

BARNSELY METROPOLITAN BOROUGH COUNCIL

This matter is a Key Decision within the Council's definition and has been included in the relevant Forward Plan.

REPORT OF THE EXECUTIVE DIRECTOR OF PLACE TO CABINET ON 7 APRIL 2021

BARNSELY COVID ECONOMIC RENEWAL ACTION PLAN

1. Purpose of Report

1.1 To present to cabinet the Barnsley COVID Economic Renewal Action Plan.

1.2 To seek approval to adopt a programme of prioritised interventions focused on supporting the short and medium-term COVID economic recovery within Barnsley.

2. Recommendations

2.1 This report makes the following recommendations:

2.2 Cabinet supports the adoption of the Barnsley COVID Economic Renewal Action Plan.

2.3 That Cabinet approve the release of £1m in Council funding to support the Economic Recovery Programme and in addition utilise the £1m in Gainshare Funding awarded by SCR to support the proposals outlined in this report.

3. Introduction

3.1 The impact of COVID on the national, regional and local economy is unprecedented and is likely to be long lasting. This report tables the Barnsley COVID Economic Renewal Action Plan which sets out the areas of challenge, opportunities and the key recovery actions and outcomes that are required within the borough.

3.2 The report also seeks approval for the adoption of a prioritised programme of economic interventions that can be delivered at a local level within Barnsley as a key component of the renewal plan.

4. Background

4.1 A range of Economic impact modelling work has been undertaken within Barnsley which shows a high risk of contraction both in terms of the numbers of businesses and jobs within the borough. Despite this modelling work, the true level of impact remains broadly unknown and recovery will not be at the same pace in every sector. It is therefore critical that a coordinated approach to renewal is established supported by a package of immediate interventions which help to initially stabilise

the local economy and creates the conditions to enable a return back to a position of growth.

4.2 Throughout the COVID pandemic a range of national economic support measures has been provided to both business and people. Support has been often aimed at providing short term stability during a significant period of uncertainty. It is likely that this support will simply maintain the current position and once these cease we will see increases in unemployment, more business closures and ongoing challenges for Barnsley. National support initiatives include:

- Business Grants
- Loan Finance, (Coronavirus Business Interruption Loans and Bounce Back Loans)
- Job Retention Scheme
- Self Employed Support

4.3 At a regional level, the Sheffield City Region Recovery Action Plan is also actively being developed and shifting into delivery providing a range of prioritised support, again focusing on people and business including:

- Local Discretionary Business Grants
- Specialist Business Support
- Supply Chain Development
- Digital Adoption
- Train to Work
- Back to Work
- Young People's Skills Guarantee
- Overcome Barriers Supporting Social Mobility & Reducing Inequality

4.4 The Council, working with key partners, has developed a complimentary overarching COVID Economic Renewal Action Plan. The plan will set out the areas of challenge, opportunities, priority areas of focus and the key recovery outcomes that are required within the borough.

4.5 Against the backdrop of economic contraction, there is a clear opportunity to develop an immediate localised package of Barnsley specific recovery interventions that compliments both national and regional support. These interventions will support the economic recovery to build back a more resilient, inclusive and sustainable economy. Such a package of interventions should aim to both stabilise the local economy but also provide the conditions to enable our businesses to get back to a position of future growth.

5. Proposal and Justification

5.1 **Barnsley Renewal Action Plan**

5.1.1 Barnsley is a proud market town whilst the Borough encompasses six principal towns and other settlements with a rich industrial heritage.. Barnsley has demonstrated strong growth over recent years however our economy remains vulnerable and we are a town which has significant levelling-up opportunities existing across the Borough. We have understood and acted upon our challenges for many years which

has translated into good forward progress on traditional growth in advance of the recent pandemic.

