

Economic Recovery of the Borough – The Economic Renewal Action Plan

1.0 Introduction

1.1 To provide an update to the Overview and Scrutiny Committee regarding the Economic Renewal Action Plan as part of the borough's economic recovery from Covid-19.

2.0 Background

2.1 In recognition that the impact of COVID on the national, regional and local economy is unprecedented and is likely to be long lasting, a report was presented to Cabinet on 7th April to request approval for:-

- the adoption of the Barnsley COVID Economic Renewal Action Plan (ERAP) which set out the areas of challenge, opportunities and the key recovery actions and outcomes that are required within the borough
- the release of £1m in Council funding and £1m in Gainshare Funding awarded by Sheffield City Region (SCR) to support the Economic Recovery Programme and adopt a prioritised programme of economic interventions delivered at a local level within Barnsley as a key component of the renewal plan

2.2 The Council worked with key partners to develop the overarching COVID Economic Renewal Action Plan. The plan sets out the areas of challenge, opportunities, priority areas of focus and the key recovery outcomes that are required within the borough. A copy of the Plan has been attached as Item 4b.

2.3 Against the backdrop of economic contraction, a clear opportunity to develop an immediate localised package of Barnsley specific recovery interventions that complements both national and regional support was identified. These interventions aim to support the economic recovery to build back a more resilient, inclusive and sustainable economy, stabilise the local economy and also to provide conditions to enable our businesses to get back to a position of future growth. A summary of the approved prioritised programme has been attached as Item 4c.

2.4 Funding to support businesses severely impacted by coronavirus restrictions when most needed has also been made available from Sheffield City Region in the form of Additional Restrictions Grants (ARG). A summary of the approved ARG programme and recipients has been attached as Item 4d.

3.0 Barnsley Economic Renewal Action Plan (ERAP)

3.1 Barnsley is a proud market town and 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.

3.2 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.

3.3 In response, the Council and partners, developed the Renewal Action Plan, aiming to provide immediate help for local people, employers and places, and put 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 the economy and society stronger, greener and fairer.

3.4 The plan also contributes to 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

3.5 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

3.6 The Renewal Action Plan was 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 (Community & Voluntary Services), Sheffield City Region and the other three constituent local authorities, and other partners through the borough's and the SCR COVID response groups.

3.7 The changes it seeks 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

4.0 Barnsley Prioritised Recovery Programme

4.1 A key aspect of the Economic Renewal Action Plan was to bring forward an immediate package of support interventions providing additional resilience to people, employers and business and places. A summary of which is attached as Item 4c.

4.2 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 twelve months.

4.3 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.

4.4 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.

4.5 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.

- 4.6 In establishing the prioritised programme, a robust evidence-based approach was undertaken in terms of identifying and defining the potential interventions considered. This involved liaising with stakeholders within the Council but also key partners to identify potential interventions.
- 4.7 The initial call for proposals identified eighteen potential initiatives at an indicative financial ask of circa £15m. A further prioritisation process was therefore applied to the initial list of interventions.
- 4.8 This further assessment resulted in the establishment of the prioritised list of interventions contained in Item 4b 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
- 4.9 Partner input into this process was essential in relation to ensuring that a robust programme of interventions was developed. Working through the Barnsley COVID Business and Economy group it was 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.

5.0 Additional Restrictions Grant (ARG)

- 5.1 Successive national lockdowns and local tier restrictions during the pandemic have forced many customer-facing businesses to close for undetermined periods throughout 2020 and 2021. Demand for other services such as leisure and travel have fallen dramatically. Thousands of small businesses have been affected across the borough – in sectors such as retail, food, accommodation, hospitality and personal services.
- 5.2 Funding was first made available in the 2020-2021 financial year and can be used across financial years 20/21 and 21/22. The ARG funding may primarily take the form of discretionary grants, but local authorities were also given the opportunity to utilise this funding for wider business support activities.
- 5.3 The four South Yorkshire local authorities agreed to use the remaining ARG on four specific projects:
- Capital Expenditure Grants
 - Digital Innovation Grants
 - Business Productivity Grants
 - Outdoor hospitality Grants
- 5.4 More details of the successful projects and associated figures are attached as Item 4d, however, in summary:-
- Capital Expenditure Grant
- 5.5 Barnsley was allocated £1m of funding to support local businesses by helping them to invest in capital equipment to help expand their businesses, invest in equipment and create new jobs in the borough.
- 5.6 Grants of up to £100k have been offered to Barnsley businesses to help part fund up to 16 key projects in the borough.
- 5.7 The projects are still in development and we are currently over committed therefore we will either be requesting additional funds from Sheffield City Region or reducing the amount of grant offered to each company to ensure we can fund all of the pipeline projects.

