

MCA - LOCAL ENTERPRISE PARTNERSHIP

MINUTES OF THE MEETING HELD ON:

THURSDAY, 4 NOVEMBER 2021 AT 11.00 AM

VIRTUALLY

**SOUTH YORKSHIRE
BUSINESS**



**LOCAL
ENTERPRISE
PARTNERSHIP**

Present:

James Muir (Chair)
Nigel Brewster (Vice-Chair)
Lucy Nickson (Vice-Chair)
Bill Adams
Karen Beardsley
Joe Chetcuti
Michael Faulks
Dan Fell
Alexa Greaves
Peter Kennan
Mayor Dan Jarvis MBE
Mayor Ros Jones CBE
Neil MacDonald
Professor Dave Petley
Gemma Smith
Richard Stubbs
Cathy Travers

Private Sector LEP Board Member
Private Sector LEP Board Member
Private Sector LEP Board Member
TUC Representative
Private Sector LEP Board Member
Private Sector LEP Board Member
Private Sector LEP Board Member
Doncaster Chamber
Private Sector LEP Board Member
Private Sector LEP Board Member
SCR Mayoral Combined Authority
Doncaster MBC
Private Sector LEP Board Member
University of Sheffield
Private Sector LEP Board Member
Private Sector LEP Board Member
Private Sector LEP Board Member

Officers in Attendance:

Dr Dave Smith	Chief Executive	MCA Executive Team
Helen Kemp	Director of Business & Skills	MCA Executive Team
Martin Swales	Interim Director of Transport, Housing, Infrastructure and Planning	MCA Executive Team
Gareth Sutton	Chief Finance Officer/S73 Officer	MCA Executive Team
Daniel Wright	Head of Communications & Marketing	MCA Executive Team
Felix Kumi-Ampofo	Assistant Director Policy and Assurance	MCA Executive Team
Andy Gates	Assistant Director - Strategic Corporate Affairs	MCA Executive Team
Fiona Boden	Policy Adviser - Mayor	MCA Executive Team
Jenny Holmes	Assistant Director for Strategic Transport	MCA Executive Team
Jonathan Guest	Senior Economic Policy Manager	MCA Executive Team
Chloe Shepherd	Senior Programme Manager	MCA Executive Team

Apologies:

Angela Foulkes
Councillor Terry Fox
Councillor Sir Steve Houghton CBE
Professor Chris Husbands
Councillor Chris Read
Sharon Kemp
Sarah Norman

Private Sector LEP Board Member
Sheffield City Council
Barnsley MBC
Representative for Higher Education
Rotherham MBC
Rotherham MBC
Barnsley MBC

1 Welcome and Apologies

The Chair welcomed everyone to the meeting.

Apologies for absence were noted as above.

2 Declarations of Interest

In relation to the agenda item entitled 'National Review of Destination Management', Mayor Jones CBE declared an interest as she was a Director of Welcome to Yorkshire.

There were no declarations of interest in relation to any activity since the last formal Board meeting.

There were no declarations of interest in relation to any forthcoming activity.

3 Notes of Last Meeting

Members noted that today would mark the last LEP Board meeting that would be chaired and attended by J Muir.

Mayor Jarvis MBE expressed his thanks to J Muir for his work undertaken during the past 3 years as Chair of the LEP Board, and for championing the Board's interests across South Yorkshire, nationally and internationally. He hoped that J Muir was proud of the work that had been undertaken during this period which had put the Board in good stead for the future.

Members noted the Board's successes that had been achieved during the past 3 years which had included the herculean effort in the development of the Strategic Economic Plan (SEP) which had set out the vision for inclusive and sustainable growth in South Yorkshire that was fuelled by innovation. Mayor Jarvis MBE was grateful for J Muir's leadership of the Board through the COVID-19 pandemic, which had brought about a sizeable economic challenge, together with the work undertaken to support the businesses within South Yorkshire and to draw attention to the plight and challenges faced by those businesses which had been extremely appreciated. J Muir had forged and reinforced the relationships within the business community together with attracting a number of innovative investors into the region, whilst assisting some of the existing companies to develop and fulfil their potential. On behalf of the Board and the SYMCA, Mayor Jarvis MBE expressed his thanks to J

Muir for all of his work undertaken, and he wished him and his family the very best for the future.

