

The new Government and the MCA

July 2024

SYMCA

Outline

1. What to expect from the new Government
2. What that might mean for South Yorkshire / SYMCA
3. Our early engagement with the new Government
4. Moving to a Single Settlement approach



What to expect from the Labour Government

Clear focus on Mayors as vehicles for delivery on a number of commitments - specifically around house building and retrofit, transport infrastructure and addressing economic inactivity. Specific manifesto references include:

- A new statutory requirement for Local Growth Plans that cover towns and cities across the country.
- Integrated settlements for Mayoral Combined Authorities that can show exemplary management of public money.
- Intention to establish a new Council of the Nations and Regions - bringing together the Prime Minister, the First Ministers of Scotland and Wales, the First and deputy First Minister of Northern Ireland, and the Mayors of Combined Authorities.
- Work with Mayors and to ensure all aspects of our new approach to Jobcentre Plus and employment support partner effectively with devolved provision, to offer the best opportunities for people right across the country.
- Labour will require all Combined and Mayoral Authorities to strategically plan for housing growth in their areas. We will give Combined Authorities new planning powers along with new freedoms and flexibilities to make better use of grant funding.
- We will partner with combined authorities, local and devolved governments, to roll out the Warm Homes Plan – to offer grants and low interest loans to support investment in insulation and other improvements such as solar panels, batteries and low carbon heating to cut bills.
- Labour will develop a new cross-government homelessness strategy, working with Mayors and Councils across the country, to put Britain back on track to ending homelessness
- We are committed to devolving adult skills funding to Combined Authorities, empowering local leaders to have greater control of skills development in their areas, alongside a greater role in supporting people into work. Skills England will co-ordinate between local areas to ensure everyone can access all the opportunities available.
- Labour will give mayors the power to create unified and integrated transport systems, allowing for more seamless journeys, and to promote active travel networks.

What that might mean for South Yorkshire / SYMCA

Headlines

- The Growth Plan is a singular opportunity to align more national funding to regional priorities; for example on advanced manufacturing a coordinated investment programme across the full range of Whitehall Depts could be hugely significant (e.g. Defence Spending, UKRI, Office for Investment, DBT, DESNZ, HMT, MHLCG and DSIT budgets).
- The new Government has made a commitment to working with MCAs in a different way; both in terms of I/t funding settlements as well as engaging and involving Mayors in new ways of working with national govt. This will create a new national – regional dynamic. Enabling us to build stronger relationships with Government Departments.
- New legislation will be brought forward that provides some of the statutory framework for potential new powers, resources and ways of working. Some of this will happen quickly in a new English Devolution Bill. Other elements of the proposed legislation programme announced in the Kings Speech that have relevance include Community Safety and Policing, focus on prevention in the health system, reforms to the apprenticeships levy and the skills system.
- Innovation in Public Service delivery is likely to be a key focus for the Government – areas that can demonstrate an intent on delivering better outcomes with the same inputs will become trusted partners.
- A long-term single / integrated funding settlement is a significant step forward in enabling us to target investment towards regional priorities.

But, it will remain the case that:

- A new Govt will want to work with areas that have a track record of delivery, can move quickly, that can pilot, test and evaluate new ways of working quickly and that can deliver quicker growth and improved public services.
- The public finances will remain constrained; the advantages to be gained for the MCA rely as much on I/t certainty and a shift away from competitive process and ringfenced departmental spending priorities as well as a broadening and deepening of the powers and resources available to us.

Our early engagement with the new Government

The Mayor has set out in a letter to the Prime Minister some opportunities for a joint programme to help deliver visible change in South Yorkshire. Those include:

- Re-opening Doncaster Sheffield Airport and creating a new globally significant hub for sustainable aviation.
- Renewing and working to develop plans to make sure all our communities benefit from South Yorkshire's Tram and Tram-Train network.
- Creating a truly integrated public transport system linking up with active travel, and setting up a tough new passenger watchdog to drive up standards.
- Agreeing a joint Growth Plan to create growth at scale in sectors across advanced manufacturing and materials, such as SMR technology.
- Piloting new ways of delivering health improvements and tackling economic inactivity and bringing a laser-like focus to improving South Yorkshire's cancer survival rates.
- Making sure our young people have the safety and security they need to thrive including by working to prevent knife crime and its causes.

Preparing for a Single / Integrated Settlement

A genuine single settlement approach will require significant readiness work to be undertaken.

- Importance of MCA having in place a strong strategic, outcomes and investment framework to support a broader pipeline of schemes being brought forward enabling us to credibly engage and negotiate with HMT.
- We are in a good place strategically to develop an outcomes led framework for supporting single pot investment:
 - Place Plans and SPF approach
 - ICP Strategy, Plan for Good Growth, Skills Strategy and SY Housing Pipeline work with Homes England
 - Emerging strategy work includes LNRS, HEAP
 - Commitment to building in co-benefits and priorities such as health and environment into investment thinking will strengthen our framework.
- But significant work required to get us from where we are now to where we need to be – including working with LAs and other partners to understand risks and challenges.

