

Dr Dave Smith
Chief Executive
Sheffield City Region
11 Broad St West
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05 October 2020

Dear Dave

Re: Sheffield City Region Strategic Economic Plan

Yorkshire Universities' (YU) core mission is to widen and deepen the contribution of the higher education (HE) sector to place-based development, and to build strong and effective relationships with public, private and voluntary sector partners. In doing so, we welcome the frameworks that the UK Industrial Strategy, local industrial strategies (LISs) and the Strategic Economic Plan (SEP) provide.

The University of Sheffield and Sheffield Hallam University are key members of YU; a regional partnership of twelve universities/HE institutions in Yorkshire and the Humber with a shared commitment to building a more productive, inclusive and sustainable regional economy. Our members are also part of a wider HE eco-system in the north of England that is central to driving long-term growth, well-being and prosperity, all of which has been amplified in the context of COVID-19. Senior leaders from the University of Sheffield and Sheffield Hallam University play an active role within the Sheffield City Region (SCR) partnership.

In this letter, we provide some comments on the draft SCR Strategic Economic Plan (SEP). These are designed to complement the individual responses submitted by the University of Sheffield and Sheffield Hallam University. We have consulted both institutions during the preparation of this letter.

YU supports the development of long-term, 'place-sensitive' development strategies in localities and regions. It is right that the SEP should focus on three key areas: growth; inclusion; and the environmental sustainability of SCR; and even more so given COVID-19 and the economic, social and health challenges presented by the pandemic. We would also encourage the SEP to recognise the importance of wider geographies and SCR's relationships with other sub/city-regions. Multi-level and multi-layered geographies reflect the reality of business, markets and supply chains – helping to strengthen connections across and within Yorkshire and the wider north of England.

Focus on growth, inclusion and sustainability

YU agrees with the underlying approach being taken by SCR in the SEP: “In the new landscape after Covid-19, we will not pursue growth at any cost. We will prioritise investment in generating growth that is good, that helps respond to national and global challenges of productivity, decarbonisation and tackling inequality.”

The real opportunity lies in systematically linking the three key areas in the SEP to local, regional and national interventions (as well as the global context), whilst protecting the environment. Clear and transparent criteria for evaluating what constitutes ‘good’ and ‘bad’ growth will be important for decision-making processes and responding swiftly to new opportunities when they arise. We hope that the HM Treasury Review of the Green Book appraisal methodology will inform such criteria in SCR.

People, places and culture

YU agrees with the statement: “We believe South Yorkshire’s strengths are our people and places. By building on what we’re good at, we can create a more inclusive city region where everyone has the opportunities and the tools to succeed; and where our town and city centres and rural communities are thriving hubs of business, culture and leisure.”

Channelling resources and directing interventions into those opportunities with the greatest potential to deliver tangible improvements to the lives of people in SCR, rather than spreading the focus across multiple projects, is more likely to deliver long-term, transformative benefits. We recommend adopting clear criteria for determining the best opportunities, given the trade-offs involved – and would encourage consultation on these criteria.

An inclusive economy

Prioritising investment to create more inclusive growth, which also responds to the national and global challenges of productivity and decarbonisation, and seeks to ‘level-up’ regions and communities, is welcome, but it will require sufficient resources and policy levers within the city-region, alongside national government support. At the heart of this approach is a plan to attract and create good, well-paid jobs, where those businesses needed to grow the economy will be supported, and where opportunities can be created that inspire the next generation. Measures for determining increased fairness and inclusion should lie ahead of standard metrics for determining how the economy is growing, and this should be reflected in the SEP itself. GVA dominates the ‘potential benefits from delivering the SEP’ summary, as set out on page 83. Valuable lessons can be learned by considering what has (and has not) worked elsewhere, and by explicitly connecting work around inclusive growth, underpinned by efforts to improve health and well-being in the region. YU has taken an active role in this agenda, working alongside the Yorkshire and Humber Academic Health Science Network, NHS Confederation and the region’s Integrated Care Systems.

New technologies

YU supports the statement: “The world of business is changing. Advances in technology and a stronger focus on digital capabilities mean that companies must turn to new ways of working if they are to grow and thrive.” COVID-19 has accelerated these developments. Focussing efforts on those businesses (i.e. advanced manufacturing, engineering, healthcare, construction, low carbon digital and mobility technologies) that have the most potential to grow could create a culture that enables forward-thinking businesses and entrepreneurs to openly innovate, collaborate, invest and locate in SCR. However, there are significant risks of ‘leaving businesses behind’, and it is important not to inadvertently label some firms or sectors ‘unviable’ because of the restrictions placed on them as a result of the pandemic and lockdown measures. More broadly, when faced with labour market challenges not seen for a generation, reskilling will become critically important. Businesses (especially SMEs) will require support – such as in how to embrace new ways of working, to learn new skills, or to explore new markets. Universities in SCR have strong track records in supporting businesses to exploit new technologies, and to generate new products and processes.

