

Barnsley Jobs and Business Growth Plan

2014-2017

Contents

Barnsley's Economic Reality	3
Closing the Performance Gap	6
Strategy for Growth	10
Delivery Plan for Growth	15
Programme Management	32

Barnsley's Economic Reality

Moving in the right direction

In recent years Barnsley has taken steps forward in attracting new businesses, developing existing businesses, and generally creating an enterprise culture for industry and commerce to thrive. It is important however to take account the borough's economic/industrial history to be able to judge what has been achieved as well as the continued challenges it faces.

For much of the 20th Century Barnsley, as part of the Yorkshire Coalfield, had an economy based on coal and its supporting industries. This shaped our infrastructure, landscape and communities. It was a male-based economy, reasonably well paid, requiring specialist knowledge and skills. But it was also a physically challenging industry and left a legacy of poor health for many. So our level of economic activity was fairly full but there was, too, a degree of higher than average social disadvantage. Like other areas dependent on a major staple industry (e.g. ports, steel, shipbuilding), coalfield areas and communities felt a lesser need to achieve formal educational qualifications because jobs were often available (with apprenticeships and training) that had the prospect of lifelong employment.

The demise of the coal industry left Barnsley bereft of job opportunities; as well as lacking in an economic identity and purpose. The inter-generational legacy of employment opportunities in hard manual labour was abruptly stopped and the social infrastructure provided by the largest employer in the town was withdrawn.

Economic recovery from this position has taken a period of time to rebuild. This is demonstrated in that it took until 2005/06 for the overall employment level in Barnsley to recover to the levels previously experienced in the 1970's. By 2005/06 the range of employment being much more diverse, moving from heavy industry to a more service sector focus.

Following the collapse of mining industry in the 1980's and 1990's, a huge regeneration effort followed to rebuild an economic base that would offer a future for people and to eradicate the dereliction left by industrial decline.

The first phase of the regeneration effort focussed upon providing the borough with the infrastructure that required to help attract and grow businesses so that employment opportunities could be created. A large scale Government and European funded land remediation and infrastructure effort followed and this transformed former mining sites into available and much needed employment land to retain growing indigenous businesses, attract inward investment and create employment opportunities.

Following the physical regeneration initiatives came successive employment, skills and business initiatives that helped to re-size the local economy so that it can compete in a more service based economy. During the late 1990's and 2000's the borough witnessed significant levels of inward investment, indigenous business and supplementary employment growth, helping to dramatically reduce the social and economic deprivation that the borough previously faced. The key during this time was to get the economy back to the size that it was before the collapse of the mining industry in the early 1980's and 1990's.

Largely the physical remediation part has now been complete, the challenge now remains to ensure that the borough has a right sized economy that can compete on a global scale and provide

sustainable employment opportunities for the indigenous population. Despite the economic recovery and investment that has occurred over the last 20 years the borough still faces a variety of economic and social challenges, which have been further entrenched via the latest global economic recession. Indeed these challenges have been exacerbated in recent years due in part to Barnsley's reliance on public sector employment, a sector facing unprecedented budget reductions as part of the national government austerity measures.

It is therefore important to build upon the progress made to date in attracting new businesses, developing businesses and creating a more competitive private sector employment base.

Scale of the Challenge

Barnsley's economy remains too small for the size of the borough, and is failing to maintain an adequate number of jobs and businesses in the local economy to support the indigenous working age population.

Despite recent Government austerity measures, the borough remains reliant upon the public sector as well as low (growth) value sectors for employment. It has been unable to restructure itself away from local displacement activity and into high (growth) value sectors. This is why there has been limited job growth over the past 10 years and accounts for Barnsley's poor economic productivity performance (GVA).

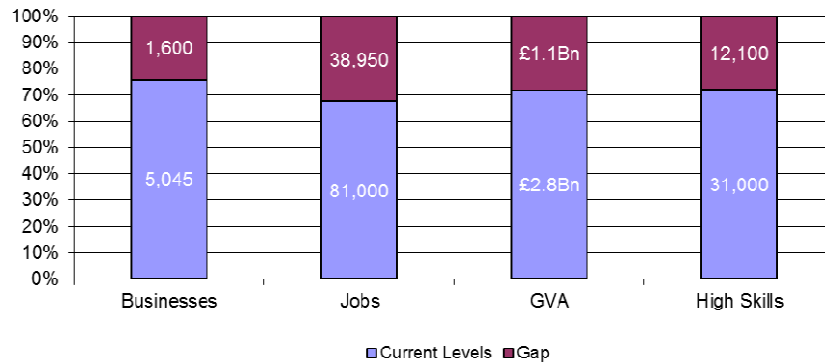
Given that 24.7% of all jobs in Barnsley are public sector based, recovery and growth will be challenging without a significant level of intervention taking place in the local economy so that a successful rebalance of the local economy can be achieved. A further concern is the time that it is taking Barnsley to recover from the recent recession when compared to the national picture where recovery appears to have been almost completed. Again, wider public sector austerity measures have further compounded this issue and are having a significant impact within the local economy, with the private sector being unable to absorb the number of jobs that have been lost to date.

Given the current industrial and employee make up of Barnsley it is estimated that the more mobile higher skilled residents are increasingly commuting to find high value full time employment in the wider sub region. This is because although businesses appear to be creating more employment opportunities these are predominantly low value part-time, which does little to address the wider structural issues facing the local labour market.

Part of this is also attributed to the lack of employment opportunities created in the local economy over the last 10 years, most notably due to the relatively low business start-up rate. An additional problem is that 60% of new business starts in Barnsley are either lifestyle or local displacement style companies, meaning their ability for them to create additional employment opportunities is minimal.

As a direct result of all of these issues, Barnsley's economic performance continues to lag behind key regional and national economic indicators, as shown in the following graphs:

Closing the gap to regional average



For Barnsley to reach parity with the current highlighted regional averages, we would need to achieve the following:

- 1,600 more businesses (equivalent to a 32% increase)
- 38,950 more (total) jobs (equivalent to a 48% increase)
- £1.1Bn GVA increase (equivalent to a 40% increase)
- 12,100 more higher skilled residents (equivalent to a 39% increase)

Closing the gap to national average



Likewise, for Barnsley to reach parity with the current highlighted regional averages, we would need to create the following:

- 2,900 more businesses (equivalent to a 58% increase)
- 45,550 more (total) jobs to be created in the economy (equivalent to a 56% increase)
- £2.0Bn GVA increase (equivalent to a 70% increase)
- 18,900 more higher skilled residents (equivalent to a 61% increase)

In order to start on the long journey towards addressing the economic reality which the borough faces, requires a focussed approach achieved through signing up to a long term strategic direction of travel combined with short and sharp delivery horizons. Taking a pragmatic but ambitious approach, the first objective has to be on closing the regional gap (e.g. 39,000 jobs). This document will set out how that could be achieved.

Closing the Performance Gap

In order for Barnsley to begin to close to economic performance gaps requires:

- More new (additional) businesses.
- An increase in the number of jobs available.
- Diversification of the business base towards higher value sectors.
- An increase in the skill levels of Barnsley residents.

More Businesses

In order to generate more businesses in Barnsley this cannot be achieved by growing the existing business base. Additional growth is required rather than displacement i.e. businesses opening up in the same market as existing businesses and replacing them. Although this type of Schumpeterian creative destructive is important in a healthy economy, more businesses entering the market is required rather than simply maintaining the existing stock density. A renewed focus is needed on attracting businesses to locate to Barnsley through inward investment as well as increasing the rate of business starts in higher value job creation sectors.

What is clear is that in order to attract new investment or support an increased number of start-ups, requires the land and premises in order to accommodate them, either across the borough or within the town centre. Barnsley's current available product is insufficient to accommodate the level of growth needed. This will require a concerted spatial focus to bring forward new land and premises combined with a targeted inward investment campaign supported by sufficiently attractive incentives in order to distinguish Barnsley from its relative competitors. This is important in order for Barnsley to outperform regional and national performance and therefore close the business density gap i.e. a comparable offer will not achieve this. Alongside this should sit a concerted focus on the development of the town centre to provide the conditions within which investment can be made.

More Jobs

As well as having the benefit of increasing the stock of businesses within Barnsley, a focus on inward investment and higher value start-ups, will also assist with increasing the number of available jobs. Evidence from the past 10 years has suggested that the current stock of businesses within Barnsley has failed to generate sufficient jobs growth in order to accommodate the decline in public sector employment. Although employment levels in Barnsley remain comparable to the regional and national average, this is largely due to the number of low skilled part time employment opportunities available. If Barnsley is to close the jobs gap, an increase in job creation rates (quantity of jobs) is required in order to outperform regional and national performance.

What is required is a concerted focus on a number of fronts. Firstly continued support to help increase the competitiveness of the existing business stock in order to help stimulate indigenous growth and sweat out as many employment opportunities as possible. Secondly, a concerted effort to attract new large scale inward investment (see above) that can provide an additional quantity of jobs. Thirdly, a focus on higher value none displacement business start-ups should also contribute new jobs growth.

However, this will only succeed if the existing workforce is supported to access new job opportunities. A concerted focus is needed, by working with employers, to support individuals to be ready for work. Especially those furthest away from the labour market.

Improved Businesses

Barnsley's economic output, measured in terms of GVA, also significantly lags behind regional and national averages. The reasons for this are multifaceted, but there are strong indications this is linked to the relatively low value (and therefore low productive) sector mix in Barnsley combined with the low skills levels of the indigenous population. Barnsley has a high percentage of businesses in risk adverse and low (growth) value sectors that predominately lead to local displacement. This is combined with equally low skill levels meaning that currently the employment rate is relatively favourable because the supply in labour currently meets the type of demand.

