# **Public Document Pack**



Wednesday, 27 October 2021

To: Members of the MCA - Local Enterprise Partnership and Appropriate Officers

#### **NOTICE OF MEETING**

You are hereby invited to a meeting of the South Yorkshire Local Enterprise Partnership to be held at **Sheffield City Region**, **11 Broad Street West**, **Sheffield S1 2BQ**, on: **Thursday**, **4 November 2021** at **11.00** am for the purpose of transacting the business set out in the agenda.

Dr Dave Smith Chief Executive



You can view the agenda and papers at <a href="www.sheffieldcityregion.org.uk">www.sheffieldcityregion.org.uk</a> or use a smart phone camera and scan the QR code:

#### **Member Distribution**

James Muir (Chair)

Nigel Brewster (Vice-Chair) Lucy Nickson (Vice-Chair)

Bill Adams Karen Beardsley Joe Chetcuti

Michael Faulks

Dan Fell

Angela Foulkes Councillor Terry Fox

Alexa Greaves Peter Kennan

Mayor Dan Jarvis MBE Mayor Ros Jones CBE

Councillor Sir Steve Houghton CBE

Professor Chris Husbands

Neil MacDonald

Professor Dave Petley Councillor Chris Read

Gemma Smith Richard Stubbs Cathy Travers Private Sector LEP Board Member Private Sector LEP Board Member Private Sector LEP Board Member

TUC Representative

Private Sector LEP Board Member Private Sector LEP Board Member Private Sector LEP Board Member

Doncaster Chamber

Private Sector LEP Board Member

Sheffield City Council

Private Sector LEP Board Member Private Sector LEP Board Member SCR Mayoral Combined Authority

Doncaster MBC Barnsley MBC

Representative for Higher Education Private Sector LEP Board Member

University of Sheffield Rotherham MBC

Private Sector LEP Board Member Private Sector LEP Board Member Private Sector LEP Board Member

# MCA - Local Enterprise Partnership

Thursday, 4 November 2021 at 11.00 am

Venue: Sheffield City Region, 11 Broad Street West, Sheffield S1 2BQ



# **Agenda**

| Agenda<br>Ref No | Subject  | Lead                           | Page    |
|------------------|--|--------------------------------|---------|
| 1.               | Welcome and Apologies  | J Muir                         |         |
| 2.               | <ul> <li>In relation to any agenda item</li> <li>In relation to any activity since the last formal meeting</li> <li>In relation to any forthcoming activity</li> </ul> | J Muir                         |         |
| 3.               | Notes of Last Meeting  | J Muir                         | 5 - 16  |
|                  | Strategic Development  |                                |         |
| 4.               | Chancellor's Autumn Statement  | F Kumi-<br>Ampofo, G<br>Sutton | 17 - 20 |
| 5.               | Social Value Contract for South Yorkshire  | F Kumi-<br>Ampofo              | 21 - 50 |
| 6.               | Transport Update   | Steve<br>Edwards,<br>M Swales  | 51 - 56 |
| 7.               | Education, Skills and Employability Update   | H Kemp                         | 57 - 66 |
| 8.               | National Review of Destination Management  | A Gates                        | 67 - 70 |
|                  | Governance   |                                |         |
| 9.               | Mayoral Update   | Mayor Dan<br>Jarvis            | 71 - 74 |
| 10.              | Chief Executive's Update   | D Smith                        | 75 - 76 |
|                  | Date of next meeting: Thursday, 13 January 2022  | at 11.00 am                    |         |
|                  | At: Online   |                                |         |



#### MCA - LOCAL ENTERPRISE PARTNERSHIP

#### MINUTES OF THE MEETING HELD ON:

# THURSDAY, 9 SEPTEMBER 2021 AT 11.00 AM

#### **VIRTUALLY**



#### Present:

James Muir (Chair)

Gemma Smith

Private Sector LEP Board Member

Bill Adams TUC Representative Professor Dave Petley University of Sheffield

Michael Faulks Co-opted Private Sector LEP Board Member

Mayor Dan Jarvis MBE SCR Mayoral Combined Authority

Mayor Ros Jones CBE Doncaster MBC

Dr Dave Smith
Helen Kemp
MCA Executive Team
Martin Swales
MCA Executive Team
MCA Executive Team
MCA Executive Team
MCA Executive Team

#### In Attendance:

Councillor Julie Grocutt Sheffield CC

Paul Johnson MCA Executive Team

Justin Homer BEIS Sam Pollard BEIS

Christian Foster Doncaster MBC
Eugene Walker Sheffield CC
Mark Harrop Guest

#### **Apologies:**

Nigel Brewster Private Sector LEP Board Member
Alexa Greaves Private Sector LEP Board Member
Professor Chris Husbands Representative for Higher Education

Karen Beardsley
Cathy Travers
Private Sector LEP Board Member

Dan Fell
Councillor Chris Read
Councillor Sir Steve Houghton CBE
Doncaster Chamber
Rotherham MBC
Barnsley MBC

Dr Ruth Adams MCA Executive Team Sharon Kemp Rotherham MBC

# 1 Welcome and Apologies

The Chair welcomed everyone to the meeting. He welcomed Sam Pollard from BEIS, who would be attending the meeting in an observer capacity.

Apologies for absence were noted as above. C Marriott confirmed that the meeting was quorate.

# 2 **Declarations of Interest**

In relation to agenda Item 6 entitled 'South Yorkshire Digital Infrastructure Strategy' Councillor Grocutt declared a personal interest, as her son worked for Virgin Media.

There were no declarations of interest in relation to any activity since the last formal Board meeting.

There were no declarations of interest in relation to any forthcoming activity.

## 3 Notes of last meeting

The notes of the previous meeting held on 1 July 2021 were agreed to be an accurate record.

#### 4 Inclusion Plan for South Yorkshire

A report was presented which provided an update on the development of the South Yorkshire Inclusion Plan, together with progress notes on the Employer Contract and Progressive Procurement themes. The MCA and LEP had adopted inclusion within the SEP, which was one of the three pillars of the policy objectives that outlined the plan for stronger, greener and fairer economic growth. At the Board meeting held in May 2021, Members had agreed the approach and parameters for the Inclusion Plan.

Development of the South Yorkshire Inclusion Plan had continued during the summer period. Following an engagement phase with the LEP Board Members, it was envisaged that a substantive progress report would be presented to the next Board meeting.

Members noted the progress that had been made in relation to the key themes of employer contract, progressive procurement policy, health and wellbeing, and inclusive innovation. It was noted that most of the progress had been made in relation to the employer contract and the progressive procurement policy. It was envisaged that once the employer contract had been agreed, that this would guide the manner in which the work was undertaken with all of the organisations, in particular the private sector business that the MCA and LEP undertook business with.

The Board Members had been invited to attend a workshop which would be held during w/c 13 September 2021 which would enable further engagement on the Inclusion Plan. Following which, the matter would be discussed with business leaders at the SCR Business Recovery Group, business representative groups and others. Work was currently underway with an external affairs team to select a cross section of businesses and business leaders to undertake detailed sessions, and to report back to the Board.

Since the last Board meeting engagement had been made with the LEP Board Members, local authority officers, universities, third sector partners and businesses, and bids had recently been received to commission a piece of work around the health assets review. It was envisaged that an appointment would shortly be made, with a view to the work commencing in the upcoming week or so. This would enable the health and wellbeing theme to develop quickly. In relation to inclusive innovation, the policy paper had been drafted and further work would be undertaken. The Board would be provided with an update in due course.

R Stubbs requested a further understanding in relation to employee engagement. He sought clarity around the health and wellbeing objective, which he considered that the key areas were for a better delivery of the health care services, recognising that most of this would be derived from outside of the control of the NHS, and how to grow the health and life sciences supply chain centre within the region. He considered that the work that was articulated within the SEP related to growing the economic centre as a key anchor for the employers within the region. He requested a consistent use of terminology.

In response, F Kumi-Ampofo referred to the paper that was currently being developed and to agree the role of the MCA across the key areas as outlined by R Stubbs. In relation to the SEP, the health sector and the business of health would be engaged in innovative activity. The commission that had been made for work around the health assets review would enable a better understanding together with the potential for grow. The COVID-19 pandemic had highlighted the fact that there would not be an economy without a healthy population. The MCA and the LEP would work with partners in order to close the health outcomes gaps that currently existed which linked into the economic outcomes that fell within their remit.

J Muir considered that it would be helpful to include R Stubbs in the future discussion, in particular in relation to the health and wellbeing agenda.

B Adams expressed his thanks to F Kumi-Ampofo and his team for the comprehensive report. The Inclusion Agenda, which formed part of the rational from the SEP, would attempt to make the economy fairer and improve the lives around the region.

J Muir referred to the necessity to establish a framework that pointed towards good employer practice. It was noted that those companies that engaged with employee participation in seeking to steer the company were usually the most productive and profitable. The MCA had pioneered a number of initiatives within the region, and the employee contract was well advanced. He was

confident that through the process that had been agreed, that matters would progress onto the consultative stage. He considered that the health and wellbeing theme required the most discussion moving forwards. He wished to encourage a debate on the innovation side to involve collaboration between the public and private sectors, the anchor institutions and the universities to ensure that the Inclusion Strategy was inclusive geographically.

Members noted the necessity to ascertain a mechanism to ensure that Doncaster and Barnsley benefited on a place basis for investments for innovation that led to industrialisation, commercialisation and job growth.

Mayor Jarvis MBE considered that this was a very important piece of work given the long standing inequalities within South Yorkshire that had been exacerbated by the COVID-19 pandemic. He welcomed the focus of the LEP Board on the matter, and he looked forward to a progress update being provided to the LEP Board meeting that was scheduled to be held in November 2021.

RESOLVED - That the Board:-

i) Considered the progress made to date.

Agreed to lead the engagement phase of the Employer Contract theme (and the Inclusive Innovation theme later).

# 5 Mayoral Update

A report was presented which provided Members with an update on key Mayoral activity relating to the economic agenda.

Updates were provided on:-

- The Comprehensive Spending Review, Integrated Rail Plan and Levelling Up.
- City Region Sustainable Transport Settlement Bid.
- Local skills support for South Yorkshire's Learners.
- South Yorkshire Health and Wellbeing Mayoral Community Fund.

On behalf of the Board, Mayor Jarvis MBE wished to extend his warmest congratulations to Dame Sarah Storey, SCR's Active Travel Commissioner who had recently become Britain's most successful Paralympic athlete in both swimming and cycling. Dame Storey continued to undertake extremely important work for South Yorkshire in promoting the active travel agenda. It was envisaged to hold a physical event to mark Dame Storey's recent success. The LEP Board Members would be invited to the event.

Over the upcoming couple of weeks, Mayor Jarvis MBE would focus upon reengaging with the Government on the levelling up agenda. He considered that the Comprehensive Spending Review at the end of October 2021 would be a critical point for the Government to demonstrate and evidence their practical commitment to the levelling up agenda by investing in the regions and the mayoral combined authorities. He expressed concern that the details of the

Integrated Rail Plan were still unavailable. However, he would continue to make the case to Government to publish the Integrated Rail Plan, which was critically important in relation to transport infrastructure which had the potential to significantly benefit the regional economies.

The Board noted the importance of the work underway for the SCR Sustainable Transport Settlement Bid, and the huge effort made by the SCR team and all of the local authorities to draw together the bid, which would be submitted to the Department for Transport on 15 September 2021.

It was anticipated that the Government would confirm the outcome of the previously submitted levelling up fund bid during the announcement of the Comprehensive Spending Review. Mayor Jarvis MBE had a debate scheduled in Parliament later in the week, which would specifically relate to the levelling up agenda, which would be responded to by the Treasury. Members noted that as a result of the COVID-19 pandemic, the Government faced massive fiscal pressures.

A discussion had recently been held with Mayor Jarvis MBE, Dr Smith and others with Neil O'Brien, who had been charged by the Prime Minister to take forward the levelling up agenda. The SCR was currently drawing up a Comprehensive Spending Review proposal to highlight the key areas for investment.

In relation to the Comprehensive Spending Review, P Kennan suggested that the Board should undertake a joint communication with Mayor Jarvis MBE over the upcoming few weeks, in order to push the business case alongside the political case.

J Muir agreed to P Kennan's suggestion, however he suggested that it should relate to supporting the input into the Comprehensive Spending Review and to ensure that there was a collective voice. He was happy to engage further with P Kennan on the matter. He requested Dr Smith to liaise with Mayor Jarvis MBE on the matter, with a view to reporting back to the Board on the actions that had been taken in relation to the communications.

Mayor Jarvis MBE was confident that the SCR product submitted to the Government would be strong, however he highlighted the need for a common strategy. The Comprehensive Spending Review was pivotal to the SCR which would set out the Government's investment plans for the next 3 years.

Dr Smith suggested that this should be considered as a campaign, rather than as a one off set of statements. He did not consider that the individual submissions to the Treasury by the end of September 2021 would make a great impact on the fiscal position. He considered that the larger opportunity for the SCR was to attempt to influence the outcome of the CSR in terms of the Government's own policies for levelling up, the transport forums and the UK share prosperity fund, which would lead to funding for levelling up and the associated innovation strategy material which would be reflected within the CSO.

J Muir welcomed the engagement of Mayor Jarvis MBE with the MP's on the

matter. He considered that the private sector Board Members could undertake further engagement, which could essentially enable the Board to reach all of the MP's within South Yorkshire. He suggested that Mayor Jarvis MBE, Dr Smith and himself could consider targeting specific individuals, in order to push the agenda.

J Muir expressed his thanks to Mayor Jarvis MBE for his presentation.

