#### **Public Document Pack**



Wednesday, 5 January 2022

To: Members of the MCA - Local Enterprise Partnership and Appropriate Officers

#### **NOTICE OF MEETING**

You are hereby invited to a meeting of the South Yorkshire Local Enterprise Partnership to be held at **Online**, on: **Thursday**, **13 January 2022** at **11.00 am** for the purpose of transacting the business set out in the agenda.

Dr Dave Smith Chief Executive



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

#### **Member Distribution**

Lucy Nickson (Chair)

Neil MacDonald (Vice-Chair)

Bill Adams

Karen Beardsley Joe Chetcuti Michael Faulks

Dan Fell

Angela Foulkes Councillor Terry Fox Alexa Greaves

Peter Kennan Mayor Dan Jarvis MBE

Mayor Ros Jones CBE Councillor Sir Steve Houghton CBE

Professor Dave Petley Councillor Chris Read

Gemma Smith Richard Stubbs Cathy Travers Private Sector LEP Board Member Private Sector LEP Board Member

**TUC** Representative

Private Sector LEP Board Member Private Sector LEP Board Member Private Sector LEP Board Member

**Doncaster Chamber** 

Private Sector LEP Board Member

Sheffield City Council

Private Sector LEP Board Member Private Sector LEP Board Member SCR Mayoral Combined Authority

Doncaster MBC Barnsley MBC

University of Sheffield Rotherham MBC

Private Sector LEP Board Member Private Sector LEP Board Member Private Sector LEP Board Member

#### **MCA - Local Enterprise Partnership**

Thursday, 13 January 2022 at 11.00 am

**Venue: Online** 



#### Agenda

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1.	Welcome and Apologies	Lucy Nickson	
2.	<ul> <li>In relation to any agenda item</li> <li>In relation to any activity since the last formal meeting</li> <li>In relation to any forthcoming activity</li> </ul>	Lucy Nickson	
3.	Notes of Last Meeting held on 4 November 2021	Lucy Nickson	5 - 16
	Strategic Development		
4.	The Synergy Project (MIT REAP)	Felix Kumi- Ampofo	17 - 84
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6.	Economic Summit for South Yorkshire	Andy Gates	91 - 94
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7.	Governance Report on Membership	Dr Ruth Adams	95 - 98
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#### MCA - LOCAL ENTERPRISE PARTNERSHIP

#### MINUTES OF THE MEETING HELD ON:

THURSDAY, 4 NOVEMBER 2021 AT 11.00 AM

#### **VIRTUALLY**



#### **Present:**

James Muir (Chair) Nigel Brewster (Vice-Chair)

Lucy Nickson (Vice-Chair)

Bill Adams

Karen Beardsley Joe Chetcuti Michael Faulks

Dan Fell

Alexa Greaves Peter Kennan

Mayor Dan Jarvis MBE Mayor Ros Jones CBE

Neil MacDonald

**Professor Dave Petley** 

Gemma Smith Richard Stubbs Cathy Travers Private Sector LEP Board Member Private Sector LEP Board Member Private Sector LEP Board Member

**TUC** Representative

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Doncaster Chamber

Private Sector LEP Board Member Private Sector LEP Board Member SY Mayoral Combined Authority

Doncaster MBC

Private Sector LEP Board Member

University of Sheffield

Private Sector LEP Board Member Private Sector LEP Board Member Private Sector LEP Board Member

#### Officers in Attendance:

Dr Dave Smith
Helen Kemp
Martin Swales
Gareth Sutton
Daniel Wright
Felix Kumi-Ampofo
Andy Gates
Fiona Boden

Jenny Holmes Jonathan Guest Chloe Shepherd Philip Cooper Alex Linton

Ben Morley Dan Swaine MCA Executive Team

MCA Executive Team

Sheffield CC Doncaster MBC

#### **Guests in Attendance**

Justin Homer BEIS Sam Pollard BEIS

Sam Townsend BEIS

#### **Apologies:**

Councillor Sir Steve Houghton CBE Professor Chris Husbands Sarah Want Kate Josephs Damien Allen Barnsley MBC Representative for Higher Education Sheffield University Sheffield CC Doncaster MBC

#### 1 Welcome and Apologies

The Chair welcomed everyone to the meeting.

Apologies for absence were noted as above.

#### 2 **Declarations of Interest**

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

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

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

#### 3 Notes of Last Meeting

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

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

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

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

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

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

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

#### 4 Chancellor's Autumn Statement

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

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

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

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

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

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

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

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

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

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

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

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

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

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

#### 5 Social Value Contract for South Yorkshire

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

#### RESOLVED - That the Board:-

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

#### 6 Transport Update

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

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

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

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

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

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

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

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

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

#### 7 National Review of Destination Management

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

A Gates commented that the independent review did not specify the

requirement for a uniformed set of proposals. There would be flexibility to design something which worked best for South Yorkshire.

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

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

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

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

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

#### RESOLVED - That the Board:-

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

#### 8 Education, Skills and Employability Update

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

Members noted the following key points:-

 The skills strategy was an ongoing piece of work which recognised the need to draw on evidence from the Local Skills Improvement Plan (LSIP) Trailblazer that was led by the Chambers of Commerce.

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

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

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

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

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

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

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

#### RESOLVED - That the Board:-

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

#### 9 Mayoral Update

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

Updates were provided on:-

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

RESOLVED – That Members noted the update.

#### 10 Chief Executive's Update

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

Updates were provided on:-

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

RESOLVED – That Members noted the update.

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

Signed	
Name	
Position	
Date	



# Local Enterprise Partnership 13 January 2022

#### The Synergy Project (MIT REAP)

Is the paper exempt from the press

and public?

No

Purpose of this report:

Discussion

Is this a Key Decision?

Has it been included on the

No

Forward Plan?

Not a Key Decision

#### **Director Approving Submission of the Report:**

Ruth Adams, Deputy Chief Executive

#### Report Author(s):

Paul Johnson

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Felix Kumi-Ampofo

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#### **Executive Summary**

This paper sets out findings and proposals from a report commissioned by the MCA and LEP to investigate the state of South Yorkshire innovation ecosystem and provide recommendations for improvement.

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

Businesses and people from across the region will have the opportunity to contribute to and benefit from the MCA and LEP's innovation-led growth focus, which is at the heart of the Strategic Economic Plan.

#### Recommendations

That Board members:

- 1. note the progress in developing the detail to underpin the innovation-led inclusive growth focus and provide further steer on how to develop this work further.
- 2. That the findings from the research are discussed and noted, and Board members propose what actions could be taken from this.
- 3. Set out how the findings from this study:

- inform the work of the proposed South Yorkshire Innovation Board (separate paper).
- inform the new and emerging South Yorkshire innovation-led growth story and how the proposed Economic Summit (separate paper) could help develop this further.

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

N/A

#### 1. Background

- 1.1 The Board agreed in the SEP, that innovation was the best way to increase productivity for South Yorkshire. All the evidence shows that South Yorkshire's innovation ecosystem is operating at a sub-optimal level. To help address this, the MCA and LEP, along with five other English regions, participated in a project with MIT in 2020. The scheme (Regional Entrepreneurship Acceleration Programme (REAP)) presented an opportunity to deliver a step-change in the region's ability to generate and exploit innovation, through applying tried and tested insights and methodologies.
- 1.2 Following the completion of the MIT REAP programme, the MCA and LEP, alongside Barnsley Metropolitan Borough Council, Sheffield Hallam University, and the University of Sheffield, funded a study to explore the conditions needed to promote Innovation-Driven Enterprises (IDEs) start-ups, scale-ups and SMEs with high growth potential and global ambition.
- 1.3 The researchers carried out over 50 interviews, gathering input from entrepreneurs, business leaders and other members of the South Yorkshire ecosystem. The study objectives were to:
  - Identify the barriers to the formation and success of IDEs in South Yorkshire
  - Explore the regional innovation ecosystem, identifying what works, what doesn't and where there are gaps
  - Formulate and test out activities designed to strengthen the ecosystem and encourage IDEs to start and to thrive

#### 2. Key Issues

2.1 The MCA has been developing the innovation-led growth focus of the SEP with eminent academics and peer MCAs and continuing efforts to persuade Government about the need for a deliberate, intensive, and sustained focus to deliver their levelling up objectives and the required step-change in South Yorkshire's economy. This research is part of that effort and has helped to understand the barriers and solutions.

The research found that some things are going well, including business support and progress in Sheffield's universities. However, many gaps and barriers were identified. The key barrier is the lack of "join up". 75% of people interviewed said the innovation and entrepreneurship ecosystem is fragmented or disconnected. There is a lack of connectivity and support networks, people don't know what support is available and how to contact others, and it is difficult to find collaborators and to set up collaborations.

- 2.2 The findings from the study include the following:
  - There has been too much focus on FDI and indigenous larger company innovation investment for IDEs, but with limited impact on SMEs, micro businesses, and new enterprise.