What is required is an increase in the representation of higher value sectors which can be achieved by targeted inward investment and business start-up support. However, this needs to be considered within the wider need to generate quantity of jobs and businesses to avoid conflicting ambitions. Higher value sectors tend to access opportunities in new markets, exploit new technologies or exploit supply chains that emerge over the next few years. Existing businesses should therefore also be supported to achieve this ambition by increasing employer engagement.

Improved Workforce

As outlined above, a key component of economic performance is the relative skill levels of the available workforce. The type of workforce required is intrinsically linked to the types of businesses in the area i.e. supply and demand. As such, in order to attract better businesses requires a better skilled workforce and vice versa. In comparison to the current regional and national residential qualifications profile, Barnsley has a high % of residents with low level and intermediary skills and is significantly lagging in terms of high skilled residents.

Changing the skills profile of Barnsley should be considered a long term aspiration due to the generational shift required. What is required however is to begin to ensure that the qualifications of the future workforce matches projected demand. This will also assist in increasing the number of people in employment because supply will keep pace with the changing demand created by the drive towards better businesses. This should be combined with work to improve training provision for the existing workforce, both in terms of in-business training opportunities as well as linking up those furthest away from the labour market with job readiness support.

This objective will be delivered through the Barnsley Skills and Employability Strategy, which will be directly aligned with this Jobs and Business Growth Plan to ensure that in the short, medium and long term we seek to put in place the supply of labour which fits with the needs of business.

Restructuring Timescale

Given the large scale restructuring effort that is required to not only create the right conditions for growth, but to also build the infrastructure (sites and premises), attract investment and create future employment opportunities, it is clear it will take some time to achieve.

It has taken the borough almost 30 years to create and replace the number of jobs that were lost from mining. However due to wider UK austerity measures and public sector jobs losses over recent years, Barnsley's economy (in terms of jobs) still remains -1.8% lower in 2011 than it was in 1984. So at this point in time based upon one measure of economic performance, Barnsley's economy could be said to be smaller now than 30 years ago.

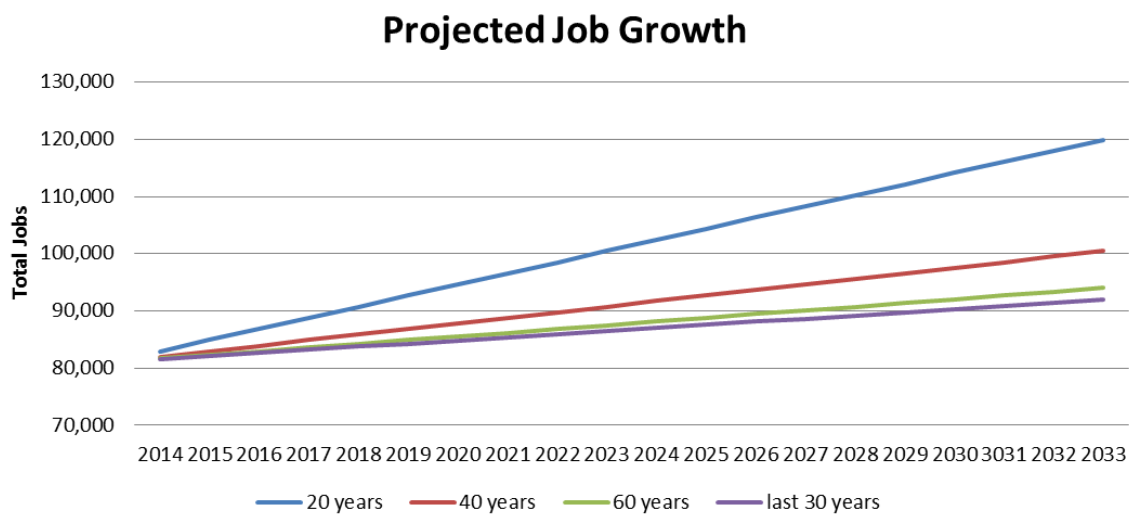
If Barnsley had managed to keep pace with national and regional growth rates over that same time period, the borough would have recorded an extra 2,000–5,000 more jobs.

If we use those same historical growth rates and project them forward, it is envisaged that it would take the borough over 60 years to close the current regional performance gaps described in the previous section. Given the ongoing challenges that Barnsley faces and the scale of the performance gap, it would be prudent to consider a similar time frame when we look to set growth targets for the period of this plan.

Looking to the future, Experian’s regional econometric model (REM) indicates that the number of jobs in Barnsley will increase by 12.3% over the next 22 years (2011 -2033) if we did nothing. This would mean the borough recording a lower rate of growth than what is envisaged at both a regional (12.8%) and national (16.1%) level. If Barnsley could match these regional or national growth rates over the coming years, then an additional 500–3,000 more jobs will be created locally. So a potential ‘best case’ scenario, if this plan was not implemented, of approximately 9,700 jobs over the next 20

Using the same model, if Barnsley was to put in place a strategy which sought to close the performance gap in 60 years, then we would need to create an additional 14,000 jobs over the next 20 years. When combined with the 9,700 jobs that will be created anyway, it is estimated that a total of 26,700 jobs would need to be generated in the local economy by 2033. This takes into account the associated multiplier effects which derive from an increase in jobs and the associated population, which will generate a ‘bonus’ of 3,000 jobs (i.e. 9,700 jobs (deadweight) + 14,000 jobs (additional) + 3,000 jobs (multiplier)).

The graph below outlines the projected required job growth per year depending on how quickly the 38,000 jobs could be created. But as already outlined, based on historical growth rates, a pragmatic growth period is 60 years.

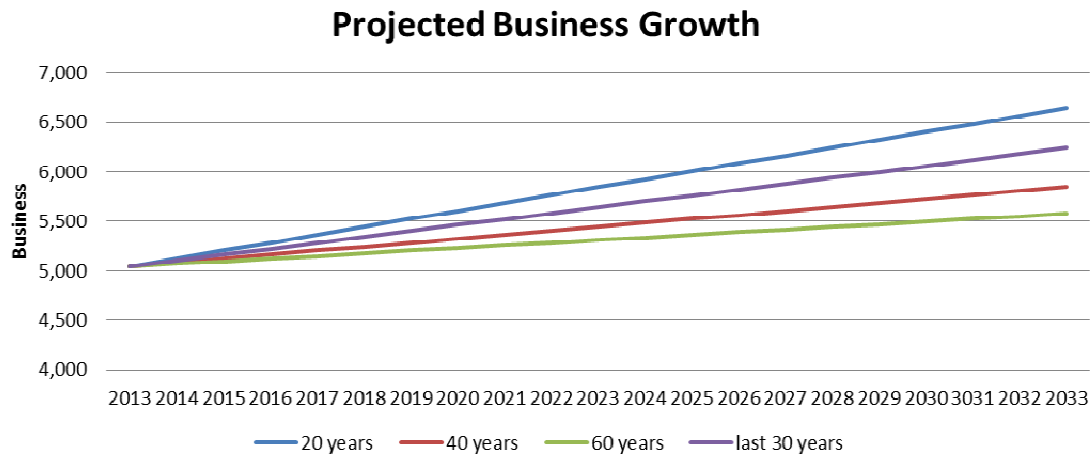


Simultaneously, when analysing the scale of the business base it is apparent that over the past 30 years, the Barnsley business base has recorded a rapid increase (55%), which has been more or less on par with the level of growth recorded nationally (54.8%). However despite this rapid acceleration of the business base the borough still has a long way to go to reach comparable business density levels.

Looking to the future it is clear that what is required is to achieve an even greater level of growth than what has occurred over the last 30 years. However, unless the diminishing supply of available commercial properties is addressed along with making the economy less reliant upon local

displacement type activity and increasing rates of entrepreneurial activity, it is clear that the same level of growth that has occurred to date is going to be hard to replicate.

As such if historical growth rates are at least matched in the future, it is estimated that by 2033 almost 800 more businesses will need to be created. This will mean that the 1,600 businesses required to close the regional performance gap will be created over a 40 year time period as shown below.



This projection takes into account the number of replacement business that are required in the local economy to compensate for further demise of more local displacements activity, consolidation of wider business base (associated to changes in technology and consumer spending habits) , together with any future unplanned economic downturns.

This assumption is also based upon the fact that over the last 10 years, despite the increases recorded, the borough has only recorded positive business stock growth in 5 of the last 10 years. (including some contraction even in the boom economic years of early 2000's).

So in summary, it is important that the ambition to close the economic performance gaps in relation to the number of jobs and businesses in the borough, has to be a long term generational change. Setting an ambitious but pragmatic strategy to close the jobs gap in 60 years and the business gap in 40 years needs to be supported by a focussed delivery plan in the short to medium term.

Strategy for Growth

Economic experts describe a place's ability to absorb economic shocks and create new paths of growth as adaptive capability. Towns and cities with good adaptive capability can avoid getting locked into a path of long-term economic decline.

Barnsley needs to be able to adapt and react to economic shifts and shocks. It responded to the decline of its historic manufacturing and mining industries in the late 20th century through a heavy reliance on the public sector. With that sector under challenge, it needs to adapt and begin to invest its future in sectors which are more resilient and are complimentary to the direction being established on a regional and national level.

There has been investment in Barnsley town centre's regeneration in recent years, which will pay economic dividends, but the emphasis must now shift to investment in economic growth and in particular more and better jobs and more and better businesses. There is a compelling case for restructuring Barnsley's economy to give particular support to sectors that not only can create the quantity of jobs required in the short to medium terms, but also high-value jobs which can achieve a long term restructuring as well as the ability to drive growth and resilience in the economy. This requires a fundamental rethinking of Barnsley's path and what it chooses to invest in.