- 5.1.2 Any social or economic crisis such as the global Coronavirus pandemic comes as a particular challenge to Barnsley – because of the legacy issues we face such as lower than average levels of economic activity, health inequalities and some particularly deprived communities. This has meant that Barnsley has been, and is likely to continue to be, harder hit by the pandemic than other parts of the country and the Borough will need to work harder to recover economically and socially from its impacts. There is very cautious optimism that we can start to plan for life after COVID; and look to opportunities in Barnsley’s post-pandemic economy including new reasons to visit the town centre, a growing digital sector and strengths in logistics and distribution.
- 5.1.3 In response, the Council and partners, have developed this Renewal Action Plan which aims to provide immediate help for local people, employers and places, and puts us on the road towards social and economic renewal. It will help people, employers and places recover, and put us on course to transform the Borough – making our economy and society stronger, greener and fairer.
- 5.1.4 The plan also contributes to our **longer-term goals developed through Barnsley 2030** so we can look towards a better future. The plan shows how Barnsley Council, and its public, private and third-sector partners will help:
- **People** – to adapt to the new economy and be better equipped to fill higher-skilled jobs
 - **Employers and businesses** – to adapt, consolidate and thrive in the new environment
 - **Places** – to create jobs, make our towns, villages and rural areas more resilient, and transform local economies
- 5.1.5 The renewal action plan also seeks to pave a way forward for **A more inclusive and productive economy** aiming to make post-pandemic Barnsley:
- **Stronger** – an economic transformation to create not just a bigger economy but a better one: more inclusive, higher-skilled, and creating higher-value socially and economically
 - **Greener** – a green transformation to become a low-carbon economy, improve our environment, and revolutionise our transport
 - **Fairer** – a transformation of wellbeing and inclusion, raising our quality of life, reducing inequality, and widening opportunity
- 5.1.6 The Renewal Action Plan has been developed in close partnership with Barnsley’s businesses, the Borough’s anchor institutions, skills and education providers, Barnsley and Rotherham Chamber of Commerce, Barnsley CVS, Sheffield City Region and the other three constituent local authorities, and other partners through the Borough’s and the SCR COVID response groups.
- 5.1.7 The changes we will seek to make in the next 18 months include:
- Help people improve their skills, get back to work, remain and/or progress in work, sustain, grow or set up in business

- Accelerate our Net Zero Carbon transition through creating a Zero Carbon route map for the Borough
- Back our businesses as wealth and job creators
- Improve connectivity across the borough and within South Yorkshire.
- Increase development of Urban Barnsley, our principal towns and neighbourhood investment plans.

5.1.8 A key aspect of the plan is to bring forward an immediate package of support interventions providing additional resilience to people, employers and business and places. The following sections of this report set out this supporting programme in more detail.

5.2 **Defining the prioritised programme**

5.2.1 The Economic Recovery journey for Barnsley has realistically been ongoing from the onset of the COVID pandemic. Maintaining and increasing the delivery pace of our existing business, people and place based economic interventions has never been as important as it has been over the last 12 months.

5.2.2 This includes the introduction of new business support activity such as COVID Health Checks, Business Productivity Grants and Digital Innovation Grants which provides organisations with the framework to build resilience against the backdrop of COVID challenges.

5.2.3 From a people perspective, the Council has worked hard to shape the regional recovery plan to ensure that this aligns to the groups that we know are most impacted by COVID. At a local level this has been complimented with the delivery of elements such as the employment support desk, redundancy support and the ongoing development of new initiatives such as Tenants First and the Youth Employment Support Hub.

5.2.4 From a place based perspective the Council has maintained focus on delivering key growth sites and the regeneration of our town centre through the Glassworks and The Seam – Digital Campus. This has been further complimented by seizing national opportunities such as Towns Funding for Goldthorpe, Get Britain Building and Future High Street Funding.

5.2.5 In establishing the prioritised programme, a robust evidence based approach has been undertaken in terms of identifying and defining the potential interventions considered. This has involved liaising with stakeholders within the Council but also key partners to identify potential interventions focusing on capturing the following key information:

- Challenge/need
- Provision of supporting evidence/data
- Defining the proposal/intervention and delivery mechanism
- Identifying high level tangible outcomes
- Articulation of delivery resource requirements.
- Delivery timescales

5.2.6 The initial call for proposals identified 18 potential initiatives at an indicative financial ask of circa £15m. A further prioritisation process has therefore been applied to the initial list of intervention with an assessment undertaken against the following areas:

- Evidence of need
- Clearly defined outcome
- Deliverability
- Clearly defined resource requirements
- Ability to secure additional resource

