

SHEFFIELD CITY COUNCIL

Extraordinary Economic Development and Skills Policy Committee

Meeting held 19 October 2022

PRESENT: Councillors Martin Smith (Chair), Ben Miskell (Deputy Chair), Paul Turpin (Group Spokesperson), Jayne Dunn, Tom Hunt, Barbara Masters, Henry Nottage, Minesh Parekh and Simon Clement-Jones (Substitute Member)

1. APOLOGIES FOR ABSENCE

1.1 An apology for absence was received from Councillor Kurtis Crossland. Councillor Simon Clement-Jones acted as substitute.

2. EXCLUSION OF PRESS AND PUBLIC

2.1 No items were identified where resolutions may be moved to exclude the press and public.

3. DECLARATIONS OF INTEREST

3.1 Councillor Jayne Dunn declared a personal interest in Agenda Item No. 7 - Decision to approve the second round of the Economic Recovery Fund, as a business owner in the Broomhill area. Councillor Dunn confirmed that she had not been part of the ERF grant fund project and her business had not benefitted from grant monies.

4. PUBLIC QUESTIONS AND PETITIONS

4.1 To petitions or questions had been received from members of the public relating to items to be discussed on the agenda.

5. REVENUE BUDGET MONITORING REPORT - MONTH 5

5.1 The report brought the Committee up to date with the Council's financial position as at Month 5 2022/23.

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

1. Note the Council's challenging financial position as at the end of August 2022 (month 5).

5.3 **Reasons for Decision**

5.3.1 To bring the Committee up to date with the current in year financial position for 22/23 as at Month 5.

5.4 **Alternatives Considered and Rejected**

5.4.1 The Council is required to both set a balance budget and to ensure that in-year income and expenditure are balanced. No other alternatives were considered.

6. **DECISION TO APPROVE THE SECOND ROUND OF THE ECONOMIC RECOVERY FUND**

6.1 The report provided a set of proposals for how the Economic Recovery Fund round 2 will be structured and operate. These proposals had been developed taking into account an in-depth evaluation study, workshops held with the ERF Steering Group and incorporating the views of the Committee. The report also provided an overview of the evaluation findings and sets out for ERF round 2:

1. Updated objectives
2. A new budget structure
3. Amended processes
4. Strengthened governance and management
5. A delivery timescale from establishment to delivery end point.

Representatives from Kada gave a [presentation](#) on the evaluation carried out on round 1 and officers gave a [presentation](#) which focussed on the proposals for round 2.

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

1. Welcomes and notes the findings of the ERF evaluation;
2. Supports the Establishment of Economic Recovery Fund Round 2 as proposed in this report (sections 1.13. – 1.44.); and
3. Notes that decisions on funding approvals over £50,000 will need to be taken by the Strategy and Resources Committee. Those under £50,000 will be taken, in line with existing delegated authority, by the Director for Economic Development, Culture and Skills in consultation with the Economic Recovery Fund Steering Group.

6.3 **Reasons for Decision**

6.3.1 The report makes these recommendations to support delivery against the Council's priorities, as set out in the Business Response Plan and One Year Plan (see section 2). It will enable the Economic Recovery Fund to deliver a new phase of the scheme, having built on the success of and learned from a first year of

delivery. In doing so the Fund will continue supporting district and local centres and building relationships with business communities across the city.

6.4 Alternatives Considered and Rejected

6.4.1 Option 1: Using Indices of Multiple Deprivation as one of the criteria to allocate funding

This was discounted as being a primary criteria to allocate money as it was felt this does not work within the spirit of the ERF, in terms of being a competitive process and established to support high street businesses. While helpful for identifying the most deprived small areas, IMDs do not take account of economic activity, business density, empty unit rates and so forth – they are primarily social not economic measures. It was felt that using a mixture of these social and economic measures would be more useful in guiding Steering Group as to which areas might need more support and assistance in becoming aware of and accessing the Fund, but not as a strict measure to allocate funding.

6.4.2 Option 2: Allocating amounts to each LAC area based on previous ERF investment

It was felt that allocating funding in this way would be overly complicated and might make communicating about the new round of ERF more difficult. It was decided that areas that received large grants previously would not be eligible to receive large grants in ERF round 2, though they would be eligible to access the Flexible fund for a small grant.

6.4.3 Option 3: Aligning ERF activity with the Cost of Living Action Plan

This work has been focused very much on individuals and individual households rather than businesses or district centres. Business support around this crisis is being led by Business Sheffield and intelligence is building through a number of different sources about the issues that local businesses are facing. However, in the same way that ERF could not answer individual business need resulting from the impacts of Covid lockdowns, it cannot also answer cost of living issues for individual businesses. The collaborative, broader view that ERF has taken means that we will still be seeking ideas that benefit the high street as a whole. Creative ideas that address the impacts of the cost of living crisis at that level will be welcomed.

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