Sheffield City Region Development Programme

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Executive Summary

i. This Sheffield City Region Development Programme (CRDP) sets out the challenges and opportunities the area faces and the priorities where there is greatest value from working together. The scale and position of the Sheffield City Region mean it is not only critical for the areas that it comprises, but that it can make a weighty contribution to the nation’s economic prosperity.

ii. The City Region is undergoing a long term journey of economic transformation and has already made substantial progress. We are determined to rise to the challenges ahead and continue this process. Building on the tremendous assets that span its nine local authority districts will be critical to achieving our goals.

iii. Our Vision for the City Region is for it to be a place which: “Provides the nation with its prime centre for advanced manufacturing, metals and related low carbon industry, and offers its people a great place to live and work, with a richness and variety all of its own.”

iv. The CRDP is launched at a pivotal time. The context is of recovery from recession and the need to contribute to deficit reduction. Localism is at the heart of our thinking. And the need to rebalance the economy is writ large. All that presents an opportunity to advance the work of the City Region to a new level. An onus on private sector partnership and solutions is central to that and an interconnected and sustainable approach is vital. It is the relationships, complementary roles and connectivity of the places within the City Region that make its successful operation so important.

v. This document identifies and focuses on those things that matter most, make sense at City Regional level and where collaboration clearly adds value. Reflecting that, it focuses on three “Core Issues”: Economy and Skills, Housing and Transport.

vi. The following, evidence based and interconnected objectives have been identified:

<table>
<thead>
<tr>
<th>Economy and Skills</th>
<th>Housing</th>
<th>Transport</th>
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<tbody>
<tr>
<td>• Grow existing businesses through greater productivity, exports and innovation, especially in key sectors*</td>
<td>• Improve the quality and sustainability of existing homes</td>
<td>• Support the economy by improving connections and tackling unreliability and congestion/overcrowding</td>
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<tr>
<td>• Gain new businesses by promoting enterprise and investment</td>
<td>• Accelerate housing growth to meet the demands of economic growth</td>
<td>• Reduce carbon emissions and improve environmental quality</td>
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<tr>
<td>• Expand private sector employment, and support people to access those jobs</td>
<td>• Improve housing choice and affordability</td>
<td>• Deliver health, inclusion and quality of life benefits</td>
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<tr>
<td>• Raise skills levels and aspirations – including apprenticeships in key sectors</td>
<td>• Improve and create great places</td>
<td>• Make transport increasingly safe and secure</td>
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<td>• Strengthen partnership and</td>
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the role of the private sector

*Key sectors across the City Region are Advanced Manufacturing and related Low Carbon industry. Other sectors are more tightly focused on certain localities and enhance economic diversity, such as Digital & New Media and Healthcare.*
Strategic City Region Priorities

vii. Based on evidence, strategy work that is already underway, and discussions around challenges and potential opportunities, a number of strategic priorities emerge where:

- the issues involved fit within the functional economy of the City Region, cross local boundaries, and hence demand a collaborative approach;
- market failures exist that can be realistically and effectively addressed; and
- cost effective benefits will ensue, principally in terms of sustainable economic growth and employment.

viii. These priorities are currently indicative and expressed in broad terms. They are:

[A] Support the growth of the **Advanced Manufacturing and Materials (AMM) sector**, including related **Low Carbon Industries**, that is pronounced across the City Region

[B] Meet employer skills needs and assist people to gain work in the private sector through:
   - increasing **Apprenticeships** focused on key sectors (AMM first)
   - creating **innovative, private sector led employment programmes** to help unemployed people and public sector employees, to retrain if needed and to access private sector jobs.

[C] **Attract and retain business investment** to expand growth and employment, through continuing the successful ‘**Key Account Management**’ approach that builds relationships with large businesses and investors and responds to their needs.

[D] Devolve national housing budgets and powers to the City Region, and invest in shared multi-area priorities, including a **low carbon retrofitting programme in the Dearne Valley** in line with its Eco Vision.

[E] Improve **access to Robin Hood Doncaster Sheffield airport**

[F] **Enhance rail connections to key cities outside the City Region, especially to London**, as well as to Leeds and Manchester.

[G] Improve **public transport connections between Rotherham, Sheffield and Waverley**, including through a Bus Rapid Transport system.

ix. Priorities [A-C] above apply across the City Region and will follow the relevant business, growth and employment opportunities that arise. Priorities E to G are also wide ranging across the City Region and have particular focus on Sheffield, and the main centres of population that act as public transport hubs. Priority D allows programmes to evolve as specific City Region housing priorities are finalised whilst identifying the Dearne Valley as an initial priority that spans three local authority areas. All the priorities will be delivered as an integrated set that together take the whole Sheffield City Region forward and into the next phase of its economic transformation.
Part One  Purpose and Place

Vision, Purpose and Ownership

1.1 This City Region Development Programme (CRDP) sets out the challenges and opportunities facing Sheffield City Region and our strategic direction on the issues where there is greatest value from working together. The City Region is embarked upon a journey of economic transformation and has achieved much since the decline of the 1980s. That journey is a long term one. We do not underestimate the task that remains and are determined to see it through.

1.2 The scale and position of the Sheffield City Region mean that its success is not only critical for the areas that comprise it, but can make a weighty contribution to the nation’s economic prosperity. Spanning nine local authority districts, the City Region has a combined population of 1.75m people, contains close to 58,000 businesses and has a GVA of over £25 billion. It covers an area two and a quarter the size of Greater London – some 3,475 sq km. It has two major universities, an airport and two main rail routes into London. It has advantageous connections to the Leeds and Manchester City Regions and to the Humber Ports. Its reputation for innovation and advanced manufacturing is international and it has major land resources, cultural attractions and a superb quality of life offer. As well as being centred on one of England’s biggest, most forward looking cities, it has a wealth of distinctive towns and stunning countryside, including a sizeable area of the Peak District national park. No other area can boast an internationally recognised brand that signifies quality by being ‘made in Sheffield’.

1.3 This CRDP will capitalise on these tremendous assets and take the City Region into a new and very different era. Our Vision for the City Region is for it to be a place which:

“Provides the nation with its prime centre for advanced manufacturing, metals and related low carbon industry, and offers its people a great place to live and work, with a richness and variety all of its own.”

1.4 The CRDP concerns the whole of the Sheffield City Region and it has been endorsed by all of its key partners. These include the local authority districts covering: Sheffield, Doncaster, Rotherham, Barnsley, Chesterfield, Bassetlaw, Chesterfield, NE Derbyshire, Bolsover and Derbyshire Dales as well as wider partners including the Peak District National Park Authority. The role of the private sector is crucial and businesses are at the heart of our thinking, partnership and priorities for the future.

1.5 The purpose of the City Region and of this document is to identify and focus on those things that matter most and make sense at city-regional level, where collaboration clearly adds value. It is not to do everything. Reflecting that, this CRDP has a strong focus on three “Core Issues” where it is self evident that the natural economic area of the City Region comes into play: Economy and Skills, Housing and Transport. All of them have strong connections to businesses, labour markets and commuting patterns and need to be dealt with together. For each issue, this document assesses challenges and opportunities and sets the objectives and headline priorities for moving forward. A series of complementary documents including a strategic economic assessment and more detailed topic specific strategies support it.
Figure 1 illustrates the geography of the City Region and its main centres.
Sheffield City Region

Lower Don Valley and Waverley: an important development and employment area, focused on manufacturing and sports and leisure complexes, and the retail centre of Meadowhall. As one of the key development sites in the City Region, the Advanced Manufacturing Park is a hub for leading edge engineering industries. Combined with the Waverley new development it will offer the potential for a truly public transport focused network, and a low carbon sustainable community.

Sheffield: The economic heart of the SCR, is a major centre of engineering, creative and digital industries and healthcare technologies, as well as the focus for public sector and service employment, cultural and retail facilities. Sheffield is gateway to the Peak District National Park with an expanded high quality city centre complementing the regional retail centre at Meadowhall. Within the Sheffield city there are freestanding service centres, with their own catchments.

Peak District and Neighbouring Upland Areas to the north and south offer some of the finest countryside within easy access of much of the city region, to be enhanced, protected and enjoyed. Tourism is pronounced and there are strong connections beyond the city region.

Barnsley is regenerating itself as a "21st Century Market Town" focusing on improving skills and offering high quality housing across the market range. Connections to surrounding settlements are being strengthened.

The Dearne Valley: a former coal mining area, has benefited from major regeneration and is now part of an ambitious Devolution plan to transform the area further using environment sensitive investments.

Doncaster has focused on improving its urban quality to match the potential of its accessible location and excellent transport connections via the M1, M18 and East Coast Main Line. It is developing a major industry in logistics and related activities, including the Linkedin Port. Robin Hood Airport is a major economic asset, both as an international gateway, and as an aviation related training and engineering area.

Rotherham is capitalising on its strengths in manufacturing and supply chains and its shared economy with Sheffield, while ensuring the town centre is a vibrant place to live, work, visit and invest in.

