

## MCA - BUSINESS RECOVERY AND GROWTH BOARD

### MINUTES OF THE MEETING HELD ON:

THURSDAY, 10 FEBRUARY 2022 AT 2.00 PM

### VIRTUAL MEETING

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#### Present:

Neil MacDonald (Chair)	Private Sector LEP Board Member
Mayor Ros Jones CBE (Co-Chair)	Doncaster MBC
Alexa Greaves	Private Sector LEP Board Member
Councillor Glyn Jones	Doncaster MBC
Sharon Kemp	Rotherham MBC
Councillor Denise Lelliott	Rotherham MBC
Richard Stubbs	Private Sector LEP Board Member
Councillor Paul Turpin	Sheffield City Council

#### In Attendance:

Jim Dillon	Interim Director of Business and Skills	South Yorkshire MCA
Rachel Clark	Assistant Director Trade & Investment	South Yorkshire MCA
Paul Mitchell	Senior Programme & Performance Manager	South Yorkshire MCA
Muz Mumtaz	Assistant Director - Development and Business Support	South Yorkshire MCA
Joseph Quinn	Innovation Project Director	South Yorkshire MCA
Sue Sykes	Assistant Director - Programme and Performance Unit	South Yorkshire MCA
Charli Taylor	Head of Controls	South Yorkshire MCA
Bev Foster	Development Manager (Development Hub)	South Yorkshire MCA
Andrew Armstrong	Development Manager (Special Projects)	South Yorkshire MCA
David Moore	Senior Business Development Manager-International Markets	South Yorkshire MCA
Stephen Burrows	Senior Business Development Manager	South Yorkshire MCA
Kate Cole-Hamilton	PA to Jim Dillon, Interim Director of Business & Skills	South Yorkshire MCA
Andrew Shirt	Minute Taker	Joint Authority Governance Unit

#### Apologies:

Councillor Jim Andrews BEM	Barnsley MBC
Gareth Sutton	South Yorkshire MCA

1        **Welcome and Apologies**

The Chair welcomed everyone to the meeting.

Jim Dillon, Interim Director of Business and Skills at the MCA was also welcomed by the Chair to his first formal meeting of the Business Recovery and Growth Board. Jim provided the Board with an overview of his previous employment history and said that he looked forward to working with the Board.

Apologies for absence were noted as above.

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

Members declared interests in respect of item 7 regarding schemes in their own council areas.

3        **Urgent items / Announcements**

None.

4        **Public Questions of Key Decisions**

None.

5        **Minutes of the Previous Meeting**

RESOLVED – That the minutes of the meeting held on 12 January 2022 be agreed as a true record.

6        **Business Advisor Proposal (Verbal)**

M Mumtaz provided the Board with a verbal update on the Renewal Action Plan (RAP) Business Advisors proposal.

At its January meeting, the MCA Board had approved the virement of funds to continue the provision of RAP Business Advisors for a further 12 months.

The Board noted that a Delivery Implementation Plan had been developed.

B Foster reported that one-to-ones had been held with all of the RAP Business Advisors to discuss funding for the next 12 months, KPIs, outputs and updating contracts with Bloom.

In addition, a mapping exercise was being undertaken to obtain a database of knowledge around the expertise of the Business Advisors, which could then be used when supporting businesses further across the region.

Councillor Turpin reported that both CRM and City Region Forms were currently being completed when reporting-back. He asked if this inefficient method could be addressed.

M Mumtaz replied that active discussions were taking place with the local authorities around how the CRM data could be managed and shared more effectively with the aim of arriving at a conclusion that avoided duplication.

In response to a query from Councillor Turpin, M Mumtaz said that the findings from the mapping exercise would be presented to the Growth Hub Board within the next month for examining and further discussion. It was confirmed that the mapping exercise would be undertaken rigorously and independently. The findings would also be assessed by the Business Support Delivery Agents.

In response to a question from Mayor Jones, it was confirmed that each local authority would retain its four individual RAP Advisors.

RESOLVED – That the Board noted the report.

## 7 **Business Growth Projects Update**

**This item was exempt by virtue of Paragraph 4 of Part 1 of Schedule 12A of the Local Government Act 1972.**

A report was submitted which provided an update as to the current approved Business Development projects and wider Investment team activity to stimulate interest in the South Yorkshire region. Changes in project status and additions since the October update were highlighted.

R Clark informed the Board that the MCA were currently working with a number of projects, where either, there was no financial ask, or no support ask. It was reported that there had been a minor change in the MCA's assurance process, to allow projects to be presented at future Board meetings earlier to provide Members with details of the projects which the Team were currently working on, prior to a financial ask being presented for the Board's approval.

It was noted that an Assurance Update would be presented at the Board's next formal meeting.

**ACTION R Clark.**

Following discussion, the Board requested that G Sutton provides the Board with further details of the proposals and the timeframe for developing an Investment Fund.

**ACTION: J Dillon via G Sutton.**

RESOLVED – That the Board noted the report.

