

Public Document Pack



Wednesday, 3 February 2022

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, 10 February 2022 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



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Member Distribution

Mayor Ros Jones CBE (Co-Chair)
Neil MacDonald (Co-Chair)
Councillor Jim Andrews BEM
Alexa Greaves
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Councillor Paul Turpin

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

MCA - Business Recovery and Growth Board

Thursday, 10 February 2022 at 2.00 pm

Venue: Virtual Meeting



Agenda

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4.	Public Questions of Key Decisions	Chair	
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Date of next meeting: Tuesday, 1 March 2022 at 10.30 am			
At: Virtual Meeting			

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MCA - BUSINESS RECOVERY AND GROWTH BOARD

MINUTES OF THE MEETING HELD ON:

WEDNESDAY, 12 JANUARY 2022 AT 4.00 PM

VIRTUAL MEETING



Present:

Mayor Ros Jones CBE (Co-Chair)	Doncaster MBC
Neil MacDonald (Co-Chair)	Private Sector LEP Board Member
Councillor Jim Andrews BEM	Barnsley MBC
Councillor Glyn Jones	Doncaster MBC
Richard Stubbs	Private Sector LEP Board Member
Councillor Paul Turpin	Sheffield CC
Helen Kemp	MCA Executive Team
Rachel Clark	MCA Executive Team
Nici Pickering (Observer)	MCA Executive Team

In Attendance:

Paul Mitchell	Senior Programme & Performance Manager	South Yorkshire MCA
Jim Dillon	Interim Director of Business and Skills	MCA Executive Team
Stephen Burrows	Senior Business Development Manager	MCA Executive Team
Paul Clifford	Head of Service	Barnsley MBC
Chris Dungworth		Doncaster MBC
Ken Nettleship	Senior Development Manager-New Investment	SCR Invest
Tim O'Connell		Rotherham MBC

Apologies:

Muz Mumtaz	MCA Executive Team
Bev Foster	MCA Executive Team

1 Welcome and Apologies

The Chair welcomed everyone to the meeting.

Jim Dillon, Interim Director of Business and Skills at the MCA was also welcomed by the Chair to his first meeting of the Business Recovery and Growth Board.

Apologies for absence were noted as above.

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

Mayor R Jones and Councillor G Jones declared an interest in matters to be considered at agenda item 4 entitled 'D0024'.

3 **Urgent items / Announcements**

None.

4 **D0024**

This item was exempt by virtue of Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

A paper was considered which outlined a proposed business investment in the form of a capital loan to a local company for a total of £20m, to be drawn down from Gainshare against capital projects for business growth at the company. The report highlighted a number of conditions that may be recommended by the Board.

Due to the level of investment, the Board noted that the decision to provide a capital loan to the company would reside with the MCA Board and would be considered at their meeting on 21 March 2022.

Following discussion, the Board supported the proposed financial structure for the capital loan as set out in the paper.

In addition, the Board:

- Requested that the company's Sustainable Growth Roadmap be made available in full at the March MCA Board meeting to assist the Board in making a decision on funding.
- Queried if the company had action plans in place to address local air quality and air pollution.
- Asked if the company's target date to achieve Net Zero Carbon by 31 December 2040 could be brought forward to 2030, in line with Sheffield City Council, who had declared a Climate Emergency and set a target for the city to be Zero Carbon by 2030.
- Queried if external partners and suppliers would be working with the company to help achieve its Net Zero Carbon Plans.
- Asked if emissions produced by aircraft during take-off and landing were also included in the company's Net Zero Carbon Plans.
- Considered that it would be beneficial for the MCA/LEP to develop a position statement in support of the company named in the paper.

RESOLVED – That the Board considered and endorsed progression of the

proposed capital loan investment to project “D0024”, subject to the conditions set out in the paper.

5 Any Other Business

The Board noted that Helen Kemp would be leaving the MCA on 31 January 2022.

On behalf of the Board, N MacDonald thanked Helen for all her hard work and wished her all the very best for the future.

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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By virtue of paragraph(s) 4 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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Business Recovery and Growth Board

10 February 2022

India Programme – progress update

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

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

Report Author(s):
 Stephen Burrows
 Stephen.burrows@southyorkshire-ca.co.uk

Executive Summary:

The paper is an update on activity within the India Programme following papers presented in March 2021 which outlined the key activities for the year, including the establishment of the South Yorkshire India Advisory Board.

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

The update indicates the progress in building key relationships with organisations and institutions between South Yorkshire and India. Development of which will bring opportunity to grow trade and encourage inward investment, creating jobs and raising the profile of South Yorkshire in an important developing market.

Recommendations:

The Business Recovery and Growth Board are asked to consider the information and how this continues to support key outcomes in terms of raising profile, encouraging investment and creating jobs in South Yorkshire.