Worksop is a key centre on the East Coast main line with strong links to Nottingham, Lincoln and Newark.

Town and villages that have benefited from their proximity to the strategic transport network. Many of these places contain historic cores, providing local services, potentially generating a high quality of life.
1.6 Part Three of this document considers the role of places and areas and their interconnections, as well as how thematic priorities pan out within them. It is clear that there are major assets and great potential across the whole City Region. However, it would be naïve to ignore the challenges that must also be addressed. Worklessness, deprivation and low incomes are evident in many areas of the City Region, especially in its main centres and former coalfield areas. Despite improvements, skills levels need to rise further. Raising productivity, levels of enterprise and attracting new investment and economic opportunities are central to addressing these points. Good transport links, especially public transport are vital so that homes, workplaces and other facilities are well connected. And our quality of place and residential offers needs to be of the highest order and recognised as such. Much progress has been made on all of these fronts. We must now build on that improvement and make the most of our assets to continue the economic transformation underway in the City Region.

Interconnected Opportunities

1.7 The CRDP is launched at a pivotal time. The context is one of a new Government and new approaches. The economic and financial landscape is dramatically different to that of the last decade, where steady, often public sector led growth had been assumed as the norm. The context now is of recovery from recession, the need to work within much tighter public finances and to contribute to deficit reduction. Localism is at the heart of our thinking. And the need to rebalance the economy is writ large.

1.8 All that presents an opportunity – and a genuine need – to advance the work of the City Region to a new level. An onus on private sector partnership and solutions is central to that. Whilst the public sector can help to create conditions that facilitate sustainable growth, growth itself needs to be driven by the private sector. That will mean a different approach that is less reliant on public sector investment, and attuned instead to unleashing cost effective and creative private sector solutions as well as opportunities for social enterprise and communities.

1.9 The importance of an interconnected and sustainable approach is vital. It is the relationships, complementary roles and connectivity of the places within the City Region that make its successful operation so important. Understanding and exploiting these connections is fundamental to powering more effective outcomes. It is reflected in the strong, spatially sensitive approach within this document. The need to link and integrate the issues the plan covers is also crucial. Economic, skills, transport and housing policies and priorities must not only support one another but contribute to low carbon objectives and translate into real improvements on the ground for business and for those who live in the City Region.

1.10 Further strengthening our City Region approach and moving it up a level from the previous 2006 CRDP has meant looking hard at earlier approaches and priorities to ensure they are still appropriate and attainable. Making good use of available evidence has been central to that exercise. We are confident that the end product is a CRDP that is refreshed, fit for the task ahead and which will drive the success of the Sheffield City Region. Intentionally, it does not set out every detail; supporting documents and evolving delivery plans will be integral to how it is implemented. What it does do is set out collective and interconnected challenges, opportunities and strategic priorities. Part Two describes these before Part Three shows how they relate to centres and areas across the City Region.
Part Two: City Region Priorities

A) Core Issues and Connections

2.1 This CRDP is focused on three ‘Core Issues’ where action is essential and appropriate at the City Regional level: Economy and Skills, Housing and Transport. These issues are fundamentally linked to one another. Getting the connections between them right can create a virtuous circle of change. For instance, a functioning economy needs to attract and maintain the right workforce, and that depends on having enough appropriate and affordable housing in the right locations and with the right transport infrastructure and services. Equally, the location and scale of future economic and employment growth impacts upon housing markets and whether transport can cope with travel demand.

2.2 Not only do these core issues interconnect with one another, they have a big influence on other City Region goals. All three will impact upon the quality of life enjoyed by residents, on inequalities, and on environmental impacts such as climate change. Positive outcomes do not automatically follow, they need to be crafted. So it will be important to consider how priorities can be delivered to maximise ‘win-win’ outcomes. An example of this interconnectivity is in transport, which is not seen as an end in its own right, but a means by which to contribute to the economy and to quality of life, safety, and low carbon goals. Figure 2 shows how this approach is applied in this CRDP, with the three core issues bound together, and quality of life, inequalities and sustainable environment providing a golden thread that runs throughout.

Figure 2: Core Issues

2.3 A practical example of how core issues, Golden Threads and locational decisions come together is around development options. One approach would simply be to accept development where it is often easiest – on greenfield sites, in major road corridors and with no particular quality standards. The upside is that would deliver new housing and potentially jobs directly and relatively easily and cheaply in the short term. The downside is that it may also generate additional traffic, congestion, carbon emissions and pollution. These have knock on
impacts on other businesses whose productivity is harmed by slower journeys and by lost productivity associated with poorer health amongst workers. Likewise, developments could be inaccessible to those who most need jobs and erode some of the environmental and quality of life offer that may attract other potential investors or workers with high level skills. Those decisions are about judgement and preference as well as evidence and there is no right or wrong answer. What is important is weighing up the short and long term, direct and indirect impacts of different options, guided by clarity about what outcomes are sought. That is about not only levels of growth, but who benefits and what that growth is intended to deliver for people within the City Region.

2.4. A number of future trends that can be anticipated with some confidence should be also be factored into decisions about direction and priorities. Examples include:

- a shift from the public to the private sector and community based solutions;
- an ageing population, with impacts on housing and care, and employment patterns;
- a changing climate, with warmer, drier summers, wetter winters and more extreme weather;
- growth in the knowledge economy and demand for high level skills;
- continued development and take up of new technologies;
- a focus on low carbon solutions;
- growing global competition and markets, fuelled by the growth of nations such as China and India; and
- Rising energy and resource prices where there is limited supply and rising demand, with impacts on the prices of raw materials, energy, heating, travel, food and land.

2.5 These long term trends need to inform strategic choices and practical decisions about delivery. In most scenarios, demand for land for various purposes (housing, business development, leisure, conservation, energy crops and agriculture) is likely to increase at the same time as flood risk may increase and effectively make less land available. Hence wise use of land should be a key consideration that informs consideration of how core issues and priorities are delivered in particular localities.

2.6 Given the cohesive, interconnected approach adopted, thematic priorities for action apply in multiple places just as multiple issues come together in areas and settlements across the City Region. Part Three of the document looks at this. Some issues demand action within the City Region, but also have aspects that are chiefly local or where connection with other City Regions will add value. Examples include transport links outside the City Region, access to HE expertise and low carbon solutions such as Carbon Capture and Storage where the required networks extend across multiple City Regions. We will take these connections into account in planning interventions and collaborate where appropriate.
B) Economy and Skills

Assessment

3.1 The Strategic Economic Assessment\(^1\) (SEA) provides a depth of information and analysis about the economic challenges and circumstances of the City Region and considers how best to grow and transform the economy. It showed us how after two generations of decline we began to close the gap against the UK, only for it to grow again with the onset of recession. This means that we have to restructure further and aim to provide a more modern and dynamic economy by increasing the number and quality of workers and businesses. In this priority the ‘economy’ focuses on businesses and sectors, growth and productivity, enterprise and the labour market (jobs and worklessness). We also need to develop the right skills linked to business needs to ensure the workforce benefits from future opportunities.

Business Base and Sectors (current and future opportunities)

3.2 Three groups of sectors make up over 70% of employment in Sheffield City Region – Public Administration/Education/Health, Distribution/Catering, and Finance and Business Services. Public Sector employment is just over 30% of all jobs and above national average. Given this, the planned public sector cuts and their implications for jobs present a major challenge for the City Region. Estimates range between 31,000 to 37,000 direct job losses here using the Treasury model, and 50,000 jobs using a straightforward 25% reduction. These will have further knock on impacts in the private sector. The impacts will be a major challenge for employment, and will have implications for the economy and its industrial mix. Clearly the challenge will be how far other sectors can grow to compensate for these losses.

3.3 Two sectors differ notably compared to national averages in their share of employment. Finance and Business Services are about two thirds the scale of the national average. Manufacturing, while not accounting for a large share of employment (13%) is significantly above the national average (10%) and is an area where the City Region’s strengths are distinctive. The difference is greater still for Advanced Manufacturing and Materials which, despite job losses up to 2008, has stabilised even though there have been falls elsewhere. Strengths in manufacturing link closely to other sectors such as health (medical equipment, pharmaceuticals) and to low carbon. All districts in the City Region apart from Derbyshire Dales have a greater than average share of jobs in Advanced Engineering and Materials.

3.4 The City Region’s pronounced strengths in manufacturing and metals/materials make it a potential major supplier of components for low carbon sectors such as wind energy, nuclear energy and carbon capture and storage (CCS). CCS is itself a major opportunity and Britain’s first coal-fired power station equipped with carbon capture technology will be built at Hatfield, Doncaster, backed by the European Commission. The new plant would create 1,500 jobs and use new CCS technology. The plant will be a key part of a network that links point sources of carbon emissions across industrial areas of Yorkshire and Humber, including and beyond the City Region, to ‘carbon sinks’ in disused gas fields in the North Sea. The employment and export potential is great. The City Region is central to two Low Carbon Economic Areas

\(^1\) Sheffield City Region: Strategic Economic Assessment (May 2010)
covering CCS and the Civil Nuclear Supply Chain. Securing investment by Rolls Royce in the Nuclear Advanced Manufacturing Research Centre, linked to the Advanced Manufacturing Park and in collaboration with Sheffield University, is a major asset. The City Region’s strong metals/materials and engineering skills, and background in energy related industries also mean it is well placed to take advantage in other low carbon opportunities. For instance, biorenewable energy is an area in which localities in the City Region are already amongst leaders in the field.

