

## **MCA - BUSINESS RECOVERY AND GROWTH BOARD**

### **MINUTES OF THE MEETING HELD ON:**

**THURSDAY, 28 OCTOBER 2021 AT 2.00 PM**

### **VIRTUAL MEETING**



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#### **Present:**

Mayor Ros Jones CBE (Co-Chair)  
Neil MacDonald (Co-Chair)  
Councillor Jim Andrews BEM  
Sharon Kemp  
Councillor Paul Turpin  
Councillor Saghir Alam (Reserve)  
Helen Kemp

Doncaster MBC  
Private Sector LEP Board Member  
Barnsley MBC  
Rotherham MBC  
Sheffield CC  
Rotherham MBC  
MCA Executive Team

#### **In Attendance:**

Rachel Clark  
Sue Sykes  
Muz Mumtaz  
Bev Foster  
Stephen Burrows  
David Moore  
Chris Dungworth (Observer)  
Tim O'Connell (Observer)  
Ben Morley (Observer)  
Shaun Higginbottom (Observer)  
Mike Faulks

MCA Executive Team  
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Doncaster MBC  
Rotherham MBC  
Sheffield CC  
Barnsley MBC  
Guest

#### **Apologies:**

Councillor Glyn Jones  
Richard Stubbs  
Alexa Greaves

Doncaster MBC  
Private Sector LEP Board Member  
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.**

Members declared interests in respect of item 11 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 1<sup>st</sup> September 2021 be agreed as a true record.

6      **Renewal Action Plan Business Support Evaluation**

Members were reminded that this report followed on from their agreement to an interim analysis of the Renewal Action Plan delivery related to Business Advisors and the Additional Restrictions Grant; this was set out at Appendix A.

It was noted that the data provided for the RAP Business Advisors included a breakdown of sectors, spend per business size and hours per business size across the local authorities alongside officer and advisor feedback and was provided at Appendix B.

The analysis of the Additional Restrictions Grant was ongoing and in future would include information on the Digital Innovation Grant scheme and how each local authority monitored outputs.

The Specialist Framework had not been established and therefore not yet yielded outputs. Activity to date in that area and the outcome of a small pilot to gauge what specialisms were in demand was at Appendix C.

Members were informed that the exercise had proven useful in understanding what data was and wasn't available across the region through the Business Advisor deployment, but reporting was disparate.

The available RAP Business Advisor data demonstrated the variety of business sectors that had been engaged. A high number of micro businesses had received support through the period which had largely been due to the impacts of Covid-19. It was noted that during normal operation it would be expected that Business Advisors would be mainly focused on supporting Small and Medium sized enterprises.

It was stated that all local authority officers valued the close links with Business Advisors that the operating model brought. However, three of the 16 advisors had raised concerns that the approach did not allow them to fully utilise their

skills to businesses across the wider region.

S Kemp commented that the feedback on the RAP Advisors had been really positive but they were only available until March and queried if ways of keeping the RAP advisors were being considered.

B Foster replied that this was an ongoing piece of work and officers would be looking at options for next year including the option to extend the current contract. It was hoped that a decision could be made before the end of the calendar year on the best way forward.

Mayor Jones commented that this needed to be costed up and put forward as a proposal with options so that value for money could be demonstrated.

The Chair agreed and suggested that a paper be brought to the next meeting of the Board on 16<sup>th</sup> December.

H Kemp commented that officers were looking at other regions to see what they were doing in this area, what benefits they were seeing and what the costs were.

Officers would look at options with local authority partners and bring back a paper to the Board with costed options.

Mayor Jones commented that with regard to value for money and putting options forward, this needed to be done now and in tandem with business advisors, the local authorities, this Board and the LEP, a quick turnaround was essential.

The Board was informed that the next meeting of the MCA Board was on the 24<sup>th</sup> January and then not until 21<sup>st</sup> March 2022.

The Chair agreed with Mayor Jones that speed was of the essence and that the Board needed a fully costed-up report with VfM options for its December meeting with endorsement from A Greaves as Chair of the Growth Hub Board.

RESOLVED – That the Board:

- i) Approve Option 1 as detailed at 3.1 in the report.
- ii) Request a report was brought to its December meeting with fully costed options with VfM options for the provision of Business Advisors.

## **Business Pipeline Programme Position**

**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 projects pipeline and wider investment team activity to stimulate interest in the South Yorkshire region. Changes in project status and additions since the September update were highlighted.

RESOLVED – That the Board agree to Option 1 as detailed in the report.

**8      Sheffield Innovation Programme (SIP) Continuation (28R18P02582) Extension**

A report was submitted which discussed the need to extend the existing Sheffield Innovation Programme (SIP2).

Members were reminded that the project currently funded two Innovation Advisors along with an administration support who was 20% funded. The continuance of the programme would deliver the intended benefits that had not been realised due to the impacts of Covid-19 as described in section 1 of the report.

The programme was due to run until September 2022, however the programme partners were requesting to extend the duration to July 2023. This would enable it to achieve the originally intended outputs within the agreed existing financial arrangements – no further budget would be requested.

Mayor Jones commented that she had no problem with the extension but felt that as it was a South Yorkshire programme it should be emphasised that the universities needed to get out and promote the programme across all local authority areas and engage with businesses across the whole of South Yorkshire and not just in Sheffield.

A Armstrong agreed and confirmed that this was being looked at to make sure that referrals were being received from all businesses across the region for what was available and appropriate for them.

M Mumtaz commented that two MCA officers were helping to refer businesses into the SIP programme and were working with all local authorities and through the Business Advisor network.

H Kemp commented that she would pick this up in her meetings with the universities to ensure they were aware of the request from the Board that SIP was promoted more widely across South Yorkshire.