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

None

1. Background

- 1.1 The following information is intended to update the Business Recovery and Growth Board as to progress against key activities set out in the India Strategy Road Map presented in March 2021.
- 1.2 To recap, In 2017, the Sheffield City Region (SYMCA) commissioned the UK India Business Council (UKIBC) to develop an India engagement strategy for the City Region to grow trade and investment. The task set by the SYMCA was to produce a strategy for 2025 and beyond that:
 - Increase FDI inflows by 10% into SYMCA from India;
 - Increase exports by 10% from SYMCA to India;
 - Increase in number of Indian students by 10% studying at both Sheffield Universities; and
 - Increase in Indian tourism to Sheffield by 10%.

All activity during 20/21 and 21/22 has been aimed at contributing to these outcomes.

Whilst restrictions brought about through Covid have impacted on some of the planned activity, progress has been made across the key five themes that underpin the 4 strategic objectives and is noted below.

- 1.3 With the 4 strategic objectives as the driver, progress under 5 key themes has been made, this is despite the obvious constraints brought about by the pandemic and a reliance on virtual based delivery approaches.
 - I. We have **focussed on the Western Cluster**, with Pune as the focus of activities along with Mumbai where our India Growth Champion companies have had meetings as part of the virtual trade mission held in the summer. 47 business to business meetings were arranged as part of the virtual trade mission ranging from potential suppliers, agents, manufacturing partners and distributors. Outcomes to date include a trial licencing arrangement, potential new supplier/agent relationships and acquisition and the signing of NDA's to allow exchange of product specifications.
 - II. The **'Make in India: Design and Develop with the Sheffield City Region'** brand, latterly adapted to "...with South Yorkshire" has featured as part of all

presentations, meetings and social media posts and is a key marker in identifying South Yorkshire activity across all marketing and PR activities.

- III. We have taken the idea of creating a “**Team SYMCA**”, bringing together a number of South Yorkshires key organisations and institutions to support the core strategy by establishing the South Yorkshire India Advisory Board (SYIAB) Chaired by Richard Stubbs, the first meeting was held in November. Please refer to Appendix A for the membership of the Advisory Board.
- IV. A proposal to establish a **Strategic India Forum** has been made to and supported by the SYIAB, our aim is to establish this forum in 22/23 bringing together businesses in South Yorkshire and India with the aim of facilitating knowledge transfer, trade and Investment opportunities.
- V. The India Growth Champions have progressed during 2021 with a several positive outcomes, meeting the ambitions for **an export growth programme** to help firms to overcome barriers to entering the Indian market, which can often be perceived as challenging. Further support has been given to help the Growth Champions understand areas such as regulatory frameworks, tax on goods and cultural differences in the workplace.

1.4 Other activity within the year has included an Investor Roundtable, Chaired by Mayor Jarvis with the Indian High Commissioner Ms Gaitri Isaar Kumar giving her support and leading discussion on post Free Trade Agreement opportunities with a particular focus on Health and Wellbeing links. A number of meetings have resulted following this roundtable, whilst it also lead to an invitation to meet with the IHC one to one at Indian House, London. This meeting attended by Dan Jarvis and Rachel Clark furthered discussions and allowed time to discuss the unique opportunities presented within South Yorkshire for Indian Investors.

- SYMCA also contributed to the consultation phase of the Free Trade Agreement discussions, hosting a workshop with invited businesses given the opportunity to contribute thoughts on opportunities and barriers in engaging with the India market.
- Close working relationships with DIT overseas officers based in India has been maintained over the year along with contribution to monthly Northern Powerhouse Meetings focussing on India.
- Consultants and Professional Services companies have been regularly engaged, the aim being to maintain relationships that will prove useful from both a trade and Inward Investment perspective as the programme develops.

Looking Ahead

Unfortunately, the realities of the pandemic have meant plans have had to be fluid with several activities scheduled and then cancelled, we have however achieved many of objectives for the year and have a number of activities in planning over the next several months

- The planned visit to India has had to be postponed twice, we hope this can go ahead in the new financial year after the Mayoral elections have taken place.

Whilst it would most likely be too early for the new Mayor to join the visit we would progress with the Trade, Investment and Academic strands of our strategy over the course of the visit

- A second Investor Roundtable to be hosted in London at the Indian High Commission is hopefully able to go ahead late February
- In March we are discussing hosting the Indian High Commissioner, her team and a business delegation to South Yorkshire. A high-profile opportunity to showcase the region and key assets, and a positive activity to build from into 22/23.
- The South Yorkshire India Advisory Board will meet again in March and then at least 3 times before April 2023 with the aim to contribute to the developing strategy, support key activities and provide challenge against the objectives that will be set out in the 22/23 plan.

2. Key Issues

- 2.1 The paper is provided as an update, forward activity beyond April 2022 is currently being reviewed within the MCA 22/23 Business Planning process. The Business Recovery and Growth Board will be updated as to forward strategy when budgets and deliverables are finalised.

3. Options Considered and Recommended Proposal

3.1 Option 1

The Business Recovery and Growth Board review the information provided and continue to support a proactive South Yorkshire – India business development strategy.

3.2 Option 1 Risks and Mitigations

The report will give an indication of the both progress and indicative activity in 2022/23, progress will continue to be subject to Covid risks and restrictions and available resources being made available within 22/23 budgets.