5.2.7 This further assessment has resulted in the established of the prioritised list of interventions contain in Appendix B with key headline outcomes as follows:

- £2m financial ask
- 870 businesses supported
- 1,500 jobs safeguarded
- 550 jobs created
- 1,000 individuals provided with employment support

5.2.8 Partner input into this process has been essential in relation to ensuring that a robust programme of interventions has been developed. Working through the Barnsley COVID Business and Economy group it has been possible to obtain support and guidance from a range of partners including Barnsley & Rotherham Chamber, Department for Work and Pensions, Barnsley Business Innovation Village, Barnsley CVS and Barnsley College. It is also envisaged that ongoing partnership will be critical in relation to the delivery of the activity identified in this report.

5.3 **High Level Programme**

5.3.1 The prioritised recovery programme will tackle immediate impacts of Covid19 as well as unlocking economic recovery and growth within the following areas:

- Business support
- Retail, leisure & hospitality sector enabling work
- Culture & visitor economy sector capacity building
- People, employment and skills

Business Support - This economic plan recognises that the business base continues to be faced with a number of challenges on areas such as access to finance, cash flow and workforce impacts. It is further recognised that much of the national and regional support to date has been specifically focused on these areas. Consequently, this plan seeks to identify and provide support activity at an organisational level by providing the tools and specialist knowledge which will aid recovery including:

Ecommerce Retail Enabling Works – Our retail businesses need to incorporate an online offer to bolster their physical presence. Many of our independent retailers and market traders have little or no IT presence in their existing business, many only with access to a mobile phone. Prior to being able to move online, they will

need support to digitise their existing business model, including stock management, financial transactions and digital communications.

This activity will also include access to an IT facility, photography and videography area to allow businesses to photograph and prepare products for selling or promoting online. This activity will provide the vital building blocks to effectively incorporate an online retail presence into their current business model.

Ecommerce support was recognised as a priority area of focus through the recent Elected Member Scrutiny Task and Finish Group (TFG) on COVID Response, Recovery and Renewal and the need to provide businesses with the ability to deliver an online presence. This will help to maximise revenue stream opportunities and therefore directly contribute to future sustainability.

Supply Chain & Procurement Support – This workstream will involve working with approximately 50 Barnsley business to explore the development and capability to be able to access local supply chain again creating the conditions for indigenous growth. The development of local supply chains and the associated circular economy within Barnsley will directly contribute to the Barnsley Inclusive Economy aspirations as well as being a key recovery action.

- 5.3.2 **Retail, Leisure and Hospitality** – The Barnsley Retail Impact assessment recognises the need to provide specific support to this sector. Good progress has been made in this area through existing initiatives such as the Principal Towns Shop Front scheme and recent introduction of the Barnsley Gift Card with further plans to expand that offer to include a loyalty and travel scheme. Additional activity identified within the recovery plan includes:

Ecommerce Retail Enabling Works – A focus on providing support to businesses in stock management, IT basics, online payments. This will include access to an IT facility, photography and videography area will be provided to allow businesses to photograph and prepare products for selling online. This activity will provide the building blocks to effectively transition into an online retail presence.

Click & Collect Hub – Provision of self-serve, click and collect lockers located in the Glass Works, accessible to use by all town centre businesses. For businesses these automated lockers offer a more profitable way to fulfil online orders, eliminate delivery costs and reduce the staffing costs required to manage traditional click and collect services. For shoppers, the self-serve lockers offer an easy, safe and convenient way to collect and drop off goods. This customer focussed retail approach is key to the evolving uses and demands of the town centre effectively extending the virtual trading hours of the retail offer to complement the cultural and leisure uses. Again, the Scrutiny TFG were keen to see this type of activity progress in supporting local businesses and the local economy.

- 5.3.3 **Culture & visitor economy sector capacity building** – The recent Chamberlain Walker sector impact assessment undertaken within the Sheffield City Region demonstrates the significant economic contribution provided by this sector but also paints a stark message in terms of the fragility of the business base.

