

Committee/Board Name and Date of Meeting:
Local Enterprise Partnership

Meeting Date:
03 November 2022

Report Title
Cost-of-Living Response

Is the paper exempt from the press and public?	No
Reason why exempt:	Not applicable
Purpose of this report:	Discussion
Is this a Key Decision?	No
Has it been included on the Forward Plan?	Not a Key Decision

Director Approving Submission of the Report:
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Executive Summary

The cost-of-living crisis is deepening and will be felt more widely over the coming months. The report outlines what the Mayor and MCA have done so far to help communities and seeks input from the LEP Board to underpin the response for businesses.

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

South Yorkshire is vulnerable entering this crisis with high rates of poverty and a high share of energy intensive businesses. Furthermore, the long-term structural weaknesses mean South Yorkshire's economy is not the most resilient, despite its many opportunities. The potential implications of this cost-of-living crisis for people and businesses in South Yorkshire are striking, which necessitates a regional response to complement local and national efforts.

Recommendations

That the Board:

- Notes the interventions approved at the October MCA Board.

- Considers whether there are interventions the MCA should consider to support the business community and respond to the challenges caused by rising energy prices, increased borrowing costs and a possible scaling back of consumer and business demand.

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

Mayoral Combined Authority Board

18 October 2022

1. Background

- 1.1 At its meeting on 18 October, the MCA agreed to a range of interventions to support the most in need across South Yorkshire. The Board approved the release of up to £2m of MCA funds to spearhead an immediate local cost-of-living response. Whilst these interventions will not fix the crisis, they are intended to help complement existing measures.
- 1.2 Three intervention proposals were approved.
- i) **Transport Investment** – to help keep people moving to access leisure activities and jobs, the MCA Board decided to implement a £2 per adult single journey ahead of the implementation of the Government funded scheme that will be live from January.
 - ii) **Food Security** – funding to support a region-wide food-security package. Engagement with partners has shown that there are different requirements in different parts of the region. In some areas, existing provision could be amplified and in some areas gaps could be filled.
 - iii) **UK Shared Prosperity Fund** - The MCA has been working with local authorities to shape and plan Shared Prosperity Fund delivery with the agreed focus of year one activity being on supporting communities through the cost-of-living challenge.
- 1.3 These three elements are also supported through the development of a webpage with advice for households and businesses, joint working with South Yorkshire Community Foundation on a donations scheme and coordinating a data response to ensure both the design and the targeting of interventions are based on evidence.
- 1.4 Whilst the MCA and LEP do not have the resources to offer significant support to businesses to help them respond to increased costs there may be other ways in which businesses can support their communities and other businesses.

2. Key Issues

- 2.1 There are some potential areas of focus that the Board is asked to provide a steer on as we continue to refine the response and offer to businesses.

Our response could include:

- **Working to help businesses do more to support employees:** for example, paying the Real Living Wage and identifying at risk employees and supporting them as needed.
- **Working with businesses to better understand and support at risk and more vulnerable communities and customers:** for example, ensuring support remains in place for local charitable contributions, employee volunteering and sharing goods and services in communities in need.
- **Supporting businesses to ensure prompt payment of suppliers and supporting local supply chains** – and for the public sector to ensure it pays invoices promptly.
- Business support to help reduce energy costs and usage – including communicating support that may be available
- **Engaging with government** to ensure particular South Yorkshire challenges are heard: for example pressing the Government to support businesses with high energy usage.

3. Options Considered and Recommended Proposal

3.1 **Option 1**
N/A

3.4 **Option 1 Risks and Mitigations:**
N/A

3.5 **Option 2**
N/A

3.8 **Option 2 Risks and Mitigations:**
N/A

3.13 **Recommended Option**
N/A

4. Consultation on Proposal:

4.1 N/A

5. Timetable and Accountability for Implementing this Decision

5.1 Feedback is welcomed during the meeting, or in the following weeks via email or meetings with MCA officers.

6. Financial and Procurement Implications and Advice

6.1 N/A

7. Legal Implications and Advice

7.1 N/A

8. Human Resources Implications and Advice

8.1 There are no known HR implications as a result of this paper.

9. Equality and Diversity Implications and Advice

9.1 Many of these impacts will be worse on the most vulnerable groups of society, and any response should be tailored to respond.

10. Climate Change Implications and Advice

10.1 Longer-term, how South Yorkshire deals with energy, including retrofitting, is key to this agenda, but there is limited amount that can be done at a regional level to help with the immediate crisis.

11. Information and Communication Technology Implications and Advice

11.1 There are no known ICT implications as a result of this paper.

12. Communications and Marketing Implications and Advice:

12.1 N/A

List of Appendices Included

None

Background Papers

None