



Report to Policy Committee

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Report of: Kate Martin, Executive Director, City Futures

Report to: Economic Development and Skills

Date of Decision: 20th June 2022

Subject: The Local Economic Assessment and development of the City Strategy's Inclusive Economic Framework

Has an Equality Impact Assessment (EIA) been undertaken?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
If YES, what EIA reference number has it been given? 1197				
Has appropriate consultation taken place?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Has a Climate Impact Assessment (CIA) been undertaken?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
<i>(CIA will be completed alongside production of the City Strategy)</i>				
Does the report contain confidential or exempt information?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>

Purpose of Report:

This report sets out the proposal to develop the City Strategy by way of: evidence gathering and engagement (including the production of the Local Economic Assessment and the delivery of the Community Voice and Insight Commission); strategic development; and consultation and testing.

This report proposes the alignment of the City Strategy with Sheffield's Levelling Up regeneration pilot and the South Yorkshire Mayoral Combined Authority's Strategic Economic Plan.

This report also sets out the proposal for governance arrangements for the City Strategy.

Recommendations:

That the Economic Development and Skills Committee:

- Endorses the proposed process to develop the City Strategy as set out in this report.
- Endorses the approach to align economic strategic and policy announcements with the City Strategy, as set out in this report.
- Notes the governance arrangements of the City Strategy, as set out in this report.

Background Papers:

- Report to the Sheffield City Partnership Board on the 13th May: Developing a New City Strategy for Sheffield (*available on request by contacting report author*)
- Interim Sheffield Economic Evidence Base for the Economic Development and Skills Committee (Appendix 1)

Lead Officer to complete:-	
1	<p>I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.</p> <p>Finance: Kerry Darlow/James Lyon</p> <p>Legal: Richard Marik</p> <p>Equalities & Consultation: Annemarie Johnston</p> <p>Climate: Mark Whitworth and Victoria Penman</p>
	<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>
2	<p>EMT member who approved submission:</p> <p>Kate Martin, Executive Director, City Futures</p>
3	<p>Committee Chair consulted:</p> <p>Councillor Martin Smith, Chair of the Economic Development and Skills Committee</p>
4	<p>I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Committee by the EMT member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.</p>

Lead Officer Name: Diana Buckley	Job Title: Director of Economic Development and Culture
Date: 9 th June 2022	

1.1 THE NEED FOR A NEW CITY STRATEGY

- 1.1.1 SCC's previous Economic Strategy ran from 2013-2020. Work had begun to refresh the strategy but was not completed before the COVID-19 pandemic in 2020. At the beginning of the pandemic, Sheffield's leading business networks, support organisations and Sheffield City Council identified a need for a short-medium term plan to support businesses and growth and the Business Recovery Plan (BRP) was developed and endorsed by SCC in October 2020. A Phase 1 Recovery Delivery Programme for the BRP was agreed by the Co-operative Executive in June 2021.
- 1.1.2 The development and delivery of the Sheffield Business Recovery Plan during the COVID-19 pandemic highlighted the need for a longer-term framework that sets out the city's priorities. Communities, businesses and city partners have told us they want a shared understanding of Sheffield's future – so that there is greater clarity about what Sheffield as a city wants to achieve, how we maximise the city's strengths and what we are going to do about tackling the challenges that we face.
- 1.1.3 There is a real sense of momentum to rise to the challenges and opportunities that Sheffield currently faces. There are multiple valuable conversations happening across the city, in different formal and informal contexts but we do not currently have a coherent plan for bringing these together and maximising the impact of our collective assets and ambition.
- 1.1.4 Approved Council plans have highlighted the need for a partner led long-term strategy for the city. The Business Recovery Plan identified a need to refocus our plans to tackle systemic economic challenges, both old and new, through a new longer-term economic plan. The Council's One Year Plan 2021 committed the Council to working with partner and communities to creating a new shared plan for Sheffield's future and the 10 Point Plan for Climate Action made similar commitments, in particular committing to working with businesses to secure a zero carbon economy and the green skills and jobs that are needed for the future.
- 1.1.5 Since the last Economic Strategy was developed, the city and its economy has changed significantly and so has the way people think about economies. Instead of economic models which focus on traditional measures such as Gross value Added (GVA) and numbers of jobs and office take-up, approaches such as [community wealth building](#) and the [wellbeing economy](#) place people at the centre of the

economy, and take a wider view of the connections that economic activity has to people's health, wellbeing, equality and the environment. The connections between economic growth, social and environmental needs can be illustrated by the [United Nation's Sustainable Development Goals](#) which links poverty, inequality and climate change with decent work and economic growth.

