

# Public Document Pack



Wednesday, 20 October 2021

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

You are hereby invited to a meeting of the South Yorkshire Mayoral Combined Authority to be held at **Virtual Meeting**, on: **Thursday, 28 October 2021** at **2.00 pm** for the purpose of transacting the business set out in the agenda.

A handwritten signature in black ink, appearing to read 'D. Smith'.

Dr Dave Smith  
**Chief Executive**



You can view the agenda and papers at [www.sheffieldcityregion.org.uk](http://www.sheffieldcityregion.org.uk) or use a smart phone camera and scan the QR code

## **Member Distribution**

Mayor Ros Jones CBE (Co-Chair)  
Neil MacDonald (Co-Chair)  
Councillor Jim Andrews BEM  
Councillor Glyn Jones  
Sharon Kemp  
Councillor Denise Lelliott  
Richard Stubbs  
Councillor Paul Turpin  
Alexa Greaves

Doncaster MBC  
Private Sector LEP Board Member  
Barnsley MBC  
Doncaster MBC  
Rotherham MBC  
Rotherham MBC  
Private Sector LEP Board Member  
Sheffield CC  
Private Sector LEP Board Member

## MCA - Business Recovery and Growth Board

Thursday, 28 October 2021 at 2.00 pm

Venue: Virtual Meeting



### Agenda

Agenda Ref No	Subject	Lead	Page
1.	Welcome and Apologies	Chair	
2.	Declarations of Interest by individual Members in relation to any item of business on the agenda.	Chair	
3.	Urgent items / Announcements	Chair	
4.	Public Questions of Key Decisions	Chair	
5.	Minutes of the Previous Meeting	Chair	5 - 12
6.	Renewal Action Plan Business Support Evaluation	B Foster	13 - 26
7.	Business Pipeline Programme Position	R Clark	27 - 34
8.	Sheffield Innovation Programme (SIP) Continuation (28R18P02582) Extension	M Mumtaz	35 - 38
9.	Cybercrime affecting businesses in South Yorkshire	M Mumtaz	39 - 44
10.	Made Smarter Update (Verbal)	M Mumtaz	
11.	Programme Approvals	S Sykes	To Follow
12.	Any Other Business	Chair	
<b>Date of next meeting:</b> Thursday, 16 December 2021 at 2.00 pm			
<b>At:</b> Virtual Meeting			

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**MCA - BUSINESS RECOVERY AND GROWTH BOARD**

**MINUTES OF THE MEETING HELD ON:**

**WEDNESDAY, 1 SEPTEMBER 2021 AT 9.00 AM**

**VIRTUAL MEETING**



**Present:**

Mayor Ros Jones CBE (Co-Chair)	Doncaster MBC
Neil MacDonald (Co-Chair)	Private Sector LEP Board Member
Councillor Denise Lelliott	Rotherham MBC
Councillor Glyn Jones	Doncaster MBC
Councillor Paul Turpin	Sheffield CC
Sharon Kemp	Rotherham MBC
Helen Kemp	MCA Executive Team
Rachel Clark	MCA Executive Team
Gareth Sutton	MCA Executive Team
Nici Pickering (Observer)	MCA Executive Team
Bev Foster	MCA Executive Team
Paul Johnson	MCA Executive Team
Gareth Morgan	MCA Executive Team
Stephen Burrows	MCA Executive Team
Andy McKenna	MCA Executive Team

**In Attendance:**

Chris Dungworth (Observer)	Doncaster MBC
Tim O'Connell (Observer)	Rotherham MBC
Paul Clifford (Observer)	Barnsley MBC

**Apologies:**

Richard Stubbs	Private Sector LEP Board Member
Alexa Greaves	Private Sector LEP Board Member

**1 Welcome and Apologies**

The Chair welcomed everyone to the meeting. Apologies 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 **Minutes of the Previous Meeting**

In relation to the Business Scheme agenda item, H Kemp commented that it had not been possible to provide Members with the formal papers, due to the assurance process. A verbal update on specific schemes would be provided during the course of the meeting, and a request would be made for an additional Board meeting to be held.

RESOLVED – That the minutes of the meeting held on 24 June 2021 be agreed as a true record.

#### 6 **Policy Briefing on the Government's Innovation Strategy**

A report was presented which provided a policy briefing on the Government's Innovation Strategy, which had been launched in July 2021 and had replaced the Industrial Strategy. The Innovation Strategy had clear links to the SEP's focus on innovation.

Members noted the strategic alignment for innovation between the Government and South Yorkshire. The Innovation Strategy did not refer to the specific sectors, however it outlined several areas of strength for science and research, which included backing advanced materials and manufacturing which had implications for South Yorkshire.

The Innovation Strategy referred to improving the relationships between the industry and universities, however no reference had been made to a defined role for the MCAs and LEPS.

A report would be presented to the LEP Board meeting scheduled to be held on 9 September 2021, to provide context on the wider implications of the Innovation Strategy and how this fit with the emerging approach to innovation within South Yorkshire. At that meeting, the LEP Board would consider the following options:-

- 1) To take a passive approach, as a result of there not being a defined role for the LEPS and MCAs.
- 2) To develop delivery plans in order to progress matters forward.
- 3) To develop delivery plans and to undertake a lobbying campaign to highlight the reason why South Yorkshire would be both a key stakeholder and delivery partner.

Mayor Jones CBE highlighted that the Innovation Strategy did not identify any sums of money or funding allocation. She therefore considered that there was no alternative for the LEP Board other than to select Option 3, as detailed above. She considered that the marshalling of schemes should now commence, which linked into the economic plan.

Councillor Turpin highlighted that South Yorkshire did not have an innovation board, as had been established within most other MCAs.

Members noted that the MCA's approach to innovation would be encompassed within the discussion at the upcoming LEP Board meeting. At that meeting, P Johnson would stress the importance of establishing an innovation board.

S Kemp considered that the LEP Board should focus upon achieving a greater conversion from the research and the R&D Place Strategy into the real world business impact, with particular focus on the supply chain and to consider the range of different skills, jobs and the relationship with the SEP around inclusive growth.

RESOLVED – That the Board considered the summary of the Government's Innovation Strategy.

## 7 **Renewal Action Plan Activity Update**

A report was presented which provided an update and indication of the delivery priorities outlined in the Employer section of the Renewal Action Plan. The report also provided an update on activity to date, and sought the Board's agreement to an evaluation of activity to inform future programmes which would support growth and create jobs.

A total of 16 Advisors were now in post across each of the four local authorities. To date, the Renewal Action Plan Advisors had undertaken a total of 400 business interventions across the four local authorities, of which 270 business interventions had been micro businesses and 130 had been small to medium sized enterprises and large companies.

The Renewal Action Plan Board, which was chaired by A Greaves and consisted of representatives from the four local authorities, had changed its meeting cycle to monthly instead of weekly.

Councillor Turpin welcomed the specialist Business Advisors. He referred to the reoccurring theme of delays to timeframes within the SCR, which needed to be resolved.

