



RENEWAL ACTION PLAN

**Sheffield
City Region**

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EXECUTIVE SUMMARY

The Sheffield City Region (SCR) has been hit hard by COVID-19.

In response, we have developed a **Renewal Action Plan** which aims to provide immediate help for local people, employers and places, while also contributing to our longer-term goals and the transformation of the City Region. It must make us:

- **Stronger** – an economic transformation to create not just a bigger economy but a better one: higher-tech, higher skill, and higher-value;
- **Greener** – a green transformation to decarbonise our economy, improve our environment, and revolutionise our transport; and
- **Fairer** – a transformation of wellbeing and inclusion, raising our quality of life, reducing inequality, and widening opportunity.

The investment we are asking for will not just help rescue the South Yorkshire economy, it will also start to 'level it up'.

It will back people and our entrepreneurs when they need it the most, and create better, as well as more, jobs. It will accelerate the transition to Net Zero Carbon while making communities stronger. It will help not just South Yorkshire, but the whole country.



Our Renewal Action Plan has been developed in close partnership with our business community, councils, universities and other partners.

It focuses on the immediate relief we must provide over the coming 12-18 months (*depending on how long it takes to fully control this virus*) and the seeds we must sow now to build back better. That support is targeted around three areas of action:

- **People** – supporting people adapt to the new economy and be better able to fill higher-skilled jobs
- **Employers** – supporting businesses to adapt, survive and thrive in the new environment
- **Places** – stimulating the local economy to create jobs, and transform places.

Our approach in the next 18 months will:



Give a hand up for people to improve their skills, get back to work, remain and/or progress in work, or set up in business



Accelerate our Net Zero Carbon transition



Back our wealth and job creators



Get South Yorkshire moving by foot, bike, bus, tram and train



Put cranes in the sky and spades in the ground

“

"Our relief effort will be ambitious and wide-ranging and will stop at nothing to put South Yorkshire back on its feet. It's a plan for small businesses, big businesses and the people and communities we serve."

Dan Jarvis MBE MP, Mayor of the Sheffield City Region.

THE CHALLENGE AHEAD

01 //

We are a growing economy with huge untapped potential. We are home to world-class companies and universities and have powerful strengths in high-precision engineering and design, materials, manufacturing, healthcare, digital and creative technologies, future mobility and clean energy.

02 //

The same capabilities that put the City Region at the heart of the world's first industrial revolution can put us at the centre of the fourth – producing new materials, new processes, and new answers to the environmental, social, and wellbeing challenges facing the UK and the world.

03 //

With our strong research capabilities, major employment sites, local engineering and manufacturing supply chains, and strengths in low carbon technologies, we are well-placed to help drive the Net Zero Carbon transition for the whole country.

04 //

Our economic base is shifting towards a more productive and low carbon future, but that transition is far from complete – and the impact of COVID-19 threatens to undermine our progress.

05 //

The public health impact of the disease has been particularly strong on deprived areas, Black, Asian and minority ethnic (BAME) people, the disabled and other vulnerable people in South Yorkshire. The economic impact is also uneven –and centred upon our deprived communities and on women.

06 //

Already, the City Region has seen some communities face far higher levels of unemployment, furloughing and business closure than the national average. Nationally one in three of our 18 to 24-year-old employees (excluding students) have already lost jobs or been furloughed

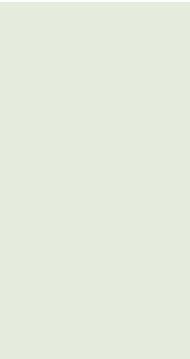


WHAT WE CAN DO, WHAT WE NEED

The investment we are requesting would create wide-ranging benefits: mitigating the worst socioeconomic impacts of COVID-19, getting 55,000 people in work or training, helping 25,000 businesses to adapt and innovate, and accelerating key strategic objectives like decarbonisation. Details and costing for each action to help local people, employers and places are set out in this plan¹. To achieve this ambitious vision, we require £1.72bn of investment. We will invest our own funds as part of this, but further support is needed.

Why we can deliver

- Strong and accountable leadership – through our MCA and directly elected Mayor, we have robust, transparent, and democratically accountable leadership. This includes appropriate assurance mechanisms. The MCA works extremely closely with the LEP to combine the best of public and private sector leadership.
- Track record of delivery at scale – since 2012, the LEP and MCA have created 15,150 jobs and 2,200 apprenticeships; assisting 6,000 learners; leveraging £319m of investment and supporting 24,000 companies. The MCA and LEP are now two-thirds of the way through the delivery of its multi-year Growth Deal, which is forecast to eventually create more than 68,000 jobs, support 14,000 learners and leverage £1.6bn of investment.

SUPPORT PROGRAMME OBJECTIVES	INVESTMENT REQUIRED ²	TARGETS AND OUTCOMES
		<p>Helping 35,000 people re-engage with labour market, creating benefits such as:</p> <ul style="list-style-type: none">• 3,000 apprenticeships and other training positions.• NEET levels below national average.• Higher share of leavers/graduates in education or work within 12-18 months.
		<p>Over 25,000 businesses supported:</p> <ul style="list-style-type: none">• COVID-19 adapted working environments.• Reduced carbon emissions.• 15,000 jobs created through supply chain re-shoring / localising.• Invoice and cashflow support• Investment to innovate and thrive.
		<p>Strengthened communities and urban centres underpinned by:</p> <ul style="list-style-type: none">• Maintained cycling and walking rates• Uplift in urban footfall and spend.• Created/supported across 6,000 new jobs across infrastructure programmes.• Improved local economy resilience and health and wellbeing.

¹ Detailed costs and benefits will be produced as the plan is developed further.

² This is the upper range of modelled cost estimates.

FOREWORD

This document sets out our road map for how South Yorkshire can recover from the tragedy caused by the Coronavirus pandemic, and put itself on the path to social and economic renewal.

It is a plan to revitalise the economy, but it is more than that. The significant public investment that is so clearly needed in these extraordinary times must do more than just get us back to where we were: it must help us make progress on some of the great underlying challenges facing our region and our country.

We have to make our economy more productive and more innovative – not just bigger but better.

We have to accelerate our progress in tackling the extreme threat posed by climate change. And we have to reduce inequality and the waste of human potential by helping all those who need it to gain skills and employment.

This social and economic renewal has to work for everyone, especially the most vulnerable.



James Muir, Chair of the
Sheffield City Region LEP.



Dan Jarvis MBE MP, Mayor
of the Sheffield City Region.

Stronger, greener, and fairer: if we can put this vision into practice, we hope that some good may yet come of these difficult times. These were our concerns long before COVID, but the pandemic has made them more acute. The plans we've set out are ambitious – but the scale of the crisis, and of our untapped potential, demands nothing less.

In developing this plan we drew on the expertise and insights of our advisory panel, business leaders, members of the Mayoral COVID-19 Response Group, universities, local authorities, institutions, and stakeholders who gave time and resource and the same human capital which is one of our greatest strengths.

While we will continue to refine it, this plan is the foundation on which we hope to build our renewal.



A STRONGER, GREENER & FAIRER SCR

This Renewal Action Plan (RAP) sets out the actions needed to accelerate economic, social and sustainable recovery in the wake of COVID-19. The UK, like many other countries, has experienced a nationwide “lockdown” that has put most social interactions on hold, dramatically reduced business activity, and may have fundamentally changed the way the world will operate in future. The long-term impacts are yet to be seen and fully understood.

In response, the SCR Mayoral Combined Authority (MCA) has developed this plan which aims to provide immediate help for people, employers and places, while also contributing to our longer-term goals and the transformation of the City Region.
It must make us Stronger, Greener and Fairer.



The purpose of this Plan is to provide the MCA with a detailed action plan that will articulate the next steps for to renew the economy. A clear distinction has been made between immediate relief from COVID-19 (<1 year), recovery and long-term resilience (1-3 years and 3+ years respectively), aligned with the upcoming Strategic Economic Plan (SEP).

The investment we are asking for will not just deliver a jobs-led recovery to rescue the South Yorkshire economy; it will also help ‘level it up’. It will back people and our entrepreneurs when they need it the most, and create better, as well as more, jobs. It will accelerate the transition to Net Zero Carbon while making our communities stronger.

It will help not just South Yorkshire, but the whole country.



The implementation and impact timing of each intervention will vary. Some interventions can be implemented in the short-term, and realise benefits quickly, whereas others require immediate intervention to gather the necessary momentum but will realise more significant benefits in the longer-term. This reinforces the inherent link between the RAP and the SEP.

Our aim is to change the path of our economy and make it stronger, greener and fairer.