Targeting Support

Simply identifying industries, nationally and internationally, with the greatest potential to generate growth is not sufficient. Barnsley has to exploit its strengths by identifying sectors where it already has competitive advantage or where natural strengths could provide it with a competitive edge.

To help accelerate the rebalancing of the local economy away from its public sector dependency as well as risk adverse and local displacement sectors, it is envisaged by targeting support into a number of key opportunity sectors this will help Barnsley to close the performance deficits that currently exist.

Research has highlighted five primary sectors:

- Advanced Manufacturing
- Construction
- Visitor Economy
- Logistics
- Business Services

In addition, there are sectors which are cross-cutting and can enable the growth of these and other sectors in Barnsley. Although these sectors in themselves are not sufficient to generate significant economic growth, they can provide a valuable role in adding value by transforming working practices and helping sectors to innovate. These enabling sectors, which will also be the target of support are:

- Creative and Digital Industries (CDI)
- Low Carbon

Steps have already been taken to support these emerging sectors. The creation of the Low Carbon Training Academy, improvements to the road network connecting the A1 and M1 along with seeking to allocate land suitable for logistics operations, along with significant investment in the visitor economy product within the borough. This plan seeks to build on that momentum by developing

compelling value propositions based on a holistic package of support and interventions relevant to each sector. Experience suggests that creating a sense of a proposition for each sector that is focussed on the business opportunities and essentially a company's ability to generate profit, is key to developing a competitive edge as an investment location.

The work that is proposed to create Strategic Growth Clusters which brings the spatial strategy together with investment attraction incentives detailed in this strategy is a compelling example of what will be done in this respect. This work will incorporate research into quality value propositions in all target sectors in order that Barnsley can develop a proposition that is a commercially viable and competitive proposition for potential investors.

Advanced Manufacturing

The UK government has positioned advanced manufacturing as central to its industrial strategy and aims to grow manufacturing in the UK, make the UK Europe's leading exporter of high value goods and related services and to increase the proportion of the workforce seeking, and capable of, a career in manufacturing. SCR has also prioritised Advanced Manufacturing as a sector to support a much higher level of economic performance which will allow the City Region to make a greater contribution to the national economy by increasing domestic and foreign direct investment and stabilising the manufacturing base, based on strong innovation and export record with new jobs offsetting employment losses in competitive sectors.

Since 2009 the advanced manufacturing sector in Barnsley has recorded significant growth which is double the regional increase and against the decrease recorded nationally. Such performance is encouraging and clearly demonstrates the potential that this sector can deliver in Barnsley. For despite the backdrop of a declining employment picture in manufacturing the latest information appears to be positive.

Within Barnsley the majority of businesses in this sector are within the sub sectors of fabrication, machinery and equipment, motor vehicles and other transport supply chain operations. Such companies tend to be Tier 2 supply chain businesses (i.e. they do not supply directly to the final manufacturer) and tend to undertake less R&D or product development than other advanced manufacturing companies. Given the size of the sector in Barnsley the majority of tend to be single site production sites with many continuing head offices either somewhere else in the UK or abroad.

We need to grow the advanced manufacturing business base in Barnsley so that companies can increase their market share and deliver the necessary employment growth that the economy required. Likewise it is important that the borough actively ensures that appropriate levels of land and premises (current and pipeline) are made available. So that advanced manufacturing businesses have the necessary grow on space to expand in Barnsley. Additional support should also focus upon promoting R&D and innovation, in a similar way to the German 4.0. model which promotes the computerisation of traditional manufacturing industries. This should be combined with a renewed focus on appropriate level of training and development.

Construction

The health of the construction industry is a good barometer for the health of the overall economy. In Barnsley that is no exception with construction firms representing almost 15% of the total business stock providing valuable employment opportunities which fits with the existing skills base in the borough. Indeed since 2009 the construction sector in Barnsley has recorded significant employment growth which is nine times greater than the regional average and against the decrease recorded

nationally. Such performance is encouraging and clearly demonstrates the potential that this sector can deliver in Barnsley. For despite the backdrop of a declining employment picture in construction the latest information appears to be positive.

However, the majority of these are small and micro businesses with little regional contracting presence, so the key to ensuring a more diverse and expanding construction sector will be providing necessary procurement support to such businesses that have growth potential so that they can benefit from planned developments in the wider sub region.

Likewise key to the ongoing survival and future employment growth within this sector will be the ability for this sector to continue to diversify into the low carbon sector. Work is already underway to support this transition via the college through the existing Construction Training Academy and Thinking Low Carbon Centre. So it is essential that Barnsley construction related businesses have the necessary support so that they can access the potential growth that this sector could experience over the next few years as the regional and national economy continues to recover.

Low Carbon

The recent Prospects for Green Jobs Report for Yorkshire Cities and others in Yorkshire and Humber estimates that there were over 90,000 'green' jobs in the region in 2009, which represented around 3.6% of total employment. One of the key sub sectors with significant growth potential includes large scale low carbon building retrofit programmes linked to the Green Deal, waste recycling and reuse. The low carbon sector in Barnsley is predominately within this sub sector rather than low carbon associated manufacturing. However, linked with the strong existing construction industry in Barnsley, this provides a significant opportunity, with employment in the overall low carbon sector across Yorkshire expected to double by 2020.

Therefore although the borough will be largely unaffected by the overall growth in this sector from a production point of view, it will continue to develop more second tier installation type activity. Whilst the GVA impact on this will be limited, it will provide opportunities for more semi-skilled occupational opportunities.

Key to ensuring a more diverse and expanding low carbon sector will be through providing necessary procurement support to such businesses that have growth potential so that they can benefit from planned developments in the wider sub region. Likewise key to the ongoing survival and future employment growth within this sector will be the ability for the construction sector to continue to diversify into the low carbon sector. The Low Carbon Centre in Barnsley is currently working on new build and retrofit technology and is one of only twenty colleges in the UK to be accredited for the advancing technology. Barnsley is well placed to become a "live training site" as well as Barnsley College becoming a European if not Global Academy. The opportunity for Global Academy could be realised by the current training with students from emerging markets such as China and Indonesia.

Visitor Economy

The visitor economy is the UK's sixth largest industry and in the current economic climate it is one of the few sectors seeing substantial growth. The visitor economy in Yorkshire and Humber attracts 216 million visitors and is worth over £7 billion. This demonstrates the value of the sector to the regional economy and a real opportunity for Barnsley to grow its visitor economy, especially as almost 1 in 10 people are employed in this sector. Future employment growth in the sector will support a number of entry level jobs which and therefore the quantity of employment required.

The visitor sector in Barnsley is predominately leisure sector based but some strong physical attractions, however the borough tends to be an indignant tourist location which overall fails to attract the wider more lucrative national or even international tourism market. To significantly grow this sector the borough needs to build upon its important assets including Cannon Hall Farm, Wentworth Castle and Elsecar Heritage Centre. The majority of visitors to Barnsley are “irregular day trippers”, but the vast majority of those who do visit indicate they were very likely to return and to recommend Barnsley as a destination. This indicates that there is a huge potential to establish Barnsley as a visitor destination, to grow the market and derive economic impact from increasing visitor numbers and attracting overnight visitors.

However, in order to realise this potential a number of fundamental challenges need to be addressed. This needs to include the development of a clear strategy and leadership in marketing the visitor offer along with the continued development and improvement of visit assets.

Logistics

There is significant potential in Barnsley to work with neighbouring authorities, such as Doncaster, to ensure the borough becomes a destination of choice for logistics operations. Logistics and distribution is worth £4.2bn to the regional economy and there are 91,000 jobs in Yorkshire and Humber. The sector is predicted to grow by 27% over the coming years. Both SCR and LCR have significant logistics brands including Amazon, Next, DHL, Asda and Argos.

At the moment however the logistic sector in Barnsley is predominately reliant upon a few medium and large companies, who are involved in more actual freight (non advanced), courier and warehouse and storage operations. The sector itself only employs less than 5% of the total workforce. This is largely due to the lack of land available for the development of large scale national logistics operations and as a result these have tended to locate in either Rotherham or Sheffield. However, the allocation of up to 500ha of new employment land over the next few years will provide the product which large logistics operators would be attracted to.

Key to the growth of this sector is the ability of the sector to diversify in to new markets (new value added services) and to take advantage of the growing online consumer retail habits. Over recent years this sector has been significantly affected by ever increasing fuel prices, European Commissions regulations on emissions and declining levels of consumer spending. Future employment growth in the sector will support a high quantity of entry level jobs, but the changing nature of the sector means that some higher value employment will also be generated.

Since 2009 this sector in Barnsley has recorded a 29.5% increase in this sector, which is significantly greater than the increase recorded at both a regional and national level. This is largely due to the relocate of ASOS, but clearly demonstrates the scale of opportunity available. The key for Barnsley to grow this sector will be to harness the potential of its central location and to ensure that the borough has the right spatial requirements in place. For example £400 million has been invested into the Inland Port in Doncaster which is predicted to create 5,000 jobs. The multimodal facility will create an opportunity for Barnsley with land availability to grow its own logistics and distribution sector.

Business Services

BIS, 2011 Plan for growth identified Business Services as one of its key sectors where there are significant opportunities for growth. The sector nationally currently generates 11% of UK GVA and provides nearly 12 % of UK employment. Historically this sector has recorded significant levels of

growth over the last decade and has been seen as one of the major economic success stories. Looking to the future this sector is expected to record an increase in employment by a third over the next 20 years and continue to be one of the UK's leading economic sectors.

