

Economic Development and Skills Policy Committee

Meeting held 30 November 2022

PRESENT: Councillors Martin Smith (Chair), Ben Miskell (Deputy Chair), Paul Turpin (Group Spokesperson), Kurtis Crossland, Tom Hunt, Barbara Masters, Henry Nottage, Minesh Parekh and Ruth Milsom (Substitute Member)

1. APOLOGIES FOR ABSENCE

1.1 An apology for absence was received from Councillor Jayne Dunn. Councillor Ruth Milsom acted as substitute.

2. EXCLUSION OF PRESS AND PUBLIC

2.1 It was reported that the appendix to the following report was not available to the public and press because it contained exempt information described in Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 (as amended), relating to information relating to the financial or business affairs of any particular person (including the authority holding that information). Accordingly, if the content of the appendix was to be discussed, the public and press would be excluded from the meeting:-

<u>Item No.</u>	<u>Title</u>	<u>Excluded Appendix</u>
12	Budget Position for Year 2023/24	Appendix 1

3. DECLARATIONS OF INTEREST

3.1 Councillor Ruth Milsom declared a personal interest in Agenda Item No. 9 – Business Recovery Plan Update: Cost-of-Living Crisis and Support for Business, as a small business owner. Councillor Milsom declared that her business had not benefited from any grants or loans administered by the Council.

4. MINUTES OF PREVIOUS MEETINGS

4.1 Councillor Crossland requested that an item regarding the LGBTQ Quarter be added to the Work Programme

4.2 Councillor Minesh Parekh requested that a paragraph regarding the discussion around developing the Culture Strategy be included at Minute No. 8.1.

4.3 RESOLVED UNANIMOUSLY That:-

1. The subject to the addition of *'A discussion took place regarding the*

development of the Culture Strategy, including the need to include grass roots organisations in the engagement and development' at Minute No. 8.1, the minutes of the meeting of the Committee held on 7th September were approved as a correct record;

2. The minutes of the Extraordinary meeting held on 19th October 2022 were approved as a correct record: and
3. An item regarding the LGBTQ Quarter be added to the Work Programme.

5. PUBLIC QUESTIONS AND PETITIONS

5.1 Alison Norris from Sheffield Climate Alliance asked the following question:

Retrofitting housing has significant potential to generate wealth for Sheffield by increasing local business opportunities and creating good quality local jobs. How is the council:

- making sure it understands our SME sector, and the barriers facing SMEs who wish to bid for PAS2035 compliant retrofitting work
- using development of the council's Community Wealth Building Charter to analyse and address procurement barriers faced by SMEs
- networking with other city councils and with combined authorities to share lessons about how to increase procurement from local supply chains (e.g. North East Procurement Organisation NEPO233 Retrofit & Decarbonisation Works)

The Chair responded that:

The Council works with SMEs across Sheffield through its supply chain engagement, economic development and employment and skills functions. The Council is supporting local construction SMEs to:

- Understand the skills their workforce need to gain compliance with PAS 2035 and PAS 2030 and support them to access that training. We are capacity building local training providers to meet these needs
- Build capacity in local businesses to apply for contracts and sub-contracts as well as ensuring they are marketed locally

We also apply due consideration to how we procure in line with our ethical procurement policy to ensure where possible that packages are suitable for the local market.

The Council considers Social Value in all its procurement and planning activities. We use tools to lever in additional benefits in terms of growth, social equity, sustainability and innovation which includes setting targets for and supporting contractors to spend locally and facilitate employment and training of local people. This has been further strengthened in the soon to be published Local

Plan.

Sheffield City Council leads the regional Strategic Procurement Group Construction Sub Group, which brings together construction procurement professionals from across the Y&H region. Maximising participation from local SMEs is at the forefront of the group's agenda.

The Council are happy to listen and take on further good practice and feedback from SMEs.

For higher value works, we sometimes use the YORhub suite of regional frameworks (amongst others). YORhub delivers a Supply Chain Engagement Programme. This links smaller, local contractors with larger principal contractors with the aim of them securing work through principal contractors' supply chain. Sometimes projects are too large in scale or value - or too broad in professional discipline - for one smaller contractor to undertake the works. That's when being part of a wider local supply chain can really boost local businesses.

We consider a range of procurement options for every procurement we undertake and are of course happy to consider NEPO's new framework (which we understand has yet to be launched) alongside other frameworks, dynamic purchasing systems or conventional competitive procurements.