RENEWAL PRIORITIES

Relationship between the Strategic Economic Plan and Renewal Action Plan

The RAP has been developed to align with the SEP. The diagram below (Figure 1) highlights the interdependencies and complementarities. The SEP, its evidence base and the changing context, form the foundation of the RAP.

The RAP is a COVID-19 specific, jobs-led plan, focused on addressing the direct and indirect impacts of the pandemic. Given that many of the interventions directly needed for socioeconomic renewal relate to pre-COVID-19 problems, and have medium or longer timescales for implementation and benefits realisation, there is considerable and deliberate overlap with the SEP.



Figure 1: Interdependency between the RAP and SEP

Strategic Focus and Horizons

The LEP and MCA's policy objectives (Growth, Inclusion and Sustainability) which are set out in the draft new SEP, have helped to frame the immediate response, as well as our longer-term ambitions. They also provide a framework to examine our current and future challenges, aspirations and the changes or innovations that are needed to deliver positive change. The policy objectives shape three transformative horizons for SCR:

An economic transformation: creating not just a bigger economy but a better and stronger one, with better jobs, more innovation and greater resilience.

A transformation for wellbeing and inclusion: improving our quality of life, reducing inequality, and widening opportunity.

A green transformation: decarbonising our economy, improving our environment, transforming our transport infrastructure.

COVID-19 has created a monumental shift in our society and economy. The viability of business-as-usual ways of life will continue to be affected, and transformational change throughout society and the economy will be required.

These three transformative horizons highlight the complexity of COVID-19 and present the action and change needed to avoid damaging economic and social shocks in SCR.

The rest of this RAP focuses on three action areas:



We will invest to ensure local people have the opportunity to develop their skills, and to find, stay and progress in work.



We will invest to ensure employers can survive, adapt and thrive.



We will invest to create jobs and thriving places, in a way that reduces inequality and enhances our environment.



Our Promise -

We will invest to ensure local people have the opportunity to develop their skills, and to find, stay and progress in work.

The short-term loss of employment and training opportunities may persist into the medium to long term if significant interventions are not quickly developed and implemented. SCR is likely to see a spike in unemployment towards the end of the Job Retention Scheme, and then subsequently in waves, depending on how the pandemic evolves. People at risk include those made unemployed directly, those forced into unemployment by the knock-on impacts, those currently on the job retention scheme who may yet be at risk of unemployment, and those yet to become unemployed in the next six months.



Our Promise -

We will invest to ensure employers can survive, adapt and thrive.

The widespread closure of businesses, including SMEs and large corporations, due to a lack of demand and/or inability to operate in the wake of COVID-19 impacts, is a significant challenge to the City Region. This has led to a deep depression in business turnover, with a potential for a deep recession depending on the course of the pandemic and the wider socio-economic fundamentals.

Particularly at risk are businesses who are over-leveraged through loans and other forms of liquidity injection, and which may no longer be viable without further support, irrespective of the viability of their operating models. Also, likely to struggle are businesses who fail to adapt to new regulations, those which operate in vulnerable sectors of the economy, and those with fragile business models.



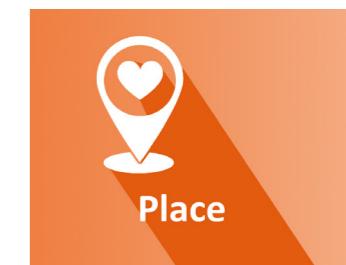
Our Promise -

We will invest to create jobs and thriving places, in a way that reduces inequality and enhances our environment.

With the long-term closure or failure of high street retailers, our urban centres and local communities face an uncertain future. This includes the knock-on impacts on wider determinants of health and wellbeing, inclusion, transport, pollution, housing, leisure and employment/opportunities.

IMMEDIATE RELIEF: CRITICAL INTERVENTIONS

The interventions set out below are the steps that the MCA and partners will take within the next 12-18 months to counter the most immediate problems caused by the pandemic and to capitalise on areas of opportunity. They have been prioritised here based on their potential for rapid impact and the protection they can offer to the most vulnerable populations and organisations. They are focused around the three areas of action.



PEOPLE



HELP PEOPLE FIND JOBS AND ADAPT TO THE NEW ECONOMY

Context for Interventions

There are several challenges facing people as a result of COVID-19, some of which are set out below:

This suite of interventions will deliver circa £3 for every £1 invested³.

UNEMPLOYMENT

Unemployment is rising across the UK and in the SCR, presenting a critical challenge for all. In the SCR, unemployment has historically been higher than the national average. Pre-COVID-19 it was 5.3% compared to the national average of 4.0%.

Unemployment challenges are compounded by low wage levels within the City Region. Prior to COVID-19, **average wages in the SCR were 15% lower than the national average**. Furthermore, pre COVID-19, almost **1 in 3 of local people worked in low wage jobs³** and these jobs have been **disproportionately affected** as evidenced unemployment and furloughing statistics⁴. Post-crisis, the pay gap may well get worse. There is a need to address the quality, as well as supply, of job opportunities to ensure a structural increase in welfare and prosperity.

PAY

Businesses have felt dramatic negative effects due to COVID-19 with over **23%** **experiencing a decrease in turnover of more than 50%**⁵ and over half seeing their turnover decrease. This has led to streamlined business operations where reduction in training, administrative and operating investments are likely. Many employers have suspended recruitment altogether which is being reflected in job posting data. For example, during most of April, all local authorities in the SCR saw a fall of between 10-15% in job postings. In an economy where many businesses do not invest in training or R&D, this can exacerbate economic development issues.

³IBID

⁴OBR 2020, Resolution Foundation 2020

⁵6th April 2020 to 19th April 2020 - Business Impact of COVID-19 Survey (BICS)

EDUCATION

The education industry has experienced dramatic disruption, in some cases, worse than the private sector. SCR's universities, AMRC, UTCs, colleges, schools and private training providers are some of the most important economic and social assets in South Yorkshire. **The immediate challenges they face relate to cashflow and finances**, with recruitment figures for next year dropping by 50% for some courses in HE and FE on current application rates. There are concerns around students on employer-led programmes (e.g. apprenticeships) with some providers seeing a drop of 75% in applications to programmes for 2020/2021.

WORKFORCE PIPELINE

COVID-19 will likely harm the in-house development of **skilled workers**. This has knock-on implications for **workplace-based training opportunities**, such as apprenticeships, meaning the pipeline of skilled labour is expected to constrict. Consequently, employers will suffer skills shortages and loss of institutional knowledge in the coming years as existing staff retire or change employers, increasing their recruitment and training costs.

It is apparent that some specific cohorts face greater exposure to adverse impacts, than others. Several groups in the labour market are usually impacted more than others during recessions. This includes young people, women, the disabled, and Black, Asian and Minority Ethnic (BAME). For example, early evidence shows that 1 in 3 of 18 to 24-year-old employees (excluding students) have lost jobs or been furloughed, compared to 1 in 6 adults aged 25-54 nationally. This will exacerbate existing challenges for these groups⁶. The different population groups will require tailored, additional support as the full extent of the challenges become clear:

- **Age:** There are approximately 433,000 young people in SCR who have already seen their education disrupted. This could also continue to impact upon future employment or continuing education opportunities. Unemployment for 16-24 year olds pre-COVID-19 in SCR was already higher than the national average, at 14% compared to 11% in 2019⁷.
- **Gender:** Women make up over half of SCR's population and measures to combat COVID-19 have impacted upon several female-dominated industries. This, plus women's (additional and traditional) care responsibilities caused by school and childcare closures and the pre-existing gender pay gap, could make the gender outcomes of the recession particularly stark.
- **Disability:** The approximately 230,000 people with disabilities in SCR are more likely to already be socially or economically isolated or polarised and the current situation could exacerbate this.
- **Ethnicity:** The 110,000 people from BAME backgrounds in the SCR and the UK are among the poorest socio-economic groups. People from BAME backgrounds in SCR are also more likely to work in atypical employment (e.g. gig economy) or sectors vulnerable to economic shocks.
- **Disadvantaged communities:** Many disadvantaged communities face multiple deprivation challenges. One indicator of disadvantage and deprivation, students eligible and claiming free school meals, is around 5% higher in SCR than the national average in both primary and secondary schools⁸. Communities higher deprivations indicators can often face multiple challenges in accessing work or education.

Supporting people in these communities is critical to ensuring that inequality does not grow and highlights the importance of a jobs-led recovery.

⁶See Resolution Foundation, IFS and Centre for Cities 2020

⁷Annual Population Survey 2019

⁸Department for Education, Schools, Pupils and their Characteristics: January 2019

SCR JOBS PROGRAMME

We will deliver a **jobs programme called 'South Yorkshire Works'**, which has four interventions:

1. **Train to work:** to upskill the workforce at scale.
2. **Back to work:** to match people to opportunity, especially in industries like clean energy, health and care, advanced manufacturing and construction.
3. **Young people's skills guarantee:** support young people to progress.
4. **Overcome barriers:** remove barriers to training and employment for vulnerable groups.