RESOLVED – That Members noted the update.

#### 6 Government Innovation Strategy

A report was submitted in relation to the Government Innovation Strategy which had been launched at the AMRC in July 2021, and had replaced the Industrial Strategy. The Innovation Strategy had a clear and strong link to the SEP, which cemented the LEP's strategic alignment with the Government on innovation. Outlined within the Innovation Strategy were plans to cement the UK's position as a world-leader in science, research and innovation, with a long term plan to boost private sector investment across the UK. The long term vision was make the UK a global hub for innovation by 2035.

Members were referred to the three main areas for the emerging South Yorkshire innovation approach:-

- To create the enabling conditions for innovation driven growth R&D, clustering, ecosystems, technology deployment within business, business to business activity, and catapults etc.
- To conversion/realising the economic benefit locally and inclusively.
- The clarity, persuasiveness and credibility of the South Yorkshire story and experience.

The report set out three broad options:-

- Option 1. To do nothing adopt a passive approach, and to wait and see if there was a role for the LEP's.
- Option 2. To do something within the context of developing delivery plans for the SEP.
- Option 3. To do more same as Option 2, but also to mount a lobbying campaign to seek to be a commissioning/investment partner with Government, especially to areas with clear links i.e. Advanced Materials and Manufacturing.

The matter had been discussed with the Co-Chairs and the SCR Business Recovery and Growth Board. At that meeting, Members had not considered it appropriate to adopt a passive approach. They had also agreed that a focused innovation board should be established to enable South Yorkshire to become a leader in innovation, and that it would be necessary to know which schemes were available for potential funding.

P Kennan referred to a recent discussion with other private sector Board Members who had shown a great deal of support for Option 3. He hoped that the Leaders and officers had observed the enthusiasm, with a view to devoting

financial resource to appoint external consultants, if it was not possible to undertake everything in-house, and to embrace Option 3.

Mayor Jones CBE commented that most of the work was undertaken within the local authorities and that the MCA would pull together the bids. She considered that there was a need to lobby the Government for an appropriate method in which they notified of potential funding. She also considered that there should be lobbying in the medium and long term, in order to achieve proper schemes that could be delivered appropriately for the area.

P Kennan was aware of the pressures that were faced by the officers at DMBC, and he considered that resourcing was a problem across all of the local authorities. He hoped that resourcing could be found to deal with the issue under Option 3.

In relation to the work undertaken by the MCA Officers on the South Yorkshire branding and the stories, J Chetcuti suggested that it would be helpful to ensure that the work undertaken within one section of the MCA was fed into the other areas. He also suggested that objectives should be set to ensure that everyone agreed the content of the stories.

J Muir suggested that the Board should endorse Option 3, as highlighted within the report. There was a need to establish a way for greater focus on what drives innovation at the source. There was a clear deficit within the UK PLC which needed to be addressed, and collaboration of the two education institutions was required to provide support. He considered that the largest issue to be addressed, which could be achieved uniquely within South Yorkshire or to take a leading stance, was to determine how to bring collaboration between the private sector, public sector and the academic sector. It would be necessary for South Yorkshire to stand out as a centre of excellence and a source of innovation in specific areas, and to align those priorities with the ambitions of the anchor institutions in terms of the competencies that they had and those that were need to enable them to grow. Therefore he considered that the MCA, which had financial resources at its disposal, should be prepared to invest a proportion of funding into innovation projects which translated into industrialised and job creation. This would present an opportunity to deal with the Government in terms of co-funding on the public sector side, which would enable leverage of the private sector. He anticipated that there would be a need for resource focus to specifically drive the innovation forward.

A further conversation would be held between Mayor Jones CBE and N MacDonald in relation to the context of business growth.

#### RESOLVED – That the Board:-

- i) Reviewed the summary of the Government's Innovation Strategy.
- ii) Considered the emerging approach on innovation, provided a steer, and set out what role it would play within this.

Considered how it could galvanise activity to deliver more innovative start-ups,

scale-ups and clusters.

# 7 South Yorkshire Digital Infrastructure Strategy

A report was submitted which presented the draft South Yorkshire Digital Infrastructure Strategy. In 2020, the consultant Arcadis had been commissioned to provide support to the MCA/LEP and partners to prepare a South Yorkshire Digital Infrastructure Strategy. The SCR Housing and Infrastructure Board had developed the Final Draft Strategy and had recommended its approval, with a lead input provided by the Board's Co-Chair LEP representative.

The Board noted the three areas within the SEP which identified the digital targets and ambitions i.e. digital infrastructure, digital skills, innovation and business support. The COVID-19 pandemic had highlighted the importance of having a strong digital connectivity for businesses and communities. Poor connectivity within communities had impacted upon access to training, education and job opportunities. As part of the process, engagement had been made with many different private sector Board Members, to ensure that the needs of all different types of businesses were addressed moving forwards.

The South Yorkshire Digital Infrastructure Strategy sought to address the following key challenges:-

- Over the next 5 year period, a total of 160,000 premises within South Yorkshire had not been scheduled to receive 'gigabit-capable' broadband by the industry.
- A gigabit broadband connectivity would be rolled out throughout South Yorkshire, to build upon the success of the Superfast South Yorkshire broadband programme.
- To ensure that local businesses were aware of and to exploit the 5G opportunities, and to ensure a more consistent regional approach.
- To address the affordability and digital poverty of broadband services.

The Board was provided with a short presentation on the Digital Infrastructure Strategy. Members noted the following key points:-

- The vision to provide a gigabit digital infrastructure that accelerated new social and economic possibilities for all of the people and businesses of South Yorkshire.
- To ensure that the superfast broadband and 4G success of South Yorkshire was repeated for gigabit broadband and 5G.
- To support the social and economic priorities as set out within the SEP.
- To create an inclusive platform that would enable better outcomes for all sections of society.
- To take a governance and data driven approach in order maximise the digital potential of South Yorkshire.
- Ensure that South Yorkshire was positioned as a centre of applied digital innovation.

The SCR Housing and Infrastructure Board would discuss the delivery of the Digital Infrastructure Strategy at their next meeting in October 2021.

In response to a question received from Professor Petley, C Blackburn commented that the Digital Infrastructure Strategy would cover the next 5 years, with the potential to cover up to the next 10 year period. It was considered that the policies within the Digital Infrastructure Strategy would still be relevant in several years' time.

Dr Smith expressed his thanks to G Smith and the SCR Housing and Infrastructure Board for the work undertaken. The MCA Members were keen to understand the delivery of the Digital Infrastructure Strategy, whilst ensuring smart implementation and to recognise that a great deal of the agenda would be delivered by the market.

M Faulks applauded the efforts that had been made, although he expressed concern that matters had not progressed quickly enough. He considered that in order to achieve what was required in terms of the SEP for growth and innovation that the Digital Infrastructure Strategy should be at the foundation. He encouraged Members to fully support the Digital Infrastructure Strategy.

J Muir considered that coherence was missing across a number of different areas that related to digital. It was noted that the market appetite would increase if there was a specific and dedicated skills strategy with a developing skills set. The SCR would provide advice and consultation to local businesses, in order to improve their digital understanding and to build upon their digital capability.

J Muir suggested that the matter should be considered further at a future Board meeting, with a view to revisiting the infrastructure. Dr Smith agreed to the suggestion. J Muir requested M Faulks, J Chetcuti, G Smith, A Foulkes and Professor Petley to create a potential forum to discuss matters further.

RESOLVED – That the Board considered and endorsed the draft South Yorkshire Digital Infrastructure Strategy.

#### 8 Business Recovery and Growth Board Summary Paper

A report was submitted which provided an update across the range of activity delivered under the direction and oversight of the SCR Business Recovery and Growth Board.

Members received an update in relation to the delivery and progress of the following Renewal Action Plan priorities:-

Priority 1 – A Relief Fund, providing financial support to businesses.

Business Advisors had been embedded within the four local authorities with the remit to ensure that businesses were supported in accessing the grants. A capital scheme had been established to encourage businesses to consider productivity which would enable them to thrive beyond the COVID-19 pandemic. A total of 642 jobs were anticipated to be created across South Yorkshire. Evaluation was underway with a view to reporting back to the Board on future activity.

Priority 2 – Extending regional access to advisory and specialist support.

Engagement had been made with a total of 400 businesses across South Yorkshire, 270 of which were micro businesses and 130 businesses were small to medium sized enterprises and large companies.

Priority 3 – Access to digital adoption and upskilling support.

It was intended to present a soft-landing programme to the next Board meeting.

Priority 4 – Supply development support.

Supply Chain Advisors had been appointed within three of the local authority teams, with a view to appointing a Supply Chain Advisor within SCC.

Sheffield University students had undertaken a supply chain mapping exercise. Analysis would be provided to the Board in due course.

 Priority 5 – Marketing activity – positive messaging and comms on initiatives.

A great deal of marketing activity had been undertaken around the positive messages with businesses, to include promoting events with stakeholders and partners.

Members noted that the Peer Networks contract had been awarded the Winning Pitch, to deliver eight cohorts of peer network support to SME's within South Yorkshire.

The Board had previously discussed the business pipeline and the projects that were being delivered at pace. The first two approvals would be presented to the MCA meeting that was scheduled to be held in September 2021. International activity had been effected by the COVID-19 pandemic. A Virtual Trade Mission had been held during April 2021, where a total of 47 Growth Champions meetings had been held. It was anticipated that the South Yorkshire India Advisory Board meeting would be held in November 2021. A South Yorkshire China Advisory Board would be developed, but this had been postponed due to the pandemic.

J Muir expressed his thanks to H Kemp and her team, N MacDonald and Mayor Jones CBE for their efforts and time involved in holding a series of SCR Business Recovery and Growth Board Meetings to support a number of initiatives.

N MacDonald also expressed his thanks to H Kemp and her team for the work undertaken. In relation to the employment contracts, he commented that the projects had been discussed at the Assurance Panel and the SCR Business Recovery and Growth Board, and communication had been made with those companies.

RESOLVED – That the Board noted the activity to date on delivering the Employer section of the Renewal Action Plan and the developments in business support and international activity.

## 9 Chief Executive's Update

A report was presented which provided Members with a general update on activity being undertaken by the LEP outside of the agenda items under discussion.

Updates were provided on:-

- Northern Powerhouse Investment Fund.
- MADE Smarter Review.
- Quarterly Economic Survey (QES).
- Support for the LEP Review.
- South Yorkshire Music Board.
- Business Advisory Group.

In relation to the Northern Powerhouse Investment Fund, Dr Smith expressed his thanks to N MacDonald who represented the LEP on the NPIF Strategic Oversight Board.

J Muir and P Kennan commented that they would be interested to receive the results of the Quarterly Economic Survey, which had included questions regarding cyber-crime and other topical items.

RESOLVED – That Members noted the update.

| I, the undersigned, confirm that this is a true and accurate record of the meeting. |
|---|
| Signed  |
| Name  |
| Position  |
| Date  |





# **Local Enterprise Partnership**

# **04 November 2021**

# **Chancellor's Autumn Statement**

Is the paper exempt from the press

and public?

No

Purpose of this report: Discussion

Is this a Key Decision?

Has it been included on the

Forward Plan?

Not a Key Decision

# **Director Approving Submission of the Report:**

Ruth Adams, Deputy Chief Executive

#### Report Author(s):

Paul Johnson

Paul.johnson@southyorkshire-ca.gov.uk

#### **Executive Summary**

The Autumn Budget and Comprehensive Spending Review will be delivered on Thursday 27 October. A verbal presentation will be given to the LEP Board Meeting to outline the major announcements and implications for South Yorkshire.

### What does this mean for businesses, people and places in South Yorkshire?

This is not known at the time of writing, but taxation policies and funding announcements will impact businesses and people in South Yorkshire.

#### Recommendations

The Board receives a verbal presentation of the implications of the Spending Review and Budget on South Yorkshire and responds with any comments.

Consideration by any other Board, Committee, Assurance or Advisory Panel Not Applicable

## 1. Background

- 1.1 The Autumn Budget and Comprehensive Spending Review will be delivered to the House of Commons by the Chancellor of the Exchequer on Thursday 27 October. A verbal presentation on the implication of this for the people, businesses and places of South Yorkshire will be given to the LEP Board Meeting.
- 1.2 A Spending Review sets out the Government's expenditure for the next three years, with limits set on departmental spending. The Budget is a statement on the nation's finances including economic forecasts by the Office for Budget Responsibility and the Government's proposals for changes to taxation. The Mayor sent a letter to the Chancellor as part of the Comprehensive Spending Review consultation. This outlined how to level up South Yorkshire with proposals to create a stronger, fairer, and greener economy.
- 1.3 The Autumn Statement is set against a mixed economic picture. Positively, levels of people claiming benefits has fallen, there has not been rafts of redundancies linked to the furlough scheme ending, job vacancies are now over 1 million, and the amount of people in employment is back to pre-Covid levels. However, national debt is at its highest since 1963, there are supply chain issues, there is a shortage of people for some jobs like HGV drivers, and there is an energy crisis with the potential to lead to a cost of living crisis, especially for the lowest paid and most vulnerable in society.
- 1.4 The National Insurance increase has already been announced, as has the transport settlement. It is expected that there will be incentives for businesses to grow, plans for how the Government hopes to deliver Levelling Up, and funding linked to the transition to Net Zero. All the major announcements and implications relevant for South Yorkshire will be presented verbally to the meeting.

