

BARNSELY METROPOLITAN BOROUGH COUNCIL

REPORT OF: Executive Director Growth & Sustainability

TITLE: Acceptance of UK Shared Prosperity Funding for the 2025/26 year

REPORT TO:	CABINET
Date of Meeting	02/04/2025
Cabinet Member Portfolio	Regeneration and Culture
Key Decision	Yes
Public or Private	Public

Purpose of report

For Cabinet to agree to accept the full amount of the UK Shared Prosperity Funding (UKSPF) allocated to Barnsley with decisions on funding for individual programmes being delegated to the Executive Director for Growth & Sustainability.

Council Plan priority

- Growing Barnsley – UK SPF Programmes help business to start up and grow, as well as encouraging higher levels of investment into the borough.
- Learning Barnsley – A range of employment support programmes funded through UKSPF allows the residents in Barnsley to increase their skills and employability, maximising their earning potential.
- Sustainable Barnsley – The Low Carbon programme funded through UKSPF encourages business to reduce their carbon footprint and overall reduce the amount of CO2 they are producing.

Recommendations

That Cabinet:-

1. Approves the acceptance of the £3.370m of Shared Prosperity Funding Delivery allocated to Barnsley, for the 2025/26 financial year.
2. Approves the acceptance of any Shared Prosperity Fund Management fee to Barnsley up to the value of £0.343m
3. Delegate decisions on funding allocated to individual programmes within UK Shared Prosperity Funding to the Executive Director Growth & Sustainability and Director of Finance (S151 officer).

1. INTRODUCTION

- 1.1 UK Shared Prosperity Funding (SPF) funds a range of activity across both Barnsley and the wider South Yorkshire Mayoral Combined Authority (SYMCA) region.
- 1.2 The activity and programmes are across Culture and Communities, Business Support, and Skills. The programmes so far have funded a range of activity including:

Culture and Tourism

- Culture at the Heart – This supported a range of programmes and activities in the town centre and across the Principal Towns designed to enable a broad range of local communities to access cultural opportunities. One example of this was the Mayhem Festival which saw a very popular set of events being delivered across the Principal Towns. The fund also supported a number of Pride of Place projects.
- Welcome to Barnsley – The programme focused on developing and promoting the tourism offer in the borough. It funded a range of project and initiatives including the creation of the Welcome to Barnsley website <https://visitbarnsley.co.uk/>. It also funded a range of marketing activities and content designed to attract more visitors into the borough.

Communities

- Pride of Place grants – the Pride of Place grants in Barnsley were a great success.
- A total of 56 projects were supported through the grants totalling £0.588M
- The grants supported a variety of different projects ranging from parks and play areas, war memorials, canal redevelopments, community centre improvements and other green space improvements.
- The funding was spread across the borough and provided a great opportunity for the voluntary and community sector to access both capital and revenue funding.

Business Support

- Launchpad: The Launchpad Programme provides start up support for anyone looking at starting a business in Barnsley or growing a business that has less than 10 staff or has been trading for less than three years. The programme has been running for 9 years and over that time has helped nearly 1,000 Barnsley residents start a business.
- Business Productivity Grant: The Business Productivity Grants allow businesses looking to invest to make the investment sooner or fund any viability gap in capital expenditure that is stopping them growing within the borough. Since starting, the Business Productivity Grant has helped 30 businesses creating 30 new jobs and safeguarding against 60 potential job losses.
- Low Carbon Programme: Businesses in Barnsley can access both training and grants to help them reduce their carbon footprint and be sustainable in the long run and reduce their environmental impact. Since its launch, the programme has helped 40 businesses reduce a total of 304 tonnes of CO2 emissions.

