

BARNSELY METROPOLITAN BOROUGH COUNCIL

REPORT OF: EXECUTIVE DIRECTOR GROWTH AND SUSTAINABILITY

TITLE: UK Shared Prosperity Funding

REPORT TO:	Cabinet
Date of Meeting	22 March 2023
Cabinet Member Portfolio	Regeneration and Culture
Key Decision	Yes
Public or Private	Public

Purpose of report

- To update Cabinet on progress made with securing UK Shared Prosperity Funding via South Yorkshire Combined Authority
- To secure approval for receipt of initial funding allocation from UKSPF under the 'Communities and Place' themes ,and from 'Mutiply' and Rural Shared Prosperity funds and to bid for and secure future rounds for the benefit of Barnsley residents and businesses.
- To accept £0.400M of SYMCA Recovery Action Plan monies for business support specialists.
- To secure approvals for BMBC to respond to SYMCA calls for commissioned programmes across South Yorkshire in order to bring benefit to Barnsley.
- To agree 'in principle' to extend the fixed term contracts (up to 31st March 2025) of BMBC staff who are working on Business Support programmes subject to confirmation of UKSPF.

Council Plan priority

This work aligns with the Council's Growing Barnsley and Sustainable Barnsley priorities. It also aligns to our inclusive economy work – creating More and Better Jobs, developing thriving urban centres (town centre and principal towns) and supporting businesses to start up, grown and invest in the borough.

Recommendations

That Cabinet:-

1. Note the progress made with securing UKSPF funds for the borough, the SY UKSPF Investment Plan and the process for approval of further funds.
2. Delegate authority to Service Director Regeneration and Culture to bid for and receive all future UKSPF funds for Multiply, Rural UKSPF, Communities and Place, Supporting Business, People and Skills themes to SYMCA in order

maximise all further funding opportunities for the borough with future updates to be brought into Cabinet in a timely manner.

3. To agree 'in principle' to extend fixed term contracts of existing BMBC staff who are currently working on Business Support projects up to 31st March 2025— continuation of the positions being subject to final confirmation of UKSP funding to support those contracts..
4. To accept £0.400m of funding via SYMCA to fund Business Support specialists – final approval of the allocation pending

1. INTRODUCTION

UK Shared Prosperity Fund

- 1.1 The UK Shared Prosperity Fund is a three-year funding programme which runs from 2022 – 25 which is part of national government's mission to level up the whole of the United Kingdom. The fund has been designed to level up opportunity and prosperity and overcoming deep-seated geographical inequalities. It also aims to level up people's pride in their places, empower local leaders and communities, support businesses to grow, develop a stronger social fabric and better life chances.
- 1.2 It is a £2.6 billion fund (across all of the UK) which succeeds the previous EU Structural and Investment funds and looks to invest in three local priorities; communities and place, support for local businesses and people and skills.

Delivery Geography and Fund Administration

- 1.3 South Yorkshire Mayoral Combined Authority was identified as the 'delivery geography' for UKSPF which meant that the Investment Plan for the fund had to be developed at a South Yorkshire level and that SYMCA will administer UKSPF for South Yorkshire's four local authority areas.
- 1.4 An additional two complementary programme strands were also introduced alongside these three priority areas. These are:

Multiply: Multiply is a national DfE three-year adult numeracy project which is part of the Government's Levelling Up Initiative. DfE awarded South Yorkshire MCA a Multiply allocation of £7.256m specifically to increase the levels of functional numeracy in the adult population over the next three years. Barnsley Council is to receive ring-fenced grant funding from SYMCA to administer and develop the Multiply initiative across the Borough delivering activities that support residents who don't already hold a level 2 maths qualification to improve their ability to understand and use maths in daily life, home, and work. In Barnsley 3 interventions from SYMCA's menu have been prioritised these are:

- Provision for parents wanting to increase their numeracy skills in order to help their children and help with their own progression.

- Provision developed in partnership with community organisations and other partners aimed at engaging the hardest to reach learners – for example, those not in the labour market or other groups identified locally as in need.
- Innovative numeracy provision delivered together with employers including courses designed to cover specific numeracy skills required in the workplace.

