gap in the market for funding that could be exacerbated once CBIL and BBL no longer on offer and banks potentially retrench from the market
- Supplement existing NPIF offer which has limited funding
- Can prioritise outputs to be achieved from loans, e.g., jobs created/safeguarded, new businesses created

#### Cons:

- Do we have a robust evidence base to justify proposed product?
- Short term financial quick fix would not necessarily address significant underpinning business viability issues.
- Businesses might view interest and fees as excessive and be put off from borrowing
- Process to apply can be unwieldy for small amounts of loan.
- Some of funding would be lost and not recycled as some businesses will fail.
- Fund manager would likely request personal guarantees to support loan.

#### Resource Requirements with Explanation

The loan fund would need to be delivered to businesses either through existing fund managers in the region (or beyond) or internally through SCR staff resources. Options that could be considered include;

- 1. Provision of a "loan" to existing Fund Manager Finance for Enterprise ("FFE" more detail on them below). This could be on a low or nil interest rate basis (state-aid dependant) for a period to cover deployment of funds and collection back from business. FFE already deploy funds up to £100k from their own limited resources and funds between £25k and £100k under the NPIF Micro Loan Fund. This new loan fund could sit alongside the existing funds for FFE to deploy but subject to certain criteria that we would set such as location or outputs agreed. Interest and fees would be set and charged by FFE to the business to cover their own costs without further input from SCR. There would need to be an acceptance that not all loans will be repaid by the business which could see a reduction in the funds that are returned to the SCR for recycling (would need to be documented)
- 2. Direct procurement of an experienced Fund Manager to deliver the loan fund on behalf of the SCR. Terms would be identified within the bid document however the SCR could specify attributes of the scheme for delivery. Likely to be a time-consuming process and there could be limited applicants outside of FFE.
- 3. Delivery by the SCR team which would potentially need to be recruited. Would need a specific skillset to be able to assess/underwrite loan applications and also collect debt that falls into arrears. Numbers of loans could be significant which could be an issue in terms of resourcing.

In all cases a Growth Hub Advisor could be embedded into the process to support with the completion of the COVID "Health Check" to engage with the applicant and understand if further support is required such as Investment Readiness.

#### Identified Pros/Cons of these options:

#### OPTION 1 - LOAN TO FFE

#### Pros:

- Can be completed quickly subject to FFE agreement
- Experienced in delivering similar programmes
- Cost effective delivery method potentially
- Fund can be delivered seamlessly alongside existing funds including NPIF and own resources

#### Cons:

 Less control potentially on which businesses are supported

### OPTION 2 – PROCURE A FUND MANAGER

#### Pros:

- Able to specify terms of how the fund will be delivered
- Would benefit from interest costs/fees subject to paying costs of fund manager
- Experienced in delivering similar funds (it is assumed)

#### Cons:

- Could be time consuming in procuring meaning a delay in getting funds to market
- Could be more costly method as would result in more monitoring
- Costs of Fund Manager could be significant and outweigh any potential gains from interest or fees.

<ul> <li>Fund can be marketed alongside other funds being delivered potentially (if they are in the SCR region)</li> </ul>	
Option 3 – deliver directly to business by	
SCR team	Cons:
<ul> <li>Pros:         <ul> <li>Maintain internal control on how fund is loaned into the market</li> <li>SCR would benefit from interest/fees charged</li> </ul> </li> </ul>	<ul> <li>Need to recruit team to manage delivery as skillset to lend and collect loans may not exist in SCR at the moment</li> <li>Would need to market the product, with potential confusion/competition against NPIF offering</li> </ul>

#### FINANCE FOR ENTERPRISE

- Established and successful Fund Manager delivering a number of funds including the NPIF Microfinance Loan and the Start-Up Loan.
- Funding for SMEs is delivered up to £250k.
- Established in 1985 have reserves of c£9m and a loan of book of almost £10m at March 2019
- They have a successful track record with the SCR having delivered a loan fund for SCC and also borrowed and fully repaid a loan from SCR that was used to fund investments/loans into business.
- Information provided shows they have completed around 170 loans in this range for a total c£8m in the 12 months to March 2020 so are heavily experience in this sector

#### **Anticipated Costs with Explanation**

#### INTERNAL DELIVERY COST

It is difficult at this stage to assess the size of team internally required to manage delivery if this is not outsourced as per options 1 and 2 above, however costs could include;

- Additional FTE required to manage delivery and collection of loans
- Cost related to marketing of product
- Support required to businesses trying to access the scheme
- Bad debt write offs (could be a higher figure if managed internally due to lack of experience of managing a high number of relatively small loans)

#### SIZE OF POTENTIAL FUND

As stated earlier it is reasonable to assume that SCR businesses accessed 20% of the Bounce Back Loans delivered to the beginning of August, meaning c£400m could have been accessed by businesses in the SCR.

Assuming a fund of say £10m for the 1<sup>st</sup> 12 months and an average deal size of £40k (target set by NPIF for the Microfinance Loan) then we could support up to 250 businesses in the SCR,

around 21 per month. Dependant on demand then this could be extended beyond the initial 12 months with an additional allocation.

#### POTENTIAL LOSSES

Whilst the fund would deliver repayable loans, it is a function of the market that a % of these will not be repaid and given the present economic conditions then we would potentially see a higher figure than during a normal economic cycle.

Investigations from previous deliverers of similar funds suggest the industry would expect write off of around 5%, would see £0.5m of losses from a £10m fund, however for prudence it would be likely the actual figure would be at a higher level than this given economic conditions, say double, 10% meaning a £1m loss on a £10m fund potentially.

	Next Steps	By whom	By when
1			

Outcomes/Success Measures		
Measure	Target	Purpose
Number of businesses supported with loan		Capture and understand level of interest/demand for the product
Number of COVID Health Checks completed		Maintain a record of number of businesses completing Health Checks
Number of jobs safeguarded		Evidence base around the number of jobs safeguard. Critical success measure based on loan allocations.
Number of jobs created		Expected to be minimal based on intervention being a response but loan funding may potentially result in job creation.
Number of businesses signposted to other support packages		<ul> <li>Specialist business support</li> <li>Wider COVID business support offer</li> <li>People, Employment &amp; Skills</li> </ul>
Number of new businesses created		Evidence base around the number of jobs created. Critical success measure based on loan allocations.

### Appendix C.4: Backing employers to accelerate growth and deliver a jobs led recovery: Flexible investment and recapitalisation – Equity Fund

#### Renewal Plan – Delivery Project Proposal

Renewal Plan	Employer	Support Area:	Direct Finar	ncial Support - Equity Fund	
Section					
Proposed Intervention funding products		on of equity funding to	early stage	businesses via 3 seed	
Date Completed:		P	riority:	1	
Recommended Delivery Approach					

- It is proposed that the Equity Fund will be a series of equity investments with the primary aim of addressing cashflow challenges in order to support businesses needing growth capital where opportunities exist, where they are not able to fully access the equity capital they need to move the business forward.
- This is predominantly aimed at early stage seed investments through 3 proposed funds;

#### ANGEL CO-INVESTMENT FUND

- Smaller seed investments alongside Angel investors where there remains a gap in the funding package.
- Angels would likely be using SEIS or EIS schemes as a means of tax efficient investment. The maximum total SEIS investment is £150K and EIS is £1m subject to scheme criteria.
- Investment range £50k-£250k with a minimum of 2 other Angels investing in the business.
- Application to come from lead Angel rather than the company requiring investment. Some reliance on lead investor due diligence has potential to speed up investment.
- Terms of SCR investment to match those agreed by the Angel
- Passive investment with no board involvement.