Skills and Employment Support

- In Barnsley we delivered under the programme called Skills and Employability South Yorkshire
- Strand One: Preparation for Work – supporting both young people and adults to move closer to employment, volunteering or further training. Delivered through information, advice and guidance (including those in Year 11 in schools and at risk of becoming NEET (Not in Education, Training or Employment)).
- Strand Two: Into Employment – providing a range of employability support for young people and adults who have been out of work. This includes developing the knowledge, skills and attitudes for a successful move into employment.
- Strand Three: Progression in Employment – providing information and advice to those in low paid or low skilled employment to consider job and career options. It also provides support (including any required training) to enable young people and adults to move into more sustainable, better jobs.

Libraries Refurbishment (capital)

- The funding, alongside Council investment, has contributed to the refurbishment of 7 libraries; Hoyland, Roundhouse, Worsbrough, Royston, Mapplewell, Darfield & Goldthorpe.
- The library refurbishments have benefitted all ages, but particularly young people, children and families who are regular users of the library
- Following the refurbishments, all libraries have seen an increase in customers' perception of the facilities and an increase in library visits
- The flexible community spaces created have enabled a more diverse activity programme to take place, including access to other services in a hub model.
- The funding has enabled local branch libraries to be refreshed and made fit for purpose as a modern public library.

- 1.3 The programmes are currently funded up to March 2025. In the budget on 30th November 2024, it was announced an additional year of funding would be available to continue some of the programmes funded by UK SPF, but at a reduced rate.

2. PROPOSAL

- 2.1 The reduced level of funding was not equal across all UK SPF funded regions, and while the national average reduction was 40%, the SYMCA allocation was reduced by a lesser amount of 9%. This is a total of £22.496m. From that £3.900m is ringfenced for capital programmes and Local Growth Plan development, and a further £0.900m (4%) of the balance is being held back by SYMCA, as management fees for the programmes. This leaves £17.696m, which equates to a 28% overall reduction to the current UK SPF programmes. The Barnsley allocation of the remaining money equates to £3.370m. The £3.370m is a reduction on year-on-year funding of £1.912m.
- 2.2 In 2026/27, business and employment support activity is expected to gain funding through the single settlement agreement for the SYMCA region as part of the wider devolution deal commencing in April 2026 (a wider review of

business and employment support will be conducted during the course of 25/26). This means that the funding provided by UKSPF through 2025/26 is being seen as a bridging year and providing funding as to not lose key expertise in the region whilst still positively impacting the residents of Barnsley and South Yorkshire.

- 2.3 The extension to the UK SPF funding is to ensure that core activity as detailed in paragraph 1.2 continues during the 2025/26 financial year.
- 2.4 It also provides funding to cover the staffing costs of these programmes. This would allow experienced team members to remain in place in both the Economic Development and Employment & Skills services, ready to deliver not only in 2025/26, but once a single settlement is agreed as well.
- 2.5 While the overall allocation of the UKSPF allocation to Barnsley is known to be £3.370m, the individual funding per programme is still to be decided.
- 2.6 The 28% reduction will impact on the services currently being delivered through the funding. The reduction will impact the Communities and Culture and Visitor Economy teams. There will be some continued investment in culture and tourism activity alongside prioritised key renovation programmes for our libraries Within Employment & Skills, additional funding streams in support of Pathways to Work will mitigate the impact of the reduction of funding. Within Economic Development, the reduction will see a loss in support for start-up businesses, as well as a reduction in the private investment being made which will in turn will likely impact on new jobs and growth. Mitigation steps are being taken to reduce this and reserve funding within the service is being looked at to cover any shortfall to lessen any impact to residents.
- 2.7 As mentioned in 2.1, there are two other elements to the UKSPF funding that also need considering. These are both in addition to the £3.370m already allocated to Barnsley.
- 2.8 £3.900m is ringfenced for capital expenditure and Local Growth Plan development, we are awaiting more information on what these funds can be used for.
- 2.9 There is also a 4% (circa £0.900m) management fee being held by SYMCA from both the UKSPF and Local Growth Plan. It is expected that this will be used as it has in previous programmes and the lead authority partners will be able to access this to cover management costs related to each programme. As BMBC leads two business support programmes, we would expect the management fees of these to be covered from this retained amount.
- 2.10 If the funding is not accepted, then these services would stop as of the 1st April 2025. 37.41 FTE would be at risk of redundancy if this was the case.

