

SHEFFIELD CITY COUNCIL

POLICY COMMITTEE DECISION RECORD

The following decisions were taken on Thursday 12th September 2024 by the Economic Development and Skills Policy Committee.

8. SHEFFIELD EMPLOYMENT AND SKILLS STRATEGY

8.1 Members considered a report of the Executive Director of City Futures which sought approval from the Economic Development and Skills Policy Committee of the draft Evidence Base Report, Vision and Strategic Framework to enable progression to the final round of consultation (scheduled for September 2024) and inform development of the final Strategy document, Action Plan and Roadmap.

8.2 **RESOLVED UNANIMOUSLY:** That the Economic Development and Skills Policy Committee:-

- Notes the progress made to develop the Sheffield Employment and Skills Strategy
- Approves the Vision and Strategic Framework elements of the strategy, to enable development of the Action Plan and Roadmap
- Approves adoption of the draft Evidence Base Report and Evidence Base Dataset

8.3 Reasons for Decision

8.3.1 The Committee is asked to note the progress to date on the ESS including approval of the Vision and Strategic Framework elements to enable the next stages of the work. Next steps will be to develop the roadmap and action plan against these.

8.3.2 The Committee is asked to sign off the Evidence Based Report and Dataset which was been used to form the Vision and Strategic Framework and will be further utilised to progress the roadmap and action plan.

8.4 Alternatives Considered and Rejected

8.4.1 Alternative Option 1: Continue strategy development without Committee Endorsement - continue developing the Sheffield Employment & Skills Strategy without EDSPC noting progress and approving products developed to date Failure to seek EDSPC approval for the draft Evidence Base Report, Evidence Base Dataset, Vision and Strategic Framework at this stage of the Page 39 project would heighten the risk of the final document failing to gain approval when brought to committee. By reviewing the existing draft products and the direction the project is taking, Members have an early opportunity to validate the approach or suggest alternations to ensure strategic alignment. This will support the delivery team in developing products which are of a high quality and will be adopted by partners across the city.]

- 8.4.2 Alternative Option 2: Complete first drafts of the Strategy and Action Plan / Roadmap before bringing to EDSPC for review, ahead of production of a final draft] This would have significantly extended the delivery timeframe and delayed adoption of the strategy, which in turn would delay action being undertaken to address employment and skills challenges within the city. Producing full draft documents may have resulted in mission drift and/or quality issues, requiring work to be repeated and additional costs incurred. Delays may impact on the availability of the commissioned consultants and/or require variation of their contract for delivery should the resourcing budgeted for the project be exceeded.

9. UK SHARED PROSPERITY FUND

- 9.1 The Committee considered a report of the Executive Director of City Futures which provided an update in relation to the UKSPF programme in Sheffield and outlined the implications should the funding not be extended in 2025/26 and beyond. In doing so, it also set out options to partially mitigate the loss of service provision should UKSPF no longer be available.

- 9.2 **RESOLVED UNANIMOUSLY:** That the Economic Development and Skills Policy Committee:-

1. Notes the programme and the benefits of the UK Shared Prosperity Fund programme in Sheffield and the implications should this funding cease to be available from 2025/26.
2. Notes and supports the development of mitigation options to minimise the negative implications of the potential loss of the UK Shared Prosperity Fund and supports the implementation of such options.
3. Approves the one-off funds (see 4.2.2) of retained EU Funding, retained UKSPF and LEGI Investment Returns being assigned to a 25/26 extension UKSPF programme, subject to confirmation that any financial liabilities to the Council and/or clawback clauses have expired (and in compliance with grant terms and conditions).
4. Approves the Gainshare Revenue funding for 24/25 and 25/26 being ringfenced for a 25/26 extension programme until the future of UKSPF is determined.
5. Requests the Leader of the Council continues to highlight the potential significant business and skills impact of the loss of the UKSPF programme for Sheffield to the South Yorkshire Mayoral Combined Authority and national government bodies to request the local outcomes are delivered for the future with a similar locally developed and delivered economic development programme of at least equal value and for at least a one-year period.

- 9.3 **Reasons for Decision**

9.3.1 This report provides Committee with an update of the UKSPF programme to date and highlights the real concern that this activity will come to an end in March 2025 when the current UKSPF programme is due to end.

9.3.2 Without a continuation of UKSPF or a similar replacement programme the Council will see a number of activities either cease or significantly reduce in scale which will have a direct impact on our ability to contribute to a number of objectives and priorities in the Council Plan and City Goals. The loss of funding will also potentially lead to resourcing implications.