The key is therefore for Barnsley to build upon its current business services sector base, so that this sector can record the same levels of growth as what is envisaged at both a regional and national level.

In Barnsley, the sector accounts for just over 17% of the total business stock and 6% of all total employment in the borough, providing valuable skilled employment opportunities within the local economy. Since 2009 the business services sector in Barnsley has recorded subdued employment growth, which has been significantly lower than the level of growth recorded at both a regional and national level. Such performance indicates that at present the Barnsley businesses service sector is not benefiting from the growth recorded at both a regional and national level for this sector.

We therefore need to grow the business services sector in Barnsley so that associated companies can increase their competitiveness and create the same level of employment growth that this sector is capable of achieving.

Given that the majority of these businesses are micro businesses , by targeting growth into such non displacement activity businesses , will enable this sector to provide the borough with a greater range of more higher skilled forms of occupations and enable the sector to successfully contribute the same level of perceived regional and national growth that is envisaged for this sector.

Delivering Growth

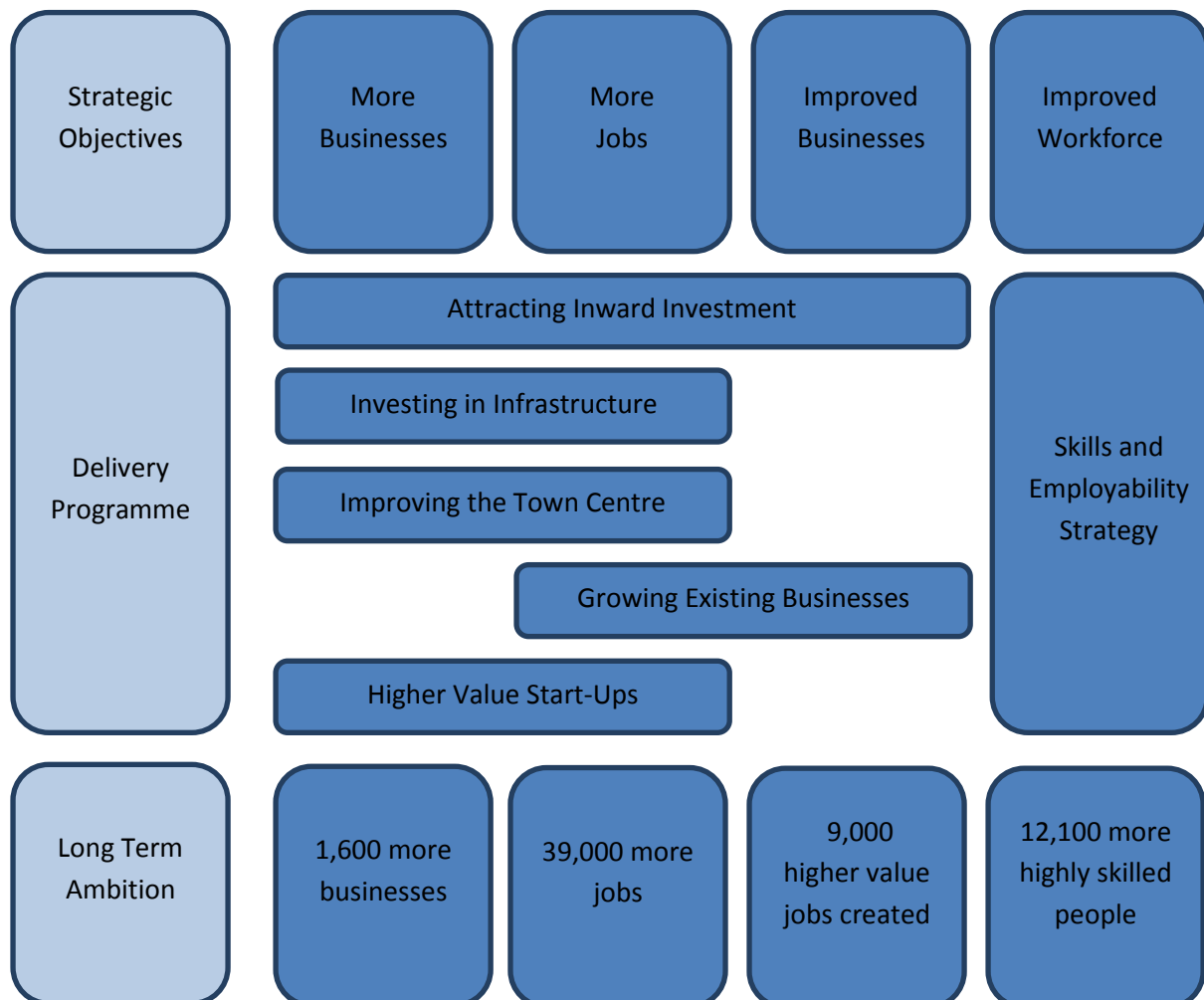
The strategic focus of the Barnsley Jobs and Growth Plan is on developing those industries that have the most potential to address the jobs and business deficit as well as improving Barnsley’s long term economic performance. This is a prudent and efficient use of resources.

The plan of action itself needs to be equally focused. It needs to target barriers to growth through the delivery of a smaller number of large interventions. The range of programmes are rooted in research and built on experience of previously successful interventions as well as input from the Barnsley Economic Partnership (BEP). However, the plan should be flexible and allow for scope and freedom for new initiatives to be developed in response to future challenges. First and foremost this is an enabling document rather than a controlling document. It seeks to enable projects that will directly create jobs and business rather than control all economic activity in the borough.

Although economic restructuring will take a number of years, this plan sets out a real time 3 year plan for what needs to be delivered now in order to start on the path to creating the quantity of jobs and businesses that Barnsley requires.

The focus of effort should also reflect the current state of Barnsley’s economy and the need to bring it up to a comparable position in terms of the density of businesses and jobs (quantity) whilst not forgetting the long term aspiration to improve economic performance driven by having higher value businesses and jobs (quality).

As such the following diagram outlines how each delivery programme will contribute towards these objectives, with more focus being given to growing the quantity of businesses and jobs as a priority.



Programme 1: Investing in Infrastructure

For Barnsley to attract, retain and grow businesses within our key sectors, a range of infrastructure development is required. This includes digital infrastructure and critical site development. The borough faces a situation where it is currently facing a shortage in the type and quality of commercial property required to accommodate our future jobs and business growth aspirations. Barnsley must be able to offer a significantly improved range and quantity of good quality premises to be a competitive location for investment. A clear priority is to bring forward serviced employment land of sufficient size in order to attract the quantity and quality of jobs the borough needs. This needs to be underpinned by improved digital and energy infrastructure as well as the cultural and leisure facilities which help to provide an enhanced quality of life offer.

The supply of commercial property is spread across the entire borough although the majority tends to be close to or along the M1 corridor. The age, size and quality of accommodation are diverse ranging from large established industrial estates to former pithead sites and new developments such as Capitol Park and Shortwood Business Park. There are also some bespoke office developments but the majority of these have required external funding due to weaknesses in the current market.

The demand for space in Barnsley is dominated by Small to Medium Enterprises (SMEs) which are mostly Barnsley based or have a Barnsley connection. However there are a significant amount of larger businesses both from within and outside Barnsley which require a regional presence and have located here due to the close to the major road and motorway networks. However the majority of these businesses tend to be looking for industrial space as demand for offices is generally weak. Lettings of offices tend to be to public sector occupiers as significant private sector enquiries are stubbornly elusive.

The supply of industrial buildings is becoming more restricted with occupancy rates on most industrial estates are now in excess of 80%. There result is an insufficient supply of industrial accommodation although the demand for the space is at levels of value that are below what is required to justify the development of new buildings creating a market failure. The office sector has a reasonable supply of space, although it is primarily for lease and is very competitively priced. Weak demand is preventing any material recovery in the office market, as such there is no immediate prospect of a new supply chain coming on stream. Similarly there is available land but poor cost versus return ratios are preventing developers bringing it forward speculatively in order to meet the supply side gap.

What is currently being delivered?

Over the past twenty to thirty years very little significant commercial property development has taken place in Barnsley without assistance in one form or another from UK government or EU funding. Although currently it is not correct to say that no commercial property is being developed but there is very little. There are a examples of current development taking place in Barnsley primarily by builders or developers who are willing to “take a view” on the recovering market and hope to profit from it in time as the recovery takes a hold and the price point between supply and demand is favourable.

Schemes that have been started or submitted for planning permission include the development of industrial units at Shortwood Business Park, Phase 3 and Gladman Developments have completed the initial infrastructure of what was intended to be a speculative development at Gladman Park within the Wentworth Business Park at Tankersley. There is also a proposed scheme which is in its infancy but if brought forward will see the development of a plot within the Carlton Industrial Estate.

Traditional developers are mostly unwilling to develop in Barnsley because the values that are achievable do not make the development viable. The land cost plus the building cost is greater than the end value and does not allow a profit to be made. Furthermore the levying of rates on empty property has been a major disincentive to any form of development in a market where demand has been severely depressed. The burden of paying rates on empty property has severely eroded developer profit to the point where it has not been worth developing at all.

What is the City Region policy?

Delivery to stimulate commercial development and make sites attractive to investors is currently led at the regional level. Barnsley benefits from a number of Enterprise Zone sites allocated by SCR meaning that eligible occupiers on these sites can benefit from a rate free period of five years, up to a maximum saving of £275,000 or Enhanced Capital Allowances. However, Enterprise Zone designation does not necessarily overcome the viability gap issue faced by developers. This has led to the introduction of the JESSICA and Sheffield City Region Investment Fund (SCRIF), both of which are designed to provide a range of finance to either bridge the viability gap or provide essential infrastructure to unlock schemes critical to economic growth.