#### CO-INVESTMENT PRE-SEED & SEED FUND INCORPORATING EARLY STAGE SCALABLE **BUSINESSES**

- Investment range of £50-£250K (with potential of follow on funding at future stages)
- The tax efficient SEIS and EIS schemes would be applicable here as well
- Typically, a seed investment scheme is looking at a 2-3-year period before seeing any return and 7-8 years before an exit. The Mercia EIS scheme models are that 1/3<sup>rd</sup> of investments will fail. The balance between risk and regional investment support will be a fine one.
- SCR do not have in-house resource to manage such a scheme. Developing such resource, if chosen, will require long term commitment.
- Whilst procuring a third party to manage a scheme may initially take longer, they would have the due diligence, legal and other services already established
- Aim would be to find other investors (other funds or Institutional for instance) that would match the SCR investment into this pot. This would piggyback onto the feasibility

- study that Capital Enterprise are already undertaking on behalf the SCR following the awarding of ERDF Grant that would support businesses looking towards equity investment.
- Could have mini funds within funds to support specific sectors, for instance a Tech Fund which is a significant sector for the SCR

In all 3 funds there is an opportunity to work with the Universities to support spinouts

FOR DISCUSSION - Within co-funding the potential for crowdfunding could exist. EIS/SEIS schemes require a potential investor to lead the investment and this could be done by SCR. By definition crowdfunding is a co-investment model. Having the facility to providing pre-seed/seed capital within an equity crowdfunding model would strengthen the offer in the region. Developing an eco-system around this with skills and experience could facilitate investment growth opportunities for businesses in suitable sectors and growth stage

#### Supporting Reasoning for Initiative

- Even before C19 early stage businesses were struggling to access equity funding and Equity Investment Funds are now focusing on their existing portfolio health and not open to new opportunities
- By adopting a co-investment model the funds introduced will be leveraged by third party investors
- The Northern Powerhouse Investment Fund Equity Fund is more focused on revenue generating and established businesses due to the stage the fund is at in the cycle of the overall NPIF lifecycle. The NPIF Equity Fund has invested c£8m to date in the SCR across 11 deals, only 3 of these for c£1.5m has been completed in the last 12 months.
- Government backed Future Fund has been very successful and over-subscribed. However only funds with previous investments are eligible for this fund.
- Speaking to the local Angel Group there have been a number of opportunities that are not fully subscribed by Angels, with a small gap meaning the opportunity has not been funded.
- One of the few local institutional equity investors at the sub-£250K level was UKSE. There was a reluctance to invest in pre-revenue businesses before C19 and now the risk appetite has likely decreased further.
- A search of the Beauhurst database was undertaken and in the last 12 months only 17 investments of under £250K were identified as having taken place in SCR LEP. This compares with 57 in Leeds LEP and 73 in Greater Manchester LEP. This would indicate that SCR is underperforming. (The figures for the calendar year 2019 were 88 GM, 63 Leeds, 17 SCR illustrating that C19 does not seem to have impacted the volume of activity at this level significantly). More detailed analysis can be undertaken on Beauhurst if required. Some external work is being undertaken on behalf of the SCR by Capital Enterprise.
- Of the SCR investments identified on Beauhurst, only two were listed as having institutional investors these being UKSE and the Connecting Capability Fund. The rest are highly likely to be angel investors who are rarely disclosed publicly.
- Capital Enterprise are undertaking a feasibility study in this area on behalf of the SCR as this area will be a significant growth opportunity for the region. A ERDF grant has been awarded to build support programmes for early stage and innovative businesses, having

co-investment equity funds would be a key necessity to support businesses in raising funding.

#### Identified Pros/Cons:

#### Pros:

- Opportunity for some high growth success stories which could see significant return to the fund
- Fills a funding gap not being met at a local or national level
- Opportunity to support" incubator" activity in BBIC, Sheffield Technology Park, Universities, etc.
- Leverage additional equity funding within region
- Would support the work that the ERDF funding is to deliver for early stage businesses

#### Cons:

- No specific research showing scale of need for fund in SCR (hence Capital Enterprise work)
- Investments can be high risk so fund could lose money (financial and governance/public perception implications)
- Timescale for exit from investments could be uncertain
- No obvious quick route to launch

#### Resource Requirements with Explanation

Funds would need to be either delivered internally or via a procured fund manager route such as Mercia or Maven.

If delivered internally would need extra resource to manage investments and procure potentially expensive due diligence and legal work for each investment that we consider.

If we were to procure a fund manager then they would deliver and undertake all due diligence and legal work, however time to set up fund could be significant.

The work being undertaken by Capital Enterprise would provide some guidance in this area once complete, would suggest taking this into account when deciding on the best delivery model.

In terms of Angel CoFund, then assuming there are other Angels taking the majority of the risk and therefore are likely to have undertaken significant due diligence ahead of their decision, in these circumstances a light touch SCR due diligence could be undertaken (or none at all potentially in some cases?). A fund manager may not find the fund an attractive proposition as it may not make sufficient return given some of the investments may be very small (sub £100k), on this basis it may be appropriate to consider running this in-house. Guidance in this area could also come from the Capital Enterprise report.

#### Anticipated Costs with Explanation

Size of potential funds

#### ANGEL COFUND

Investments would likely be smaller and maybe in the range of £50k to £250k, sitting alongside Angels who are investing the majority of funds. Assuming an average investment of c£100k then 50 investments over a 3-year period would need a fund of c£5m.

#### CO-INVESTMENT PRE-SEED AND SEED FUND INCLUDING TECHNOLOGY FUND.

Based on the Beauhurst report, which will not capture every investment, to get to 75% of Leeds LEP current activity would mean an additional 30 investments per year. Over a 3-year period if an assumption is 50 investments per annum at an average of £100,000 each, including associated fees and management costs, the funding requirement would be £15m. £20m is suggested here to allow for follow-on investments and high levels of demand, plus a larger fund would be more likely to attract co-investment from institutional investors due to scale.

In considering the size of potential fund, it is worth considering that NPIF expects follow-on investments to be made to a sizeable proportion of the companies it supports. It would be worth considering whether a longer term for the fund was appropriate to allow for follow-on investment.

	Next Steps	By whom	By when
1			

Outcomes/Success Measures				
Measure	Target	Purpose		
tbc				

Appendix D: Backing employers to accelerate growth and deliver a jobs led recovery: Employer leadership support -

### Renewal Plan -Delivery Project Proposal

Renewal Plan Section	Employer	Support Area:		Leadership Support	
Proposed Intervention: Leadership support delivery					
Date Completed : Priority:					
Recommended Delivery Approach					

Effective and resilient businesses require effective leadership, so for such an important aspect in creating resilient and growing businesses to support economic growth, a key focus on delivering business support should include supporting and developing the capability and experiences of leadership and management teams, as there is much economic research that suggests the nature of leadership in a place can have profound effects on regional outcomes.

There are currently a wide range of training programmes that are available to support the development of leadership teams, including those through the universities which are more academically based and those which are vocational, but also provision through colleges and independent training providers. However to support our business leaders and managers we need more tools and resources than formal training, including coaching, mentoring, Peer learning and different ways to support leadership development.

The below represent some of the areas of support proposed to potentially ensure there is the range of support needed from a regional business support perspective.

#### LEADERSHIP COACHING AND MENTORING

It is widely accepted that Coaching and Mentoring are effective methods of providing leadership and management support and therefore a programme of support building on existing programmes is being developed to potentially include exiting national and local initiatives such as the 'Be the Business' Mentoring for Growth initiative and learning from previous Coaching for Growth programmes. It is anticipate that over 500 Business Leaders will be supported to a cost of an average of £4000 per individual. The potential of this separate programme of work is still to be finalised.

#### PEER TO PEER SUPPORT

There is a growing body of evidence to suggest that peer to peer learning is one of the most effective support mechanisms for developing and supporting leaders and managers. Peer Networks is a nationally funded support initiative delivering an action learning peer-to-peer networking programme for SMEs that will be delivered locally by the network of Growth Hubs across England. Peer Networks will help more SMEs to access high quality Peer Networks initiative whilst supporting the economic recovery from COVID-19 in the short term and improving firm level productivity in the medium to long term. Peer Networks will enhance the leadership capabilities, knowledge and confidence of business owners and entrepreneurs within a local region. It will help build local connectivity and strength within the SME business community.

The initiative will be proactively marketed as a local response and boost in resource aimed at leadership support for SMEs in direct response to growing a network of support, triaging prospect companies via the gateway. Co-marketing will be initiated for a joint response and call with BEIS.

Following the development of a national programme the Peer Networks by the Department for Business, Energy & Industrial Strategy (BEIS), the Sheffield City Region LEP opted into the scheme and is in progress of accepting the grant value and associated terms (initially as a pilot to March 21).

This programme of work is currently being funded via a pilot and can be assessed upon completion post March 21 for suitability for ongoing support.

#### NON EXECUTIVE ACCESS AND SUPPORT.

To support leadership teams with effective decision making a tool often employed by many organisations is the use of Non-Executives. It is therefore proposed that a funded Non-exec delivery programme is implemented providing access to seasoned business leaders whom contribute to effective decision making and can offer advice and support across the board.

Potentially up to 350 business supported to receive access to Ned support anticipated cost £2.5m - £3m in cost. The potential of this separate programme of work is still to be finalised.