6. WORK PROGRAMME

- 6.1 The Democratic Services Team Manager presented the Work Programme and noted that there was an amendment to Recommendation 4 which should read *'That Members approve the inclusion of the 2 items included at Part 2 of the report'*.
- 6.2 Councillor Minesh Parekh asked whether the referral from Council regarding Renewable Energy would appear on the Work Programme and it was confirmed that it would.
- 6.3 Councillor Tom Hunt raised whether the Green Jobs Strategy should be scheduled for the March meeting of the Committee. Councillor Paul Turpin noted that February had been suggested at the Pre-Meeting.
- 6.4 Councillor Minesh Parekh asked whether the item on the Inclusive Economy could be included within the City Goals item. The Director of Economic Development and Culture agreed and informed Committee that a briefing would be arranged regarding the Inclusive Economy.
- 6.5 Councillor Kurtis Crossland confirmed that an item regarding the LGBTQ Quarter should be added to the Work Programme.

6.6 RESOLVED UNANIMOUSLY That:-

1. the Committee's work programme, as set out in Appendix 1 be agreed,

including any additions and amendments identified in Part 1 of the Work Programme;

2. consideration be given to the further additions or adjustments to the work programme presented at Part 2 of Appendix 1;
3. Members give consideration to any further issues to be explored by officers for inclusion in Part 2 of Appendix 1 of the next work programme report, for potential addition to the work programme; and
4. Members approve the inclusion of the 2 items included at Part 2 of the report.

7. APPROVAL TO PROCURE PARTNERS FOR DELIVERY OF MULTIPLY FUNDING GRANT FROM SOUTH YORKSHIRE MAYORAL COMBINED AUTHORITY (SYMCA)

- 7.1 The report sought Committee approval for the commissioning of up to £1m (over 3 years to March 2025) in order to maximise the Multiply Numeracy Grant awarded by the South Yorkshire Combined Mayoral Authority (SYCMA) for the benefit of Sheffield residents.

Councillor Barbara Masters raised concerns regarding the delivery and quality of delivery and asked whether the activity would be online or face to face. The Head of Lifelong Learning, Skills and Employment confirmed that delivery would be face to face.

Councillor Henry Nottage asked whether the funding could be used for language training and it was confirmed that the funding could not displace adult education funding.

Councillor Paul Turpin asked whether the preference would be for a local provider and the Head of Lifelong Learning, Skills and Employment explained that the contract would be tendered through the tender portal used by the Council but it was hoped that local providers would bid.

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

1. Approve the option to subcontract funding awarded to SCC from SYMCA over 3 financial years to March 2025.

7.3 Reasons for Decision

- 7.3.1 To maximise the opportunity to raise aspirations and attainment in numeracy skills and maths achievement in Sheffield, working in partnership with those that can increase engagements and activity in learning.

7.4 Alternatives Considered and Rejected

- 7.4.1 There are no alternative viable options for this funding. The only alternative would be to not accept the funding, which would mean we miss out on this investment in adult learning.

8. BUSINESS RECOVERY PLAN UPDATE: COST-OF-LIVING CRISIS AND SUPPORT FOR BUSINESS

- 8.1 The report provided the Economic Development and Skills Policy Committee with an overview of activity undertaken as part of the Business Recovery Plan: both in terms of what had been achieved so far and future proposed activity.

The new activity proposed in the report reflected the ambitions contained within the original Business Recovery Plan as well as the city's response to the new challenges facing Sheffield businesses due to the cost of living crisis. The report identified initial steps required to enable Sheffield City Council to support businesses through this period.

The Director of Economic Development and Culture explained that the report focussed on the Cost of Living Crisis and its impact on businesses. The Business Growth Manager gave a [presentation](#) which provided an update on successful projects and what the Council was doing to help.

Tracy Viner, Executive Manager, Sheffield Chamber and Alexis Krachai, Chair, Business Response Group attended the meeting to answer questions from the Committee.

Members asked questions regarding the Business Support Officers, the impact of climate change and the help available for small businesses. Officers responded that the Council was at the start of its business recovery journey and that whilst there was no financial help for businesses, the Council was able to look at how businesses were using energy and how they could reduce bills.

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

1. Notes the progress made in delivering the Business Recovery Plan so far;
2. Notes the effects of the cost-of-living-crisis on the business base and the Council's response; and
3. Endorses the Council's priorities for the SPF business support programme.

