

Report to Sheffield City Region Overview and Scrutiny Committee

Date of Meeting:	30 January 2020
Subject:	Strategic Economic Plan (SEP)
Purpose of the Report:	An update on the development of the SEP
The Scrutiny Committee is being asked to:	Consider if the development of the SEP has been based on evidence, whether the policies will not be detrimental to the environment and whether this will lead to opportunities for all groups across the region.
Category of Report:	Open
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Summary:

The purpose of this report is to inform the Overview and Scrutiny Committee on the development of the SEP, how inclusive this has been and how it will impact on the environment.

1. Introduction/Context

1.1 The Strategic Economic Plan (SEP) will be an overarching strategy which will set out how to grow the economy in a way that better includes and benefits all communities across SCR and improves our natural capital.

1.2 This paper outlines engagement with individuals and organisations, the contents of the SEP, the process, and lessons learned from the development of the strategy.

2. Matters for Consideration

a. Financial

The SEP will help to secure additional funding from Government; for example, the UK Shared Prosperity Fund. The costs associated with the completion of the SEP including specific commissioned pieces of research have been accounted for within the existing approved budget.

b. Legal

There are no legal implications to this paper.

c. Risk Management

If the work is delayed, the SCR's ability to secure additional funding from the new Government would likely be weakened. The SCR Executive Team are aware of the importance of delivering a new Economic Plan for the SCR in order to have a compelling pitch to Government. To manage this, consultants were appointed to help mitigate the risk of delay.

d. Environmental

Sustainability is one of the three pillars of the SEP. The strategy will drive forward environmental sustainability to achieve SCR's net zero-carbon target by 2040. SCR will support and encourage businesses to reduce emissions, and investment will be made to increase sustainable connectivity.

e. Equality Impact Assessment

Inclusive growth is one of the three pillars of the document. The strategy considers offering opportunities where this is not available or where particular barriers are preventing residents from accessing opportunities.

f. Performance Management/Measuring Outcomes

How SCR measures performance will change. The focus of the current SEP is numbers driven. The outcomes of the SEP are still being developed; however, the focus will be more on quality than simply numbers.

3. Consideration of alternative approaches

SCR could have chosen not to produce a SEP or followed a different economic growth model. The document is aligning different views on growth and a refreshed vision and approach to secure the funding needed to accelerate the growth of our economy and transform the lives of our people.

4. Issues the Overview and Scrutiny Committee may wish to consider ...

4.1 Process – has the development process been inclusive, thorough and based on the evidence gathered at the start of the refresh?

The four South Yorkshire local authorities and universities have been regularly engaged throughout the process. We have also met with private sector membership organisations such as the CBI and the chambers, and voluntary sector bodies. There will be a public consultation shortly where everyone will have the opportunity to contribute.

4.2 What are the objectives of the SEP? Are they correct and based on sound evidence?

The main aspirations of the SEP are growth, inclusion and sustainability. Each of the Sections of the SEP will have specific objectives. The primary lens of the SEP will be growth, but this will not be at any cost – it must be inclusive and environmentally sustainable. Growth will not be beneficial unless all people have an opportunity to contribute and benefit from it, and it cannot be detrimental to the environment.

We produced an evidence-based report the conclusions of which informed the vision and policy objectives. We also commissioned analytical advice by consultants. We have analysed a wide range of available evidence and made informed judgements.

The SEP is split up into the following sections:

- Section 1 offers an overview of the evidence, the conclusions of which have defined the challenge and led to the agreed vision.
- Section 2 sets out the three policy objectives of growth, inclusion and sustainability and explains how growth must be inclusive and supportive of the environment.
- Section 3 outlines how SCR's innovation-led growth will be delivered.
- Sections 4-8 present the key enablers necessary to ensure we have the right conditions to facilitate this growth.
- Section 9 will anchor the strategy in our "places" and show the uniqueness and the contribution of each local authority in the SCR.
- Section 10 explains the people-focused outcomes, benefits and financial implication of the SEP.

4.3 What funding opportunities are available from central Government to implement and achieve the objectives of the SEP?

Funding opportunities are unknown at this stage until there is more clarity from the new Government. The SEP will help to secure additional funding from Government; for example, the UK Shared Prosperity Fund. There is potentially an extra Local Growth Fund allocation ahead of the UK Shared Prosperity Fund, but nothing has been confirmed.

4.4 Will the SEP work equally and inclusively across the region, providing equal opportunities in terms of access to jobs and people being able to travel sustainably to a place of work from their home?

This is the ambition although the SEP is only one of a suite of strategic documents. We have made efforts to embed a socially inclusive agenda into the strategy, and we commissioned experts to produce evidence and offer advice. Growth, inclusion and sustainability can align but we know trade-offs exist, which we'll have to navigate.

4.5 How will the SEP ensure that business development is not detrimental to the environment?

Economic growth has decoupled from carbon emissions in recent years so there is not necessarily a negative relationship between the two. However, there is a bold aspiration in the document to achieve carbon neutrality by 2040, support inclusive economic growth, enhance natural capital and biodiversity. Working differently with businesses, creates opportunities to promote environmental sustainability. SCR is committed to contributing to a more sustainable economy and to continually improving the positive impacts we make. We recognise the contribution we can make to increasing social responsibility and positive environmental outcomes from our investments, decisions and leadership. The SEP will enable SCR to make specific requirements of businesses receiving funding, support or investment. One example is creating an Employment Charter which will govern how we work with partners and the outcomes we seek together.

4.6 What lessons have been learned during the development of the SEP? What could have been done better?

- Authorship should be retained by officers, not commissioned out. The experience of working with consultants when developing the draft is that it has worked well when they have been commissioned to do work on specific themes or sections, such as inclusive growth.
- There remain evidence gaps that only significant resource can overcome.
- There are often political terminologies (e.g. inclusive growth) which are not well/widely understood.

5. Recommendations

- Offer feedback on the draft SEP when it is out to consultation
- That the OSC is updated when a final draft is ready for publication.

6. Appendices/Annexes

Appendix A – 04 January LEP Board Paper – SEP Draft v4.1

The following section is a legal requirement

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Background papers used in the preparation of this report are available for inspection at:

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Other sources and references:

n/a