

The Levelling Up Deal for the North

Convention of the North

September 2020

Spending Review Submission



The North at a Glance

Key Facts



- Population of 15.5m
- Size of the economy: £351.5bn of GVA
- Net zero opportunity: 50% of England's renewable energy, 35% of jobs in low carbon goods and services
- £59bn Northern goods exported in 2018 – more than Scotland, Wales & NI combined
- 331 newly secured FDI projects, which created 10,256 new jobs between 2019-2020

Our Assets



Distinct Economic & Industrial Strengths, including our prime capabilities outlined in the Northern Independent Economic Review.



Proud People with a reputation for endeavour, wit and grit, and communities which embrace inclusivity and diversity.



Devolution of Power & Decision-making to and within the North, so that initiatives are developed with the North, rather than for the North.



Phenomenal Natural Assets with nearly half of England and Wales' national parks, and a stunning coastline.

Our Principles



Strong Sense of Identity rooted in a culture that celebrates our individual places and our common Northern heritage.



Working Together where this makes sense for our region, but enabling our towns, counties and city regions to shape their own places, recognising that the whole is greater than the sum of the parts.



Actions Not Just Words. A strong desire to get on with the job and take ownership of our future.



A Positive Vision of how the North can lead the way in growing an inclusive economy for all our people and the country. Powering up the North and all of the UK is the way to improve the country's economy and living standards.

The Levelling Up Deal for the North

The Convention of the North was set up to create a powerful unifying voice for the North, with a positive vision of how we can lead economic and social transformation. Last September, we met, with NP11, in Rotherham, for the biggest ever gathering of Northern leaders, drawn from Councils and City Regions, Youth Parliaments, businesses, LEPS, universities and voluntary sector organisations across the North. We heard from the Prime Minister about his commitment to the Northern Powerhouse and levelling up and we discussed and debated ideas for transforming our economy. The manifesto that we then published was backed by every major newspaper group across the North.

We had been due to meet again this autumn in Liverpool to review progress towards our ambition of powering up the North. Unfortunately, we can't do this because of COVID-19, so instead we are publishing this autumn statement ahead of the spending review. It is our call to action to deliver levelling up and make good on the Prime Minister's promise to unite the country, and back the North.

The pandemic has both widened the levelling up challenge and made addressing it even more critical. The North has already been hit disproportionately hard by COVID-19, sadly with over 15,000 deaths, and we now face rising cases, more local restrictions, and surging youth unemployment. Even with the welcome Winter Economy Plan, this will still be a period of great hardship and economic vulnerability, underlined by the fact that 2 million Northern employees were on the furlough scheme this summer. But we are determined not to let history repeat itself with the scarring effects of recession that we saw in the 1980s. This time we must recover faster and not let the growth and productivity gap widen further. We need to build back better. As we enter an autumn that will require major decisions on economic recovery and managing the ongoing health crisis, the question is not whether but how levelling up should be delivered.

The North is a confident, optimistic region, with a diverse, passionate and proud people - great businesses, fantastic natural and economic assets, and strong governance and partnership working. We can lead the transition to the economy of the future, but to do this we need to overcome the barriers that are holding us back. Levelling up is about supporting the North to achieve its potential, as we create the post-COVID-19 economy.

We've seen a promising start. The furlough scheme has been essential, the review of the Green Book shows good intent, and pressing ahead with HS2 was a key decision. But the scale of what is required demands so much more. We are past the time for the right words about levelling up, what we need now is action to make it happen. We need a plan for levelling up for the North, that is about investing in people to close the opportunity and inequality gap, as well as investing in net zero growth and infrastructure, to close the productivity gap.

That requires a commitment to work with the North to build a fair and sustainable recovery. We stand ready to do our bit; to catalyse post-COVID-19 recovery through leading the transition to the hydrogen powered, digital, 4.0 economy of the future. The Convention gives us a powerful collective voice and we have a network of Mayoral Combined Authorities across the North, which we hope will be expanded and further strengthened through the next phase of devolution.