1.1.6 The city's experience of the pandemic has opened up a renewed desire for whole-place collaboration: both in terms of the impacts felt from COVID-19 but also the new collaborations and partnerships formed as part of the city's response.

1.1.7 In November 2021, Sheffield City Partnership agreed that partners needed to come together to develop a 'city strategy' which will both enable the city, and empower others, to address this. It was agreed that this strategy would incorporate an inclusive economic framework which reflects the new economic context looking at the economy in its widest sense by including wellbeing, health inequalities and environmental sustainability.

1.1.8 A City Strategy *and* an Inclusive Economy Strategy are fundamentally interconnected as they are all about people and place and therefore, this is an opportunity to bring these together with clear missions for what we want to achieve.

1.2 HOW WOULD A CITY STRATEGY CONNECT TO OTHER STRATEGIC AND POLICY ANNOUNCEMENTS?

1.2.1 Since the City Strategy and Inclusive Economic Framework were agreed in November last year, there have been further economic strategic and policy announcements, which we would seek to align with the City Strategy work.

1.2.2 Sheffield was announced as one of the first Levelling Up regeneration pilots and is working closely with the Department for Levelling Up, Housing and Communities (DLUHC) and Homes England to identify workstreams that will deliver against the Levelling Up Missions set out in the Government's [Levelling Up White Paper](#). The regeneration pilot is a catalyst for enabling core workstreams to be brought forward to accelerate progress and input into the developing City Strategy.

1.2.3 At a regional level, South Yorkshire Mayoral Combined Authority's (SYMCA) key strategy is its [Strategic Economic Plan](#) (SEP), which was developed in collaboration with the four South Yorkshire local authorities including Sheffield City Council. The South Yorkshire Renewal Fund will support the delivery of the ambitions within the SEP. To access this funding, Sheffield City Council need to develop a Place Based Plan setting out investment priorities for the city. Tying together

the City Strategy with propositions and potential interventions could unlock significant investment for Sheffield.

- 1.2.4 There is an opportunity to align these programmes with the City Strategy, creating a single story that strategic partners and businesses can articulate about the city’s needs, opportunities, and priorities. The diagram below gives an overarching framework.



City Strategy

The City Strategy will be a single shared vision for Sheffield which will be mission led, akin to the UN Sustainable Development Goals for 2030 which form a call to action across connected policy areas. The missions would sit under key themes and articulate measurable goals to drive the strategy vision. A rationale will be provided for each priority alongside evidence of the problem we are trying to fix.

Policy and Spatial Priorities

The Levelling Up regeneration pilot will identify and articulate our evidence based spatial and policy priorities and asks. This will include net zero and sustainability, health and wellbeing economy and tackling inequality. Community participation will be embedded throughout.

Projects, developments and interventions

The City Investment Plan will be Sheffield’s Place Based Plan and will identify the critical projects that will impact on the City Strategy missions. It will involve the development of investable propositions for funding or private investment, physical developments plans and key projects.

1.3 THE PROPOSED PROCESS TO DEVELOP THE CITY STRATEGY

1.3.1 The approach to developing the City Strategy is underpinned by three principles:

- 1) That it will bring together new ways of thinking to address cross-cutting and complex issues
- 2) That it will be partner owned, with input and decisions being made by stakeholders throughout the process.
- 3) That it will be city owned, engaging with communities so that they are at the heart of the process and the final strategy.