## 2. Key Issues

2.1 Pending the announcements of the Chancellor, these will be presented to the LEP Members in a presentation.

#### 3. Options Considered and Recommended Proposal

3.1 Not applicable

#### 4. Consultation on Proposal

4.1 Not applicable

# 5. Timetable and Accountability for Implementing this Decision

5.1 To be confirmed after the Chancellor's announcement and engagement with Departments on the implications for South Yorkshire.

#### 6. Financial and Procurement Implications and Advice

6.1 Not applicable

| 7. | I anal | Imnl | ications | and | Advice |
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- 7.1 Not applicable
- 8. Human Resources Implications and Advice
- 8.1 Not applicable
- 9. Equality and Diversity Implications and Advice
- 9.1 Not applicable
- 10. Climate Change Implications and Advice
- 10.1 Not applicable
- 11. Information and Communication Technology Implications and Advice
- 11.1 Not applicable
- 12. Communications and Marketing Implications and Advice
- 12.1 Communications on the transport settlement has taken place and further communications linked to announcements made will be agreed.

# **List of Appendices Included**

None

## **Background Papers**

None





# **Local Enterprise Partnership**

## **04 November 2021**

# Social Value Contract for South Yorkshire

Is the paper exempt from the press

and public?

No

Purpose of this report: Discussion

Funding Stream: Not applicable

Is this a Key Decision?

Has it been included on the

Forward Plan?

No

# **Director Approving Submission of the Report:**

Ruth Adams, Deputy Chief Executive

# Report Author(s):

Jonathan Guest Felix Kumi-Ampofo

#### **Executive Summary:**

Update on the development of the Social Value Contract ("Employer Contract") element of the Inclusion Plan.

#### What does this mean for businesses, people and places in South Yorkshire?

Unlocking opportunities for excluded groups is integral to achieving a transition towards a sustainable economy and society. Inclusion is an intrinsic element of building a stronger, greener and fairer economy in South Yorkshire.

#### **Recommendations:**

- 1. The Board considers the progress made to date to define the content of the Social Value Contract, noting the detail in Appendix A.
- 2. The Board notes the dilemmas in specifying content and debate how these are reconciled, to inform and support the MCA in their decision making on the final options for consideration.
- 3. The Board notes the intended timescales for the presentation of the final option and recommends, for the MCA to consider, any additional work required in development of the content or the engagement on this.

# 1. Background

- 1.1 An approach and agreed parameters for the Inclusion Plan were endorsed at the May 2021 LEP board. The Inclusion Plan has a number of 'modules' to outline how economic development activities can be more inclusive. The modules are at different levels of development with the development of a Social Value Contract being most advance.
- 1.2 Subject to debate and agreement at the MCA, the Social Value Contract will be an agreement between the Mayoral Combined Authority and any organisation seeking funds. It will link funding and support to a commitment to a series of social value outcome commitments. The aim is for the Social Value Contract to help deliver upon the inclusive growth aspirations outlined in the Strategic Economic Plan. This is different from an employer charter which are usually voluntary aspirations or commitments that are not tied explicitly to funding and can be broader in their remit.
- 1.3 In developing the proposed Social Value Contract, this paper updates LEP Board Members on progress to date. The recommendations of the LEP Board and endorsement of the work, if forthcoming, will progress for debate and decision making at the MCA Board.

# 2. Key Issues

- 2.1 The ambition of the Social Value Contract is well supported but the detailed development activity has highlighted a number of issues requiring resolution. Issues include:
  - the potential that organisations may not be incentivised to seek a growth deal in South Yorkshire or
  - for the commitments to be weak and not influence corporate social responsibility and social value.

This highlights the need for the Social Value Contract to be balanced. Discussion on the draft proposal contained in Appendix A, will highlight the differing elements under consideration.

- 2.2 In addition to the content of the Social Value Contract, other points of consideration in the development of this work are:
  - The model of implementation and how to resource this.
  - The approach to obtain funding and how this is accessible and straightforward, supported with clear language and communications.
  - The relationship between the commitments and availability of support programmes and initiatives (within South Yorkshire but also nationally). So, organisations seeking to adopt the commitments made can find providers or further support to help them meet their aim.

## 3. Options

3.1 A range of scoping activities have identified an outline structure, broad content and potential model for the Social Value Contract. This scoping work is now being discussed, refined and shaped further through engagement. The engagement is seeking to co-develop the content of the Social Value document, receive input and constructive feedback from a range of stakeholders including businesses, business groups (e.g. FSB, CBI), voluntary and community sector, education sector, local authorities and other anchor institutions.

A draft document outlining the content of the Social Value Contract is attached as Appendix A to this paper.

The Appendix represents an 'in development' document with options still being refined but it provides Board members with a solid understanding of the direction of travel and the commitments that are emerging.

As Members will appreciate there are a range of differing perspectives on the content of such a Social Contract and the veracity with which this should be enforced. Whilst a solution could be to build in flexibility to negotiation and adapt the commitments to be more flexible (each taken on a case by case basis) to take onboard the advantages and disadvantages, this could create ambiguity which will have impact upon resourcing (e.g. negotiation, applications and assurance) and the monitoring of outcomes.

Section 3.2 below – highlights, by way of a case study, one of the issues where resolution of the differing perspectives will be required

## 3.2 The Real Living Wage

One example of an issue of content, where engagement to date has pointed to differing opinions, is the potential commitment for organisations to pay *all* of their workers the Real Living Wage. The 'National Living Wage' for over 23-year olds is £8.91 (and the 'Minimum Wage' for under 23-year olds is £8.36). The 'Real Living Wage' (based upon what individuals need to be paid based upon what people need to live) is £9.50.

A commitment around the Real Living Wage has advantages and disadvantages:

- Disadvantages: A commitment around paying the Real Living Wage could ultimately affect business finances (e.g. profit) and depending on how many people are paid the national living wage or below; the viability of their business. This could be particularly onerous upon certain sectors of the economy which have many low pay roles or have tight profit or operational margins. There is no legal requirement for employers to pay the Real Living Wage.
- Advantages: This commitment responds directly to one of the biggest inclusion issues; low pay in South Yorkshire. The difference between paying living wage could be a modest financial commitment. For each employer on the National Living Wage; it would be around £1,100 per annum to increase their pay to the Real Living Wage (dependent on other pay and conditions). This commitment may also dissuade the type of business the MCA and LEP may not want to fund or finance.

# 4. Consultation on Proposal

- 4.1 The scoping and engagement work has included:
  - Engagement with LEP Board members through workshops and individual meetings.
  - Consultation and workshops with Local Authority officers.
  - · Consultation with recipients of past funding.
  - Questions within a survey of local businesses has explored what areas are most important for the business base.
  - Workshops with third sector partners and other anchor institutions.
  - Working with Inclusive Growth Network (IGN) to drive the engagement process.
  - Commissioned consultants to support the evidence base and engagement.
  - Proposed to hold a full and rigorous engagement exercise with groups that are often excluded from policy development (e.g. community groups, residents and small businesses).
  - Further work with academics at both Sheffield Hallam University and University of Sheffield to ensure rigour and sound methodological thinking.
  - One to one meetings and workshops have been organised or conducted with Chambers, employer groups and individual businesses.
  - Engagement with relevant MCA Executive teams (finance, legal and contracts) to ascertain how this could be implemented.

#### 5. Timetable

5.1 Subject to debates, and feedback on the draft content of the Social Value contract, the Contract will be subject of further engagement with LEP Board members and wider stakeholders ahead of bringing a revised draft paper to the January 2022 Board.

#### 6. Financial and Procurement Implications and Advice

6.1 There are potential resource implications of the Social Value Contract. These will depend on the recommendations and actions agreed by the LEP and MCA and will be set out in the final policy papers.

## 7. Legal Implications and Advice

7.1 The Social Value Contract content will be subject to detailed discussion to understand all potential finance, legal and procurement implications and reported to the relevant Board, as part of a detailed assessment of options.

## 8. Human Resources Implications and Advice

8.1 Monitoring and delivery will have a human resource implication. This will be considered as part of the final paper on options.

## 9. Equality and Diversity Implications and Advice

9.1 The Inclusion Plan will enhance equality, diversity and social inclusion through activities funded by the MCA and interventions that are funded and delivered by

partner organisations. The benefits of each aspect of the Social Contract will be considered in detail to support Members in their decision making on content of the plan and the willingness to be flexible in adopting individual elements.

# 10. Climate Change Implications and Advice

- 10.1 Social outcomes often include environmental and wider sustainability benefits.

  These will be explored further as part of this work to ensure the link between and inclusion and sustainability is reinforced.
- 11. Information and Communication Technology Implications and Advice
- 11.1 N/A
- 12. Communications and Marketing Implications and Advice.
- 12.1 The LEP and MCA will need to communicate the Social Value Contract's intentions and ambitions to partners and stakeholders. This will include expectations, changes to processes and new requirements. Proactive engagement is needed for this to be successful although how that develops will depend on the model agreed.

#### **List of Appendices Included\***

A Draft Social Value Contract

#### **Background Papers:**

None









# EMERGING DRAFT SOUTH YORKSHIRE SOCIAL VALUE CONTRACT

October 2021

DRAFT - 26.10.21

#### **DRAFT SOUTH YORKSHIRE SOCIAL VALUE CONTRACT**



# How to read this document

This document is an emerging draft of the South Yorkshire Social Value Contract. It has been written at a 'point in time' and brings together emerging thinking on what the Contract could cover and how it could be implemented. It builds on the work completed by Jason Heyes, Centre for Decent Work at Sheffield Management School over the summer, and draws on insights from:

- A review of the Mayoral Mayoral Combined Authority's current programmes of grants and loans
- An understanding of the inclusive economy challenge in South Yorkshire
- Engagement with businesses, organisations and local authorities to date

There has been good endorsement of the principles of the Social Value Contract and engagement so far has been helpful in highlighting the areas which require further work, namely the commitments and implementation. Some of the key messages from the conversations with stakeholders so far include:

- The Contract should continue to be engaged on and codeveloped with a wide range of businesses and organisations to ensure that it has most impact when it is implemented
- The areas of focus and commitments in the Contract should address the main inclusive economy challenges in South Yorkshire, for instance around pay, health, poverty and deprivation
- The Contract may need to be tailored to the size of businesses with commitments that are flexible and adaptable to small businesses and organisations
- They should also be tangible, measured and monitored, as the Mayoral Mayoral Combined Authority and businesses need to be able to easily track progress against commitments
- It is important to highlight the benefits of the commitments to businesses, and businesses have offered to act as case studies to exemplify the positive impact
- Implementation should be a simple and accessible process to ensure that businesses and organisations that need financial support engage with Mayoral Mayoral Combined Authority grants and loans

Suggested amendments for future iterations of the Contract include:

- Reducing the number of focus areas and commitments
- Ensuring that the Contract is broader in scope for larger businesses and organisations, and more focused for SMEs
- Encouraging behavioural shift rather than mandating change
- Designing a proactive approach to implementation with monitoring built in

Engagement with businesses, organisations and local authorities to codevelop the Contract is ongoing. The Mayoral Combined Authority is exploring how best to codevelop the Contract with local authorities as partners, so that both the Mayoral Combined Authority and local authorities lead the work and commit to social value principles (further detail is on page 14). The input and feedback from all conversations will continue to be integrated into the draft Contract, and there are a number of areas where further detail is being worked up.

This is not the final document which will be simple to follow and accessible.

#### Structure of the document

The document includes:

An overview of what the Contract is, its objectives and rationale

## **DRAFT SOUTH YORKSHIRE SOCIAL VALUE CONTRACT**



- Content on the potential areas of focus and commitments
- An emerging approach and model for implementation

It seeks to ensure that the commitments are relevant for the Strategic Economic Plan and the ambitions relating to a fairer, stronger and greener economy, and inclusive growth. These commitments aim to be practical and measurable with benefits for employees, businesses and the city region.





# What is the South Yorkshire Social Value Contract?

South Yorkshire has an opportunity to use its Renewal Fund of up to £860m (£360m for 2020/21) to deliver greater social value, creating sustainable, long-term value for residents, the economy and environment.

The Contract will be an agreement between the South Yorkshire Mayoral Combined Authority and businesses or organisations seeking funding and finance (e.g. investments, loans, grants or other assistance) from the Mayoral Combined Authority. It will set out a series of social outcome measures for businesses and organisations to sign up to.

The South Yorkshire Social Value Contract will support the delivery of the Mayoral Combined Authority's mission to grow an economy that works for everyone, addressing inclusive economy challenges around low pay, progression, skills and training<sup>1</sup>.

# Why do we need a Social Value Contract?

Many communities across the country feel disconnected and do not feel benefits of economic growth. The Government's plan to "level up" the country is driven by growing spatial inequalities within the UK, where economic opportunity is determined by where people live. Improving economic and social inclusion can respond to many of the key challenges that our communities face in South Yorkshire around pay, health, poverty and deprivation.



25% workers in South Yorkshire earn below the Real Living Wage compared to 20% UK average



1/3 of the workforce in South Yorkshire is employed in the 4 sectors most strongly associated with in-work poverty: wholesale & retail, accommodation & food, admin & support, and residential care



29% of working age people in South Yorkshire are economic inactive due to temporary ill-health or long-term illness, compared to 25% nationally



Over 20% of neighbourhoods in each local authority area are in 10% most deprived in England

Moreover, inequality is bad for growth; more unequal economies have lower levels of social mobility and often have lower levels of productivity. Poverty is not just a cost to individuals; it is also a drain on public resources. It is estimated that poverty in the UK costs the public purse £78 billion.

In 2021, it is an unfortunate fact that having a job no longer assures a route out of poverty. A growing proportion of jobs in the SCR economy in sectors associated with higher levels of in-work poverty and those in low pay jobs can be trapped in insecure jobs that offer no prospects for progression.