3.5 Whilst not proportionately a large sector compared to national average, employment in Digital and New Media is significant (46,500 jobs in 2008) and has grown more rapidly than nationally. Its heart is in Sheffield, where the presence of two universities, a high number of graduates, and a strong cultural offer support growth in the sector and other knowledge based sectors such as healthcare and business services. Other sectors also have more location specific strengths. Tourism is strongest in, although not exclusive to, the Peak District National Park. Logistics is strong around Doncaster and Worksop. Sheffield has a pronounced sports based sector, linked to manufacturing and sporting facilities and institutions, which could be boosted by activity in the run up to the 2012 London Games. Diversity of sectoral strengths should be promoted as a strength as it widens the City Region’s business base and investment offer, and increases its resilience to future economic shocks.

Growth and Productivity

3.6 In 2010, the City Region had a GVA of £25.3 billion. Sheffield (£8.4bn), Doncaster (£4.0bn) and Rotherham (£3.7bn) together account for almost two thirds of its economy. GVA levels per capita are currently around 77% of national average. This is down from a peak of 80% in 2005, but above a trough of 76% in 2000, which itself had followed a prolonged decline in GVA throughout the 1980s and well into the 1990s. The overriding point is that GVA has remained well below national levels for a prolonged period. The two main factors instrumental in correcting that are levels of employment and productivity.

3.7 City Region productivity per worker is 85% of the UK average - £38,500 per worker compared to £45,400 for the UK. On the related measure of output per hour worked, modelled data estimates show all districts in the City Region are below the UK average (£21.20), with the best figures recorded in Bassetlaw (£19.60) and Derbyshire Dales (£18.90) and the lowest in Doncaster and Rotherham (both £16.90). To narrow the productivity gap, the City Region needs to increase the skills and quality of the workforce; raise levels of enterprise, and continue to restructure the economy through investment, innovation and expanding businesses and jobs in growth sectors. It also needs to modernise and diversify existing sectors and to improve margins through resource efficiency (cutting waste and energy use, etc.). The need to support these measures is all the more pronounced after recession, when an economy that is restructuring usually falls further behind healthier and more successful economies.

Enterprise – business start ups and survival

3.8 The number of VAT registered businesses in the City Region grew to 43,675 in 2007 – or 305 businesses per 10,000 adult population. That figure compares to 419 businesses per 10,000 across England. Hence, there is a sizeable enterprise gap. Despite welcome growth in the number of enterprises, the gap with England has remained consistent. A similar gap exists
in terms of the number of new businesses started each year. Closing that gap is likely to require action across a number of barriers to new businesses, including the need for a stronger enterprise culture, improved access to finance, and support to help businesses set up and survive. In reality, support has been in place across these fronts, so either more intensive effort and investment, new approaches, or stronger push factors or incentives (e.g. the financial rewards of enterprise or lack of attractive alternative employment) are likely to be required.

3.9 The Economic Assessment found no clear link between growth in the business stock and growth in employment. In addition, national research\(^2\) has shown that only a small proportion of new starts are significant generators of jobs. Nevertheless, in order to create the jobs and companies for the future it is important for the SCR to reduce the gap of 17,000 businesses. It is just as important to ensure that the City Region provides a good environment for existing businesses with growth potential to flourish. This is because established or medium sized firms can increase employment more easily than new business start-ups.

**Innovation**

3.10 Data limitations mean it is difficult to assess innovation levels for the City Region. R&D investment is only one measure of innovation but on that count, whilst levels of Higher Education based R&D have been healthy in Yorkshire and Humber overall, business R&D investment is relatively low. East Midlands R&D levels are higher, but may chiefly reflect activity outside rather than within the SCR. Proxy indicators for innovation available at SCR level, such as business R&D co-operation with universities, industrial networking and introduction of new products or processes, tend to show the City Region performing below national average, although with a less pronounced gap than for R&D investment.

3.11 Given trends towards a knowledge economy and increasing global competition, innovation will become even more important in the future. Establishing good links between universities and businesses is a helpful avenue in addressing that, both within and beyond the City Region. However, much innovation is about new ideas and a culture of creativity within companies and that should not be neglected. The National Business Survey shows SCR companies are less likely to innovate in face of recession, making them more vulnerable to loss of sales.

**International business, investment and supply chains**

3.12 There is little available data in the City Region on trends in business areas like trade, exports and attracting/retaining foreign investment. This is a major gap, particularly given the intent of rapid private sector growth, as the ability of businesses to expand based on success in international markets will be important. Likewise there are often major opportunities to better exploit supply chains within local economies such as the City Region. Assisting businesses to identify and win orders, alone or collectively, can present opportunities.

**Employment and the labour market**

\(^2\) *Measuring Business Growth (NESTA, October 2009)*
3.13 At 71.7%, employment levels are below the national average (74.2%). Based on January 2010 data, unemployment had risen to about 5% - almost back up to 1998 levels. JSA unemployment had fallen significantly over the last decade, and was typically at around 2-3% from 2004 onwards. Importantly, unemployment statistics only count those who are actively seeking work, and the figure for worklessness is much higher - around 300,000 people in the SCR. The effect of the recession on young people has been acute, with a significantly higher increase in unemployed individuals under 25 compared to other age groups. There is also variation by locality. In 2008, SCR employment rates were highest by some way in Derbyshire Dales (83%), around the England average of 74% in the other East Midlands districts in SCR, and lowest in South Yorkshire – typically around 70%. High levels of people claiming health related benefits are a further, enduring problem and about twice JSA unemployment levels.

3.14 The Economic Assessment reported that the City Region has a 27,000 jobs gap. If the number and quality of jobs and earnings were to rise to the national average, this would equate to almost a £3bn contribution to GVA, around two thirds of the current GVA gap. Hence increasing employment rates is crucial to not only social well being, but to economic performance. The challenge will be all the greater given the expected losses in public sector jobs in the short to medium term. Tackling it will require changes to the economic structure and performance, improvements in educational attainment, aspirations and skills. A strong focus on private sector growth is vital, and boosting employment growth in the sector well above historic levels will be both essential and challenging. Other factors to consider in future action are a trend towards increasingly flexible work patterns and an older and more diverse workforce.

Deprivation

3.15 37% of SCR communities live in unemployment hot-spots and 560,000 people (32% of the total SCR population) live in areas of multiple deprivation with high numbers of people on Incapacity Benefit and Employment Support Allowance. However, unlike other city regions, the levels of disadvantage and worklessness are similar across all of the major centres and are not only concentrated in the urban core. Deprivation is also high in many former coalmining areas where access to opportunities and low levels of attainment are still major problems.

Skills

3.16 The City Region’s skills challenge is particularly acute. It can be characterised by a legacy of educational underperformance, a glut of skills (if not qualifications) associated with declining sectors and skills gaps and shortages in knowledge-based sectors which must grow to achieve economic transformation. Whilst gaps have been reducing, at all skills levels the City Region is significantly below the England average. Progress has been made in absolute terms at the higher end of skills. However, in proportionate terms, the skills gap is largest for the higher level skills (NVQ4+) needed in a knowledge economy, and more modest at NVQ Level 2+.

3.17 The current trend suggests that the SCR will not achieve the accelerated rate of improvement in skills needed to meet Leitch targets. Therefore unless the SCR is able to raise its game in this respect, it faces the prospect of a low skills equilibrium where the low expectations and commitment of both employers and employees, in terms of training and
upskilling, will suppress productivity and income levels, inhibit the survival and growth of indigenous businesses and discourage inward investment.

3.18 Figure 3 identifies four key skills and employment challenges whilst Figure 4 sets out ten skills delivery challenges that follow on from these.

