

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 27th 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 London¹.

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.

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

- 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 be 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.