9.4 **Alternatives Considered and Rejected**

9.4.1 UKSPF Funding Continues - The preferred option is to see Government continue UKSPF funding for at least a further three years or replace it with a similar programme. Should this be the case the funding identified in Section 1.5.1 could be used to develop and implement a significantly enhanced programme of activity using that could, for example, align closely with strategic initiatives such as the Investment Zone and Innovation Spine. Such a scenario would see a programme presented to Committee for consideration. However, without any certainty being provided in this respect the recommendation is for the Council to raise their concerns with Government to encourage that such funding is forthcoming.

9.4.2 Reduce programmes to SCC budget levels - The current position is that UKSPF funding will cease in March 2025 and this option would see business support and skills and employability activity significantly reduced in scale in line with the core budgets of Business Sheffield and Opportunity Sheffield. The community activity funded by UKSPF would likely cease altogether

9.4.3 Utilise alternative funding - Should UKSPF not continue or only be extended for a limited period the alternative approach is to utilise the funding identified in Section 1.5.1 to, in part, mitigate the loss of UKSPF and develop a programme that maintains an important but significantly reduced core offer of locally developed and delivered economic benefits to the residents and businesses of the City.

10. **ECONOMIC DEVELOPMENT AND SKILLS POLICY COMMITTEE 2024/25 - THE YEAR AHEAD**

10.1 The Committee considered a report of the Executive Director, City Futures which outlined a forward agenda for the Economic Development and Skills Policy Committee in 2024-2025. The report set out the key steps needed to build on the progress made last year to deliver responsibilities under the Council Plan, continue to develop services and partnerships to stimulate inclusive economic growth within the City.

10.2 The Committee noted the report.

11. 2024/25 Q1 BUDGET MONITORING

- 11.1 The Committee considered a report of the Director of Finance and Commercial Services which provided updated information on the 2024/25 Revenue Budget Outturn. The report referenced the Council's projected overspend of £34.3 million for the 2024-25 fiscal year, which represented approximately 7% of the net revenue budget. The report highlighted the Council's 'Future Sheffield' programme, an initiative aimed at transforming services to create a more sustainable and efficient operating model.
- 11.2 The Committee noted the report.

12. LEGACY PARK LIMITED (LPL) MOU 2024/25

- 12.1 For consideration of this item of business, and in order for Members of the Committee to consider the exempt report, it was **RESOLVED**: That the public and press be excluded from the meeting and the webcast be paused before further discussion takes place on the grounds that, in view of the nature of the business to be transacted, if those persons were present, there would be a disclosure to them of exempt information as described in paragraph 3 of Schedule 12A to the Local Government Act 1972, as amended.
- 12.2 **RESOLVED UNANIMOUSLY**: That the Economic Development and Skills Policy Committee:-
1. Note progress made at Sheffield Olympic Legacy Park (SOLP) to date
 2. Note the economic opportunity for strategic development and growth of SOLP and the anticipated local and regional benefits this will deliver
 3. Approve the decision by the Strategic Director in consultation with the Head of Finance to provide the revenue funding of up to a maximum of £86,000 in 2024/25
 4. Approve the variation to the 2022-25 memorandum of understanding (MoU), to reflect the proposals highlighted within this report

12.3 Reasons for Decision

- 12.3.1 The proposal of additional funding to Legacy Park Limited provides much needed capacity to enable positive momentum to be maintained, whilst commencing a process to review and refresh a longer term more ambitious Sheffield Olympic Legacy Park vision, strategy and fit for purpose governance arrangements.

12.4 Alternatives Considered and Rejected

- 12.4.1 Alternative Option 1: Develop and agree a new longer-term MOU now: Undertaking this now, would mean that the time to bring in new partners,

private sector and engage with existing Members of OLP would be lost, which may result in a sub par delivery model, and greater financial reliance on SCC in the medium term. However, by supporting a new collective 2030 Vision with partners and support from SYMCA, a new model can be put in place at LPL before a longer-term MOU is negotiated and agreed. The option to include key performance indicators and conditions within a new MOU aligned to the new Vision will be considered.

- 12.4.2 Alternative Option 2: Provide no additional financial support in 2024/25: If the Council do not provide additional short term financial support this financial year, Legacy Park Limited would have reduce staff capacity to maintain positive momentum. If it could not reduce costs accordingly, LPL may not remain a going concern.