J Muir expressed his thanks to Mayor Jarvis MBE and added that it had been an enormous privilege to Chair the Board. He considered that the Board was one of the best LEP Boards in the country, together with its fantastic private sector board which had all made wonderful contributions. He was grateful for the support provided by Mayor Jarvis MBE. He expressed his thanks and appreciation to everyone in attendance at today's Board meeting for the fantastic experience and support that had been provided to him over the last 3-year period.

Members were referred to the arrangements that had been made for an interim Chair of the LEP Board. Mayor Jarvis MBE was delighted to announce that Lucy Nickson had been appointed as the Board's interim Chair from January 2022, until the Mayoral election in May 2022. He looked forward to working with L Nickson in her role as interim Chair of the LEP Board, and he wished her every success in the role.

RESOLVED – That the notes of the previous meeting held on 9 September 2021 were agreed to be an accurate record.

4

Chancellor's Autumn Statement

A report was submitted on the Chancellor's Autumn Statement on the Autumn Budget and Comprehensive Spending Review that had been delivered on 27 October 2021. F Kumi-Ampofo provided Members with a verbal presentation which outlined the major announcements and implications for South Yorkshire.

Members noted the following key points arising from the Chancellor's Autumn Statement:-

- Confirmation of the £570m Sustainable Transport Settlement which included investment in active travel, electric buses, EV charging infrastructure and the renewal of Supertram.
- A total of £3.8bn had been announced on skills spending across the country, to include additional funding for adults skills, apprenticeships and for individuals aged 16-19 years. Details of how this would be distributed was awaited, together with details of the role of the SYMCA. Conversations were currently underway with Central Government on the matter.
- In relation to the Levelling Up Fund, South Yorkshire had been awarded five projects, which totalled 5.8% of the total budget for the country. However, the SYMCA and BMBC bids had been unsuccessful.
- The UK Shared Prosperity Fund would move to £400m in 2022–23, £700m in 2023–24 and £1.5bn in 2024–25.
- A total of £200m had been awarded nationally for the Community Renewal Fund. In comparison to other combined authority areas, South Yorkshire had outperformed its peers for the project funding allocation, with 8 out of the 11 schemes having been successful at a total of £8.2m; details of which were awaited. It was envisaged to sign the contracts to enable the projects to commence immediately.

- The Chancellor had made many announcements in relation to innovation which formed a large part of the SEP, which was important for the Board in terms of how to fill up and grow the economy. It was envisaged that funding would be made available in due course following the White Paper. The Government would increase the share of spending on RND and it would ensure that this was not only focussed on the south east of the country as in previous years.
- In relation to Brexit and the implications for the LEP and SYMCA, it was considered that if the Shared Prosperity Fund would replace what had previously been in place, then South Yorkshire would have been in line for even greater funds, given the realignment across Europe in terms of how the funds were deployed. The case continued to be made to the Government. It was unlikely that the SYMCA would receive the required funding through the Shared Prosperity Fund.
- The Chancellor had imposed limits on his ability to borrow for day-to-day expenditure.
- In relation to the Levelling Up Funding and the UK2070 Commission, an equivalent fund for the UK with the same intent of reducing inequality was estimated to be £15bn annually.

J Muir congratulated the SYMCA Executive Team both at the regional and inventory levels for the excellent high-quality bids that had been submitted and translated into success. He considered that the proportionality of funding that had been allocated to South Yorkshire represented a significant improvement in comparison to when he had first commenced as Chair of the Board. He considered that South Yorkshire was competing for scarce resources which were likely to worsen, and that if it had been known that the £3m reported to be allocated for bus services in England would translate to £1.2bn, then the SYMCA's ask would have been much greater than £570m. He wished to support Mayor Jarvis MBE in his messages and reaction to the Chancellor's Autumn Statement.