3. IMPLICATIONS OF THE DECISION

3.1 Financial and Risk

3.1.1 Consultation on the financial implications included in this report has taken place with representatives of the Director of Finance (Section 151 Officer.)

3.1.2 Approval is sought to accept a total of circa £3.370m with £2.943M allocated to revenue and £0.427M to capital - to be utilised across the themes referenced in section 1.2. The funding is to be allocated to individual programmes within UK SPF on a local priority basis.

3.1.3 The below table shows the estimated likely reduction and the 2025/26 proposed bid, using the ideology agreed in the SYMCA CEX paper and also based on local priorities, per theme and ignoring potential Management Fee funding, for the council (allowing for SYMCA rounding to the nearest £0.100M) totalling £1.912m.

Theme	24/25			25/26			Reduction
	Rev	Cap	Total	Rev	Cap	Total	
Communities and Place	0.556	0.741	1.298	0.186	0.427	0.613	-0.685
Local Business Support	1.668	0.425	2.094	1.205	0.000	1.205	-0.889
People and Skills	1.891	0.000	1.891	1.552	0.000	1.552	-0.339
Total	4.116	1.167	5.282	2.943	0.427	3.370	-1.912

3.1.4 It should also be noted that it is estimated £0.343m could be available to the Council for management of the Local Business Support Schemes, which is in line with 24/25 amounts as the 25/26 reduction mainly relates to a programme the council was not leading on that has now ceased.

3.1.5 As previous, match funding will also be employed as part of the overall Communities & Place, Local Business Support & People & Skills Programmes of £0.581m by the Council. The programme will be further boosted by using previously ear marked reserves of £0.267m and private sector match contributions of £0.725m. This will bring the Council's total UKSPF delivery programme package to £5.283m.

3.1.6 SYMCA have requested that funding proposals are received by Mid-March 2025 in order to cover any activities that are to be commenced from 1st April 2025 for all spend and outputs that are to be achieved by 31st March 2026. As such there is a slight risk that the proposals put forward in this paper will be rejected, in their current form.

3.1.7 As per section 2.9 there are a number of employees affected by the acceptance of this funding and due to the timescales involved, there is already a risk of three months of additional costs required due to potential notice periods as well as potential redundancy costs, if redeployment is not possible for these staff. If funding was not forthcoming then that would need to be found from BMBC funds which would equate to £0.407m, excluding redundancy costs.

3.1.8 Barnsley Council Finance Officers will continue to work closely with the relevant services Programme Management Teams to ensure spend remains within the available funding allocation and is compliant with funder eligibility requirements.

3.1.9 Due to this funding being 'one-off' it is important to be aware of the risk surrounding staffing, without the surety of future years funding. In the event that future funding is not forthcoming then this will be addressed by a full spending review and reprioritisation of council spend and budgets, following the national spending review and funding reform in late Summer 2026.

3.2 Legal

The terms of reference for Cabinet under the Council constitution provide at para 1.1(i) that Cabinet can approve matters that fall within the definition of a Key Decision.