**Figure 3: The Four Key Skills and Employment Challenges Facing SCR**

- Inadequate Skill Levels
- High Rate of Disadvantage
- Market Failure: Skills
- Challenging Economic Climate

**Figure 4: Skills Delivery Challenges**

1. Improve the skills and employability of the city-region workforce
2. Cultivate the leadership & business drive for business transformation
3. Lack of high level skills in local businesses
4. Increase employer investment in skills
5. Improve the skills and employability of young people
6. Secure targeted interventions and improvements in commissioning
7. Provide strong local leadership to address the skills challenge
8. Support employment-focused skills utilisation and developing aspiration and confidence of opportunity
9. Simplify the training offer and improve its accessibility
Objectives

3.19 Four broad, interconnected Objectives are vital to the City Region’s economy:

I. Grow existing businesses through greater productivity, exports and innovation, especially in key sectors

II. Gain new businesses by promoting enterprise and attracting and retaining investment

III. Expand private sector employment, and if needed, support people to access those jobs

IV. Raise skills levels and aspirations – including focus on apprenticeships in key sectors

Grow existing businesses through greater productivity, exports and innovation, especially in key sectors

3.20 The City Region must continue to restructure and strengthen its economy. Analysis in the Strategic Economic Assessment suggests that the vast majority of current jobs and future growth are likely to be in existing businesses in the City Region. Focusing on these businesses and creating conditions that help and encourage them to expand will be key. Priorities are:

• To grow key sectors with strengths and opportunities across the City Region, especially advanced manufacturing and materials, and new opportunities in the low carbon technologies and energy sector. There are strong interlinkages between these two sectors (e.g. supply chains for wind and nuclear energy and carbon capture and storage) and manufacturing also encompasses parts of the health care sector (e.g. medical devices).

• To enhance economic diversity and resilience, including through capitalising on sectors that are more sharply pronounced in specific locations. These include:
  - Financial and business services, especially in Sheffield
  - Digital and New Media, especially in Sheffield and Rotherham;
  - Logistics, especially around Doncaster;
  - Healthcare, especially in Sheffield;
  - Tourism, especially in the Peak Park, with links to Sheffield and to specific attractions and events across the City Region (e.g. Magna, Doncaster Races and Clumber Park);
  - Sports related industry, especially around Sheffield; and
  - Aero related engineering at Robin Hood airport.

• To raise productivity and growth in businesses, including through promotion of exports, investment and resource efficiency.

• Promote innovation including through making good use of HE and other research expertise within the City Region and beyond, and working to foster a culture of creativity, problem solving and technological innovation within all businesses.
Gain new businesses by promoting enterprise and attracting and retaining investment

3.21 The City Region will support the creation of new businesses and expand the number and output of businesses based here by:

- Encouraging more businesses to start up by creating a culture of enterprise, enhancing access to finance, and supporting new businesses to survive the challenging first years; and
- Attracting and retaining business investment (especially from overseas), using links to our assets, skills, supply chains and sectoral base to help embed new businesses, and building on successful ‘Key Account Management’ approaches.

Expand private sector employment, and if needed, support people to access those jobs

3.22 To create jobs and grow employment, with a strong private sector focus, through:

- creating the right conditions for business growth;
- enhancing employability, especially in deprived areas, amongst the long term unemployed and for young people, and enabling access to work opportunities. This will include community economic development solutions, and a focus on enhancing transferability from benefits into work, and from the public to the private sector;
- keeping people in work and out of the benefits trap by generating more part-time and flexible opportunities, enabling people to earn incomes and contribute to tax revenues; and
- Utilising government ‘special measures’ provisions to get people back into work.

Raising Skills Levels and Aspirations

3.23 The City Region will raise the aspirations and confidence of local people and improve their expertise, skills, job and advancement prospects through integrated employment support and training opportunities. It will be important to simplify skills messages and responsibilities and to better link provision to create an accessible, straightforward, integrated, high quality customer-focused skills and employment system. Priorities include:

- Increasing the number of people taking up apprenticeships, especially related to priority growth sectors (in advanced manufacturing/materials and low carbon technologies);
- Continuing to grow the proportion of people with high level skills, including graduate retention and ensuring growth in knowledge economy sectors;
- Strengthening a culture of training and advancement within employees and employers at all skills levels, including generic and transferable as well as technical skills ; and
- Raising levels of aspiration and educational attainment, particularly in deprived areas.
Economy and Skills Priorities

3.24 In summary, priorities to progress this core issue are:

**Overarching City Region Priorities**

[A] Support the output and employment growth in key sectors across the City Region – specifically **Advanced Manufacturing and Materials and related Low Carbon/Energy industries**. This will build on the SCR’s strong manufacturing business base, the Advanced Manufacturing Park, and low carbon opportunities including Carbon Capture and Storage and the nuclear and offshore wind supply chains.

[B] Meet employer skills needs and assist people to gain work in the private sector through:

- a major increase in **apprenticeships**, especially in key business sectors, with Advanced Manufacturing and Materials and related low carbon industries a priority.

- establishing **innovative, private sector led employment programmes** to help unemployed people and public sector employees, to retrain if needed and to access private sector jobs.

[C] **Attract and retain business investment** to expand growth and employment, through continuing the successful ‘**Key Account Management**’ approach that builds relationships with large businesses and investors and responds to their needs.

**Supporting Economy and Skills Priorities**

- Promote enterprise through developing an enterprise culture and aspirations, and support for new businesses to help them access finance, start up and survive.

- Enhance economic diversity and resilience, including through capitalising on sectors that are more sharply pronounced in specific locations including Digital and New Media, Tourism; Healthcare, Logistics, Sports related industry and Aero related engineering.

- Strengthen and take advantage of Sheffield’s role as a driver for the knowledge economy – attracting talented people and those with high level skills based on its universities, graduate retention, cultural, environmental and quality of life assets.

- Encourage resource productivity (energy efficiency, microgeneration, waste minimisation, etc.) to heighten competitiveness and reduce vulnerability to rising energy prices.

- Foster innovation in business based on a culture of innovation and connection to HE and technological/research expertise within and beyond the City Region. Promoting internships and knowledge transfer partnerships is one potential route to achieve that.

3.25 These priorities are focused within the City Region. On some, wider collaboration will also be important. Low Carbon industry and carbon capture and storage inherently link to suppliers and carbon sources/sinks elsewhere in Yorkshire and Humber. On innovation, businesses in the City Region will want to access the best expertise whether it be within the
City Region or in other reasonably proximate centres such as Leeds, Manchester, York, Hull or Nottingham.
C) Housing

Assessment

4.1 Annual net additions to the City Region’s housing stock stood at 5,535 in 2008/9, down from over 6,600 in 2007/8. All analysts appear to be expecting a flat year for 2011 and for the housing market to pick up and gain momentum in 2012 and 2013. Housing completions are not expected to exceed the target level of 6,500 until 2014/15. Research by Birmingham University Centre for Urban and Regional Studies (CURS) and Llewelyn Davies Yeang indicate that unless the development of new homes is accelerated in the City Region, economic growth will be constrained. It suggests that this will be the case even in the most optimistic growth scenario over the next ten to twenty years.

4.2 The same research confirms that the range and choice of housing is insufficient to meet current and projected needs, including specific requirements for:

- **Aspirational homes** to meet the needs of higher income households;
- **Social and private rented homes** for people who cannot afford or prefer not to buy;
- **Affordable homes** to buy through low cost home ownership mechanisms, enabling people and households on low incomes to get a ‘foot on the ladder’ of home ownership;
- Sheltered accommodation, specialist elderly persons’ villages, bungalows to meet the needs of an ageing population; and
- People with complex needs, **gypsies and travellers** and other vulnerable groups.

4.3 When house prices are compared to incomes, housing in Sheffield City Region is on average more affordable than in England, Yorkshire and Humber and the East Midlands. That is especially the case in South Yorkshire (outside Sheffield), Bassetlaw and Bolsover. However affordability is not the same as ‘access’ to housing which can be restricted by factors like availability of finance or lack of appropriate properties in areas that people want to live in. Evidence suggests that taking those factors into account, expressed housing demand is only 25% of underlying housing demand (Ecotec, Effective Demand for Market Housing, 2010).

4.4 **Differences in the affordability of homes across the City Region are marked.** Affordability ratios (where a low ratio is more affordable) illustrate this. For example, in Tinsley, an average priced house costs four times the median household income, whereas in the Derbyshire Dales, it is over eight times median income. In 2009, the England average ratio was 6.3 whilst the Sheffield City Region average was 5.0. Whilst there are likely to be neighbourhoods with high house prices and affordability issues in all districts, affordability issues are most concentrated in the districts of Derbyshire Dales and then North East Derbyshire, as well as local hotspots like West Sheffield and rural areas west of Barnsley.

4.5 Housing markets, and the neighbourhoods people live in are about more than bricks and mortar. The quality of the living environment and access to jobs and other facilities such as schools, shops, health centres, transport links and green spaces are also important. A challenge for any future programme for housing and neighbourhood investment will be to align new investment so that housing and these facilities go together. That will also have benefits in terms of minimising additional car journeys, congestion and carbon emissions.
4.6 ‘Place shaping’ for sustainable communities is about linking public sector investment and services to strengthen new and existing neighbourhoods and service centres; as well as about new housing developments and how they are designed. The need for attractive, quality housing and neighbourhoods is important in either context and is a factor in attracting and retaining people— including investors and those with higher level skills. A report on new housing design quality in the North (CABE, Housing Audit 2005) concluded that design in Yorkshire and Humber was typically only ‘average’ and achieved the lowest scores for creating distinctive and functional places to live. The South Yorkshire schemes in the sample scored below the regional average (the East Midlands was not covered). Raising design standards will continue to improve the City Region’s housing offer and mix and to stimulate demand.