- Business networking remains significantly underdeveloped in South Yorkshire and a more coherent approach is required.
- Availability of accessible equity and angel finance to support innovation and scale up is inadequate, relative to the scale of the challenge and our ambitions.
- 2.3 The following issues were also identified and need to be addressed:
  - Disconnection and inadequate signposting
  - Visibility of innovation and entrepreneurship
  - Network building investment, mentors, collaborators etc
  - Clustering around strengths and emerging capabilities
  - Data gathering to benchmark activity and improve support offers
  - Improving understanding between private and public sectors
  - Bringing the five MIT REAP stakeholder groups together (local government, corporates, entrepreneurs, universities, and risk finance) through some type of delivery vehicle.

Despite the identified challenges, the high level of engagement garnered by the project gave reasons to be positive. The obvious talent, enthusiasm, wealth of ideas and willingness to contribute, represent significant potential waiting to be unlocked.

- 2.4 To create more IDEs in South Yorkshire, the paper's authors proposed:
  - A clear focus on supporting innovative start-ups and SMEs with high growth potential
  - tackling the disconnection issue across our ecosystem head on
  - To have proper funding over a decent length of time (for an ecosystem support activity)
  - All stakeholders to step up and work in partnership
  - An (ongoing) open and collaborative mindset
- 2.5 These findings and proposals are clearly linked to the proposed South Yorkshire Innovation Board and the planned Economic Summit (both of which are presented in separate papers for the Board to consider at this meeting). The paper on the proposed Innovation Board incorporates some of the findings and recommendations from this study. The Board's response to the study's findings could determine how the innovation-led growth aspirations of the SEP are further developed and implemented. The full report is attached to this paper.

#### 3. Options Considered and Recommended Proposal

3.1 The LEP Board consider the feedback from the study's interviewees, and the findings, conclusions and recommendations set out in the full report, leading to consideration of the desired next steps in developing the innovation-led inclusive growth aspirations agreed in the SEP. Finally, it is important that any actions arising from this paper are fully joined up with other linked papers presented in this meeting to ensure a unity of approach and a clarity of narrative.

#### 4. Consultation on Proposal

4.1 There has been no formal consultation sought on this proposal beyond the engagement undertaken as part of the study.

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

- 5.1 To be decided by the Board and linked to proposals for the establishment of an Innovation Board and the planned Economic Summit.
- 6. Financial and Procurement Implications and Advice
- There are no direct funding or procurement implications as a result of the recommendation set out for approval by LEP Board.
- 7. Legal Implications and Advice
- 7.1 N/A
- 8. Human Resources Implications and Advice
- 8.1 N/A
- 9. Equality and Diversity Implications and Advice
- 9.1 A key consideration of these proposals will be how to include people from across the region regardless of their background of where they are from, so all places and people have the opportunity to contribute to and benefit from innovation-led growth.
- 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

**List of Appendices Included** 

None

#### **Background Papers**

Full report attached

# Innovation and entrepreneurship in the Sheffield City Region

# **Final Report**

The Synergy Project - www.thesynergyproject.net

Mel Kanarek and Ceri Batchelder, 28 July 2021

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- 1. Introduction
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## 1. Introduction

The Synergy Project set out to answer the question "How do we strengthen the innovation and entrepreneurship ecosystem in the Sheffield City Region?"

We uncovered a wealth of experience, energy, talent and ideas - and also a number of significant barriers which are preventing our region from realising its potential.

This report details our findings and gives recommendations for practical, achievable actions which will address the core issues identified.

We hope that the outputs from this project will inspire the region's stakeholders to explore new paths.

# 2. Recommendations

### Address the core issues . . .

- Disconnection & inadequate signposting
- Visibility of innovation & entrepreneurship
- Network building investment, mentors, collaborators etc.
- Clustering around strengths and emerging capabilities
- Data gathering to benchmark activity and improve support offers
- Improving understanding between private and public sectors
- Bringing the 5 MIT REAP stakeholder groups together

# . . . by creating a delivery vehicle

#### Possible models:

- Delivery Team (e.g. @idea in Leeds,) with dedicated people from different organisations and a leader(s) and core team
- An independent and agile Backbone Organisation (e.g. <u>West Midlands</u>, <u>Innovation SuperNetwork in the North East</u>, <u>Nova Scotia</u>) that helps deliver shared objectives
- Stakeholder group that is convened every 1-2 months and coproduces and delivers some actions (<u>TechTown</u>-like model) with dedicated facilitators

### Conditions for success

#### Whatever the form of delivery vehicle:

- It needs to be at least semi-independent and to have autonomy and the flexibility to move fast.
- Funding (wherever that comes from) must be committed over a decent length of time - at least five years (this is based on what we've learned from other places).
- Funding must be sufficient to employ enough people of a suitable calibre and experience and offer them job security - it must recognise the value of human capital.

# Encourage / enable stakeholder action

**All stakeholders** - more collaboration and partnership working to foster a move away from protectionism and risk-aversion

**All stakeholders** - provision of suitable workspaces and access to high-value equipment

Risk-capital / public sector / corporates / universities(?) - establish a regional co-investment fund

Universities - approach to IP and general ease of access

Public sector - fine-tuning the business support offer

# 3. Setting the scene

### The Vision

- A region fulfilling its significant innovation and entrepreneurship potential
- A global success story, with a regeneration story similar to Bilbao and Pittsburgh

# THE DAILY NEWS

www.SYdailynews.com

SOUTH YORKSHIRE'S FAVOURITE NEWSPAPER

1 July 2026

# Regional Productivity Rockets



In 2020-21, the City Region took part in the MIT REAP Programme. This stimulated a new level of partnership working between city stakeholders. Significant progress has been made, despite the setbacks from the Covid pandemic. Some of the highlights include:

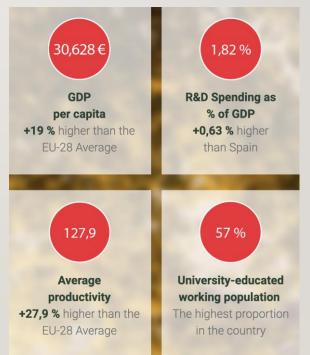
- New partnerships in Industry 4.0 leading to a 10% increase in productivity
- Meeting net zero targets in half the time
- Increasing graduate retention rates by 20%
- 10 Queen's Awards for Innovation
- 25% increase in innovation-driven startup formation and a 30% increase in survival
- A connected and thriving innovation and entrepreneurship ecosystem.

# Case Study: Bilbao, Spain

- Undergoing an economic transformation.
- Productivity is 28% above the EU average.
- GDP is double the level it was in 1996.
- New industries include advanced manufacturing and industrial services, biotech and digital.
- Private public sector partnerships underpin progress.
- Agencies work together to clearly position the region and attract talent and tourism.









# Case Study: Pittsburgh, USA

- The US 'Steel City' was hit hard by recession and unemployment in the 1980s.
- Private and public organisations came together to grow back stronger - with higher GDP than other comparative US cities.
- Selected specific clusters to build competitive advantage robotics, advanced manufacturing, life sciences.
- Worked closely with the **universities**, especially computer science (data and AI).
- Pittsburgh Technology Council formed to support businesses with talent, business development, government relations and visibility.
- Strong focus on innovation and entrepreneurship, supported by the presence of Google and Apple and seed funding from Innovation Works.
- Commitment to sustainability.



Photo from VisitPitts burgh.co



# What do people say about Mindset?

"Building a knowledge cluster requires a new style of thinking - we need a big vision like the Golden Triangle"

"We need to build the same kind of reputation as Cambridge and Bristol" "Need to have a mindset of coming together as organisations" "Be open to best practice from outside the region, nationally and internationally"

"If everyone pays it forward, we can create a bigger and better SCR economy" "Innovation is not about technology, it's about human behaviour - doing it fosters innovation in others and if it doesn't work, we've learnt something" "Have an appetite for some risk"

"We need to open people's eyes and hearts that we don't have to keep doing the same old thing - tell them they can do it and give them examples of the change that can come"

"Operating globally, living locally"

"Innovation works when you have open conversations"

Page 3

# What do people say about inclusive innovation?

"Your background shouldn't limit your progress" - in relation to knowledge about investment

Page

"We need to embrace diversity and see the new voices of innovation"

"A lot of people can't rely on savings to start a business - there's an issue around social mobility and starting up"

"We need to communicate better what's happening in the tech hubs as local people don't understand"

"We need outreach and support for under-represented founders" "We need conversations with people with different backgrounds and knowledge"

"35% of the population are in low skilled jobs, what is their incentive to innovate?"

"Diverse teams are the most innovative and successful"

"All people will

win when they

are taken care of"

"No more smoke and mirrors around innovation"

#### What others are doing

- https://innovationwm.co.uk/our-activity/new-voices-of-innovation/
- https://idealeedscityregion.com/build/

# A suggested way forward

We can't rely on the public sector alone to develop our regional innovation and entrepreneurship ecosystem.