In response, H Kemp commented that her team was stretched to capacity, and this had been experienced across all of the teams within the MCA. Temporary staff would be appointed where necessary. The MCA was working with the officers at the local authorities wherever possible, who had been very supportive and had started to take the lead on particular pieces of work to ensure operations developed at pace.

S Kemp referred to Priority 5 'Marketing Activity' that was highlighted within the report, together with the capacity pressures that had been encountered, the impact of the COVID-19 pandemic, and the further work that could be undertaken.

Further information would be provided to the next Board meeting in relation to the evaluation of the Business Advisors to include the funding element,

together with further details on the evaluation of the Additional Restrictions Grant.

In response to a question made by Mayor Jones CBE, H Kemp commented that some of the monies that had not yet been utilised could be used to facilitate additional jobs and growth through activities that were similar to those undertaken through the Additional Restrictions Grant.

RESOLVED – That Members:-

- i) Considered and commented on the activity undertaken up until the end of July 2021.
- ii) Committed to a robust and detailed evaluation of Renewal Action Plan interventions, Advisor activity, and the Additional Relief Grant, to inform future programmes which would support growth and create jobs.

## 8 **Business Pipeline Criteria Development**

A report was presented on the business pipeline criteria development. Work had commenced in order to develop a methodology to qualify enquiries from both indigenous companies and new inward investors for possible funding support. This would manage the expectations of such companies in order for them to understand the criteria, the process and the timescale of the process, together with the funding options.

A total of 40 business opportunities had been identified through the initial set of business pipeline proposals, which were mixed across indigenous growth and inward investment, and covered all four local authority areas.

Following a successful recruitment process, an Innovation Project Director would commence in post from mid-October 2021, who would give focus to the Innovation Agenda. It was envisaged that the Innovation Project Director would attend the Board meeting that was scheduled to be held after October 2021, to present the progress and priority on the Innovation Agenda.

At the last Board meeting, Members had requested that a criteria should be developed regarding how businesses could access the pipeline, and to change the title 'Business Pipeline' to a working title of 'Gainshare Business Assistance Criteria' which would fit under the SEP as part of the scaling up agenda.

R Clark referred to the recent meeting held with the local authority partners, who had referred to the good collaborative working. At that meeting, many different issues had been raised which could not be covered within this single agenda item, but would be addressed over the coming months through joint working. The report presented at today's meeting focused upon the criteria regarding how the significant growth project would come onto the Gainshare Business Assistance Share Programme.

A workshop would be held in September 2021 for local authority partners, in order to focus upon the governance processes and procedures which were required to be adhered to.



Members expressed concern that there was not an identified budget for the programme of activity at this stage, and the proposal that the funding would be made available as required by an approved project, which may impact upon the details of the funding agreement with the businesses in terms of the drawdown.

In response, H Kemp commented that she had previously raised Members' concerns internally. She had been informed that there was not currently an intention to have an identified funding pot.

S Kemp was happy to have a circular discussion with H Kemp and Dr Smith on the matter.

In relation to the criteria, R Clark referred to a meeting that had been held with the local authority partners following the last Board meeting. At that meeting, a number of elements had been highlighted which did not fit within the paper presented to today's meeting which referred purely to the criteria for those businesses that had significant growth projects.

Mayor Jones CBE considered that the criteria outlined within the report was correct. She believed as a Board, that there was a need to press the MCA for a funding allocation for 1 year, to be reviewed thereafter.

Councillor Turpin had spoken to several of the officers at SCC who were unhappy with the situation. He considered that the expertise within the local authorities had not been sufficiently fed into the process.

Mayor Jones CBE commented that if the Board tied itself down too much to the differing sectors, that this would stifle the ability for utilisation of job growth. In view of Members accepting the headline criteria, she suggested that the officers at SCC could review the detail which underpinned the outcome, in order to move forward and to start to obtain the schemes which were required.

RESOLVED – That Members:-

- i) Approved the headline criteria that allowed officers to engage with businesses as outlined in the paper.
- ii) Agreed that officers would further develop metrics in relation to criteria 9 in line with the emerging SYMCA Inclusion Policy for approval at a future Board.
- iii) Approved the MCA Executive Team to work with local authority colleagues to further develop the processes that should be adopted for referring clients with growth projects in the SYMCA.

## 9 **Business Scheme (Verbal)**

Members were informed of two business schemes, which would be presented to the Assurance Panel Meeting that was scheduled to be held following today's meeting. H Kemp would ensure that funding for the schemes would be identified, to enable the Board to approve the schemes, should it be deemed necessary.

- i) Lontra Scheme

The Lontra Scheme was an inward investment case, which had developed a new innovative blade air compressor that would save approximately 21% of the energy used in the normal air compressor. It was envisaged to establish a new manufacturing facility in Doncaster, within existing premises which was close to Doncaster Sheffield Airport. The total project cost was almost £18m.

The outcomes would include 300 new high-quality manufacturing jobs to be created by 2025, which equated to approximately £17,000 against the grant, and would release approximately £11m of private sector match funding.

The funding request was just over £1.9m on loan, to be fully repaid within 7 years, and £5.16m of grants.

Engagement had been made with DMBC in terms of how the scheme would be progressed forward. SCR was fully supportive of the scheme.

Mayor Jones CBE and N McDonald supported the proposal.

ii) Gene Therapy Innovation Manufacturing Centre Scheme

The scheme which was borne by the University of Sheffield, hoped to establish a strategy of innovation manufacturing centre within Sheffield. The University of Sheffield undertook research for cures to a number of illnesses.

The current project total cost was £14m, and sought a total grant funding of £1.5m.

The project would enable the development invaluable medical cluster, with an opportunity to recruit and retain graduates within the region. Initially, a total of 35 jobs would be created by 2024, with an opportunity for others to work alongside them.

Following the outcome of the Assurance Panel Meeting to be held today, H Kemp would provide Members with the formal papers on the two business schemes.

RESOLVED – That Members noted the update.

10 **Any Other Business**

None.

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 .....

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## Business Recovery and Growth Board

28 October 2021

### Renewal Action Plan Business Support Evaluation

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<b>Is the paper exempt from the press and public?</b>	No
<b>Purpose of this report:</b>	Discussion
<b>Is this a Key Decision?</b>	No
<b>Has it been included on the Forward Plan?</b>	Not a Key Decision

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**Director Approving Submission of the Report:**  
Helen Kemp, Director of Business and Skills

**Report Author(s):**  
Bev Foster  
Bev.foster@sheffieldcityregion.org.uk

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#### **Executive Summary**

Following on from the Business and Recovery and Growth Board's agreement to an interim analysis of the Renewal Acton Plan delivery related to Business Advisors and the Additional Restrictions Grant, this paper sets out the current position using findings from April – September 2021.

#### **What does this mean for businesses, people and places in South Yorkshire?**

Support for businesses to survive, adapt and thrive through the Covid pandemic and beyond, establishing opportunities for business growth, new jobs and increased supply chain activity across South Yorkshire.