The Social Value Contract will not address all of the challenges but will be designed encourage good employer behaviour and bring benefits to businesses through improved productivity and profitability, reputation, staff motivation and retention.

# Why sign up?

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<sup>&</sup>lt;sup>1</sup> Sources: Real Living Wage – ONS Annual Survey of Hours & Earnings; employment and economic inactivity – Sheffield City Region Strategic Economic Plan (2021); and deprivation – MHCLG Index of Multiple Deprivation (2019)

#### **DRAFT** SOUTH YORKSHIRE SOCIAL VALUE CONTRACT



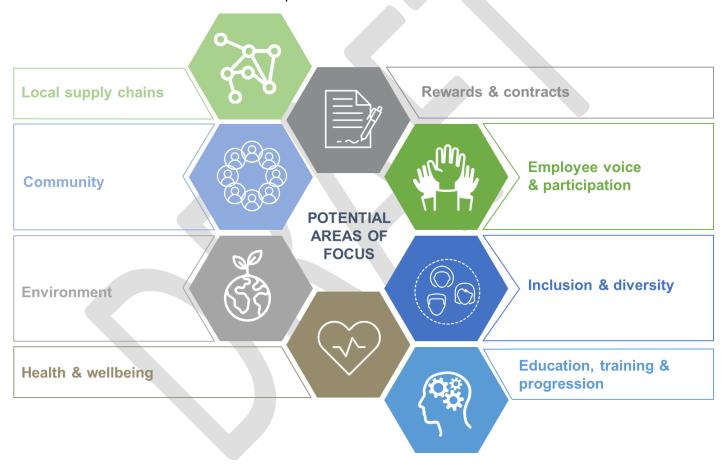
In signing up the South Yorkshire Social Value Contract, businesses and organisations can receive significant sums of funding and finance to help grow, innovate and flourish. Other benefits could include: (TBC - depends on several factors; resourcing and viability)

- Access to trade missions.
- Promotion through SY MCA videos, case studies and social media.
- A demonstrable impact report.
- Access to additional training and skills to help meet commitments as well as wider productivity issues.
- Entry to local business awards.
- TBC



# Our potential areas of focus

There are eight potential areas of focus (which will change as the work moves forward). The following pages will describe each area of focus, why it is important, the benefits for employers, potential commitments, and available support and advice. These areas and commitments are currently being tested in the engagement and will be further developed and refined. Case studies from a range of businesses of different sizes and from different sectors will be used to demonstrate best practice in each area.



# **Rewards & contracts**



Ensuring that employees have fair pay and secure hours of work

#### Why is this important – for employers, employees and South Yorkshire?

South Yorkshire has been described as the 'low pay capital of the UK' with the highest proportion of workers on low pay compared to all other city regions<sup>2</sup>. Prior to Covid-19, average wages were 15% below the national average with almost 1 in 3 people employed in low wage jobs<sup>3</sup>. This is a concern for young people, who tend to work in low pay sectors.

Insecure contracts and unpredictable work schedules contribute to anxiety and financial insecurity<sup>4</sup>. Workers in fixed-term or casual employment are more likely to drop out of the labour market<sup>5</sup>. Low pay and financial insecurity increase in-work poverty and reduce spending in local communities.

This will bring benefits to employers, including higher levels of retention, improved staff motivation and higher productivity.

#### **Emerging commitments**

- Pay every employee the Real Living Wage or higher, including apprentices, regularly contracted staff and self-employed workers.
- Use zero hours contracts ultimately only for those who want them.
- Ensure that employee contracts accurately reflect the hours that they regularly work, that they are paid for all hours that they work, and all overtime is paid at the Real Living Wage or higher.
- Commit to providing regular and stable shift patterns where possible. Changes to
  patterns of work should be provided with no less than 4 weeks' notice of any
  changes, and provide full payment for any work that is cancelled within this
  timeframe.

#### What help is available?

 Utilising the support from the <u>Living Wage Foundation</u> can help understand more about the impact of paying the Real Living Wage but also signing up to become a Living Wage employer can unlock further human resourcing, commercial, CSR and promotional advantages.

 The <u>Zero Hours Contracts | CIPD Factsheet</u> sets out best practice guidelines for using zero hours contracts, including providing comparable pay and employment

<sup>&</sup>lt;sup>2</sup> In 2019. TUC (2020) Tackling Labour Market Injustice and Organising Workers: The View from a Northern Heartland.

<sup>&</sup>lt;sup>3</sup> Sheffield City Region (2020) Renewal Action Plan.

<sup>&</sup>lt;sup>4</sup> Heyes, J. et al. (2018) 'Living with uncertain work', *Industrial Relations Journal*, 49, 5/6: 420-437; Thomas, P. et al. (2020) *Tackling Labour Market Injustice and Organising Workers: The View from a Northern Heartland*. TUC.

<sup>&</sup>lt;sup>5</sup> Heyes, J. et al. (2018) 'Living with uncertain work', *Industrial Relations Journal*, 49, 5/6: 420-437.

conditions, and providing compensation if pre-arranged work is cancelled with little or no notice.

 Acas provide impartial advice on workplace rights and best practice to employees and employers. This includes employment contracts, pay and wages, and working hours.





# **Employee voice & participation**

Supporting positive employee and employer interactions

#### Why is this important - for employers, employees and South Yorkshire?

Providing employees with a voice at work and empowering them to participate in decision-making is an important component of good employment relations. This can create trust, cooperation and a sense of common purpose, and lead to higher job satisfaction<sup>6</sup>. It can also boost productivity and provide employers with information and ideas from the workforce that can help them to solve problems<sup>7</sup>.

# **Emerging commitments**

- Empower employees to be involved in decision-making and take on board their views by putting in place a forum for communication and consultation, and involve employees in the design of the forum. This could also include;
  - Provide adequate facilities for employees or trade unions.
  - Inform new employees of their options and the possibility of joining a trade union.
- Engage positively with external bodies such as trade unions and sector bodies. This
  could involve granting access to trade unions seeking to organise and recruit
  members or signing a Recognition Agreement.

#### What help is available?

- The <u>Employee Engagement & Motivation | CIPD Factsheet</u> includes helpful advice on how to build an engaged and motivated workforce through employee engagement, as well as how this can be assessed and measured.
- The UK Government has a list of trade unions that are active in the UK.

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<sup>&</sup>lt;sup>6</sup> Marchington (2015)

<sup>&</sup>lt;sup>7</sup> https://www.cipd.co.uk/Images/ice-guide-full\_tcm18-73473.pdf



# **Inclusion & diversity**

Creating pathways into work for people from all backgrounds and having fair and respectful processes in place

# Why is this important – for employers, employees and South Yorkshire?

There are some areas of South Yorkshire with high levels of deprivation. In each of the four boroughs, over 1 in 5 neighbourhoods are amongst the 10% most deprived in the country<sup>8</sup>. In these neighbourhoods, often many people are out of work. The rate of young people living in workless households is 5.7% higher than the national average<sup>9</sup>, creating barriers to realising aspiration for young people. Developing opportunities for people into work widens the pool to recruit from and by supporting young people, employers create a pipeline for future recruitment.

Supporting inclusion and diversity is beneficial to employers in terms of attracting and retaining staff, bringing new views and perspectives into the workplace, and boosting the reputation of the business or organisation.

# **Emerging commitments**

- Offer opportunities into work, including for young people, those from deprived areas and disadvantaged groups, such as work experience, (graduate) apprenticeships, internships and mentoring
- Ensure recruitment, review and appraisal processes are fair and inclusive, and support equality & diversity
- Ensure grievance and disciplinary processes are in line with Acas guidance
- Encourage workforce diversity, including people with mental and physical disabilities, and neurodivergence
- Appoint a named manager to take responsibility for equality, diversity and inclusion issues at the workplace

#### What help is available?

- SY MCA to provide an accessible document to allow businesses and organisations to target people from deprived areas and disadvantaged groups
- The <u>Inclusion & Diversity | CIPD Factsheet</u> is a useful resource, setting out what inclusion and diversity mean in the workplace and how businesses can develop effective strategies.
- CIPD produced a report in 2019, <u>Building Inclusive Workplaces</u>, on the benefits of workplace inclusion and diversity. This includes a chapter on how behaviours, practices and values can build inclusion.
- Acas provide impartial advice on workplace rights and best practice to employees and employers. This includes inclusion and diversity matters.

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<sup>&</sup>lt;sup>8</sup> MHCLG Index of Multiple Deprivation (2019)

<sup>&</sup>lt;sup>9</sup> Sheffield City Region Strategic Economic Plan (2021)

- Employment support services: TBC
- Apprenticeship Levy and support: TBC





# **Education, training & progression**

Supporting people to develop the skills they need for work and providing opportunities for employees to upskill and grow in their roles

# Why is this important – for employers, employees and South Yorkshire?

South Yorkshire has lower skills levels than the national average with 17.5% of working age people with either no or low qualifications, compared to the 16.2% UK average, and 37.2% with higher qualifications, compared to 43% across the UK<sup>10</sup>. The proportion of staff receiving training over the last 12 months is slightly higher in South Yorkshire (61.3%) than the English average (59.8%), showing there is a strong basis to build on<sup>11</sup>.

Providing training for young people improves their employability and work readiness, and is beneficial for employers in developing a pipeline of talent. Ensuring that employees have clear progression pathways and access to training in the workplace improves productivity, employee motivation and retention, quality of goods and services, and profitability.

# **Emerging commitments**

- Engage with the Careers and Enterprise Company or local schools and colleges, promoting career opportunities and supporting skills development
- Develop a training plan, with allocated resource, to ensure that all employees receive appropriate training
- Promote job opportunities for local people and ideally focus upon the most deprived areas of South Yorkshire
- Provide all employees with individual objectives and clear development opportunities to support aspirations for progression

### What help is available?

- The <u>South Yorkshire Careers Hub</u> at the MCA can support employers to access students or become an <u>Enterprise Adviser</u> to create pathways for young people into the workplace.
- Sheffield City Region Growth Hub offers a range of business support, including direct support and sign posting, which is tailored to the needs of the business. Skills is one of the services offered by the Growth Hub. The Skills Bank can help your organisation invest in its workforce and improve their productivity by matching private sector investment with public funding.
- The Good Youth Employment Charter provides a toolkit, guidance and support to learn about the principles of good youth employment, including creating opportunities for young people, recognising talent, providing good quality employment, developing people and giving young people a voice.

<sup>&</sup>lt;sup>10</sup> ONS Annual Population Survey (2020). Low qualifications refers to NVQ Level 1 (equivalent to an entry level certificate) and higher qualifications refers to NVQ Level 4 plus (approximately equivalent to a university degree or higher)

<sup>&</sup>lt;sup>11</sup> ONS Employer Skills Survey (2019)

- Local training providers: TBC
- Employment support services: TBC





# Why is this important - for employers, employees and South Yorkshire?

The Covid-19 pandemic has shone a spotlight on poor health outcomes and inequalities. In South Yorkshire, many people live significant parts of their lives in poor health, impacting their ability to work. For one third of people who are economically inactive, this is caused by long-term sickness. Healthy life expectancy for men and women is significantly lower in South Yorkshire than the national average. It is lowest for men in Doncaster and Barnsley at 57.5 years, compared to the English average of 63.4 years, and lowest for women in Barnsley at 56.3 years, compared to 64 years in England 13.

Maintaining the physical and mental health of employees is important for keeping people in work and ageing well. Flexible working arrangements can help employees balance work and family responsibilities, which can enhance wellbeing<sup>14</sup>. Improved employee health and wellbeing can bring productivity benefits, as well as support employee motivation and retention.

# **Emerging commitments**

- Monitor the wellbeing of every employee, by including this as a topic in line management conversations, and act on feedback received
- Signpost employees to internal and/or external health and wellbeing support services
- Commit to creating a mentally healthy workplace which includes the following support:
  - Supporting staff with mental health problems
  - Seek to be proactive and identify workers under stress potentially using the Work Positive tools.
  - Training and establishing mental health first aiders
- Sign up to the Be Well@Work scheme, or consider joining a health focused charter, such as the Workplace Wellbeing Charter or Mindful Employer
- Offer flexible working and remote working, where possible

### What help is available?

 Use <u>Be Well@Work</u>, a free service in South Yorkshire to improve health and wellbeing in the workplace. They offer a free workplace visit and Workplace Health

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<sup>&</sup>lt;sup>12</sup> Sheffield City Region Strategic Economic Plan (2021).

<sup>&</sup>lt;sup>13</sup> ONS (2012-14) Healthy Life Expectancy at birth.

<sup>&</sup>lt;sup>14</sup> Fagan, C. (2003) Working-time Preferences and Work-Life Balance in the EU: Scome Policy Considerations for Enhancing the Quality of Life. Dublin: Eurofound.

Needs Assessment to prioritise areas for change, and provide training and information to help with improvements.

- The Workplace Wellbeing Charter has a range of information on the benefits of a healthy workplace. Signing up to the Charter brings reputational gains, reduced absenteeism and higher productivity. The Charter helps create a programme of support tailored that is tailored to the workplace, and offer training in several areas, including mental health, healthy eating and physical activity.
- An alternative Charter to consider is <u>Mindful Employer</u>, which supports employers
  with mental health at work. Their website provides information and evidence on the
  importance of mental health and the benefits of good mental health to employees
  and employers, as well as ten practical steps for employers to take.
- The <u>Health and Safety Executive</u> provides guidance on health and safety, first aid, accidents and illnesses, and insurance.
- Acas provide impartial advice on workplace rights and best practice to employees and employers. This includes employment contracts, pay and wages, working hours and flexible working.
- Utilise <u>Work Positive</u> resources and services to support wellbeing in the workforce and get the most from people.