RESOLVED – That the Board approve the extension of SIP 2 until July 2023.

**9      Cybercrime affecting businesses in South Yorkshire**

A report was considered which discussed cybercrime affecting businesses in South Yorkshire.

The Board was informed that cybercrime had increased significantly in the UK in the past 18 months, and 40% of local businesses in South Yorkshire had reported such attacks with an estimated revenue loss of over £68 million from incidents reported. According to the Department for Digital, Culture and Media almost 72% of attacks were not reported, this could mean that the true cost of cybercrime in South Yorkshire could be as high as £243 million per year.

It was noted that the nature of online fraud had mainly been in the form of ransomware attacks or phishing.

Business support interventions which helped businesses protect themselves against cybercrime had been delivered via modules/webinars in the South Yorkshire region but with the advancement of technology, cybercriminals had become more sophisticated in their methods.

The report set out the context for cybercrime trends/activity in South Yorkshire and provided a number of options/interventions to support local businesses to protect themselves.

The Board discussed the reasons for the increase in cybercrime, the estimated costs to businesses and the support and advice already available.

The options suggested in the report were also discussed. These were:

1. Deliver a Cybersecurity Summit/event, involving local/regional partners to an audience of local businesses from all sectors.
2. Promote future cybersecurity events organised by partner organisations only, through the monthly newsletter and social media platforms, referring enquiries to partners including the Chamber of Commerce or the Yorkshire Cybersecurity Cluster who may organise events partnered by the MCA.
3. Development of a cyber security programme delivered by a specialist agency which could provide bespoke advice to businesses and access to a wide range of online resources including webinars and tools on cybersecurity.

The option of collaboration with other MCAs to deliver programmes collectively was also discussed. This would be further explored by officers.

In general members supported option 2 whilst acknowledging the importance of support from the communications team. It would also be important for this option to have the support and recommendation from the MCA. This would be actively managed, making use of existing expertise and resources and liaising with other clusters where appropriate.

**RESOLVED** – That the Board support option 2 whilst stressing the importance of communications and support from the MCA.

10

### **Made Smarter Update (Verbal)**

M Mumtaz gave an update on the Made Smarter programme.

Members were informed that Made Smarter was a national programme around helping manufacturing and production businesses achieving digital transformation.

South Yorkshire had volunteered to lead the programme on behalf of Yorkshire

and Humberside and when last reported to the Board the procurement process was just about to begin.

This procurement process, which was to engage a delivery partner to provide interventions for the programme, ended on 18<sup>th</sup> October. Two bids were received but unfortunately one of the bids was non-compliant, this left just one bid to be evaluated.

A clarification meeting with the compliant bidder had taken place this week, and the panel were relatively satisfied with the responses received so they could be qualified as the successful bidder.

Stand still letters had now gone out which gave 10 days for unsuccessful bidders to challenge the decision.

The successful bidder would begin operations in early November. They would be delivering several outputs including digital roadmapping, intensive support where required, digital internships and leadership and management training.

With regard to governance and oversight, a steering group had been set up which included LEP Board members from all the regions who would meet monthly to oversee performance and pick up any issues.

It was noted that the reconstituted Growth Hub could discuss any issues in detail and provide brief updates to the Board.

The Chair thanked M Mumtaz for the update.

11

## **Programme Approvals**

A report was considered which detailed the results of the assurance processes undertaken on three proposed business investments totalling c.£12m.

It was recognised that whilst all three proposals met the threshold for consideration for investment, there was currently insufficient headroom, within the MCA's residual LGF allocation to support all proposals.

The report requested that the Board endorse all proposals on their technical merit, consider how the LGF funding should be deployed and request that the MCA consider providing Gainshare funding to support the balance of proposals.

The Board considered the following:

1. Progression of 'D0004 – R&D 2025' to SYMCA for full approval of £4.8m grant to a Sheffield-based company, subject to funding being available.
2. Progression of 'D0011 – Manufacturing, Research and Development' to SYMCA for full approval and award £2m grant and £3.2m loan to a company looking to locate in South Yorkshire, subject to funding being available.

3. Progression of 'D0003 – Accelerate to full approval and award of £1.98m grant to a Sheffield based company subject to funding being available.

Mayor Jones suggested that, as only one project fell within the remit of the Board's delegated authority, it would be sensible to send them all to SYMCA for approval. This was agreed as, until future funding was secured, all projects would need SYMCA approval.

Full details of all the projects were contained within the report and the Board considered each project separately.

Cllr Turpin expressed ethical concerns around project 2 and could not support the project, and suggested several conditions to the approval. The Board discussed the project in detail and also the contents of the SCR Investment Policy and whether the project complied with the policy. The Board assumed that before getting to this stage the project had been checked against various policies and criteria. S Sykes would double check that the project complied with the Investment Policy.

**RESOLVED – That the Board:**

- i) Recommend that the MCA approve projects 1-3 as detailed above, whilst noting that Cllr Turpin did not support project 2 and with the recommendation that the environmental commitment of project 2 was strengthened and that the recruitment policy was made as inclusive as possible.
- ii) Recommend to the MCA to consider Gainshare funding and other methodologies and ways of funding to support those schemes that cannot be progressed from the residual LGF allocation.
- iii) Delegated authority be given to the Head of Paid Service in consultation with the Section 73 and Monitoring Officer to enter into legal agreements for schemes 1-3 covered above subject to funding being available.

## 12 **Any Other Business**

It was decided that the next meeting on 16<sup>th</sup> December should be held face to face (where possible) with a hybrid option available.

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

Signed .....

Name .....

Position .....

Date

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