Access to City Region infrastructure funds will continue to be vital in underpinning this Jobs and Business Growth Plan. Barnsley is due to benefit from SCRIF to enable the strategic growth clusters to come forward which will be key in providing an improved offer to inward investors.

What are we proposing to do?

- Continue to work closely with Sheffield and Leeds City Regions in order to secure infrastructure funding to pump prime key commercial and regeneration developments in Barnsley.
- To take a proactive approach to stimulating speculative commercial property development on sites within Barnsley that could meet our job growth aspirations.
- Continue to enhance the Council's planning approach to employment landowners and developers clearly demonstrates that Barnsley is open for business and a willingness to work in partnership to bring forward key sites.
- Prioritise improvements in digital infrastructure to ensure that key current and future employment sites are adequately covered by superfast broadband connectivity.
- Identify gaps in the existing cultural and leisure offer within Barnsley and seek to work with delivery partners to bring forward development.
- A developer protocol will be adopted which sets out clearly how the Council will handle major employment applications to ensure prospective investors can be assured of a first class service.
- Work through the planning system to ensure that job focussed conditions are attached to major employment driven planning applications to maximise the benefits for local residents.

What are our delivery priorities?

Strategic Growth Clusters

If Barnsley is to close the current jobs and business deficit, this will require large scale step change. It cannot be achieved within the land allocations or property portfolio which is currently available and therefore requires a review of the Green Belt. As part of the Local Plan, it is proposed to allocate new employment land which is envisaged will provide Barnsley with the supply it needs to meet future demand. These all will provide complimentary rather than competing offers to the market, making Barnsley able to fulfil a range of different property requirements.

Stimulating Property Development

There is ongoing market failure within the Barnsley commercial property market with property developers continuing to operate on a low-risk basis and are only committing to speculative development on a pre-let basis. For Barnsley to become more competitive as a location for investment and enterprise the city needs to increase the diversity and quality of commercial premises. A range of mechanisms will be explored which can be used to provide a range of finance options to enable the Council to work in partnership with developers to bring forward speculative development.

Digital Barnsley

Barnsley's competitors recognise that a high quality digital infrastructure is required to encourage innovation and help the next generation of businesses to flourish. Town and cities across Europe are investing heavily in digital infrastructure and Barnsley must do the same to keep up and develop a competitive advantage. Working with South Yorkshire partners and Broadband Delivery UK (BDUK), we will seek to submit a bid as part of the Government's rural broadband programme in order to ensure that all of the borough's major employment sites can benefit from superfast connectivity.

Delivering Development

Whilst good progress has been made in addressing some of the structural regeneration issues facing Barnsley's communities, areas of decline or static development remain. Starting with key sites including the new Goldthorpe School, a focus will be put on identifying and then addressing key strategic regeneration sites across the Borough through the delivery of targeted and market driven schemes which will also seek to contribute towards meeting identified commercial property, cultural infrastructure or housing need. This will be started by a thorough review of all key commercial and regeneration sites and large vacant buildings across Barnsley, including in the town centre, in order to identify which can be market driven and which may require some level of intervention. This will help to focus resource.

Investing in the Visitor Economy Infrastructure

In order to ensure that Barnsley is an attractive place for inward investment, resource must also be focussed on creating a supportive cultural offer. The borough has a wide variety of leisure and cultural visitor attractions, the majority of which are public owned. As a result some of the facilities have lacked investment in recent years. However, an example of what could be achieved through investment in such facilities is the Experience Barnsley attraction. This £4.4m project has already attracted 70,000 visitors in the first few months of opening and the media reach has been calculated at over 19 million people with an equivalent advertising value of over £650,000 and an estimated PR value of almost £2 million. It is therefore proposed to build upon this by further investing in Barnsley's other cultural attractions in order to further increase the potential this will generate in PR and the knock on inward investment benefit.

Programme 2: Attracting Inward Investment

It is recognised that by just focussing on supporting existing businesses to grow, this will not create the scale of change required in Barnsley. There is a need for a renewed focus on attracting new businesses into Barnsley in order to generate the additional jobs and businesses required in order to address some of the fundamental structural economic problems the borough faces. As a result of the need to create jobs through inward investment, there will also be a need for it to focus on attracting businesses from specific sectors where Barnsley can demonstrate a competitive advantage.

When considering where to invest, businesses focus on accessibility and infrastructure, cost base and financial assistance, availability of premises and local workforce. Barnsley is in a central UK location and is well connected in terms of the existing road and motorway networks. There is also access to 4 airports and 2 major ports within a 2 hour drive time. As such it is well positioned geographically to be able to attract investments which consider accessibility to be a key location criteria.

Barnsley also has a low overall cost base, with property costs being considerable lower than regional and national competitors. Combined with this, there is a range of financial support available from the Regional Growth Fund (RGF) programmes at both SCR and LCR combined with a number of Enterprise Zones. In addition, the allocation of over 500 hectares of employment land is currently proposed in the Local Plan.

Although there is a large potential labour force which gives access to a semi-skilled labour pool, the availability of higher skills does limit Barnsley ability to attract businesses within high growth sectors, despite there being access to graduates from 6 regional universities. Another blocker is the perceived poor external image of Barnsley and a low internal perception. These needs to be addressed alongside understanding which sectors that Barnsley should be attracting, including the restrictions to market entry and to plan interventions to address the restrictions.

These external perceptions are also influenced by the state of the visitor economy in Barnsley. A strong visitor and leisure offer can help to improve the quality of life in Barnsley which is attractive to potential investors. There are regionally significant visitor attractions in Barnsley, but the borough's market share of Yorkshire visitors is limited. As such, Barnsley as a visitor destination is starting from a low base, as well as poor perception and low awareness of its visitor offer.

What is currently being delivered?

From October 2012 to October 2013 Barnsley received 96 property enquiries of which 7 companies located to Barnsley. In comparison in 2008/09 there were 296 enquiries and 27 companies relocated. There could be a number of reasons for this slowdown in enquiries, such as the decline in the economy along with the loss of the regional development agency and/or the reduction of dedicated inward investment staff. Apart from support offered through Enterprising Barnsley, such as responding to property enquiries by working with local agents, there is no bespoke inward investment offer for Barnsley nor a dedicated team focussed on generating enquiries and investment.

Barnsley's Council owned and managed visitor attractions include a variety of attractions as well as two flagship parks at Elsecar and Locke Park and the Council also owned Monk Bretton Priory, though it is currently under the guardianship of English Heritage. Barnsley Town centre and Markets

and in particular Penistone Market add to Barnsley's overall visitor offer. The Council also works through Barnsley Premier Leisure to deliver their leisure facilities such as the Metrodome centre incorporating Calypso Cove. There are very few private sector visitor attractions in Barnsley; however the private sector is augmented by accommodation providers, shops and eating establishments.

All of the above attractions form the basis of a Barnsley's visitor offer together with other key assets such as the scenery, countryside, gateway to the Peak District National Park and a programme of events and activities. This, together with association with Yorkshire as a top tourist destination creates a comprehensive offer that has the potential to underpin Barnsley's ambition to grow the visitor economy and help to attract inward investment.

What is the City Region policy?

Neither SCR nor LCR work at promoting a bespoke proposition for inward investment for Barnsley as they concentrate on promoting the respective regions, with a focus on the larger cities of Sheffield and Leeds. Marketing collateral in response to enquiries tends to be generic sector information and a selection of office space, warehouse space or land availability. LCR use 'Leeds and Partners', a private sector company to handle inward investment enquiries. SCR handles its own enquiries through a CRM system, Base Camp, run via a dedicated inward investment team.

Despite the regional focus, both routes offer significant potential for Barnsley to benefit from the higher profile that both Leeds and Sheffield enjoy on a national and international stage. It is therefore essential that a Barnsley inward investment approach is targeted smartly in order to generate the best return on investment by complimenting this regional offer. This will be increasingly important as Sheffield seeks to place a bigger emphasis on attracting investment as a result of their Growth Plan. Barnsley has the potential to significantly benefit from this renewed approach as SCR are also targeting logistics, manufacturing, business services and CDI – four of Barnsley's proposed strategic sectors.

What are we proposing to do?

- Work alongside SCR and LCR to develop a complimentary inward investment approach, which will seek to maximise the benefits of their regional approach, whilst seeking to generate develop Barnsley's own brand and market potential.
- To take a targeted sector approach to attracting inward investment, by developing a comprehensive understanding of the key location triggers which Barnsley could hit.
- Provide a dedicated inward investment resource to provide a proactive approach to securing external investment.
- A complete audit/review of the destination assets i.e. land availability, premises, future workforce which are attractive to our priority sectors in order to inform the marketing approach.
- A renewed focus on promoting visitor attractions available within Barnsley through a Destination Management Plan combined with work to bring forward key products which add value to the existing visitor offer (see Programme 2: Investing in Infrastructure).

- Develop a more comprehensive understanding of the local supply chain landscape and keep up to date on market intelligence such as investor perceptions to shape future marketing campaigns and identify where there may be potential for growth in the future.

What are our delivery priorities?

Inward Investment Campaign

Once there is greater certainty over the delivery timescales for the strategic growth clusters which will significantly improve Barnsley property offer, a multi-year inward investment marketing campaign will be launched, which will utilise market intelligence to promote Barnsley to potential investors across the region and beyond. This will also involve a coordinated approach to relevant trade shows and property events alongside the SCR inward investment team and partners at other authorities such as Doncaster where there are mutually beneficial sector opportunities. This campaign will be targeted and focussed in its approach to avoid a broad brush marketing approach which may be resource intensive but yield little in terms of results.