But for devolution to truly unlock the potential of the North, we need the investment, power and resources to get on with the job. This requires a new partnership between the North and central government working together in a common endeavour to build back better. That's why we have set out our CSR submission as a levelling up deal between the North and the UK Government.

What the North Will Do

We will lead a fair and inclusive economic recovery, building back better, with good business and good employment, working with LEPS, business, HE and FE to support the implementation of Kickstart and other employment support programmes, as well as creating a wider ecosystem of support for skills and education improvement to close the productivity gap. And we will continue to work closely with Government to co-ordinate the COVID-19 health response in our towns and cities, communicating with our residents, managing local restrictions, supporting our local public health test and trace systems, and liaising with schools, businesses and shops about safe opening.

We will lead the transition to the net zero economy of the future, catalysing our prime capabilities in energy, off-shore and renewables to power a sustainable future for the UK economy. We will tackle climate change, creating green jobs to retrofit existing housing and developing ambitious plans like the Northern Forest, and improving our flood defence and mitigation infrastructure.

We will lead the expansion of investment and export led growth, using the Northern Powerhouse brand to promote our strengths in health innovation, digital and advanced manufacturing and materials, including through the establishment of a Trade and Investment Leadership Board, and developing new initiatives like Freeports.

We will work with our businesses and universities to accelerate our innovation capacity across the North, improving institutional leadership by bringing together innovation leaders to ensure that we close the £4bn a year R&D investment gap, and working with the N8 Universities to support their ambitious Net Zero North plan to boost innovation, research and skills to drive the transition to clean growth.

We will support and promote the North's cultural and visitor economy, the renaissance of many of our towns and cities has been led by culture and the creative industries. We are determined to protect and develop this critical legacy as part of our recovery strategy, and across the region our fantastic visitor offer has been at the heart of the staycation upsurge this summer.

What We Need From Government

A new partnership with the North for recovery and levelling up, a cross departmental commitment to working in partnership with the North on every aspect of recovery, extending the approach of the Economic Recovery Group and the new Northern Transport Acceleration Council, where Mayors, Leaders and Ministers work together to broker practical solutions. That means on Kickstart, and other employment programmes, trusting Combined Authorities and LEPS to get on with the job of implementing their own local schemes. The substantial relocation of Government functions to places across the North will be important in building this partnership at policy and practice level. And the new Northern Powerhouse Growth body, will need to build on further devolution of powers to Mayoral Combined Authorities, be representative of all parts of the North, and add value on export, investment, recovery and levelling up strategy.

Deeper and wider devolution to give the North the tools and resources to get on with the job of delivering recovery, using the Devolution White Paper as an opportunity to extend Mayoral Combined Authorities across the North, so that the benefits of devolution are felt by all Northerners. But also deepening devolution to existing Combined Authorities, so that they are fully equipped to lead economic recovery, with full post 16 skills responsibility and funding, devolution of city region infrastructure budgets, linked to greater investment flexibilities and direct allocation of Shared Prosperity Funding.

Investment at scale to lead the net zero transition, with a new investment fund to drive future growth, closing the output gap requires long-term strategic investment, moving beyond traditional competitive bidding and HMT Green book processes, to establish a dedicated and substantial investment fund for the North, to fund innovation, and to provide equity capital for new tech and clean growth businesses. Backed up by new centres of excellence and dedicated Northern funding to unlock commercially-driven collaboration in regional strengths.

Investment in people not just buildings to level up opportunity and outcomes, with substantial social infrastructure investment in public health, prevention funds, early intervention, early years and family support and an extra £1bn a year on Northern schools to close the education and opportunity gap, that COVID-19 has further widened.

Full delivery of Transport for the North and more devolution over budgets and local services, with a transport budget for the North, protection and regulation of local buses, further improvements to last mile service and intra regional lines, and implementation of the Prime Minister's commitment to greater local control of local lines and stations in Northern metropolitan areas.