Year 1: December 2022 to March 2023

Year 2: April 2023 to March 2024

Year 3: April 2024 to March 2025

Rural Shared Prosperity Fund: Additional funding announced in August 2022 which builds on those interventions which will deliver additional benefit for our rural communities in addressing previously identified challenges, delivering additionality to our previously submitted Investment Plan by supporting rural micro and small enterprises, rural tourism, and the visitor economy. £400,000 was identified for Barnsley's allocation over the three-year period due to its rural nature. Rural SPF will operate in Years Two and Three of the Fund (23 – 25)

- 1.5 The South Yorkshire UKSPF allocation totaled £46.2m, made up of £7.3m Multiply and £38.9m "Core" UKSPF. This does not include Rural Shared Prosperity Funding.
- 1.6 Barnsley has been reassured by SYMCA that it will receive benefit from the "Core" SPF to the value of £7.2M but this could increase if Barnsley were to respond to calls for commissioned work from SYMCA.

South Yorkshire Investment Plan

- 1.7 SYMCA was required to submit a UKSPF Investment plan for the region to enable the funding to be approved by the Department of Levelling Up, Housing and Communities. The Combined Authority team worked closely with Place-Leaders, Business Support Officers and Employment and Skills Officers from each of the four constituent authorities to produce and submit the Investment Plan in early August 2022. The SY Investment plan was approved by government just before Christmas 2022.
- 1.8 The Investment Plan ambition statement said: We will use the SPF to build a **stronger, fairer, and greener local economy** that materially improves the life chances of our whole population (especially the most deprived) and boosts pride and confidence in South Yorkshire. Delivering on this ambition is vital to our **communities** who are still focused on post-pandemic recovery and now face a cost of living crisis and with our national economy braced for another contraction.' It mapped out the local challenges under the three investment priorities, and a selection of c.20 interventions from a national DLUHC-supplied menu of options that could be flexibly adapted at a local level to meet these priorities. The plan identified that this particular suite of interventions would enable individuals, organisations, and local communities to be healthy, successful, and resilient.

- 1.9 In line with the SPF investment priorities, and co-designed in a collaborative development process between the Mayoral Combined Authority, the four local **councils** in the region and wider stakeholders, seven critical local themes form the basis of the Plan. These informed and streamlined the selected interventions:

Places and Communities

Supporting communities to address cost of living and pandemic recovery
Promoting the cultural and visitor economy

Supporting Local Businesses

Providing a broad and inclusive 'total business support' offer
Stimulating enterprise and growth
Accelerating R&D and innovation

People and Skills

Building pathways to participation and accessing the benefits of being economically active
Promoting a skills-driven green economy

Each priority area has an allocation in the Investment plan as well as an identified proportion for revenue and capital spend.

Please note that People and Skills investment only applies for Year Three (24 – 25) of the programme.

The Investment Plan did not include details of the Multiply Programme which required a separate submission from SYMCA to government to have the funds approved.

Funding Release and Delivery:

- 1.10 **Partnership Group:** SYMCA was also required to put in place a Partnership Group of representatives of the business, education and community sectors from across the region to bring an advisory perspective on how the funds would be allocated across the four authorities.
- 1.11 **Approvals:** Since submitting the Investment Plan, SYMCA have also put in place an approvals process for Local Authorities to access the funding. This involves a three-stage assurance process, whereby LAs submit an application for key elements of the funding. The stages are as follows:
- Application is reviewed by Lead Officers and feedback given.
 - A revised approved version is then submitted to the Partnership Group for their input
 - A subsequent revised version is then given a final review by an Internal Programme Board at SYMCA.

Once approved by the Internal Programme Board, a letter of confirmation of the funding is released to the Local Authority.

Programme Updates

- 1.12 **Multiply update:** The MCA Education, Skills, and Employment (ESE) Board in December 2022 agreed the contracting approach to 2022/23 which included broadening the number of grant recipients to ensure that the mix and balance of provision was appropriate and that the funding was maximised. Allocations for this period made by SYMCA for delivery in the Barnsley borough are £250K to both BMBC and Barnsley College and £49,390 to Northern College.