SOUTH YORKSHIRE WORKS

TRAIN TO WORK

Context	This intervention guarantees that any individual who wants and needs education, training or an apprenticeship will have an opportunity to do so ⁹ and be supported into sustainable employment. It draws upon past jobs programmes during recessions such as the Future Jobs Fund, and adapts it to the current situation, including linking to opportunities for growth, targeting disadvantaged groups incentivising work placements and the acquisition of higher-level skills.
To do what	The aim of this intervention is to give people the skills they need to secure employment and earn more. The MCA will guarantee work experience, apprenticeships, and training for all those who need them, and subsidise wages to incentivise employment—reducing unemployment and helping people remain in work and progress to better jobs. We will also provide support (e.g. coaching) to enable people remain in employment.
Delivery	<p>The intervention will be delivered by local institutions (e.g. HE, FE colleges and training providers and existing delivery mechanisms). Organisations that already run education and training programmes (e.g. apprenticeships) have a strong existing network of relationships with local businesses. These organisations will work closely with employment support partners to improve targeting. This will be supported by the existing relationships with businesses, though the ability for wider business leaders to be engaged directly will be explored. Training that delivers higher level skills and placement into sustainable and meaningful employment will be incentivised.</p> <p>It is also important that the programme ensures there is effective geographical and labour market coverage.</p> <p>This will be supported by co-working with local mental health providers and other support services, where delivery organisations will be encouraged to utilise referral pathways to provide individuals with wider support, or information on where this can be accessed.</p>

TRAIN TO WORK - CONTINUED

This intervention will target approximately **20,000 people**. Targets and routes into employment will be optimised for the following groups:

- Young people (and apprentices, graduates and leavers);
- Women;
- Disabled;
- People from BAME background; and,
- People from disadvantaged backgrounds

Targets will be set with each partner of the programme, including the SCR CA (e.g. Local Authorities, SCR, Health Partners) on the target numbers, with the focus always on securing sustained employment. As a recognition of the importance to take a lead, SCR MCA commits to employ 3% of staff headcount as new apprentice starts by 2022.

The MCA anticipates an increase of **3,000 apprentices and over 17,000 other education, training, and paid work experience positions** in 18 months leading to sustainable employment¹⁰. The programme will also be structured to help fill skills gaps that hold back our tech companies, placing people in sustained employment.

£375m - £450m is required over 18 months to subsidise training and apprenticeships, and top up incomes to the level of the living wage. Estimated unit cost will vary with an average of **£12,500-£15,000 per person per year**.

Requirements include:

- Identification of suitable existing coordination infrastructure to act as delivery vehicles and leads.
- Identification of existing assets and programmes which can be scaled up.
- Establishment of referral pathways and impact framework for subsidisation.
- Education and business sector collaboration to manage delivery.
- Skills and capabilities to develop and run the programme at a regional level.

⁹ Noting this is reliant on employer's capacity to take on apprentices

¹⁰ Employment targets to be developed as programme develops. It is expected to be a high proportion of the numbers undertaking the programme.

BACK TO WORK		YOUNG PEOPLE'S SKILLS GUARANTEE (POST 16)
Context	The focus on this intervention will be solely on finding employment opportunities for people out of work. Given the economic shocks and constricting market opportunities the unemployment rate could potentially reach 15% in the ‘worst-case’ scenario which would equate to approximately 100,000 unemployed, a rise of 64,000 compared to 2019 ¹⁰ .	This intervention is about restoring opportunities available to learners, leavers and graduates across the education landscape. These opportunities have reduced or disappeared due to COVID-19 – helping them address barriers to transition to employment or further studies, where these are not targeted by existing support programmes. During the particularly challenging times as these, it is critical to support the younger generation, ensuring they continue their development, whether it is further education or building their own careers. The evidence shows that certain cohorts are facing particularly challenging times in finding employment or their next steps in education.
To do what	Facilitate a matching programme between growth sectors, job openings and unemployed individuals. People will also be connected with wider services to help remove barriers to employment not related to skills (e.g. disability support, health support).	We will guarantee opportunities for our leavers and graduates who have seen a reduction in prospects. This also includes support for young people transitioning from one form of study to another and then into work. Individuals will also be supported by enhanced careers information, advice and guidance. Education, work, training and mentorship activities to be delivered will include:
Delivery	SCR MCA will work with existing local employment support services (e.g. national delivery partners - JCP, National Careers Service etc and local employment support services). The programme will build on the successful Working Win pilot run across the City Region, and lessons learnt including the need to connect people with wider services to help remove barriers to employment (e.g. disability support or health support). A second phase of programme will support newly employed individuals to remain and progress in work . This will likely include a career partner, who will provide support and advice. Potential actions could include weekly “check-ins” and working through any challenges to reduce drop-out rates.	<ul style="list-style-type: none"> • Subsidised digital, technical and applied education and training programmes; • Matching up cohorts for work, training and mentoring opportunities; • Scaling-up existing programmes around: <ul style="list-style-type: none"> ◦ Employment; ◦ Progression; ◦ targeted, sustained support for disadvantaged pupils so they can catch up; and ◦ Careers advice.
Targets	This intervention will target an initial 10,000 unemployed people with targeting of the programme towards vulnerable cohorts and communities.	Education and training providers and local employment services will work together to identify, with specific emphasis on deprived communities, those most at risk of falling into long-term disengagement with the jobs market due to COVID-19. This information will be collated across the City Region to provide a holistic view of the challenge and to identify opportunities for collaboration. Young people will be provided with an informed view of the various routes and options at their disposal. This will be focused on the following areas:
Outcomes	This will contribute to SCR’s unemployment rate returning to pre COVID-19 levels (5% or lower). It will also contribute to a rise in economically active people in SCR.	<ul style="list-style-type: none"> • Skills development training courses, drawing upon existing programmes and organisations where possible. These courses will focus on providing a bridge between education and employment, focusing on employability, digital, technical and applied skills. These will be facilitated by FE institutions and funded through the MCA. • Partners across SCR will work together with HE and FE institutions to match up cohorts of students through a mentorship and training scheme, utilising communication campaigns and trusted local delivery vehicles to highlight the opportunity for cohorts and provide a bridge to next steps (e.g. employment or study), new skills and experience of other skill-sets. • Existing programmes (e.g. South Yorkshire Future, RISE, Careers and Enterprise Coordinators) will be scaled-up support to leavers, graduates or students into employment or next steps in education. This support will be based on alignment to the strategic priorities of the region (e.g. economic growth, inclusivity and sustainability). • Where needed the MCA will explore what further support can be provided to enable learners who have fallen behind with their schoolwork during lockdown, to catch up.
Investment required	The estimate cost is £2.25m - £3m over 18 months to support individuals out-of-work (who do not require re-skilling) back into employment. Estimated unit cost is £150 per person .	All will be developed with local education and training providers so that targeted support can be provided, and where required, programmes are created to fill gaps and guarantee opportunities for vulnerable or ‘at risk’ cohorts.
Requirements	Requirements include: <ul style="list-style-type: none"> • Identification and integration of existing employment support services • Facilitation by local employment support service firms • Communication and marketing to stimulate uptake, taking note of potential stigma against employment support services • Collaborative approach between employment support services and local businesses, efficiently identifying and matching opportunities • Strong relationships between employment support, local businesses and local authorities. 	

¹⁰ Annual Population Survey 2019s

YOUNG PEOPLE'S SKILLS GUARANTEE (POST 16)

Targets	This intervention will target 4,500 people with a specific focus upon the most 'at-risk' young people.
Outcomes	Young job seekers will be supported to secure and remain in employment commensurate with their skills and ambition. Additionally, learners who have fallen behind will be supported to catch up. It will ensure that NEET levels are below the national average . Success will be measured by a greater share of young people staying in employment or in education after 6 and 12 months . Targets will be developed through current graduate and leaver surveys. Data will be confirmed with longitudinal data on outcomes.
Investment required	£1.5 - £3m over 18 months to support 16-24-year-olds into employment, training, or education. Estimated unit cost is £240 per person . This excludes apprenticeship and traineeship grants which are captured in the Train to Work programme.
Requirements	Requirements include: <ul style="list-style-type: none"> • Support from educational institutions within SCR. • Collaboration across partners to identify young people not receiving support. • Resource requirements to undertake matching programme. • Identification and unification of existing organisations intervening and supporting struggling students. • Close working between education and business sectors. • Capacity within the labour market and education sector to provide each individual, that would like to engage with the intervention, with the option to pursue their interest development plans.