#### FORMAL TRAINING SUPPORT.

Ensuring business leaders are aware of the support available for training such as through Skills Bank Higher Apprenticeships as well as subsidised training and leadership support such as the Small Business Leadership programme available through Hallam University potentially funded through the Sheffield Innovation Programme. This along with the array of accredited and non-accredited training to support skills development and ensuring businesses are connected to this support where applicable.

#### Supporting Reasoning for Initiative

This area of work identifies the need to support our region's business leaders to improve strategic decision making, helping accelerate growth while improving preparedness for the changes ahead. This will include support to enable leaders to better decision making on investment in technology low carbon transition, employee health and wellbeing, social responsibility and to develop new markets and well as overall leadership and management capabilities.

#### Identified Pros/Cons:

#### Pros:

- Some Leadership support already in place - can enable access a range of training programmes and leadership development
- Peer Support fully funded as a pilot to March 21
- Lots of data to demonstrate leadership support supports growth.
- Offers one to one support in addition to business wide advice and support .

#### Cons:

- Potentially more costly to access training and one to one coaching.
- More difficult to measure impact

#### Resource Requirements with Explanation

As a minimum there will be a requirement for at least one full time role to manage the issuing for work contracts to relevant specialists, and manage the ongoing activity of tier 1 advisors along with increased administration support for processing timesheets for activity delivered and any output documents.

Dependent upon the volume of specialist referrals, this may require a project manager with the option to flex up if/when needed based on the volume of businesses accessing a specialist framework. May also need some slight uplift in contracts and performance team who manage the contract with Bloom and the issuing of contracts.

Basic requirement - one project manager - one admin staff to manage and support effective delivery as soon as this is approved and goes live.

#### Anticipated Costs with Explanation

Cost per year.

Estimated costs – Leadership Coaching Mentoring Support Some activity underway via Mentoring for Growth - however rough indicative costing (yet to be confirmed) include £2m per annum to support business coaching initiative based on a maximum cost of £4000 per business (up to 2 key Leadership roles) per annum and for the NED Access - up to £3m to support a Ned programme of work based on a typical cost of £1k per month per annum per business.

Next Steps	By whom	By when
NA		

Outcomes/Success Measures		
Measure	Target	Purpose
Individuals / Business supported	1000	Enable effective decision making - supporting
and growing		tech adoption, focus on renewable energy etc

# Appendix E: Backing employers to accelerate growth and deliver a jobs led recovery: Supply chain and procurement support

### Renewal Plan – Delivery Project Proposal

Renewal Plan Section	Employer	Support Area:	Supply Chai	in			
<b>Proposed Intervention:</b> Provision of a regional wide supply chain programme, focussed on opportunity development - capability building and regional mapping.							
Date Completed: 05.10.2020 Priority:							
Recommended Delivery Approach							

Help with developing supply chains is a key ask of Sheffield City Region businesses post COVID-19. Lack of new business, the inability to engage with potential customers and suppliers on a global scale and a need to reduce costs has become a real concern for businesses.

We are looking to address this by the provision of a regional wide supply chain programme, focussed on opportunity development, capability building and regional mapping which can be accessed by businesses competing in priority sectors within the Sheffield City Region.

A focus on developing effective supply chains, regardless of whether they are regional, national or further afield requires significant planning, collaboration, co-operation, support & investment, and developing initiatives to support businesses to become part of successful

supply chains requires many of these attributes are not limited to the challenge presented by COVID-19

There are a number of key components which have been discussed in developing a regional Supply Chain initiative, these include:

#### WORKSTREAM 1 - OPPORTUNITY DEVELOPMENT

This strand of work will cover helping businesses to be able to access supply chain opportunities via a range of different mechanisms and different support in place to facilitate this. This will include:

- Access to procurement specialists willing to deliver 'Masterclass' style events, initially on a virtual basis, prior to moving to the delivery of physical events spread across the SCR.
- Development of opportunities such as more traditional 'Meet the Buyer' type events, as well as challenge-based programmes addressing supply challenges with larger companies.
- Awareness raising of existing opportunities. This will include dedicated e-newsletters; dedicated pages on the SCR and partner webpages; a coordinated campaign of regular posts highlighting current opportunities across Social Media (LinkedIn; Facebook, Twitter etc.). In addition, provision of regular information on the main Portals; Framework Agreements and other such tools that organisations use to publicise contract opportunities on a local / national / international basis
- Engaging with public sector procurement teams within the LAs; LEP; the 2 Universities; NHS; Fire; Police etc. to gain a better understanding of their processes and how we can work better to raise awareness of opportunities and to educate businesses in respect of submitting successful bids
- Engagement with existing national organisations (representative bodies; trade associations; member organisations etc.) to raise awareness of events and opportunities, and also to consider collaborating to develop specific supply chain-themed events within the City Region.

This area would potentially form a sub programme of events under a Supply Chain Programme of activity.

This could include a range of support to help upskill businesses and help them to be able to understand the process and how to write effectively and understand the bid writing process. This will require access to Procurement specialists willing to deliver 'Masterclass' style events, initially on a virtual basis, prior to moving to the delivery of physical events spread across the SCR. Initial sessions could be delivered by key public sector organisations within the SCR (see comments below re: potential collaboration).

Development of opportunities such as more traditional 'Meet the Buyer' type events, as well as challenge-based programmes addressing supply challenges with larger companies etc. Knowledge sharing on the vast array of areas to register and be able to respond to opportunities etc.

Awareness raising of existing opportunities (effectively a tiered support approach as some businesses will know where to look but some will not). This may include dedicated enewsletters; dedicated page(s) on the SCR and partner webpages; a coordinated campaign of regular posts highlighting current opportunities across Social Media (LinkedIn; Facebook, Twitter etc.). In addition, provision of regular information on the main Portals; Framework

Agreements and other such tools that organisations use to publicise contract opportunities on a local / national / international basis.

Given the significant combined annual spend of the public /quasi-public sector within the Region, it is felt that a key element of this work will include engaging with the Procurement teams within the LAs; LEP; the 2 Universities; NHS; Fire; Police etc. to gain a better understanding of their processes and how we can work better to raise awareness of opportunities and to educate businesses in respect of submitting successful bids. Initial discussions with the Sheffield Progressive Procurement Group and Doncaster's Anchor Institution Group, should assist in taking this forward, however, it will need the buy-in of senior individuals within each of the institutions (not just Procurement) to take this forward. We also need to determine whether there are similar groupings within Barnsley and Rotherham. Also, note that some organisations (the NHS, especially) do not necessarily operate solely within established LA boundaries, so we need to ensure that we engage with all appropriate organisations.

An initial suggestion is to look at the feasibility of delivering a virtual pan-SCR Public Sector 'Meet the Buyer' event, in collaboration with Doncaster and Sheffield Chambers, who have recent experience of using this technology in respect of delivering virtual Trade Missions during the COVID pandemic. Another element of this workstream could be to explore the potential to develop a monthly e-newsletter highlighting public sector tender opportunities across the SCR.

Another aspect is to engage with existing national organisations (representative bodies; trade associations; member organisations etc.) to raise awareness of events and opportunities, and also to consider collaborating to develop specific supply chain-themed events within the City Region. Examples of suggested organisations include the SMMT (The Society of Motor Manufacturers and Traders) and NDI (part of Make UK – *formerly EEF*).

#### WORKSTREAM 2 - BUSINESSES SUPPLY CHAIN DEVELOPMENT

**Businesses do not compete, Supply chains do!** Is a phrase that is often used to demonstrate the power of supply chains to be able to compete effectively in a global marketplace. Supply chains obviously stretch well beyond the boundaries of the SCR, however enabling our regional SMEs and helping them build capability will help to improve productivity of our regional businesses, increase the attractiveness of the region and ensure we are supporting continual improvements and growth for our key clusters and their businesses.

This strand of the programme will be aimed at raising awareness levels of SMEs within the SCR that have potential supply chain capabilities to be able to develop and focus on putting in place the business systems and processes which are prerequisites of businesses winning work.

- This will involve procurement professionals carrying out basic diagnostics which will identify business gaps that need to be addressed. Generally, these would be working towards ensuring businesses have the right skills, business planning and strategic focus, basic accreditations, the implementation of quality management systems and other cluster specific requirements helping businesses to achieve supply chain readiness.
- Supply Chain readiness will include working with businesses that may already have a basic level of readiness and may already be part of a key cluster supply chain, but where improvements are required to grow or move up the supply chain. This, for some businesses, will include support for diversifying into other supply chain clusters so

gaining a specific kite mark or accreditation which the business currently does not possess, or simply looking at how to make a significant step change for growth in the current cluster.

- It may also mean facilitating the process for businesses looking into their own supply chains and ensuring they are fit for purpose going forward.

