

27th July 2020

SCR RENEWAL ACTION PLAN

Purpose of Report

This report presents the draft SCR Renewal Action Plan.

Thematic Priority

This report relates to all the existing and future Strategic Economic Plan priorities.

Freedom of Information

The paper will be available under the Combined Authority Publication Scheme.

Recommendations

The Board is asked to:

1. consider and approve the draft SCR Renewal Action Plan
2. confirm that the development of implementation plans will be steered by the appropriate Thematic Boards.

1. Introduction

- 1.1** Delivering the Sheffield City Region (SCR) Renewal Action Plan (RAP) will help mitigate the worst effects of the Covid-19 crisis and ensure a strong and timely recovery towards a more resilient economy and society.
- 1.2** The RAP has been designed with three linked horizons/phases in mind – Relief (immediate term) Recovery (medium term) and Resilience (long term). The interventions in the draft RAP developed so far, are designed to be delivered within the next 12 to 18 months to bring immediate **Relief** to local people, employers and businesses.
- 1.3** The draft RAP is attached at Appendix 1 for consideration by the Board, and has been endorsed by the LEP Board at its July 2020 meeting.

2. Proposal and Justification

- 2.1** Economic impact of Covid-19
The RAP focuses upon three main areas of action:
 - People
 - Employers
 - Place

The evidence clearly showed that the areas above will face the greatest challenges and thus should be the focus of all our activity. These challenges laid bare by the evidence are briefly summarised below.

People

The global and national economic outlook is widely predicted to be bleak, albeit it is difficult to quantify just how bad the economic impact will be.

2.2 The potential impact on the City Region could be devastating for our communities, particularly the predicted rise of unemployment. There is also expected to be a significant loss of training opportunities, at least in the immediate term. This includes those made unemployed, forced into unemployment by personal circumstances, those currently on the job retention scheme though at risk of unemployment, and those to be made unemployed in the next 6 – 12 months

2.3 Employers

There are immediate concerns of the liquidity of many businesses in SCR. It is expected that as supportive measures reduce or are discontinued, the business base will face pressing cashflow, invoicing and investment challenges. There is a risk of widespread insolvencies, due to a lack of demand and/or inability to operate in the wake of COVID-19 impacts. This includes those businesses over leveraged through loans and Central Government support, who will no longer be viable once Central Government support ends.

2.4 Place

Our places are feeling the effects of social distancing measures and reductions in disposable income due to furlough measures or loss of income due to increased unemployment. This is most stark in our urban centres which are facing current challenges with their space configuration and mobility and could see longer term issues, particularly with property values.

With the potential closure, or failure, of high street retailers our urban centres face an uncertain future. This includes the knock-on impacts on wider determinants of health and wellbeing, community, inclusion, transport, housing and employment / engagement opportunities

Responding to the challenges

Appendix 1 provides more detail on the interventions proposed but the high-level objectives are presented below:

- **People** - *Everyone who needs support to upskill or reskill and/or access employment will be supported*
- **Employers** - *Every viable business that needs support to survive and thrive will be supported*
- **Places** - *We will invest to create jobs and thriving places. And we will do this in a way that reduces inequality and respects the environment*

2.5 Next steps and timescales

This paper proposes that the Board considers and approves the RAP. This will put the City Region in a stronger position as we engage with central Government and other partners.

Once approved, implementation plans will be developed via the appropriate Thematic Boards. These will be presented to the LEP and MCA Boards at the September meetings and delivery will begin as soon as funds are available and allocated.

2.6 On 8th July, the Chancellor of the Exchequer announced a stimulus package worth £30bn. The role of MCAs in delivering this package was not immediately apparent. In developing implementation plans, there will be a focus on what the MCA can do locally, and how we

can ensure local delivery of national programmes can be shaped and tailored to the needs of local people and businesses.

Nationally, there is an expectation that the Chancellor will make further announcements later in the year (for the Autumn Statement and Comprehensive Spending Review). The MCA and partners will continue to make representations to central government to secure a fair deal for South Yorkshire.

3. Consideration of alternative approaches

- 3.1** The RAP involved input from stakeholders to shape evidence, options, approaches, objectives and the ambition. At every stage of the process, the Executive Team has been guided by LEP and MCA members.

4. Implications

4.1 Financial

The RAP will help to secure additional funding from Government for SCR. Delaying its completion may hamper our ability to secure the investment, people, employers and places need.

The costs associated with the completion of the RAP, have been accounted for within the existing approved budget.

4.2 Legal

There are no legal issues for this paper.

4.3 Risk Management

If endorsement is delayed, SCR's and partners ability to secure additional funding from the new Government and deliver on our ambitions could be weakened.

4.4 Equality, Diversity and Social Inclusion

The emerging RAP will help to address poverty and the health and wellbeing of the local populations and therefore will contribute to improving social inclusion. Covid-19 is disproportionately affecting vulnerable groups – from a health and economic perspective and the RAP seeks to target these groups.

5. Communication

- 5.1** Proactive communications will be delivered across a range of channels, including digital, social and traditional media, following approval of the strategy.

SCR will work with partners and stakeholders (e.g. MPs) to deliver this communication. A communication plan is available.

6. Appendices/Annexes

Appendix 1 – Draft Renewal Action Plan

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Background papers used in the preparation of this report are available for inspection at: 11 Broad Street West, Sheffield S1 2BQ. Other sources and references: N/A.