Making the transition to net zero and protecting the environment

# Why is this important - for employers, employees and South Yorkshire?

Climate change, environmental degradation and sustainability are global challenges, which are likely to have a substantial impact on the future of work<sup>15</sup>. Currently, a large proportion of SMEs in South Yorkshire are not improving their energy efficiency, the size of the green economy is lower than other city regions, and there are 28 Air Quality Management Areas<sup>16</sup>.

The UK has a target to reach net zero by 2050, requiring decarbonisation of all sectors in the economy, and South Yorkshire has plans to reach this target by 2041. Employers, regardless of their size, all have a crucial role to play in supporting progress towards these goals. Key priorities include reducing carbon emissions, generating low carbon energy, improving the energy efficiency of building, and accelerating the transition to ultra-low or zero-emission transport<sup>17</sup>.

# **Emerging commitments**

- Seek to formalise and understand carbon impact of organisation.
- Sign up to the UK Climate Hub Commitments.
- Take steps to:
  - Reduce travel as far as possible by holding meetings online or using public transport to travel to meetings.
  - Reduce consumption, especially of non-renewable resources
  - Encourage recycling
  - Encourage employees to use low carbon transport to and from work, including public transport, car sharing and active travel
  - Ensure that any vehicles operated by the business are low or no emission vehicles
  - Use a renewable energy provider
  - Provide appropriate training and information to employees and ensure that they understand and work towards the achievement of green objectives

# What help is available?

- A helpful first step for any business or organisation is to calculate their carbon footprint. This will help understand and benchmark their performance, and then understand where changes can be made. Resources to consider using include the <u>Carbon Trust SME Carbon Footprint Calculator</u> and the <u>Carbon Fund Business</u> <u>Calculator</u>.
- The <u>UK Business Climate Hub</u> has a useful set of tools and resources for small businesses to reduce their carbon emissions. Consider making the SME Climate

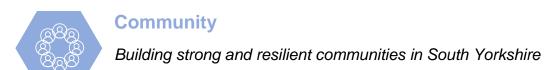
<sup>&</sup>lt;sup>15</sup> Montt, G., Fraga, F. and Harsdorff, M. (2018) *The Future of Work in a Changing Natural Environment: Climate Change, Degradation and Sustainability*, International Labour Office – Geneva: ILO, 2018.

<sup>&</sup>lt;sup>16</sup> Sheffield City Region Strategic Economic Plan

<sup>&</sup>lt;sup>17</sup> Sheffield City Region Strategic Economic Plan

Commitment to halve greenhouse gases by 2030, achieve net zero by 2050 and disclose progress on a yearly basis as part of the United Nations Race to Zero campaign.

- Access funding to reduce carbon emissions via the <u>UK Government website</u>.
- <u>Travel South Yorkshire</u> has bus, tram and train timetables; a journey planner; ticket finder and information on travel passes; and information on active travel.
- Consider signing up for a Cycle to Work scheme to help employees make healthier and lower carbon choices when they travel to work. See this guidance from the <u>Department of Transport</u>.



# Why is this important – for employers, employees and South Yorkshire?

There are some communities in South Yorkshire facing significant disadvantages, with over one in five neighbourhoods in each borough in the 10% most deprived in the country<sup>18</sup>. Employers have a role to play in their local communities and by supporting voluntary and community-based organisations. This can have reputational benefits for businesses, expand their customer base and attract new employees. Empowering communities can result in improvements to local areas and pride of place. Volunteering can create progression and development opportunities for employees.

# **Emerging commitments**

- Provide time (e.g. hours or days) for employees to participate in volunteering
- Engage with community groups and VCSE sector, providing support, resources and expertise, and acting as Board Members or Trustees
- Promote and support community projects, either through donations, time or resources
- Coach job seekers or local students from South Yorkshire's most deprived areas
- Use public consultation on large projects and investment

### What help is available?

- SY MCA to provide an accessible document outlining most deprived areas and disadvantaged groups, as well as organisations to contact, to target commitments.
- Take part in volunteering by looking at opportunities in your local community on the <u>UK</u>
   Government website.
- South Yorkshire's Community Foundation help companies to invest in local communities to make an impact. This could be a long-term, strategic or short-term, responsive investment.
- Engage with <u>Business in the Community</u> to learn about responsible business practice
  through their support and resources. There is an opportunity to become a member and
  benefit from being part of a network of progressive businesses.
- The <u>Disability Confident</u> scheme could be an initiative to consider when looking to benefit from inclusive recruitment.

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<sup>&</sup>lt;sup>18</sup> MHCLG Index of Multiple Deprivation (2019)



# Why is this important - for employers, employees and South Yorkshire?

South Yorkshire has a large SME base (99.6% of businesses) with 88.3% of businesses with less than 9 employees. There is also a strong VCSE sector. Supporting local businesses and VCSEs by buying goods, services and works locally has benefits for creating strong, resilient local supply chains. This can attract investors and has the potential to create new opportunities. It also creates a vibrant local economy where local people are employed and are able to spend money locally.

Prompt payment of bills is important for SMEs to ensure that they are able to remain profitable. A third of payments to small businesses are late, causing 37% of small businesses to have cash flow problems, 30% to use overdrafts and 20% to experience slowing profits, often meaning that small firms fail<sup>19</sup>.

# **Emerging commitments**

- Calculate the proportion of annual expenditure on produce, goods, services and works from suppliers in South Yorkshire, including SMEs and VCSE, and seek to increase this share
- Review and simplify purchasing processes
- Pay bills promptly, ideally within 30 days, and no more than 60 days

# What help is available?

- The <u>Sheffield City Region Growth Hub</u> can provide advice on business operations, supply chain and business operations.
- Businesses and organisations may wish to consider signing up to the <u>Prompt Payment</u> <u>Code</u> by committing to paying suppliers on time, giving clear guidance to suppliers, and supporting good practice in the supply chain.
- Supply chain support: TBC

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<sup>&</sup>lt;sup>19</sup> FSB (2016) Time to Act; Fair Pay Fair Play

# **Outcomes**

TBC on basis of themes and commitments chosen. Aligning to Social Value Portal measures.

| Theme                                | Measure | Delivery | Responsible for monitoring |
|--------------------------------------|---------|----------|----------------------------|
| Local Supply Chains                  |         |          |                            |
| Community                            |         |          |                            |
| Environment                          |         |          |                            |
| Health & Wellbeing                   |         |          |                            |
| Rewards & Contracts                  |         |          |                            |
| Employee Voice & Participation       |         |          |                            |
| Inclusion & Diversity                |         |          |                            |
| Education, Training and Progression. |         |          |                            |

# **Implementing the Contract**

This section sets out how the Contract could be implemented, including a set of guiding principles, process, potential model, and options for delivery with local authority partners. This is currently being codeveloped and will be further developed and refined.

# **Guiding principles**

Based on the engagement with stakeholders to date, there are for principles which will guide the approach to implementation:

- Proportionate to the size of grant/loan and the size of business/organisation
- Balanced robust with monitoring, but not a burden to businesses and organisations
- Accessible a simple process with clear language and communications
- Connected linked to other support and Mayoral Combined Authority and Council initiatives

#### **Process**

The process for businesses and organisations to access finance differs depending on the funding stream. It will be important that the Contract process is consistent across all finance distributed by the Mayoral Combined Authority. The strong steer from the engagement so far is that this process should be as simple and accessible for businesses and organisations as possible.

The diagram below sets out a high-level process for businesses and organisations. As the implementation process is developed in further detail, this will be expanded on, alongside a thorough review of resource requirements, and the development of application forms.



# Potential model

A transparent scoring system will be used to help with assurance. The potential model is being codeveloped and the feedback from the engagement will be fed into its design. The requirements of the Contract will be applied proportionately to the size of business and organisation, as well as the size of the grant/loan. Other considerations could include the sector and type of funding.

It is assumed that some commitments will be mandatory, whilst other commitments will have a score, but this is being tested in the engagement. For instance, businesses and organisations that:

- Are already meeting the commitment will be given a score of 2
- Signal their intent towards meeting the commitment will be given a score of 1
- Do not signal their intent towards meeting the commitment will be given a score of 0

The scores will be summed, and each business/organisation will be given a total score. The size of the business or organisation and the size of the grant or loan will determine a target score that they are required to reach to receive 100% of the grant or loan. Their total score will be calculated as a proportion of the target score, and this will determine the proportion of the grant or loan that they are allocated.

# Worked example

The thresholds in the table below are indicative. These include four categories for the size of business (micro, small, medium and large) and five categories for the size of grant or loan (<£50k, £50-100k, £100-500k, £500k-1m and >£1m). Other considerations could include the sector and type of funding. The final thresholds used in the scoring system will be determined through a thorough analysis of the distribution of loans and grants, and the business base in South Yorkshire.

The target scores are also indicative and are used here for illustrative purposes. These will vary depending on the number of commitments included in the Contract. In this worked example, they are based on there being:

- 8 focus areas
- 2-3 commitments per focus area
- A maximum score of 2 per commitment

Therefore, the maximum score is 36 (based on scoring 2 on 18 commitments). This would be the target score given to a large business with over 250 employees on a grant/loan of over £1m. The minimum score will be 8 (based on scoring 1 on 8 commitments). This would be the target score given to a micro business with less than 9 employees on a loan of less than £50k.

|                       |                  |       | Size of business/organisation (no. of employees) |            |             |       |
|-----------------------|------------------|-------|--|------------|-------------|-------|
|                       |                  | Micro | Small  | Medium (I) | Medium (II) | Large |
|                       |                  | < 9   | 10-49  | 50-100     | 101-249     | > 250 |
| _                     | < £50k           | 8     | 12   | 16         | 17          | 20    |
| Size of grant or loan | £50k –<br>£100k  | 12    | 16   | 20         | 21          | 24    |
|                       | £100k –<br>£500k | 16    | 20   | 24         | 25          | 28    |
|                       | £500k –<br>£1m   | 20    | 24   | 28         | 29          | 32    |
| (O)                   | > £1m            | 24    | 28   | 32         | 33          | 36    |

# **Example scenario**

A small business is applying for a grant of £200k. Their target score is 20. They achieve a score of 16. Therefore, they receive 80% of the grant, equivalent to £160k.

# **Monitoring**

A clear steer from the engagement so far has been that the Contract should have clear monitoring in place to determine the scale of impact. This will likely require resourcing by the Mayoral Combined Authority. The systematic capturing of data will be designed from the beginning and will be shared with businesses and organisations to show what is and is not working. This in turn will feed back into the design of the Contract.

All businesses and organisations in receipt of finance will be required to capture information for monitoring purposes. It is important that this process provides robust information to determine the outcomes and impact of the Contract, but without being an administrative burden for businesses (in particular micro and small businesses).

A way forward could be to identify one metric per commitment. Baseline data could be captured when businesses and organisations apply for finance, potentially with several check points, and a full review at the end of the delivery period. Note, this will differ depending on the funding stream.

# **Linkages to Policy and Existing frameworks:**

Economic and social inclusion is one of the three pillars (policy objectives) adopted by the MCA and LEP in the Strategic Economic Plan (SEP) and Renewable Action Plan (RAP), which outlines the plan for stronger, greener and fairer economic growth.

The SEP also sets out several aspirations around establishing social value policies to govern both "stakeholder behaviours and policy outcomes" through the vision to "grow an economy that works for everyone..... and enhance quality of life for all" and to work to ensure that all residents have a fair opportunity to participate in and benefit from growth. The Strategic Economic Plan also confirmed that inclusion is a central objective of the MCA highlighting that our investment decisions: "must better harness the benefits for local economies, following principles of community wealth building"

The RAP also highlights the importance of social value in recovering from the economic fallout of the pandemic, and the MCA has committed to the principle that investment has to return good social and economic value. Delivering the SEP and RAP objectives, and achieving economic change for South Yorkshire, will not be successful without embedding inclusion and social value in all our thinking and actions.

This work with align with the work which is being undertaken to establish a social value framework and links directly to the procurement reform work. The work to date aligns with the National Social Value Measurement Framework but differs where further rigour or lighter touches should be sought.

# **Next steps**

The next steps of this work are to:

- Continue to engage with businesses, organisations and local authorities on the design and implementation of the Contract.
- Integrate feedback from consultation into a draft Contract.
- Based on the consultation and LEP discussion a further draft and suggested implementation process will be brought to the January LEP Board and to the MCA for debate, consideration and decision making.
- Exploring what resources are available to support implementation and the work which will influence the breadth and depth of monitoring.





# **Local Enterprise Partnership**

# **04 November 2021**

# **Transport Update**

Is the paper exempt from the press

and public?

No

Purpose of this report: Discussion

Is this a Key Decision?

Has it been included on the

Forward Plan?

Not a Key Decision

# **Director Approving Submission of the Report:**

Martin Swales, Interim Director of Transport, Housing and Infrastructure

# Report Author(s):

Alex Linton

Alex.linton@syltp.org.uk

# **Executive Summary**

The report provides an update on key transport issues in South Yorkshire. By the date of this meeting the Bus Services Improvement Plan, which sets out the measures planned to improve bus services in South Yorkshire, will have been submitted to Government. A submission to the Government's Sustainable Transport Settlement was made and we have been notified of an award of £570m – further details are not yet available. We are also awaiting the outcome of other submissions following the Spending Review.