There is some merit in looking at this supply chain strand on three basic levels:

**1** - Supply Chain Readiness 2 - Supply Chain Development **3** - Creating and Managing SC Opportunities.

Supply Chain Readiness would be raising awareness levels of local SMEs that have potential supply chain capabilities to be able to develop and focus on putting in place the business systems and processes which are prerequisites of businesses winning work. The delivery process would involve basic diagnostics with suitability/eligibility assessments which then identify business gaps that need to be addressed. Generally, these will be working towards ensuring businesses have the right skills, business planning and strategic focus, also gaining basic accreditations, the implementation of quality management systems and other cluster specific requirements helping businesses to achieve supply readiness. Examples include achieving the 'Fit for Nuclear' standard for the Nuclear Industry as we have discussed – but this is a narrow sector focus.

Supply Chain Development will include working with businesses that may already have a basic level of readiness and may already be part of a key cluster supply chain, but where improvements are required to grow or move up the supply chain. This may also include some aspects of the supply readiness programme but may also include the requirements for diversifying to other supply chain clusters - so gaining a specific kite mark or accreditation which the business currently does not possess, or simply looking at how to make a significant step change for growth in the current cluster.

It may also mean facilitating the process for businesses looking into their own supply chains and ensuring they are fit for purpose, who are their suppliers – how many are using local or UK based and is this appropriate – cost effective delivering the right quality etc. – depending on the business, are there support modules we can deliver for businesses looking into developing or consolidating their own supply chains? – (other side of the coin for the Meet the Buyer events – i.e. some of the larger businesses in the region etc.?)

Supply chain development is not just a process of matching opportunity with potential providers, to carry out the process effectively there needs to be a strategic approach in preparing business to be ready for when the opportunity arises. To do this would mean carrying out reviews with businesses to look at what they need to do to prepare to take advantage of these opportunities and to build this into some sort of business plan. This may mean obtaining relevant accreditations that are required to enter specific contracting agreements, it may mean looking at opportunities outside their normal sphere of activity (supply chains often function outside sector specific activity) and it may also mean collaborating with other businesses to provide a service or product.

Relevant experience on the part of Supply Chain Specialists (SCS), or an intuitive, investigatory approach to carrying out research from key members of a back office support team, to identify these regulatory issues, and passing the data on to SCSs following a request for information

from that person, will be important when linking supply opportunities for companies entering a new market.

**Opportunity Management** is ensuring that activity is taking place to create supplier opportunities, without creating the opportunities there is little point in simply 'capacity building' therefore, this needs to be part of any supply chain initiative, so Workstream 1 is key.

Examples of Delivery elements which may form part of a Supply Chain initiative could include:

 Supply Chain Diagnostic - Upfront diagnostic models commonly developed across any/all deliverers

Businesses would undergo assessment of suitability and key areas for development.

• Benchmarking - Benchmarking current capabilities and current supply chain involvement

Businesses assessed against a benchmark model to understand their product/services and where they currently supply and benchmark against an agreed framework and a key strategic approach developed.

• Knowledge Development - Delivering tailored training modules that fit the business need. One to many and one to few.

Businesses would take part in knowledge development workshops which would be tailored from the output of the previous two stages – e.g. 5S – Problem Solving - Bid writing - Supplier requirements also access training grants for key staff from Skills Bank - aimed at middle management & the labour force.

• Embedding and Readiness (certification) - Provision of key support which is supported with financial or direct help to deliver.

Businesses supported to embed key development areas and to improve productivity, could include - Implementing Lean systems - Quality Management, OEE - Right First Time - Achievement of Supplier Excellence models for key sectors. Could also include all the areas above all bespoke to each company in return raising productivity and enabling growth, as well as ensuring the businesses to be SCR supply chain ready. (SCR – SCR).

• Opportunity Planning - Business Planning reviews - ensuring planned and targeted approaches are adopted.

Businesses supported with developing a longer-term supply chain strategy, including development of ongoing training requirements, attainment of continuous improvement milestones and the development of opportunity action plans, promoting growth and also cluster growth regionally.

• Industry Partnership Development

The University of Sheffield AMRC, along with a number of large companies involved in the rail industry in the region such as Unipart, (or bringing external OEMs to also showcase the regional capabilities etc.) to focus on key developments in the rail industry - while simultaneously developing capability within our local SMEs to be involved.

As suggested, these are just a few and there are many aspects which may form part of a programme, some may be sector specific, some may be based upon regional or international aspects, or upon the size and nature of the businesses that are being supported, the above is not an exhaustive list but hopefully gives a straw man on which to review and build a regional plan and approach.

A business will only be as good as its supply chain. If it is let down consistently by part of that chain it can, and will, have a direct effect on a business' ability to deliver goods or services on time. Therefore, it will be important to constantly review distances travelled, quality and price to ensure supplies and suppliers are fit for purpose. If these can be improved by sourcing local goods and services, then a business has a much better chance of surviving and growing in its chosen markets. It will also reduce carbon footprint and potentially allow a business to reduce stock holdings and enable them to call in the relevant goods or services at shorter notice.

The benefits of a coherent, intelligent supply chain initiative to the regions inward investment portfolio cannot be underestimated. Inward investment activity is often very bland, every area claims to be close to motorways, every area promotes quality of life, some even promote their low wages locally, the package often majors on premises with a plethora of industrial units all available to meet a business' requirements. Attendance at events promoting premises, motorways and the relevant skills of our workforce does not differentiate us from a number of other areas looking to target the same companies. However, if we can nail down our supply chains we can proactively target potential inward investors and include this information into our offer. An offer based on right premises, right skills and solid supply chain opportunities looks better researched, more specific and more efficient.

To develop a credible supply chain initiative will require the appropriate, potentially substantial, resource. The supply chain activity is only as good as the data it accumulates, the ability to promote and disseminate this data and the ability to interpret this data into business opportunities. It needs to be credible, trustworthy and on top of its brief. Otherwise it will fail.

A strong web presence with up to date information is essential, the point at which our information is deemed to be out of date is the point at which local business will lose faith in what we are trying to achieve.

To be credible will mean both a substantial marketing budget to make businesses aware of the activity and what we aim to achieve (including finance to put on meet the buyer events, business challenges and hackathons), a budget to help with any activity a business may need to take to improve its opportunities (such as training or accreditation, or help with submitting a tender) and a good "people infrastructure", probably sector based supply managers with a knowledge of procurement and/or buying. To this end, we would suggest the following Supply Chain Specialists:

- Health (it became clear during the pandemic that local supply chains in this area were limited)
- Engineering (includes Rail and Automotive)
- Digital
- Food/Services
- Construction/Logistics
- Aerospace/Space

The Supply Chain Specialists would be supported by 4 x Supply Chain Research and Development Officers (one per LA), and an overall Project Manager, who collectively would be responsible for:

- Website maintenance
- Research activity
- Promotion of Events and Marketing

The team would predominantly be "out in the field" across the City Region so it's equally important that we have back office support to manage data and update the website to keep it contemporary, and to carry out marketing and events activity, which will be a vital tool to enable supply chain sector managers to engage with clients, and to promote business networking.

SCSs could be devolved into local partners but work across the region to support business in their specific allocated sectors. The back-office team could sit at SCR or be based in one of the local authority partners. Location of the team is not as important as their proficiency to stay on top of data, and their ability to engage with the local business stock, to win confidence and credibility.

Whilst it makes sense to "piggyback" on to the existing supply chain websites it will also be worth engaging directly with procurement teams to look at re-invigorating a "Buy South Yorkshire" initiative. Again, this is only as good as the information on it, so there is a key role to play in ensuring the data is kept up to date and we should look at good practice across the UK to see what works best. The key is to promote local sourcing on the basis that it may not always be the cheapest, but supporting local suppliers means local wages are spent in local facilities.

#### WORKSTREAM 3: SUPPLY CHAIN MAPPING PLATFORM

The programme will also look to carry out a mapping exercise in order to understand the regional clusters and the number of companies that are involved at specific levels of supply chains in these specific clusters Rail, Construction, Aerospace, Automotive, Energy, Food & Drink, Defence, Space, Logistics, Design and Digital.

This would form an essential regional knowledge base and will be used to develop greater awareness of the capabilities that exist across the region, also to support inward investment opportunities and for identifying cross business opportunities.

Across all strands of the proposed supply chain programme there is the requirement to develop an online platform which will promote businesses in the SCR, create linkages between businesses and house the supply chain opportunities locally - regionally - nationally etc. that companies will register for, see and be able to bid in for. The platform will also be used as an inward investment too as investors will be able to see the capability of the SCR business community in order to aid decision making on whether to invest in the region.