#### **Recommendations**

This paper is an opportunity for the Board to understand the current delivery of business support offered under the Renewal Action Plan Employers area of action. The Board are asked to approve actions to improve intelligence gathering.

#### **Consideration by any other Board, Committee, Assurance or Advisory Panel**

Business Recovery and Growth Board

01 September 2021

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## **1. Background**

- 1.1 At the Business and Recovery Growth Board 1 Sept 2021, the Board agreed to an interim analysis of the Renewal Acton Plan (RAP) delivery related to Business Advisors and the Additional Restrictions Grant. Appendix A provides the contextual background to these streams of RAP activity.
- 1.2 The data collected to date allows analysis to be undertaken at both Local Authority and regional level and provides an opportunity to understand basic trends and opportunities. The data provided for the RAP Business Advisors includes a breakdown of sectors, spend per business size, and hours spent per business size across the local authorities alongside officer and Advisor feedback and is provided at Appendix B.
- 1.3 The analysis of the Additional Restrictions Grant (ARG) is ongoing and in future will include information on the Digital Innovation Grant scheme and how each LA monitors outputs. The data presented at the last Board meeting suggested that the ARG schemes have successfully contracted for the creation of 642 jobs across the region. The cost per job profiled to be created is £8,700 (it should be noted that job creation takes time to be implemented following a grant application and it is unlikely these outputs can be confirmed for a period of up to 12 months).
- 1.4 The Specialist Framework has not been established and therefore not yet yielded outputs. A clearly defined specification that allows a robust procurement process to be undertaken has not been agreed. Activity to date in this area and the outcome of a small pilot to gauge what specialisms were in demand is provided at Appendix C.
- 1.5 Members are asked to note that the current disparate nature of intelligence gathering both internally and externally, raises the concern that the data may contain inaccuracies. It should also be noted that business classifications cover a broad range of activity, the potential for overlap in the definitions used means the sectoral breakdown

## **2. Key Issues**

- 2.1 The exercise has proven useful in understanding what data is and isn't available across the region through the Business Advisor deployment. Reporting is disparate, the MCA executive team receive Business Advisor timesheets and activity sheets which give minimum intelligence on activity. Weekly informal meetings are held with Local Authorities to obtain a snapshot of business challenges, opportunities and signposting to relevant partners; this information is used to populate the regular reports which must be submitted to BEIS as part of Growth Hub reporting conditions.
- 2.2 The available RAP Business Advisor data demonstrates the variety of business sectors that have been engaged. A high number of micro business have received support through this period, discussions with local authorities confirm this has largely been to the impacts of the Covid pandemic and the businesses that have been most affected. During normal operation it would be expected that Business Advisors would be mainly focussed on supporting Small and Medium sized Enterprises.

- 2.3 Each of the local authorities has deployed the Business Advisors in different ways, adapting the approach to suit their local businesses needs and to fit with their existing teams. Three of the four local authorities have used Business Advisors to provide specialist support to help businesses survive through the pandemic and start working towards recovery and growth. The remaining local authority area has focussed their assigned Business Advisors to support businesses in applying for Economic Relief Grants.
- 2.4 All local authority officers value the close links with Business Advisors that this operating model brings. However, 3 of the 16 Advisors have raised concerns that this approach does not allow them to fully utilise their skills/specialisms to businesses across the wider region.

### **3. Options Considered and Recommended Proposal**

#### **3.1 Option 1**

It is recommended that:

- Intelligence gathering and reporting is to be standardised across the 4 partner local authority areas.
- The MCA Exec team work with partners to build on the basic information gathered through Business Advisor Engagement to enable the identification of trends, challenges and opportunities for future business support programme development; this would support a more proactive rather than reactive approach to business engagement and support.
- MCA Officers investigate other models of business support (e.g. similar growth hub areas) and explore with local authority teams through the RAP Employer Delivery Group, where opportunities to improve the existing model exist. To feedback to the Board for

#### **3.2 Option 1 Risks and Mitigations**

This will require additional input from MCA officers and partners that could pull limited resource capacity away from current delivery. Managing this with a clearly defined outcome goal and through existing network meetings and discussions will minimise this impact. The benefits of completing this work would inform and improve the focus of future business support across all partners.

#### **3.3 Option 2**

Do nothing at this stage and wait for a clearer understanding of the impact and longevity of the pandemic.

#### **3.4 Option 2 Risks and Mitigations**

The risk of doing nothing means opportunities to respond to business support needs could be missed resulting in lower rates of post pandemic business survival and growth.

### **4. Consultation on Proposal**

- 4.1 Local Authority officers have been consulted to provide insight into the operation of the Renewal Action Plan Business Support schemes.

## **5. Timetable and Accountability for Implementing this Decision**

5.1 The Assistant Director Development and Business Support will be responsible for implementing the decision by the end of the year.

## **6. Financial and Procurement Implications and Advice**

6.1 No implications have been identified at this time.

## **7. Legal Implications and Advice**

7.1 No implications have been identified at this time.

## **8. Human Resources Implications and Advice**

8.1 No implications have been identified at this time.

## **9. Equality and Diversity Implications and Advice**

9.1 No implications have been identified at this time.

## **10. Climate Change Implications and Advice**

10.1 No implications have been identified at this time.

## **11. Information and Communication Technology Implications and Advice**

11.1 None

## **12. Communications and Marketing Implications and Advice**

12.1 No implications have been identified at this time.

### **List of Appendices Included**

Appendix A: Context

Appendix B: RAP Business Advisors data

Appendix C: RAP Specialist Advisor Support

### **Background Papers**

Business Recovery and Growth Board 1 September 2021 – Renewal Action Plan Activity Update



## APPENDIX A

### CONTEXT

The Renewal Action Plan was developed in close partnership with the business community, councils, universities, and other partners. It focuses on the immediate relief that should be provided 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 made 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

This analysis concentrates on the provision of access to an in-house team of specialists based within the Growth Hub utilising the Bloom 'Neutral Vendor' Framework, utilising a two-tiered approach:

- **TIER ONE** – Provision of 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 Business 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 between 1 and 4 days consultancy, provided at no cost to the business.

### Tier One - RAP Business Advisors employed via Bloom

Bloom Procurement Services Ltd is the name of a company, who manage a framework which SYMCA use to call off Specialist Provider Services. Historically SYMCA has used the framework for the annual appointment of advisors (including Business Growth, Access to Finance, Skills and more recently Renewal Action Plan and Supply Chain).

These appointments have been predominantly direct awards, this means a supplier has been identified, and the framework has been used to issue a specification and seek a response, on acceptance of this Bloom have entered a contract with the supplier.

Business Advisor appointments have been made based on an agreed day rate, with the cost determined by the quantity of days delivered. A 5% fee is payable for all services via the framework, meaning that if a supplier charges £100 a day for services, SYMCA pays £105 per day via Bloom.

The Bloom contract includes 4 objectives for advisor activity. There is currently no requirement for advisors/LAs to report on KPIs other than CRM and timesheets. The highlighted sections are additions to the original Bloom contract to accommodate support for businesses experiencing challenges from Brexit and the pandemic.

