Committee/Board Name and Date of Meeting:
Business Recovery and Growth Board

Meeting Date:
27 October 2022

Report Title
Tech SY Proposal

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

Director Approving Submission of the Report:
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Executive Summary
To seek approval to progress the Tech SY proposal through the SYMCA assurance process. South Yorkshire needs a credible and powerful demonstration of commitment to create the conditions to move the region forward to a clear shared vision for the tech and digital ecosystem (including infrastructure and digital inclusion) and a programme of collaborative work to co-create the plans and activity to achieve change at scale.

The Tech SY will pilot interventions to stimulate growth so that concepts are tested and evolved ahead of the launch of a transformation plan to achieve long term impact and leverage regional potential.
This offer will be broad and inclusive, actively assessing and improving its offer to ensure accessibility and utility (particularly under-represented groups).

What does this mean for businesses, people, and places in South Yorkshire?
The South Yorkshire Strategic Economic Plan (SEP) outlines the ambition to provide the enabling conditions for innovation to drive the transformation of the South Yorkshire economy. Increasing the volume of digital and tech start-ups and scale-ups and supporting existing businesses to generate and commercialise new ideas, adopt new thinking and technology is fundamental to improving the productivity of South Yorkshire.

Recommendations
To accept the Mandate and allow it to progress further through SYMCA's assurance process.

Consideration by any other Board, Committee, Assurance or Advisory Panel
Non-Applicable

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1. Background

1.1   The digital and technology sector represents a large share of the UK economy (1.63m 4.9% of all UK employment). Since 2010 employment in digital occupations has increased by 53%. The Department for Digital Culture Media and Sport (DCMS) recently published an assessment of regional growth in the digital economy 'Assessing the UK's regional digital ecosystems'. It indicated that Yorkshire's digital industry is the fastest growing in the UK with potential to create an extra 42,000 digital tech jobs and grow by at least £1.6bn by 2025. However, this recent growth has been dominated by Hull, Leeds, and West Yorkshire.

1.2   In collaboration with local partners, the MCA commissioned a piece of work to look at how to strengthen the innovation and entrepreneurship ecosystem in South Yorkshire. Some of the key findings were:

- The ecosystem is fragmented and disconnected.
- There is a lack of connectivity, and it's difficult to find contacts/collaborators.
- People do not know what support is available.

This project helps address all these barriers holding back the business ecosystem in South Yorkshire

2.   Key Issues

2.1   The Tech SY programme will pilot interventions to stimulate growth so that concepts are tested and evolved ahead of the launch of a transformation plan to achieve long term impact and leverage regional potential. This offer will be broad and inclusive, actively assessing and improving its offer to ensure accessibility and utility (particularly under-represented groups). The offer includes:

- A comprehensive set of programmes to help individuals and organisations start-up and grow their business via support at multiple stages of development. This will include mentoring, professional workshops in topics such as HR, strategy, cash flow forecasting, branding, marketing, finance brokerage, entrepreneur knowledge exchange and specific sectoral and capability topics.

- Financial support programmes will be explored to target specific outcomes, including:
    - Promoting growth and increasing (and safeguarding) jobs (through access to capital or revenue funding).
    - Developing specific types of business model that support responsible and sustainable productivity (including worker health and wellbeing).
    - Developing and going to market with new products and services.
    - Business voucher schemes to encourage access to specialist support.

2.1.1 Integrated action planning:
The Tech SY project will work collaboratively with stakeholders to co-create an integrated Action Plan. This model is well established in programmes such as MIT, REAP and URBACT. Leveraging collective knowledge, ideas, and energy to gather intelligence, develop solutions and create feedback loops.

2.1.2 Leverage existing assets and pilot new ideas:
It will be essential to continue the work already in train, such as programmes like TEAM SY, Tech Welcome grants, Co-investment models, skills programmes, infrastructure work and support for tech and digital businesses including co located workspace and incubation. This activity provides a pathway to the 'what next?' and achieving the region's potential.

2.1.3 What will the programme pilot:
The programme aims to support business with their challenges, focusing on productivity and sustainable growth, leading to increased turnover and new job creation.

More developed examples of specific support could include:
- A programme offering particular focus on stimulating innovation in existing businesses, using all the relevant tools and levers described above alongside bespoke measures including:
    - Local innovation advisors.
    - Match-making services between innovative businesses and sources of external support (universities, research institutes, potential collaborator businesses).
    - Access to financial support programmes (particularly suited to match funding.

- A 'Connected Manufacturing' support programme driving technology into operations and logistics of manufacturing firms to make them more competitive, including identifying innovation-ready SMEs, activating appropriate digital innovation to drive growth, using 'hack & pitch' competitions to invite innovators to solve businesses' challenges, and potentially offer 'productivity grants' to scale innovations where appropriate.

- A 'Creative Businesses Support' initiative to enable more creative industries start-ups and support existing creative businesses through access to specialist advice; and develop industry-specific challenges (including

supporting sustainable business models to bring local retail, hospitality, and leisure sector facilities back into use).

- A 'Net Zero Business Support' programme aligned with the MCA and local councils' net zero commitments, focussed on helping businesses to reduce carbon emissions, create higher value jobs, improve productivity, and develop leadership skills all under the banner of improved innovation from a localised low carbon Knowledge Hub.

3.   Options Considered and Recommended Proposal

3.1   **Option 1**
Endorse the progression of the Tech SY mandate through the SYMCA assurance process.

3.2   **Option 1 Risks and Mitigations**:
None: Risks will be fully mitigated by the SYMCA assurance process.

3.3   **Option 2**
Reject the Mandate application and do not investigate the programme further.

3.4   **Option 2 Risks and Mitigations:**
South Yorkshire needs a credible and powerful demonstration of commitment to create the conditions to move the region forward to a clear shared vision for the tech and digital ecosystem (including infrastructure and digital inclusion) without a programme of collaborative work to co-create the plans and activity South Yorkshire will not be able to achieve change at scale.

4.   Consultation on Proposal

4.1   Early engagement has been undertaken with Barnsley, Doncaster, Rotherham, and Sheffield councils. Engagement will continue as the proposal goes through SYMCA's assurance process.

5.   Timetable and Accountability for Implementing this Decision

5.1   N/A

6.   Financial and Procurement Implications and Advice

6.1   N/A

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   N/A

10.   Climate Change Implications and Advice

10.1   N/A

11.   Information and Communication Technology Implications and Advice

11.1   N/A

12.   Communications and Marketing Implications and Advice

12.1   N/A – discussion paper

List of Appendices Included*

A   Tech South Yorkshire Project Mandate

Background Papers
None.