## 8 **India Programme Progress Update**

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

The Board was reminded that, in 2017, the SYMCA commissioned the UK India Business Council (UKIBC) to develop an India Engagement Strategy for the City Region to grow trade and investment. The task set by the SYMCA was to produce a Strategy for 2025 and beyond that:

- Increase FDI inflows by 10% into SYMCA from India;
- Increase exports by 10% from SYMCA to India;
- Increase in number of Indian students by 10% studying at both Sheffield Universities; and
- Increase in Indian tourism to Sheffield by 10%.

The Board noted that all activity undertaken during 2020/21 and 2021/22 had been aimed at contributing to these outcomes.

Whilst restrictions brought about through the COVID-19 pandemic had impacted on some of the planned activity, progress had been made across the key five themes that underpin the four strategic objectives. Updates were presented in the paper and noted by the Board.

In addition, the paper also provided the Board with details of other activity undertaken during the year and upcoming activities in planning scheduled to take place over the next several months.

In response to a question from Councillor Turpin, S Burrows confirmed that discussions were currently taking place around hosting the Indian High Commissioner, her team and a business delegation to South Yorkshire in March. This would provide a high-profile opportunity to showcase the region and its key assets.

The Board commented that the paper only contained one option for consideration. J Dillon acknowledged the Board's comment and said that the MCA Executive Team was currently in the process of reviewing the format of the report template.

**RESOLVED** – That the Board consider the information in the paper and how this continues to support key outcomes in terms of raising profile, encouraging investment and creating jobs in South Yorkshire.

## 9 **International Plan Strategy Update**

A paper was submitted to update the Board on the project activity being undertaken to develop the International Plan.

The Board noted that the SYMCA had commissioned an International Plan to identify actions which could be undertaken to improve the region's performance across a range of themes, including:

- Enterprise and commercialisation propensity;
- Location and destination development;
- Investment/business/talent attraction and graduate retention;
- Inclusive growth and optimisation of existing assets and institutions;

- Perception of 'place' brand and perception of promoted specialisms among target audiences.

The Board noted that an important element for realising the Plan, would be to improve the understanding of 'what good looks like': gaining better insights and monitoring across key indicators of success.

The paper provided the Board with details of Phase 1 work, which included the development of a gap analysis to determine the SYMCA's performance compared to peer regions and a SWOT analysis to establish the regions strengths and weaknesses in performance and potential investor perception.

Phase 2 work would include the consultants conducting a literature review and stakeholder consultations to understand international activity. This also included a review of existing policy and practice using the peer comparator regions in Phase 1 to understand best practice and how the SYMCA could work to develop a more attractive position on the international stage.

Workshops would be arranged with the SYMCA and stakeholders to present the findings and recommendations.

It was confirmed that there would also be an opportunity for all Board Members to be interviewed by the consultants.

S Kemp requested that the Economic Development Officers from the four local authorities be engaged in the workshops to help provide their knowledge and expertise.

The Board noted that a paper would be presented at the next formal meeting to report on the completion of the project together with the findings and recommendations.

RESOLVED – That the Board noted the contents of the discussion paper.

10

### **Innovation Projects Update**

A paper was presented to provide an update on the progress of Innovation focussed business support and outlined upcoming activity that would be undertaken to deliver the innovation-led growth aspirations of the Strategic Economic Plan.

As previously requested by the Board, the paper provided Members with key updates in relation to:

- Made Smarter Programme;
- Sheffield Innovation Programme;
- The Advanced Manufacturing Innovation District; and
- Formation of the South Yorkshire Innovation Board.

In relation to the Made Smarter Programme, it was expected that further government funding for the continuation of the Made Smarter Programme would become available and this would allow the SYMCA to further scale the interventions to support more businesses across Yorkshire and the Humber. As this formalises a further update would be provided to the Board on progress.

Following discussion, the Board considered that there needed to be a joined-up approach with regards to all the digital projects.

The Board discussed the formation of the South Yorkshire Innovation Board and queried how feedback would be provided to the Business Recovery and Growth Board. The Board also considered that there needed to be improved communications between all the SYMCA Thematic Boards.

J Quinn replied that he would be responsible for providing feedback from the South Yorkshire Innovation Board to this Board and ensuring that links are being made.

P Clifford provided the Board with a verbal update on Barnsley MBC's new plans for 'The Seam' digital campus.

The Board noted that public consultation on The Seam would run throughout February, with the results then feed into the next stage of the design works. Further details were available at: [www.barnsley.gov.uk/seamconsultation](http://www.barnsley.gov.uk/seamconsultation)

Councillor Turpin asked if the Board could receive a comprehensive update at a future meeting in relation to all of the current innovation projects.

**ACTION: J Quinn.**

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

11

## **Performance Report**

S Sykes presented a paper to provide the Board with the latest performance information on Business Recovery and Growth programmes being delivered on behalf of the MCA.

The Board noted that the MCA currently has thirty-eight projects which fall within the remit of the Business Recovery and Growth Board. The schemes are funded from various funding streams with a total value of £83.93m.