OVERCOME BARRIERS

The income grant will be allocated to the most disadvantaged people within the City Region to eliminate barriers to access skills training opportunities and employment. A similar approach has been adopted in Spain where the Government introduced a Minimum Basic Income to 850,000 selected households with payments ranging from €461 to €1,015. This is expected to reach around 2.5 million people and reduce child poverty significantly among those incorporated within the scheme.

The MCA proposes to provide an income grant which will support our most disadvantaged people to eliminate barriers to beginning or continuing education, training and employment. The intervention is about supporting social mobility and reducing inequality. We will use grants to support incomes for the most impacted cohorts not just in employment but in training as well, helping them overcome barriers such as:

- 1. Childcare:** School closures have meant at least one care giver must remain at home every day for most households. This will dramatically impact single parent families, individuals who are unable to work from home and for those that can it can adversely affect their job performance.
- 2. Digital upskilling:** Remote/flexible working has become the new norm for many. Consequently, digital literacy is essential for employees to continue their job. This poses a potential challenge for low skilled workers that may not have received IT training. Individuals will be encouraged to sign up to digital training courses facilitated by local education and training providers.
- 3. Digital Assets:** Lack of technology and digital access is a major barrier for many households. This impacts the whole family; parents are unable to work, while children will not be able to join online classes. It is paramount that these gaps are addressed with urgency in order to prevent growth in inequality.
- 4. Transport:** Public transport use is more prevalent within low income cohorts meaning that reductions or cancellations will impact these groups the most. By providing basic income to access to public transport, the SCR can ensure these groups can continue to engage with the community. This will be delivered in a way that is sensitive to public transport capacity challenges. Therefore, other options like loaning active travel options (e.g. e-bikes) will be considered.
- 5. Housing:** The MCA will work with partners to ensure people have the support they may need to secure affordable housing or to be able to stay in their homes (e.g. pay their rent or mortgage).

As an immediate priority, funds will be managed and disbursed by local authorities and third sector partners who will also be responsible for targeting. The long-term wellbeing and financial resilience of residents is even more important now. The MCA also proposes to build upon the Good Credit South Yorkshire which began in 2019 and provide guidance to all supported to improve access to fair credit, reduce the need for borrowing and seek to improve the local credit environment to ensure that is sustainable.

OVERCOME BARRIERS

The target is to help at least **15,000 people** to re-engage with the labour market. This will be focused upon the most vulnerable parts of our population, allowing them to pay for or subsidise key services (e.g. childcare, public transport, technology, digital skills) which is often a barrier to progress.

Unemployment benefit claimant counts have risen due to COVID-19¹¹. Specific targets will be dependent on nature of eventual support (e.g. caring responsibilities or digital skills). Empowering individuals to work (e.g. at home) and/or stay in education or training will allow them to support their families and re-engage with the labour market. Addressing challenges and the provision of digital assets and/or childcare could help people embrace job opportunities. This will result in numerous positive outputs for the City Region, such as lower UC claimants, higher levels of wellbeing, inclusion, productivity and income tax. In addition to direct benefits to the exchequer, this will result in avoided costs for the NHS on physical and mental health, and local economic multiplier effects.

£285m - £315m over 18 months to support individuals to re-engage with the labour market by overcoming multiple barriers. Estimated unit cost is **£13,000 per person per year** to top up existing income support during training.

Requirements include:

- Identification of vulnerable cohorts to be targeted, focusing on those in 'hard to reach' places.
- A responsive programme structure that is flexible, ensuring support reaches vulnerable groups in a timely manner.
- Strong collaboration with local authorities to ensure a consistent research and quantification process that is impartial and equitable.

For those who would otherwise face long-term unemployment, investing in people to improve their skills and overcome barriers to good employment will reap substantial rewards. Accounting only for reduced exchequer costs associated with supporting unemployed people, South Yorkshire Works, the SCR Jobs Programme, has a high benefit cost ratio, producing at least **£2.20 for each £1 invested**. Excluded from the figure are anticipated local economic multiplier effects due to more employment, which further strengthen the investment benefits.



¹¹ Between March 2020 and April 2020, JSA and UC claims in the SCR rose from 30,860 to 50,905, representing an increase of 40%.

EMPLOYERS



SUPPORT FOR EMPLOYERS TO ADAPT, SURVIVE AND THRIVE AND DELIVER A JOBS-LED RECOVERY

Context for Interventions

One of the largest indirect economic impacts of COVID-19 has been the knock-on effects to businesses and employers. High streets and shopping centres closed, supply chains have been disrupted and many production lines have stalled as economic conditions tightened. Businesses are facing a range of challenges and the prospect of mass insolvency will become a reality if mitigation measures are not effective and timely.

Government has responded by offering a range of financial support packages to prop up companies at risk. While this is clearly critical to keeping businesses afloat, more can be done to support organisations to survive, adapt, and be resilient to the evolving environment. SCR has had a less than national average rate of uptake for certain support schemes due to a larger portion of the SCR's firms not eligible for support.

Further challenges facing our employers are summarised below:

COVID-19 affects all sectors of the economy, however the effects differ across market segments. **Technology and logistics are experiencing high demand** due to the lockdown measures; however, this may well be short term before there is a return to a "new normal". Besides these segments, the wider economy is experiencing a contraction, with many companies issuing profit/loss warnings.

Hospitality and retail services, which employs almost 17% of the SCR workforce have been significantly affected. In the short-term and the longer-term prospects are not positive.

VARIED IMPACTS ON OUR SECTORS

INSOLVENCY

The SCR business base is diverse, and the structure of the economy meant that the initial impact was in line with or even better than the national trend. However certain segments are under now pressure, such as **aerospace and automotive manufacturing**. In addition, **micro and small businesses are being disproportionately affected** due to minimal liquidity buffers, restricted access to capital and not meeting the criteria for government support schemes.

BUSINESS SUPPORT

The current crisis and the emerging new normal are preoccupying entrepreneurs and business leaders alike. **They are attempting to understand how to adapt and survive this crisis**. This adaptation requires flexibility to restart operations in a safe and social distanced manner. There is demand from **small businesses across the SCR for support in certain business operational functions** (HR, financing, legal and IT). This is a national problem but can be influenced at the City Regional level. **Business representative groups have stated that firms find the range of government support difficult to navigate**¹³.

CASH FLOW AND INVOICING

Cash is critical for business survival, as once liquidity dries up and a company is unable to meet its liabilities, it will become insolvent irrespective of underlying profitability. This is a wider problem in the UK due to COVID-19. **It is estimated that the value of late invoices has increased to 39.2%, while the volume of late invoices has increased to 53.4% for business to business activity**. Late invoices will mean that businesses already struggling are uncertain to receive their compensation at the agreed date. This financial uncertainty means that viable business may run out of cash awaiting their invoices to arrive. This will adversely affect micro and small businesses as many do not have the liquidity to weather economic shocks.

TECHNOLOGY UPTAKE AND BENEFITING

To maintain social distancing at workplaces for the foreseeable future, the necessity of technology has become apparent. **Technology investment is one of the key aspects of the overall low levels of investment in the United Kingdom compared with other countries post-2007**¹⁵. Since 2007, companies have met demand growth through increased hiring. However, investment has fallen due to a combination of low demand, overcapacity, and uncertainty, creating a job-rich but investment-weak recovery. Investment into digital and other aspects that increase productivity lagged peers. This is now materialising with an accelerated catchup period. The Humber LEP's ICT for Growth scheme in light of COVID-19, received new applications that exceeded funding by 400% of the total programme's funding.

SUSTAINABILITY

Prior to COVID-19, there was significant evidence that sustainable businesses outperformed the market due to several reasons (market growth, lower cost of capital, better governance etc.). This trend was also seen during the COVID-19 downturn with **environmental, social and governance (ESG) and sustainable firms outperformed the market during COVID-19 due increased resilience. Many businesses will need to undergo significant change** to comply with the Government Carbon Emission targets and regulations.

¹³Comptroller and Auditor General - National Audit Office, 2020. Business Support Schemes. HC 20 SESSION 2019-20. [online] Department for Business, Energy & Industrial Strategy. Available at: <<https://www.nao.org.uk/wp-content/uploads/2020/01/Business-support-schemes.pdf>> [Accessed 3 June 2020].

¹⁴Invoice-tracker.sidetrade.com. 2020. The Sidetrade Unpaid Invoice Tracker. [online] Available at: <<https://invoice-tracker.sidetrade.com/>> [Accessed 2 June 2020].