4.7 New housebuilding accounts for only a small percentage of total housing. The existing housing stock presents the greatest opportunity in terms of its quality, affordability and environmental sustainability. Whilst decency targets in the public sector in the City Region will largely be achieved in the medium-term, non-decent housing is disproportionately higher in the private rented sector (Nevin Leather Associates, 2010). This is a concern as it impacts on lives, reduces the attractiveness of the City Region and affects health and fuel poverty.

4.8 Fuel poverty, whereby a household’s space and water heating bills account for 10% or more of a household’s income, is a significant concern, and is likely to have grown over recent years due to rising energy prices as well as the impact of the recession on incomes. The most recent data (2006) predates these impacts and shows 12.4% of City Region homes to be in fuel poverty compared to 11.5% nationally. Only Sheffield (at 11.2%) fared better than national average, whilst the issue was most pronounced in Derbyshire Dales, Bolsover and Bamsley, as well as in private rented housing generally.

4.9 One set of drivers of fuel poverty is about money – the combination of low incomes with high and rising energy costs. Economic opportunities are key to tackling that. A further driver that can be addressed is housing insulation and energy standards. Improving these can slash energy usage and fuel bills dramatically, with health, economic and environmental benefits. Low carbon ‘retrofitting’ existing housing to do this is quite feasible and is reported (SQW, 2009) as the most cost effective measure to reduce carbon emissions. Dwellings are estimated to account for 35% of total carbon emissions and hence the contribution of housing to national carbon targets will be large. Priorities within the Dearne Eco-vision link to this opportunity and include insulating homes to reduce fuel bills, carbon emissions and enhance sale values.

4.10 The balance between housing tenures and the role of different sectors in driving housing activity is a key issue for the future. 79% of housing in SCR is in the private sector (owner occupied or rented), compared to 82% in England. 4% of housing is with Registered Social Landlords (less than half of the national percentage) whilst 17% is public sector – compared to 8% for England. Home ownership in much of the City Region is well below national norms, and there is greater than average reliance on private renting, especially within the former mining areas of the Dearne Valley and North East Derbyshire.

4.11 Due, in part, to current market conditions as well as the popularity of choice based lettings schemes where introduced, the social rented sector is experiencing increasing pressure from growing demand and declining supply. Whilst variable methodologies and data limitations
mean statistics have to be viewed with caution, there are suggestions that the proportion of households on waiting lists for local authority housing in Yorkshire and Humber are relatively high (12.8% in 2009 compared to 8.6% in 1998). That proportion is likely to be higher still in lower income areas, such as in much of South Yorkshire where there is greater reliance on renting. As a consequence, the private rented sector has a greater role to play in offering an alternative choices. However, problems of poor physical condition and poor management are not uncommon and need to be addressed.

4.12 SCR needs a range of measures to support landlords in developing and maintaining high quality private renting options, whilst seeking greater investment in the private sector from institutional investors. These will help to create affordable housing choices for middle income households, a high-end flexible offer to mobile workers, and an additional supply of quality homes to complement the social rented sector. This could make a real contribution to the renewal of many places across SCR, and reduce the often relatively high carbon impact of the sector. More generally, given tight public finances, it would not be wise to rely on public sector funded interventions to drive the quality and quantity of housing in the city region. There will need to be more emphasis on the role of the private sector in both new and existing stock, with the public sector having a stronger role in facilitating private and third sector investment and creating the right conditions for it.

Objectives

4.13 Five objectives emerge from the assessment of the challenges and opportunities for the city region on housing. Four of these are about the nature of the housing offer, whilst the fifth is about the way in which improvement is driven: The five Objectives are:

I. Improve the quality and sustainability of existing homes
II. Accelerate housing growth to meet the demands of economic growth
III. Improve housing choice and affordability
IV. Improve and the create great places
V. Strengthen partnership working and the role of the private sector

Improve the quality and sustainability of existing homes

4.14 New housebuilding accounts for only a small percentage of total housing. Hence, the condition and appropriateness of the existing housing stock is the biggest single issue for housing in the City Region in terms of the impact it has on people’s lives, as well as on environmental goals. Public sector housing is expected to largely meet the ‘Decent Homes’ standard in the medium term, but it is estimated that a significant proportion of private sector stock will not. That is a major concern for both residents and the attractiveness of the City Region’s housing offer, and improving conditions is therefore a key goal. That aim goes hand in hand with tackling fuel poverty and reducing carbon emissions through retrofitting housing to drastically improve insulation and energy efficiency. Key elements to improve housing quality (including energy efficiency and carbon reduction) across all tenures will include:
• Local authorities and housing associations improving their own housing stock, including completing the Decent Homes programme and managing assets to maintain standards
• Creating an environment and incentives/prompts that encourage home owners and private landlords to improve their properties (e.g. extending the ‘Homes and Loans’ service, setting housing management standards across tenures)
• Using design and other guidance, such as best practice on sustainable homes and a retrofit toolkit, to encourage high sustainability and quality standards in housing; and
• A major programme of energy interventions (including renewable technologies) in the private and public sectors to improve energy efficiency and address fuel poverty. This will target the poorest quality stock first, particularly in the coalfield settlements.

Accelerate Housing Growth to meet the demands of economic growth

4.15 SCR will work closely with private developers, potential investors and the HCA to devise alternative investment models to support accelerated housing delivery in challenging market conditions. The HCA’s recently launched approach to securing institutional investment from pension funds towards the development cost of private rented stock is such an example. SCR is keen to work with key stakeholders over the short to medium-term to investigate the options for levering in private finance towards housing and regeneration priorities and particularly towards the costs of delivering infrastructure and affordable homes.

Improve Housing Choice and Access – including for specific groups and areas

4.16 Whilst affordability is not a major issue across much of the city region, housing is expensive compared to incomes in some high demand localities – Derbyshire Dales, North East Derbyshire and to the west of Sheffield for example. The attractiveness of these areas means prices in them are always likely to be relatively high, and responses need to be carefully designed given financial constraints so they do not seek heavy public investment to work against the grain of the market. There are already a number of joint initiatives in place across the City Region to address this issue. Other specific actions are as follows:

• Develop targeted interventions to provide affordable housing, especially for local communities with low to medium incomes, in specific (often rural) areas that face the most acute problems
• Give greater focus to increased independence and choice for older and vulnerable adults both in terms of supported housing and support in the home, and encourage housing provision that meets the needs of an ageing population
• Explore the possibilities of developing new models to provide new housing, improve existing stock, bring empty stock back into use and meet wider community needs; and
• Enhance the attractiveness of, and economic opportunities in, Sheffield and the main towns and settlements in order to raise demand in these locations and hence reduce pressure on housing demand and prices elsewhere.

Improving and creating great places

4.17 Place-making in the City Region has been delivered through a comprehensive programme of ‘masterplanning’. Strategic masterplans have helped achieve a more
sustainable pattern of development, while neighbourhood based plans, with a strong urban design component, have enabled local communities to be engaged in guiding the renewal process. Examples of masterplanning include the City of Sheffield, Barnsley’s vision to become a 21st century market town, and the Dearne Valley Eco-Vision. Creating great places is about coherent and inspiring vision that sends a signal to market about good design, and also about integrating all those elements that make them up on the ground – transport, housing, services, economic opportunities, etc. Hence key features that will be important include:

- Embedding high quality environmental and design standards in all our developments
- Enhancing quality and sustainability standards, including potential roll out of the Delivering Design Quality Programme; and embedding high standards of design in buildings, public spaces and places; and
- Ensuring that housing, economy, transport and facilities/services are planned together, for example, directing new housing to locations where facilities and public transport is good.

**Strengthen partnership working and the role of the private sector**

4.18 Given the goal of rebalancing the economy and the likelihood of limited future funding for public sector interventions, the role of the private sector in housing needs to be better articulated, recognised and more prominent. That is about building new housing as well as renting accommodation. The public sector onus will shift towards creating the conditions and incentives for the private sector to invest in the right type and quality of housing in the right locations so that it provides the necessary market return and makes a contribution to wider City Region goals. Public and private sector goals may not always co-incide. Providing clear signals to market about what is sought well in advance will be important to reduce such potential conflict, as will engagement between sectors to agree solutions. The objectives within this section provide such a signal at strategic level and are backed up by detail at local level.