The expenditure baseline for 2021/22 was initially set at £19.49m with the latest forecasts suggesting outturn expenditure of £22.10m. This level of expenditure would be generating a material overspend of £2.61m. The slight increase was due to the addition of new capital projects.

Of this value, £3.04m (13%) was funded from conditional grant from government, and consents would likely to be required to roll-forward the funding to future periods.

A table at paragraph 2.1 of the paper presented highlights of the forecast full-year expenditure profiles set against the baseline targets and the current forecast against claims received to date.

Due to the COVID-19 pandemic, the Capital Schemes had experienced delays in Job creation outputs, with delays of up to 12 months currently being experienced.

In addition, there had been slower than forecast pace of the Gainshare and Made Smarter schemes. The MCA was proactively engaging government on the status of the programmes, seeking flexibilities where they may be available.

The Board noted that close monitoring was on-going. Full programme reviews, where they had not already commenced, would be undertaken.

S Sykes provided assurances that the MCA did not currently foresee any serious issues with regards to project spend claims for the financial year 2021/22.

A graphic at paragraph 2.4 of the paper highlighted that, of the thirty-eight projects in the portfolio, 50% are in delivery with a value of £23.01m with six schemes with a value of £22.36m approved and in contract negotiation.

Appendix A to the paper provided the Board with an update on progress of these schemes.

Councillor Turpin asked if the Board could be provided with details of all the thirty-eight projects (segmented to show capital and revenue projects) which fall within the remit of the Business Recovery and Growth Board.

**ACTION: S Sykes.**

Councillor Turpin raised concerns that the Employers RAP funding stream was making slow progress. He queried if the underspends could be utilised to fund a further round of capital schemes.

In response, S Sykes said that the funding stream was a revenue fund and that, the MCA's Business Team were currently reviewing current RAP projects and working on proposals for the use of this funding stream.

Following discussion, the Board requested G Sutton to provide a full overview of the current funding position at the next formal Board meeting.

**ACTION: S Sykes via G Sutton.**

The Co-Chairs raised concerns and expressed frustration around the delays in the MCA's internal approval processes when the Board had approved a clause in a project contract. S Sykes agreed to feedback to the MCA Executive Team.

**ACTION: S Sykes.**

The Chair asked if further details could be provided in relation to 'Overage Clauses', which the Board were being asked to agree.

**ACTION: S Sykes.**

RESOLVED – That the Board considered the performance information provided.

## 12 Programme Approvals

A paper was considered which requested the Board to consider acceptance onto the pipeline for four schemes and provided details on the Made Smarter 2 Programme.

In relation to the four pipeline projects, the Board noted that work was being undertaken in close dialogue with the businesses to develop strategic business cases required to fulfil the requirements of submitting a funding application, enabling these growth projects to be “oven-ready” for consideration for public funding.

The 4 projects were forecasting to realise c£8.5bn of private investment.

The projects combined, would create a minimum of 8,600 jobs. It was noted that the businesses operate across the spectrum in the Energy, Advanced Manufacturing, Scientific Research, and the Automotive sectors.

Councillor Turpin stated that he did not support the approval of ‘Project Alpha’ on to the programme pipeline.

The Board noted that the Department of Business, Energy, and Industrial Strategy (BEIS) was seeking to grant the SYMCA c£5.4m for a 3 year Made Smarter 2 (MS2) programme.

The future project would mirror the pilot with the SYMCA as the lead partner, supported by a delivery partner and West Yorkshire Combined Authority for the administration of Capex awards.

The report requested that the Board approve a recommendation to the SYMCA to accept the BEIS funding, begin a procurement exercise for a partner to deliver MS2 and delegated authority to enter into agreements for the programme.

RESOLVED – That the Board considered and approved -

- (i) Progression of the schemes detailed in section 2 and Appendix A of the report on to the programme pipeline, noting that the projects will only be supported if future funding is received and assurance requirements are met.

**All Board Members voted in favour to approve progression of the schemes detailed in section 2 and Appendix A of the report on to the programme pipeline, with the exception of Councillor Turpin, who voted against approving ‘Project Alpha’ on to the programme pipeline.**

Progression to the SYMCA for approval to accept c£5.5m grant for the Made Smarter programme from the Department of Business, Energy, and Industrial Strategy (BEIS).

13 **Any Other Business**

Mayor Jones requested that the four local authorities be kept informed of any SYMCA engagement being undertaken with local companies in their district. The request was acknowledged by J Dillon.

The Chair raised concerns around the future schedule of formal Board meeting dates. He highlighted that, the next formal Board meetings had been scheduled for 1<sup>st</sup> March 2022 and then again in late June 2022.

Following discussion, the Co-Chairs agreed that, if required, arrangements would be made to hold a Board meeting prior to the meeting arranged for June 2022.

In accordance with Combined Authority's Constitution/Terms of Reference for the Board, Board decisions need to be ratified by the Head of Paid Services (or their nominee) in consultation with the Chair of the Board. Accordingly, the undersigned has consulted with the Chair and hereby ratifies the decisions set out in the above minutes.

Signed .....

Name .....

Position .....

Date .....