

# SHEFFIELD CITY COUNCIL

## Economic and Environmental Wellbeing Scrutiny and Policy Development Committee

### Meeting held 23 February 2021

(NOTE: This meeting was held as a remote meeting in accordance with the provisions of The Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020.)

**PRESENT:** Councillors Denise Fox (Chair), Ian Auckland (Deputy Chair), Neale Gibson, Alan Hooper, Abdul Khayum, Bryan Lodge, Mohammed Mahroof, Barbara Masters, Ben Miskell, Sioned-Mair Richards, Martin Smith and Paul Turpin

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#### **1. APOLOGIES FOR ABSENCE**

1.1 Apologies for absence were received from Councillors Dianne Hurst and Chris Rosling-Josephs, with Councillor Ann Murphy attending as reserve for Councillor Rosling-Josephs.

#### **2. EXCLUSION OF PUBLIC AND PRESS**

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

#### **3. DECLARATIONS OF INTEREST**

3.1 In relation to item 7 on the agenda (Covid Business Response and Recovery Planning) (Item 6 of the minutes), Councillor Ben Miskell declared a personal interest as Cabinet Adviser for Business and Investment.

#### **4. MINUTES OF PREVIOUS MEETING**

4.1 The minutes of the meeting of the Committee held on 19th January 2021, were approved as a correct record.

#### **5. PUBLIC QUESTIONS AND PETITIONS**

5.1 There were no questions raised or petitions submitted by members of the public.

#### **6. COVID BUSINESS RESPONSE AND RECOVERY PLANNING**

6.1 The Committee received a report and presentation from the Director of City Growth, providing an update and overview of the Covid business response and recovery planning.

6.2 Present for this item were Councillor Mazher Iqbal (Cabinet Member for Business

and Investment), Edward Highfield (Director of City Growth), Richard Eyre (Interim Director, Operational Services) and Ben Morley (Head of Strategy, Commissioning and Economic Development).

- 6.3 Councillor Mazher Iqbal stressed that the Council had not yet received the full details regarding the implications of the Government's announcement, on 22<sup>nd</sup> February, 2021, relating to the roadmap, particularly with regard to the furlough and business rate schemes, and would be able to provide an update on this when such details had been received.
- 6.4 Edward Highfield made the presentation, providing a recap of the lockdowns and local restrictions, including details of the impact of the pandemic on businesses and on the city centre, an overview of the grants scheme during the lockdowns and local restrictions, including the £30 million additional restrictions grant to the Sheffield City Region (SCR), the grants application process and communications regarding, and dissemination of, grants under the scheme. He reported on the critical interventions undertaken as part of the business support process, recovery planning, grant support going forward, plans for the re-opening of the hospitality and culture sectors, and the city centre and district centres. Mr Highfield concluded by referring to the £2 million Economic Recovery Fund and the wider economic implications of the pandemic.
- 6.5 Members of the Committee raised questions, and the following responses were provided:-
- It was accepted that recession and periods of redundancy could result in people losing skills and confidence, therefore the Council was very aware of the importance of reskilling and retraining people, particularly with regard to digital skills. The Council had recently consulted on its Education, Employment and Skills Strategy, and was working very closely, on two projects, with the SCR (Renewal Action Plan) and the Local Enterprise Partnership (Economic Strategy). The Council would work on this issue with the SCR as this was where the funding was likely to come from, with the schemes being delivered locally, and linked to a wider regional strategy. Councillor Terry Fox (Cabinet Member for Finance, Resources and Governance) was currently leading on a city-wide approach to deal with the digital divide, which aimed to assist adults, as well as school and college pupils, who did not have adequate IT provision. A number of workshops had already commenced, including a digital bootcamp, together with short courses on reskilling. Such courses and programmes were likely to be escalated in the next few years, given the expected increase in demand.
  - The Council was encouraging all its tenants, whether commercial or from a voluntary, community or faith sector organisation, to speak to officers if they were struggling to pay their rent, with each case being determined on its own merits. The Council had provided considerable support and advice to such individuals and organisations and, at the present time, there had been 29 deferrals and 7 suspensions in terms of rent payments. The Council was well aware of the fact that it was going to be a huge challenge once the

Business Grant Scheme ended, and it was expected that many businesses would review, and possibly change, their working practises, such as asking staff to work from home more.