4.19 The private sector also has an important role as a landlord. The public sector’s role is to promote a level playing field based on good practice. Where housing for rent is below the minimum standard this needs to be addressed both through publicity and exchange of good practice and enforcement action (such as new licensing arrangements) where poor landlord practice persists. Such action is, however, labour intensive and will depend upon the availability of resources. There are already a number of joint initiatives in place to support delivery of this objective, such as the East Midlands Landlord Accreditation Scheme (EMLAS), aimed at residential landlords and letting agents in North Derbyshire. Other specific actions for SCR to pursue are:

- Interventions to facilitate positive engagement with private landlords, such as a City Region accreditation scheme backed with advice and support services for landlord
- Work with the HCA and others to encourage long term investment by financial institutions in the private rented sector
- Enforcement actions against poor landlords, such as targeted licensing schemes and new initiatives to improve housing management standards and to meet housing needs – such as social lettings agencies, and
- Link the private sector to work to improve the housing stock across tenures, including low carbon retrofitting of existing homes and bringing empty homes back into use.
Housing Priorities

4.20 In summary, priorities to progress this core issue are:

Overarching City Region Priorities

[D] Devolve national housing budgets and powers to the city regional level, and invest in shared multi-area priorities, including a low carbon retrofitting programme in the Dearne Valley in line with its Eco Vision.

Supporting Housing Priorities

- Working with the private sector to stimulate demand, housing growth and functioning housing markets across the Transform South Yorkshire area in line with its strategy, and in line with the Strategy for North Derbyshire and Bassetlaw in that area.

- Enhance quality, choice and access to accommodation across tenures and sectors, such as through choice based lettings, liaison with landlords, meeting the needs of specific groups (e.g. an ageing population), work to improve affordability in targeted areas where it is pronounced as an issue, and bringing empty homes back into use.

- A housing retrofitting and low carbon programme, including installing efficiency measures and microrenewables, across the city region but with coalfield settlements and specifically the Dearne Valley a high and early priority given its eco-vision commitment. Aim to radically cut fuel poverty and carbon emissions whilst creating work and wealth.

- Continued and integrated Masterplanning and physical regeneration in the main urban centres and the Dearne Valley to ensure a strong and improving quality of place offer, and one where transport, housing, economy and services are planned together to create sustainable communities.

4.21 Working with the private sector across all these priorities is central to the approach that we will take. Additionally, we see great added value in devolving budgets and decision for housing that are currently held nationally directly to the City Region. Housing is an issue that clearly functions at the scale of the natural economic area of the city-region for strategic issues, as well as having local or neighbourhood aspects around smaller schemes and specific issues. The ability to prioritise collectively and clearly at City Region level would allow housing priorities to be better aligned with prioritisation on the economy, skills, regeneration, transport and environmental goals and lead to better and more cost-effective outcomes.
D) Transport

Assessment

Overview

5.1 The City Region needs a transport system that serves individuals and businesses, supports economic and environmental aims, and allows people to get to where they need to be, whether for educational, work, or leisure and social purposes. To achieve our overall vision, transport must support the following:

- **economic** growth by supporting business and employment, and linking people to jobs;
- reduce greenhouse gas emissions;
- improve people’s **health, quality of life** and social inclusion; and
- make transport **safe and secure** – to reduce road accidents and ensure public transport is safe and perceived as such.

5.2 Overall, 70% of people who live in the City Region work in their own district. A further 19% work elsewhere in the city region whilst 11% commute beyond its boundaries, mostly into Leeds City Region. So nearly 90% of travel to work trips by residents are internal to the city region.

5.3 In 2008, there was a total of 10.1 billion vehicle kilometres in South Yorkshire (district level data for other parts of SCR is not available). That is 13% higher than 1998 level, and higher than the national average rise of 10%. It equates to around an extra 10,000 cars on the road each year. Whilst traffic volumes have risen in all parts of the City Region, there is notable variation. Increases are lowest in Sheffield and Rotherham (8-9%), and highest in Doncaster and Barnsley (17-20%). The counties of Derbyshire and Nottinghamshire have seen rises of 10-14%. Within this, the proportion of journeys made by public transport, walking or cycling across the city region has decreased slightly- from 25% to 23% of trips to work between 2006 and 2008 – the largest decline has been in bus, which has masked rises in cycling and rail use.

5.4 So whilst rising traffic growth may reflect a growing economy, it also brings problems related to air pollution, health and carbon emissions as well as congestion - which in turn can slow journey times and impact negatively on the economy. Hence a key challenge is to achieve economic progress in a way that minimises undesirable traffic growth. Given the deep rooted and persistent nature of that growth, it is likely to require significant changes to reverse it and to address the four challenges that are set out.

Challenges

5.5 To support economic growth and productivity, transport must provide means for people to get to work and training, and businesses to move goods and people around. This means overcoming:
• congestion and unreliability on the national and city region networks, in particular the M1, A57 and A61 through Sheffield, A628 in Barnsley, A630/A638 in Doncaster and A630 in Rotherham;

• declining public transport usage for travel to work, business and education by improving services, reliability and confidence, and providing affordable public transport to communities needing access to employment and training;

• the relative competitive disadvantage of the city region’s access to London compared to other city regions, and enhance connectivity to surrounding city region centres; and

• poor access to key development sites for employment without leading to unsustainable land use patterns and dependence on private car use – particularly in outlying and rural areas of Doncaster, southern Rotherham and the Dearne Valley;

5.6 The critical environmental challenge facing SCR is to shift transport from being the one sector in which emissions are growing (at least a further 12% to 2026 across the city region), to one where they are falling. We must address the following:

• the need to avoid the perpetuation of development in unsustainable locations - the most significant barrier to carbon reduction from transport. Ways must be found to avoid locking new developments into car dependency;

• finding ways of tackling the highest emissions on the M1, A1 and M18, and diesel rail – national networks, where the city region has no direct control; and

• the reduction of vehicle km and emissions per km without compromising economic growth, access to opportunities or quality of life – which involves people recognising the impacts of their transport choices as part of a wider cultural change;

5.7 There are significant challenges around health, social inclusion and quality of life. With the exception of the need for cycling infrastructure and the challenge of providing and maintaining highway surfaces, these challenges are less critical at City Region level. However, in line with the ‘Golden Threads’, the impact of City Regional transport priorities on health and quality of life for transport users and local communities should be considered.

5.8 The safety and security challenge links to several of the preceding objectives – balancing the economic and social cost of accidents and injury with the need to provide a sense of safety and security. If places and environments are perceived to be secure and safe this will contribute to the creation of vibrant and successful public spaces. Key challenges are to maintain the good progress made in reducing deaths and injuries on the roads, and to make public transport safer and to be perceived as safe and secure by users.

Objectives

5.9 Four broad objectives flow from the challenges for transport and future aspirations:

I. to support and enhance the economy of SCR, through tackling unreliability, congestion and overcrowding, and improving connections on all transport modes

II. to reduce carbon emissions and improve environmental quality

III. to deliver health, inclusion and quality of life benefits

IV. to make transport increasingly safe and secure
5.10 Based on evidence, we have identified three types of intervention that offer the greatest benefit to the productivity and regeneration of SCR: measures to improve the connections for business growth; interventions to unlock employment sites; and measures to keep traffic and people moving and reduce lost productive time. Critical to all of these is the co-ordination of land use and transport future planning, a theme that underpins our entire approach.

5.11 In the supporting transport strategy for the City Region (available at southyorks.gov.uk) we set out details of the policies and their rationale. These are summarised below.

Promoting economic growth by:

a) improving connectivity to international airports – to Doncaster airport, Manchester and Heathrow; where Yorkshire firms currently lack of international connectivity that firms in other cities such as Manchester, benefit from;

b) to ensure the city region is connected to the high speed rail network – as this will be critical to the economic balance of the northern cities and potentially transformational in its impacts on the city region economy;

c) to improve rail journey times and frequency to Manchester, London, Leeds and Nottingham through rail infrastructure and rolling stock interventions – where currently the journey times, often below an average of 35mph are lower than other city region connections, and require a programme of interventions, set out in the next section;

d) better managing the road network we have to reduce congestion and improve reliability through better use of management and information systems – in particular through the co-ordination and development of the urban traffic management and control system (UTMC) across the city region – which can dramatically improve network efficiency and improve recovery from incidents;

e) providing a public transport system that is a competitive travel option through partnership with operators on quality, services, information provision, and integrated affordable ticketing, or through quality contracts where necessary;

f) focusing transport infrastructure investments on unlocking strategic employment sites – in particular between Sheffield and Rotherham (Lower Don valley, Waverley), and around Doncaster (Rossington), Markham Vale and Barnsley (J36), focusing on those sites where there is a strong prospect of business growth;

g) connecting people to places with the most training and job opportunities through the full range of public transport options – working with welfare to work providers to ensure public transport matches need; and

h) to ensure that transport supports high quality public places and vibrant urban environments – to make the city centres more attractive places to locate.

Reducing greenhouse gas emissions by:

a) focusing new development in locations that can be served sustainably, especially in our urban centres, through stronger forward and development planning;

b) facilitate take up of low carbon vehicles, through partnership and statutory working with bus operators, taking opportunities to encourage low carbon or bio-ethanol (or similar) vehicles, coupled with initiatives to encourage lower carbon emissions through better driving techniques.
c) encourage use of lower carbon alternatives through building better cycle infrastructure and better developing public transport focused on customer needs; and

d) ensure complementary policies such as parking and traffic management, are applied as appropriate to lock-in the benefits from other policies.

e) It is also important that complementary policies are applied to offer alternatives to travel, for example via video-conferencing, and other initiatives that form part of the Digital Region project.