The Deal On A Page

What the North Offers

We will work with Government to unite the country, as we build back better, leading the transition to the hydrogen powered, digital, 4.0 economy of the future, through catalysing our 4 pan-Northern prime capabilities:

Advanced Manufacturing



Health Innovation



Energy



Digital



What the North Will Do

Lead a fair and inclusive economic recovery

Lead the transition to the net zero economy of the future

Lead the expansion of investment and export led growth

Work with our businesses and universities to accelerate our innovation capacity across the North

Support and promote the North's cultural and visitor economy



What We Need from Government

A new partnership with the North for recovery and levelling up

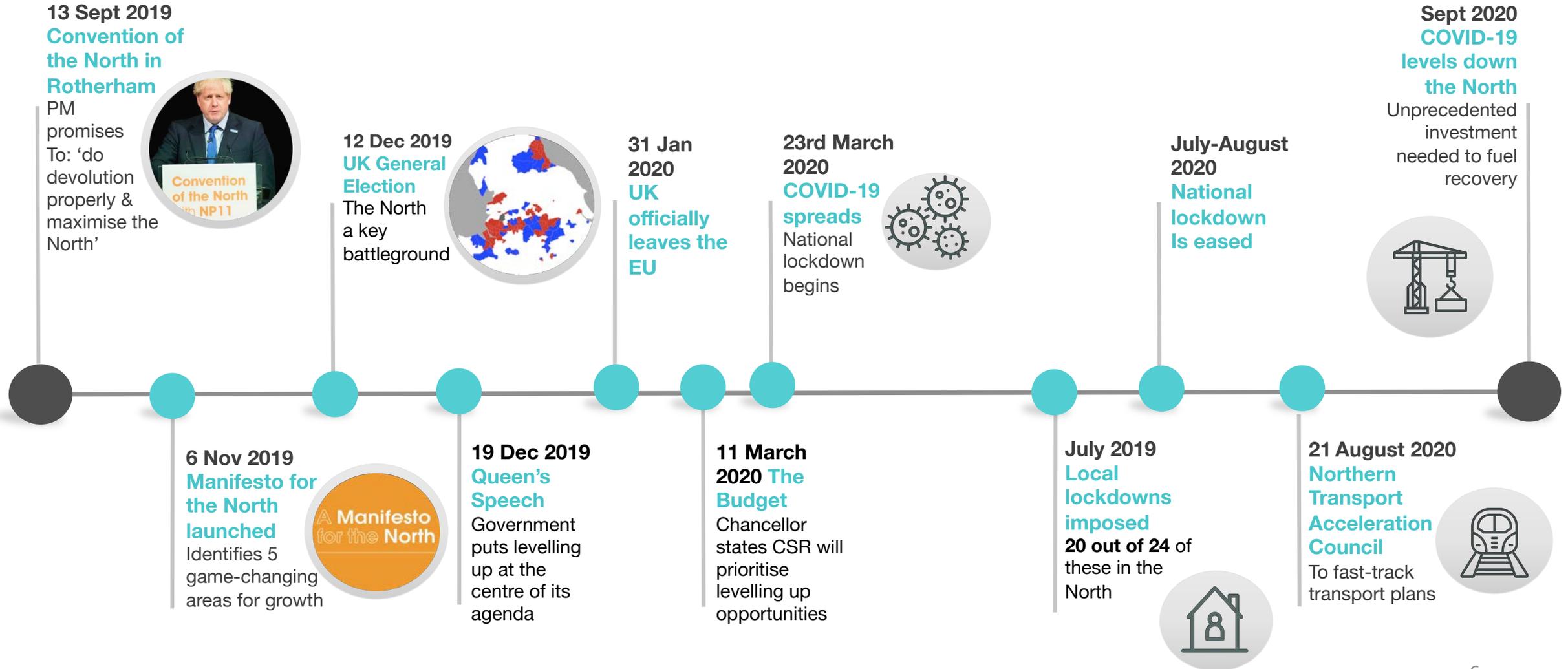
Deeper and wider devolution to give the North the tools and resources to get on with the job of delivering recovery

Investment at scale to lead the net zero transition, with a new investment fund to drive future growth