Major Jarvis MBE agreed with J Muir's sentiments in paying tribute to the SYMCA Executive Team for the work undertaken in drawing together the bids. He was extremely pleased that South Yorkshire had secured the £570m funding, and he was pleased to observe that the individual Levelling Up Funding bids had been awarded to all of the local authorities, with the exception of BMBC. He was disappointed that the SYMCA Levelling Up Funding bid, which focused around investment in public transport buses and active travel, had been unsuccessful. The Board noted that none of the Mayoral bids for the Levelling Up Fund within Section 1 had been successful.

Members were referred to the BSIP funding and the bid that had recently been submitted by the SYMCA, which had been an ambitious plan that would transform the bus network in South Yorkshire. Mayor Jarvis MBE was concerned to learn that the amount that had been originally allocated by the Government had been massively reduced; he would address the matter with Ministers in the near future. He considered that the Local Government settlement did not go far enough to provide the local authorities with the required resources. The publication of the Integrated Rail Plan was anticipated in the upcoming few weeks. He did not consider that the Chancellor's Statement contained any levelling up for the north of England. He would

continue to work with other mayors and politicians nationally on a cross-party basis, with a view to the Government unlocking further resources around their commitments to levelling up.

N McDonald thanked F Kumi-Ampofo for summary provided and he echoed the above sentiments in relation to the work undertaken by the SYMCA Executive Team. He also expressed concern at the lack of funding for businesses.

Mayor Jones CBE concurred with the comments made. She highlighted the need for an agreement to be reached on the pipeline to enable the businesses within South Yorkshire to progress forwards.

J Muir considered that in the event that the Central Government were unable to provide assistance on job creation and the SYMCA had to utilise some of the gainshare, that the necessary mechanism would be implemented.

P Kennan queried whether a magazine article could be produced by either J Muir or L Nickson to express the matter generally for businesses.

J Muir commented that he would be delighted to produce an article as the outgoing Chair of the Board. He would liaise with Mayor Jarvis MBE, Dr Smith and L Nickson to ascertain the best platform to communicate the information. He expressed his thanks to F Kumi-Ampofo for the presentation.

RESOLVED – That the Board received a verbal presentation of the implications of the Spending Review and Budget on South Yorkshire and responded with any comments.

5

Social Value Contract for South Yorkshire

A report was presented which provided an update on the development of the Social Value Contract (“Employer Contract”) element of the Inclusion Plan.

Members recalled that at the Board’s meeting held in May 2021, the approach and agreed parameters for the Inclusion Plan had been endorsed. A number of the modules within the Inclusion Plan had outlined how the economic development activities could be more inclusive. The Social Value Contract, subject to debate and agreement at the SYMCA, would be an agreement between the SYMCA and any organisation seeking funds. The aim was for the Social Value Contract to help deliver upon the inclusive growth aspirations outlined in the Strategic Economic Plan.

J Guest referred to the current engagement phase with private sector colleagues, education and voluntary sectors. Work continued to explore how the Social Value Contract could be implemented through legality of elements, proportionality and balance. Engagement continued with the local authorities to explore their role in relation to this.

Members were referred to the appendix to the report, which provided an early draft of the Social Value Contract. Members noted the commitment around the Real Living Wage, together with the advantages and disadvantages.

In response, to a question raised by J Chetcuti regarding the type of businesses that the Social Value Contract would apply to, F Kumi-Ampofo referred to the commitment made within the SEP regarding the contract that was in place for all of the employers and applicants that had a funding relationship with the SYMCA. It was vitally important to ensure that the balance of the implementation was correct to ensure that it was not unduly burdensome and to generate the outcomes of the funding that was sought, whilst being sensitive to the smaller businesses and other matters.