We need to:

- Bring together the 5 stakeholders identified in the MIT REAP model entrepreneurs, risk capital, corporates, local government and universities - in a way that facilitates partnership working.
- 2. Initially, identify 1-3 regional priorities in the Strategic Economic Plan that can be addressed by a focus on innovation and entrepreneurship.
- 3. Encourage a participatory culture to co-produce a mission-orientated delivery plan that is sufficiently resourced.
- 4. Share information and results to build community, confidence and resilience in the ecosystem.
- 5. Take on more collective challenges and see the ecosystem flourish.

## 4. About the project

### The Synergy Project: Objectives

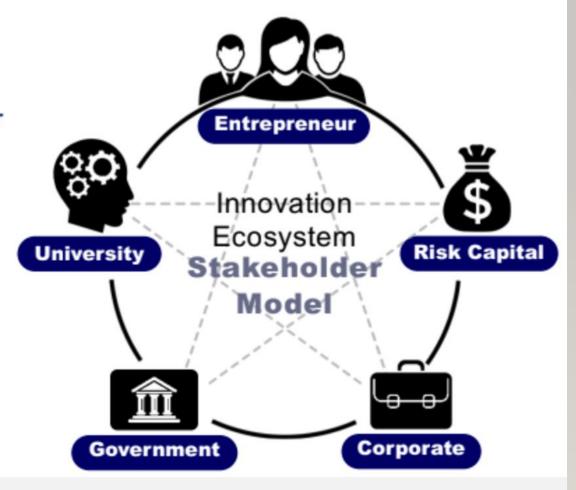
Building on work done by Sheffield City Region (SCR) as part of the MIT REAP programme:

- Identify barriers to formation of Innovation Driven Enterprises (IDEs) in the SCR
- Explore the regional innovation and entrepreneurship ecosystem, identifying what works, what doesn't and where there are gaps
- Formulate and test out activities to strengthen the ecosystem and encourage IDEs to start and thrive

### MIT REAP Stakeholder Model for Innovation Ecosystems

Collaboration across key stakeholders is crucial for collective impact and for the acceleration of 'innovation-driven entrepreneurship' at the ecosystem level.



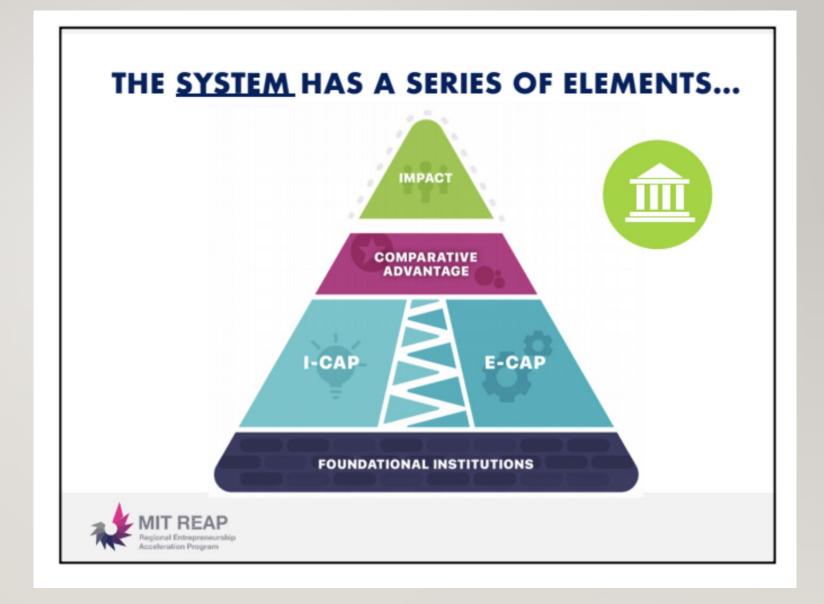




Both innovation and entrepreneurship capacities need to be robust to ultimately achieve impact

#### See

https://www.thesynergyproject.net/project-updates/icap-and-ecap - for an analysis of our region's I-Cap and E-Cap.



### Innovation Driven Enterprise (IDE)

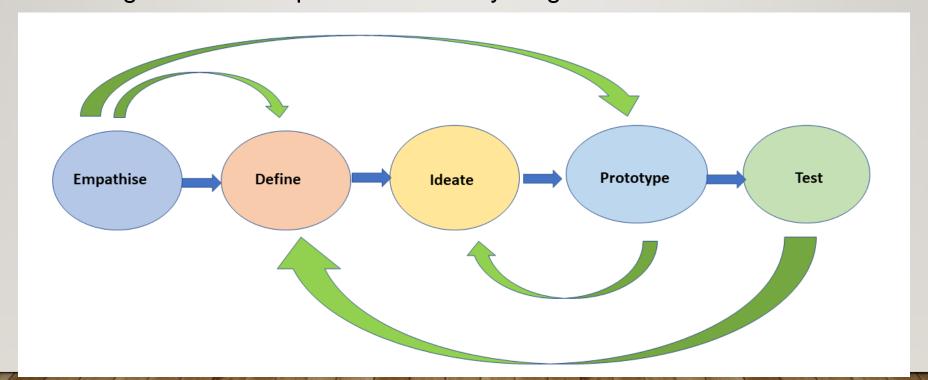
An enterprise that pursues global opportunity based on bringing to customers new innovations that have a clear competitive advantage and high growth potential. The term "new innovations" refers to new-to-the-world ideas in the technical, market, process or business model domain - innovation is not limited to technology. IDEs may be start-ups, scale-ups or existing businesses.

Starting and scaling an IDE can be much more complex than for more usual SMEs and bespoke support is required.

## 5. Methodology

## **Project Methodology**

We used a "design thinking" approach to this project. This is a non-linear approach involving feedback loops between 5 key stages:



## Project Plan

Set-Up	Set up project management tools and contact management system Build contact database Communication strategy and messaging (including website)
Discovery	Conduct in-depth one-to-one interviews with a range of representatives of all 5 stakeholder groups, starting with regional entrepreneurs and corporates.
Ideation	Generate a variety of possible activities/interventions that could help address the problems identified in the interviews.  This will be achieved through co-design workshops with selected stakeholder representatives.
Pilot & Test	Create and implement pilots of a selected set of interventions.
Analysis	Gather evidence on the practicality and impact of the pilots.
Report	Provide a report with a draft action plan for future activity.

### Interview participants

- We used our networks to compile a list of target participants, ensuring representation of all 5 key stakeholder groups.
- We also took the opportunity to speak to people from outside our region who are involved in their local ecosystems.
- We paid attention to ensuring a gender-balanced set of participants and, as much as possible, to including individuals from different demographics. However, it must be recognised that the region's innovation and entrepreneurship ecosystem is not very diverse at present. Our participant list necessarily reflected that fact.
- Participants were interviewed on an anonymous basis. A list of the organisations they represented can be found in Appendix 1.

### Notes re interview sample

- The sample of businesses may have been self selecting to the extent that we approached companies already within our network who we identified as Innovation Driven Enterprises.
- The focus of the project was on uncovering barriers and gaps and exploring areas for improvement - resulting in a bias in our questions towards what isn't working.
- See Section 6.1 on what is going well.

### Interview approach

- Interviewees received a background information document beforehand.
- Interviews were conducted online and recorded for note-taking purposes only.
- We had a list of open, non-leading questions to cover, but all the interviews were conversational so that we had the flexibility to follow interesting topics and ideas.
- To encourage openness, interviewees were told they would not be identified and would only be quoted anonymously.
- We conducted a total of 58 interviews during the course of the project.

### Interventions

- During the Discovery phase, we responded to enquiries and requests for information, contacts or introductions as they came up.
- We used a 'Connection Team', made up of people who could represent important sectors and organisations and act as a sounding board for us to test our findings.
- We took the opportunity to speak to contacts outside the region to learn what had worked for them.
- Where time and resources permitted, we implemented some ideas (particularly around communication). However, it was clear that the project timescales were too short to allow in-depth testing and evaluation.

## 6. Findings

## 6.1 What is Going Well?

#### What is going well?

Business support activity centred around hubs, including Sheffield Tech Parks, Barnsley Digital Campus and the AWRC. Sheffield Digital's organisation of the tech ecosystem via representation, meetups, communication and connections is well received

Developing spin-out pipeline from the University of Sheffield and KTP success at Sheffield Hallam

Support from SCR and local authority business advisers (including tech advisers specifically) is often helpful

When people in business-facing roles all do their bit to share knowledge and make connections, you see the ecosystem starting to function well Appreciation of some of the regional strengths and assets such as the Universities including AMRC, AWRC Momentum is good - get the sense that whilst things are challenging there's a collective will to improve the business support ecosystem

Good examples of support from the Universities (including the AMRC) once the right connections have been made

excellent examples of IDE start-ups, e.g. Rinri Therapeutics, Four Jaw Manufacturing Analytics, Opteran

Excellent examples of established IDEs, e.g. Tribosonics, The Floow, WanDisco, AESSEAL The Chambers of Commerce are one to watch increasingly modernising to address changing needs Existing accelerator programmes are good - IoT Tribe, y accelerator and AWRC - and producing businesses that stay in the region

## Progress in our universities (1)

As partners in the Synergy Project, both Universities have demonstrated their commitment to and interest in the growth of the region's innovation ecosystem. Both are also investing internally in innovation and entrepreneurialism:

- Since 2016, the University of Sheffield has invested ~ £6m in building start ups 10
  projects received in excess of £200k each in funding. In 2019/20 Research England ranked
  the University 6th in the Russell Group for startup formation, having created 7 spin-outs.
- The recent establishment of <u>Northern Gritstone</u> has created a regional investment company that intends to raise £350m-£500m to invest in University-related IP-rich businesses.
- The University of Sheffield currently has over 40 graduate start-ups in the pipeline in addition to the commercialisation pipeline.
- Both Universities are partners in the Sheffield Innovation Programme (SIP).

