

July 2020

Mayor's Update

Purpose of Report

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

1. Devolution – powers and resources unlocked for South Yorkshire

New powers and millions of pounds in new funding are coming to South Yorkshire this summer, as the region's landmark devolution deal has been agreed. The order for the Deal was laid in Parliament on the 29th June, after letters of agreement were submitted by Barnsley, Doncaster, Rotherham and Sheffield councils and myself, to the Ministry of Housing, Communities and Local Government.

I look forward to the Deal being approved in Parliament in the coming weeks with a statutory instrument being used to pass this into law.

Securing the Deal marks a landmark moment for the region, equipping local leaders and myself with the tools and resources to begin to build back better from COVID.

2. The Covid Pandemic – a New Deal for the North

The profound impacts and consequences of the COVID crisis continue to reverberate through South Yorkshire, across the country and around the world.

The pandemic has brought into stark focus the nation's inequalities. South Yorkshire and the North as a whole, have been hit hard both by the disease and its socio-economic consequences. The reasons for this – high levels of deprivation, significant health inequalities, low productivity and a low wage economy – also mean that it is likely to take us much longer to recover.

It's essential that we unlock the potential of the North. Now, more than ever, the case to level up the economy is compelling. But this requires an urgent step change in investment to deliver a bold, comprehensive, coherent plan, that does not simply react to the immediate COVID crisis but also addresses our fundamental structural challenges, and importantly, which empowers the North.

Put simply, we need a New Deal to make the North stronger, greener, and fairer. I wrote to the Prime Minister and the Chancellor making the case for this, in advance of the summer budget statement. If the government seizes this opportunity, we can make this the start not just of a recovery, but of a renewal.

3. Renewing South Yorkshire: Stronger, Greener and Fairer

Since the beginning of this global crisis I have focused on recovery planning. Our emerging Renewal Action Plan focusses on providing immediate help for our people, employers and places. Rather than returning to the status quo, we must build a stronger, greener, and fairer South

Yorkshire.

Developed in partnership with yourselves – our Local Enterprise Partnership – the wider business community, councils, anchor institutions, voluntary sector and partners, we are developing a bold plan for relief, giving our region the support it needs now.

Our Plan will deliver 55,000 jobs or training opportunities, support 25,000 businesses, create 3,000 apprenticeships and revitalise our town centres, for an investment of £1.7bn. All the investments proposed in the Plan have positive and independently assessed benefit to cost ratios. Meanwhile the costs to UK plc of not proactively investing and letting unemployment spiral, particularly in less resilient economies, such as South Yorkshire's, are vast both from a financial and human wellbeing perspective.

This Plan was submitted to the Prime Minister and the Chancellor, in advance of the latter's summer budget statement, to secure the resources our region so urgently needs.

4. Securing additional funding to begin to deliver our plan

In addition to reaching this landmark devolution moment, our Mayoral Combined Authority has also secured further Government funding to invest in our Plan. Totalling more than £110m of investment, this is an important first step forward in the delivery of our Renewal Action Plan. But this is only the beginning and much more will be needed to deliver the scale of transformation that South Yorkshire not only needs, but also deserves.

This additional investment secured from Government included more than £33 million to be used to create green open spaces, improve town centres and develop the region's digital offer, attracting inward investment. The funding will be used to:

- Create a Digital Campus in Barnsley, supporting the growth of start-up digital companies and attracting inward investment.
- Develop new walking and cycling routes within Doncaster town centre, as well as introducing new high-speed digital technology.
- Transform Rotherham town centre with the creation of a new public realm area near the landmark Forge Island development.
- Create three new open space and public realm areas in Sheffield City Centre that will improve air quality, biodiversity and reduce flooding.

£40 million has also been secured to build 3,500 new homes on brownfield land over the next five years.

Securing this investment shows the power of devolution and how our partnership with local authority leaders, the private sector and our anchor institutions can unlock new funding and opportunities for South Yorkshire. It demonstrates how having powers and resources at our disposal can help us transform our region, making South Yorkshire stronger, greener and fairer.

These unprecedented times merit an unprecedented response. It is essential to level up opportunity around the UK, delivering a true Northern Powerhouse.

I will continue to forcefully make the case for more powers and resources so we can use COVID as a catalyst for change.