3. Recommended Option

Option 1 is recommended

4. Consultation on Proposal

- 4.1 The South Yorkshire India Advisory Board via Chair Richard Stubbs will continue to be engaged in both the development of strategy and oversight of progress.

5. Timetable and Accountability for Implementing this Decision:

- 5.1 The Board to determine the frequency of the reporting in this area.

6. Financial and Procurement Implications and Advice

- 6.1 Not applicable at this time

7. Legal Implications and Advice

7.1 Not applicable at this time.

8. Human Resources Implications and Advice

8.1 Not applicable in this instance

9. Equality and Diversity Implications and Advice

9.1 Not applicable in this instance

10. Climate Change Implications and Advice

10.1 Not applicable in this instance

11. Information and Communication Technology Implications and Advice

11.1 Not applicable in this instance

12. Communications and Marketing Implications and Advice. Please also refer to consultation undertaken as per Section 4

12.1 Continue to work with marketing colleagues on the promotion of the India programme and further engagements, securing media in India where feasible and timely.

List of Appendices Included

Appendix A – membership of the South Yorkshire India Advisory Board.

Background Papers:

None

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SYIAB Member	Email address
Richard Stubbs Chair	Richard.Stubbs@yhahsn.com
Rachel Clark Director of T&I MCA	Rachel.Clark@scrinvest.com
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Business Recovery and Growth Board

10 February 2022

International Plan Strategy Update

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

Director Approving Submission of the Report:

Helen Kemp, Director of Business and Skills

Report Author(s):

David Moore

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Rachel Clark

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Executive Summary

SYMCA have commissioned an International Plan to which identifies actions can undertake to improve the region's performance across a range of themes, including:

- Enterprise and commercialisation propensity;
- Location and destination development;
- Investment/business/talent attraction and graduate retention;
- Inclusive growth and optimisation of existing assets and institutions;
- Perception of 'place' brand and perception of our promoted specialisms among target audiences

An important element for realising this Plan will be to improve our understanding of 'what good looks like': gaining better insights and monitoring across key indicators of success.

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

The vision is for SYMCA to have a strong international reputation as a thriving and well-connected region. In order to realise that we first need to understand how the region is performing against a set of key metrics of success, and to use this to build a strategy for how to improve and develop the narrative for the proposition and promotion of the region.

The resultant strategy and actions when subsequently agreed, established and adopted will be used to attract new inward investment to the region either in terms of new companies locating here or foreign-owned existing investors to expand their operations and create new jobs and develop new skills for people in the region.

Key sectors identified in the Strategic Economic Plan will form the basis for future development and investment. Deeper understanding of these key sectors and international propositions from this project will start to help us identify how we support and encourage South Yorkshire businesses export and grow their products and services into global markets

As noted below, we are working in partnership with local authorities and other stakeholders to ensure we are developing an International Plan that is relevant to the whole of South Yorkshire and the business base.

Recommendations

None as this is a discussion paper.

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

N/a

1. Background

- 1.1 SYMCA issued an Invitation to Tender in August 2021 to invite consultants to submit a tender to prepare an International Plan on the YORtender Portal system requesting submissions by the deadline of 4 November 2021
- 1.2 SYMCA received four submissions from this process for review.
- 1.3 A panel of officers representing Policy, International & Procurement teams reviewed the four submissions and scored them for selection
- 1.4 One submission scored the highest and won the tender. This was a joint submission from OCO Consulting supported by Metro Dynamics. Procurement subsequently awarded the contract to OCO Consulting.
- 1.5 The project inception meeting was held on 13 December 2021 and the project work commenced in January 2022

2. Key Issues

- 2.1 The approach to the project is summarised below.

2.2 Phase 1: Benchmarking our Region

This phase will identify relevant comparative UK and International regions and identify a comprehensive set of performance indicators on chosen peer regions , including, business makeup , scientific and technology acumen, entrepreneurship, skills base and distinctive capabilities, talent appeal, environmental performance, ‘place’ appeal, and social outcomes/inclusion; as well as innovation, investment performance, amenities, domestic and international links and accessibility.

A gap analysis will determine SYMCA’s performance compared to peer regions and a SWOT analysis to establish the regions strengths and weaknesses in performance and potential investor perception.

The report on this phase will comprise a benchmarking report and include an evaluation of SYMCA’s comparative performance. It will include a monitoring framework upon to measure ongoing performance and provide recommended targets for SYMCA.

2.3 Phase 2: Mapping, Policy Review & International Plan Development

The consultants will conduct literature review and stakeholder consultations to understand international activity. This will include a review of existing policy and practice using the peer comparator regions in Phase 1 to understand best practice and how SYMCA could work to develop a more attractive position on the international stage.

Consultants will provide an assessment and set of recommendations on how SYMCAs brand can be developed and areas in which propositions, sector or otherwise, and promotional activity could be produced to appeal to international audiences.

Workshops will be set up with SYMCA and stakeholders to present findings and recommendations.

3 Options Considered and Recommended Proposal

None, this is a report on progress.

This report is an update paper on the project activity being undertaken to develop the International Plan and we will be reporting on the completion of the project together with the findings and recommendations at the next meeting.