### Progress in our universities (2)

- Through the Sheffield Innovation Programme, Sheffield Hallam University has supported 375+ businesses over the last 4 years, investing in helping regional SMEs to grow their R&D capacity. This work has already led to 9 Knowledge Transfer Partnerships as well as other Innovate UK awards.
- The AWRC Wellbeing Accelerator has supported 28 healthcare businesses over 18 months, providing another node in the regional innovation infrastructure.
- SHU has also invested heavily in work-based skills, student start-ups and entrepreneurship. Employability is closely aligned with business in the development of skills provision and higher degree apprenticeships for employers, the delivery of student led consultancy programmes, enterprise and start up support (both within and outside the curriculum) and an integrated placement and internship programme. This award winning approach is effective in the last 3 years it has produced:
  - 171 Student start ups
  - 400+ internships with SMEs
  - 30 Degree Apprenticeship courses with 1512 degree apprentices in study

### Successes in business support

- Co-ordination of the business support offer across the region has improved, both through the local authorities and <u>SIAN</u> (Sheffield Incubator and Accelerator Network).
- The introduction of more specialist advisors (via SCR and the local authorities) is well received and having a positive impact.
- Areas of cluster development, such as the AWRC Accelerator (healthcare), AMRC (manufacturing) and Sheffield Digital (tech) have an important influence.
- The design and research element of the AWRC Accelerator, sometimes also involving the AMRC, has been useful to a number of businesses.
- Availability of flexible workspace has increased and successful hubs are providing focal points for start-up communities, e.g. Sheffield Tech Parks, Barnsley Digital Campus, Kollider
- A number of local companies have set up their own accelerator programmes, e.g. Razor (Buldozer), Twinkl (TwinklHive) and TribePad (TribePad Ventures).
- An active meetup scene helps people make valuable connections, e.g. SmartSheffield, Sheffield IoT meetup, Immerse Sheffield.
- A number of funded programmes are in progress, e.g. Sheffield Innovation Programme, Digital Innovation for Growth, Scale-up 360, TEAM SY etc.

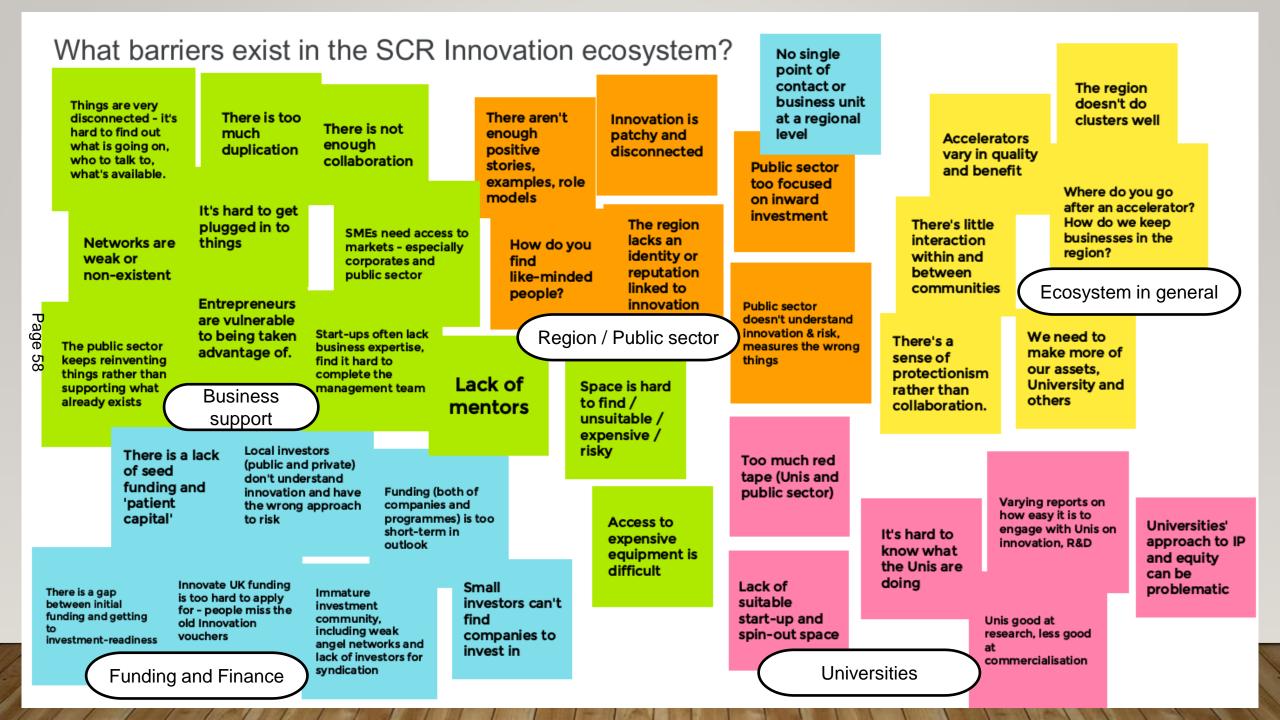
## 6.2 Barriers and Gaps

### Introduction

- We captured feedback from the interviews related to barriers to growing and supporting Innovation Driven Enterprises (IDEs) in the SCR.
- 52 / 58 interviews were conducted with people within the SCR ecosystem or that had knowledge of it (the remaining 6 were with people outside the region).
- These 52 interviews were reviewed to identify the different themes and topics, and quantified to determine the number of people who mentioned a topic.
- An interim Barriers and Gaps report was provided to project funders and the Connection Team about two thirds of the way through the project.
- A full version of the final Barriers and Gaps report can be found in Appendix 2.

## Barriers and Gaps: Emerging Themes

- Ecosystem in general
- 2. Region / Public sector
- 3. Business support
- 4. Funding and finance
- 5. Universities



## 6.3 Ideas and Opportunities

### Introduction

- We reviewed the interview scripts to identify suggestions for ideas and opportunities to develop the ecosystem to support IDEs.
- The different suggestions were captured on 'Jam Boards' with post-its to represent them.
- The next slide has a selection to provide examples from each of the themes.
- We discussed the emerging ideas with the Connection Team, who helped to organise and prioritise them. This helped inform our interventions.
- A detailed Ideas and Opportunities report can be found in Appendix 3.

Make the region STICKY entrepreneurs to come and stay

Help with partnerships. pilot testing. market

validation etc.

Innovation Vouchers small amounts of grant funding to try new things

> Longer-term funding cycles to bring clarity and stability

Funding and Finance Need for clear signposting to funding information and networks

**Build mentor** networks of

experienced

people who

understand

tech scale-up

Start-ups

and

advice

Champion

businesses.

develop

help them to

supply chains

large

need impartial

trustworthy

Provide small amounts of £ for creating collaborative bids

#### EXAMPLES OF IDEAS AND OPPORTUNITIES

Support communities around co-working spaces and incubators

Enable

experienced

people from

corporates

who have

seen a gap

**Business** 

support

Early stage

funding, so

ON the

business

founders can

work full-time

Build a

funding

region

framework to

help startups

STAY in the

Recognise clusters and get behind them

Provide a

regional

platform for

collaboration

Dedicated people and sustainable funding to support clusters

Define

offer for

start-ups

Create a narrative for the region, develop a story

Talent is

thriving

ecosystem

with multiple

opportunities

attracted by a

The ecosystem needs to be made VISIBLE

Create links between clusters (innovation happens at interfaces)

Need to nurture an open and collaborative culture

Ecosystem in general

Build networks that foster high quality conversations

What have innovators / entrepreneurs achieved, how have they done it?

Value HUMAN CAPITAL invest in people and recognise / reward work

career

grad

Extend the network to other geographies like Leeds

risk-taking encourage people to try things out

Be more

Benefit from the funding experience of established entrepreneurs

Connect with successful entrepreneurs who want to invest

Improve biz access points to Unis and awareness of them

Region / Public sector

Biz wants to discuss ideas. generate evidence and demo proof of concept

Universities

Long-term strategy to support students to stay and start businesses

Widen out innovation footprint into region to

support business

Students want options, not just corporate programmes

Create IDE support facilities in partnership that build on strengths

Enable Uni start-up community with space and business support

Reasonable equity stakes in Uni spin-outs to enable co-investment

Page

## 7. Intervention Examples

### 7.1 Theme: Ecosystem in general - barriers

- Ecosystem is fragmented, disconnected.
- Lack of connectivity and it's difficult to find contacts/collaborators.
- People don't know what support is available.
- SCR doesn't have a reputation as a hub for innovation and entrepreneurship.