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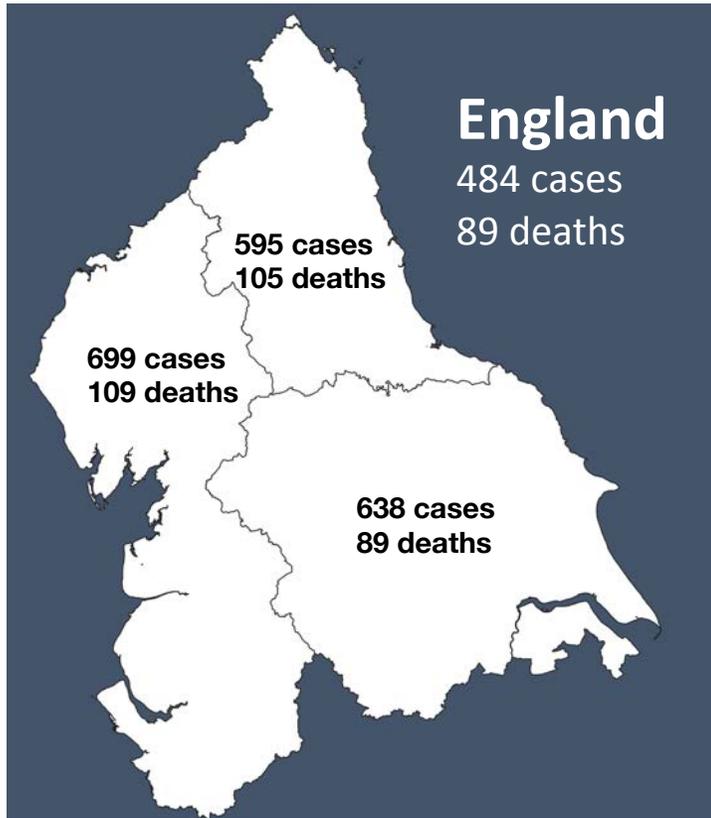
Full delivery of Transport for the North and more devolution over budgets and local services

Timeline 2019 – 2020 in the North



COVID-19's Impact on the North's People

Northern Regions have a higher incidence per 100,000 people ...



102,333 Confirmed Cases

15,532 Deaths

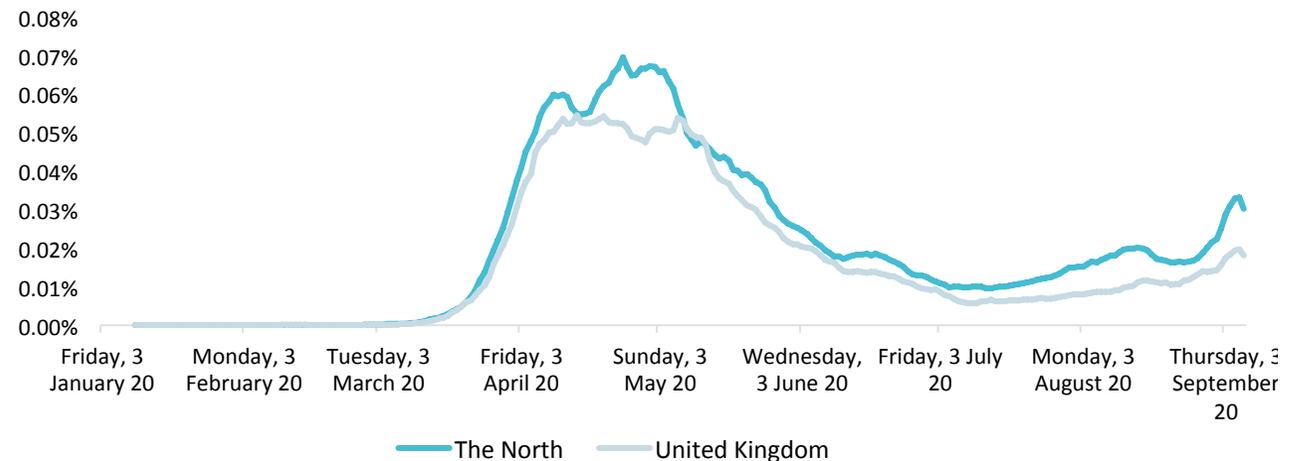


20 of England's 24 local lockdowns have been imposed in the North



2 in 3 in the North have been impacted by local lockdowns, compared to 1 in 5 in the Midlands and 1 in 140 in the South*