Digital Innovation Grants

- 5.8 Barnsley was allocated £200k of funding to support businesses to digitise their businesses to become more competitive and help them recover and grow out of the Covid 19 Pandemic.
- 5.9 Grants of between £2k - £10k have been offered to Barnsley businesses to help them part fund 31 key projects in the borough.
- 5.10 An appraisal of all the projects submitted was undertaken by the Enterprising Barnsley team to identify successful projects. To be able to access the funding the applicant must sign up to the BMBC 'Employer Promise' scheme which helps provide opportunities to residents to access meaningful employment.

Business Productivity Grants

- 5.11 The project builds on the success of the current European Regional Development Fund (ERDF) Business Productivity project.
- 5.12 Barnsley was allocated £250k of funding to support local businesses by helping them to invest in equipment and/or expertise to become more productive and therefore more competitive.
- 5.13 Grants of between £5k - £12,499k have been offered to Barnsley businesses to help part fund 20 key projects in the borough. There is a further project in the pipeline that will increase the number of projects supported to 21 and spend the remaining £16,265.86.
- 5.14 An appraisal of all the projects submitted was undertaken by the Enterprising Barnsley team, to identify successful projects. To be able to access the funding the applicant must sign up to BMBC 'Employer Promise' scheme which helps provide opportunities to residents to access meaningful employment.

6.0 Future Plans & Challenges

- 6.1 There are significant positive implications for residents and businesses impacted economically by COVID. The Economic Renewal Action Plan, alongside the recovery works in the prioritised programmes and the Additional Restrictions Grant, is heavily focussed on ensuring the best chances of recovery in some of the hardest hit areas of Barnsley's economy. As such there has been robust selection processes to allocate where to utilise the funds available to be both fair and transparent alongside allocating the funds where they are needed the most.

Governance and Monitoring

- 6.2 A Sheffield City Region Recovery Action Plan Group has been established in Barnsley to quickly address and support any cross-cutting issues across the key pieces of work. Formal governance and monitoring arrangements have been aligned to existing structures, utilising the COVID Business and Economy cell which meets on a fortnightly basis and consists of key partners/stakeholders from across the borough.
- 6.3 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. In addition, the Barnsley Inclusive Economy Board, a partnership of community, private and public sector representatives that focusses on delivering an Inclusive Economy for Barnsley (IEB), has recovery planning as a key item on the IEB Business Sub-Group. It ensures opportunities are maximised and inequalities reduced to allow everyone in Barnsley to benefit from its economic growth and prosperity.
- 6.4 Mobilisation of activities is now underway and some key factors have been considered and / or are becoming apparent as we do so and aim to move towards delivery. Projects will maintain key documentation to provide evidence and recording of key factors at a project level, such as Equality assessments, key issues and risks logs undertaken at an individual intervention level. A full risk framework will be established and reported in line with the governance structure. Some common cross cutting considerations have already been identified and these are detailed below.