4 Consultation on Proposal

4.1 Stakeholders will be consulted at each stage of the project.

5. Timetable and Accountability for Implementing this Decision

5.1 The project will complete by 31 March 2022

- 5.2 The project findings and recommendations will be made following completion of the project
- 6. Financial and Procurement Implications and Advice**
- 6.1 None
- 7. Legal Implications and Advice**
- 7.1 There are no legal implications arising from this report. The MCA has economic development functions that allow expenditure for the purpose of economic development and regeneration
- 8. Human Resources Implications and Advice**
- 8.1 None
- 9. Equality and Diversity Implications and Advice**
- 9.1 None
- 10. Climate Change Implications and Advice**
- 10.1 None
- 11. Information and Communication Technology Implications and Advice**
- 11.1 None
- 12. Communications and Marketing Implications and Advice**
- 12.1 Upon review of the assessment and recommendations on how SYMCAs brand can be developed and areas in which propositions and promotional activities sector based can be revised to appeal to international audiences. These will be informative for inclusion into the marketing and communication strategy for business and skills.

List of Appendices Included

None

Background Papers

None

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Business Recovery and Growth Board

10 February 2022

Innovation Activity Update

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

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

Report Author(s):
 Joseph Quinn
Joseph.Quinn@southyorkshire-ca.gov.uk

Executive Summary

This paper provides an update on the progress of Innovation focussed business support and outlines upcoming activity that will be undertaken to deliver the innovation-led growth aspirations of the Strategic Economic Plan.

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

Fundamental to the Strategic Economic Plan is the ambition to provide the enabling conditions for innovation to underpin the transformation of the South Yorkshire economy. Increasing the volume of innovative start-ups and scale-ups and supporting existing businesses to generate and commercialise new ideas, adopt new thinking and technology is fundamental to improving the productivity of South Yorkshire businesses which will be vital to delivering the ambitions of the levelling up agenda. A thriving innovation eco-system will support the development of a South Yorkshire economy where businesses, entrepreneurs and individuals are engaged and inspired to innovate.

Recommendations

That the Board notes the on-going activity to support South Yorkshire businesses to become more productive and the progress towards the formation of a South Yorkshire Innovation Board.

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

Non-Applicable

1. Background

- 1.1 Innovation, adoption and defusal is critical to the long-term health of the South Yorkshire economy. Evidence suggests that areas that invest in research and development and businesses that access innovation support activity create higher quality jobs and are more likely to export and grow their business.
- 1.2 The Strategic Economic Plan has placed innovation at the heart of addressing the South Yorkshire productivity challenge. Evidence gained from the Regional Entrepreneurship Acceleration Programme has identified several areas of increased focus that will ensure that the South Yorkshire innovation ecosystem is optimised. Engaging in innovation remains a choice for business, and therefore the South Yorkshire support functions must provide a compelling offer.
- 1.3 This paper provides an overview of some of the principal innovation focussed support activities underway across South Yorkshire delivered in partnership between, Growth Hub, Local Authorities and wider partners. In addition, it provides an overview of forthcoming activity for consideration by the Board. Note: it should not be considered a comprehensive review of all business support activity.

2. Key Updates

- 2.1 **Made Smarter programme:** Developed following an industry-led review that explored how UK manufacturing can maximise the benefits from increasing adoption of digital technology. South Yorkshire Mayoral Combined Authority is leading on the programme for Yorkshire and the Humber. The Programme offers a range of support from digital road maps to intensive bespoke sessions to capital grants. In addition, the programme also aims to create 20 digital internships and 50 places on leadership development programmes.
- 2.1.1 The Growth Hub has worked in unison with its procured delivery partner (Rotherham North Notts) to ensure that the programme is able to deliver tangible and timely outcomes within the constraints of the pilot period. Demand for support has exceeded the initial forecast and as a result the Growth Hub has been able to agree funding for additional roadmap sessions and further discussions are taking place with the Department for Business Energy and Industrial Strategy to finance additional intensive sessions.

2.1.2 The following outputs have been delivered to date:

Made Smarter	EOI	Digital Road Maps	Intensive sessions	Digital Interns		L&M cohort	Capex Grants
				SME EOI's to host interns	Student EOI's		
Total	178	56	60+	30	29	2 (40+ attendees)	1

2.1.3 It is expected that further government funding for the continuation of the Made Smarter programme will become available and this will allow the South Yorkshire Mayoral Combined Authority to further scale the interventions to support more businesses across Yorkshire and the Humber. As this formalises a further update will be provided to the board on progress.

2.2 **Sheffield Innovation Programme:** This programme helps business to achieve ambitions for growth through practical research support. It provides access to innovation support to the Small Medium Enterprise business base via access to academic research, university facilities, innovation consultancy, workshops and bespoke research. The programme is funded via the European Regional Development Fund until July 2023. The programme is led by Sheffield Hallam University in partnership with the University of Sheffield and the Growth Hub.

2.2.1 The Covid-19 pandemic has disrupted the progress of the programme with businesses unable to access provision from the University of Sheffield and Sheffield Hallam University due to closure of facilities and reduced access to innovative departments that traditionally support the Sheffield Innovation Programme.