... and a higher proportion with COVID-19 at any one time



Data Sources: Deaths data – Metro Dynamic analysis of ONS data, Deaths involving Covid-19 by local area and deprivation; cases & COVID-19 infections data (proxy) - Public Health England, 7th September 2020; and local lockdowns data: Department of Health & Social Care as of 20th September 2020. South= South East, South West, London & East of England.*

Covid-19 Impact: The Recovery Challenge



An estimated 20.7% decline in GVA between 2019 and 2020 Q2



Over 2million of the North's workforce on furlough



Higher Universal Credit claims per 1,000 population

North East: **101**
North West: **98**
Yorkshire & the Humber: **88**
England: **86**

The underlying vulnerability of Northern businesses is highlighted by the £3.2bn paid in support grants so far...

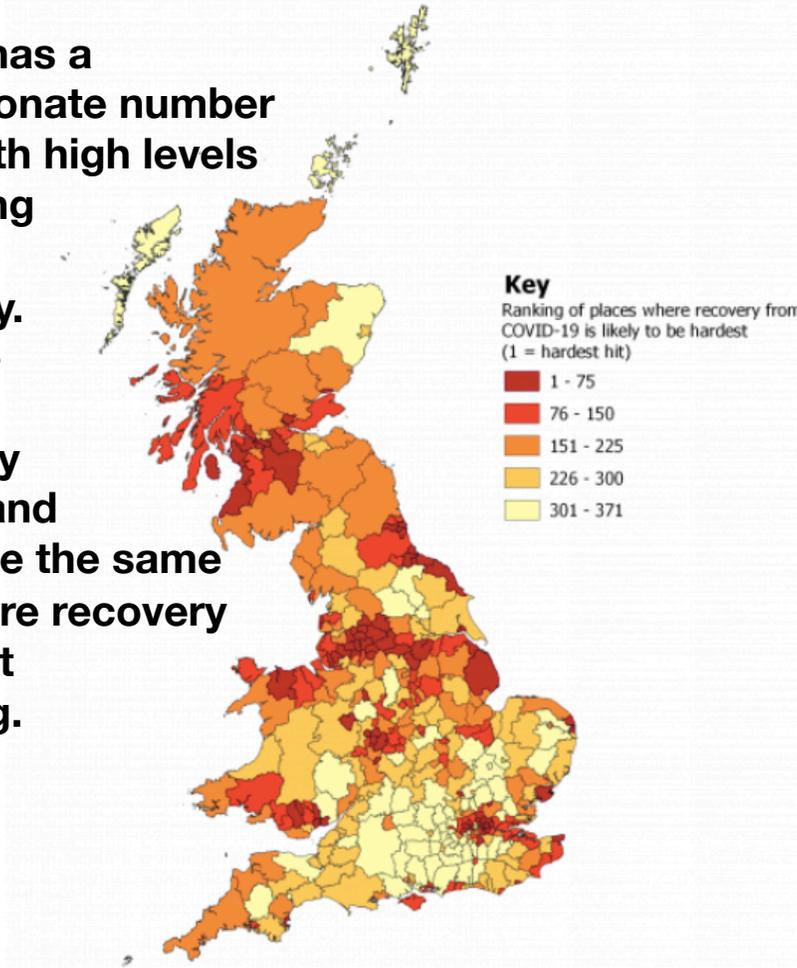


Only 11% of Future Fund money has gone to firms in the North, compared to 72% in the South & SE. To meet the scale of the recovery challenge we need allocations closer to the 40% of the Getting Building Fund that Government announced for the North in August.