- 6.5 **Capacity to Deliver** - The vast majority of activity identified within the recovery plan and in the ARG works is additional activity over and above core functions. Capacity has therefore been reviewed and in terms of the Prioritised Programmes, the need for a Programme Manager was identified in the Cabinet Report and has now been appointed. To ensure success on both a project level and as an overall programme intensive support is being offered in the mobilisation of projects such as in facilitating commissioning of key Prioritised Recovery Programme works.
- 6.6 **Tight timescales** - As the works are all recovery focussed, there is an urgency and tight timelines associated with the plans. For the ERAP, a timeframe of 18 months was identified starting from 1 April 2021. The Prioritised Programmes are working to March 2022 for delivery of any programmes accessing SCR Gainshare funds and within the following 12 months all projects should be embedded into business as usual planning within their relevant areas. The ARGs must also be spent by March 2022. The associated timelines have been clear in the development of plans to address each area. Given the urgent need for attention in the areas that all of the works cover, officers are ensuring that these areas of work are given priority in the planning for the year ahead. The timescales are still challenging, however, and so the programme management support for the capital investment funds is implementing governance to aid a quick identification of issues/areas of concern and we continue to monitor progress frequently.
- 6.7 **Marketing and Communications** - 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. However, officer time is currently heavily focussed into the mobilisation and forthcoming delivery of the recovery works across the service. How key messages and opportunities are reported to the relevant audiences, with clear links back to the COVID Economic Renewal Action Plan and the Council's Recovery and Renewal Strategy, has been identified as an area to consider as activities move into delivery. This remains a pinch point and further coordination to resource this is required and so options are being considered.
- 6.8 **External Peer Support** - The Council has accessed funding from the Local Government Association, (LGA), to secure external support capacity in respect of the recovery programme. The LGA and the appointed consultants will work in partnership with the Council to provide an external 'critical friend and check and challenge role'. An initial Gateway review is well underway which involves reviewing the approach to establish the programme and work on Recovery to date. A case study of Barnsley's experience will be written and shared with The LGA and other Councils. We have also factored in some time for support and guidance as projects are mobilised 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.

7.0 Invited Witnesses

- 7.1 The following witnesses have been invited to answer questions from the Committee:-

Matt Gladstone, Executive Director, Place, BMBC
Kathy McArdle, Service Director, Regeneration & Culture, Place, BMBC
Paul Clifford, Head of Economic Development, Place, BMBC
Martin Beasley, Enterprising Barnsley Group Leader, Economic Development, Place, BMBC
Cllr Tim Cheetham, Cabinet Spokesperson, Regeneration & Culture

8.0 Possible Areas for Investigation

- What key achievements are you most proud of over the last 12 months?
- What does success look like and how will you know if it has been achieved?
- What are the barriers to achieving success and how do you plan to remove them?
- What specific risks are associated with the plan?
- How will you ensure that the right people receive the right support at the right time?

- Which sectors of the economy are you most concerned about and is the plan ambitious enough to address those concerns?
- What evidence has been used, and can you give tangible examples of how the local business community has contributed, in the development of the plan?
- What alternative strategies were considered and what influenced your decision?
- Can you give examples of how the plan embraces the ethos to 'build back better'?
- What value do you expect the Programme Manager to add and what alternatives were considered?
- How will the plan impact upon the social and environmental wellbeing of the borough?
- How does the plan demonstrate value for money and what evidence do you have that shows the allocation of grants has been fair and equitable?
- What considerations have been given to ensure that the plan is fully inclusive?
- What partners are crucial to the delivery of the plan and what do you consider to be the strengths and weaknesses of those relationships?
- How confident are you that there are clear lines of separation, responsibility and accountability across the governance arrangements?
- Does the service have the capacity, resources and support; and does the borough have the infrastructure, to deliver the ambitions of the plan?
- What can members do to support the work around the economic recovery of the borough?

9.0 Background Papers and Useful Links

Item 4b (attached) - Barnsley Economic Recovery Action Plan

Item 4c (attached) - Barnsley approved Prioritised Recovery Programme Summary

Item 4d (attached) - Additional Restrictions Grants Successful Projects Summary

10.0 Glossary

ARG Additional Restrictions Grants
 CVS Community & Voluntary Services
 ERAP Economic Recovery Action Plan
 ERDF European Regional Development Fund
 IEB Inclusive Economy for Barnsley
 LGA Local Government Authority
 NEET Not in Employment, Education or Training
 OSC Overview & Scrutiny Committee
 SCR Sheffield City Region

11.0 Officer Contact

Jane Murphy, Scrutiny Officer, Scrutiny@barnsley.gov.uk

14 June 2021