1.3.2 *Evidence and Engagement*

Evidence gathering for the City Strategy forms the foundation for the work. There are two key strands to this that are already underway, one of which focuses specifically on the city's economy:

1.3.2.1 The Council has a duty to undertake a Local Economic Assessment for the city to understand the dynamics of the local economy and this work, called the *Sheffield Economic Evidence Base*, forms a key part of the evidence base for the City Strategy. This assessment is underway and brings together data and evidence from various sources to understand the challenges and opportunities facing Sheffield's economy including, but not limited to, the impacts of COVID. It is also helping to reframe what is regarded as 'the economy' from a policy perspective including health, inclusion, inequalities and climate change. Partners across the city are involved in the steering and working groups overseeing the study. The work is expected to complete by the end of June. An interim report on the findings of this work is appended to this Committee report.

1.3.2.2 *The Community Voice and Insight Commission* will be delivered by the voluntary sector across Sheffield. Conversations will be delivered in communities, using places, methods and approaches which works for them. The aim is to reach a diverse range of people, targeting people who we have not heard from often. It aims to:

- Engage people in talking and thinking about the future of Sheffield, testing out and gathering insights around the high-level priorities and identifying shared goals
- Explore and identify the change that needs to happen at the microlevel: generating insights into existing barriers and informing the potential development of targeted actions at community level.

An insight report will identify key findings and themes for the City Strategy to consider and make recommendations for ongoing future engagement with communities across the city.

1.3.3 *Strategic Development*

The next phase of development will involve synthesising evidence with ongoing partner engagement and integrating key findings into a draft set of missions and policy and spatial priorities. Themed

stakeholder workshops will inform this stage. The workshops will include Sheffield City Partnership Board organisations, community groups, informal networks and wider stakeholders. LACs will also receive an update at their meetings during this phase.

1.3.4 *Consultation and Testing*

Building on the community voice and insight work and the relationships which have been formed around this, we will be able to engage around a publicly available draft strategy from November onwards. This will provide an opportunity for a broad range of people to feedback views on the City Strategy.

1.3.5 Following the consultation stage, it is anticipated that city partners will endorse the new strategy before the end of March 2023.

1.4 **GOVERNANCE OF THE CITY STRATEGY**

1.4.1 In terms of governance, the Sheffield City Partnership Board will oversee the delivery of the City Strategy but each of the partners, including SCC, will own the strategy and be accountable for the high-level commitments within it. This means future SCC strategies and plans will need to support the ambitions set out in the City Strategy.

1.4.2 The City Partnership Board agreed at their meeting of the 13th May 2022 that a Task and Finish group would be established to oversee the development of the City Strategy. This group would be made up of senior representatives from city partners (not just organisations that are part of the City Partnership Board). It was agreed that Angela Foulkes, Chief Executive and principal of The Sheffield College would be the chair of the Task and Finish Group.

1.4.3 A reference group will also be established to facilitate wider engagement across the city on the development of the City Strategy.

1.4.4 Further discussions will take place with elected members about how they can input into the work across the different Council committees, but it is anticipated that there will be more member engagement in September this year in the form of workshops.

2. **HOW DOES THIS DECISION CONTRIBUTE ?**

2.1 The One Year Plan contains a commitment to SCC collaborating with citizens and partners on a new vision and shared purpose for the city, setting out ambitions for the city's future and the challenges we need to tackle together. The City Strategy delivers against this commitment.

2.2 The vision of the *Our Sheffield: One Year Plan* is for Sheffield to be a flourishing, sustainable and inclusive city economy which creates

opportunity, good jobs for more of its citizens. Sheffield will be a city where everyone is able to lead happier and healthier lives and where more residents have access to the city's assets. The City Strategy will build on this vision, developing it further and identifying priority missions to deliver against it

- 2.3 Sheffield City Council is developing a new Corporate Plan. Developing a City Strategy and Corporate Plan alongside one another provides an opportunity to for the Corporate Plan to clearly articulate the Council's role in the delivering the priorities within the City Strategy.