Skills, education and employment

YU supports the statement: “Vocational and technical education, apprenticeships and training opportunities are vital to providing businesses across our region with the workforce they need to succeed. This also gives many of our people a better chance to achieve their potential and will ensure the city region can shift away from being a low wage economy.” Both SCR universities are active in this space, and they are leading the field when it comes to delivering applied forms of learning and research. The pool of graduates and post-graduates in SCR provides a rich seam of talent and potential focus for new, innovative firm formation and development. We would encourage the SEP to work with both universities in SCR to identify new types of funding and financing to support student and graduate start-up and university spin-out companies.

Whilst we agree with championing vocational and technical education opportunities, we would encourage a system that makes progression and pathways easier to navigate, with clear information and support for individuals who wish to advance their careers from low wage jobs to L7 or L8 should they wish to. Supporting ambition, raising aspiration and contributing to social mobility and retaining talent in SCR should be the main focus. This, combined with new technology adoption, will create a culture that enables forward-thinking businesses and entrepreneurs to collaborate, invest and locate in SCR, and nurture and retain talent. Vocational and technical education should complement more academic forms of learning. Universities in SCR and elsewhere deliver vocational education and technical education, and are key to up-skilling and re-training for those people who are changing or advancing in their careers.

We welcome the all-age careers, advice and guidance service proposed in the SEP. If implemented effectively, this could lead to a transformative approach to employability. A joined-up approach is essential. The two SCR universities – who have extensive experience in providing careers support and guidance – are best placed to provide leadership here.

Environment

YU agrees with the statement: “Tackling the climate emergency requires urgent and far-reaching changes for individuals and businesses on a regional, national and global scale. This will mean making difficult decisions and doing things differently, to ensure a just transition and a more inclusive society.”

Protecting the environment should be a key focus of the SEP, especially in light of the government’s net zero emissions targets that will require businesses, communities and education providers in SCR to come together and work towards achieving these targets. All partners need to be aware of their roles and responsibilities, and of the sometimes-difficult trade-offs that may be needed to tackle the climate emergency. We would encourage the SEP to encourage and enable a ‘just transition’ towards meeting the city-region’s climate targets.

Meeting the net zero target will not only boost green jobs and reskilling, general health and wellbeing (an area that is well-researched at both universities in SCR), but the focus on decarbonisation could present a real opportunity to link up with other clean energy clusters and talent pools in Yorkshire and collaborate across the north of England.

Transport

YU supports the statement: “A reliable, efficient, and affordable transport system is a crucial driver of economic growth. Our aim is to build a transport system that works for everyone, connecting people to the places they want to go within the City Region as well as nationally and internationally.”

By improving local bus and rail services; renewing the Supertram system and extending the Tram-Train; and maximising the benefits of major infrastructure projects such as HS2 and Northern Powerhouse Rail, with new railway stations at sites including the Dearne Valley, Rotherham Mainline station and Doncaster Sheffield Airport – alongside creating the active travel infrastructure that enables more people to walk, run and cycle – this approach will connect communities, businesses and education opportunities. Transport improvements should be driven by fair pricing, accessibility and health benefits.

Building on existing research and innovation assets

YU welcomes the intention to place innovation at the heart of the SEP, and to grow an economy that works for everyone. Whilst the SEP is right to make the case for new forms of investment, both public and private, SCR has in situ a wide range of infrastructure and assets, which provide the essential foundations on which to build a more prosperous, inclusive and healthier city-region.

SCR is well placed in which to play a key role in the levelling up agenda where it focuses upon the impact of research and innovation. The University of Sheffield’s Advanced Manufacturing Group is one of the largest engineering faculties in the country, and there is also a strong partnership with a major teaching hospital. SCR is home to significant assets

and has a track record / blueprint for delivering transformational change. This is evidenced by the advanced manufacturing clustering and inward investment success underpinned by the University of Sheffield's research and innovation assets, which are creating high value jobs requiring technical expertise and helping to build and strengthen local supply chains. There is a real opportunity for SCR to scale up this activity and catalyse new research and innovation intensive high value clusters.

The Productivity Insight Network, also led by the University of Sheffield, has been developing new thematic, place and sector-based insights upon how to improve productivity, which remains a key priority nationally and within SCR. Whilst the Centre for Regional Economic and Social Research, at Sheffield Hallam University, is a leading research institute, providing analysis into the structural issues of social and economic disadvantage experienced by places and people, which is a growing concern of policy-makers and leaders, and critical to post-COVID recovery and the levelling up agenda.

Other assets include the National Centre for Sport and Exercise Medicine, which brings together both universities in SCR. Sheffield Hallam University's Advanced Wellbeing Research Centre is building capacity to undertake new research around physical activity. This centre, coupled with other research and innovation infrastructure, should help SCR to develop the new technologies, skills and interventions that are needed to create and sustain more quality jobs.

SCR is critical to the long-term health, wealth and prosperity of Yorkshire. YU stands ready to support the University of Sheffield and Sheffield Hallam University, and local partners in SCR, to help deliver the priorities in the SEP.

Yours sincerely



Dr Peter O'Brien
Executive Director