Improving people’s health, quality of life and social inclusion by:

   a) Encouraging ‘active travel’ (walking and cycling) as a means of improving health, reducing noise and improving air quality.
   b) Ensuring easy sustainable access for all to green and recreational spaces, while supporting the protection of these places.
   c) Working with local communities on the development of attractive urban and residential environments, where people want to spend time.
   d) Building and maintaining a public transport network that maximizes social inclusion and is accessible to people with different needs.
   e) Striving to keep fares affordable, especially for those parts of society least able to afford commercial fares, either through working with operators or through quality contracts.

Making transport safe and secure by:

   a) Reducing casualties on our roads through tackling the worse safety problems first, stronger enforcement, road user education and information, and physical interventions.
   b) Improving perceptions of safety and security on public transport systems through education, supervision and enforcement.

Transport Priorities

5.11 In summary, priorities to progress this core issue are:

Overarching City Region Priorities

[E] Improve access to Robin Hood Doncaster Sheffield airport and associated Doncaster regeneration areas (through the FARRRS link road to Rossington regeneration areas and White Rose Way road capacity enhancement)

[F] Enhance rail connections to key cities outside the City Region, especially to London, as well as to Leeds, Manchester and Nottingham

(through journey time improvements to Midland Main line; improvements to the East Coast Main line; delivery of the Northern hub, including passing loops on Hope valley line and capacity improvements at Dore; and line speed improvements Nottingham – Sheffield – Barnsley – Leeds)
Improve public transport connections between Rotherham, Sheffield and Waverley, including through a Bus Rapid Transport system, to unlock the regeneration areas in the Lower Don Valley and Waverley.

Supporting Transport Priorities

- Exploration of plugging rail and inter-urban public gaps, e.g. Barnsley – Doncaster;
- Rolling out of IT systems to improve road network efficiency, incident recovery, information provision;
- Waverley link road to facilitate development of Waverley site;
- Driver training and associated road safety measures;
- Taking forward low carbon technology such as Plugged in Places;
- Improving bus services and quality to make buses more attractive;
- Planning and implementation of cycle highway network;
- Stronger land use planning;
- Alternatives to travel via exploitation of digital region competitive advantage.
3. Outcomes, Performance and Place Based Delivery

Overarching Priorities across Places

6.1 This document has already set out a set of issue based priorities for Economy & Skills, Housing and Transport. It is important also to consider priorities from a spatial perspective, taking into account the roles and assets of centres and areas as discussed at the outset.

6.2 The following list of Integrated Priority Interventions has been identified taking into account the way the responses to core issues often need to be delivered in a range of places, and in which multiple priorities come together in specific locations. It focuses on the main locations for each type of activity, so it does not infer that an activity type is not at all present or relevant in an area that it is not listed against.

6.3. Based on evidence, strategy work that is already underway, and discussions around challenges and potential opportunities, a number of strategic priorities emerge where:

- the issues involved fit within the functional economy of the City Region, cross local boundaries, and hence demand a collaborative approach
- market failures exist that can be realistically and effectively addressed
- cost effective benefits will ensue, principally in terms of sustainable economic growth and employment.

6.4 These priorities are currently indicative and expressed in broad terms. They are:

[A] Support the growth of the Advanced Manufacturing and Materials (AMM) sector, including related Low Carbon Industries, that is pronounced across the City Region

[B] Meet employer skills needs and assist people to gain work in the private sector through:
- increasing Apprenticeships focused on key sectors (AMM first)
- creating innovative, private sector led employment programmes to help unemployed people and public sector employees to retrain if needed and to access private sector jobs.

[C] Attract and retain business investment to expand growth and employment, through continuing the successful ‘Key Account Management’ approach that builds relationships with large businesses and investors and responds to their needs.

[D] Devolve national housing budgets and powers to the City Region, and invest in shared multi-area priorities, including a low carbon retrofitting programme in the Dearne Valley in line with its Eco Vision.

[E] Improve access to Robin Hood Doncaster Sheffield airport

[F] Enhance rail connections to key cities outside the City Region, especially to London, as well as to Leeds and Manchester.

[G] Improve public transport connections between Rotherham, Sheffield and Waverley, including through a Bus Rapid Transport system.
6.5 Priorities [A-C] above apply across the City Region and will follow the relevant business, growth and employment opportunities that arise. Priorities E to G are also wide ranging across the City Region and have a particular focus on Sheffield and the main centres of population that act as public transport hubs. Priority D allows programmes to evolve as specific City Region housing priorities are finalised, whilst identifying the Dearne Valley as an initial priority that spans three local authority areas. All the priorities will be delivered as an integrated set that together take the whole Sheffield City Region forward and into the next phase of its economic transformation.

The Interconnected Roles of Places across the City Region

6.6 The map (see following page) shows how integrated interventions bringing together a number of priorities will be aligned in the key centres and areas across the City Region. The table in Annex A discussed the rationale for and the economic, housing and transport issues within each of these areas. In enabling the City Region to continue the process of economic change it has been undergoing over a period of decades, it will be important to consider a number of overarching issues that relate spatial patterns and settlement roles. These include:

- **Identifying the main places that are going to drive economic growth in the future.** The main cities and towns will be an important focus, particularly Sheffield City Centre. This should look to expand those sectors that are most appropriate for the main urban areas to drive growth. In developing such economic opportunities it will be particularly important to focus on areas of greatest potential, in large part based around developing existing centres and assets. However, not all of the City Region’s growth sectors (e.g. Advanced Manufacturing and Materials) are compatible with a city centre location, and other locations will be more appropriate on occasions. More widely, the economic role that commuter towns play in their own right should not be neglected.

- **The need to support roles and change in the centres of existing places.** The main city and town centres are critical as employment locations, particularly Sheffield. Supporting these roles is critical. Other town/village centres are important for retail and services and can provide lower order activities. Consequently, part of the strategy for these existing places will be to grow smaller settlements. In adopting this approach, there is a need to be realistic about the extent of their role and the potential catchment that they serve. Growth needs to be delivered in a way that is sustainable, sensitive to the settlements themselves, and which will not undermine those areas of existing housing market failure.

- **Developing a strategy for significant out-of-centre areas for employment, retail and leisure.** While the city and town centres should be the main focus for employment, not all growth sectors suit these locations, and there is a need to plan for these key out-of-centre uses and where they should be located. This will involve taking a realistic view of the relationship between these developments and existing places and how or if this needs to change, for example, the relationship between Meadowhall and Rotherham and Barnsley town centres. In terms of employment this may involve identifying the priority locations for growth and developing critical mass at these places so that viable and attractive public transport links can be developed. Furthermore, in areas such as Lower Don Valley and the Advanced Manufacturing Park there is a need for interventions to improve the quality of place to make them more attractive locations for business.
Sheffield City Region

Priority Areas for Integrated Interventions

Dearne Valley
To maximise opportunities for job creation, particularly for local people, by building upon the existing strengths of the area and the improvements made to connectivity. Ensuring that new employment and residential development is integrated with, and connected to, existing places. Continue to implement the Eco-Plan.

Lower Don Valley and Advanced Manufacturing Park
To make a cohesive destination for employment in manufacturing and other out-of-centre uses that drive economic prosperity of the City Region, building upon existing expertise in this sector, improving orbital connectivity by non-car modes and improving quality of place are challenges to be faced.

Sheffield
To ensure Sheffield drives the growth of the City Region through a high quality retail, cultural and residential offer, creative and digital industries and transport interchange.

Peak District and neighbouring upland areas
To ensure the quality of these assets is enhanced, protected and enjoyed as the central element of the City Region’s visitor economy whilst meeting local residents’ needs.

Chesterfield and the A61 corridor
To maximise the roles of out-of-centre employment development that has been delivered by linking and integrating it with existing places, including Chesterfield and smaller centres. Further interventions in the quality of place will develop the potential of the area as a location for growth.

Main Centres and other town centres
The main centres of the City Region (Barnsley, Chesterfield, Doncaster, Rotherham and Worksop) need to provide retail, economic opportunities and transport interchanges and a high quality offer that attracts investment. Ensuring that they are connected to their surroundings and out-of-centre developments will be integral to creating sustainable patterns of growth.

Other town centres play an important role in providing services, amenities and employment to their catchment. It is important for these places to adopt a realistic approach to their roles, in some areas it will be important to continue to facilitate the transition to new roles.

Doncaster and Hatfield to Hatfield to Harworth Bircotes
To improve connections between Doncaster, Rotherham and Worksop to unlock housing and employment growth in the area. This should seek to develop the role of RHAs as the City Region’s airport. Interventions in the area should seek to realise the aspirations for growth and change, including the opportunities afforded by carbon capture and storage at Hatfield.