Inward Investment Resource

A small team will be created to provide a dedicated resource in attracting inward investment. They will work alongside the existing Enterprising Barnsley programme, which will continue to focus on existing business growth, to provide a seamless package of support to potential investors and coordinate the inward investment campaign. They will also work with UKTI and other Government agencies to provide a joined up approach.

Barnsley Local Growth Zones

In order to build on the successful of some of Barnsley's existing Enterprise Zone sites, we will look at opportunities to allocate new Local Growth Zones which will benefit from enhanced support and business rate incentives for prospective investors. These will be located according to where the property and land offer could be particularly attractive for our key sectors to ensure that the benefit of these incentives are maximised. As part of the work to encourage a mix of uses in the town centre, the potential to offer a rate scheme in the town will also be considered.

Barnsley Mobile Investment Fund

It is clear from interaction with global investors that once a market is seen to be worth investing in, business seeks financial incentives coupled with a skilled workforce. In an increasingly crowded and competitive market therefore financial and 'soft landing' incentives, designed to convert mobile investment that would otherwise go to alternative locations, are increasingly becoming a necessity. The MIF will provide grants to attract investments that otherwise may not come to Barnsley. It will fund the sustainable, long-term growth of companies by providing capital investment for areas such as new sites, machinery or technology. As it is directed locally, it can also be tailored to fit around the specific requirements of companies looking to locate in the borough.

Destination Management Plan (DMP)

In order to improve the image and perception of Barnsley as a visitor destination, a DMP will be put in place which will seek to improve and coordinate the marketing of the destination to both external visitors and borough residents. This will build on improved intelligence gathered as to the performance of existing assets along with the result of the perception surveys. It will also be developed in partnership with the private sector to ensure all parts of the visitor economy offer are included.

Programme 3: Improving the Town Centre

Barnsley town centre faces many challenges and must diversify its offer. In particular, it must become less dependent on retailing. But the drivers behind town centre change are complex and include weakness of the national economy, changing lifestyles and demographics, and the impact of technological change. Barnsley town centre will need to adapt and change to meet these challenges. It will do so by being the focus for commercial development in order to provide a competitive choice of goods and services, be conveniently accessible and maintain a sense of place.

Barnsley does perform well above the national and regional average for retail voids due to the proactive marketing of the units by Town Centre Services and Norfolk Property Services (NPS) along with the use of flexible lease arrangements. This is combined with a significant number of independent traders and units. However, the low void rates and the corresponding relatively low value retail offer is also partly due to the type of market they are seeking to attract. The profile of customers is limited by an aging population and restrained by low income, which is reflected in the retail mix in the town centre and the fact that e-commerce usage is low. As a result, Barnsley has seen a decline in town centre footfall over the past 12 months towards larger regional centres such as Meadowhall, Leeds and Sheffield.

What is currently being delivered?

The focus on town centre development for the past decade has been on the proposed Marketplace Barnsley scheme, along with securing investment to improve the urban landscape in the town centre. The Urban Centre Infrastructure (UDI) project is part funded by the European Regional Development Fund (ERDF) will improve the public realm on a number of streets within the town centre.

Despite this current delivery, there has been a lack of coherent strategy to tackle the few persistent void units and market the town centre as a whole. This requires collaboration between vacant unit landlords and agents. This is exacerbated by property rent levels being high relative to the desirability of current retail areas and footfall. Interventions for promotions and joined up events are ad-hoc and not consistent. These tend to be either historic minor events based around the annual cultural programme, with new events reactionary based on outside influence and available funding.

Combined with this there has been little focus on business support for retailers or to encourage people to start a retail business. Support is available to businesses via the Enterprising Barnsley programme, but restrictions on supporting retail due to ERDF conditions prevents this programme providing the level of support required.

What is the City Region policy?

There is no shared City Region policy on the regeneration of town centres. This is because each town or city centre tends to have its own specific localised issues, which tend to vary in type and scale depending on the location. However, each of the City Region local authorities will be working within the national framework for improving town centres and retail.

The Government published '*Understanding High Street Performance*' in December 2011, which led to marketing consultant Mary Portas published an independent review of our high streets, *The Portas Review*, on request by the Prime Minister. Barnsley benefitted from the £10,000 as a result

which was used in a targeted approach to develop the My Barnsley App promoting the retail offer in the town centre.

What are we proposing to do?

- We will establish a coordinated approach to marketing the town centre, to shoppers and potential retailers, by establish a joint approach to events promotion and marketing vacant properties within the town centre by liaising with private landlords and agents.
- A bespoke business support programme designed for retail business, to deliver a suite of interventions and training programmes to existing and new retailers. This could also be focussed upon a particular part of the town centre in order to create a 'pop-up' shop offer and a hub for activity.
- Explore the potential for using the Council's business rate powers to offer rate relief within the town centre in order to stimulate development or attract a particular type of retailer not currently in the town.
- Proactively engage with landowners of critical town centre gateway sites in order to bring them forward for complimentary development which will either add to the retail mix or encourage alternative uses to drive footfall.
- Additional investment and support for public realm enhancements to build on the success of the UCI project.

What are our delivery priorities?

Reshaped Marketplace Scheme

A reshaped scheme to redevelop the core shopping area adjacent to the existing market and Metropolitan Centre, which would see the selected demolition of the obsolete and redundant buildings and the development of proposals for the remodelling, redesign and securing major improvements to this centre. In addition and in consultation with market-traders and users, we will see to develop and implement proposals to re-model and secure major improvements to the indoor, semi-indoor and out-door markets. Alongside this will be the potential acquisition of the former TEC building and adjacent property to the north of Kendray Street as a leisure and retail quarter.

Expanded Public Realm Programme

An attractive public realm is critical in creating a welcoming town centre environment for both visitors and people who work in Barnsley. Following the success of the town hall gardens project, the next phase will be the roll out of the Urban Centre Infrastructure (UCI) initiative which will see improvements in public realm extend beyond the town hall towards the main shopping core. Work will also continue to expand this project connected with the proposed redeveloped marketplace scheme and how improvements can be made to the entrance to the town centre from the Interchange.

Town Centre Marketing and Events Campaign

It is proposed that a coordinated marketing and events plan for the town centre is produced, which seeks to bring together all existing activity, such as events management and vacant unit marketing,

in order to make more efficient use of resources and reach wider audiences. It is anticipated that this will need to work alongside the proposed Destination Management Plan (DMP).

Developing Key Gateway Sites

Although current void rates within the town centre are low, there remain sites and buildings which remain vacant due to landowners or developers being unwilling to bring them forward based upon current market conditions. As part of the emerging Local Plan, key gateway sites will be identified where the Council will seek to work alongside developers to bring them forward for complimentary uses specifically intended to generate additional footfall within the town centre. Early work to identify these sites and buildings will be conducted as part of the targeted regeneration initiative outlined in programme 1.

Oakwell Masterplan

Ensuring that Barnsley has a vibrant and attractive leisure offer will be critical in helping to improve the quality of life offer that is fundamental when trying to attract inward investment. The existing Metrodome, thanks to investment made over recent years, has rapidly become a popular regional leisure destination. It also benefits from close proximity to Barnsley Football Club's Oakwell ground, thereby providing a complimentary offer for thousands of visitors. We will seek to build on these assets by working with partners to put together a comprehensive masterplan for the Oakwell area, linking the site to the future plans for the redevelopment of the core shopping area to provide a complimentary leisure offer.

Programme 4: Growing Existing Businesses

Barnsley's economy is too small and this means that there are not enough businesses and jobs in the local economy to support the working age population. As a result the business stock needs to increase. The existing business base in Barnsley is dominated by low value sector resulting in low job growth over the past decade and low levels of productivity. Low productivity results in lower levels of business investment making it particularly difficult to develop an innovative business base. The challenge is to work with existing or future firms to help them innovate and add value to the economy. This links directly with skills so that these higher value companies have a pool of high quality labour to draw upon. Supporting the competitiveness of the business base therefore needs to be a key long term priority.

Barnsley has fewer businesses within higher value sectors as compared to regional and national averages, but there is higher representation in relatively lower value sectors such as retail. Key high growth sectors which attract investment and build a skilled workforce are in short supply and underrepresented which means that the business base as it stands will not produce the necessary level of quality job growth that Barnsley requires. However improvements have been made over the past decade with the business stock having grown faster than the regional average. This indicates that interventions in the economy have made a difference but this needs to be set against the fact that much of this growth has been in lower value sectors. This long term trend has resulted in a low skilled workforce, where those who do possess higher level skills out commute for work.

Smaller businesses in Barnsley are not growing as fast as smaller businesses nationally. However larger businesses in Barnsley that have been established longer are enjoying relatively sustained growth. The challenge is therefore to help those lower turnover businesses become more established and deliver higher turnover rates. That is because if a Barnsley business reaches five years old they are more likely to survive when compared to regional and national averages. However survival rates for businesses that have been trading for less than 4 years are less likely to survive, possibly due to their limited trading links (often within Barnsley and the South Yorkshire area) meaning that many firms of this age are vulnerable to economic shocks in the market. The challenge is to connect with small businesses and help more of them grow into medium sized businesses.

There is also an issue in Barnsley with companies becoming established and cornering a market share and then no longer looking to grow further and make investments. This makes them susceptible to competition. The challenge is for more business investment and for the businesses to grow and employ more people. This means supporting existing businesses to seek growth opportunities.

What is currently being delivered?