8.3 Reasons for Decision

- 8.3.1 The Business Recovery Plan created a framework to support the city's long-term recovery from the COVID pandemic. The city now faces a new economic crisis. Many of the interventions and initiatives set out in the Business Recovery Plan are still relevant to supporting businesses but new activity is also required. The report

set out how the Council is already responding to the crisis and puts forward proposals for new activity that will help to protect jobs and businesses and support new growth.

8.4 **Alternatives Considered and Rejected**

8.4.1 The Council also has the option to deliver these services through centrally delivered business support, rather than utilising the Business Information Officers in the district centres. This has the following disadvantages:

- It is less proactive on the Council's part and relies on businesses making the effort to contact the Council. The risk is that this leads to businesses in distress delaying their access to support and increasing the chance of unnecessary business closures.
- This model also is more likely to miss out smaller businesses who do not have the networks or capacity to engage with business support and as a consequence may miss out on opportunities for growth.

9. **RACE EQUALITY COMMISSION AND THE BUSINESS GROWTH RESPONSE**

9.1 The report sought to update the Committee on the focus and progress of Business Sheffield towards supporting the delivery of the Race Equality Commission (REC) report recommendations and to approve a specific action for the development of a diverse and inclusive Sheffield Business Board for the city.

In doing the above, the report outlined:

- The background to the Race Equality Commission (REC)
- An overview of Business Sheffield's response to the REC Commission
- An update of the progress made to date towards recommendations of the REC Final Report
- A key action for a diverse and representative Business Board

The Business Growth Manager gave a [presentation](#) which provided the Committee with an update on the work carried out so far on the REC recommendations. Tracy Viner, Executive Manager, Sheffield Chamber attended the meeting to answer questions from the Committee.

Members asked questions regarding developing businesses, ownership of the board and the need to diversify. Officers responded a new board would be created with business representatives consulted on the terms of reference. The Council would work with Sheffield Chamber to create the board and ensure the diversity of the members.

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

1. Notes progress of Business Sheffield in meeting the recommendations and actions from the Race Equality Commission Final Report dated

July 2022;

2. Endorses a proposal to develop a new Sheffield Business Board which is representative of the city's diverse business base. The board will be developed with other business facing services of the Council and in collaboration with the Sheffield Chamber; and
3. Instructs that once developed, the proposed terms of reference for the new Sheffield Business Board be brought back to the Committee for consideration and further recommendations as appropriate.

9.3 **Reasons for Decision**

- 9.3.1 To note the work undertaken so far by Business Sheffield in becoming anti racist and reaching and diverse business base in its provision
- 9.3.2 To ask Members to endorse and agree the proposal for a new Business Board and to note that the draft terms of reference for the Board will be brought back to Committee for consideration and further recommendations as appropriate.

9.4 **Alternatives Considered and Rejected**

- 9.4.1 The *Do Nothing* option is discounted developing a more diverse Business Board is essential in meeting the recommendation for an equal and enterprising city. To not follow through on the work already undertaken by supporting this part of the Commissions feedback and recommendations would pose a reputational risk for Business Sheffield and for the Council more generally in meeting the specific recommendation and its contribution to the wider overarching theme of becoming an antiracist city.

10. **REVENUE BUDGET MONITORING REPORT - MONTH 6**

- 10.1 The report brought the Committee up to date with the Council's financial position as at Month 6, 2022/23.

A question was asked about the use of reserves and the Director of Finance and Commercial Services explained that the budget had made £17m of reserves available for use this year, but that was not the entirety of the reserves that the Council held. There was still a need to set a strong robust budget for the next financial year.

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

1. Note the Council's financial position as at the end of September 2022 (month 6).

10.3 **Reasons for Decision**

- 10.3.1 The report brought the committee up to date with the Council's current financial

position as at Month 6, 2022/23.

10.4 Alternatives Considered and Rejected

- 10.4.1 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.

11. BUDGET POSITION FOR YEAR 2023/2024

- 11.1 The report updated the Policy Committee on the progress of the 2023/24 budget process.

The Director of Finance and Commercial Services presented the report and explained that significant work was being done to secure broad political agreement prior to submission to Strategy and Resources Policy Committee who would recommend the final budget to Full Council for approval.

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

2. Note the update on the Council's 2023/24 budget position; and
3. Endorse the budget proposals set out in Appendix 1 of the report.

11.3 Reasons for Decision

- 11.3.1 The Council is required by law to set a balanced budget each year. This report is pursuant to that objective and is in line with the process and timetable agreed by the Strategy and Resources Committee on 31 May 2022 and 5 July 2022.

11.4 Alternatives Considered and Rejected

- 11.4.1 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.