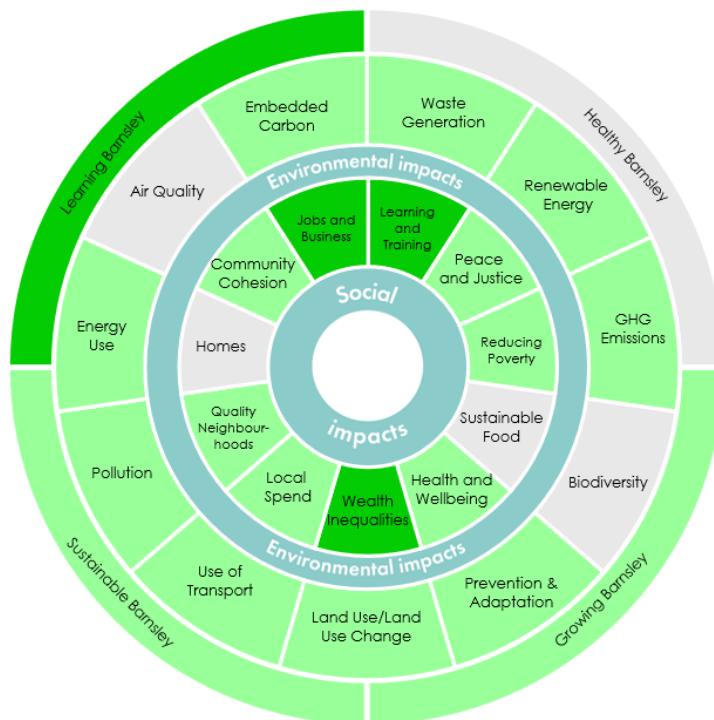
A Key Decision is defined in section 5.6 of the constitution as (a) Any decision relating to the approval of or variation to the Council's budget and policy framework that is reserved in the Council's constitution for determination by full Council on a recommendation from Cabinet, subject to the application of virement limits, or; (b) Any decision which will result in income, expenditure, or savings, with a gross full year effect of £500,000 or greater, whether or not the item has been included in the relevant approved budget and including the provision by the Council of loans to third parties. Given the amount of this Funding, the decision to accept such by Cabinet falls within the definition of a Key Decision.

Further reports will be required given that future funding years are no longer secure and the impact of such will require specific legal advice at that time.

3.3 Equality

All programmes mentioned in this paper already have EIA's completed for them. They will each be re-assessed with the target customer of each one in mind to make sure all are as accessible to the people of Barnsley as possible.

3.4 Sustainability



3.5 Employee

There are currently 37.41 FTE funded through these programmes. If the funding is not accepted, these colleagues would need to go through the managing change process. If the recommendations are accepted, staff contracts for 36.01 FTE will be extended for 1 year to March 2026. The reduction in FTE of 1.40 will be managed by deletion of vacant posts and staff voluntarily retiring.

3.6 Communications

Working with the Comms & Marketing team communications will be handled by each programme individually to make sure it is targeted at the correct target audience.

4. CONSULTATION

All the programmes funded via UK SPF have a feedback cycle built into them ensuring that beneficiaries are providing insights on how the programme could be more effective. These changes are incorporated where possible by the programme management teams leading each programme.

5. ALTERNATIVE OPTIONS CONSIDERED

5.1 The option of not accepting this funding was looked at. This would mean that either the activity these programmes delivery would stop and leave a gap in the local market for skills, businesses, and culture, or the funding to continue the activity would need to be found via BMBC funds. With the current financial pressures BMBC are under, it would be unwise to reject grant funding to

continue funding compared to stopping activity or funding it from BMBC core funds.

6. REASONS FOR RECOMMENDATIONS

- 6.1 If the UKSPF funding is not accepted, activities important to Growing Barnsley, Learning Barnsley, & Sustainable Barnsley would very likely be stopped.

7. GLOSSARY

UKSPF – United Kingdom Shared Prosperity Fund
SYMCA – South Yorkshire Mayoral Combined Authority

8. LIST OF APPENDICES

Appendix A: Financial Implications

9. BACKGROUND PAPERS

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 <i>See Appx A</i> <i>Ashley Gray – Strategic Finance Business Partner – 05/02/2025</i>
Legal consultation & sign off	Legal Services officer consulted and date Rebecca Asquith Head of Legal Services 11 February 2025

Report Author: Ben Hawley
Post: Group Leader Enterprising Barnsley
Date:21/01/2025