Culture and visitor economy venues have been severely impacted by opening restrictions since March with income significantly reduced and future capacity

compromised for the medium term. This has reduced the cash flow for commissioning work, exhibitions, events and activities that help to support and develop the creative and cultural industries. The SCR level report highlights the lack of resilience in the culture and visitor economy sectors pre Covid so this year has created an even more challenging landscape. The creative industries (design, media etc) have greater capacity to bounce back with some evidence of demand for these services increasing.

The Renewal Action Plan therefore makes provision to operate a sector specific programme based on existing national initiatives. This will include running a series of cohort based programmes to increase capacity, improve resilience, help with technology adoption and market development. A secondary benefit will be improved networking and collaboration within the creative and cultural industries.

5.3.4 People, employment and skills – As identified earlier in the report, Barnsley Council has been heavily involved in shaping the people aspect of the Sheffield City Region recovery plan which provides a range of identified support. At a local level, it has been identified that there is an opportunity to develop a targeted intervention aimed at Improving Workforce Productivity.

This proposal focuses on ensuring SME/micro businesses are able to restart/rebuild productivity as we enter recovery. It focuses around addressing the following issues faced by our businesses.

- The ability of businesses to restart efficiently post furlough.
- The workforce is underproductive due to stress/anxiety, higher sickness numbers/presenteeism.
- Staff will have lost skills/capability while being off work.
- Staff may not have the skills to deliver their role as ways of working shift.
- Businesses will need to move to new ways of working, adopted new ways of working.
- Businesses will be making staff redundant/putting them at risk.
- Businesses will have vacancy freezes and putting existing staff under pressure.
- Businesses may need to enter new markets requiring new skills in their workforce.

This proposal will provide a sustained and intensive offer to our businesses through investment into our employability service and through existing support models. Evidence from contacts through our current Helpdesk evidences the need for us to increase and solidify our capacity to support employed individuals to strengthen and develop new skills and capabilities to thrive in their current jobs and progress in their careers creating opportunities for new entrants into the workforce.

Businesses will be able to access a free workforce productivity package including:

- Free assessment of workforce skills /capabilities of their team
- Labour market intelligence about their current market and potential markets (salary levels, skills levels)
- Their staff will have access to support/activities while on furlough
- Our team will work with the business to bring staff back from furlough while ensuring they are back up to productivity as effectively and efficiently as possible
- Provision of a workforce training plan aligned to the skills assessment

- Access to a productivity GURU – up to 3 days with a specialist training consultant, able to provide management coaching/embed productivity skills in the workforce and support job redesign where needed
- Workforce Wellbeing support measures through our BeWell@Work service
- Links to Enterprising Barnsley/Growth Hub
- Support for restructuring including redundancy
- Support for recruitment/vacancy management
- Access to training support for retraining/upskilling
- Advice and guidance on establishing traineeships, apprenticeships, Kickstart and other job creation opportunities

Apprenticeships – one of our strongest tools available to us as part of our economic recovery and integral to our jobs-led response. Apprenticeships level the playing field, offering an all-age solution with a learning structure, work experience, the development of industry specific and transferable skills with a recognised accreditation at the end. Graduate apprenticeships also make higher education more accessible for a breadth of residents to whom a traditional route to HE is not attractive, or, for many possible.

We will continue to work with our employers to support the growth of apprenticeship opportunities at all levels across our businesses, making it easier for our businesses to benefit from the scheme.

We will raise awareness of the opportunities an apprenticeship can offer individuals of all ages, for younger people a good first step into work, for older workers, who may not consider one as a route for their age group, raising awareness that these can be a good way to pivot careers and to access higher level skills.

5.3.5 Third sector capacity building – The recent Barnsley Community and Voluntary Sector impact assessment identifies a number of challenges faced by the third sector which continue to worsen as the pandemic continues. A summary of high level challenges faced by the sector includes:

- Most organisations are still unable to: -
 - Fundraise
 - Rent their space out
 - Operate as they would usually
 - Deliver services how they would usually deliver their services
- Most organisations have had to: -
 - Flex their service delivery
 - Establish and operate a virtual service
 - Buy new equipment and learn new skills to operate online
 - Buy PPE, signage and other resources to keep COVID-safe
 - Operate with smaller groups which makes delivery less cost effective
 - Run buildings and pay for rent and utilities
 - Navigate their way through ever changing and complex guidance

The Renewal Action Plan therefore makes provision to operate a sector specific programme based on existing national initiatives. This will include running a series of cohort based programmes to increase capacity, improve resilience, help with

technology adoption and market development. A secondary benefit will be improved networking and collaboration within the creative and cultural industries.