The platform will also help us to understand the regional clusters and the number of companies that are involved at specific levels of supply chains in these specific clusters regionally. (Also possibly spreading further afield to understand more region-wide, include collaboration from NPH Growth Hubs and other supply chain initiatives).

There is a benefit to mapping the businesses that are involved in our key clusters - for example:

## Rail, Construction, Aerospace, Automotive, Energy, Food & Drink, Defence, Space, Logistics, Design and Digital.

This would form an essential regional knowledge base and could be used to develop greater awareness of the capabilities that exist across the region, also to support inward investment opportunities and for identifying cross business opportunities. At present, the only similar resource available within the City Region is the Made in Sheffield Capability Index, which is limited to member manufacturing businesses, within the 'S' postcode area.

If looking at developing an ambitious supply chain programme across the region then as discussed there is a potential requirement to develop a platform which manages some or all of these elements. Initially it could be kept simple but could develop into enable accurate mapping of key clusters and sub clusters, creating geographic heat maps, creating tiered cluster reports, being able to manage and keep these up to date and for use as a key inward investment tool, but also getting key insight for the region on key and important sectors for the region. The platform could/should also be able to create the linkages between businesses and house the supply chain opportunities locally; regionally; nationally etc.

SCR already have the offer of us being able to join with <a href="https://www.thesupplychainnetwork.co.uk/">https://www.thesupplychainnetwork.co.uk/</a> for free. This seems a sensible option, however, additional financial resource will be required, as with this model, the Portal is backed up by the provision of specialist Supply Chain Advisors that cover the existing geography of York, North Yorkshire and the East Riding.

We have also been talking to a number of other providers including Maven who have offered to work with the City Region on a supply chain tender, new business and mapping portal which SME's in the region would subscribe to, possibly on subsidised basis for the initial six months of membership.

To have the greatest impact, this specialist provision would need to be replicated for South Yorkshire, which links back to the role of the Supply Chain Specialists outlined under Workstream 2.

#### Identified Pros/Cons:

#### Pros:

- Support Inward Investment;
- Create the opportunity to more effectively map the City Region activity and competences;
- Opportunity to engage with businesses and establish long term relationships.

#### Cons:

- Do we have a robust evidence base to justify proposed offer?
  Steer ED work.. ? NP11 work.. ? SCR Work.. ?
- Will require significant resources to implement and deliver effectively.
- Supply Chain delivery framework does not currently exist in SCR other than F4N.

#### Resource Requirements with Explanation

4 x Supply Chain Research and Development Officers to sit in each LA, working on organisation of Workstream 1 events, marketing plus supply chain business engagement and Workstream 3 tender exercise and development, plus marketing of web portal.

1 x Project Manager to oversee individual referrals and brokerage into framework, ensuring access to the right specialists, processing applications, project completions and administration requirements.

#### Anticipated Costs with Explanation

#### Workstream 1 - Opportunity Developments

6 x large scale meet the buyer events (2 per year) at £5000 per event = £30,000 12 x supply chain masterclasses (4 per year) at £3000 per event = £36,000 Supply Chain Research and Development Officer (1 per authority, grade 9) = £600,000 Marketing of events and opportunities at £2000 per year = £6000 Subscription to membership organisations and tender sites at £5000 per year = £15,000

TOTAL = £687,000

#### Workstream 2 - Supply Chain Development

Access to dedicated specialist supply chain advice, delivered through Supply Chain Specialists (procured through the Bloom Framework), based on 30 referrals per month, per LA, across 36 months = £5,443,200

Project Manager to support the programme = £45,000 x 3 years = £135,000

Total = £5,578,200

#### Workstream 3 - Supply Chain Mapping

Mapping of regional expertise report (Tender exercise) = £50,000 Development of SCR dedicated supply chain and opportunity web portal = £100,000 Subsidy for companies registering on web portal 4000 companies at £300 per company over 3 years = £1,200,000

Marketing of portal at £1,000 per year = £3,000

Total = £1,353,000

#### Total cost of 3-year programme = £7,618,200

	Next Steps	By whom	By when
1	NA		

Outcomes/Success Measures				
Measure	Target	Purpose		
Businesses engaged	9520	Engage as many businesses in the programme – (light Touch)		
Individual businesses supported	4320	One to one extended support to develop supply chain readiness		

Jobs created / safeguarded	8640	Jobs safeguarded or created by SCR
		companies through direct engagement with
		the programme
New contracts awarded	£50,000,000	New contract value awarded to SCR
		companies through supply chain
		interventions

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Document is Restricted



By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

Document is Restricted





#### 05/10/2020

#### **Business Recovery and Growth Board**

#### Joint working with the Department of International Trade

#### **Purpose of Report**

To update the BRGB on the joint working that is happening with the Department for International Trade (DIT) with the purpose of securing new and further investment into South Yorkshire from Foreign Owned Businesses and to develop opportunities for Businesses located in South Yorkshire to Trade and Export into overseas markets.

#### **Thematic Priority**

- 1. Facilitate and proactively support growth amongst existing firms.
- 2. Attract investment from other parts of the UK and overseas and improve our brand.
- 3. Increase sales of SCR's goods and services to other parts of the UK and abroad.

#### Freedom of Information and Schedule 12A of the Local Government Act 1972

This paper is available under the Freedom of Information Act

#### Recommendations

Members are requested to note the work of the MCA/LEP with DIT as part of its programmes in the Northern Powerhouse.

#### 1. Introduction

- 1.1 This briefing covers the joint activity undertaken or planned in collaboration with DIT as part of the NP11 and covers:
  - The on-going Northern Powerhouse (NPH) Key Account Management Programme (KAM)
  - The development of dedicated International Trade Account Support for the MCA
  - The development of the Overseas champions programme, by the NP11 to promote trade and investment opportunities across the North.

#### 2. Proposal and justification

#### 2.1 Northern Powerhouse Key Account Management Programme (KAM)

#### 2.1.1 Purpose

The MCA has for the last 2 years participated in the KAM programme, funded by the DIT Northern Powerhouse team. The primary purpose of the programme is to increase the amount of investment foreign-owned businesses add to the economy of South Yorkshire and that strategically important businesses are added to the One List (comprising the most

strategically significant foreign-owned companies/investors in the UK and therefore on Ministers radars).

#### 2.1.2 Current delivery arrangement

- The KAM programme is being delivered by 2 Key account Managers who are part of the Growth Hub team and have project support from the Growth Hub.
- One key account manager covers Doncaster and Rotherham and the other Sheffield foreign owned companies

#### 2.1.3 Performance

- In 2019/20 the programme has engaged with 153 companies with 57 been actively managed.
- 23 foreign investment projects were recorded in South Yorkshire
- To date the programme has engaged with 263 companies across Doncaster, Rotherham and Sheffield and enabled a more proactive approach to supporting existing foreign owned companies. The programme has also provided the resource and focus to access to high level senior decision makers and develop a supportive relationship with us.
- 21 projects have been identified including expansion, R&D and export activity. A highlight is the proposed expansion of Ardagh Glass in Doncaster within the next 3 years with an investment of between £14m and £18m.
- The current programme ends in March 2021 and an extension of the KAM programme is being negotiated with DIT across the Northern Powerhouse geography.
- This workstream aligns with the priorities of the Recovery Action Plan (RAP), providing an early warning of any signals of distress/potential disinvestment by foreign owned businesses operating in South Yorkshire.

#### 2.2 International Trade Account Support

#### 2.2.1 Purpose

This is a new area of work with a proposed start date of the beginning of December. It will pilot an approach until the end of March 2021 (which will hopefully be extended) which will embed a fully funded member of staff from DiT within the Trade and Investment team to work on the following areas:

- Support the NP11 strategy to increase exports from the North of England into the rest of the world.
- Expand the number of companies on the India Growth Champions programme with DIT account management engagement and support.
- Evaluate and develop a similar operating model for other key markets for example, China and North America.
- Provide evidence to the policy team for the development of the MCA International Strategy with regards to exporting.
- Raise awareness of export opportunities and markets for South Yorkshire companies by acting as a focal point for export knowledge and intelligence.

#### 2.2.2 Planned Delivery arrangements

- Recruitment will be by DIT against an agreed job description and person specification. A key element of this will be the requirement for the person to have extensive international experience and knowledge initially with the Asian markets.
- The individual will be embedded within the Trade and Investment team.

#### 2.2.3 Performance

Performance is still being negotiated with DiT, it is likely to include all the areas covered above in the purpose section.