### Ecosystem - interventions

- 1. Operating as a "backbone organisation" to provide a point of connection and signposting
- Setting up the Connection Team to help share understanding and learning more widely
- 3. Compiling a set of information resources (Synergy Project website)
- 4. Establishing an accessible directory of people interested in the project's aims (LinkedIn group)

# Intervention 1: Pilot "Backbone Organisation" - an independent entity that facilitates the ecosystem

#### What we've done

- Been lean and strategic
- Created a space for people to engage
- Listened to people and captured their input
- Pursued a wider engagement strategy through our Connection Team to have a broader base of support and regional traction
- Shared results and analysis
- Acted on suggestions, creating connections and carrying out other interventions
- Identified opportunities

#### What we've learnt

- That you need to have a proper, long term commitment - people and financial resource
- Ideally a semi-autonomous, small team and an agile, well-respected Steering Group
- Be clear about what you will and won't do don't try and be all things to all people
- Add value by operating in areas where activity is needed but isn't happening
- Stop pushing things that aren't working
- Be the 'glue' that brings good stuff together

### Intervention 2: Connection Team

#### What we did

- We formed a "Connection Team" made up of people who could represent important sectors and organisations
- Meetings were held every 4-6 weeks and acted as a sounding board for us to test our findings
- The Connection Team has been invaluable in helping us to organise our thoughts and focus our activities
- They have also helped us with introductions and signposting to new contacts

#### What we learnt

- We have highly capable people in the region who understand this agenda
- Though people are busy in their existing roles and have limited capacity
- Lack of empowerment from their organisations also limits their ability to contribute more fully
- A longer-term delivery team would need buyin from regional anchor organisations and a dedicated time allocation

### Intervention 3: Information Resources

#### What we've done

- Documented the customer journey for entrepreneurs and innovators
- Used the <u>Synergy Project website</u> to collate information on available support
- Used the website to present news, events, information and ideas relating to innovation and entrepreneurship

#### What we've learnt

- The SCR business support landscape is complex and confusing
- There are lots of great stories to tell
- Simple tools are available to make it easy to collate and share information online
- More time is needed to position the website as a source of information

### Intervention 4: Directory

#### What we've done

- Created a <u>LinkedIn Group</u> for project participants and other interested individuals from the ecosystem
- Sent personal invitations to people to join the group

#### What we've learnt

- Response to the invitations has been encouraging so far
- Time will show if people are inclined to start posting
- There's an opportunity to drive engagement by actively managing the group

### 7.2 Theme: Region / Public sector - barriers

- No one place to find out what's going on
- Lack of understanding of innovation and entrepreneurship
- It's not obvious what businesses gain from the region

## Region / Public sector - interventions

Intervention 2: Connection Team – to help share understanding and learning more widely (as above)

Intervention 3: Information Resources - see Synergy Project website (as above)

Intervention 4: LinkedIn Directory - to encourage more interaction with the private sector (as above)

## 7.3 Theme: Business Support - barriers

- Businesses are not getting the right support to scale
- There's a lack of tech talent and startup management experience
- Start-up founders can be vulnerable and need tailored support including mentoring
- It's difficult for businesses to find customers in the region

## Business Support - interventions

Intervention 5 - we identified a funded opportunity to enable links between a multinational organisation and regional SMEs. This is currently in discussion and we will continue to follow it through.

Intervention 3 - the Synergy Project website includes a listing of available business support and we also undertook some basic mapping of the customer journey (as above). See <a href="https://www.thesynergyproject.net/project-updates/mapping-business-support">https://www.thesynergyproject.net/project-updates/mapping-business-support</a>

## 7.4 Theme: Funding and Finance - barriers

- IDEs need more sources of investment and easier access to finance
- Lack of visibility of angel networks and follow-on investment
- Founders are expected to fund themselves / bootstrap
- Small investors can't find local companies to invest in

# Funding and Finance - interventions

Intervention 6 - Kick-starting a regional investor network

Intervention 4 - LinkedIn Directory. A number of the entrepreneurs joining are also exploring angel investment, plus the group is also open to start-up founders (as above)

# Intervention 6: Kick-starting a regional investor network

#### What we've done

- In our interviews, a number of people (both investors and entrepreneurs)
   cited the need for a local network
- Through sharing our findings with interested parties, we identified a potential leader (Twinkl Hive) for such a network
- We are now supporting Amber Jardine to put an internal case together

#### What we've learnt

- Being able to share challenges and ideas often unlocks resources
- While Twinkl Hive seem willing to take a lead role, they will need support in getting the network off the ground
- It will be important to position the network in a neutral way
- There is untapped angel investment in the region

### 7.5 Theme: Universities - barriers

- The universities are not providing an enabling environment for regional innovation and entrepreneurship
- We are not seeing many start-ups from the universities and the support for start-ups could be improved
- There are no clear entry points to the universities

### Universities - interventions

Intervention 7 - Increasing the universities' capacity to learn about the ecosystem. Their involvement in this project has provided a direct conduit to information they didn't have access to before.

Intervention 8 - Helping UoS Management School explore an entrepreneurship research centre, in collaboration with the Chair in Entrepreneurship and Enterprise.

Intervention 9 - Support of a Future Leaders Fellowship to help develop university culture of entrepreneurship and links with region.

### Additional learning from the interventions

During the project, we identified a number of "easy fixes" that are activities that could be put in place quickly and would create impact. These include:

- set up a mentoring programme where experienced entrepreneurs support startup founders
- put capacity in place to build up the communities around existing tech hubs and increase their outreach
- create a managed partnering programme that supports collaboration between larger companies and start-ups
- create community manager roles to support cluster development
- encourage further region-wide co-ordination of the business support for IDEs

# 8. Conclusions

### Main conclusions

The high level of engagement in this project has clearly demonstrated the huge amount of talent, enthusiasm, ideas and willingness to contribute that we have in our region - all representing significant unlocked potential.

There is solid evidence from other areas in the UK and overseas that by working collaboratively and aligning to address regional priorities, significant progress can be achieved. Improving the innovation and entrepreneurship ecosystem needs to be a key focus that will bring multiple economic and social benefits.

Given the joined-up thinking elsewhere, we are in a highly competitive landscape of globalisation and digitisation, so there must be a sense of urgency to respond.

# 9.1 Acknowledgements

Thank you to everyone who was kindly willing to be interviewed for this project. You have provided a rich source of information and ideas for improving our innovation and entrepreneurship ecosystem.

Many thanks to our partners for supporting the project:

SCR Executive Team (Paul Johnson and Felix Kumi-Ampofo)

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Paul Johnson, SCR Exec Team

Pippa Hedley-Takhar, NIHR Devices 4 Dignity

Sinead McCall, Barclays

Tim O'Connell, Rotherham Council

We were also very grateful for the contributions of Simon Butler from the AWRC Accelerator, who is sadly missed by everyone who worked with him.

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The Big House Accelerator (Nottingham) - <a href="https://bighouse.org.uk/events/23/10/2018/introduction-to-the-big-house-accelerator">https://bighouse.org.uk/events/23/10/2018/introduction-to-the-big-house-accelerator</a>

City Verve - <a href="http://www.digitalfutures.manchester.ac.uk/case-studies/the-cityverve-project/">http://www.digitalfutures.manchester.ac.uk/case-studies/the-cityverve-project/</a>

International Conclave of Entrepreneurs (ICE) <a href="https://theicelist.com/">https://theicelist.com/</a>

Bilbao <a href="https://www.mascontext.com/issues/30-31-bilbao/bilbaos-strategic-evolutionthe-metamorphosis-of-the-industrial-city/">https://www.mascontext.com/issues/30-31-bilbao/bilbaos-strategic-evolutionthe-metamorphosis-of-the-industrial-city/</a>

Pittsburgh <a href="https://www.pghtech.org/">https://www.pghtech.org/</a>

Innovation Alliance West Midlands <a href="https://innovationwm.co.uk/">https://innovationwm.co.uk/</a>

ONSIDE (Nova Scotia) https://onsidenow.ca/

Tech Town <a href="https://urbact.eu/techtown">https://urbact.eu/techtown</a>

### 9.4 Appendices

The following appendices are provided as separate documents:

Appendix 1 - List of organisations interviewed

Appendix 2 - Barriers and Gaps (detailed report)

Appendix 3 - Ideas and Opportunities (detailed report)



# Local Enterprise Partnership 13 January 2022

#### South Yorkshire Innovation Board

Is the paper exempt from the press

and public?

No

Purpose of this report:

Discussion

Is this a Key Decision?

No

#### **Director Approving Submission of the Report:**

Ruth Adams, Deputy Chief Executive

#### Report Author(s):

**Andrew Gates** 

Andrew.gates@southyorkshire-ca.gov.uk

#### **Executive Summary**

This paper sets out a proposal to establish a South Yorkshire Innovation Board (SYIB), tasked with leading on operationalising the innovation and productivity enhancing activity set out in the region's Strategic Economic Plan. The Board will be the place where the principal innovation actors, idea generation, advocacy, innovation businesses and thinkers converge to craft the South Yorkshire innovation story, steer the plan of action and oversee its implementation.