5.3.6 **Delivery Capacity and Contingency** – The vast majority of activity identified within the recovery plan is additional activity over and above core functions. It is therefore proposed to allocate £50,000 of the overall recovery budget to provide delivery resource and capacity as required. Provision of such resource also provides prudence in the events of contingency funding to cover any unseen costs in respect of individual delivery activity.

5.3.7 **Governance and Monitoring** - In terms of governance, it is recommended that the recovery plan be aligned to the COVID Business and Economy cell which meets on a fortnightly basis and consists of key partners/stakeholders from across the borough. This approach provides a dynamic forum for tracking delivery on the ground and in turn delivery progress can be reported through to the overarching Barnsley Tactical Coordination Group in line with the established mechanism.

5.3.8 **External Peer Support** – The Council is currently working with the Local Government Association, (LGA), to secure external support capacity in respect of the recovery programme. The LGA will work in partnership with the Council to provide an external ‘critical friend and check and challenge role’. This will include reviewing the approach to establish the programme but also providing support and guidance as this shifts into delivery. The provision of the external support is welcomed as it will help to provide assurance on the overall integrity of the delivery programme.

6 **Consideration of Alternative Approaches**

6.1 Option 1: Do Nothing is an option that does exist. However, the programme tabled in this report aims to provide additionality to existing recovery interventions at a national and regional level. It is therefore felt that the programme tabled in this report is critical to the long term recovery of the Barnsley economy.

7. **The Corporate Plan and the Council’s Performance Management Framework**

7.1 The proposals in this report are consistent with Council’s Corporate Plan as it directly contributes towards the Council ambitions of:

- Create more and better jobs and good business growth
- Increase skills to get more people working
- Develop vibrant town centres
- Strengthen our visitor economy
- People are healthier, happier, independent and active
- People volunteering and contributing towards stronger communities

7.2 The plan also contributes to our **longer-term goals developed through Barnsley 2030** so we can look towards a better future. In particular the plan and prioritised interventions contained in this report are directly aligned and support the emerging **Growing Barnsley** priority by:

- **People** – to adapt to the new economy and be better equipped to fill higher-skilled jobs

- **Employers and businesses** – to adapt, consolidate and thrive in the new environment
- **Places** – to create jobs, make our towns, villages and rural areas more resilient, and transform local economies

8. **Implications for Local People/Service Users**

8.1 As outlined earlier there are significant positive implications for residents and businesses impacted economically by COVID.

9. **Financial Implications**

9.1 Consultations have taken place with representatives of the Service Director – Finance (S151 Officer).

9.2 In order to fund the proposals in this report it is recommended that;

- £1m in Council funding, from those resources already set aside to support COVID 19 recovery, is utilised; and
- that this is funding is complemented by utilisation of £1m in Gainshare monies currently being offered by SCR to support economic recovery focussed projects in Barnsley.

9.3 It should be noted that Gainshare funding will be released upon satisfactory completion of a supporting application to SCR – this is however a ‘light touch’ process and no issues around the release of this funding are anticipated.

9.4 It should be further noted that SCR require this tranche of Gainshare funding to be spent by 31 March 2022.

10. **Employee Implications**

10.1 It is critical that the delivery of this programme is adequately resourced from a commissioning, delivery and monitoring perspective. It is therefore proposed to establish an additional temporary Grade 10 role for 12 months providing delivery capacity for the programme.

11. **Communications Implications**

11.1 The different areas of the programme will be supporting by communications and marketing activity to target messages to the relevant audiences, with clear links back to the COVID Economic Renewal Action Plan and the council’s Recovery and Renewal Strategy.

Progress and key milestones will be publicised through a range of channels and will be initially collated on the council’s website as part of the Coronavirus (COVID-19) recovery plan for Barnsley.