Further updates can be made at future meetings on the progress made.

#### 2.3 Overseas champions programme

#### 2.3.1 Purpose

Currently DiT employs a number of staff based in overseas markets who are responsible for generating new Inward Investment enquiries and further investment from foreign owned businesses in the market they are based in.

These members of staff have traditionally been either focused on Trade or Investment and sector specific with a UK first approach.

The DiT team that are based in the Northern Powerhouse have been allocated some money to pilot having people specifically focused on the North based in the overseas markets where the North has the best synergies and where the most opportunities are likely to come from.

The aim is to:

- Raise the profile of the North
- Increase awareness of the trade and investment opportunities across the NP11
- Recruit NPH overseas champions in key markets including, Latin America, India, China and possible the Middle East, Europe and Africa.
- In some markets the champions will be key sector focussed for example in India the focus will be on investment in Tech and Life Sciences.

#### 2.3.2 Planned Delivery arrangements

- DIT are undertaking an in-market recruitment programme to recruit for the posts. (A member of the MCA Investment team is sitting on the interview panels for key markets)
- Posts will be based in market with regular communication with NPH members
- The first recruitment has taken place for the Latin America market. The posts for India in Technology and Lifesciences have been advertised and applications are being shortlisted for interview. Recruitment in other markets is yet to take place.

#### 2.3.3 Performance

Performance and measurement is being negotiated between DiT and the NP11 members from the Trade and Investment forum.

Further updates can be given at future meetings on the progress made.

#### 2.4 Timings

Normal course of business:

 The NPH Key account management programme will run until March 2021(it is hopeful this will be extended)

- The International Trade Account Support programme is a 6 -month pilot project until March 2021(it is hopeful this will be extended)
- The Overseas Champion Programme is being recruited for on a market by market basis operating until March 2023

#### 3. Consideration of alternative approaches

#### 3.1 N/A

#### 4. Implications

#### 4.1 Financial

Claims are made on a monthly basis for the KAM funding, no financial implications for the other programmes have been identified.

#### 4.2 Legal

Agreements in place with DiT on funding of work and associated outcomes.

#### 4.3 Risk Management

If the programmes currently funded by DiT cease to exist this leaves a gap in the continuation of the service and the MCA's ability to support businesses with exporting overseas.

### 4.4 Equality, Diversity and Social Inclusion N/A

#### 5. Communications

5.1 As the programme further develops there will be a need to communicate and market the activities and successes over and above the current arrangements.

#### 6. Appendices/Annexes

#### **6.1** N/A

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Background papers used in the preparation of this report are available for inspection at: 11 Broad Street West, Sheffield S1 2BQ

Other sources and references:



#### 05/10/2020

#### **Business Recovery and Growth Board**

#### **India Trade and Investment Programme**

#### **Purpose of Report**

To update members of the board on the progress made on the work of the India Trade and Investment Programme

#### **Thematic Priority**

The priorities covered by this report are:

- 1. Facilitate and proactively support growth amongst existing firms.
- 2. Attract investment from other parts of the UK and overseas, and improve our brand.
- 3. Increase sales of SCR's goods and services to other parts of the UK and abroad.

#### Freedom of Information and Schedule 12A of the Local Government Act 1972

This paper will be available under the Freedom of Information Act

#### Recommendations

To acknowledge the progress made on the India Trade and Investment Programme. Support the continuation of the programme and further development.

#### 1. Introduction

#### 1.1 Background

- India represents an important, but under-exploited market of opportunity for South Yorkshire.
- In 2017, the Sheffield City Region (SCR) commissioned The UK India Business Council (UKIBC) to undertake detailed market research on India for boosting trade and investment opportunities. There were 5 clear recommendations from this report:
  - Focus on the Western Cluster, with Pune as the top target city and Maharashtra as the target region.
  - Focus on Advanced Engineering and Manufacturing, Healthcare and Digital which resonate with Sheffield's sectoral strength.
  - Establish a brand that resonates in India 'Make in India: Design and Develop with the Sheffield City Region.'
  - Bringing SCR assets (namely AMRC and AWRC) together and projecting them in a coherent and mutually supportive way.
  - A strategic India Forum should be set up to oversee implementation and build support for the future.
  - Roll out an export growth programme to help firms to overcome barriers to entering the Indian market, which can often be perceived as challenging.

- The Executive Team have visited India twice since late 2018 to initiate the India strategy.
  - The first was a reconnaissance visit to Pune and Mumbai to meet a number of the stakeholders identified in the 'Make in India: Design and Develop with the Sheffield City Region' report and set the scene for a formal MCA visit afterwards. There has been significant engagement with senior government officials at the Mayor of Pune's office and Chief Minister of Maharashtra's office as well as University of Pune, IIT- Bombay, trade associations and several businesses in advanced engineering, automotive and aerospace sectors.
  - The second visit in November 2019 was led by Sir Nigel Knowles as the Mayors advisor on International Trade and Investment to meet and discuss investment and collaboration opportunities between Maharashtra and the MCA/LEP. Please find a summary of those discussions in Table 1 below. The MCA, AMRC and a number of private businesses attended this delegation which coincided with the Northern Powerhouse (NPH) visit to India.
  - We are working with the UK India Business Council to create a trade and investment strategy implementation roadmap (focusing on the next two financial years) in terms of building and showcasing South Yorkshire and our sectoral strengths to potential Indian investors, the implementation of which will be overseen by the proposed India Forum.
  - In keeping with the recommendation, in April 2020, we launched the MCA India Growth Champions Programme, aimed at increasing exports from the region. Please see an update on the programme below in Table 2.
  - The UK Government is increasing its engagement with India through a Joint Economic Trade Committee (JETCO). JETCO is led by DIT (facilitated by the UK India Business Council) and operates at Cabinet Minister level. At the July meeting, the UK's Secretary of State for International Trade and India's Commerce Minister announced an "Enhanced Trade Partnership, as part of a roadmap that could lead to an FTA". (Trade Agreement)

### 1.2 Summary of discussions in SCR's Trade Mission to India in November 2019 (Table 1)

AREA	OBJECTIVES	ORGANISATIONS MET	OPPORTUNITIES
Trade & Investment	Grow trade & investment by collaborating and fostering business-to-business	Maharashtra Industrial Development Corporation	Promoting investment opportunities during the UK Magnetic Maharashtra Summit (tbc)
	collaborations	Roundtables and business dinners held with professional service firms, business intermediaries & support organisations	<ul> <li>Sourcing investment opportunities</li> <li>Supporting our India Growth Champions Scheme</li> <li>Supporting with our Alumni Champions Scheme</li> </ul>
Research, skills & education	Create an education and skills ecosystem that gives young people the technical	Bharat Forge	Existing Tier 2 AMRC member  Collaboration opportunities around digital enabling

	and vocational skills		equipment, talent
	needed to succeed		recruitment & retention
Creating a good and healthy place to live through improvements in air quality, traffic management, active/urban transport (future mobility), transition to a low carbon economy and water/waste/flood management	healthy place to live through improvements in air quality, traffic management,	Pune College of Engineering	Development of industry-informed curriculums e.g. digital manufacturing, sustainability, e-mobility, circular economy
	Indian Institute of Technology Bombay	Previously visited AMRC  Collaboration opportunities in relation to machine science, composites and additive manufacturing through student exchange programmes and application of	
			research into AMRC industry setting
		Automotive Research Association of India	Collaborations around additive manufacturing processes e.g. affordable light weighting using sustainable materials for mass mobility purposes, developing alternative fuel systems e.g. hydrogen, electrification of public transport systems
		ISME School of Management & Entrepreneurship	Student exchange programmes
City to City Regions Collaborati ons	To build a knowledge, technology and trade corridor between two city regions.	Divisional Commissioner Office, Pune	Collaboration with Pune city region in 3 core areas: i. Environment:     Mainstream climate     action,     environmental     planning and     natural resource     management ii. Economy:     Strengthen the     diverse economy     and workforce     capabilities

	iii.	Growth: Guide
		integrated and
		equitable urban
		growth

#### 1.3 Growth Champions programme update

(Table 2)

Growth	Sectors	One-to-many	One-to-one
Champions		support update	support update
1 <sup>st</sup> cohort:	Engineering and	Conducted two	Initial business
Macalloy Ltd,	manufacturing,	workshops in May	diagnostic
Kycker/Kryptic	healthcare and,	and September	interviews have
Media, Robson	digital	2020 covering a	been conducted
Handling		range of general	with all the nine
Technology,		and a specific topic	Growth Champions
Donasonic		on economy,	by the UKIBC.
Automation		politics, government	Tailored support
2 <sup>nd</sup> cohort:		policies, tax	plans are being
Zoo Digital, Lomas		structure and supply	finalised with
Engineering,		chain.	individual Growth
Magnomatics Ltd,		Live case studies on	Champions.
Maher Ltd, King		India entry were	Deliveries on market
Kraft Ltd		presented by the	assessment have
		guest speakers.	already begun with
			the first cohort.