Following a question made by P Kennan to clarify whether the investment made by the SYMCA related to monetary terms/the investment of time in the businesses or both, F Kumi-Ampofo commented that the investment made by the SYMCA related to monetary terms and to a contractual relationship with a business or another partner which involved some financial support. In general, the LEP and SYMCA were behind the curve in comparison to other regions which had the Preston Model and charters in place. However, work was underway for those to be implemented within South Yorkshire.

In relation to the diminishing returns, P Kennan queried whether a two-phase approach could be supported to deal with the large businesses initially, which would then be extended to SMEs when it had been proved to be a workable model.

J Muir considered that P Kennan's request was too early, due to it being dependent upon the criteria. He considered that without there being tangible elements on paper to ascertain whether this was practical or not, it should be determined prior to whether a two phased approach was required. A consultative process would be undertaken to consider the elements and to make a judgement thereafter.

P Kennan considered that it would be helpful to see the detail, in order to determine whether he would be supportive of the suggestion.

In response to a question raised by L Nickson, F Kumi-Ampofo provided assurance of the conversations underway with businesses, local authority partners, universities and others in order to gain learning. Learning was also being achieved through the engagement with the consultant.

In relation to support and financial support, K Beardsley queried whether the SYMCA sought employers to sign up to the initiative and to be recognised within the region as one of the employers that had done so, even if no financial support was required.

Members noted that the report dealt with the contractual relationship between the employers, organisations and businesses with the SYMCA, where some financial support would be required. Work was underway in relation to the Charter regarding the culture change and better employment practices within South Yorkshire, which would be brought to the Board in due course.

The Board noted that the consultation was underway across a very broad spectrum of business representative groups, with a view to concluding as much as possible between now and January 2021.

Mayor Jones CBE concurred with the foundation living wage, which she had introduced when she had initially come into office for those individuals that worked within DMBC. The foundation living wage helped to stimulate local economies. She highlighted the need to consult further on the matter.

Members were referred to the internal discussions underway with colleagues to ensure that the resource implications were fully understood. It was anticipated that approximately 10 – 50 contractual agreements would be undertaken per year, dependent upon the types of programmes that were ran.

J Muir expressed his thanks to everyone for the comments made. He appreciated the support provided by P Kennan on the matter, together with the consultations that had been initiated as part of the consultation process. He considered that there was no reason why any employer should not be awarded the foundation living wage. He was confident that with the participants of the Board, that a benchmark would be achieved that could be supported by most companies.

RESOLVED – That the Board:-

- i) Considered the progress made to date to define the content of the Social Value Contract, noting the detail in Appendix A to the report.
- ii) Noted the dilemmas in specifying content and debate how these are reconciled, to inform and support the SYMCA in their decision making on the final options for consideration.
- iii) Noted the intended timescales for the presentation of the final option and recommends, for the SYMCA to consider, any additional work required in development of the content or the engagement on this.

6

Transport Update

A report was submitted which provided an update on key transport issues in South Yorkshire. The Bus Services Improvement Plan which set out the measures planned to improve bus services in South Yorkshire, had been submitted to the Government. A submission to the Government's Sustainable Transport Settlement had also been made, and the SYMCA had been notified of an award of £570m, further details were not yet available. The outcome of the other submissions following the Spending Review were also awaited.

M Swales commented that today would mark the last LEP Board meeting that J Holmes would attend. He expressed his thanks to J Holmes for all of the work that she had undertaken for the SYMCA and the LEP.

The Board noted that this had been an incredibly busy year in terms of the transport agenda, which had included the Levelling Up Fund bid of £50m, the City Region Sustainable Transport Settlement award of £570m, the Bus Service Improvement Plan, the enhanced partnership and the Integrated Rail Plan. All of which had been undertaken during the COVID-19 pandemic. All of the MCAs within the country had been requested to produce a programme level

business case based on the £570m with a submission to be made to the DfT in January 2022; confirmation would be received by March 2022. Initial discussions had been held with the business partners to gain an understanding of what was required, and further guidance was anticipated within the upcoming few weeks. Additional weekly meetings had been scheduled with the business partners throughout the submission period. The DfT and Treasury had both advised of their expectation that all of the MCAs would receive the full funding amount. There was not a full guarantee of the programme award until the process was completed and a formal response had been received from the DfT with the settlement and grant conditions. It was intended that a draft business case would be produced prior to Christmas 2021.