3. HAS THERE BEEN ANY CONSULTATION?

- 3.1 Addressing the challenges Sheffield faces requires a joined-up response across different organisations and communities. This means the City Strategy needs to be owned by the city, not just Sheffield City Council and it is why the principles of city ownership and community engagement underpin the development of the framework.
- 3.2 The Economic Evidence Base has engaged with partners across the city, principally through its steering group and working group which has involved representatives from the universities, the Chamber of Commerce, the voluntary sector and SYMCA.
- 3.3 As the City Strategy and Inclusive Economic Framework moves forward, consultation and engagement will run through the work to develop a strategy:
- As part of the evidence base for the City Strategy, there is a workstream specifically focused on community voice and insight. The aim of this is to engage people in a conversation on the City Strategy by asking them about their views on the future of Sheffield and explore and identify the change that needs to happen at the microlevel. The commission will deliver these conversations in communities, using places, methods and approaches which works for them. This work is also designed to reach a diverse range of people, targeting people who the Council does not hear from often.
 - Themed workshops involving city partners and stakeholders will take place later this year to inform the production of the strategy
 - Public consultation and engagement will take place on a publicly available draft strategy itself from November onwards.

4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

- 4.1 Equality Implications

4.1.1 An Equality Impact Assessment on the development of the City Strategy has commenced. Throughout the development of the strategy we will seek opportunities to eliminate discrimination, promote fairness and foster good relations between communities.

4.2 Financial and Commercial Implications

4.2.1 There are no financial implications arising from this report. Resources are being aligned to support the City Strategy development process.

4.3 Legal Implications

4.3.1 There are no direct legal implications arising from the recommendations to develop the City Strategy.

4.3.2 Although the Council is under a duty to prepare a Local Economic Assessment of its area under section 69 (1) of the Local Democracy, Economic Development and Construction Act 2009, it has no direct legal duties in relation to economic regeneration generally, although other legal duties may subsequently arise following implementation of the recommendations.

4.4 Climate Implications

4.4.1 A CIA will be completed for the emerging programme, and the approach will also be undertaken at the initial stages of development for the City Strategy and the Place-based Plan. The Council's 10 Point Plan for Climate Action committing to working with businesses to secure a zero carbon economy and the green skills and jobs that are needed for the future.

4.5 Other Implications

4.5.1 The Economic Evidence Base has gone beyond the 'traditional' areas of economic data to look at the relationship between the economy and health and health inequalities. Officers from public health have been involved in the work and the Director of Public Health has jointly chaired the steering group. Having an evidence base that makes the connections between work and health will help to underpin future activity that addresses health inequalities.

5. **ALTERNATIVE OPTIONS CONSIDERED**

5.1 **Do nothing:** Whilst undertaking the Local Economic Assessment is a duty of the Council, there is no requirement to produce a strategy. Instead, policies could be developed and agreed on an ad hoc basis. However, this approach has a number of drawbacks:

1. An agreed strategy between city partners facilitates better joint working which is particularly important on issues that cut across different organisations, for example health and skills.
2. A strategy provides a framework for activity over the longer - term, which allows services to plan more effectively.
3. A strategy provides an opportunity to communicate the city's priorities which can support discussions with central government, funding bodies and investors.

5.2 **Produce a separate City Strategy and Inclusive Economic Strategy:** Another option is to produce two separate strategies. One would cover broad policy areas whilst another would focus on the economy. However, this option had the following drawbacks:

1. Links between the economy and wider policy issues may be missed
2. There would be significant duplication of effort, particularly in regard to partner and community engagement, potentially resulting in 'engagement fatigue'.
3. The coherency of having one single document that sets out the city's priorities would be diluted.

6. REASONS FOR RECOMMENDATIONS

6.1 It is crucial that we understand the economic challenges that the city faces, including inequalities across our communities. As our Local Economic Assessment, the Economic Evidence Base creates a new source of evidence upon which the Council can make informed policy decisions.

6.2 The impacts of the COVID-19 pandemic and new collaborations across the city mean there is a fresh impetus behind having a coherent joined up vision for the city that sets out the city's ambitions and how they will be achieved. The economy and people's health, wellbeing, the environment and social inequalities are inextricably linked. Integrating a strategy for an inclusive economy into a wider partner-led City Strategy helps to address cross -cutting issues and creates a focus for the city for the medium to long-term.

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