The Enterprising Barnsley programme is considered to be one of the strongest business support programmes across the region. This is due to proactive account management, the flexibility by which that resource is able to adapt and a clear understanding of the characteristics of growth businesses combined with a commercial approach to the type of support offered. Another strength is the partnership with the Barnsley Business Innovation Centre (BBIC) which provides space to innovate and connect with other businesses. However, there is a lack of coordination of the business support offer beyond Enterprising Barnsley which minimises the impact that could be achieved.

Despite strong local delivery, national support programmes are not as effective, in particular support offered through UK Trade and Investment (UKTI). This is partly due to output pressures upon a relatively small regional team. This is supplemented by trade support through Enterprising Barnsley but the scale of support is low across Barnsley and the city region. This is an important gap, as without an increase in exports rebalancing of the local economy will not take place. There are good support mechanisms in place focusing on innovating systems and improvements. However there is less outreach to firms to provide intensive support around product development linked directly to exports. The more that indigenous firms innovate, the greater the export potential and, in turn, productivity and jobs growth will increase.

The access to finance agenda is led by Finance Yorkshire which provides seed-corn, loan and equity linked investments, ranging from £15,000 to £2million, specifically to help small and medium sized businesses meet the gaps in the market for the funding they need for growth and development. Its investment is mainly focused on those potentially high growth businesses which are producing innovative products and may be considered high risk by traditional lending methods.

What is the City Region policy?

The delivery of business support from the Local Enterprise Partnerships (LEP) will be via 'Growth Hubs' which will provide a coordinated and unified access point for local and regional support. It will also be responsible for commissioning services to fill gaps in provision. An important feature of the Growth Hub is that it will prioritise support where it will have the greatest impact which means focusing resource on high growth businesses. It is expected that support delivery will still be localised, but if growth businesses want more information about support that may not be delivered within a locality, then they will be referred onto the Growth Hub. In addition to business support, most access to finance products are available at a regional or even national level and it is expected that delivery will continue through Finance Yorkshire.

The Growth Hub has the potential to significantly change the shape of how business support is delivered across both SCR and LCR. Barnsley has the benefit of an existing highly successful programme in Enterprise Barnsley, as such it is essential that the borough engages with the emerging Growth Hub proposals to ensure this builds on and enhances the existing Barnsley offered rather than trying to reinvent the wheel.

What are we proposing to do?

- Enterprising Barnsley is effective and we will seek to build on the progress already made through providing additional support tools which will focus on areas of opportunity such as high growth and encouraging innovation.
- Business growth will be the over-riding focus for enterprise support in Barnsley as this will lead to the greatest return on growth and jobs. In turn there will be a focus on where deployment of existing resource is going to make the most impact, which will be through helping businesses grow.

- Barnsley must work closely with SCR and LCR on the development of the Growth Hub to ensure this does not duplicate or affect the existing strong delivery via Enterprising Barnsley.
- There is a need for better coordination of services to avoid competition for resource and a plethora of initiatives. Although the Growth Hub will coordinate services at a city region level there also needs to be a localised coordinating entity, both in terms of a semi-formal group of all business support providers and an online resource, which compliments this wider regional approach.
- There should also be a focus on scaling up how like-minded, growth businesses are located close together (such as in the BBIC model), and importantly, how they access supply chains within the region and beyond. Comprehensive mapping of the supply chain networks throughout Barnsley will be required, in conjunction with university research partners.

What are our delivery priorities?

Enterprising Barnsley

Enterprising Barnsley successfully works with approximately 500 local growth businesses. However it does not necessarily have the resource to expand much further beyond this for non-eligible ERDF firms. The project will be scaled up to support a broader range of businesses, such as those on our existing business parks, alongside work to align the model with any emerging approach proposed through Sheffield and Leeds City Region Growth Hubs. In addition, through the programme we will look at a sustained push in order to encourage Barnsley businesses consider trade and export opportunities. This will involve working closely with the SCR Growth Hub and UKTI and their existing products, such as local innovation vouchers, and with the national Growth Accelerator.

Providing the space for companies to grow

A fundamental element of providing support to companies wishing to grow is to ensure they have the appropriate range of workspace from which to nurture their business. Starting with Council owned business centres, we will seek to maximise the use of these properties by undertaking a review of how they sit within the overall business property market and how they can be improved to provide a wider range of support to existing and future tenants. This will include the flagship Digital Media Centre (DMC) which has the potential for becoming a hub for knowledge starts in Barnsley linked to the Higher Growth Start-Ups programme.

Integrated Business Support Web Platform

Linked to the enhanced Enterprising Barnsley programme, in order to improve the coordination of business support, a web site will be introduced to be something that all businesses (high and lower growth) could access and would be marketed extensively across the Barnsley business community. It could include a range of features and provide specific information relevant to areas of business support.

Improving Management Skills for Growing Companies

Working with existing programmes such as GrowthAccelerator and local universities, we will look at the feasibility of an intensive programme of support and learning for SME leaders with the ambition to grow. It will be aimed at ambitious early-stage businesses and will help them develop, plan and implement a range of activities to help achieve growth. It will include strategy and business planning, marketing, sales and selling, finance, operations, HR, access to overseas markets, leadership and team building, and creativity and innovation.

Celebrating Success

Working in partnership with the Chamber of Commerce and the Barnsley Chronicle, an annual business awards will be held to raise the profile and celebrate entrepreneurs and companies that are part of the new wave of high value innovative and technology driven sectors. These creative and knowledge-based workers will be a key driving force for economic development in post-industrial towns and cities. Alongside the awards, an awareness raising programme will be run which will seek to showcase the award winners in order to raise aspirations and put forward a new generation of business role models in order to encourage a culture of entrepreneurship.

Programme 5: Higher Value Start-Ups

New businesses contribute to both increased economic output and employment opportunities. In addition, they can drive productivity growth by applying competitive pressures in the market place, bringing forward new products and raising the incentives for firms to invest, innovate and seek efficiency and quality improvements. However in Barnsley around three fifths of start-ups have been in low value sectors which only replace existing businesses and add not additional growth to the economy. The ability of these businesses to create new employment is therefore minimal. The challenge is to generate a critical mass of new, higher growth and innovative start-ups, and as a result the wider investment and employment that this will generate.

The historical structure of Barnsley has not encouraged a culture of enterprise. The dominance of the public sector has created an employee led rather than an enterprise led culture. Although business failures tend to be lower in Barnsley this suggests that businesses are risk averse and are not as innovative in terms of investing into developing products and services.

Where businesses do start, they tend to be lower value businesses and only require low skills. This means that where employment is available it is often low paid. The mixture of low paid jobs and high levels of long term unemployment results in a culture of low aspiration and ambition. Added to this are the low educational attainment levels in Barnsley. GCSE results lag significantly behind the national average resulting in a self-reinforcing cycle a low aspiration among young people, and inevitably, a culture characterised by a lack of enterprise.

What is currently being delivered?

The supply of initiatives to support start-ups in Barnsley is relatively strong. There is well designed support but there is currently more supply in provision than is currently taken up and links directly to the shortage of business stock within Barnsley. The issue is much more than just encouraging start-ups, but about needing to work on a much more programme orientated level and coordinated way with communities to raise aspiration.

Whilst there are pockets of good work on improving the culture of enterprise, much of this is not coordinated and there is a lack of an overarching strategic focus on addressing the issues. There is at present a gap in the link between delivering specific programmes based around business start-ups and business support, and the wider objective of building an enterprise culture within Barnsley's population. Outreach work to promote enterprise across different communities could be strengthened as a passive approach will not lead to embedding enterprise across the population.

Whilst the focus on youth is important, it is for the future. A more sustained focus on the adult population will have a greater chance of providing quick wins and building a bigger business stock for Barnsley.

What is the City Region policy?

In the emerging SCR Growth Plan increasing the number of start-ups is one of 6 key priorities. In order to do this exploitation of existing assets has been identified, particularly using the strengths of the universities and driving up the demand for businesses to innovate. In order to increase the number of start-ups, retention of graduates is also considered important.

Sheffield are proposing a comprehensive offer to all entrepreneurs providing the information, support, and advice they need to start a business. In addition an innovative package of school and college activity, including high profile competitions and programmes, support for in-school business,

and proactive support for young entrepreneurs. Both of these proposals link closely with the strategic objectives in Barnsley of needing to intensively support new starts but also look at how we can encourage greater entrepreneurship amongst young people. As such it is proposed to maximise the potential of this regional offer in Barnsley rather than trying to duplicate it.

What are we proposing to do?

- Work with SCR and LCR on key initiatives to put in place intensive support for new starts as well as creating the entrepreneurial culture of the future.
- There will be a focus on developing more new businesses in growth sectors that are likely to provide the area with both competitive and comparative advantage in future. Start-ups in sectors that have greater potential to connect with city regional, national and international markets will help in providing local competition in future together with job growth, and additionally will work to raise the aspirations of local residents.
- There remains a place for lower value start-ups because these are important in supporting self-employment in deprived communities and encourages a culture of enterprise, but focusing upon higher value starts which are linked to priority sectors is central to future growth.
- Start up support will not just be focused on the resident population. Given the low entrepreneurial culture there will be a focus on attracting start-ups from outside of the area, requiring promoting Barnsley as an ideal location for benefiting from the spill-over effects of activities of Leeds and Sheffield.

What are our delivery priorities?

Increasing volumes of knowledge starts

Working with partners we will investigate the feasibility of increased volumes of support for knowledge starts, taking into account the University Centre's presence and graduates output from local universities. This will include consideration of the type of support and finance that these type of companies may require and whether an additional 'offer' could be put in place in Barnsley to differentiate itself from regional competitors. This will also link in with work to maximise the potential of existing business centres and how the support on offer through these facilities could be enhanced to provide a supportive environment to knowledge based start-ups.