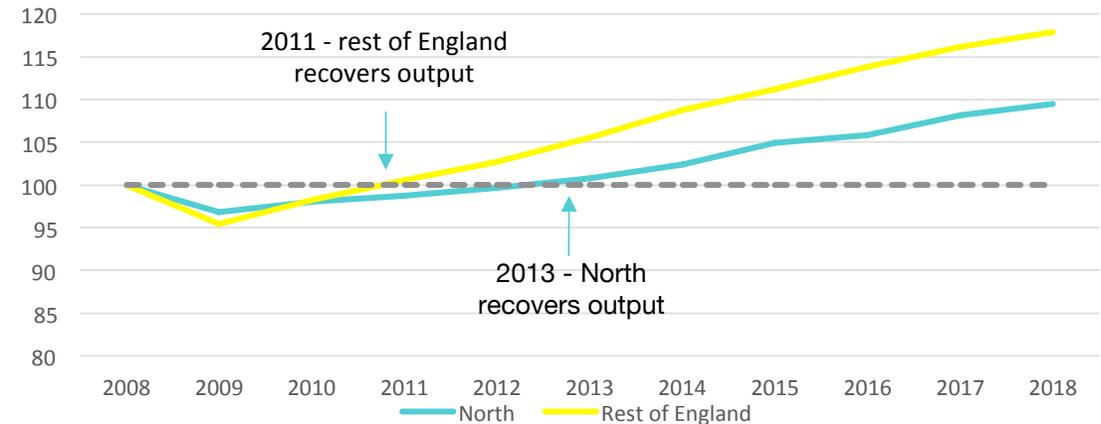
Data sources: GVA estimates - MD analysis of ONS Regional GVA (Balanced) by Industry, 2018; Universal Credit data - Department for Work and Pensions, 31st August 2020; furlough figures, claims as of 31st July - HMRC Coronavirus job retention statistics, 21st August 2020; Business grant support - BEIS Coronavirus grant funding, as 31st August 2020; Future Funds - House of Commons Treasury Select Committee, The Economic Impact of Coronavirus: The Challenges of Recovery, September 2020; and Getting Building figures - MHCLG statement, 4th August 2020.

Covid-19 Impact: The Threat of Levelling Down

The North has a disproportionate number of areas with high levels of underlying economic vulnerability. These have been badly impacted by COVID-19 and are set to be the same places where recovery will be most Challenging.



In 2008, following the recession, recovery in the North was much slower than the rest of the UK...



... and post-crash output in the North **remains 8% lower than the rest of England**, relative to 2008

The North now needs investment at scale to recover & rebalance its economy - to avoid falling further behind and exacerbating existing socio-economic inequalities

Northern Recovery

The Need for Action

As the COVID-19 pandemic evolves from a health crisis to an economic one, the need for a unified voice making the case for investment in the North is even more crucial.

The North has not fared well as a result of UK economic policy: the pandemic has shed further light on the long-standing structural challenges and imbalances across the area. Intervention and support from Government to support place as a central component in economic rebalancing coupled with the promotion of inclusive growth is warmly welcomed in the shape of Government's ongoing commitment to 'levelling up economic opportunity across all regions of the country by investing in infrastructure, innovation and people.

Despite the economic, social and human costs, COVID-19 provides a significant opportunity for the North to build on our strengths including in highly productive sectors such as advanced manufacturing, health innovation, energy and digital.

We have strong and ambitious plans for a Northern recovery that will establish a just and fair society for future generations. The interventions proposed to address the imbalances are not entirely new - action has been long championed by the North. COVID-19 has accelerated the need for action, not reshaped it.

Devolved

COVID-19 has had asymmetric impacts on places and people, but much of the national response was, inevitably, place blind. This makes the need for place based and people centred approaches to the North's recovery ever more important.

Living with COVID-19 means business and communities are increasingly reliant on strong local leadership and robust public services. Yet local government is under serious financial threat through a combination of increased spending and reduced income, which has only been partially met by government support. Northern authorities, already under increased cost pressures, are significantly affected. They must be adequately funded to deal with the ongoing challenges of living with COVID-19, ranging from temporary lockdowns, to an increased demand for care, to the need for local leadership of renewal.