#### 2. Proposal and justification

#### 2.1 Key learnings from SCR's India visits:

#### Trade and Investment

- We learned from discussions with leading businesses, academic institutions, and trade
  associations that there is a demand in Pune and Mumbai for what the companies in South
  Yorkshire have to offer, specifically advanced technologies for manufacturing and
  healthcare. Almost all the advanced engineering, manufacturing and, healthcare
  companies we met, expressed desire to partner with South Yorkshire-based companies
  and universities to access better technology, R&D, and general trade.
- The larger conglomerates are keen to explore technology enablers focussing on industry 4.0, digital manufacturing, robotics, AI, and R&D collaborations (in lines with the Catapult Centres). Smaller businesses are interested in technical collaborations and exporting to/business opportunities with South Yorkshire.
- We learned that India are rapidly expanding sustainable fuel development with rapid role out to public transport planned - there were massive opportunities for partnering to look at this.
- They have a buoyant business network and we spoke about whether we could partner
  or locate a business advisor in their chamber equivalent and / or vice versa to actively
  promote investment and trade and business partnering as our programme develops.
- For inward investments, aspirational cash-rich Indian companies are ideally placed candidates. These are typically tier 1 or 2 suppliers who wish to transition from a volume to a value proposition. However, to get to the next levels of discussions, we need to showcase specific technical capabilities, our intent and, more importantly, the unique capabilities and assets of South Yorkshire.
- To achieve SCR's objective of increasing trade and investment with India, we need to build relationships at all levels over a period of time including civic, political, business and

academia. In order to set the foundation for a sustained engagement with India paving the way for developing future trade and investment relationships.

#### Skills and Education

 Universities and academic institutions are keen on collaboration with Sheffield Universities to reform syllabi and research programmes and make them more industry ready. All curriculum is delivered in English and across a range of curriculum areas e.g. electrification of vehicles they have already developed business endorsed curriculum that they shared with us - we wanted to explore the potential for any educational establishment partnering that could lead to student and tutor exchanges and business placements.

#### Government and business collaboration

- There is an appetite for government and business collaborations that fit into the regional (and city-level) objectives, such as clean energy/tech, sustainable development, waste reduction/reuse, traffic management, renewable energy solutions, and of course foreign direct investments.
- Both the regions have similar core areas of focus ranging from climate change to urban transport to waste management, though as experienced during the meeting with the Divisional Commissioner of Pune and his larger team, the solutions sought would have to be localised.
- Maharashtra Industrial Development Corporation is the go-to government body in the State for guidance and setting up business and/or R&D collaborations in the State.
- Government is open to support businesses in exploring local collaborations where applicable and within their ambit.

#### 2.2 SCR's India opportunities

The November 2019 visit was excellent with several collaboration opportunities (both longer-term and immediate) identified. The following points summarise the opportunities:

#### <u>Trade</u>

We have started the India Growth Champions Programme and already in the process of delivering India market intelligence, hosting "Doing Business in India" workshops, identifying export opportunities, connecting to business partners in India, and finally taking them to India as part of a trade delegation to India in 2021. The cumulative export gain from the first cohort of Growth Champions is expected to be £1.3 million. Selected Growth Champions resonate with SCR's sectoral strengths in engineering, manufacturing, digital and healthcare.

#### <u>Investment</u>

The AMRC and AWRC are ideal centres of excellence that will attract potential Indian companies to South Yorkshire. We need to showcase this to the best possible extent in India. For example, Bharat Forge, a multi-disciplinary India origin conglomerate, is already a Tier 2 member of the AMRC. A proactive approach to discuss Bharat Forge's interest areas, such as digital manufacturing, advanced materials, electric/non-fossil fuel-based technologies amongst others will encourage greater participation from the company and potentially future investments.

Engagements to facilitate inward investment is already underway. For example, Bharat Forge in 2018 through a £10million investment has a JV partnership with Tevva Motors. SCR are currently working with Tevva Motors who are looking to build a new manufacturing site in SCR for 7.5 tonnes electric trucks. They are looking for suitable 40-acre site with a total initial investment of £3 million to create 300 jobs. This would include electric truck manufacturing, battery and power management, testing and maintenance and supply chains together with other related value-added services.

Similarly, our discussion with other companies in India pointed to a general consensus on joint innovation and investment in R&D for technologies deemed important by these companies, such as advanced materials, emission/weight reduction technologies, digital manufacturing, robotics/automation, additive manufacturing, cost effective surgical tools, technology sharing for medical devices and others.

In our effort to drive technical and R&D collaborations, we are exploring an opportunity for AMRC to collaborate Indian Technical Textile Association (ITTA) for establishing a Composite Research Centre in India modelled on AMRC's research centres in Australia and South Korea.

#### Skills and Education

Pune and Mumbai based Universities we interacted with are keen on collaboration on R&D projects, improving syllabi to make them more industry-ready, and support in bridging the project-to-industry gap (commercialising research projects).

We are already in the process of forming a consortium involving the University of Sheffield and the Indian Institute of Technology – Bombay to bid for the UK Government's Innovation Challenge Fund 2020: Future Mobility in Maharashtra.

Furthermore, all Indian Universities we met have expressed interest in student and faculty exchange programmes. Specific collaborations between the two Universities in Sheffield and their Indian counterparts could open the inflow of Indian students into the region. Moreover, the Government of India recently announced that it will allow top 100 Universities from across the world to operate in India. This presents a significant opportunity for the University of Sheffield to offer joint degree programmes in India and further build the Sheffield brand in India.

#### Government and business collaborations

- State Government of Maharashtra is keen to explore knowledge and technology corridor opportunities along the lines of 'Make in India: Design and Develop with the Sheffield City Region.' With the current policy of 'Atmnanirbhar Bharat' (self-reliant India), this fits in perfectly well with the theme.
- Government has come up with business-friendly policies which allow plug and play model for businesses to setup along with numerous incentives/tax benefits varying as per the industry.

#### Visitor Economy

By building the SCR profile in India and growing SCR-India trade, investment, and students to the city, we will see a benefit to the visitor economy.

#### 2.3 Developing trade and investment relationship with India is a key priority

There are several developments that support the need for us to sustain momentum in our engagement with India:

- Because of Brexit and PM Modi's goal of creating a "self-reliant India" now is the time to build foundations for potential long-lasting trade and investment ties with India, especially Maharashtra. The need to find new markets, changes thrust upon us by the COVID-19 pandemic, and the increasing appetite of Indian businesses for reliable partners and advanced technology, all create opportunities for the SCR's universities and businesses.
- The enhanced trade partnership between the UK and India announced at the Joint Economic and Trade Committee (JETCO) in late July 2020 is the first step towards a potential UK-India FTA. This is an important signal that both the UK and India are committed to deepening an already strong partnership.
- We have already made substantial headway in terms of trade through our "SCR India Growth Champions Programme." We have recruited nine companies across the advanced engineering and manufacturing, digital and healthcare sectors. These companies want to grow their exports to India. We are helping them identify

opportunities, providing customised business intelligence, identifying business partners, and conducting interactive workshops on "Doing Business in India". With a view to achieving our objective of 10% growth in trade from SCR to India by 2025, we may consider continuing with the Growth Champion programme by incrementally increasing the number of Growth Champions every year based on the learnings from the first cohort. We have set a target of doing combined trade worth £1.3 million for the first cohort of Growth Champions.

We have also successfully formed a consortium including Sheffield and India based Universities, businesses, and NGOs to participate in the Foreign and Commonwealth Office's UK India Innovation Challenge Fund 2020: Future Mobility in Maharashtra. This Innovation Challenge Fund is a £2 million fund to be awarded among 4-10 consortia.

#### 2.4 Next Steps

#### Virtual delegation to Pune in autumn 2020

As next steps in developing the relationship and the synergy between the two regions, it has been recommended that the Mayor leads the proposed programme to build on previous meetings. This virtual interaction will be held in the backdrop of the autumn 2020 session of the Joint Economic Trade Committee (JETCO) between the UK and Indian governments.