- In terms of assistance for the arts, culture and entertainment sector, whilst the Council had been helping some of the bigger venues in the city to access Arts Council funding, it had also created a Freelancers' Fund to target those individuals missed by some of the national grant programmes. This had involved working with the city's universities and the Cultural Consortium, offering such individuals a commission to produce creative material. The Council had also assisted home-based businesses which, again, had not benefited from the national grant programmes.
- Whilst there was a balance to be met in terms of getting funding out to businesses as quickly as possible, and carrying out the relevant checks on such businesses, there had been a number of claims which the Council had been forced to investigate further. Whilst trying to be as helpful and flexible as possible, it was likely that the Council would identify some cases where claims had been made fraudulently, usually in respect of dormant companies. There was also a provision to claw back funding if it had been deemed to have been awarded in error.
- The Council produced a weekly economic tracker, which allowed it to track weekly indicators, such as footfall, and was able to track national data sets when released, which included unemployment rates. The unemployment rate in Sheffield was currently tracking the national average, and whilst such rate had increased, it had not increased to the extent expected, mainly due to the continuing Government furlough scheme. There was very likely going to be an increase in the unemployment rate when such scheme ended. The data regarding some of the macro impacts of the pandemic, such as business insolvencies, had not yet been produced as a result of the business rates relief and grant schemes, together with the relaxation of the insolvency rules. The Council was likely to see a spike in business insolvencies at such time when the loans were due to be serviced.
- The information reported as part of the presentation referred largely to small businesses, with the majority of people approaching the Information Officers and Business Advisors, and those attending the workshops arranged by Business Sheffield, representing small businesses, mainly due to the fact that such businesses represented a major part of the city's economy. Therefore, the vast majority of the Council's critical interventions had been with small businesses. Both the city's universities and the Chamber of Commerce had been working with the Council to provide such support. Although there had been an increase in staffing in Business Sheffield, there were still insufficient resources to deal with the level of enquiries being received, particularly as the same staff were still dealing with enquiries regarding Brexit. Whilst the large majority of grants were being made available to businesses being forced to close, with most comprising small businesses, there were other grant schemes open to businesses who were still operating and required

assistance. One such scheme included the Project Productivity Grant, where small businesses could apply for funding up to £12,500, and arrangements were in place to implement a low carbon project, where businesses could apply for grants towards implementing green initiatives. As well as the Information Officers, there was a team from the Health Protection Service and a number of City Centre Ambassadors who had visited a number of small and medium-sized businesses, offering advice on Covid-secure measures, as well as business support guidance.

- The Council, together with many other local authorities, had written to the Government in 2020, requesting financial support for businesses during the pandemic.
- In terms of future investment in the City, 13 new businesses had relocated to Sheffield in the last two years, creating almost 300 new jobs. The Council had also supported and offered advice to existing local businesses which had expanded, and was also progressing the Heart of the City 2 scheme. The Council would only be able to see a true picture of the impact of the pandemic once the various grant schemes had come to an end.
- The Council would use the £2 million Economic Recovery Fund to support local retailers, by encouraging people to shop locally, as well as helping them to create an online presence. Work would also be undertaken to encourage more people to holiday or take short breaks in the city and the surrounding area. The Council would continue to work with UNIGHT, in connection with assisting with the opening of the night-time economy.
- Business Sheffield had a level of outgoing capacity in the sense that staff would contact those individuals or businesses who had contacted the Council, asking for help or advice via email or telephone. This capacity did not extend to a cold calling 'call centre' level, and an assessment would be made as to whether this type of operation would be beneficial going forward.
- There had been a significant level of redeployment into Business Sheffield, particularly regarding staff answering telephone calls, business advisors and staff dealing with grants. There was, however, an issue of capacity in terms of the impending transition regarding the recovery and renewal phase as all staff were currently busy dealing with the relief phase. All staff in Business Sheffield had undertaken an excellent job over the last year, often working very long hours, whilst having to deal with IT and connection problems associated with working from home.
- The Local Plan was trying to encourage a wider mix of people to move to the city centre. Like many other city centres, there was a high concentration of one or two-bedroomed flats in Sheffield, and the aim of the Plan was to provide a wider offer of tenure, for people of all different age groups, which would hopefully help develop and improve the vibrancy and footfall within the city centre. The Plan also aimed to develop high quality public realm and green spaces within and around the residential accommodation. Based on

the success of the major city centre development schemes, and the extension of the Grey to Green Project, there was a confidence within the city that people would be attracted to move to the City, and that those who were born here, would be encouraged to stay.