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

A successful South Yorkshire Innovation Board (SYIB) will support businesses, people and places to thrive by leading on the development of interventions across the public and private sector that will stimulate idea generation, the commercialisation of those ideas, the scale-up of existing businesses with latent productive capacity and the attraction of new public and private R&D investment into South Yorkshire.

#### Recommendations

That Board members:

- 1) Approve the recommendation at 3.1 to establish a South Yorkshire Innovation Board.
- 2) Consider and inform the proposed objectives, membership and the headline terms of reference set out in section 3.2, 3.3, 3.4 and 3.5.

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

Not Applicable

#### 1. Background

- 1.1 The Strategic Economic Plan sets out the importance of, and the focus for, a radical new approach to unlocking the innovative capacity of the region. The MCA, LEP and partners have made huge progress in driving the innovation agenda forward. In particular, the programme of investment made in supporting both indigenous and inward investors to grow, direct investment in South Yorkshire based research centres, and the host of business support programmes that exist to support innovation. Notable assets include the National Centre for Food Engineering, the Sheffield Hallam AWRC and the wider Olympic Legacy Park development, the new Gene Therapy Manufacturing Innovation Centre, the Translational Energy Research Centre, the UKRIIN Rail Innovation Centre and the University of Sheffield's AMRC and NAMRC.
- 1.2 Despite these efforts and being the location for a host of nationally and internationally significant higher education and translational research centres, South Yorkshire remains one of the least productive and innovative economies in the United Kingdom. Our assets are not fully exploited, nor do they span the full geography of South Yorkshire.
- 1.3 The challenge set out in the SEP requires a concerted effort across a host of partners and stakeholders to make more of our existing assets, to grow further the translational research offer and to connect our businesses to them, to develop new business support programmes, to stimulate networks and collaboration and to shift perceptions locally, nationally and internationally about the nature, potential and prospects of South Yorkshire's economy.
- 1.4 This is the right time to take this work to the next level. The Government's Levelling Up White Paper is expected to have a focus on place-based R&D. The development of the South Yorkshire Renewal Fund and new opportunities such as the Government's Shared Prosperity Fund will give the region and local partners some more locally controlled tools to invest in growth.

#### 2. Key Issues

#### 2.1 **A renewed clarity of focus.** The SEP makes clear that we must

- i) Grow innovation and its stickiness in South Yorkshire, ensuring that entrepreneurs are supported to flourish here, and increasing the number of IDEs exponentially
- ii) Create physical clustering high growth, high value businesses across South
- iii) Create business networks and networking, connected to our translational research assets wherever possible.
- iv) Improve adoption of technology by businesses and thereby improve productivity and competitiveness in the supply chain
- v) Intervene to create the conditions that bring in the level and type of finance needed.

- vi) Enable access to a menu of private finance solutions, at scale, including Angel Finance, loan finance, equity finance, venture capital for South Yorkshire.
- 2.2 **Partnership building and building the networks.** There is no single place in South Yorkshire where private sector, public bodies, research councils, funders, and organisations such as Innovate UK come together to develop our innovation story, steer policy and shape interventions. It is critical that we engage with the right institutions and influencers in Whitehall and NDPBs, businesses, partners and potential investors and supporters in the work of any new governance body/structure.
- 2.3 **The primary role of the LEP and MCA**. Any new structures must be established formally under the governance purview of established structures, with a clear line of sight and accountability.
- 3. Options Considered and Recommended Proposal
- 3.1 Option One
- 3.1.1 It is proposed that a **South Yorkshire Innovation Board be established** to provide leadership on the key issues set out in Section 2.
- 3.1.2 Subject to agreement from the LEP Board and the Chair of the SYIB, the agreed objectives (draft below) will form the basis of a focused terms of reference:
  - i) Provide leadership to drive and deliver a new approach to economic development in South Yorkshire centred around innovation. In particular, this includes operationalising the SEP ambitions across start up, scale-up, commercialisation and the industrialisation of ideas, new supply chain opportunities, and clustering.
  - ii) 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 SY.
  - iii) Harness and extend the impact of South Yorkshire's innovation assets regionally and nationally.
  - iv) 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.
  - v) Ensure South Yorkshire's innovation ecosystem system supports productivity improvements across a range of lower-paid sectors through investment, training, use of technology or adoption of improved process.
  - vi) 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.
  - vii) Collaborate and connect with other Innovation Boards and advice on how South Yorkshire can learn from peers.
  - viii) Develop strong relations with partners, especially central Government and complementary publicly funded bodies.
  - ix) Identify and promote growth opportunities for South Yorkshire.
- 3.1.3 **Appointment of a Chair**. The Chair of the LEP in consultation with the Mayor, will appoint the Chair of the SYIB.

- 3.1.4 **Governance.** The Board will sit under the governance of the LEP and the MCA. The LEP as a partnership between the public and private sectors would establish this body and formally approve its of reference. Support from the MCA Executive will be hardwired into any new structure ranging across functions including data and insight, policy development, governance and secretariat, communications and advocacy.
- 3.1.5 **Membership.** The Board must be private sector-led and dominated. It should have enough distance from the MCA and LEP to be independent in its thinking, being creative and fearless in challenging the orthodoxy, in designing solutions that work for South Yorkshire and that deliver the SEP objectives. It must also speak with credibility and purpose at the local, regional and national stage.

The Board should include at least one of the following stakeholders: entrepreneur, risk capital, corporate, government, and university. Membership should be drawn from anchor institutions, innovative businesses in our sector specialisms, research bodies and the finance and corporate world in such a way that the key stakeholders in the innovation ecosystem are well represented. The Board should also strike the right balance in terms of gender, ethnic and demographic representation. Private sector representation on the Board must include both SME and big business.

#### 3.2 Option Two

**Do minimum** – the Board could opt to continue with present arrangements and perhaps appoint an Innovation Champion from amongst its current membership.

**Implications** – this may increase the focus on innovation and provide some form of focal point for related policy development. However, this could miss the opportunity transform the regional innovation landscape and ecosystem. It may not send out the "right" signals to the government and the private sector about the scale of the Board's ambition and its seriousness in pursuing innovation as a key means of growing an inclusive economy.

#### 4. Consultation on Proposal

4.1 There has been no formal consultation sought on this proposal. However, soundings have been taken with national bodies including Innovate UK and some regional partners as to the need for, and focus of, a South Yorkshire Innovation Board.

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

5.1 Subject to the discussion at LEP Board, the MCA Executive will refine the proposed objectives, terms of reference and membership with an intention of making significant progress both publicly and privately, including identifying potential candidates for Chairing the Board and, if possible, establishing a Shadow Board before the end of March 2022.

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

6.1 There are no direct funding or procurement implications as a result of the recommendation set out for approval by LEP Board.

#### 7. Legal Implications and Advice

- 7.1 The MCA has the power to promote the economic development and regeneration of its area using the general power of competence under s.1 Localism Act 2011.
- 8. Human Resources Implications and Advice
- 8.1 Not applicable
- 9. Equality and Diversity Implications and Advice
- 9.1 Transforming South Yorkshire's innovation ecosystem should create opportunities for all people, regardless of age, gender, ethnicity, or other circumstances. The proposed terms of reference include a specific reference to ensuring that the Board has this as a focus. To successfully deliver on that objective it will be important that the membership of the South Yorkshire Innovation Board also reflects the diversity of the businesses and people we want to support and the communities we serve.
- 10. Climate Change Implications and Advice
- 10.1 Not applicable
- 11. Information and Communication Technology Implications and Advice
- 11.1 Not applicable
- 12. Communications and Marketing Implications and Advice
- 12.1 If Members approve the proposals there will be a considerable communications, marketing and advocacy focus to support the SYIB deliver on its objectives. This support will be hardwired into the work of the Board through the MCA Executive Team.

**List of Appendices Included**None

**Background Papers** 

None





# Local Enterprise Partnership 13 January 2022

#### **Economic Summit for South Yorkshire**

Is the paper exempt from the press

and public?

No

Purpose of this report: Discussion

Is this a Key Decision?

#### **Director Approving Submission of the Report:**

Ruth Adams, Deputy Chief Executive

#### Report Author(s):

**Andrew Gates** 

Andrew.gates@southyorkshire-ca.gov.uk

#### **Executive Summary**

This paper sets out a proposal for the region to host a high-profile Economic Summit in the first quarter of 2022. This summit will seek to position South Yorkshire as an innovative, forward thinking, and attractive location to invest, scale-up and commercialise ideas and to stimulate partners to work with on the development of transformational projects that unlock growth.

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

By bringing to life the vision and focus of our Strategic Economic Plan, the Economic Summit will continue to build confidence, legitimacy and a shared positive story about the opportunities the region has. This will instil greater belief in prospective investors, in our own business community and across key stakeholders – helping to secure support from partners including central government, new inward investors and key actors in the region to unlock jobs and economic growth in South Yorkshire.