The current Bloom contract arrangements end in March 2022 and will need to be re-procured.

#### **Objective 1**

Diagnostic and support delivery meetings whether they be face to face or remotely conducted with LA businesses where identifiable support needs are met. Expectation to **engage with up to ten new businesses per month** - averaged per quarter or otherwise agreed by respective LA support team.

#### **Objective 2**

All businesses engaged must reflect the target audience of businesses with identifiable Covid/Brexit - economic shock recover needs. **It is anticipated that 80% (or as otherwise specified) of all activity will be with those sectors that have been most affected by COVID -19/Brexit** Includes but not exclusively: Training Providers, Independent retailers, manufacturers supplying to hospitality and leisure sectors, tradespeople to the hospitality and leisure sectors, and those manufacturers that have diversified

#### **Objective 3**

Completion of required business data as agreed, expectation is company details, comprehensive records of all communication/delivery/ /research and outcomes with engaged businesses. Comprehensive collation of required business data – relevant and reflective of any delivery activity.

#### **Objective 4**

Accurate and comprehensive completion of all time spent utilising agreed time sheeting process – will include all business and non-business facing activities. Comprehensive completion of timesheets – relevant and reflective of the time spent on activities including business (delivery and diagnostics etc) and non- business facing (Outreach and Administration etc)

## Renewal Action Plan Business Support Evaluation: Appendix B

### Spend on RAP Business Advisors April 2021 to August 2021.

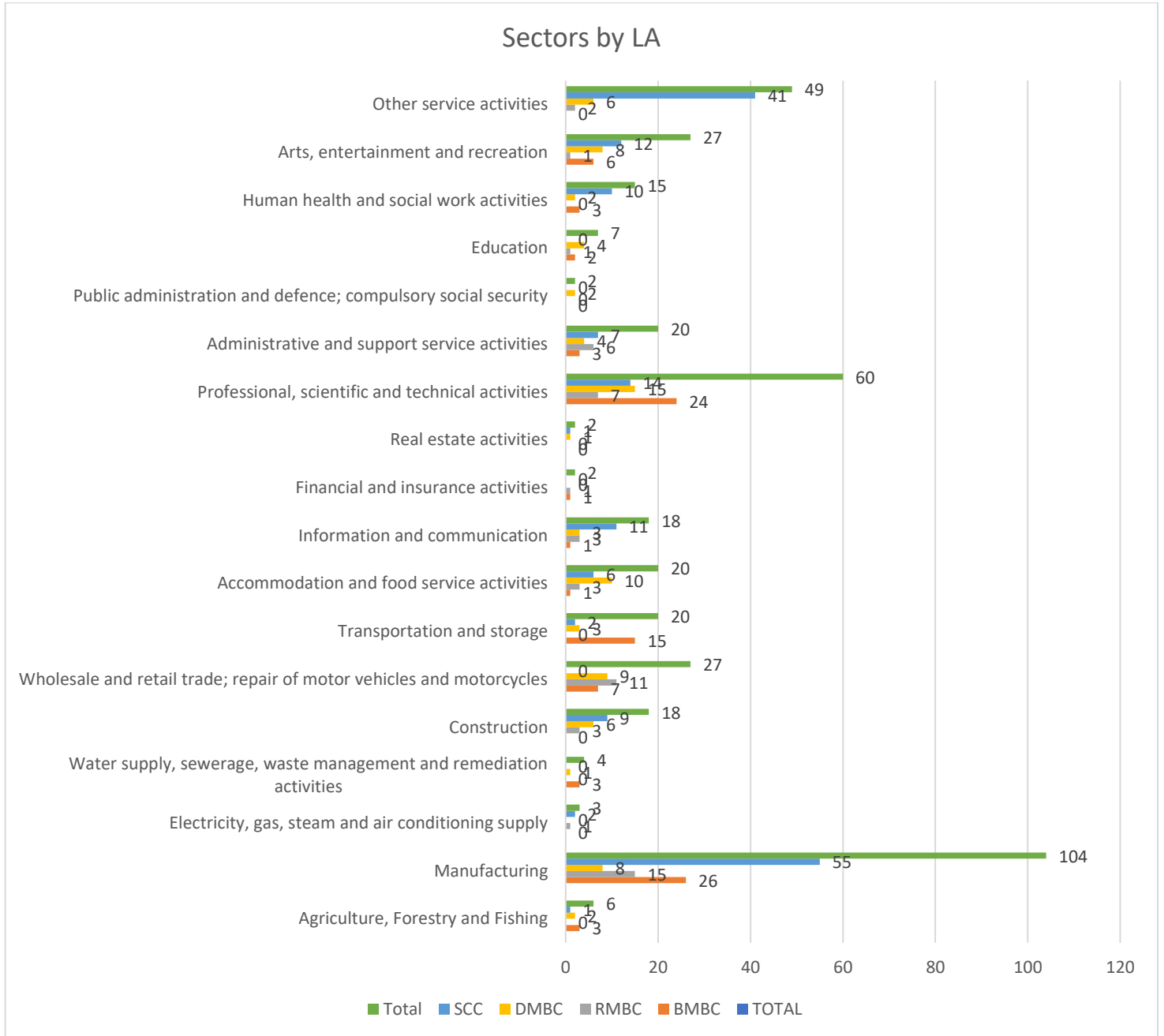
	April	May	June	July	August	Total
BMBC	£ 8,601.03	£ 16,335.85	£ 11,139.66	£ 11,552.24	£ 11,768.00	£ 59,396.78
DMBC	£ 13,237.18	£ 17,915.13	£ 16,913.44	£ 13,355.95	£ 10,578.76	£ 72,000.46
RMBC	£ 9,540.73	£ 11,150.59	£ 12,047.27	£ 7,767.79	£ 15,175.47	£ 55,681.85
SCC	£ 13,588.37	£ 21,529.27	£ 12,927.85	£ 11,627.21	£ 10,432.16	£ 70,104.86
Total	£ 44,967.31	£ 66,930.84	£ 53,028.22	£ 44,303.19	£ 47,954.39	£ 257,183.95

#### Notes:

1. LA breakdown of spend not available at time of report writing. The total spend for September 2021 is £49,552. This gives a year to date total of £306,735.95.
2. The budget for this activity is £794,848 per annum based on 16 advisors each being allocated £49,678.
3. Profiled spend for the remainder of the year is forecast at £568,311.
4. Projected underspend is £226,537.