In response to a question received from J Muir regarding the outcome from the Chancellor's Autumn Statement and bus funding, M Swales commented that as yet there was no confirmation of the figures. The Government's position was that £3bn had been put into the bus network, which given the support around COVID-19 now stood at £1.2m split between capital and revenue. A number of the local transport authorities across the country had expressed large ambitions to the BSIP in response to the national bus strategy, however the funding was unavailable to support those ambitions.

There were a number of elements of bus related funding within CRSTS that would bring funding of specific lines in relation to £27m, £5m and £3m, together with bus related enhancements within other schemes, which brought in the relation of £100m of bus related funding within CRSTS. A greater emphasis would be required in relation to some of the funding sources, given the BSIP and LUF position.

As part of the BSIP development process and transition to the Enhanced Partnership Board, C Shepherd highlighted the need to develop an Enhanced Partnership Board. J Muir requested C Shepherd to liaise with P Kennan in the first instance. The Enhanced Partnership Board would need to be linked to the thematic boards.

On behalf of the Board, J Muir wished C Shepherd the very best in the next stage in her career, and he expressed his thanks for her excellent work contributions.

RESOLVED – That the LEP Board received the report and provided comment on business and economy issues related to transport.

7

National Review of Destination Management

A report was submitted which provided a summary of the independent review of how Destination Management Organisations (DMOs) operate and function in England. The report identified where some potential implications arising from the review may arise and suggested that the LEP undertook some preliminary work exploring how the SYMCA, LEP and businesses within the tourism and visitor economy could be engaged to ensure any changes in the current system delivered the maximum benefit.

A Gates commented that the independent review did not specify the requirement for a uniformed set of proposals. There would be flexibility to design something which worked best for South Yorkshire.

J Muir considered that there would be implications in relation to how and whether the SYMCA engaged with Welcome to Yorkshire.

J Chetcuti considered that there were two issues to be resolved in relation to destination marketing and that there was no value in acquiring further communications if investments were not made into the destination infrastructure. He considered that the SYMCA should go back to the Government to indicate what was required.

R Stubbs stated that he was an Ambassador for Welcome to Yorkshire. He wished to support the notion that this was a conversation that would commence outside of the work of Welcome to Yorkshire.

Mayor Jones CBE considered that Welcome to Yorkshire would require a full commitment from everyone and to ensure that everyone was prepared to provide backing for several years of funding.

The Board agreed to the wider conversation regarding the wants of South Yorkshire from a DMO type function. A Gates would liaise further with Members of the Board and Mayor Jones CBE. Lead engagement would be sought from the private sector Board Members, with a view to reporting a plan of action to the Board before the next scheduled meeting.

RESOLVED – That the Board:-

- i) Noted the outcomes of the independent review as set out in the paper.
- ii) Established a working group to report to the Board on the detailed implications of the review for South Yorkshire.
- iii) Ensured the working group had a focus on the work on the principle of subsidiarity at its heart, and a focus on what the visitor and tourism economy businesses and key assets in the region needed to grow.

8

Education, Skills and Employability Update

A report was presented which provided an update across the range of the LEP and SYMCA skills and employment activity. The devolved SYMCA Adult Education Budget (AEB) had gone live on 1 August 2021 and had totalled over £42m in 2021 – 22. From which, £30.6m provision had been commissioned by the SYMCA from pre-entry level through to Level 3 from grant funded providers which included FE Colleges and local authorities. A lessons learned review had been commissioned by the ESEB, which would be focussed around encouraging recommendations for future AEB commissioning.