¹⁵Bughin et. al, 2017. Solving the United Kingdom's productivity puzzle in a digital age. www.mckinsey.com, [online] Available at: <<http://pinguet.free.fr/mckproduk18-.pdf>> [Accessed 3 June 2020].

¹⁶Paun, A., 2020. ESG Stocks Did Best In COVID-19 Slump. [online] Gbm.hsbc.com. Available at: <https://www.gbm.hsbc.com/insights/global-research/esg-stocks-did-best-in-corona-slump?_lrc=ccb36746-1bbe-4d98-85db-0c3bfa89806c> [Accessed 3 June 2020].

INTERVENTIONS TO SUPPORT EMPLOYERS TO ADAPT, SURVIVE AND THRIVE DESPITE COVID-19

Two investment programmes with a total of five interventions will support organisations to adapt and grow, unlocking significant multipliers for the local and national economy:

Investment Programme 1: Backing employers to adapt and survive:

1. Services and knowledge support for COVID-19 adaptation
2. Digital upskilling for our organisations

Investment Programme 2: Backing employers to accelerate growth:

Flexible investment and recapitalisation

3. Flexible investment and recapitalisation
4. Employer leadership support
5. Supply chain and procurement support.

INVESTMENT PROGRAMME 1: BACKING EMPLOYERS TO ADAPT & SURVIVE & SUPPORT A JOBS-LED RECOVERY

SERVICES AND KNOWLEDGE SUPPORT FOR COVID-19 ADAPTATION

Context	A significant challenge for business survival in the context of COVID-19 is the ability to operate within the evolving regulatory environment with ever changing customer behaviours. To remain viable, organisations must adapt their practices and be COVID-19 secure. Organisations can benefit from a service that builds upon central government advice and support. This intervention will improve signposting to key business function support across the City Region (e.g. licensing webpages, business rate slips etc.) to more impactfully share key information (and improve uptake of support as well as data collection on support requirements).
To do what	The MCA proposes to provide employers specialist business support that will help them adapt and survive this crisis. This will include for example cashflow insights, HR, legal and health & safety, and health and wellbeing, particularly employee mental health. This is about giving employers – especially SMEs – the knowledge support they need to adapt and survive. It includes scaling up our business support offer, especially around specialist areas like HR, legal, company formation and structure (including cooperative models), health and wellbeing (especially mental health), and health & safety (including COVID-19 adaptations). We will also provide intelligence to help companies make informed cashflow and invoicing decisions, negotiate terms and improve reliability in income projections, reducing the threat of cashflow problems to SMEs especially.
Delivery	Growth Hub, partner institutions across public and private sectors.
Outcomes	Arrest any decline in business stock and survival rates will improve. Anticipated impacts will include direct jobs created and safeguarded, and eventual sustained GVA and productivity rise.

SERVICES AND KNOWLEDGE SUPPORT FOR COVID-19 ADAPTATION - CONT.

£2m-£2.5m to provide businesses with access to specialised COVID-19 adaptation support and invoice intelligence. Estimated unit cost is **£110 per employer**.

Requirements include:

- Uptake and engagement across at-risk business segments and those that would most benefit.
- Effective division of roles and responsibilities across the Growth Hub and LA capabilities to ensure support is provided at the appropriate spatial level.
- Monitoring and data collation of the delivery vehicles.
- Communication and marketing to spread awareness and uptake from business support services.
- Identification, or close working with Chambers, FSB and wider partners to identify areas of specialist support for clear signposting to.
- Alignment with central governmental objectives.
- Business support to outreach to companies who require support to access other forms of credit if terms with suppliers are restricted as a result of cash flow risk support.



DIGITAL ADOPTION AND UPSKILLING FOR OUR ORGANISATIONS

Context	The nature of the COVID-19 pandemic has meant that a key survival strategy across a range of organisations is to adapt operations to a virtual environment, in which products and services can be fulfilled through online platforms. This has accelerated prevailing trends towards digitisation, requiring a timely and scaled response to reach organisations at risk of being 'left behind'.
To do what	The MCA proposes to provide SMEs and other small organisations with the opportunity to digitally upskill, and to use technology to transform their operations by providing access to funding, establishing digital upskilling partnerships and building upon our existing assets. This is about supporting employers (especially micro and small enterprises) to adapt to the new environment through digital upskilling, and accelerating technology adoption to transform operations. Its key elements will include: <ul style="list-style-type: none"> • grants to enable flexible/remote working. • scale up existing IT upskilling programmes. • enable access to cloud computing and cyber security provision.
Delivery	Growth Hub, LAs and digital skills providers will lead delivery.
Targets	The intervention will target 10,000 SMEs to adapt to the hybrid working environment.
Outcomes	Arrest any decline in business stock and survival rates will improve. Anticipated impacts will include direct jobs created and safeguarded, and eventual sustained GVA and productivity rise.
Investment required	£16m - £18m is required to support digitisation, productivity and competitiveness. Estimated unit cost is £1,600 per employer.
Requirements	Requirements include: <ul style="list-style-type: none"> • Effective targeting of organisations those that would most benefit • Driving uptake and engagement through communication and marketing tools • Establishing partnerships and relationships with providers and customers, utilising the region's strengths and assets.

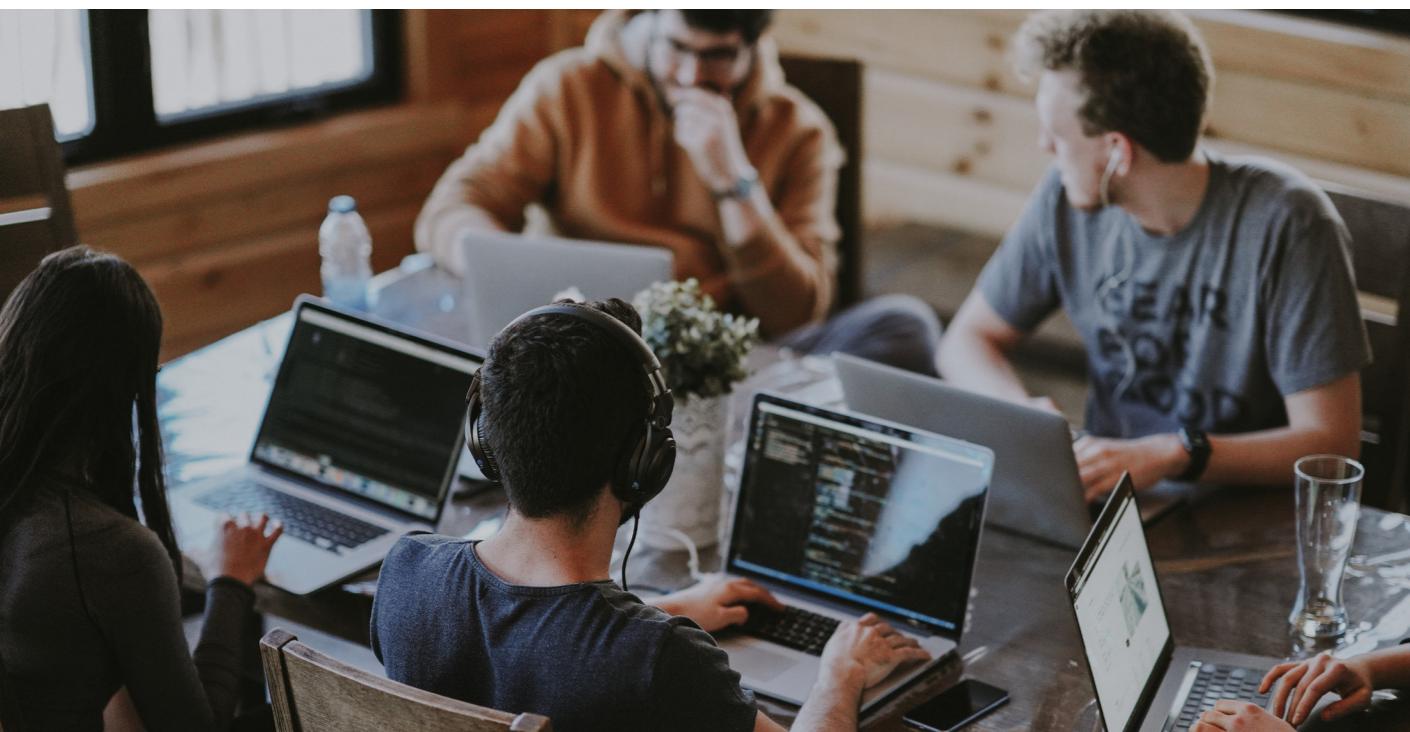
INVESTMENT PROGRAMME 2: BACKING EMPLOYERS TO ACCELERATE GROWTH AND DELIVER A JOBS-LED RECOVERY