### What does this mean for businesses, people and places in South Yorkshire?

Transport enables people to access employment, education, leisure and community facilities and supports businesses to access labour and move goods and services to market. The transport system contributes to achieving wider goals of economic growth, social inclusion and decarbonisation.

#### Recommendations

That the LEP Board receive the report and provide comment on business and economy issues related to transport.

Consideration by any other Board, Committee, Assurance or Advisory Panel None

# 1. Background

1.1 This report provides updates on current key transport issues to enable discussion with LEP Board members, including the Bus Services Improvement Plan, the City Region Sustainable Transport Settlement, latest activities and issues in relation to Rail and Active Travel and an update on DfT's Decarbonisation Plan

# 1.2 Bus Services Improvement Plan

The National Bus Strategy, "Bus Back Better", published in March 2021, required all Local Transport Authorities (LTAs) to produce a Bus Service Improvement Plan (BSIP) by the end of October 2021, in order to be eligible for transformational funding for local bus services from April 2022 onwards. Guidance stated that the overall aim of the document is to explain Local Transport Authority ambitions to improve buses and the plans and policies to deliver them.

- 1.3 The independent South Yorkshire Bus Review (led by Clive Betts MP), published in June 2020, provided a strong baseline for the preparation of the South Yorkshire BSIP. The initial BSIP covers the following elements:
  - A brief description of the current South Yorkshire bus network;
  - A consideration on the wider social, economic and environmental context, and the links to the policies of the MCA and the constituent local authorities that will influence the bus network;
  - An outline of what we want from the South Yorkshire bus network, in terms of the main outcomes and impacts, as well as including some headline targets;

By the time of the meeting the BSIP will have been submitted to Government.

# 1.4 City Region Sustainable Transport Settlement

The City Regional Sustainable Transport Settlement is a five-year local transport settlement from DfT which incorporates or replaces existing funding streams and provides an opportunity to Mayoral Combined Authorities to deliver local transport priorities across this period.

- 1.5 SYMCA has been notified of an award of £570m. Further details are not yet available. The guidance identified three main objectives which Government required the submissions to serve:
  - driving growth and productivity through infrastructure investment;
  - levelling-up services towards the standards of the best;
  - decarbonising transport, especially promoting modal shift from cars to public transport, walking and cycling

A verbal update will be provided at the meeting following discussions with DfT.

#### 1.6 Rail Activities and Issues

The Government's Integrated Rail Plan (IRP) is anticipated imminently and will set out how HS2 and NPR will be phased and integrated. The IRP is likely to include the Government's position on the Eastern leg of HS2 Phase 2b in South Yorkshire alongside plans for NPR.

1.7 In recent months the Mayor and Peter Kennan have led significant work with Manchester Recovery Task Force (MRTF) on a new rail timetable as well as progress on key South Yorkshire schemes and stations. The new timetable will

mean that the current 18 trains per day, in each direction, between Cleethorpes – Doncaster - Sheffield-Manchester Piccadilly - Manchester Airport will run to Liverpool Lime Street instead of Manchester Airport.

- 1.8 Passengers for the airport will need to change at Manchester Piccadilly where there will be a train approximately every ten minutes to the airport from the adjacent platform. Throughout the MRTF process, the Mayor has worked to secure the first and last trains of the day running to Manchester Airport, providing direct connectivity for early and late travelling passengers. The Mayor and Peter Kennan will continue to advocate for full reinstatement of hourly direct services.
- 1.9 SYMCA submitted the Strategic Outline Business Case (SOBC) for the Barrow Hill Line scheme to the Restoring Your Railways fund in February 2021. It is anticipated that the outcome of this will be known around the time of the Spending Review. Work is continuing on the SOBC for a new station at Waverley, which was a successful second round Restoring Your Railways bid.

#### 1.10 Active Travel

The Active Travel Fund (ATF), initially introduced by Government in response to changing travel behaviours as a result of the pandemic, is currently in both development and delivery.

- 1.11 The bid for the next phase of this programme, for delivery in 2022-23, was submitted in August with an outcome expected to be announced as part of the Spending Review.
- 1.12 The award for the latest iteration of active travel revenue funding, Capability Fund was announced by Government during the Summer 2021, SYMCA received the maximum award available of £1.094m. Although achieving the maximum was positive news this is still considerably less than the £2.5m per annum received in each of the previous four years.
- 1.13 This fund is used to deliver the activities which enable and support capital investments. Activities which give travellers the skills, knowledge and awareness to take the opportunities the capital investments provide.

# 1.14 **De-Carbonising Transport**

The government published its Transport Decarbonisation Plan: 'Decarbonising transport: a better, greener Britain', on the 14th July 2021. The accompanying publicity surrounding the report majored on 'business as usual' in terms of car travel and aviation, with technology providing the solutions to decarbonisation, however the body of the report takes a more pragmatic approach and recognises that modal shift and use reduction will be required.

1.15 The Plan sets out the government's approach to reaching net zero transport in the UK, including its projections (or trajectories) in terms of overall emissions from the transport sector and also by mode. It also contains a number of commitments related to encouraging modal shift and increasing car occupancy. However, the Plan does not give an indication of the reduction in vehicle mileage (for cars, vans or HGVs) required to achieve its trajectories.

1.16 It should be noted that the requirement to comply with the Plan is referenced within the guidance document for the City Region Sustainable Transport Settlement, it will form part of the assessment of this and is likely to for any further funding opportunities.

# 2. Key Issues

- 2.1 The Integrated Rail Plan was anticipated at the beginning of the year. The delay to the publication of the Plan has created considerable uncertainty over an extended period on the Government's rail policy and investment programme in the North of England.
- 2.2 Uncertainty in funding has also presented challenges in developing policies and programmes, for example the Bus Service Improvement Plan and for Active Travel. The timings of different policies and programmes has also not been sequenced for example the CRSTS submission had to include funding for BSIP capital investments but the deadline for return was at a time when the BSIP was in development.
- 3. Options Considered and Recommended Proposal
- 3.1 **Option 1**

This report is presented for discussion only.

3.2 Option 1 Risks and Mitigations N/A

# 4. Consultation on Proposal

- 4.1 This report is for discussion only.
- 5. Timetable and Accountability for Implementing this Decision
- 5.1 This report is for discussion only.
- 6. Financial and Procurement Implications and Advice
- 6.1 This report is for discussion only.
- 7. Legal Implications and Advice
- 7.1 This report is for discussion only.
- 8. Human Resources Implications and Advice
- 8.1 This report is for discussion only
- 9. Equality and Diversity Implications and Advice
- 9.1 This report is for discussion only.

# 10. Climate Change Implications and Advice

- 10.1 This report is for discussion only
- 11. Information and Communication Technology Implications and Advice
- 11.1 This report is for discussion only
- 12. Communications and Marketing Implications and Advice
- 12.1 This report is for discussion only

**List of Appendices Included\*** None

**Background Papers** None





# **Local Enterprise Partnership**

### **04 November 2021**

# **Education, Skills and Employability Update**

Is the paper exempt from the press and No public?

Purpose of this report: Discussion

Funding Stream: Not applicable

Is this a Key Decision?

No

Has it been included on the Forward Plan?

Yes

# **Director Approving Submission of the Report:**

Helen Kemp, Director of Business and Skills

# Report Author(s):

Helen George

Helen.George@sheffieldcityregion.org.uk

### **Executive Summary:**

This paper provides an update for the Local Enterprise Partnership (LEP) Board across the range of the LEP and Mayoral Combined Authority's (MCA) skills and employment activity.

# What does this mean for businesses, people and places in South Yorkshire?

Investment in education, skills and employability will be used to drive a change in the ambitions of our South Yorkshire residents, put employers at the heart of our skills and employability system, contributing to inclusion, prosperity, and growth.

#### Recommendations:

It is recommended that LEP Board members:

- Note the updates on each of the key skills and employability work areas
- Consider the invitation to nominate a champion for careers hub activities as at 2.3.4.

### Consideration by any other Board, Committee, Assurance or Advisory Panel

Education Skills and Employability Board 19 October 2021

# 1. Background

- 1.1 Under direction from the Education, Skills and Employability Thematic Board (ESEB) significant work is underway on a range of skills and employability activity including:
  - Skills provision for residents aged 19+ commissioned through the Adult Education Budget (AEB);
  - Development of a Skills Strategy;
  - Update on the South Yorkshire Careers Hub;
  - Procurement of phase 3 of Skills Bank;
  - An update on skills support for redundancy work;
  - Timeline for implementation of the South Yorkshire Jobs Fund programme;
  - An update on Working Win, the health-related employment programme.

# 2. Key Issues

# 2.1 Devolved Adult Education Budget (AEB) commissioning

- 2.1.1 Adult learning provision commissioned through the devolved SYMCA Adult Education Budget (AEB) went live on 1<sup>st</sup> August 2021. The devolved budget is over £42m in 2021-22. Of this, SYMCA has commissioned £30.6m provision from pre-entry level through to Level 3 from grant funded providers including FE Colleges and local authorities. Provision valued at £10.2m was procured to deliver provision under four Lots focused on helping people find work, supporting people to remain in and progress at work, support for young people at risk of becoming NEET (Not in Education, Employment or Training) and support for people facing multiple barriers to learning.
- 2.1.2 In line with our aims, SYMCA's commissioning approach has changed the provider base delivering AEB funded learning to residents. The total number of providers who are funded directly for delivery has reduced from 238 to 26 and the proportion of funding going to South Yorkshire providers as a % of the total has increased from 68% to 75%. These changes are allowing a more strategic dialogue to develop around priorities and will increase accountability for ensuring that our investment in skills has more impact within the area.
- 2.1.3 Changes to the provider landscape have resulted in some challenges as learners have begun to move between providers and programmes. To support this transition, work has taken place to improve provider information on the SYMCA website; with local authorities to develop understanding of what is available in each locality;, and information about AEB provision will be available through the START all age careers platform as it develops.
- 2.1.4 There are some very positive messages emerging from analysis of delivery plans which show a shift in provision consistent with the Authority's priorities. Within grant funded provision this includes:
  - an increase of over 20% in all regulated/entitlement basic skills provision
  - a 284% increase in provision for basic digital skills
  - doubling of opportunities for young people to undertake Full Level 2 programmes
  - a significant increase in Level 3 programmes, including 1000 new opportunities at Level 3 for adults aged 24+.
- 2.1.5 Under the procured provision element of AEB there has been a shift in provision for people who are unemployed with a significant focus on Sector Work Academy Programmes offering rounded skills support, work experience and a guaranteed interview. Over 3,200 places are expected to be available. In addition there has been a moderate increase in the number of enrolments available for low skilled employees over the baseline year of 2018/19, both in basic skills and in progression learning. Within this overall figure, there is a significant shift in enrolments towards regulated progression learning including:

- increases in Full Level 2 provision from around 10 (estimate) to 1060
- 462 new opportunities for second Level 2 provision (baseline 0)
- 452 new opportunities for first Full Level 3 provision (baseline 7)
- 513 new opportunities for Level 3 units, with a baseline of 0
- 2.1.6 Test and Learn pilots procured under AEB are also offering focussed support to more at risk groups:
  - 430 new programmes to support vulnerable young people including those not in education, employment or training (NEET) across South Yorkshire delivered as a Test and Learn pilot
  - 721 integrated employability / key worker learning opportunities across South Yorkshire as part of the key-worker Test and Learn pilot.

Further analysis of the impact of the SYMCA's commissioning approach will be provided this academic year continues and provider performance is monitored.

- 2.1.7 LEP Board members will also want to be aware that the ESEB has commissioned a Lessons Learned review to be undertaken, framed around encouraging recommendations for future AEB commissioning.
- 2.1.8 The timeline for reviewing performance at the mid-year point, including any further opportunities to procure additional provision is in development. The approach to determining the allocation of funding for the next academic year and the priorities that need to be addressed through the commissioning process is also being developed.

# 2.2 Skills Strategy

- 2.2.1 On behalf of the Mayor, MCA and LEP and in line with the Corporate Plan the ESEB is in the process of agreeing the basis of the Skills Strategy, for presentation to a future Board. The Strategy will support delivery of the Strategic Economic Plan and the Renewal Action Plan as well as the emerging Inclusion Strategy. It will also draw on the economic and skills strategies for each of the local authority areas, identifying where a role for SYMCA could add value.
- 2.2.2 The Skills Strategy will also need to draw on evidence from the Local Skills Improvement Plan (LSIP) Trailblazer that is being led by the Chambers of Commerce, ensuring the strategy retains relevance once the current Skills Bill had passed into legislation. The Trailblazer is a valuable opportunity to gain better understanding of local employer skills needs and how the skills system needs to respond to ensure those needs are met.

#### 2.3 Careers Advice and Guidance

2.3.1 2020-21 was the first year for which the LEP / SYMCA received funding from the Careers and Enterprise Company (CEC) for a South Yorkshire Careers Hub. The benefits of bringing together former hubs in Sheffield and Doncaster were to create a stronger link between the hub and the LEP's strategic priorities, to create a more robust and high quality offer to young people across South Yorkshire and to facilitate sharing of good practice and expertise across careers advisers in the four local authority areas.