#### Recommendations

That Board members agree with the plan to hold an Economic Summit in March 2022.

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

Not Applicable

#### 1. Background

- 1.1 The planned Economic Summit will seek to redress a weakness in our narrative, both within and external to region, that does not do justice to the scope and scale of the assets we have, the investments the region is making and the opportunity for the region to lead the way in a new innovation-led economic transformation.
- 1.2 The development of the South Yorkshire Renewal Fund enables the region to develop big ideas, seek to unlock public and private investment in our economy and to act differently in partnering with institutions, funders, and the business community to create opportunities in South Yorkshire. The South Yorkshire Renewal Fund includes a range of potential new funding opportunities, such as the Government's Shared Prosperity Fund that will give the region and local partners some more locally controlled tools to invest in growth.
- 1.3 The proposed Summit comes at a good time at the national level where focus will continue to be on the Government's own approach to levelling up, including the publication of a new Levelling Up White Paper. The timing of this Summit enables South Yorkshire to be quick off the mark in establishing our own response to this agenda, in particular our intention to take ownership of this agenda directly and to make sure national policy and funding intentions are driven by our own needs.
- 1.4 The Summit is also an important stakeholder opportunity to showcase the investment pipeline work that the region has developed, and to profile the growing number of innovation assets ranging from the National Centre for Food Engineering, the Sheffield Hallam AWRC and the wider Olympic Legacy Park development, the new Gene Therapy Manufacturing Innovation Centre, the Translational Energy Research Centre, the UKRIIN Rail Innovation Centre and the University of Sheffield's AMRC and NAMRC.
- 1.5 The Summit will also, subject to the Board's consideration of the establishment of a South Yorkshire Innovation Board and the progress being made on a joint innovation proposal between South Yorkshire MCA and the West Midlands MCA, be an important opportunity to formally launch the Innovation Board, debate and discuss its priorities and secure buy-in from a wide set of stakeholders.

#### 2. Key Issues

- 2.1 **Advocacy** not enough of South Yorkshire's businesses and key stakeholders are advocates for us, including those we have directly invested and supported. The Summit is a good opportunity to help craft and shape that story, speak positively about our assets, opportunities and our focus.
- 2.2 **Idea generation and investor engagement –** our innovation and idea generation ecosystem are not yet strong enough. Not enough of our businesses, institutions and key partners connect or engage with the public sector to develop and finance big ideas and transformational programmes/projects. The Economic Summit is an important part of establishing and helping unlock those connections, to create a stimulus for those partners and institutions to come together and work with us.
- 2.3 **Engaging with the right stakeholders and Summit participants –** it is critical that we engage with the right institutions, influencers in Whitehall and NDPBs, businesses, partners and potential investors and supporters. The Summit should be actively

targeting think-tanks operating in the levelling up space, including economic development, land and property, communities and local people as well as a range of Government departments and agencies, investors across business finance, commercial and property, major anchor institutions in the region, business representative organisations, politicians and policy makers.

- 2.5 **Follow up and momentum –** a one-off event will not achieve the momentum required. The Summit should be the starting point of series of engagements, potentially convened around the SY Innovation Board, that keeps an open dialogue around our innovation and economic potential.
- 2.6 **Format and logistics** the Summit will have to find the right balance between establishing a meaningful forum for discussion, debate and challenge, for showcasing our assets and our story to date and delivering a set of tangible outputs. This then sets the conditions for the most appropriate format, ranging from a host of visits across the region, roundtables, dinners, conference set pieces and plenary sessions.

#### 3. Options Considered and Recommended Proposal

3.1 On the basis that the region has an underexploited innovation story to tell, that we are making good strides in investing, improving and developing a bespoke South Yorkshire approach, that we are investing time and effort in the governance and that this is a good time to be continuing to influence the Government's Levelling Up agenda it is proposed that the region host an <a href="Economic Summit for South Yorkshire">Economic Summit for South Yorkshire</a> in late February/early March 2022.

The Summit will be the starting point of a programme of work that changes how the region takes ownership of its economic story; stimulating a conversation on the right focus for future investment, giving the region and our partners energy and enthusiasm on the challenge ahead, arming our stakeholders with positive messages about what is here and what we need to do next and to create momentum and structures that have their own agency and pace.

#### 4. Consultation on Proposal

4.1 There has been no formal consultation sought on this proposal.

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

5.1 Subject to the discussion at LEP Board the MCA Executive will move forward at pace in organising the Summit.

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

There are no direct funding or procurement implications as a result of the recommendation set out for approval by LEP Board. Budget provision within the MCA Executive has already been identified and any external support required to deliver the Summit will be taken forward in line with the MCA policies and procedures.

#### 7. Legal Implications and Advice

- 7.1 The MCA has the power to promote the economic development and regeneration of its area using the general power of competence under s.1 Localism Act 2011.
- 8. Human Resources Implications and Advice
- 8.1 Not applicable
- 9. Equality and Diversity Implications and Advice
- 9.1 The diversity of speakers, contributors and organisations needs to be as diverse as possible if we are to create region-wide buy-in to our objectives. This will be a key consideration in the design of the programme. Accessibility of the Summit will also be considered through the design of the event format.
- 10. Climate Change Implications and Advice
- 10.1 Not applicable
- 11. Information and Communication Technology Implications and Advice
- 11.1 Not applicable
- 12. Communications and Marketing Implications and Advice
- 12.1 The Summit will have a considerable communications and marketing focus, including the development of key messages, digital and event collateral (if required) and promoting and showcasing the Summit and the follow on from it.

**List of Appendices Included** 

None

**Background Papers** 

None



# Local Enterprise Partnership 13 January 2022

#### **Governance Arrangements on Membership**

Is the paper exempt from the press No

and public?

Purpose of this report: Governance

Funding Stream: Not applicable

Is this a Key Decision? No

Has it been included on the No

Forward Plan?

#### **Director Approving Submission of the Report:**

Dave Smith, Chief Executive/Head of Paid Service

#### Report Author(s):

Ruth Adams

Ruth.adams@southyorkshire-ca.gov.uk

#### **Executive Summary:**

This report provides an update on LEP Board governance, membership and some amendments to roles following recent changes to Private Sector Board membership

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

The MCA governance model includes strong representation from the private sector in both the positioning of the LEP and the Thematic Board arrangements. This ensures the private sector voice is represented in policy and decisions relating to all of the priority areas of the economic plan.

#### **Recommendations:**

That the LEP Board Members approve the changes to representation outlined in this report.

Consideration by any other Board, Committee, Assurance or Advisory Panel None

#### 1. Background

- 1.1 Government, in its review of LEP Boards, set out clear guidance for how such Boards operate and are constructed; including the requirement for a Chair and Vice Chair to be appointed from the private sector.
- 1.2 In addition to this national guidance, the MCA Board at its September 2020 meeting, approved an approach to governance which introduced and implemented portfolio lead arrangements. These arrangements involved MCA members and LEP Private Sector leading the four priority portfolio's areas and Co-Chairing the associated Thematic Board.
- 1.3 Following the resignation of the Chair and Vice Chair this report sets out a number of confirmed and proposed changes to governance:
  - Confirming the Chairing arrangements for the LEP Board, as approved by the Mayor and verbally reported to the last Board
  - Seeking approval to appoint a new Vice Chair
  - Seeking approval to appoint a new portfolio lead for Education, Skills and Employment

#### 2. Key Issues

#### 2.1 LEP Chair

Following confirmation that the LEP Chair would not be seeking a second term of office, the Mayor has appointed Lucy Nickson as Interim Chair of the LEP. This appointment runs from 1<sup>st</sup> January 2022.

Given the election of a new Mayor in May 2022, the appointment process for a substantive LEP Chair will commence after a new Mayor has taken up office.

#### 2.2 LEP Vice Chair

Following the appointment of Lucy Nickson as Interim Chair and the resignation of Nigel Brewster, the proposal is that Neil McDonald be appointed as LEP Board Vice-Chair.

Neil McDonald currently is Co-Chair of the Business Recovery and Growth Board and is the private sector lead on the Assurance Panel. These roles will be reviewed upon taking up the role of Vice Chair.

#### 2.3 Education, Skills and Employment Thematic Board

The proposal is that Dan Fell, is appointed as the LEP Private Sector Co-Chair for the Thematic Board.

#### 2.4 Other Membership Changes

Members are asked to note the resignation with immediate effect of Karen Beardsley, due to work commitments taking her overseas for an extended period. A recommendation of a second Private Sector Member for the Transport and Environment Board will be agreed by the Chair and reported to a future Board.

#### 3. Options Considered and Recommended Proposal

#### 3.1 **Option 1**

Progress immediately to a formal appointment process – this option has been discounted as the LEP Chair and Vice Chair are Mayoral appointments and in view of the Mayoral election and certainty of a new Mayor taking up office, the substantive campaign has been deferred so as to engage the new Mayor.

#### 3.2 Recommended Option

The recommended option is set out in section 2, to progress the interim appointments of the Chair and Vice Chair and to appoint a new Education, Skills and Employment Portfolio lead.