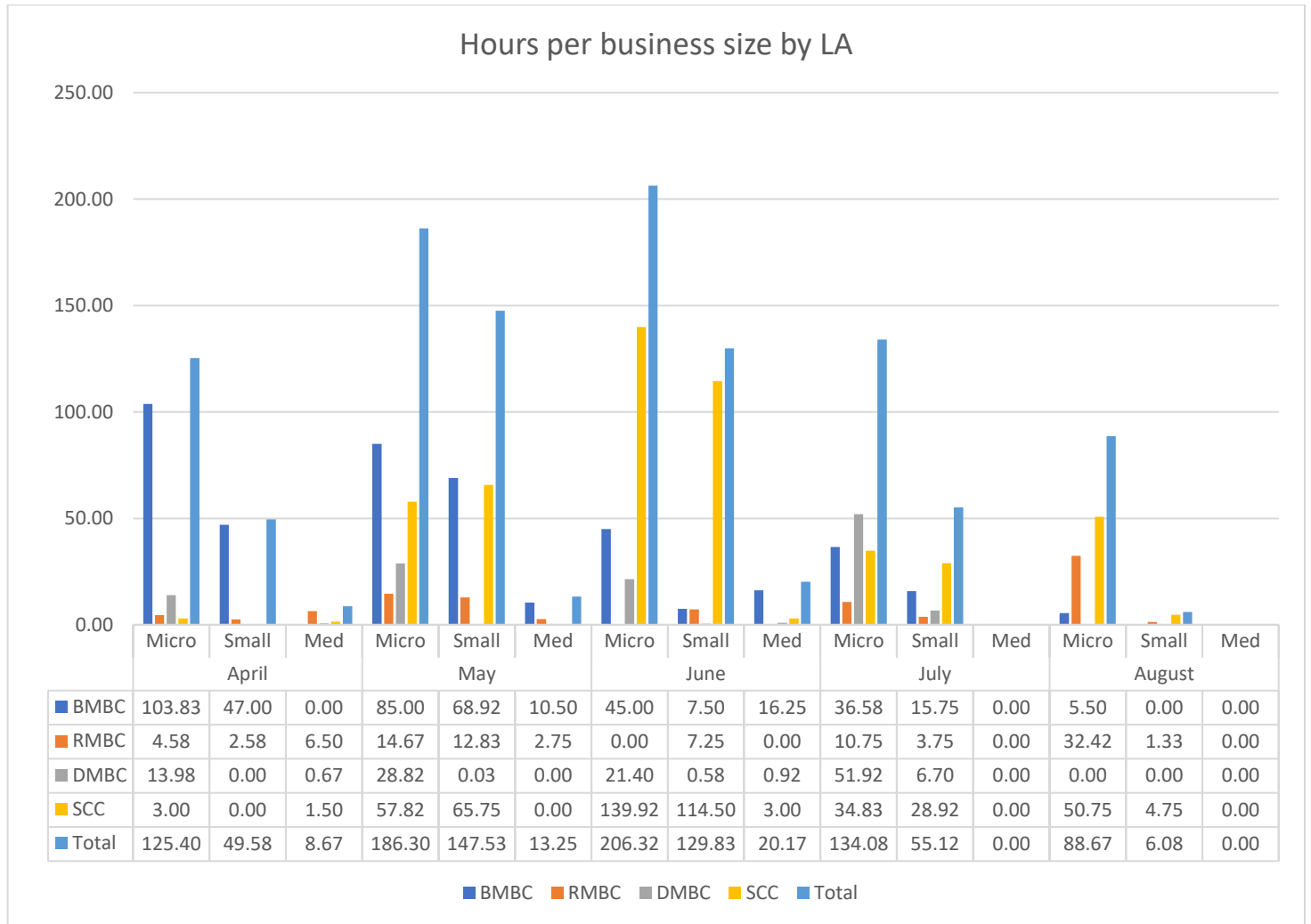
**Renewal Action Plan Business Support Evaluation: Appendix B**

**Sector support provided by Local Authority**

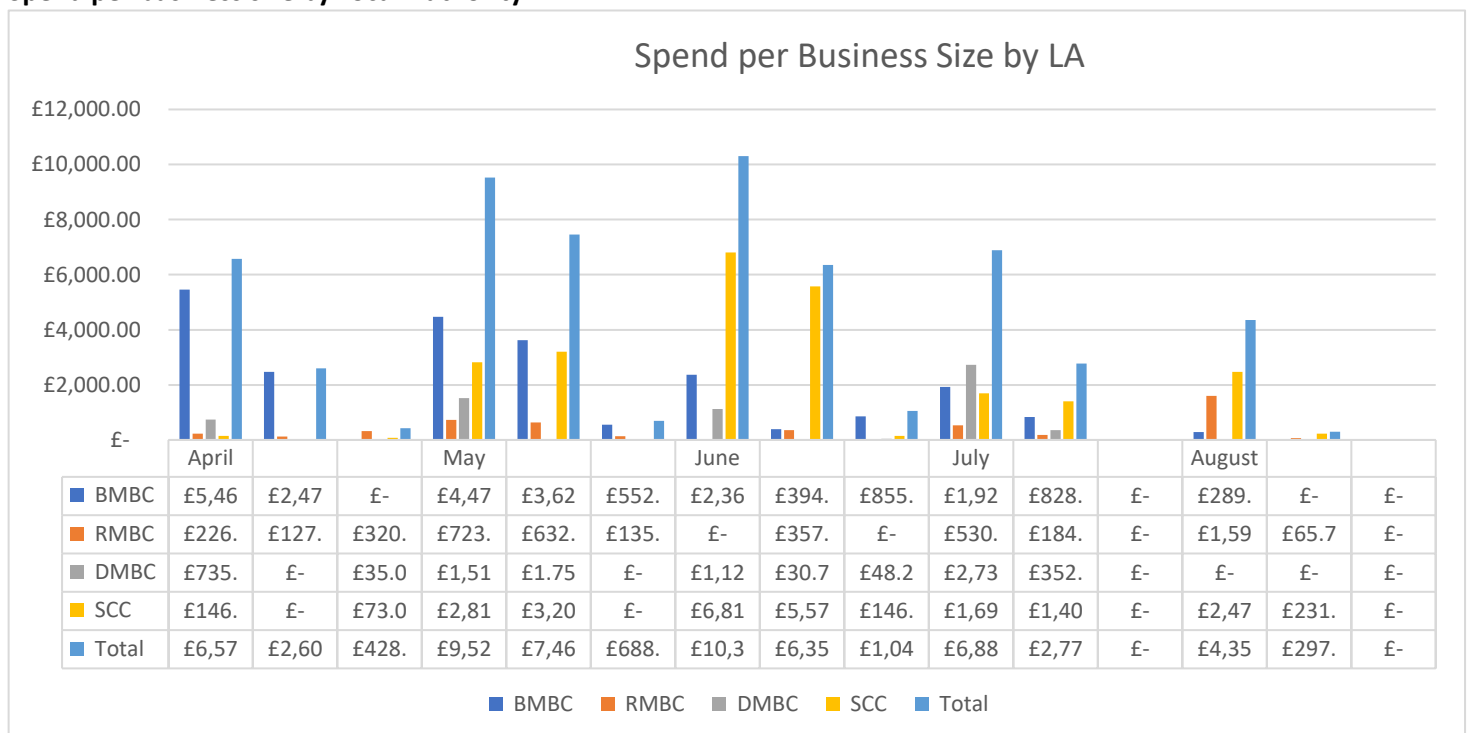


## Renewal Action Plan Business Support Evaluation: Appendix B

### Number of hours of support per business by Local Authority



### Spend per business size by Local Authority



## Renewal Action Plan Business Support Evaluation: Appendix B

### Renewal Action Plan Priority 2, Stage 1 – Deployment of Business Advisors embed in LA teams.

#### Feedback from Partners and Advisors - Barnsley

Barnsley have played to each advisor's strengths and specialisms and have targeted businesses that are looking to grow, innovate, increase productivity, and create jobs.