Members noted the following key points:-

- The skills strategy was an ongoing piece of work which recognised the

need to draw on evidence from the Local Skills Improvement Plan (LSIP) Trailblazer that was led by the Chambers of Commerce.

- The Careers and Enterprise Company had awarded funding to the LEP/SYMCA for the first time in 2020-21 for a South Yorkshire Careers Hub. The aim was to create a stronger link between the hub and the strategic priorities of the LEP.
- The Skills Bank 3 procurement process was currently underway, with a view to the programme commencing in early April 2022.
- The South Yorkshire Jobs Fund was a paid employment programme for South Yorkshire residents aged 25+ years that had been out of employment for 6 months. Development of the programme was well underway. The tender had been prepared and was planned to go out in November 2021 to seek a provider to work with employers.
- Funding had been secured for Working Win for 12 months from September 2021. It was hoped that there would be an extension of funding for a further 2 years. The initial programme focused on providing support to individuals with low to moderate mental health and/or physical health conditions. As at 20 October 2021, a total 343 individuals had been supported through the programme.
- Work was currently under development to support the apprenticeship opportunities within the region. A proposal had been received to establish the South Yorkshire Apprenticeship Hub. An understanding was required to establish how to maximise the levy transfer scheme and how to develop the provider market apprenticeship.

J Muir recognised and applauded the efforts that had been made in rationalising the Adult Education Budget, which had been a huge focus of the SCR Skills Team. He hoped to observe where all of the key initiatives fit together in terms of the weight of spend and reach, and to identify the gaps in order to understand the priorities.

H Kemp referred to the cohesive skills strategy. The elements of which had been discussed with the Co-Chairs, and a further meeting would be held shortly to go through the detail.

N Brewster highlighted the need for work to be undertaken around the wealth of the skills strategy which fell into the local authorities' local skills plans, together with the broader stakeholders within a timely manner.

Dr Smith agreed with N Brewster's perspective, although he considered that it would be unrealistic to undertake the work during Quarter 1. He considered that the conversation to ascertain the skills focus would be both time consuming and the largest challenge. The debate would present the outcome of everyone's view from their individual perspectives. He considered that previously, the objective to attempt to achieve a focus on what had made the most impact had been lost which had resulted in low attainment and progression levels for skills across the working population in South Yorkshire.

Members were referred to the work that had been undertaken to highlight the interventions where both the SYMCA and the LEP could make a difference. J Muir considered that the SYMCA and LEP should not be solely responsible for resolving the entire skills issue within South Yorkshire.

D Fell referred to the Skills Minister who had visited Doncaster today. The outcomes from the visit had highlighted that South Yorkshire was ahead of other regions in terms of skills. A further visit would be made to the region in late January/February 2022 with a view to utilising the skills accelerator project. D Fell considered that this presented a key opportunity for everyone to re-present their skills asks back to the Skills Minister.

RESOLVED – That the Board:-

- i) Noted the updates on each of the key skills and employability work areas.
- ii) Considered the invitation to nominate a champion for careers hub activities as at section 2.3.4 of the report.

9 **Mayoral Update**

A report was presented which provided Members with an update on key Mayoral activity relating to the economic agenda.

Updates were provided on:-

- £570m of investment in South Yorkshire's transport network.
- Major uncertainty remained following the further delays to the publication of key Government documents.
- COP26 and net zero in South Yorkshire.
- Funding for Arts, Culture and Heritage Sector in South Yorkshire.

RESOLVED – That Members noted the update.

10 **Chief Executive's Update**

A report was submitted which provided Members with a general update on the activity being undertaken by the LEP outside of the agenda items under discussion.

Updates were provided on:-

- COP26 events.
- Additional Restrictions Grants.
- Quarterly Economic Survey.
- LSIP and South Yorkshire Skills Strategy.
- UK's first fusion technology facility opens in South Yorkshire.

RESOLVED – That Members noted the update.

I, the undersigned, confirm that this is a true and accurate record of the meeting.

Signed

Name

Position

Date