- Development schemes in the city comprised the continuation of the Heart of the City 2 scheme, which included Kangaroo Works, the commencement of Eye Witness Works, the extension of the Grey to Green Project had been extended and the ongoing development of Barkers Pool down to Castlegate, financed through the Future High Street Fund.
- The arrangements in terms of assisting groups and organisations in connection with the use of outdoor spaces for entertainment had been delayed to an extent due to the lockdown. However, now that there were signs of recovery, such negotiations regarding de-risking could recommence. Members and officers had recently met with UNIGHT to discuss plans for the reopening of venues in the city centre over the coming months. Such venues were able to apply for funding from the Covid Business Recovery Fund towards relevant adaptations to enable the use of external areas as part of their operations. There were limitations for certain venues in that some venues had larger external areas than others. In terms of outdoor seating, the Council had amended its regulations by reducing the term of the application process down from 52 days to five days, at zero cost, as well as providing barriers where required, also free of charge, and offering advice in connection with the use of external heaters.
- The Council had very little authority in terms of planning and licensing powers to take action regarding the makeup of district shopping centres, specifically the over-concentration of certain outlets, such as betting shops, takeaways and charity shops. Efforts were being made, using Council, SCR and Government funding, to develop and make such centres more diverse and attractive for local residents to use. The Council was aware of the need to consult with local residents in terms of what they would like to see, or what the current issues were, in terms of their local district centres. The disparity in terms of business rates was a major barrier in terms of the future success of such centres, with small, independent businesses being at a disadvantage.
- In terms of initiatives to help businesses, a considerable amount of work had been undertaken on the development of district shopping centres and the city centre. Financial support had been available to help businesses, including the productivity grant. The £2 million Economic Recovery Fund would assist by encouraging businesses to apply for funding by presenting plans to the Council in terms of what they wanted to do in their local area. Other initiatives had included the implementation of short-term, physical measures to provide more walking and cycling areas, such as at Kelham Island. The longer-term plan, if such areas proved successful, would be to make further enhancements to make them more attractive. Holding major events, such as Tramlines in Hillsborough Park, had helped to attract businesses to district centres in such areas, thereby improving the offer for local residents.

- It was accepted that there would be a rise in unemployment, particularly among the under 25's. The Council had an extensive apprenticeship programme and, as part of the Council's procurement process, every effort was made to offer tenders to local companies, as well as asking companies tendering for jobs to take on apprentices. The Council's Housing Service had recently recruited 30 new apprentices. The Council's Employment, Education and Skills Strategy was currently being consulted on, and the Council was working closely with the technical colleges and the Sheffield College to look at what support could be given to young people in terms of their future employment opportunities.

6.6 RESOLVED: That the Committee:-

- (a) notes the information contained in the report now submitted and reported as part of the presentation now made, together with the responses to the questions raised;
- (b) thanks Councillor Mazher Iqbal, Edward Highfield, Richard Eyre and Ben Morley for attending the meeting and responding to the questions raised; and
- (c) requests (i) the Director of City Growth to submit a further update report on Covid Business Response and Recovery Planning to a future meeting, and (ii) the Policy and Improvement Officer to make arrangements for a report on the reskilling of, and opportunities for, young people, to be submitted to a future meeting.

**7. DRAFT WORK PROGRAMME 2020/21**

7.1 The Committee received a report of the Policy and Improvement Officer (Deborah Glen) containing the draft Work Programme for 2020/21.

7.2 Alice Nicholson (Policy and Improvement Officer), in attendance, reported that there was one more meeting left in the 2020/21 Municipal Year, and the main item would be Waste, Flytipping and Littering. Further to comments raised by Councillor Ben Miskell, Ms Nicholson stated that she would (a) request relevant officers to include performance data on fly-tipping and bin collections, if possible, and (b) arrange for representatives of Sheffield Litter Pickers Group to be invited to the meeting.

7.3 RESOLVED: That the Committee notes and approves the draft Work Programme for 2020/21.

**8. DATE OF NEXT MEETING**

8.1 It was noted that the next meeting of the Committee would be held on Tuesday 23rd March 2021, at 4:30 pm.