- 2.3.2 In its first year, the hub has faced a number of challenges including some churn in staffing and the impact of the pandemic which has affected all face to face interaction between Enterprise Co-ordinators, Enterprise Advisers and Schools.
- 2.3.3 Good progress in addressing these issues is now being made, led by the South Yorkshire hub operational lead working with Enterprise Co-ordinators across the region. The team is focusing on a number of key issues including:
  - Input and Impact ensuring the hub makes a measurable difference to young people;
  - Universal and Targeted support with provision for all young people and barriers removed for those at risk of losing out;
  - Strategic and Systemic ensuring the right leadership of the system to embed careers advice as part of economic growth with mutually beneficial partnerships developing between business and schools / colleges.
- 2.3.4 A new strategic plan is in development and will underpin hub activity and monitoring of performance. In order to strengthen the work that hub leads have started to link to the SEP and to develop the narrative with schools, colleges it would be extremely helpful to have support from the LEP Board in the form of a business champion for careers activity. The role would involve strengthening the link between careers activity and the SEP, helping to develop the narrative to communicate to young people via schools and colleges and supporting engagement with Enterprise Advisers. **Does the Board want to nominate a champion to support this work?**

#### 2.4 **Skills Bank**

2.4.1 In accordance with the approval of papers presented to the LEP on 1 July 2021 and discussions at the ESE Board, the Skills Bank 3 procurement process is underway. The procurement will close in December and bidders will be notified of the outcome in February. This is in good time to issue contracts and transition to new arrangements before the programme begins in April 2022.

# 2.5 Skills Support for Redundancy

- 2.5.1 Following a commission by the ESEB and as reported to the LEP in July, a piece of work was undertaken with partner organisations including local authorities and DWP to consider whether sufficient skills provision was in place in the event of the pandemic creating a situation of increased redundancies. The group were tasked with identifying where there were gaps in support and identify what funding request would need to be made to the MCA.
- 2.5.2 Evidence from ONS and HMRC labour market data and the BEIS small business survey suggested that the risk of a significant increase in redundancies was reducing and that employment was more likely to grow than decline. The group identified that there was a wide range of support available for those at risk of redundancy. Therefore, the recommendation accepted by the ESE Board in October 2021 was that a focus on a more joined up and better communication of existing offers rather than the need for new provision.
- 2.5.3 LEP Board members will want to note that as this is an existing function for local authorities and there is no request for additional investment, Chief Executives have agreed to progress this piece of work.

#### 2.6 South Yorkshire Jobs Fund

- 2.6.1 As reported to the LEP Board in July, work is underway to develop the South Yorkshire Jobs Fund, a paid employment programme for residents aged 25+ who have been out of work for 6 months. The development of the programme is being supported by a Steering Group with representation from all four local authorities, Chambers of Commerce, TUC, Department for Work and Pensions (DWP) and a learning provider.
- 2.6.2 Good progress continues to be and the tender is planned to go out in November seeking a provider to work with employers and manage payments to them to cover wages, training etc. TThe programme is scheduled to go live in February 2022.
- 2.6.3 This programme will be funded through Gainshare as proposed in the Renewal Action Plan. A full business case will go to the Assurance Panel in November and final approval will be sought from SYMCA in January 2022.

# 2.7. Working Win

- 2.7.1 Working Win is our health-related employment programme, funded by the Work and Health Unit in DWP. The programme helps people with a health condition find and remain in employment and is an important intervention to overcoming the health barriers that affect employment rates in South Yorkshire.
- 2.7.2 At present, funding has been secured for 12 months from September 2021, with the expectation being that referrals will close at the end of May 2022. However, there may be the possibility of an extension for a further two years, funding dependent. This round of Working Win focuses on individuals with low to moderate mental health and/or physical health condition(s). The programme supports individuals who are either unemployed or in work and struggling or in work and off sick.
- 2.7.3 It is challenging for those employed or returning to work, many individuals are anxious about using public transport, social distancing whilst at work and in some job roles e.g. retail and social care are having to deal with the brunt of anger and frustration felt by customers or the stress by family members. At a national level, the impact on mental health throughout the pandemic has been severe. When asked what people are most concerned about, a ONS survey found the most common response to be personal wellbeing, including anxiety and stress.
- 2.7.4 In addition to supporting COVID recovery, the Working Win programme aims to advance the goals of the LEP/MCA to deliver inclusive growth by tackling high unemployment rates among people with a mental or physical health condition. The figures reported for September show that Working Win supported the following number of individuals onto programme ensuring SMART action plans have been developed together with the individual, employment specialist and preferably health worker:
  - 95 unemployed people
  - 19 people that are currently in work but struggling
  - 6 people that are currently in work but off sick
- 2.7.5 Pipeline figures for October (as at the 20 October 2021) show a further 223 people have been supported onto the programme, which is above programme target. However, this figure will have to be verified and approved upon submission of a claim.
- 2.8.1 The Renewal Action Plan identified four interventions within the 'South Yorkshire Works' programme to be delivered through a mix of direct delivery through the LEP/MCA as well as linking in with broader initiatives and government funded schemes. Activities in addition

to those that are detailed above and that are progressing in each intervention are outlined below.

- 2.8.2 Train to Work guarantees that any individual in South Yorkshire who wants and needs education, training or an apprenticeship will have an opportunity to do so and be supported into sustainable employment.
  - Sector Work Academy Programmes, giving people the opportunity to train, gain work experience and have a guaranteed interview. SYMCA has commissioned 3200 SWAPs through AEB funding for 2021-22.
  - In January 2021, the Government launched its Skills White Paper, including provisions for delivery of the Prime Minister's Lifetime Skills Guarantee. The Guarantee allows people without a Full level 3 qualifications (broadly the equivalent of 2 A levels) to study from a high value list of Level 3 qualifications for free to improve skills and support progression. This is important for South Yorkshire where very little vocational provision at Level 3 was delivered before devolution. SYMCA received £2.79m as part of its devolved funding for 2021-22 and the vast majority of that funding has been used to commission Level 3 provision from the four South Yorkshire based FE Colleges.
- 2.8.3 Back to Work focuses solely on finding employment opportunities for people out of work and providing education and training that enables people to upskill themselves to match the opportunities.
  - The Restart Programme was announced on 25 November 2020 in the Spending Review 2020 and offers employment placements and training to help people out of work for between 12 and 18 months. The number of both entrants and job starts has tripled throughout the region from August to September. Although there are no official targets, DWP are referring approximately 200 customers per month, of those, 10% achieved a job start in August and 12% in September. Since the start of the programme in August there have been 83 job starts.
- 2.8.4 Young people's skills guarantee with a focus upon the most 'at risk' young people this intervention aims to support young job seekers to secure and remain in employment.
  - Kickstart a programme offering 6-month work placements to young people aged 16-24, on Universal Credit and deemed to be at risk of long-term unemployment. The Chancellor announced an extension of the Kickstart programme until March 2022 meaning participants can start the programme up to 31/3/22. A total of 11,900 Kickstart jobs had been made available in Yorkshire and Humber and 3,700 young people have started Kickstart jobs by 21st July 2021. The South Yorkshire Kickstart scheme was linked with the promotion of travel concessions in the region to support young people further.
  - An Expanded Youth Offer including provision of youth hubs to support 18-24 year olds is being delivered through the Sheffield College youth hub, due to go live on 15th November and will be followed by other hubs in Sheffield and satellite hubs in Doncaster.
  - A focus on better preparing young people for progression into an apprenticeship and incentives for employers to take on trainees has resulted in a successful bid by South Yorkshire Colleges Group led by Barnsley College. Securing over £1m for traineeships for adults for the 20-21 academic year for the region.
- 2.8.5 Overcome barriers the target of this intervention is to help people to re-engage with the labour market, focussing on the most vulnerable in our communities. The Working Win scheme and the AEB Test and Learn pilots referred to at 2.1.6 and 2.7 are key elements in delivering support where most needed. The ESE Board gave approval at the 19 October 2021 meeting for the development of an additional support and skills programme for

residents with specific needs based on two proposals for a Disadvantaged Learners Pilot and the Early Integrated Employment Support for Claimants at Risk of Long-Term Unemployment.

# 3. Options Considered and Recommended Proposal

3.1 This is an update paper which covers a range of skills and employment activity. Details of the options considered by the ESEB are set out in the relevant background papers listed.

# 4. Consultation on Proposal

6.2

4.1 Arrangements for consultation and for stakeholder working are presented within each separate activity and outlined in more detail within respective papers listed under background papers.

# 5. Timetable and Accountability for Implementing this Decision:

5.1 Relevant timescales are presented within each separate activity and outlined in more detail within respective papers listed under background papers.

### 6. Financial and Procurement Implications and Advice

6.1 Financial and Procurement Implications have been obtained for each element of activity and are included in detail in the respective papers which are listed under background papers. The table below provides an overview of this information:

| Workstrand  | Funding            | Source           | Procurement / delivery              |
|-------------|--------------------|------------------|-------------------------------------|
| AEB         | £42m for academic  | Devolved         | Initial commissioning               |
|             | year 2021-22.      | funding from     | complete for 2021-22                |
|             |                    | central          | academic year and                   |
|             | We anticipate at   | government       | programmes are live.                |
|             | least £39.3m for   |                  |                                     |
|             | 2022-23 based      |                  | Mid-year reconciliation             |
|             | on SY share of     |                  | may allow some                      |
|             | national budget,   |                  | further commissioning               |
|             | but subject to     |                  | / reallocation of                   |
|             | confirmation.      |                  | funding.                            |
|             | Possibility of     |                  |                                     |
|             | additional         |                  |                                     |
|             | funding through    |                  |                                     |
|             | SR                 |                  |                                     |
| 21.11. 2. 1 | announcements.     | . == 6 . !!      |                                     |
| Skills Bank | £10.7m total       | LEP funding held | Interim programme in                |
|             | (approx. fig. Will | by MCA           | place until 31 <sup>st</sup> March. |
|             | depend on final    |                  | Skills Bank 3 spec in               |
|             | allocation to      |                  | development. Tender                 |
|             | skills bank        |                  | to go live early                    |
|             | interim            |                  | November. Decisions                 |
|             | programme)         |                  | notified Jan 2022. New              |
|             |                    |                  | contract from 1 <sup>st</sup> April |
| 144 1: 146  | 62.2 42 4          | D14(D144   1;    | 2022.                               |
| Working Win | £2.2m - 12 months  | DWP Working      | Contract in place – went            |
|             | from September     | Health Unit      | live Sept 2021.                     |
|             | 2021               |                  | Potential for 3 yr                  |
|             |                    |                  | extension. However, it              |
|             |                    |                  | is likely that DWP will             |

|                                     |   |   | want to commission differently for future programmes.  |
|-------------------------------------|---|---|--|
| CEC Careers<br>Hub                  | £406,300 for 2021-<br>22.   | Careers and<br>Enterprise<br>Company<br>(funding<br>from DfE) | DfE contract in place for 2021-22. We have funding agreements to put in place with each local authority. |
| South Yorkshire<br>Jobs Fund        | £4m total   | Gainshare   | Plans are to go out to<br>tender in November<br>and programme to go<br>live in February.                 |
| Skills Support<br>for<br>Redundancy | No funding identified for the piece of work listed. This was a piece of |   |  |
|                                     | co-ordination<br>work.  |   |  |

# 7. Legal Implications and Advice

7.1 Legal Implications and Advice have been obtained for each element of activity and included in the respective papers which are listed under background papers

# 8. Human Resources Implications and Advice

HR Implications and Advice have been obtained for each element of activity and included in the respective papers which are listed under background papers

# 9. Equality and Diversity Implications and Advice

9.1 Equality and Diversity implications and advice have been obtained for each element of activity and included in the respective papers which are listed under background papers

# 10. Climate Change Implications and Advice

10.1 Climate Change implications and advice have been considered for each element of activity and included in the respective papers which are listed under background papers

11.

11.1 ICT implications have been obtained for each element of activity and included in the respective papers which are listed under background papers

# 12. Communications and Marketing Implications and Advice.

12.1 Communication and Marketing implications and advice have been obtained for each element of activity and included in the respective papers which are listed under background papers

# **List of Appendices Included**None

# **Background Papers:**

AEB Update paper from 31<sup>st</sup> August Education, Skills and Employability Board AEB Lessons Learned paper from 19<sup>th</sup> October Education, Skills and Employability Board Careers Board paper from the June 21 Education, Skills and Employability Board. Skills Bank Operating Model paper from the June 21 Education, Skills and Employability Board. Skills Support for Redundancy Paper from 31<sup>st</sup> August Education, Skills and Employability Board South Yorkshire Jobs Fund paper from 31<sup>st</sup> August Education, Skills and Employability Board





# Local Enterprise Partnership 04 November 2021

# **National Review of Destination Management**

Is the paper exempt from the press

and public?

No

Purpose of this report: Discussion

Is this a Key Decision?

Has it been included on the Not a Key Decision

Forward Plan?

# **Director Approving Submission of the Report:**

Ruth Adams, Deputy Chief Executive

Report Author(s):

**Andrew Gates** 

Andrew.gates@southyorkshire-ca.gov.uk

# **Executive Summary**

The paper provides a summary of the independent review of how Destination Management Organisations (DMOs) operate and function in England. The paper identifies where some **potential** implications arising from the review may arise and suggests that the LEP undertake some preliminary work exploring how the MCA, LEP and businesses within the tourism and visitor economy can be engaged to ensure any changes in the current system deliver the maximum benefit.

# What does this mean for businesses, people and places in South Yorkshire?

It is too early to speculate on the implications for businesses, people and places in South Yorkshire yet, but it is an opportune moment for the LEP to consider what these might be and how the LEP can meaningfully engage on the agenda.

#### Recommendations

It is recommended that the LEP Board:

- 1. Notes the outcomes of the independent review as set out in the paper.
- 2. Establish a working group to report to the Board on the detailed implications of the review for South Yorkshire.
- 3. Ensure the working group has as a focus of the work the principle of subsidiarity at its heart, and a focus on what the visitor and tourism economy businesses and key assets in the region need to grow.