2.2.2 In order to ensure engagement across South Yorkshire the Innovation Advisors have been working closely with individual local authority Business Advisors, and local Chambers of Commerce. This activity is supplemented with additional Innovation clinics delivered from within the local authority areas. The following outputs have been delivered up to the end of December 2021:

SIP	Enterprise Receiving Support	Employment Increase in Supported Enterprises	Cooperation with a research Entity	New Product to Market	New Product to Firm
Total	104	4	68	12	16

2.3 **The Advanced Manufacturing Innovation District:** This programme of activity builds on the success of the existing South Yorkshire science/business parks and is being led by Sheffield City Council and Rotherham Metropolitan Borough Council. The Advanced Manufacturing Innovation District has an ambition to reach beyond these sites to create an innovation district that is integrated with its

surrounding communities and supports innovation across the South Yorkshire geography. It will create enhanced conditions for investment, connect translational research facilities and local businesses and create employment and education opportunities within its surrounding communities and across the whole of South Yorkshire.

2.3.1 During 2021 Sheffield City Council and Rotherham Metropolitan Borough Council were successful in securing £760k from the Department for Levelling Up, Housing and Communities. This funding will be used to give greater impetus to the proposal and will be used to fund the activity outlined below.

2.2.2 The following four areas will be developed between now and December 2022:

- The Advanced Manufacturing Innovation District Vision: This will set out the aims and objectives, ambitions and priorities.
- The Advanced Manufacturing Innovation District Spatial and Economic Strategy: The investments that the Advanced Manufacturing Innovation District is required to deliver to achieve the objectives outlined in the Vision.
- Advanced Manufacturing Innovation District Delivery Models: Assessment of the options to deliver the Spatial and Economic Strategy and Vision at an enhanced pace beyond the business-as-usual approach.
- The Advanced Manufacturing Innovation District Offer: Market-facing value propositions setting out the Advanced Manufacturing Innovation District 'offer' to attract investors, businesses, and talent; and a plan to address the Advanced Manufacturing Innovation District name and brand.

2.4 **The Innovation Board:** The proposal for the formation of a South Yorkshire Innovation Board was approved by the Local Enterprise Partnership Board on January the 13th 2022. The board will provide strategic leadership of the 'innovation' agenda by bringing together the private sector, public bodies, research councils, funders, and innovation orientated organisations.

2.4.1 The board has a number of objectives that will be further refined once formed, these are outlined below:

- Provide leadership to drive and deliver a new approach to economic development in South Yorkshire centred around innovation. In particular, this includes operationalising the Strategic Economic Plan ambitions across start up, scale-up, commercialisation and the industrialisation of ideas, new supply chain opportunities, and clustering.
- Lead the development of an enabling ecosystem which fosters a culture of successful innovation and ensure the necessary components are in operation and functioning well in South Yorkshire.
- Harness and extend the impact of South Yorkshire's innovation assets regionally and nationally.
- Provide leadership which ensures the development of translational research and clusters in specific thematic areas where South Yorkshire has a competitive advantage. These include Sustainable Manufacturing and Engineering; Energy; Digital Technology; Health and Wellbeing and Advanced Logistics.
- Ensure South Yorkshire's innovation ecosystem supports productivity improvements across a range of lower-paid sectors through investment, training, use of technology or adoption of improved process.

- Provide leadership which ensures that inclusive outcomes are hardwired through all innovation and growth interventions. Transforming South Yorkshire's innovation ecosystem should create opportunities for all people, regardless of age, gender, ethnicity, or other circumstances.
- Collaborate and connect with other Innovation Boards and advice on how South Yorkshire can learn from peers.
- Develop strong relations with partners, especially central Government and complementary publicly funded bodies.
- Identify and promote growth opportunities for South Yorkshire Cluster Research.

2.4.2 Over the next month South Yorkshire Mayoral Combined Authority will be working with partners to identify and approach potential members of the South Yorkshire Innovation board and identify potential private sector chairs. The Chair of the Local Enterprise Partnership in consultation with the Mayor, will appoint the Chair and the Board will sit under the governance of the Local Enterprise Partnership and the South Yorkshire Mayoral Combined Authority. It is currently envisaged that the South Yorkshire Innovation Board will be formally launched at the Economic Summit in March 2022.

3. Options Considered and Recommended Proposal

3.1 N/A – discussion paper

4. Consultation on Proposal

4.1 N/A – discussion paper

5. Timetable and Accountability for Implementing this Decision

5.1 N/A – discussion paper

6. Financial and Procurement Implications and Advice

6.1 No costs have yet been identified for these activities. Budgets for 2022/23 are being set at the current time (January 2022) and innovation activities will be built into such, with more detailed plans being brought to future Boards for support/approval.