Advisor support has ranged from a phone call to 2-3 days in a business looking at business improvement techniques such as LEAN and assisting with applications for productivity grants. One advisor has reported that 95% of their RAP portfolio is manufacturing businesses.

The advisors work closely with the Skills and Access to Finance Advisors (who have a regional remit) where appropriate.

Intelligence is captured through Evolutive, BMDC's CRM system and Advisor timesheets.

#### Referrals

- 50% from BMDC
- The remainder are made up of referrals from Barnsley Business Innovation Centre (BBIC), and from Advisors in the other districts
- Via the Advisor's own consultancy business and referred to the relevant advisor in the other districts if not Barnsley based

Enterprising Barnsley (EB) has been in operation since 2016 and develops and manages a variety of programmes that support businesses of all size and sector including the Business Productivity Grants which are managed by 4 employed key account managers.

Two examples were cited to demonstrate where RAP Business Advisors are used according to their specialisms e.g., for manufacturing and retail.

The RAP Advisors are also delivering against the targets for Productivity Grants and the Digital Innovation Grants and have picked up a portfolio of approx 125 businesses who have been hard to reach.

#### Feedback from Partners and Advisors - Sheffield

Sheffield has a slightly different model in that business stock is informally split across the 4 Advisors thus:

- Advisor A – 70% med-small (up to 100 employees)/30% micro
- Advisor B – mainly large up to 250 employees
- Advisor C – micros
- Advisor D – mix of all sizes of business

One of the Advisors also contributes to the regional provision of AFCOE Access to Finance advice.

Officers were keen to emphasise that the recruitment of RAP Advisors was based on supporting businesses to survive the pandemic and support them through the recovery phase. The activity brought Business Sheffield and Invest Sheffield together to support all sizes and sectors in Sheffield.

The Sheffield City Council team have shared a list of the business support available in Sheffield which the Business Advisors must all be aware of. Officers impressed the benefits that the RAP Business Advisors bring with their specialist knowledge is valuable and raised concerns that directly employing advisors as part of the council team would dilute the level of expertise they bring to the region's businesses.

## **Renewal Action Plan Business Support Evaluation: Appendix B**

An example of this expertise in practice was demonstrated during a recent Growth Hub team meeting where a RAP Business Advisor shared an in depth understanding of the business challenges and opportunities and has already made 6 referrals to the Peer Networks programme.

### **Feedback from Partners and Advisors – Rotherham**

Officers advised that at the start of the pandemic the decision was taken to align the council's limited resources with the Growth Hub model.

The authority team believe that RAP Business Advisor activity has been invaluable. It has demonstrated that the level of expertise and knowledge that a RAP Business Advisor, with specialist knowledge and experience, can deliver in 2 days far outweighs what can be achieved employing a permanent member of staff on a salary that would command less knowledge and be 'pulled' into other aspects of council workstreams therefore diluting business support.

Evolution is used by RAP Business Advisors to capture intelligence which in turn is fed back to the Growth Hub in a monthly activity sheet to support Advisor timesheets. The amount of information is minimal capturing company name, size and sector and the type of engagement, e.g. phone call or face to face meeting, rather than outcomes or meaningful information to support development of future programmes.

### **Feedback from Partners and Advisors – Doncaster**

Doncaster have focussed on recovery support and deployed their RAP Business advisors to work with businesses applying for recovery grants. A target of 45 new businesses per month across 4 advisors is in place for grant support and referrals to other schemes where applicable.

To date, Doncaster has had 280 expressions of interest and have dealt with a further 43 that have now been declined/withdrawn. The RAP advisors are dealing with all of these. Out of these there are 104 applicants that are in contract now with a commitment of £455k of which £253k has already been paid out.

In other parts of the council, a template is used by key account managers to record discussions with businesses and this could be easily adapted for use by RAP Advisors. As with the other LAs, advisor activity is recorded on a CRM which is fed back to the GH via RAP Advisor activity sheets and Advisor timesheets missing the opportunity to catch and disseminate intelligence to inform future business support.

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## **Renewal Action Plan Business Support Evaluation: Appendix C**

### **Renewal Action Plan Priority 2, Stage 2 – Specialist Advisor Support**

The stage 2 proposal envisaged a framework where businesses, under referral from a Business Advisor, could draw upon specialist skills to enable them to overcome key challenges they are facing, whether as a direct result of Covid, UK transition or a general slowdown and the need to adapt to survive and grow.

All task groups agreed that this priority would be cross cutting and activity required in both the Supply chain and digital adoption priorities would also need to access this framework of specialisms.

Many providers have registered an interest in being added to any future framework across several specialisms including import and export, legal, LEAN, and financial planning.

A small pilot undertaken in July 21 to look at common challenge's businesses are facing showed that a more sustainable approach would be to ensure businesses utilised other programmes such as Skills Bank, Made Smarter or Peer Network. It is also noted that some of the specialisms exist within the current cohort of RAP Business Advisors but have been more difficult to access due to the LA bound nature of the current model.

The framework model has been a challenge to procure with the specification difficult to define for such a broad range of specialisms. To this end, an alternative interim procurement process has been agreed to allow access to additional specialisms using a 3-quote approach. This has not been utilised to date.

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## Business Recovery and Growth Board

28 October 2021

### Sheffield Innovation Programme (SIP) Continuation (28R18P02582) Extension

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<b>Is the paper exempt from the press and public?</b>	No
<b>Purpose of this report:</b>	Funding Decision
<b>Is this a Key Decision?</b>	Yes
<b>Has it been included on the Forward Plan?</b>	No

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#### **Executive Summary**

This paper will discuss the need to extend the existing Sheffield Innovation Programme (SIP2). The project is formally known as 'SIP Continuance (28R18P02582)'. The project currently funds 2 Innovation Advisors in the region who are dedicated to the programme along with an admin support who is 20% funded

This project is a European Research Development Fund (ERDF) project that has been continued from the original SIP 1 project, delivered between 2016 and 2019. The current SIP2 project has been severely impacted by the COVID-19 Pandemic and this paper will outline the impacts in section 1.