From Y2 onwards Barnsley Council will receive ring-fenced grant funding from SYMCA to administer and develop the Multiply initiative across the Borough delivering activities that support residents who don't already hold a level 2 maths qualification to improve their ability to understand and use maths in daily life, home, and work.

In 2023/24 and 2020/5, the full allocation of £408K for the borough will come to BMBC who will have the responsibility for place shaping, local provider coordination, marketing and promotion and commissioning / procurement.

The Barnsley allocations for 2023/4 and 2024/5 are equal to the of Rotherham and Doncaster with Sheffield receiving double due to its population size.

Commissioning of Multiply maths activities will be conducted separately to the accredited maths provision already funded by the Adult Education Budget by BMBC's Adult Skills, Employability and Community Learning Service.

Commissioning at Borough level will follow public procurement guidelines to meet the needs of the locality.

College partners have a significant role to play in testing out new and innovative approaches to adult numeracy delivery to local learners. BMBC will work closely with our college partners to provide adequate sub-contracts for Multiply that reflect the provision that they are delivering in 2022/23 and the balance of provision needed in each locality.

In addition to the LA allocations, two targeted tenders focused on in work-based numeracy support and a workforce capacity building programme on a SY basis previously proposed will form part of the programme commissioned by SYMCA.

- 1.13 Supporting **Business update:**

The four South Yorkshire Local Authorities continue to meet to develop a suite of business support products which will be delivered across the region. The thematic priorities agreed by the Local Authorities include Business Start Up Support, Business Productivity and Low Carbon support. Leads are listed below:

- Business Start Up Support – Barnsley MBC

- Business Productivity – Barnsley MBC
- Low Carbon Support – Sheffield CC

The provision of Specialist Business Support Advisors has also been identified by the Local Authorities as a priority but it has been proposed that this strand will be funded outside of UKSPF using the Recovery Action Plan Fund underspend currently held by SYMCA

On completion of the project plans they will be shared internally for approval and will then follow the SYMCA approval process highlighted in sections 1.9 and 1.10.

Each thematic lead will also be the delivery lead and will be responsible for the implementation of the allocated programmes across South Yorkshire.

The priority for use of all ‘Supporting Business’ UKSPF funds will be the continuation of our business support programmes and work through Enterprising Barnsley, the funding for which comes to an end in June 2023. Recommendation 5 enables us to progress bidding with SYMCA for these funds at pace and to secure the future of this work, key to our ‘growing Barnsley’ ambitions.

BMBC is also well-placed to bid for any commissioned programmes of work identified by SYMCA and LA officers for business support across the region, due to the positive track record of delivering Launchpad across all four areas. Recommendation 5 approves BMBC and Enterprising Barnsley to bid for such opportunities in the future to secure the sustainability of this work.

An application for Year One ‘Supporting Business’ funds (£119,800) has been **submitted** to SYMCA, with c. £69,000 of it to be applied against retrospective spend in Economic Development to generate some savings for the Council. This will be approved by end of January 2023, hence Recommendation 1.3.

For years two and three of the UKSPF Business Support strand further work is required to refine the costs, the proposed total project costs for Barnsley are listed below.

- Low Carbon c£0.54m
- Business Productivity c£0.89m
- Launchpad £0.72m

BMBC match funding of £0.480m will be required but it is proposed that this is contained within the existing base budget envelope.

It is proposed that the remaining Barnsley (revenue) allocation of the UKSPF Business support strand be reinvested into an Inclusive Urban Centres project along with the capital allocation of £0.25k.

- 1.14 **Rural SPF Update:** An addendum has been submitted by SYMCA to enable drawdown of **RSPF** funds. These funds are exclusively targeted at rural businesses and are solely capital in nature. They will be managed by Enterprising Barnsley and delivered through a rolling capital grants

programme for rural businesses in the borough, working in the farming, green tech and visitor economy sectors.