Fair & Inclusive

COVID-19 has shown how systemic shocks exacerbate the deep inequalities in our society. The pandemic and the economic shock it has created has had a disproportionate impact on our most disadvantaged communities and particular groups including black and minority ethnic residents, women, migrants, people in poverty and the elderly.

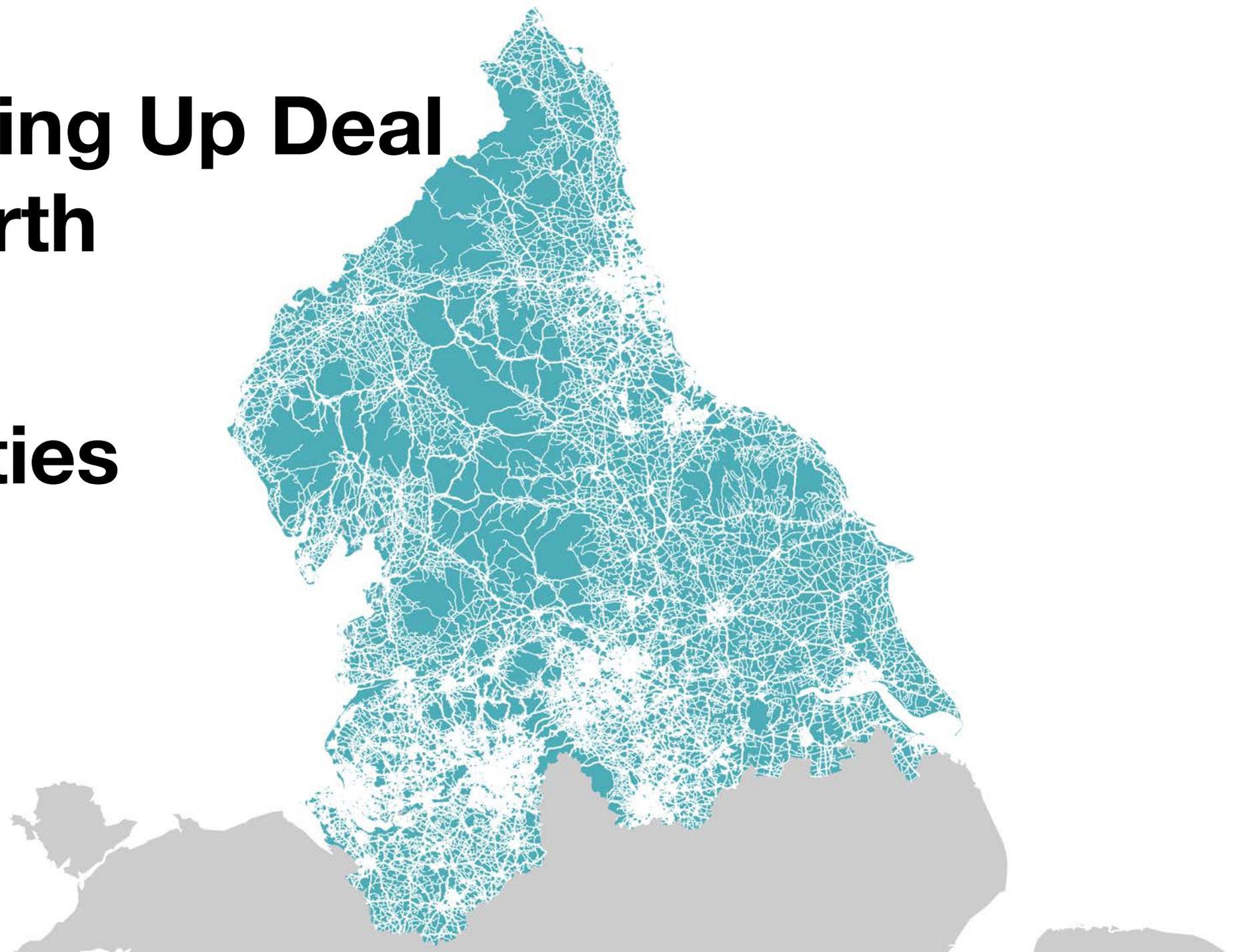
As we continue to respond to the ramifications of the pandemic there is a clear recognition in our recovery plans that we owe it to our communities to build back better. We need a fair, inclusive and sustainable recovery that puts people at the heart of our plans.