FLEXIBLE INVESTMENT AND RECAPITALISATION

The evidence clearly shows that many businesses with viable plans and growth models are under immense pressure and need further investment to survive this crisis. The threat of mass insolvency on a scale not seen with the great depression is real and support should be provided wherever possible to give employers a chance.
On the other hand, some activities in the economy are experiencing significant growth. Growth opportunities are emerging, and many businesses are looking to expand. Business start-ups tend to increase in the immediate aftermath of an economic crisis and support is needed to nurture them and to back innovation.
This support will also ensure there is growing demand for labour, which is crucial to balance the supply side, people focused interventions presented earlier. It will also help ensure that public money to support businesses generates the greatest possible return and advances our strategic objectives as far as possible.
The MCA proposes to provide locally administered business loans and grants to support growth plans. These are vital as several SCR businesses did not meet the criteria to access support from central government. Additionally, this support will not just sustain businesses, but will allow them to grow and effectively respond to the new normal.
This is about deploying a range of flexible investment mechanisms to support the adaptation and survival of viable companies and accelerate growth. It includes grants, loans and patient equity investment to help companies struggling with short-term market conditions to survive; to seed innovation and encourage start-ups, and allow businesses to invest, adapt, and grow without over-leveraging.
Support would be structured to incentivise and advance innovation from concept to commercialisation, support strategic growth sectors (including advanced manufacturing, health and wellbeing, modern methods of construction and clean energy), workforce upskilling and the Net Zero transition.
Also includes support for business and entrepreneurs to explore different ownership models and structures (including equity/ stock issues and mutualisation) and enabling changes to allow this.
Delivery will be via the Growth Hub and existing models, and with LAs and, where necessary, through special investment vehicles.

FLEXIBLE INVESTMENT AND RECAPITALISATION - CONTINUED

Targets	Support available to 10,000 businesses and significant investments (including equity stakes) in up to 500 businesses aligned with the policy objectives of the MCA. This will include organisations with different ownership structures like cooperatives and social enterprises.
Outcomes	Business stock will begin to grow. Increase business birth rate over the next 12 months. Significant contributions to reducing carbon footprint and improving social inclusion. Equity investments will seek competitive rates of return and induce local economic multiplier effects.
Investment required	£280m - £320m to invest as appropriate in grants, loans, equity and other support as necessary to help business survival and create the enabling conditions that drives productivity at scale. Estimated unit cost of will vary widely, with an average of £850,000 per employer .
Requirements	Requirements include: <ul style="list-style-type: none"> These loans or grants would be made conditional on organisations committing to deliver wider socio-economic value in the City Region, such as environmental sustainability, innovation, social inclusion, job retention, and good employment practices. Deploy organisational capabilities across the SCR to effectively and efficiently administer loans / grants. Communications requirements to make clear the offer available to businesses, and eligibility as to avoid misunderstandings of the purpose of the intervention.



EMPLOYER LEADERSHIP SUPPORT

Beyond measures to make immediate adaptations to business operations, the future viability and direction of organisations must be reconciled with a changed, and changing, environment. Leaders will benefit from tailored support horizon-scanning, identifying market opportunities, and rethinking operating models, which will enable them to develop plans for long-term business survival.
The MCA proposes to provide SMEs and other small organisations with leadership, strategic, and operational support to our organisations, enabling them to accelerate the radical change and make the key decisions needed to for their businesses to grow. The proposal will help businesses to think creatively and strategically in the wake of COVID-19 impacts.
This is about supporting our business leaders to improve strategic decision making, helping accelerate growth while improving preparedness for the changes ahead, most of which were well underway prior to COVID-19. This includes support to enable decision making on investment in technology (e.g. AI), low carbon transition, employee health and wellbeing, social responsibility and to develop new markets and innovative operating models.
Delivery will be led by the Growth Hub and local partners.
Support up to 1,000 businesses to improve overall business leadership and decision making.
Arrest any decline in business stock. Longer term impacts such as GVA and productivity rises will be quantified in accordance with timeframe and scope.
£5m to support and improve business leadership and decision making. Estimated unit cost is £5,300 per business .
Requirements include: <ul style="list-style-type: none"> Skills required to provide innovation and leadership support. Strong intelligence and insight 'offer'. Relationships with existing delivery vehicles and assets to assist in providing this support. Communication channels to market the support available.

SUPPLY CHAIN AND PROCUREMENT SUPPORT

The unprecedented nature of COVID-19 is challenging and disrupting international supply chains and leading to businesses exploring alternatives to their pre-COVID-19 situation. This is providing opportunities for reshoring and increasing local demand as businesses look closer to home to fulfil secure their supply chains. It is also a significant opportunity to influencing procurement decisions within organisations seeking to deliver social value throughout their communities.

The MCA proposes to support organisations to exploit supply chain opportunities to enable growth. Additionally, the MCA proposes to work with partners, especially the public sector and anchor institutions to pool and leverage their procurement in order to drive up social value and increase local content.

This is to support our businesses to exploit supply chain opportunities that emerge. It is also about the MCA, local authorities and anchor institutions pooling and leveraging procurement wherever possible to shorten supply chains and drive up local content and social value.

Delivery will be led by the MCA, LAs and other anchor institutions.

The target is to support **300 businesses** initially and to protect **15,000 jobs**.

The programme will utilise baseline figures on local spend and supply chains to identify improvements. The MCA will work with Department for International Trade to exploit re-shoring potential.

£31m is required to re-shore supply chains and leverage economic and social benefits through procurement. Estimated unit cost is **£100,000 per employer**.

Requirements include:

- Business support to outreach to companies who require support to access other forms of credit if terms with suppliers are restricted as a result of cash flow risk support.
- Supply chain expertise.
- Procurement expertise, and the ability to influence procurement policies throughout public sector, other anchor institutions, local organisations.
- Organisational structures to provide this support formally.

The design of interventions is ongoing but similar programmes¹⁸ of interventions delivered high value for money, with BCRs between 2:1 - 5:1. This does not include many of the indirect and wider impacts observed in similar programmes (e.g. productivity and innovation).



¹⁸ Government-funded business advice programmes delivered by Business Link and programmes run by the British Business Bank.

PLACES



INFRASTRUCTURE INVESTMENT TO LEVEL UP THE ECONOMY, CREATE JOBS AND TRANSFORM COMMUNITIES

Place plays a vital role in the lives of our residents - it's where we live, where we work, and it's how we travel. The MCA and LEP's immediate response has therefore considered how job creation can be accelerated, and how people and businesses can be better connected in the wake of COVID-19. The impact of this crisis on place, however, is still evolving rapidly and it is unclear at this time what intervention programmes will achieve the desired impact. Urban centres are slowly unlocking, and public transport continues to be constrained by social distancing and public confidence.

Context for Interventions

Our high streets, neighbourhoods, urban centres, and their supporting infrastructure are all being affected in unprecedented ways by COVID-19. The nature of social distancing has led to spaces and infrastructure being perceived very differently, and this may be an enduring legacy of the pandemic.

At present, we cannot be sure of the full extent of the impacts of COVID-19 on local communities, though we can be sure they will be substantial, both exacerbating existing problems and creating new ones. The shift towards the "new normal" is presenting challenges, but also once in a lifetime opportunity, with main considerations identified adjacent:

INFRASTRUCTURE WEAKNESS

We have 'shovel-ready' infrastructure opportunities which can create many good jobs and invest in the future of local communities, while also moving us toward our strategic goals. Long-term weaknesses in our infrastructure include the housing stock which is among the least energy efficient in the Organisation for Economic Co-operation and Development (OECD) and our transport infrastructure, which encourages expensive and inefficient modes of travel.

IMPACT ON OUR SECTORS

Over 20% of SCR employment is in the most affected sectors of retail, hospitality, and arts, leisure and recreation. A disproportionate number of these businesses operate in urban centres and all have had to massively scale back or close entirely their operations under lockdown. Footfall in urban centres declined across the UK by around 80% during 'lockdown'. It is also increasingly clear that a longer-term restructuring is underway; as many businesses and business models will not survive. We have already seen high-profile retail closures and downsizing.

ACCESS TO TRANSPORT

The ability for local people to be mobile is compromised by social distancing, and travel preferences may be permanently reshaped by the pandemic. For the 27% of households across the SCR without car access, COVID-19 is affecting mobility given the reduced services and safety perceptions of public transport. Some of this travel can be absorbed by other modes such as 'active travel', but SCR must find solutions that are inclusive of the whole population. COVID-19 disruption represents an opportunity to reform transport use in the City Region in the long-term. In the absence of public transport during COVID-19 and the expected slow return of uptake thereafter, motor vehicle use has intensified. Most UK motor vehicles are still powered by fossil fuel combustion engines, increasing carbon emissions and local air/noise pollution. Pollution and emissions are exacerbated by worse traffic on busier roads, with more single-person journeys being made via motor vehicle.