- 1.15 **Employment & Skills update:** Discussion between SY LA officers and SYMCA are at an early stage with a series of planning and delivery meetings diarised from March onwards following on from the work undertaken on the Supporting Business strand. However, LA officers have worked as a collective for some time now developing our thinking on local priorities, SPF People and Skills allocations and South Yorkshire wide schemes we are keen to prioritize. A further report will follow once proposals have been formulated.

2. PROPOSAL

- 2.1 The proposal focusses on Year One funding for Communities and Place. These will comprise the following:

Cost of living Crisis : We will replicate and build upon our successful community grants programme which utilised the Government's Household Support grant funding which funded community and voluntary based organisations and BMBC in house operational services such as the family centres, to deliver tangible initiatives to benefit Barnsley communities and help them survive the cost of living crisis. Over 30 organisations have been funded to support those in need with food, hygiene, sleep and fuel poverty. Funds have also been used to help small charities and trusts with fuel debt. This is a means by which they can continue to operate and provide vital services in our communities. As part of this, we will also expand our crisis support which intervenes when people may be face with extreme hardship and could become homeless as a result.

This activity is aligned to the SPF intervention for 'Community measures to reduce the cost of living, including measures to improve energy efficiency and combat fuel poverty and climate change'

Enhancing Barnsley Libraries: Barnsley Council was ambitious in placing a new central library – The Lightbox – at the heart of our town centre regeneration. Prior to the pandemic this resulted in a boost to new library members and overall library users, which we are building upon post-pandemic. Our ambition is to replicate this success within our stock of 14 district libraries and the Library @ Lightbox in the Glass Works which Barnsley has retained despite years of austerity. To help us achieve this aim, we wish to refurbish much of our library assets to reflect the modern standards on display at The Lightbox. BMBC is investing in this programme but the SPF will enable us to go further faster with realising this vision. In this first year, we aim to improve Roundhouse (Athersley) and Hoyland libraries.

Culture at the Heart of Communities: We will develop and deliver a range of cultural and creative participatory interventions that are designed to improve the lives of the most challenged local communities, providing cultural enrichment and build capacity within those communities in the future. In Year 1 We will achieve this by delivering a participatory arts programme in Barnsley town centre as well as our principal towns. Through this approach, we will

build cultural participation and engagement, strengthen our links with local cultural providers and ultimately support urban centre economies as well as the health and wellbeing of the population. This will be achieved through subcontracting local cultural organisations, investing in local micro-enterprises which make up the Barnsley cultural sector.

Where we are making improvements to our library stock and buildings, we will align our programme of cultural activities to tie into this asset improvement programme.

The cultural and library improvement activities are aligned to the following SPF interventions:

- Funding for improvements to town centres and high streets, including better accessibility for disabled people, including capital spend and running costs
- Enhanced support for existing cultural, historic and heritage institutions that make up the local cultural heritage offer.
- Investment in capacity building and infrastructure support for local civil society and community groups

Green Space Improvements: This activity will deliver capital works to achieve park improvements as well as align to our 'Ten Thousand Trees' planting programme to enhance biodiversity. The proposal are aligned to the SPF intervention for 'Creation of and improvements to local green spaces, community gardens, watercourses and embankments, along with incorporating natural features into wider public spaces.'

2.2 Outputs

The outputs for Year One (22 – 23) are summarized as follows:

- At least 24 grants issued to community and voluntary organisations under Cost of living grants scheme with average 100 direct beneficiaries per organisation = 2400 minimum number of beneficiaries and minimum 24 CVOs benefitting
- 5 community organisations (including schools) involved in the tree planting initiatives involving 30 people per organisation / event
- 4 micro-SMEs commissioned through 'Culture at the heart'
- 3000 attendance at cultural events (1500 for town centre and 250 x 6 principal towns events)
- 5 hectares of trees planted (6000 trees)
- 400 sq m parks improvements
- 2 cultural and community hub facilities improved
- 5550 people engaged overall

a. Impacts

We would anticipate the outcomes and benefits for beneficiaries and wider community being as follows:

- Higher levels of footfall and visitors spend in town centre and principal towns
- More positive perceptions of our urban centres
- People are less anxious about the cost of living crisis and feel they can cope with the support offered
- People feel more positive about their local library
- Reducing carbon emissions through increased numbers of trees.
- Increased number of community / voluntary sector groups involved in actively supporting their local community