Markham Vale and Meden Valley
To ensure that new and recent developments are integrated with existing places, whilst delivering other interventions that improve the quality of place, making the area a more attractive place to live, work and invest. This potentially requires emphasis to be on place making rather than large brownfield scheme development.
• **Ensuring that people are linked to jobs.** It will be important to consider how to improve access to jobs, as there has been a mismatch in the City Region between where employment has been created and where people looking for such employment live.

• **Making strategic choices on future sites and premises to identify those that are of the right type, quantity and quality to support a twenty-first century knowledge economy.** This may involve difficult decisions being made in relation to existing allocations to help develop a more competitive economic development offer for the City Region. By focusing development in strategic locations it is possible to enhance the overall offer of the City Region, helping it to compete with the Leeds and Manchester City Regions especially.

• **Retrofitting employment locations to make them more accessible by sustainable modes.** Some of the employment generated in recent years has focused on development of car dependent sites in out-of-centre locations, often close to the strategic transport network. Many of these sites are difficult to access by non car modes and therefore there is a need to ‘retrofit’ these sites to ensure that they can be accessed by public transport.

• **Improving the quality of place and of the residential offer.** In parts of the City Region the high quality residential offer is a significant asset. The affordability problems in places such as south west Sheffield reflect the demand that exists for such a product. However, not all parts of the City Region are like this. Inner urban areas and some of the former mining towns and villages experience poorer quality of place with a lower quality residential offer. In order to transform these places, a range of interventions will be needed, with interventions focusing on factors such as green infrastructure and environmental quality, more critical to their success.

• **Tackling environmental challenges including flood risk:** in parts of the City Region, continued investment in flood protection will be essential for ensuring the growth of economic and residential development. Opportunities for the development of renewable energy will need to be explored.

**Outcomes, Performance and Review**

- Overall outcomes (e.g. GVA, employment, housing, carbon) to measure/report on
- Note approach to future review of the CRDP, delivery of priorities, evaluation, etc
- Rounding up para to finish
## Annex A: Assessment of the priority areas for City Region scale interventions

<table>
<thead>
<tr>
<th>Area</th>
<th>Strategic Rationale</th>
<th>Economic Development</th>
<th>Housing</th>
<th>Transport</th>
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<tbody>
<tr>
<td>Sheffield Centre</td>
<td>Sheffield is a core city and the centre of it is the main economic powerhouse of the City Region. It has an important and fast growing business base in high value sectors such as financial and business services, creative and digital industries; other growth areas such as leisure, culture and tourism; and high level public services, including government, education and healthcare.</td>
<td>Improving the economic performance of the centre of Sheffield will help to facilitate the growth and success of the rest of the City Region. Retaining and growing the existing businesses found here, in addition to attracting new opportunities, will be integral to this. Regenerating the city centre will help to reduce the areas of deprivation that exist here, many of which are in close proximity to the city centre.</td>
<td>There is a need to improve the quality of the residential offer in parts of the city, particularly inner urban areas, where there are some of the most deprived communities in the country. Access to affordable housing is a significant issue in parts of the City.</td>
<td>Improving external links from Sheffield to places outside of the City Region will be important in maintaining its function as an economic driver and a public transport hub.</td>
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<td>Main Centres and Other Centres</td>
<td>The main centres of Barnsley, Chesterfield, Doncaster, Rotherham and Worksop play an important role in the City Region in terms of providing employment and local services. Making these urban areas the focus for development will be integral to the creation of sustainable communities. The relationship between these places and their hinterlands is also important to their success. Smaller centres play an important function for communities in terms of providing services and amenities. It is important to ensure that the facilities provided are commensurate with the size of the catchment area.</td>
<td>Developing the economic roles and functions of these main centres will be important to the success of the City Region. Different centres fulfil different roles in the City Region. Helping hinterlands in transition to new economic roles will be important in relation to helping the main urban areas develop. Other centres fulfil an important economic function in the City Region in terms of providing services. Furthermore, the larger centres, such as Dinnington, contain significant levels of economic activity in their own right.</td>
<td>Areas of deprivation and poor quality residential stock can be found within these main centres and their hinterlands. Improving the quality of the residential offer in these inner urban areas will make them more attractive places to live. Approaches to housing growth and renewal need to be commensurate with a realistic view of future economic roles and the strength of housing markets.</td>
<td>There is a need to ensure that the main centres act as public transport hubs and that people in the hinterlands can access these central areas via public transport. This is a particular issue in some of the more rural parts of the City Region. Transport connections are a particular asset to Doncaster and its Inland Port and logistics sector.</td>
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<td>Lower Don Valley and Advanced Manufacturing Park</td>
<td>Containing some of the most strategic out-of-centre employment locations in the City Region this corridor offers the potential for significant employment growth in priority sectors including advanced manufacturing. The Lower Don Valley and AMP are significant employment generators.</td>
<td>One of the most important areas for economic growth in the City Region for developing those sectors that are not compatible with town centres, and specifically the City Region’s role in advanced manufacturing and research and development.</td>
<td>Large scale residential growth is planned at Waverley, with planning permission granted for almost 4,000 new homes. Improvements to the quality of place will help to improve the environmental quality of the area.</td>
<td>Fast, reliable and efficient transport links are required to deliver the potential of the corridor, particularly by public transport.</td>
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<td>Dearne Valley</td>
<td>The Dearne Valley is an area of change that has benefitted from the investments made in recent years in transport infrastructure and decontaminating land. The private sector has grown in the area with new businesses choosing to locate here. There will be an ongoing challenge to integrate new development with existing places and communities.</td>
<td>The objective is to continue to attract and retain employment in the area, building upon the existing businesses found here. This should look to expand the range of employment opportunities in low carbon jobs, in accordance with the Eco Vision.</td>
<td>There remains a need in parts of the Dearne Valley to improve the quality of the residential offer to help address failing housing markets. The Eco Vision identifies the need to make homes more energy efficient and to improve the quality of the natural environment. With significant housing growth planned here there will be a need to integrate development with existing places.</td>
<td>Improving public transport connections will be important to the Dearne Valley, helping people to access employment and services.</td>
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<td>Doncaster and Hatfield to Harworth Bircotes</td>
<td>This area offers significant potential for growth and expansion, with land available for development. This can build upon the area’s strategic location and its proximity to the strategic road network. In order to realise the strategic ambitions of the area there is a need to improve connectivity between Doncaster, Rossington and RHADS.</td>
<td>Rossington has significant potential for economic growth, based on its proximity to Doncaster and the strategic road network; however, this will require interventions in the transport network. RHADS also offers significant potential for economic growth. The land available at Harworth Bircotes offers the potential for employment growth.</td>
<td>Improvements to transport infrastructure will help to deliver housing growth in Rossington. There is also housing growth planned at Harworth Bircotes, on the former colliery site.</td>
<td>Significant improvements are required to improve connectivity between Doncaster, Rossington and RHADS. Until such improvements are made the potential of the area will not be maximised.</td>
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<td>Markham Vale and Medan Valley</td>
<td>In recent years significant investment has been made in the redevelopment of large scale brownfield sites. Further investment is required in the quality of places within this corridor to make the area a more attractive place to live, work, and invest.</td>
<td>Maximisation of the recent investment in new developments, such as Markham Vale, is needed to ensure that they fulfil their potential. This should include interventions aimed at strengthening the ability of local people to access employment.</td>
<td>Improving the quality of the residential offer, including wider improvements to the quality of place will make the area a more attractive place to live, addressing housing market weakness.</td>
<td>To improve connectivity by sustainable modes between existing places and to major employment sites.</td>
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<td>Chesterfield and the A61</td>
<td>These centres offer strategic potential for development in the City Region. This involves in part capitalising on and regenerating, as appropriate, existing places, such as the redevelopment of Clay Cross town centre, and the development of strategic sites such as the Avenue and Biwaters.</td>
<td>Chesterfield will be the main centre for economic growth in the south of the City Region. The development of brownfield sites will be another priority for the area and offers further significant opportunities for the area.</td>
<td>There is a wider need for interventions across parts of the area to improve the quality of the residential offer and the quality of place, to make the area a more attractive place to live. The redevelopment of the Avenue will provide new housing and improve the environmental quality of this contaminated site.</td>
<td>Focusing development in these areas will build upon its access to the strategic road and rail network. Ensuring that existing and planned future out-of-centre employment locations are accessible by non car modes will be an important issue to address.</td>
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<td>Peak District and neighbouring upland areas</td>
<td>The Peak Park serves an important function in the Sheffield City Region and nationally in terms of the environmental resource it represents, its amenity value, and its economic role as a tourist attraction.</td>
<td>The Peak Park has an important economic function in terms of its use for sectors such as tourism and land based industries. Maintaining this economic role in a manner that preserves the environmental quality of the area is a primary challenge. The area has a high skills base, a larger proportion of small businesses, and people working from home.</td>
<td>The area benefits from having a high quality residential offer and a perceived high quality of life. However, this has created affordability problems in the area. Enabling people to access the market is an issue to be addressed.</td>
<td>Ensuring that the transport links in place support the roles and functions of the National Park and minimise environmental damage by reducing car usage.</td>
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