12. **Consultations**

- 12.1 Extensive consultation has been undertaken on the establishment of this programme. This includes:

Barnsley Business & Economy Sub Group - This group is responsible for coordinating the Barnsley Economic COVID response and recovery actions. The group consists of key stakeholders from internally within the Council but also partners including Barnsley College, Barnsley & Rotherham Chamber, Barnsley Business Innovation Village, DWP and the Third Sector.

Barnsley Inclusive Economy Board – This group is focused on delivering an Inclusive Economy for Barnsley. It ensures opportunities are maximised and inequalities reduced to allow everyone in Barnsley to benefit from its economic growth and prosperity. The Barnsley Economic Recovery plan will be a key area of focus for the IEB Business Sub Group.

Barnsley Council Recovery Task & Finish Group – The proposals contained within this report have been established and developed through a multi-disciplined team of officers from across the Council. This has been critical in terms of understanding need and opportunity within the context of the recovery programme.

Scrutiny Task & Finish Group on COVID Response, Recovery & Renewal – The assessment undertaken by the recent Elected Member TFG has provided an invaluable insight in relation to the current and future support needs within the context of economic recovery. The findings from this group have therefore provided basis to inform the recovery plan as it has been developed.

13. **Risk Management Issues**

- 13.1 Following approval of the scheme detailed risk assessments will be undertaken at an individual intervention level. A full risk framework will be established and reported in line with the governance structure as set out in this report.

14. **Health, Safety and Emergency Resilience Issues**

- 14.1 There are no immediate implications arising directly from this report.

15. **Compatibility with the European Convention on Human Rights**

- 15.1 The proposal is fully compliant with the European Convention on Human Rights.

16. **Promoting Equality, Diversity and Social Inclusion**

- 16.1 The programme will consider equality, diversity and social inclusion impact as an individual project level.

17. **List of Appendices**

Appendix A - Financial implications
Appendix B – Economic Renewal Action Plan
Appendix C - Prioritised Recovery Programme

18. **Background Papers**

None

Officer Contact: Paul Clifford

Date 25/02/2021

Report of the Executive Director Place

Financial Implications: Barnsley COVID Economic Recovery Programme

i) Capital	2020/21	2021/22	2022/23	2023/24	TOTAL
	£	£	£	£	£
	0	0	0	0	0
	0	0	0	0	0
To be financed from:					
	0	0	0	0	0
	0	0	0	0	0
	0	0	0	0	0
	0	0	0	0	0
ii) Revenue	2020/21	2021/22	2022/23	2023/24	TOTAL
	£	£	£	£	£
Expenditure					
Proritised Recovery Plan Proposals - Appendi	0	2,000,000	0	0	2,000,000
	0	2,000,000	0	0	2,000,000
To be financed from:					
Existing Resources Set Aside to Support COV	0	-1,000,000	0	0	-1,000,000
SCR Advance Gainshare Allocation		-1,000,000			-1,000,000
	0	-2,000,000	0	0	-2,000,000
	0	0	0	0	0

Impact on Medium Term Financial Strategy**Section TBC**

	2020/21	2021/22	2022/23
	£m	£m	£m
Current forecast budget gap	0	0	0
Requested approval	0	0	0
Revised forecast budget gap	0	0	0

Agreed by:  On behalf of the Service Director - Finance, Section 151 Officer

Appendix C – Prioritised Recovery Plan & High Level Outcomes

Proposal	Total Investment Required	Outputs				
		Jobs created	Jobs safeguarded	No of Businesses supported	New business created	No People Supported
Ecommerce Business	£ 300,000.00	120	240	120		
Retail Business Support	£ 100,000.00	30	60	60		
Supply Chain & Procurement	£ 240,000.00	384	68	50		
Future Proofed Workforce	£ 690,000.00		1000	250		1,000
Cultural & Visitor Economy Capacity Building	£ 150,000.00	10	30	30	5	
Third Sectors Capacity Building	£ 150,000.00	10	30	30	5	
Click & Collect Hub	£ 320,000.00	1.5	66	330		
Contingency	£ 50,000.00					
	£ 2,000,000.00	555.5	1494	870	10	1,000