Through light-touch evaluation methods (required due to the constrained delivery timescales), we will track the following metrics to understand these benefits:

- Positive Health and wellbeing impacts for people receiving support during Cost of living crisis
- Increased footfall in our urban centres as a result of events.
- Improved perception of facilities/amenities measured through customer satisfaction survey
- Increased users of facilities / amenities (measured through visits, new library members, book issues)
- Increased affordability of events/entry
- Improved engagement numbers
- Improved perception of events
- Number of community-led arts, cultural, heritage and creative programmes as a result of support
- Number of new or improved community facilities as a result of support
- Amount of green space improved

3. IMPLICATIONS OF THE DECISION

3.1 Financial and Risk

- 3.1.1 Consultation on the Financial Implications included in this report have taken place with representatives of the Service Director (Section 151 Officer) Finance.

3.1.2 Per the report recommendations, approval is sought to accept the £0.734m in SPF funding to be utilized for the purposes detailed in Section 2 of this report and summarized in the table below:

Shared Prosperity Fund: Overview of Proposed Spend 2023/23

Proposed Revenue Spend	22/23		
	Q3 £m	Q4 £m	Total £m
Cost of Living Grants Programme	-	0.542	0.542
Culture at the Heart – Town Centre and Principal Towns	-	0.057	0.057
Tree Planting Initiative	-	0.050	0.050
Total	-	0.649	0.649

Proposed Capital Spend	22/23		
	Q3 £m	Q4 £m	Total £m
Libraries Refurbishment - Roundhouse and Hoyland Library	0.030	0.025	0.055
Parks improvements	-	0.030	0.030
Total	0.030	0.055	0.085

Grand Total	0.030	0.734	0.734
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3.1.3 A funding confirmation letter has now been received from SYMCA awarding these funds.

3.1.4 In addition to UKSPF Member approval is also sought to accept the following funding awards:

- **Rural Shared Prosperity Funding** allocation of £0.400m from SYMCA - final confirmation of approval by SYMCA pending.
- Award of **'Multiply'** Funding of £0.250m in 2022/23 with two subsequent allocations of £0.408m in both 2023/24 and 2024/25.
- £0.400m of funding to support **Business Support** specialists – final confirmation of by SYMCA pending.

3.1.5 It is important to note that there is no requirement for any financial contribution from the Council to progress the recommendations outlined in this report.

3.1.6 Whilst recommendation 3 references the extension of fixed term contracts for the Business Support Team Cabinet approval is being sought on an 'in principle' basis only and is strictly subject to sufficient UKSPF funding being

secured.

- 3.1.7 BMBC Finance Officers will continue to work closely with Services to ensure spend remains within the available funding allocation and in compliance with funder eligibility requirements.
- 3.1.8 Appendix A provides a summary of the financial implications arising from the recommendations in this report.

Risk:

- 3.1.9 The key risk is that the funds need to be spent by end March 2023, with approval coming from SYMCA just before Christmas 2022. The grants have therefore been promoted at risk in November and December. The Culture team have initiated procurement processes for the commissioning of the events work in the Nov/Dec period as well in order to manage this risk.
- 3.1.10 With regards to Libraries, the funds can also be spent on retrospective projects carried out in the 2022 – 23 Financial Year, so some of the expenditure can be applied to the already-completed capital project at Hoyland library, leaving Athersley to be completed in the remainder of this financial year.

3.2 Legal

- 3.2.1 There are no legal implications for this report, other than those implied by acceptance of first tranche of funding for Year One: Communities and Place theme.

3.3 Equality

- 3.3.1 An Equality Impact Assessment has been completed on the Cost of Living Grants scheme by Officers.
- 3.3.2 EIAs will be completed when the final design of further elements of the TIAG are more fleshed out.
- 3.3.3 Other smaller-scale projects will complete EIAs in advance of commissioning and project design.