HOUSING

The housing market is closely linked to consumer spending. Coronavirus is reducing the amount of housing transactions. At a UK level, mortgage approvals for house purchases in May 2020 were down 85.8% on a year ago and down 41.5% on April 2020. There are social and built elements of the housing market which, if supported, could push the local economy through the challenges it current faces.

IMPACT ON OUR URBAN CENTRES

COVID-19 is driving change in our urban centres. Many urban centres faced several challenges pre-COVID-19 and were already presenting significant opportunities for redevelopment. COVID-19 is likely to speed up the market forces observed in urban centre operations, creating a greater urgency for investment and regeneration to support their changing role.

INTERVENTIONS IN PLACES

Four interventions grouped into three investment programmes to help urban areas adapt to COVID-19 and avoid decay; boost sustainable travel; and enable shovel-ready investment in decarbonisation and more broadly – creating jobs and growth while advancing our strategic economic, social and environmental goals.

INVESTMENT PROGRAMME 1: COVID-19 SPATIAL ADAPTION

COVID-19 SPATIAL ADAPTATION

Context	<p>The vitality and success of SCR's urban centres and principal towns is driven by a combination of factors - the disposable income of the local community, transport links, digital connectivity, local business networks and the availability of an immediate catchment which drives footfall and passing trade as well as provides access to a skilled workforce.</p> <p>However, the health of both the city and town centres is also closely connected to the sense of identity of South Yorkshire, shaping civic and community pride as well as providing a measure of the quality of life for residents.</p> <p>Many urban centres and towns faced several challenges pre-COVID-19 and were already presenting significant opportunities for redevelopment. COVID-19 is likely to speed up the decline in some urban centre operations, creating a greater urgency to support their changing role. The unprecedented effects of COVID-19 is already altering the face of our city and town centres and these changes may accelerate and/or become permanent. Reconfiguration beyond active travel is required. This includes temporary and semi-permanent changes which will support businesses, organisations (e.g. cultural) and protect people's health. For example, distancing measures within shops and in public spaces (e.g. galleries or social hubs), and "meanwhile use" of vacant premises (e.g. pop up shops and other related purposes).</p>
To do what	<p>The MCA proposes to support local authorities to undertake the rapid reconfiguration of their urban centres to support COVID-19 friendly use. We will reconfigure urban centres in order to increase vibrant activity, adapt to the new behaviours and restrictions, and forestall city centre decay; physical infrastructure changes (e.g. widening pathways, one-way pedestrian systems), commercial property use, strategic building and land acquisitions and flexible, responsive and proactive planning.</p>

COVID-19 SPATIAL ADAPTATION- CONTINUED

The intervention will be led by Local Authorities. The SCR will provide support to local authorities to rapidly reconfigure city and town centres to be able to meet social distancing guidelines which in turn also supports the re-opening of non-essential businesses successfully. Each Local Authority will have to consider what this reconfiguration would look like for their specific place (e.g. one-way systems, widening of pathways), though dependent on these requirements, the SCR will provide support to be able to both i) consider methods in which to do so and ii) secure funding / resource to implement.

It is proposed that the MCA administer an adaptation fund to support local authorities adapt to the current conditions. In summary, this includes the following areas:

- Funding to adapt urban centres to increase footfall, confidence and attractiveness in the short term and diversify provision.
- Reconfiguring of space (e.g. commercial, car parking, etc) which acknowledges the new normal around accessibility, transport patterns and social distancing.
- Acknowledging and planning for the important role that flexible space will likely play in meeting people's needs for residential, retail, offices and services.
- Supporting innovative and creative solutions to include heritage in our urban centres should be important. SCR has many heritage assets (e.g. sport, culture, industry, etc) which can play a progressive in innovative and dynamic urban centres.

Support will be targeted at cultural, community and social enterprises or start-ups. Interventions will depend on need and opportunities.

Baseline information for all urban centres to allow targets to be established based on support offered. This would include:

- Footfall and vacant units – (e.g. No increase in empty retail premises by Q3 2021).
- Day time/evening economy spend.
- Independent shops.
- Density of businesses.

£20m is required for an initial 12-month programme of strategic building and land acquisitions to regenerate and avoid decay in our urban centres, and to reconfigure local spaces in the wake of COVID-19 to help the local population adapt to restrictions and changes in how we interact and behave. Following this, **£200m** of sustained investment will be needed for a further 3 years to transform our urban centres and neighbourhoods and accelerate the levelling up process.

Requirements include:

- Vehicles for provision of funding, and mechanisms to distribute and monitor impact / appropriateness of use.
- Developing and accessing thought leadership on transformation of high streets and urban centres in the wake of COVID-19.

INVESTMENT PROGRAMME 2: SUSTAINABLE TRAVEL

The MCA proposes to fast track transport investment to accelerate active travel plans across the City Region, using COVID-19 impacts as a catalyst for change, and prioritise investment where possible, for our vulnerable cohorts most impacted by the virus.

SUSTAINABLE TRAVEL

The Cabinet Office has estimated that excess delays, accidents, poor air quality, physical inactivity, greenhouse gas emissions and some of the impacts of noise resulting from motorised road transport costs English urban areas £38-£49 billion a year. Evidence suggests that switching active travel for short motor vehicle trips could save £17bn in NHS costs over a 20-year period, with benefits being accrued within two years for some conditions.¹⁹

This is about providing a sustainable, affordable and safe means for people and goods to move efficiently in line with COVID-19 regulations and beyond. Includes accelerating investment plans to enable and promote cycling and walking, and a commitment to support local development plans which enable more liveable, low traffic neighbourhoods. Also includes a commitment to improve local bus services.

SCR MCA and LAs will work together with key private sector partners. Active travel interventions, in the short-term, could take the form of incentives to increase the Cycle to Work scheme uptake by local employers where appropriate, increase the use of electric vehicles for those unable to use active transport, provide grants or loans to purchase bicycles and the provision of free bicycle servicing on roadsides and in urban centres (noting this list is not exhaustive).

Furthermore, in response to COVID-19 impacts, interventions could also complement adaptation interventions (e.g. the widening of pavements) to allow more people to walk without compromising social distancing. Other possible delivery mechanisms include bike lanes with protected space for cycling, safer junctions, and cycle and bus-only corridors²⁰.

Maintaining COVID-19 lockdown active travel levels. As of the end of May, 64% of adults walked, and 14% cycled – representing an extra 100,000 cyclists.

Increased public transport patronage (baseline increasing but targets linked to pre-COVID-19 levels).

SUSTAINABLE TRAVEL - CONTINUED

Capital projects which contribute to 620 miles of accessible walking and cycling routes across SCR to enable people to leave their cars at home and support multi modal travel. Improvements to bus network coverage and patronage.

Delivery will also have an indirect impact upon footfall and spend. Lastly, health and wellbeing data from PHE will be utilised to understand direct and indirect health outputs.

£53m is required for an 18-month programme to trial a set of low-traffic neighbourhoods across the City Region, and to accelerate our Active Travel Infrastructure Programme to improve active travel rates. Estimated unit cost is **£490 per person**.

Requirements specific to the intervention include (and is not limited to):

- Partnership with firms that could help facilitate active travel e.g. bicycle manufacturers.
- Collaboration with Local Authorities to design and implement reconfiguration of routes.
- Agility in decision-making to accelerate delivery, taking advantage of catalyst for change COVID-19 has created.



¹⁹ Public Health England, 2016. Working Together To Promote Active Travel A Briefing For Local Authorities. [online] London: Public Health England. Available at: <https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/523460/Working_Together_to_Promote_Active_Travel_A_briefing_for_local_authorities.pdf> [Accessed 6 May 2020].

²⁰ Browne, D, 2020. Government To Release £250M For Urgent Active Travel Schemes - The Transport Network. [online] Transport Network. Available at: <<https://www.transport-network.co.uk/Government-to-release-250m-for-urgent-active-travel-schemes/16630>> [Accessed 10 May 2020].

INVESTMENT PROGRAMME 3

The MCA proposes the acceleration of low carbon and wider regeneration activities that can help the economy recover and allow urban centres to modernise.

SCR will work with Government and local partners on targeted infrastructure investments unleashing their longer-term economic potential with a particular focus on innovative, sustainable, high impact capital projects which can be delivered within eighteen months but started straight away.

The MCA will work with Government to accelerate the delivery of capital projects in order to stimulate places and the economy and support people's reattachment with place. Accelerating existing and new capital projects will generate new activity, to help create jobs and raise overall demand in the economy.