Graduate Attraction Package

Although the number of graduates in Barnsley is relatively low, the proximity to Sheffield and Leeds and the large numbers of graduates in these locations, means that there is significant potential to utilise this pool of potential entrepreneurs for Barnsley's economic gain. A package of support which offer graduates with access to funding and low cost space will be put in place combined with promotional activity and enhancing linkages with the universities in Sheffield and Leeds.

Franchise Hub

Franchising is an effective way of both reducing unemployment levels by creating new businesses and jobs. Their potential levels of effectiveness are high, considering that they are lower risk and therefore have better survival rates than other start-ups. We will undertake a feasibility review to investigate whether a form of 'Franchise Hub' could be set up on its own by the Council, or through the opening of another office of an organisation such as Franchising Works.

Community Start-Up Support

The project would be delivered via Enterprising Barnsley but targeted at specific communities and will be less formal than other start-up support. It would include local promotional campaigns to help spread awareness in the community, together with events and local drop in sessions to help inform residents about self-employment. It would also include one-to-one support from advisors through the early stages of development, and sign post people towards funding such as the New Enterprise Allowance (loans and support for people on benefits to start up their own businesses).

Retail Academy

Barnsley has a strong tradition of independent businesses which needs to be supported in order to create a unique and distinctive shopping environment to compliment a core base of chain retailers. In order to support the next generation of retailers and encourage new businesses to emerge to fill current gaps in the market, a retail incubator hub will be developed. This retail academy will seek to provide intensive support to emerging retail businesses all based out of easy in easy out premises within the town centre.

Programme Management

Delivery Priorities

The success of the plan will depend on how it is implemented. Leadership from both the public and private sectors, as well as support from both Sheffield and Leeds City Regions, is needed to achieve its more ambitious aspirations. It is also important to recognise that the successful delivery of some of the projects outlined in this plan is directly contingent on the delivery of others and therefore projects needs to be appropriately phased.

Due to the fundamental importance of delivering the infrastructure which will provide the conditions by which Barnsley can therefore attract further inward investment and the jobs growth that follows, that programme will be prioritised during the first year of this plan. This will mean that additional levels of human and financial resource will be attached to its delivery. Although other projects which are not contingent on the infrastructure being in place will still be delivered in parallel, it does mean that work on attracting inward investment will be scheduled to begin in the second year of the plan.

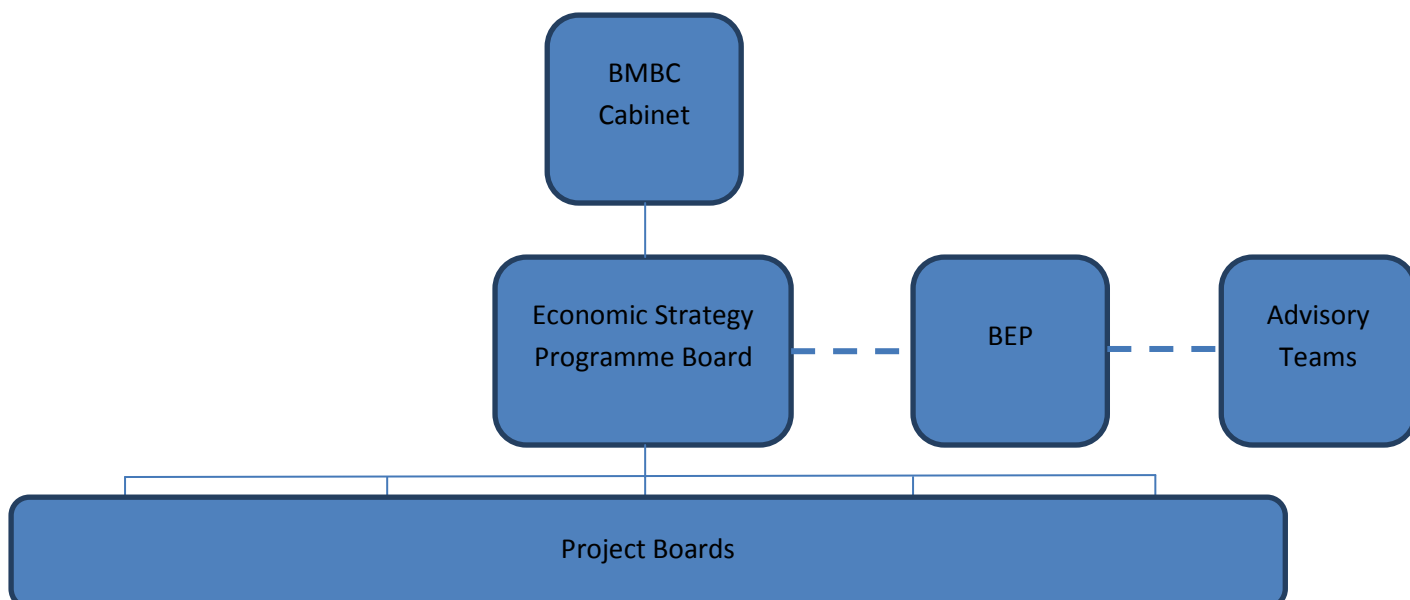


Project Management

As part of the renewed focus on driving private sector growth within Barnsley, a new private-sector-led governance structure has been established to help guide the delivery of this plan.

The Barnsley Economic Partnership (BEP), comprising leading individuals from the private and public sectors with a track record of success in their fields, will maintain the priorities of the plan and help set the strategy for the development of the borough. The BEP will be supported by advisory teams led by nominated BEP representatives to provide expert input and momentum to each of the delivery programmes.

These advisory teams will be supported by Barnsley Metropolitan Borough Council (BMBC) by an internal Economic Programme Board chaired by the Executive Director of Development, Environment and Culture and project boards for each of the priority projects identified.



Economic Monitoring Framework (EMF)

In order to measure progress, there is a need to provide a monitoring framework for the plan. This will allow the BEP to identify areas of good practice and rectify problems and areas where progress is falling short of expectations. The Economic Monitoring Framework (EMF) will build on the 2013 economic Review produced by BMBC. The intention of this framework will enable Barnsley to periodically update the statistics and analysis identified in the EMF so that it remains relevant, informative and fit for purpose. The following section helps to identify some of the key indicators and drivers of perceived economic prosperity and growth within the local economy, which will be used to help identify and record back on progress towards closing the perceived deficits that are currently in existence with these indicators.

Ambition	Indicator	Barnsley	Yorkshire & Humber	GB
Closing the business deficit	Stock of VATand/ or PAYE registered businesses	5,045	+800	+830
Closing the jobs density deficit	Total Jobs (job density rate)	81,000 (0.54)	+38,950 (0.76)	+45,550 (0.79)
Ensuring more residents are in employment	Employment Rate	100,300 (69.1%)	+19,900 (76.9%)	+22,600 (78.7%)
Closing the high skilled jobs gap	Number of residents of working age with NVQ4+ qualifications	31,000 (21.3%)	+12,100 (29.7%)	+18,900 (34.4%)
Rebalance the economy away from its public sector reliance	Number of private sector jobs in the economy	52,350 (75.3%)	+12,300	+15,250
Create meaningful employed positions in the local economy	Number of Full time employee jobs in the economy	45,512 (65.5%)	+690 (66.5%)	1,190 (67.2%)
Create more high skilled occupations	Number of residents employed in higher skilled occupational groups	30,700 (30.6%)	+9,000 (39.3%)	+13,800 (44.0%)

The EMF will enable Barnsley to accurately chart progress and successfully respond to any additional structural changes in the local economy for the duration of the plan. Such targets are subject to interpretation (as they are based upon current deficits) and can be greatly effected via additional structural declines in the local economy, a rapid increase in the local population base or the inability

of the borough to deliver the appropriate supply of land and premises that can facilitate growth. Therefore if we base the targets on a long term 21 year target projection, then there is the potential for such targets to come to fruition.

Based upon an envisaged 21 year target projection, the anticipated short, medium and long term targets to reach both current regional and national targets will be.

Ambition –to regional levels	Current	Short Term (7 years)	Medium Term (14 years)	Long Term (21 years)
Closing the business deficit	5,045	5,300	5,580	5,845
Closing the jobs density deficit	81,000	85,300	89,600	93,000
Ensuring more residents are in employment	100,300	106,900	113,500	120,200
Closing the high skilled jobs gap	31,000	35,033	39,067	43,100
Rebalance the economy away from its public sector reliance	52,350	56,450	60,550	64,650
Create meaningful employed positions in the local economy	45,512	45,742	45,972	46,202
Create more high skilled occupations	30,700	33,700	36,700	39,700

Ambition –to national levels	Current	Short Term (7 years)	Medium Term (14 years)	Long Term (21 years)
Closing the business deficit	5,045	5,320	5,600	5,880
Closing the jobs density deficit	81,000	85,400	89,700	94,000
Ensuring more residents are in employment	100,300	107,800	115,300	122,900
Closing the high skilled jobs gap	31,000	37,300	43,600	49,900
Rebalance the economy away from its public sector reliance	52,350	57,433	62,517	67,600
Create meaningful employed positions in the local economy	45,512	45,909	46,305	46,702
Create more high skilled occupations	30,700	35,300	39,900	44,500

Given the annual nature and associated time lags in the production of a number of ONS related statistics used, it is envisaged that such timeframes for delivery should be revised and updated accordingly throughout the duration of the plan period.

Annual Report

An annual report will be produced to review progress and act as a basis for joint discussion between partners. This will give us the flexibility to plan and respond to problems in the short term, while ensuring that efforts continue towards achieving the longer-term productivity and employment growth targets.