3.4 Sustainability

- 3.4.1 Decision-making wheel completed for the overall UKSPF programme:



3.4.2 The main sustainability impacts are positive due to the growth in jobs and businesses. These link to our Growing Barnsley and Sustainable Barnsley themes. The social impacts are strong due to the Cost of Living grants and future Pride of Place programmes.

3.5 Employee

3.5.1 Securing UKSPF funds for the Council's Employment and Skills programme and Enterprising Barnsley will be essential for the work of these teams to be sustained beyond the lifetime of European funding.

3.5.2 To effectively deliver the UKSPF Business Support strand a number of small amendments will have to be made to the Enterprising Barnsley staff structure.

3.5.3 Discussions have been held between Enterprising Barnsley, BMBC Human Resources and the Unions regarding the extension of contracts for those staff working on projects that will continue to be funded via UKSPF, specifically Launchpad and Business Productivity.

3.5.4 The Digital Innovation Grants project won't continue with UKSPF therefore it has been agreed with HR and the Unions that the two Project Officers who are affected will be able to transfer over to the Low Carbon and Business Productivity Projects.

3.5.5 Two Project Officers have asked to adopt part-time working, it has been agreed that this can be accommodated in the new structure with one officer continuing to work on the Launchpad programme whilst the other will work on the new UKSPF Rural programme.

3.5.6 Based on the latest salary cost estimates £1.36m will be required to support staffing costs from the 1st July 2023 – 31st March 2025. Please note that the costs stated below are subject to change and final verification from BMBC Finance.

- 3.5.7 It is proposed that funding to support the structure covers from 3 sources
- £0.720m UKSPF
 - £0.480m BMBC Funds
 - £0.160m Other Public Sector Funds

3.6 Communications

- 3.6.1 An engagement plan has been developed for the Cost of living grants scheme by the Public Health and Communities team, modelled on the previous CoL grants scheme (Household Support grant) administered by them in 2022. This has involved issuing an open call to the community and voluntary sector in the borough inviting applications to enable the grant to be discharged and spent in this financial year. The grants issued and the accruing benefits to Barnsley communities and residents will be the subject of an ongoing communications campaign in the first six months of 2023.
- 3.6.2 The cultural projects (including Libraries refurbishments) will have lower-level communications plans attached to them and be embedded in our town centre and principal towns marketing and communication planning. The 'green space' and tree-planting' projects will have communications plans linked to the various activity elements.

4. CONSULTATION

- 4.1 A number of consultation events took place digitally and across South Yorkshire with partners from the private, public and comm/voluntary sectors in summer 2022 to feed into the SY Investment Plan.
- 4.2 A group of Officers engaged in Business Support and Business Growth has been convened by SYMCA to inform the development of the Supporting Business' strand of work for South Yorkshire.
- 4.3 Consultation has also taken place with Employment and Skills Officers across the region to inform the 'Multiply' and 'People and Skills' programme offers in development.

5. ALTERNATIVE OPTIONS CONSIDERED

- 5.1 No alternative options were considered. The UKSPF funding is crucial for the continuation of key business growth and skills services offered by the Council and our aim is to maximise the impact and benefit for the borough from the fund.

6. REASONS FOR RECOMMENDATIONS

- 6.1 The UKSPF represents a key funding stream which will enable the Council to build pride of place in our communities, support businesses in the borough to grow and create jobs and sustain our work in Employment and Skills beyond the lifetime of EU funding.

7. GLOSSARY

- 7.1 UKSPF – UK Shared Prosperity Fund
- 7.2 DLUCH – Department for Levelling Up, Housing and Communities

8. LIST OF APPENDICES

- 8.1 Appendix A: Financial Implications

9. BACKGROUND PAPERS

- 9.1 SY Investment Plan submitted to DLUCH, July 2022

If you would like to inspect background papers for this report, please email governance@barnsley.gov.uk so that appropriate arrangements can be made

10. REPORT SIGN OFF

Financial consultation & sign off	Senior Financial Services officer consulted and date See Appendix A
Legal consultation & sign off	Legal Services officer consulted and date Kate Gothard 24 January 2023

Report Author: Kathy McArdle
Post: Service Director, Regeneration and Culture
Date: 28 February 2023