# Consideration by any other Board, Committee, Assurance or Advisory Panel

Not Applicable

# 1. Background

- 1.1 In March 2021, the government announced an independent review to assess how Destination Management Organisations (DMOs) across England are funded and structured, and how they perform their roles, in order to establish whether there may be a more efficient and effective model for supporting English tourism at the regional level, and if so what that model may be.
- 1.2 In the current arrangements Welcome to Yorkshire (WTY) is the Destination Marketing Organisation for Yorkshire and the official tourism agency with individual councils in South Yorkshire acting as Destination Management Organisations for the visitor economy; working to support the marketing and sector offer locally.
  - The LEP have previously noted that South Yorkshire has a **growing but underexploited visitor economy** offer that is constrained by a lack of a wider overarching narrative that promotes the strengths of South Yorkshire's individual and collective offer to either a domestic, national, or international audience.
  - There has been a longstanding frustration in parts of South Yorkshire that Welcome to Yorkshire has not always been the advocate for the region that it could be.
- 1.3 The DMO review principally focused the direction of its comments towards national government, and in particular identified both the lack of clear structures and funding at the national level as being the cause of the structural failures within the system. It concluded that:
  - There is a need for DMOs. Many English DMOs do great work, and add a lot of value, but this is not consistent across the board and is despite the Government, not because of it.
  - The current landscape in England is a complicated patchwork quilt, with each DMO managed and led in different ways. There is fragmentation across the landscape, as well as geographical overlap, duplication, distorted priorities and competition when there should be alignment.
  - DMO funding models are diverse and often opaque some entirely private, some entirely public, some a mix of the two. The pandemic led to a huge drop in commercial revenues, against backdrop of a decade of funding being withdrawn by the public sector starting in 2012.

- The funding situation also means England's DMOs are not really in a position to support the Government to deliver its tourism policies or to carry out the full suite of activities needed to keep a destination sustainable and competitive.

# 2. Key Issues

2.1 The review not only sought to identify some of the challenges in the current system but also set out a range of proposals. Some of these recommendations have the potential to have a **direct and indirect** impact on the LEP.

In summary the review suggested that:

- The Government should bring coherence to England's DMO landscape via a tiering approach, using an accreditation process to create a national portfolio of high performing nationally accredited Tourist Boards.
- The national portfolio should then be split into two tiers a top tier of accredited Tourist Boards acting as 'Destination Development Partnerships' or as leaders of them, (these could be described as 'hubs') and a second tier of accredited Tourist Boards acting as members of these Partnerships ('spokes'). Destination Development Partnership status could be awarded to either an individual accredited Tourist Board covering a large enough geography (e.g. a city region) or to a coalition of willing accredited Tourist Boards within an area that come together under a lead Board.

The Review also recommended that:

- The Government should then provide core funding to each Destination Development Partnership. The funding should be focused on activities that ensure their destination remains sustainable, competitive and responsive to high level strategic challenges identified by the Government such as those around sustainability, skills, inclusive tourism and levelling up.
- The Destination Development Partnership would be expected to pass down a degree of funding to accredited Tourist Boards amongst its coalition and work collaboratively with them to deliver a shared vision.

If the recommendations of the review are accepted by the Government then there are potential implications for how tourism and the visitor economy is managed at both the regional, sub-regional and local level.

### 3. Options Considered and Recommended Proposal

3.1 Whilst the Government are yet to formally respond to the recommendations of the review it is likely that the sponsor department for DMOs (the Department for Culture, Media and Sport – DCMS) will set out how it proposes to respond post-Spending Review.

In order for the LEP to better understand the implications of the review and how we may wish to respond, if at all, to any new arrangements then it is recommended that the LEP Board:

- Establish a working group to report to the Board on the detailed implications of the review for South Yorkshire.
- Ensure that the working group has as a focus of the work the principle of subsidiarity at its heart, and a focus on what the visitor and tourism economy businesses and key assets in the region need to grow.

- 4. Consultation on Proposal
- 4.1 Not applicable
- 5. Timetable and Accountability for Implementing this Decision
- 5.1 There is no published timetable that sets out the Government's intended response timeline or when those changes if approved would come into effect. The decision sought in this paper seeks to explore the issue in greater depth.
- 6. Financial and Procurement Implications and Advice
- 6.1 Not applicable
- 7. Legal Implications and Advice
- 7.1 Not applicable
- 8. Human Resources Implications and Advice
- 8.1 Not applicable
- 9. Equality and Diversity Implications and Advice
- 9.1 Not applicable
- 10. Climate Change Implications and Advice
- 10.1 Not applicable
- 11. Information and Communication Technology Implications and Advice
- 11.1 Not applicable
- 12. Communications and Marketing Implications and Advice
- 12.1 Communications on the transport settlement has taken place and further communications linked to announcements made will be agreed.

#### **List of Appendices Included**

None

# **Background Papers**

None



# **Local Enterprise Partnership**

### **04 November 2021**

# **Mayor's Update**

### **Purpose of Report**

To provide LEP Board Members with an update on key Mayoral activity relating to the economic agenda.

# 1. £570m of investment in South Yorkshire's transport network

I welcome the confirmation from the Treasury that Government has backed the Mayoral Combined Authority's bid for transformative investment in the region's transport network. This will see £570m spent in South Yorkshire, helping deliver major improvements to our bus, rail and active travel network and begin the first phase of the renewal of Supertram.

South Yorkshire deserves and needs a world-class transport network. I've fought hard to secure the transformative investment we need for South Yorkshire and repeatedly called on ministers to match my ambitions.

That message has finally been heard by Government. The money we have secured will get South Yorkshire moving and help deliver a public transport revolution, benefitting all parts of our region and making public transport the first choice for travel.

Passengers in South Yorkshire will benefit from faster bus services, upgraded shelters and stops, better rail stations and a massive expansion in high-quality walking and cycle routes.

I want a stronger, greener, fairer South Yorkshire and this settlement marks a big step forward on that journey.

# 2. But major uncertainty remains following the further delays to the publication of key government documents

In my last update to the Board in September I highlighted the importance of the publication of three long awaited, and much anticipated documents, by Government. The Comprehensive Spending Review (CSR), Levelling Up White Paper (LUWP) and Integrated Rail Plan (IRP) are key documents for South Yorkshire.

The Chancellor will deliver the CSR on the 27<sup>th</sup> October. Whilst I welcome the announcement summarised above regarding our City Region Sustainable Transport Settlement, I await the Chancellor's Statement and IRP, particularly the financial commitments that they will make to translate promises into action, rather than merely soundbites.

However, the indeterminable wait for the LUWP itself and the IRP continues. Whilst I can appreciate that following the Cabinet re-shuffle the new Secretary of State and his recently appointed lead on the issue, Andy Haldane, require time to develop the document, the rationale for the further delays to the IRP remains unknown.

The IRP must provide long overdue clarity and certainty regarding Northern Powerhouse Rail and HS2, in their totality. A genuinely transformative opportunity for the North, it is essential to get us on track to deliver a rail network fit for the 21st Century. However, rumours are abound that what is about to be delivered in the IRP will fall far short of what's been promised. This opportunity to level up the North must not be wasted.

The North deserves the same levels of service that the South has enjoyed for many years. Prior to the pandemic per capita spending on transport by Government in London was almost double that of any other country or region in the UK. In 2018/19, only £139 per person was spent in Yorkshire and Humber, the lowest figure of anywhere in the UK, compared to £653 in London<sup>1</sup>.

If, despite its promises, government fails to commit to building the rail network so badly needed in the North, then its plan to 'Build Back Better' will have derailed before it's even left the platform.

#### 3. COP26 and net zero in South Yorkshire

In the weeks ahead, world leaders will gather in Glasgow for COP26. Focused on addressing climate change and the challenges and opportunities of getting to net zero. One of the greatest challenges of our time this will require concerted action from across the globe.

It will also require extraordinary investment. To accelerate our transition and deliver the radical action needed, Government must use the CSR to deliver a Green New Deal for the country. As the climate crisis accelerates around us, this is a precious chance to change course – but I fear they are going to fall short.

In South Yorkshire, partners and I are working for a greener region and a greener nation, and have ambitions to reach net-zero carbon emissions by 2040 at the latest, ten years ahead of the Government's own target.

Progress made by the MCA and I towards this target includes:

• For the first time our region's economic plan makes sustainability and climate change one of its three key objectives.

<sup>&</sup>lt;sup>1</sup> Resolution Foundation (2021) The Uncertainty Principle, Previewing the decisions to be taken at the Autumn Budget and Spending Review 2021, <a href="https://www.resolutionfoundation.org/app/uploads/2021/10/The-Uncertainty-Principle.pdf">https://www.resolutionfoundation.org/app/uploads/2021/10/The-Uncertainty-Principle.pdf</a>

- Putting the environment and decarbonisation front and centre of our investment programmes. The MCA is making huge investment in public transport and active travel interventions – with more to come.
- Securing major additional investment of £169m to improve the region's flood resilience—including investing £5.5m of MCA resources to accelerate the delivery of eight shovel ready schemes underway.
- Working with the Environment Agency, the four local councils and major partners such as Yorkshire Water, we've been developing a South Yorkshire catchment wide approach to flooding, including natural flood management.
- Undertaken an important piece of work to map South Yorkshire's natural capital. This evidence base, help us better understand our natural capital assets, the benefits it provides, and the opportunity to enhance it.

But clearly this is only the beginning of our efforts and in the next six months we will be:

- Securing from the MCA to the principle that decarbonisation efforts will integrated across spending and will be integrated as a key theme in allocation of the Renewal Fund.
- Planting and growing more trees across South Yorkshire with the investment of £250,000 of Mayoral funding.
- Ensuring that the ground-breaking Natural Capital Mapping work that is being done feeds through into the design of new interventions to enhance our natural capital assets.
- Using COP26 to increase the profile of the work of the MCA through targeted communications and events.
- Convening the South Yorkshire Climate Alliance meetings and continuing wider engagement.
- Assessing the implications of the Government's new Environment Bill for the MCA.
- Continuing to make the case to Government to close the £76m funding gap (in the next six years) on the flooding schemes identified in the Environment Agency's Medium Term Investment Plan and our priority programme.
- Agreeing and launching the South Yorkshire Catchment Plan, to make the region more resilient to flood risk and climate change.

# 4. Funding for Arts, Culture and Heritage Sector in South Yorkshire

There is no doubt that South Yorkshire is home to a wealth of creative talent. The arts, culture and heritage sectors have been hit hard by the impact of the pandemic and investing in these areas is an essential part of their recovery and renewal.

For this reason, a £1m fund is being made available to the arts, culture and heritage sector by the MCA. The funding will be managed by South Yorkshire's local authorities, who will distribute the fund through the commissioning of cultural events, activities or projects, with some businesses potentially eligible for micro grants.

The establishment of this fund is testament to its value our economy, by creating jobs, enriching the lives of local people and reinforcing South Yorkshire's reputation as a tourism destination. It will help to create more sustainable communities, vibrant places and enhancing our strong local identities, as well as contributing to our economic recovery.

If supported and nurtured, the Creative Industries can help drive growth and realise untapped potential. Because, in its truest sense, levelling up is about more than just the economy, it's about improving how people feel about where they live. Culture adds colour to people's lives and makes a place somewhere people want to live, study, work, visit and invest in.



# **Local Enterprise Partnership**

# **04 November 2021**

# **CEX Update**

#### **Purpose of Report**

To provide LEP Board Members with a general update on activity being undertaken by the LEP outside of the agenda items under discussion.

### 1. COP26 events

Throughout COP26, South Yorkshire MCA will support four COP26 Regional Roadshows which will be hosted by Barnsley, Doncaster, Rotherham and Sheffield Local Authorities. The events are funded by BEIS and aim to inspire people to cut their carbon emissions. ITM Power will also host an event during COP26 which will demonstrate the region's strengths in innovative new technologies that are vital for the global green hydrogen economy, supply chain and decarbonisation targets.

#### 2. Additional Restrictions Grants

South Yorkshire's four local authorities have been working to get grant funding to businesses that need it the most. South Yorkshire is the most successful region in the Yorkshire and Humber region at delivering its funding and over 92% of its allocation is already with businesses. South Yorkshire MCA recently allocated ARG funding worth £1m to the arts, culture and heritage sector in recognition of its value to our local economy.

### 3. Quarterly Economic Survey

Results from the South Yorkshire Chambers Quarterly Economic Survey are playing an increasingly important role in local, regional and national decision-making. The most recent survey gathered responses from 572 local organisations, making it one of the biggest indicators of local business sentiment in the UK. This quarter's survey showed that South Yorkshire businesses were experiencing strong growth but were struggling to recruit and that recruitment problems were not confined to any sector.

# 4. LSIP and South Yorkshire Skills Strategy

The LEP and MCA are working alongside the three Chambers of Commerce to ensure that the Local Skills Improvement Plan (LSIP) aligns with the South Yorkshire Skills Strategy. The work will bring together those who know most about the skills the economy needs with education and training providers. This partnership approach will help to put business data and insights at the centre of South Yorkshire's skills system.

# 5. UK's first fusion technology facility opens in South Yorkshire

A ground-breaking new Fusion Technology Facility, which has the capability to test components in the simulated conditions of a fusion power plant, is now open and operating in South Yorkshire. The Advanced Manufacturing Park in Rotherham was chosen by the UK Atomic Energy Authority as the location for the new fusion energy research facility, which will create 60 highly skilled jobs in the South Yorkshire area. The facility received £2.2m investment from the Local Growth Fund (LGF) towards equipment purchase and set-up costs.