#### **What does this mean for businesses, people and places in South Yorkshire?**

The continuance of the programme will deliver the intended benefits that have not been realised due to the impacts we will discuss in section 1. This will be done by extending the

availability of the programme. The extension will enable access to academic expertise and support from the Innovation Advisors to be maintained and delivered for a further 9 months within the existing cost/benefit parameters. This provision provides a key link between regional SMEs and Academia as many SMEs have no experience of how or where to obtain the support to enable them to grow, flourish, be sustainable and contribute to the growth of the South Yorkshire economy

## **Recommendations**

The Programme team recommend that SIP 2 is extended

## **Consideration by any other Board, Committee, Assurance or Advisory Panel**

None

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## **1. Background**

- 1.1 Businesses across all sectors of the economy in the South Yorkshire region have historically been innovative and invested in innovative activities. However, with the expansion of the SME business base, access to supporting expertise that is both available, practical and financially achievable has been a challenge. Having a route into supporting academia to achieve ambitious goals for growth through non blue-sky, practical research has been significantly eased by having the SIP as part of the regional offering.

As a result of the national lockdowns imposed by government, due to COVID-19, businesses were unable to access this programme as both University of Sheffield (TUoS) and Sheffield Hallam University (SHU) experienced closures of facilities and access to innovative departments that traditionally supported SIP. Some faculties that could work remotely have done so and a limited number of successful outputs have been achieved

- 1.2 The programme was due to run until September 2022, however the programme was significantly restricted for 18 months due to the lack of resource to support it.
- 1.3 The programme partners would like to extend the duration out until July 2023, a further 9 months from the original end date. This will enable it to achieve the originally intended outputs, within the agreed existing financial arrangements – no further budget will be requested as it will utilise the significant underspend by all parties to date. This extension plans to deliver the original outputs in the extended duration and will not look to deliver additional interventions above the ones in the existing schedule.

## **2. Key Issues**

- 2.1 TUoS and SHU have now fully reopened all areas of support opportunity and the access to the programme delivery partners is no longer at risk. Both institutions are gearing up to deliver the required outputs over the potential new programme duration. All parties agree that the outputs required under the programme will be achievable in the extended timescales.
- 2.2 Should there be another significant lockdown due to COVID the programme may have to revisit the achievability of the outputs.



2.3 An extension to the programme will additionally enable Regional SMEs to access expertise and support from the Innovation Advisors over an extended period.

### **3. Options Considered and Recommended Proposal**

#### **3.1 Option 1**

Extend the existing programme and agreement between the three parties to deliver the existing schedule of outputs in the new duration. This should deliver the desired outcomes whilst avoiding the programme significantly underspending. This is the preferred option.

#### **3.2 Option 2**

The only other option is to use the existing resource to deliver within the original timescales. It is unlikely that the programme will deliver the desired impact and outputs required in these timescales and will also be severely underspent.

#### **3.4 Option 1 Risks and Mitigations**

The issue to be mitigated is the project delivery time lost due to COVID severely restricting access to the programme delivery at both Universities. Extending the programme allows the programme to deliver the required outputs.

#### **3.5 Option 2**

The key risk is that 3.2 will under deliver and under spend, resulting in a lack of innovation with the SYMCA area, a clawback of funds from the ERDF and potentially reputational issues within the area of SME's.

#### **3.13 Recommended Option**

Option1

### **4. Consultation on Proposal**

4.1 All other parties to the programme have been consulted through the Partnership Board Meetings and agree extending the duration is the only way to enable delivery of the outputs.

### **5. Timetable and Accountability for Implementing this Decision**

5.1 Following approval from the board we will seek approval for an extension from ERDF to continue beyond September 2022.

### **6. Financial and Procurement Implications and Advice**

6.1 This report contains a proposal to extend the SIP2 programme for a further 9 months utilising underspends from the SIP2 programme. There is therefore no additional ask/call for funding on top of the current arrangement.

### **7. Legal Implications and Advice**

7.1 The options fall within the Authority's functions relating to Economic Development and Regeneration of the Combined Authority area.

**8. Human Resources Implications and Advice**

8.1 N/A

**9. Equality and Diversity Implications and Advice**

9.1 N/A

**10. Climate Change Implications and Advice**

10.1 N/A

**11. Information and Communication Technology Implications and Advice**

11.1 N/A

**12. Communications and Marketing Implications and Advice**

12.1 N/A There is no budget/provision for marketing as part of this programme.

**List of Appendices Included**

None

**Background Papers**

None



## Business Recovery and Growth Board

28 October 2021

### Cybercrime affecting businesses in South Yorkshire

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<b>Is the paper exempt from the press and public?</b>	No
<b>Purpose of this report:</b>	Discussion
<b>Is this a Key Decision?</b>	No
<b>Has it been included on the Forward Plan?</b>	Not a Key Decision

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#### Director Approving Submission of the Report:

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#### Executive Summary

Cybercrime has increased significantly in the UK, in the past 18 months, during the various national lockdowns imposed, as a result of the COVID-19 pandemic, and now accounts for 50% of all fraud committed (according to PWC's Global Crime Survey).

The South Yorkshire region has also experienced a significant increase in cybercrime, particularly targeted at local businesses, with just under 40% of firms reporting such attacks, with an estimated loss in revenue exceeding £68 million (from actual incidents reported). However, with almost 72% of attacks not reported (according to the Department for Digital, Culture and Media), the true cost of cybercrime affecting the South Yorkshire economy could be as high as £243 million per year.

The nature of online fraud, both regionally and nationally, has mainly been in the form of either ransomware attacks (servers/systems hacked with data stolen) or phishing (email hacks that encourage recipients to click a link).

Business support interventions which help businesses protect themselves against cybercrime have traditionally been delivered via modules/webinars on cybercrime in the South Yorkshire

region. However, with the advancement of technology, cybercriminals have become even more sophisticated in their methods of targeting and defrauding local businesses.

Hence, this paper sets out the context for cybercrime trends/activity in South Yorkshire affecting businesses and provides a number of options/interventions to support local businesses protect themselves.

### **What does this mean for businesses, people and places in South Yorkshire?**

Cybercrime targeted at local businesses in South Yorkshire has resulted in many businesses being unable to operate. Cybercriminals typically attack the online presence of local firms affecting their business processes and operations. Unless business owners and employees are made more aware of the methods and technologies to protect their business operations, more revenue will be lost to cybercriminals in the region, with business failures also rising.

### **Recommendations**

#### **Consideration by any other Board, Committee, Assurance or Advisory Panel**

None

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## **1. Background**

- 1.1 Businesses across all sectors of the economy in the South Yorkshire region have invested heavily in developing their digital/online presence, over the past several years, in order to remain competitive and to realise growth, by providing their customers with alternative channels to access/purchase their products or services.

This trend accelerated over the past 18 months, as a result of the national lockdowns imposed by government, due to COVID-19, which meant that businesses needed to rapidly pivot towards digital platforms/channels in order to continue to trade, due to the closure of business premises.

- 1.2 Also, with many offices and shops closing, many business owners and their employees have been running their businesses remotely/from home, during the pandemic.

Hence the digital resilience of businesses has never been so critical to the local economy, which relates to the ability of business owners to not only protect their business operations from online attacks but also to develop plans for recovery, if they suffer from a cyber attack.

- 1.3 Unfortunately, cybercriminals have been increasingly active across the UK and in the South Yorkshire region, taking advantage by exploiting the vulnerabilities evident in the digital channels operated by businesses, reflecting in a rise in online fraud, over the period.