- A virtual meeting with the Mayor of Pune, his senior team, and top officials from the Maharashtra State Government's Industries Department to discuss the synergies between the two regions and way forward to working together.
- A virtual roundtable involving the Mayor, the SCR Growth Champions, Maharashtra based businesses, and the UK Trade Commissioner for South Asia to showcase opportunities for trade and investment between the SCR and Pune.

Mayoral interview with an Indian journalist in a written Q&A format on topic (s) agreed in advance.

#### 3. Consideration of alternative approaches

#### 3.1 N/A

#### 4. Implications

#### 4.1 Financial

The continuation of the India Trade and Investment programme has Financial implications for futures years budgets.

#### 4.2 Legal

There may develop a need for a signed collaboration document between the MCA and the Mayor of Pune in future years.

#### 4.3 Risk Management

There is a reputational risk at not continuing with the India Trade and Investment Programme.

### **4.4** Equality, Diversity and Social Inclusion N/A

#### 5. Communications

5.1 There will be other opportunities arising from the UK-India Business is Great and JETCO activity that will create press and comms opportunities.

The visit programme would include a series of engagements that will require communications and marketing support either pre or post event, including engagement with national and regional media outlets in India.

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Background papers used in the preparation of this report are available for inspection at: 11 Broad Street West, Sheffield S1 2BQ

Other sources and references:



#### 21st October 2020

#### **Business Investment Pipeline**

#### **Purpose of Report**

This is a further update paper that follows on from the last board meeting where an overview was given on 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.

This paper goes onto to describe how the Business investment pipeline fits into the ambitions of the Strategic Economic Plan (SEP) and forms the basis of our ask within the Comprehensive Spending Review submission (CSR)

#### **Thematic Priority**

- 1. Facilitate and proactively support growth amongst existing firms.
- 2. Attract investment from other parts of the UK and overseas and improve our brand.
- 3. Increase sales of SCR's goods and services to other parts of the UK and abroad

#### Freedom of Information and Schedule 12A of the Local Government Act 1972

Appendix A is exempt from publication under paragraph 3, part 1, section 12A of the Local Government Act 1972.

#### Recommendations

There are a number of recommendations:

- 1. To acknowledge the work that has started in this area and agree to further support the development of a pipeline of new investible projects which align to the SEP.
- 2. To start to lead a discussion on new funding models required in a post LGF environment which will be needed to advance these types of investment opportunities.
- 3. To lead the work on how we develop innovative transformational projects that lead to the development of new clusters. For example: Gene therapy or Satellite manufacturing.

#### 1. Introduction

1.1 Working across the organisation there has been a proposal included within the South Yorkshire Comprehensive Spending Review (CSR) submission 2020 that covers this area of work.

A summary of these are provided in this paper. These are linked to activity to develop a pipeline of investment ready business growth projects. An overview and update on this workstream is provided.

#### 2. Proposal and justification

#### 2.1 CSR Submission Proposals aligned to Business Growth

A number of initiatives supporting business growth and investment have been proposed which align with the key themes of the CSR and provide South Yorkshire with the resources to advance the economy by investing in a pipeline of businesses with high growth potential, developing supply chains, improving leadership and adopting digital and industry 4.0 technologies.

**2.1.1 CSR Theme 1:** Strengthening the UK's economic recovery from COVID by prioritising jobs and skills

#### **Initiatives**

 £900m Scale-up and Investor Attraction fund enabling the creation of 6000 jobs and leveraging private sector matched investment of at least £900m

In recent years, the MCA/LEP has invested in McLaren Automotive, Boeing, Curvalux and the UKAEA to anchor operations in the region. Building on this model of attracting transformational businesses to the region, we have developed a new cohort of high growth / high potential businesses both in the region and those looking to locate or grow their footprint in the region. It is proposed that this work is undertaken through the MCA/LEP Business support function building on the pipeline of scale up and inward investment opportunities already identified. (See Appendix A for discussion)

• £194m High Growth Business Support Function, incorporating a £140m capital investment fund, delivering a step change in innovation, business leadership, supply chain development, digital adoption and access to finance.

As our work with high growth potential businesses has identified, a gap currently exists in the ability to fund innovative businesses to commercialise new concepts. A flexible investment fund would support up to 10,000 businesses and enable significant investment (including equity stakes) to be made in up to 500 businesses. This would work in tandem with support for digitisation, exploitation of supply chains and leadership and management.

**2.1.2 CSR Theme 2:** Levelling-up economic opportunity by investing in infrastructure, innovation and people

#### Initiative

• £203m capital and revenue fund to provide wrap around cluster development to invest in innovation.

Our work with the pipeline of high growth potential businesses demonstrates engagement or the potential to engage with the Sheffield University AMRC or the Sheffield Hallam AWRC, promoting innovation in the fields of manufacturing, materials, well-being and clean energy.

**2.1.3 CSR Theme 3:** Making the UK a scientific superpower - leading in the development of technologies to support net zero

#### Initiative

• £215.2m Investing in Translational Research

Translational research and the commercialisation of ideas are at the heart of the innovation-led Strategic Economic Plan and the key to boosting productivity by targeting investment in specific innovation clusters in sustainable manufacturing, clean energy and net zero technologies. These are central themes to many of the business on our high growth pipeline.

#### 2.2 Business Growth Projects Pipeline

#### 2.2.1 Overview

In alignment with the Sheffield City Region Renewal Action Plan (RAP) and the Acceleration Growth theme related to Business Support, the LEP Chair supported by the Investment team have identified a number of indigenous businesses and potential inward investment projects which could be candidates for financial support in the form of grants, loans or equity to be determined by a future, flexible funding model which incentivises advanced innovation from concept to commercialisation to support strategic growth sectors.

- Initial scoping meetings have been held with businesses to explore their future growth plans and any barriers in achieving those ambitions
- Third party consultancy support has been used to interrogate their business plans and develop them into strategic business cases which may be considered at a future point for financial assistance from the MCA following external/internal appraisal and the relevant Board approvals process.

#### 2.3 Business Growth Pipeline update

- Of the projects identified to date, there is the potential for up to 6000 jobs to be created with private sector investment of c. £900m and SCR LEP financial support of c. £900m
- Due to commercial confidentiality projects within the pipeline are subject to Non-Disclosure Agreements, we are limited on the detail that can be provided
- Key sectors represented by these projects include advanced manufacturing and engineering, materials, digital (transformation within manufacturing)
- Potential market opportunities offered by these projects include; aviation, defence, automotive, space, low carbon energy production and medical
- There is potential to secure IP within innovative world leading specialisms within South Yorkshire and provide leverage to secure inward investment through further collaborations and agglomeration effects.

#### 2.4 Rationale for approach

Providing bespoke solutions to these businesses offers;

- Opportunities to accelerate business growth, associated job creation/retention and the development and securing of IP based on commercialisation of research in niche innovative sectors in South Yorkshire.
- Opportunities to create and deliver a holistic, coordinated business growth approach as aligned to proposals in the CSR which in addition to business funding provides support for digitalisation, business leadership and management, supply chain exploitation, embedding business opportunities in the region and connecting

- with our skills and talent agenda through the creation of highly skilled roles and apprenticeship opportunities in emerging and innovative technologies
- Potential to create specialist clusters in areas such as space manufacturing building on our existing strengths in aerospace, advanced manufacturing and materials

#### 3. Consideration of alternative approaches

#### **3.1** N/A

#### 4. Implications

#### 4.1 Financial

There have been some costs associated with supporting the development work of business cases for these investments and in supporting the pilot phase undertaken by the Chair. At this stage there is not a commitment to fund any of the projects beyond March 2021 as this is dependent upon the emerging business case, and the availability of new sources of investment.

Deliverability of successful outcomes for projects highlighted in the high growth business pipeline is contingent on funding being confirmed through the CSR process.

#### 4.2 Legal

There are no legal implications associated with this report, however some of the potential investment may require detailed due diligence and legal work before any recommendation to support could be considered. There is also the potential of signing non-disclosure agreements before companies disclose commercial confidential information

#### 4.3 Risk Management

N/A

#### 4.4 Equality, Diversity and Social Inclusion

N/A

#### 5. Communications

5.1 Currently all developments are at the exploratory stage and covered by Non-disclosure agreements. Communications will be jointly progressed in the future with the businesses and government if there is the potential for a significant investment deal to be realised.

#### 6. Appendices/Annexes

6.1 Appendix A – Provides a summary of potential business growth projects which the CSR funding could support

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Background papers used in the preparation of this report are available for inspection at: 11 Broad Street West, Sheffield S1 2BQ

Other sources and references:

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

Document is Restricted