7. Legal Implications and Advice

7.1 None

8. Human Resources Implications and Advice

None

9. Equality and Diversity Implications and Advice

9.1 None

10. Climate Change Implications and Advice

10.1 None

11. Information and Communication Technology Implications and Advice

11.1 None

12. Communications and Marketing Implications and Advice

12.1 Working with the marketing and communications team, we continue to promote and look to prioritise developments of the South Yorkshire offer and narrative, pertinent to the enabling conditions to increase the volume of innovative start-ups and scale-ups alongside the evolution of the Advanced Manufacturing Innovation District, and supporting innovation driven programmes identified that form the innovation focused business ecosystem. In alignment with vocalising development across the Strategic Economic Plan, marketing will work closely to evolve the narrative, support the innovation board and the economic summit.

List of Appendices Included

None

Background Papers

None



Business Recovery and Growth Board

10 February 2022

Programme Performance Report

Is the paper exempt from the press and public?	No
<i>Reason why exempt:</i>	Not applicable
Purpose of this report:	Monitoring/Assurance
Is this a Key Decision?	No
Has it been included on the Forward Plan?	Yes

Director Approving Submission of the Report:

Gareth Sutton, Chief Finance Officer/s73 Officer

Report Author(s):

Sue Sykes – Assistant Director – Programme and Performance Unit
 Sue.Sykes@SouthYorkshire-ca.gov.uk

Executive Summary

This paper provides the Board with the latest performance information on Business Recovery and Growth programmes being delivered on behalf of the MCA.

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

Through the delivery of these programmes the MCA is investing in the people and businesses of South Yorkshire which support the MCA's aspirations. Performance information supports the robust oversight and management of this delivery.

Recommendations

That Board members:

- Consider the performance information provided to identify future performance deep-dives or significant areas of risk;

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

None

1. Background

- 1.1 The South Yorkshire Mayoral Combined Authority currently has thirty-eight projects which fall within the remit of the Business Recovery and Growth Board. The schemes are funded from various funding streams with a total value of £83.93m.

This report gives an overview on the performance of programmes and the projects within them, highlighting management actions being taken to mitigate risks.

- 1.2 The expenditure baseline for 21/22 was initially set at £19.49m with the latest forecasts suggesting outturn expenditure of £22.10m. This level of expenditure will be generating a material overspend of £2.61m. This slight increase is due to the addition of new capital projects.
- 1.3 Of this value £3.04m (13%) is funded from conditional grant from government, and consents will likely be required to roll-forward the funding to future periods

2. Current Position by Funding Stream

- 2.1 The table presented below highlights the forecast full-year expenditure profiles set against the baseline targets.

Funding Stream	2021/22 Baseline	2021/22 Forecast	21/22 Variance
	£m	£m	£m
LGF Capital	£6.29	£6.25	-£0.04
New Capital	£0.00	£10.61	£10.61
Employers RAP	£6.91	£1.33	-£5.58
Emergency Recovery	£3.25	£3.25	-
Made Smarter	£1.50	£0.60	-£0.90
Other	£1.54	£0.06	-£1.48
	£19.49	£22.10	£2.61

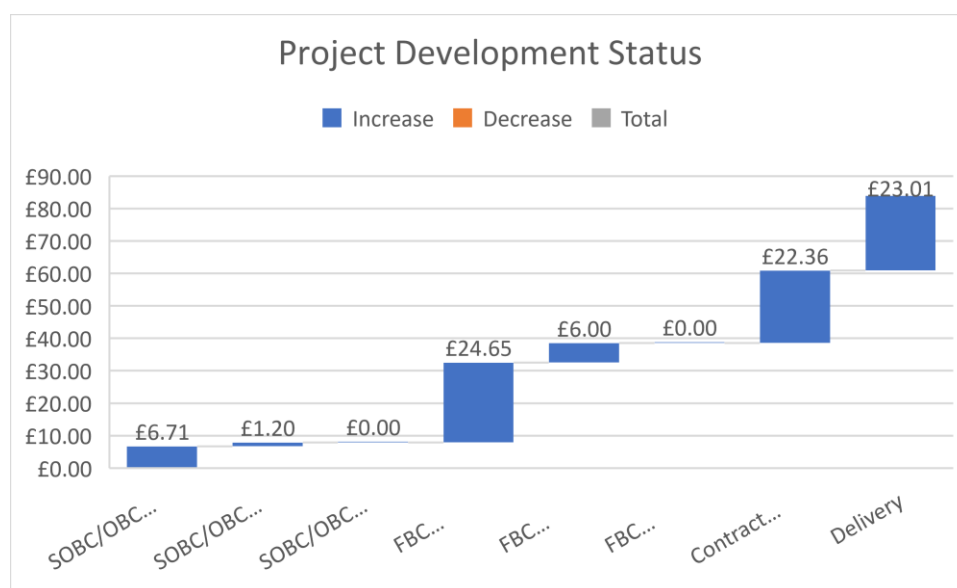
The table below shows 2021/22 current forecast against claims received to date

Funding Stream	2021/22 Baseline	2021/22 Claims	21/22 Claims
	£m	£m	%
LGF Capital	£6.25	£5.85	93.6%
New Capital	£10.61	£0.00	0.0%
Employers RAP	£1.33	£0.26	19.5%
Emergency Recovery	£3.25	£2.17	66.8%
Made Smarter	£0.60	£0.01	1.7%
Other	£0.06	£0.03	46.9%
	£22.10	£8.32	37.6%

The Made Smarter and other baseline targets are set by government, requiring in-year allocations to be fully defrayed within the financial year. There is no comparative grant conditionality timeline pressure on gainshare and the legacy LGF activity. Due to the pandemic the Capital Schemes have experienced delays in Job creation.