## **2. Key Issues**

- 2.1 According to research commissioned by the Department for Digital, Culture, Media and Sport (DCMS), almost 40% of the businesses experienced some sort of the

cybercrime in 2021, which equates to over 7,500 businesses in the South Yorkshire region. Larger firms were worse affected (65%).

2.2 The average cost of an attack to an SME was estimated to be around £8,460, with larger firms losing as much as £13,400. Aggregated across the regional economy, this amounts to over £68 million in lost revenue for businesses per year. However, this is only the tip of the iceberg, since as much as 72% of cybercrime goes unreported by business owners due to a number of reasons including the risk of reputational damage.

2.3 The most common types of cybercrime include:

- Ransomware – data stolen by hackers through malware etc with owners asked to pay a ransom to release data or prevent its publication.
- Phishing – with almost 80% of firms reporting this type of attack, which comes in the form of an email with links to fake websites.
- Home working – exploiting vulnerabilities including outdated anti-virus software or older operating systems (which no longer receive updates)
- Wider online fraud – including Denial of Service (DoS) attacks which flood a server with data/traffic causing a network to crash.

2.4 With many business owners and staff working remotely/at home due to the pandemic, fewer firms have been able to administer cyber security measures including security monitoring tools etc. Also, only a third of businesses have been using VPNs (encrypted data communications) when working from home.

In addition, upgrading hardware and software systems to improve resilience became more challenging during the pandemic, logistically, with employees and managers working from home.

2.5 Many local organisations are engaged in supporting local businesses to protect themselves from cybercrime, including through raising awareness to offering technology solutions. Organisations that can offer businesses advice and support on protecting themselves against future cyber threats include:

- South Yorkshire police and the Regional Cyber Crime Unit
- The National Cyber Security Centre
- Private IT support providers and suppliers
- Chambers of Commerce (see below)
- The Yorkshire Cyber Security Cluster – helping businesses/organisations to build stronger standards of cyber security. The cluster are developing an online directory of local cyber security firms that can assist local firms.
- The North East Business Resilience Centre, which specialises in cyber security programmes for small firms.

- Other professionals, trade bodies, or peer networks.

The South Yorkshire Chambers of Commerce ran a Cyber security event on October 14<sup>th</sup> for its members called “How to avoid losing your entire business in 30 seconds” which included the following items on the agenda, delivered by several partner organisations:

- **Latest cyber security insights** from South Yorkshire businesses  
Steve Hughes, Policy Points
- **Cybercrime - The threat for businesses** - Eliza-May  
Austin, th4ts3curity.company
- **Perspectives from The National Cyber Security Centre (NCSC)**  
A representative from NCSC
- **Business Reliance and Support Resources** - Danielle Lee, South Yorkshire Police and Steve Leach, North East Business Resilience Centre (NEBRC)

2.6 The event above was prompted by the Chamber’s quarterly business survey which indicated the need for greater support to help businesses protect themselves. The survey was carried over the summer of 2021 and included a sample of 572 firms.

Key findings from the survey on cybercrime included:

- 10% of respondents were not confident they could protect themselves from a cyber-attack, whilst 53% were confident that they could.
- 85% of respondents thought that cyber security was a high priority for their business.
- Online training courses on cybercrime were felt to be the most useful way for improving understanding about the issue for 46% of respondents, followed by IT providers (27%). 26% of firms indicated that either the National Cyber Security Centre website or regular newsletters would help keep them informed and protected.

The Mayoral Combined Authority have asked for the addition of 3 questions on cybercrime in the next Chamber survey, taking place between October and December 2021, with results expected in the new year.

### 3. Options Considered and Recommended Proposal

#### 3.1 Option 1

Deliver a Cybersecurity Summit/event, involving local/regional partners, to an audience of local businesses, from all sectors. The event could either be an online event, which is more scale-able or a series of local events held in each local authority area of the region.

3.2 This option would be resource intensive for the MCA, requiring at least one officer’s dedicated time to organise the event, marketing and promotion + managing invitations and partners/suppliers to attend.

### 3.3 **Option 1 Risks and Mitigations**

- Low or poor attendance at the Summit/event – the risk is low and can be mitigated by affective marketing to clients.
- Insufficient resource in the MCA to manage one or several local physical events. The risk is medium as the MCA have struggled with resources to date.

### 3.4 **Option 2**

Promote future cybersecurity events organised by partners organisations only, through our monthly e-newsletter and social media platforms, referring enquirers to partners including the Chamber of Commerce or the Yorkshire Cybersecurity cluster who may organise events in the near future, partnered by the MCA.

### 3.5 **Option 2 Risks and Mitigations**

This option is seen as relatively low risk, in terms of probability or impact as this is a referral only intervention.

The only risk would be for the exclusion of non-members of the Chamber of Commerce. However, this could be mitigated by agreeing invitations with the Chamber in advance and supporting the costs for delivering such events.

### 3.6 **Option 3**

Development of a cyber security programme delivered by a specialist agency, such as the North East Business Resilience centre (NEBRC), which can provide bespoke advice to business and access to a wide range of online resources including webinars and tool on cybersecurity.

- 3.7 The NEBRC delivered a similar programme for West Yorkshire, at a cost of £100,000 in 2020. The programme assisted 174 businesses over a 6 month period, bespoke advice and support.

The programme includes student placements – (many of which are sourced from Sheffield University). It also provides links to organisations that can offer discounted training on Cyber Essentials (£300 per organisation).

### 3.8 **Option 3 Risks and Mitigations**

The risks with this option include the limited number of SMEs supported with the programme. However, this could be mitigated by determining the demand for such support and to commission a programme to meet the scale of demand.

### 3.9 **Recommended Option**

No recommendation is provided, as this is a discussion paper and the Board will need to determine their priorities and the resources (if any) they would wish to dedicate to tackling this issue.

## 4. **Consultation on Proposal**

- 4.1 All internal teams in MCA have been consulted on this paper.

**5. Timetable and Accountability for Implementing this Decision**

5.1 This is a discussion paper for the October Board – any timetable for implementation may follow the Board meeting.

**6. Financial and Procurement Implications and Advice**

6.1 There is currently no budget for a cybersecurity event / programme (option 3) or for marketing, promotional and event hire costs (option 2). Funding would therefore need to be found from within existing budgets or a budget change request submitted for consideration.

**7. Legal Implications and Advice**

7.1 The options fall within the Authority’s functions relating to Economic Development and Regeneration of the Combined Authority area.

**8. Human Resources Implications and Advice**

8.1 None currently – as Board will need to determine if any course of action is preferred.

**9. Equality and Diversity Implications and Advice**

9.1 None/not applicable at this time.

**10. Climate Change Implications and Advice**

10.1 None/not applicable at this time.

**11. Information and Communication Technology Implications and Advice**

11.1 None/not applicable at this time.

**12. Communications and Marketing Implications and Advice**

12.1 None/not applicable at this time.

**List of Appendices Included**

None

**Background Papers**

None