#### 4. Consultation on Proposal

- 4.1 Discussion on the Vice Chair appointment have taken place with the Interim LEP Chair and the Mayor
- 4.2 Discussions on the Portfolio lead appointment have taken place with the Interim LEP Chair and the MCA lead, Cllr Sir Steve Houghton.
- 5. Timetable and Accountability for Implementing this Decision:
- 5.1 From this meeting, subject to agreement
- 6. Financial and Procurement Implications and Advice
- 6.1 There are no financial implications arising from this report, LEP Membership is an unremunerated appointment.
- 7. Legal Implications and Advice
- 7.1 The appointments will ensure compliance with both national guidance and MCA governance requirements.
- 8. Human Resources Implications and Advice
- 8.1 None
- 9. Equality and Diversity Implications and Advice
- 9.1 The LEP Board is subject to national requirements regarding its gender balance on the Board. These appointments do not adversely affect the SY LEP gender balance and the Board is still compliant with requirements.
- 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 Following approval of the appointments, the website will be updated to reflect the agreed portfolio's and positions. Further communication and press releases remain to be considered and agreed.

#### **List of Appendices Included**

None

#### **Background Papers:**

Strengthening Governance in Local Enterprise Partnerships (2018)



#### **Local Enterprise Partnership**

#### 13 January 2022

#### Mayor's Update

#### **Purpose of Report**

To provide LEP Board Members with an update on key Mayoral activity relating to the economic agenda.

#### 1. COVID-19

With record breaking numbers of cases, leading to record numbers of people needing to isolate COVID continues to impact on our daily lives. Whilst the emerging evidence appears to present encouraging news that Omicron provides a milder form of the disease, the pressures on the NHS are extraordinarily challenging.

Working with partners across South Yorkshire, we continue to closely monitor the developing situation. The rapid rise in hospitalisations in the last week in our region and across Yorkshire and Humber and the North East is particularly concerning, especially when combined with the high levels of staff absences due to COVID.

The transformative impact of the vaccination programme is also clearly apparent in reducing the severity of this extremely infectious disease. I am hugely grateful for the truly herculean effort that has gone into its successful delivery, as well as those of our vital key workers on the front line of the most serious public health crisis any of us have faced.

I continue to make the case for government to put in place support measures for businesses affected by COVID, given the impact of Omicron. It's simply not right that business and individuals already suffering the effects of almost two years of disruption should have to endure what amounts to a soft lockdown in the critical run-up to Christmas without any support. I will continue to fight to ensure that people and businesses in South Yorkshire receive the support they need, including for those that need to isolate.

### 2. The publication of the Integrated Rail Plan and the forthcoming Levelling Up White Paper

In November the much anticipated and long-awaited Integrated Rail Plan (IRP) was published by the Government. Woefully inadequate, the plan badly let us down.

Not only has the IRP abandoned much needed and desperately overdue improvements to services for passengers, it squandered an opportunity to unlock thousands of jobs, massive new investment and the regeneration of our towns and stations across our region. After so many re-commitments and re-announcements, after so many promises of transformation, for Government to do this and to call it levelling up is simply treating people with contempt.

This was supposed to be the moment where the government began to put right years of neglect and underinvestment in the North, where our needs were finally put first or a change. Instead they locked in a second-class and second-rate solution for a generation. It's the same old story – when it comes to the crunch, once again the government is leaving us to make do with crumbs off the table.

Rather than levelling up South Yorkshire, this Prime Minister is holding our region back.

This provides an extremely concerning backdrop to the other delayed policy document from Government, the Levelling Up White Paper (formerly the Devolution White Paper). As its flagship policy, credible ideas and policies are needed to effectively begin to tackle regional inequality. Particularly as COVID has shone such a spotlight on the scale of inequalities facing our country.

Transformative policy will also need a transformative level of investment to deliver it. So, a significant increase in funding seems critical to success.

Of course, there is more to levelling up than money, for example, there should be greater devolution of decision-making to local leaders and mayors to deliver the practical changes our communities need to thrive. However, it's not at all clear whether the Government has either the ambition or the appetite to do this.

#### 3. Fighting for South Yorkshire's fair share of the Shared Prosperity Fund

The allocation of the Shared Prosperity Fund is a key opportunity for Government to make tangible progress on levelling up, by investing in those communities that need it the most. With South Yorkshire council leaders and local MPs, I wrote to the Secretary of State for Levelling Up, Housing and Communities to demand that South Yorkshire get its fair share of this fund for regeneration and economic growth.

From next year, South Yorkshire would have got hundreds of millions of pounds more from EU funding, had that still been in place. The Prime Minister promised places like South Yorkshire would not lose out after Brexit. We are asking him to keep his word.

I am not asking for special treatment for South Yorkshire, just that we get our fair share. To put this in context, recent analysis has shown the funding would equate to more than £900m in investment in South Yorkshire over seven years.

Articulated through our SEP, we have plans to build a stronger, greener and fairer economy, and we have proven we can deliver – we just need the right tools to do

the job. The government should extend its commitment to funding all regions who now meet the criteria for increased funding, including South Yorkshire.

#### 4. Strengthening Relationships with India

Last month I met with the High Commissioner of India to the UK, Ms Gaitri Issar Kumar, to further strengthen the relationship between her country and South Yorkshire.

India is central to our trade and investment strategy. Given our shared strengths in advanced manufacturing, healthcare technologies and digitisation, as well as in sustainable fuel and clean energy solutions there is huge potential for growth. These specialisms offer great opportunities for both the Maharashtra region of India and South Yorkshire to trade more closely.

As we continue to forge strong relationships with India, this latest meeting was important in securing the High Commissioner to the UK's support in our trade mission to India later this year. A very productive meeting, I really welcome the support of the High Commissioner and her office in making this a success for both South Yorkshire and India.

The meeting follows a number of activities between South Yorkshire and the Maharashtra region of India, which recently saw South Yorkshire Mayoral Combined Authority run a Round Table event, which opened up new trading opportunities for both South Yorkshire and Indian businesses. In addition, South Yorkshire MCA has recently set up and run its first South Yorkshire India Advisory Board. This Board brings together Sheffield Hallam University, the University of Sheffield, our local research centres, local Chambers of Commerce, the DIT India and the Pune Chamber of Commerce. South Yorkshire MCA is also planning to hold an Investor Round Table in the new year, as well as an Ed Tech showcase.





#### **Local Enterprise Partnership**

#### 13 January 2022

#### **CEX Update**

#### **Purpose of Report**

To provide LEP Board Members with a general update on activity being undertaken by the LEP outside of the agenda items under discussion.

#### 1. Submission of Research England Bid

We have been successful in applying for RED funding to develop a South Yorkshire Sustainability Centre project in partnership with the University of Sheffield. The application was praised due to the innovative nature of the project and its potential to deliver real benefits for the region, not only in the direct outputs to the businesses and organisations it will work with, but also in the knowledge, capability and networks it will create. We were also commended for the quality of the submission and that it was a joint effort from the Universities and the MCA.

#### 2. Levelling Up White Paper Delay

It has been confirmed that the publication of the levelling up white paper has once again been delayed and is expected in the New Year. It is expected that the paper will outline the future of the role of LEPs, with leaks suggesting it will detail the working relationship between LEPs and Combined Authorities. This leaves us in a strong position, with our current governance model and relationship being widely recognised as effective and successful. The paper is also anticipated to include a definition of 'levelling up', with attached outcomes, as well as discussing devolution. Undoubtedly, this will have implications for the Combined Authority, which we will be ready to examine upon publication.

#### 3. Hydrogen twinning city link

We have submitted an expression of interest to be part of the H2 Twin Cities initiative, which was launched at COP26 in November. This is aimed as a means for cities, towns and city regions across the globe, which have demonstrated a commitment to advancing hydrogen technology, or have concrete examples of hydrogen, fuel cell technology or assets being deployed, to collaborate. The aim is to facilitate relationships, help lessons learnt exercises, share best practise, and help boost positive communications and promotion for the sector in general. There is an element of funding involved for a successfully 'twinned' city, although the amount & it's

intended purpose is still to be confirmed. If we reach the next stage of this process, we will ensure we engage with the relevant businesses in our region to build a strong case.

#### 4. Institute of Technology Bid

South Yorkshire have been successful in securing £12 million to establish a new Institute of Technology in the region. The employer-led institutions will offer higher level technical education to bridge the skills gaps for key STEM roles, helping employers get the skilled workforce they need and offer local people rewarding jobs.

The bid was supported by the MCA, Local Authorities, and the Chambers of Commerce. It was submitted by a cohort of key education institutes in the region led by the DN Colleges group, and including, Sheffield Hallam University, Barnsley College, and the University of Sheffield AMRC Training Centre as core education partners. RNN Group, the Sheffield College and the National Centre for Advanced Transport & Infrastructure (NCATI) are also associate partners. The IoT will work closely with employers in the region, providing 1,500 students with higher technical courses in construction, digital, engineering/manufacturing, and healthcare sciences.