

MCA - BUSINESS RECOVERY AND GROWTH BOARD

MINUTES OF THE MEETING HELD ON:

WEDNESDAY, 1 SEPTEMBER 2021 AT 9.00 AM

VIRTUAL MEETING



Present:

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

In Attendance:

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

Apologies:

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

1 Welcome and Apologies

The Chair welcomed everyone to the meeting. Apologies were noted as above.

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

None.

3 Urgent items / Announcements

None.

4 **Public Questions of Key Decisions**

None.

5 **Minutes of the Previous Meeting**

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

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

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

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

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

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

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

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

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

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

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

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

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

7 **Renewal Action Plan Activity Update**

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

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

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

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

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

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

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

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

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

RESOLVED – That Members:-

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

8 **Business Pipeline Criteria Development**

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

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

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

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

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

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

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

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

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

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

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

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

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

RESOLVED – That Members:-

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

9 Business Scheme (Verbal)

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

- i) Lontra Scheme

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

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

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

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

Mayor Jones CBE and N McDonald supported the proposal.

ii) Gene Therapy Innovation Manufacturing Centre Scheme

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

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

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

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

RESOLVED – That Members noted the update.

10 **Any Other Business**

None.

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

Signed

Name

Position

Date