The MCA proposes to accelerate capital programmes where possible, but also to begin further infrastructure investment in the immediate term, noting that the benefits of this may be felt beyond the next 12 months. **This will be crucial in delivering the jobs-led recovery needed in South Yorkshire.** We aim to accelerate the timetable for our infrastructure development to meet multiple demands (e.g. net zero emissions or flood prevention).



SHOVEL-READY INVESTMENT

To do what

Shovel-ready decarbonisation investment

Accelerate our transition to Net Zero, while creating jobs, building up our high-value industries, and improving quality of life for our communities.

We would do this through:

- A substantial programme of building retrofits.
- Supporting green energy projects, including solar, hydrogen, and heat pumps.
- Establishing a £40m carbon challenge fund, to incentivise and leverage private sector investment.
- Enhancements to biodiversity and natural capital.
- Flood prevention works, bringing forward part of our £273m investment plan.
- A tree planting programme, closely tied to flood prevention but also to improving neighbourhoods and habitats.

Shovel-ready infrastructure investment

Acceleration of shovel-ready construction and regeneration activities that can help the economy recover, support levelling-up and strategic growth sectors, enhance the public housing offer and drive urban centres to modernise.

Shortlisted projects include:

- Strategic land assembly (e.g. in Goldthorpe).
- Improvements to the Greasbrough Corridor.
- Sheffield's improvements to Heart of the City Breathing Spaces.
- A new world class outdoor leisure facility in Sheffield (Parkwood).
- Barnsley: Digital Learning-Sci Tech Building.
- Better Barnsley Market Gate Bridge.
- New Active Travel Foot/Cycle Bridge.
- Town centre public realm in Barnsley.
- Digital Infrastructure and Construction Space in Doncaster.
- Active Travel and Digital Infrastructure Programme in Doncaster.
- 2nd Phase of Century Business Innovation Centre, Rotherham.
- Public realm improvements in Rotherham Town Centre.
- Research and Innovation for post COVID-19 Rehabilitation (RICOVR)
- Centre for Child Health Technology.

MCA, LAs and other key infrastructure or development partners will work together on delivering projects. Delivery will accelerate existing infrastructure programmes to create jobs in both the immediate where possible, and to begin the necessary steps to create more jobs in the medium to long-term. Delivery will also include:

- Secure significant investment through various routes to mobilise further programmes and related investments. This will include lobbying for greater flexibility in the delivery of existing programmes (e.g. active travel, public transport, rail modernisation/line re-opening).
- Programmes will be tailored to place-specific needs.
- Supporting our research organisations to provide insight, evaluation, feedback loops, research insight around capital investment programmes.

SHOVEL-READY INVESTMENT - CONTINUED		
Targets	Shovel-ready decarbonisation investment	Shovel-ready infrastructure investment
Outcomes	<p>Creation of 2,000 new jobs across all programmes and carbon emissions outputs in line with SCR's Net Zero by 2040 target.</p> <p>Key development indicators across all programmes include employment, GVA and other wide indicators including indirect employment, social value delivery and biodiversity enhancement. Benefits will be specific to capital investment project, and additionally will induce local economic multiplier effects.</p> <p>This will enable SCR to progress against ambitions for a net zero City Region by 2040. Benefits will depend on which capital investment project are delivered, but will include reduced pollution, enhanced biodiversity, and health improvements.</p>	<p>Creation or safeguarding of 4,000 new jobs across all programmes and programme indicators.</p> <p>This will begin to level up South Yorkshire and accelerate the renewal of the economy. The investment will enhance existing world class assets and enable underperforming parts of the City Region to become catalysts for growth, inclusion and sustainability.</p>
<p>£200m is required for the acceleration of shovel-ready decarbonisation, natural capital and clean energy investments.</p> <p>Requirements specific to the intervention include (and is not limited to):</p> <ul style="list-style-type: none">• Understanding of place-specific needs for infrastructure transformation, to assist in prioritisation of accelerated implementation.• Clear understanding of prioritisation framework for accelerated programmes, to avoid a misaligned approach or unintended negative consequences.• Detailed business cases for those capital investment programmes where they do not already exist.	<p>£300m is required for the acceleration of shovel-ready construction and regeneration activities that will unlock growth and resilience in local economies.</p>	



ENABLING DELIVERY

THERE ARE SEVEN KEY ENABLERS WHICH ARE THE CRITICAL SUCCESS FACTORS TO FACILITATE AND ENSURE SUCCESSFUL IMPLEMENTATION.

01 // FUNDING

This is a good opportunity for the City Region to take a lead in shaping the national agenda.

The MCA will invest its own resources to deliver this plan. However, given the scale of the challenge, significant additional funding from central government is required to truly level up South Yorkshire.

02 // LOCAL COMMITMENT AND COLLABORATION

The active collaboration between partners that goes beyond organisational and geographical boundaries will provide aligned delivery across the City Region and avoid the risk of duplication of efforts.

The Plan, and its interventions, will not be successful if they are not supported locally, and championed by the organisations that provide direct support to people and organisations.

03 // CENTRAL GOVERNMENT SUPPORT & ALIGNMENT

Alignment between the SCR Renewal Action Plan and Central Government priorities for national economic recovery ensures that all partners are working towards the same goals.

This in turn reduces the barriers to implementation. Central Government recovery priorities have focused on zero carbon, innovation, social inclusion and the localising of supply chains where possible. These are fully aligned with this RAP.

04 // GOVERNANCE, TRUST AND DISTRIBUTED LEADERSHIP

The MCA has the highest levels of accountability and governance and agreed assurance framework.

These will guarantee the successful delivery of this RAP. The MCA and LEP will continue to build on these key structures, support the review of the HM Treasury Green Book and ensure its processes remain "best in class".

05 // IDENTIFICATION OF LOCAL DELIVERY VEHICLES (LDVs), WHERE REQUIRED

The RAP is designed to enable the use of existing local delivery vehicles and assets wherever possible, to accelerate delivery.

This approach leverages existing relationships, expertise and structures which in turn accelerates delivery, but also builds upon the existing strengths of delivery or stakeholder organisations.

06 // AGILITY AND DATA-LED DECISION MAKING

The very nature of COVID-19 has meant our businesses and people have had to be agile in the way they operate, consume and live their daily lives.

This level of flexibility will continue to be required as we further understand the wider implications of COVID-19. The use of real-time data where possible, will be integral to understanding the impact and uptake of the interventions. The establishment of a 'data dashboard', accessible across the City Region and utilising real-time data where possible, is therefore critical.

07 // CENTRAL GOVERNMENT SUPPORT & ALIGNMENT

Each intervention has its own audience and therefore requires a different set of nuanced tailored, messaging. The MCA and all delivery partners will ensure that the interventions are fully and effectively communicated via all channels so that all who need support can be reached.

CONCLUSION

The COVID-19 pandemic and the social and economic impacts will likely be the biggest challenge faced by the UK since the war. South Yorkshire is still recovering from the post-industrial restructuring which decimated large parts of the social fabric and the economy.

The area, its people and employers, cannot afford to be left behind again and be amongst the last to emerge from this crisis. Levelling up must begin now and the investment needed to deliver this plan represents the first down payment on that commitment.

The programmes and interventions presented in this Renewal Action Plan are summarised adjacent.

These interventions need to be delivered over the next 12 to 18 months to bring immediate relief to the people, employers and places, spark a strong and sustained recovery and accelerate the renewal of South Yorkshire.

All the people, anchor institutions and stakeholders stand behind this plan.

Focus					
PEOPLE					
SCR Jobs Programme - South Yorkshire Works. Train to work Back to work Young people's skills guarantee (Post 16) Overcome barriers					£770m
					Helping 35,000 people re engage with labour market, creating benefits such as: 3,000 apprenticeships and other training positions. NEET levels below national average. Higher share of leavers/graduates in education or work within 12-18 months.
EMPLOYERS					
Backing employers to adapt & survive & support a jobs led recovery. Services and knowledge support for COVID-19 adaptation Digital adoption and upskilling for our organisations					£380m
Backing employers to accelerate growth and deliver a jobs led recovery. Flexible investment and recapitalisation Employer leadership support Supply chain and procurement support					Over 25,000 businesses supported: COVID 19 adapted working environments. Reduced carbon emissions. 15,000 jobs created through supply chain re shoring / localising. Invoice and cashflow support. Investment to innovate and thrive.
PLACE					
					£570m
					Strengthened communities and urban centres underpinned by: Maintained cycling and walking rates. Uplift in urban footfall and spend. Created/supported across 6,000 new jobs across infrastructure programmes. Improved local economy resilience and health and wellbeing.



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