2.3 Development Status of Projects

- 2.4 The graphic below exemplifies the milestone status of projects by value. Ideally, at this stage of the year the weight of projects would be in FBC processes, or in contract negotiation or delivery.



- 2.5 The graphic highlights that of the thirty-eight projects in the portfolio 50% are in delivery with a value of £23.01m with six schemes with a value of £22.36m approved and in contract negotiation. Appendix A gives an update on progress of these schemes.

3. Management Actions

- 3.1 Close monitoring is on-going and full programme reviews, where they have not already commenced will be undertaken. This will reaffirm delivery status and inform remedial actions required to address risk.
- 3.2 In this context schemes recommended for approval will be made to the board highlighting the risks on a scheme by scheme basis.
- 3.3 The MCA is proactively engaging Government on the status of the programmes, seeking flexibilities where they may be available

4. Consultation on Proposal

- 4.1 Project sponsors are required to publish business cases on their own websites (or an appropriate summary of the submission) and must consider all comments received and reflect this in the next stages of the application process.

5. Timetable and Accountability for Implementing this Decision

- 5.1 Updates to the Board will continue to be made throughout the year

6. Financial and Procurement Implications and Advice

- 6.1 This report notes the slower than forecast pace of the gainshare and Made smarter schemes. The report notes the potential implications for funding. The report further notes the work being undertaken within the MCA with local partners and national government to mitigate this risk.

7. Legal Implications and Advice

- 7.1 The funding agreement for the schemes provide that any failure to make adequate progress against the spend profile identified may result in the reduction or withdrawal of further funding

8. Human Resources Implications and Advice

- 8.1 None

9. Equality and Diversity Implications and Advice

- 9.1 Appropriate equality and diversity considerations are taken into account as part of the assurance of project business cases

The premise of the engagement is based upon a deal where greater social value is negotiated and the business commits to supporting local supply chains, local labour market, training and taking on apprenticeships, for example

10. Climate Change Implications and Advice

- 10.1 Climate change impact is assessed as part of the assurance process for any proposed activity.

11. Information and Communication Technology Implications and Advice

- 11.1 None

12. Communications and Marketing Implications and Advice

- 12.1 None

List of Appendices Included

None

Background Papers

None

Scheme	Job Creation Target	Offer of support		Progress
		Grant	Loan	
The Floow	110	£4.8m		One approval condition still to be met relating to match funding. A funding agreement is pending issue w/c 31/01/2022.
AML	50	£1.98m		Overage clause agreed. Funding agreement currently with SYMCA legal, pending issue shortly.
UBC	495	£2m	£3.2m	Approval conditions to be closed by 28/01/2022. Grant and loan agreements in development.
Lontra Phase 2	300	£5.16	1.97m	One approval condition still to be met relating to match funding. Grant and loan agreements in development.
Portwest	120	£1.75m		MCA approved 24/01/2022. Contract negotiation ongoing.
GTI&MC	35	£1.5m		All approval conditions have been satisfied. Overage clause agreed. Funding agreement in development

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Business Recovery and Growth Board

10 February 2022

Programme Approvals

Is the paper exempt from the press and public?	No
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Purpose of this report:	Funding Decision
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Is this a Key Decision?	Yes
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Has it been included on the Forward Plan?	Yes
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Director Approving Submission of the Report:

Gareth Sutton, Chief Finance Officer/s73 Officer

Report Author(s):

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Executive Summary

This paper requests acceptance onto the pipeline for four schemes and details the Made Smarter 2 Programme.

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

This report is seeking approval to accept onto the pipeline a number of investment proposals which will support the MCA's aspirations.

The Made Smarter programme will facilitate and proactively support growth amongst existing firms in the Sheffield City Region, whilst supporting the region's recovery and renewal from the pandemic.

Recommendations

The Board consider:

1. Progression of the schemes detailed in section 2 and Appendix A of this report to the programme pipeline, noting that projects will only be supported if future funding is received and assurance requirements are met.
2. Progression to the MCA for approval to accept c£5.5m grant for the Made Smarter programme from the Department of Business, Energy, and Industrial Strategy (BEIS)

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

N/A

1. Background

1.1 Business Growth Schemes

At its last meeting on the 16th December 2021 the Board received a programme update noting the progression of a strong pipeline of business investment propositions. These propositions had arisen from the engagement undertaken by the LEP/MCA and the region's business sector.

- 1.2 The report recommended that the MCA consider the deployment of future-year gainshare resource totalling £9.6m to support a number of propositions presented to the Board, and the forthcoming pipeline of schemes. .
- 1.3 The MCA Board accepted this recommendation, and the recommendation that the MCA structure its investments to share in the value created wherever possible. This decision supported investments being made into a business in Barnsley, following earlier investment into business in Doncaster, Rotherham, and Sheffield.

2. Pipeline Projects

- 2.1 This report seeks admittance onto the pipeline for 4 schemes.

Work is being undertaken in close dialogue with these businesses to develop strategic business cases required to fulfil the requirements of submitting a funding application, enabling these growth projects to be “oven-ready” for consideration for public funding. Most of these have confidentiality requirements due to non-disclosure agreements being in place to protect commercial sensitivities

- 2.2 Schemes selected represent both inward investment and the growth of indigenous businesses. These 4 projects are forecasting to realise c£8.5bn of private investment.

- 2.3 These projects combined will create a minimum 8,600 jobs

The businesses operate across the spectrum in the Energy, Advanced Manufacturing, Scientific Research, and the Automotive sectors

- 2.4 In taking the projects forward to develop a Strategic Business Case it is important to note that this does not secure or ringfence any grant funding. No funding is agreed unless and until a Full business case is approved and a grant funding agreement entered into.

The MCA has entered into a non-disclosure agreement with the applicants, therefore Appendix B with further details of the schemes are included within private papers.

3. **Made Smarter Programme**

- 3.1 In June 2021 the MCA accepted a grant from the Department of Business, Energy and Industrial Strategy (BEIS) for the Made Smarter Pilot Programme. The pilot aimed to drive innovation, rapid adoption and stronger leadership in industrial digitalisation, to support the UK's ambition of becoming a world leader in the Fourth Industrial Revolution by 2030

A suite of interventions is available to all Y&H SME's within the Manufacturing sector.

The interventions range from digital diagnostics/digital roadmaps, through to intensive consultations that can feed into further interventions such as.

- Digital intern placements,
- Digital leadership/management training and
- Focussed capital expenditure awards.

The current programme has delivered:

3.2

Key Performance Indicator	Target	Actual to Date	%
Digital Road Mapping Sessions	50	80	16%
Intensive Technical Support	40	72	18%
Digital Interventions	10	10	100%
Leadership and Management Training	40	24	60%
Capital Grants	20	3	15%
Jobs Created	5	0	0%
Apprenticeships Created	5	0	0%

BEIS seek to grant the MCA c£5.4m for a 3 year the Made smarter 2 programme. The future project will mirror the pilot with the MCA as the lead partner, supported by a delivery partner and West Yorkshire Combined Authority for the administration of Capex awards.

This report is seeking recommendation to the MCA to accept the BEIS funding, begin a procurement exercise for a partner to deliver MS2 and delegated authority to enter into agreements for the programme.

4. Options Considered and Recommended Proposals

4.1 Option 1

Do Nothing

4.2 Option 1 Risks and Mitigations

Inability to progress the projects presented may result in a slower pace of business investment and potential subsequent loss of potential jobs to the region.

This would mean the loss of opportunity for Sheffield City Region businesses to benefit from this scale up programme and reduce the input that the region can have in shaping any potential future delivery of the Made Smarter Programme

4.3 Option 2

Approve all recommendations.

4.4 Option 2 Risks and Mitigations

Risk that projects may be lost to the region due to lack of funding availability.

Within the Sheffield City Region Renewal Action Plan there is a priority to support businesses in digital adoption and adaptation. Aligning the delivery of the RAP and Made Smarter programmes will enable the BEIS funding to be maximised and enhance the support opportunities offered to our businesses

4.5 Recommended Option

Option 2

4. Consultation on Proposal

4.1 Discussions for this project has continued with thematic boards during project development.

5. Timetable and Accountability for Implementing this Decision

5.1 Click or tap here to enter text.

6. Financial and Procurement Implications and Advice

6.1 At this stage there is not a commitment to fund any of the projects as this is dependent upon the emerging business cases, and the availability of funding

7. Legal Implications and Advice

7.1 These projects have confidentiality requirements due to non-disclosure agreements being in place to protect commercial sensitivities. Some of the potential investment may require detailed due diligence and legal work before any recommendation to support could be considered.

7.2 Funding for the Made Smarter programme is to be provided using section 31 powers, which allow Central government to provide grants to Local Authorities including

combined authorities. As the funding is in excess of £100,000 the Constitution requires the approval of the Mayoral Combined Authority Board for it to be accepted. A Memorandum of Understanding will be agreed between the Authority and BEIS detailing the terms and conditions of the funding

8. Human Resources Implications and Advice

8.1 N/A

9. Equality and Diversity Implications and Advice

9.1 Appropriate equality and diversity considerations are taken into account as part of the assurance of project business cases

The premise of the engagement is based upon a deal where greater social value is negotiated and the business commits to supporting local supply chains, local labour market, training and taking on apprenticeships, for example.

10. Climate Change Implications and Advice

10.1 Climate change impact will be assessed as part of the assurance process for any proposed activity.

11. Information and Communication Technology Implications and Advice

11.1 Existing IT solutions will be used by the MCA Executive to support the delivery of activity related to the Made Smarter Grant. Therefore, there are no implications.

12. Communications and Marketing Implications and Advice

12.1 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

List of Appendices Included

A Pipeline Project Details

Background Papers

None

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

Document is Restricted

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