This approach is widely supported by policymakers - the EU has published ambitious proposals for a recovery plan to build "a more sustainable, resilient and fairer Europe" and global leaders have also recognised that the UN Sustainable Development Goals (SDGs) can support global responses that leave no-one behind.'

All of the Northern recovery plans that were reviewed set out the need for a truly inclusive recovery. That means that our dialogue with Government should explicitly focus on tackling the economic and social inequality and exclusion that existed before COVID-19, but have been exacerbated by it.

The Levelling Up Deal for the North

Our Priorities





Clean Growth

The North of England has made significant contributions to the energy needs of the British economy since the industrial revolution. The North is the UK's Powerhouse: it generates over 40% of the UK's electricity, and almost a fifth of the electricity produced is exported to the rest of the UK. We know that the North generates over 90m tonnes of CO2 per annum: reflecting the significance of manufacturing and energy to the Northern economy.

Councils across the North have declared ambitious climate emergency targets: our plans have the potential to deliver both jobs and growth while putting global greenhouse gas emissions into structural decline. Our analysis shows the potential to deliver a 50% reduction in carbon levels by 2032, and add 100,000 new jobs and £2bn pa to the economy by 2050. Exploiting this opportunity will cement and extend our nationally and internationally competitive position in the field; fuelling industries of the future. As the hosts of COP26, this opportunity to accelerate global progress on climate change and demonstrate our leadership in this area should not be missed.

What the North Will Do

- Deliver Net Zero North - Our industry, our capabilities, energy infrastructure and location makes the North the ideal location to lead and deliver on the Net Zero carbon commitment made by Government.
- Reduce energy consumption – COVID-19 has created an opportunity for a large-scale retrofitting programme led by the North which will have profound environmental, social and economic benefits through improved health and well-being and skilled jobs in the area.
- Encourage industrial transitioning – supporting the production and use of low carbon goods, services and processes and energy clusters. Plus, stimulate demand for energy efficient and low carbon energy generation and storage.
- Take a whole systems approach to wider changes – strengthen local government energy planning, green development finance and capitalise on natural assets to promote sustainable land use.

What We Need From Government

- Support for our Net Zero North programme to develop transformational pan-Northern projects, including: low carbon transport, Carbon Capture Utilisation and Storage, Small Modular Nuclear Reactors, hydrogen, tidal power and decarbonised heat infrastructure; at-scale circular economy opportunities; and local actions plans for smart grid enabled clusters.
- Back a flexible, regional approach to energy innovation and regulation to allow the North to lead the low carbon energy revolution.
- Set energy efficiency measures as a national infrastructure priority, capable of attracting patient finance, incentivising the retrofitting of homes.
- Capture the full supply chain from energy investment, whether it be battery technology linked to offshore wind or the work needed when nuclear power stations come offline.
- Deliver proof of concept demonstrators, including for new technologies such as tidal power, low carbon transport, heating and smart grid enabled clusters.
- Pilot utilising carbon pricing and natural capital accounting to inform viability assessments alongside reform of Green Book appraisal processes, to enable local action on land-use and investment.



Education, Skills & Work

As COVID-19 took hold, the UK labour market was already characterised by some fundamental weaknesses. Despite high employment rates, there was persistent in-work poverty, poor productivity growth and work was failing to provide security for many workers.

As mechanisms like the CJRS are wound down, unemployment, poverty and inequalities are likely to rise. People and places with the lowest incomes are the most vulnerable. Young people, BAME workers, women, low paid and disabled workers have been most negatively impacted underlining the importance of an inclusive recovery. The need to give people the skills to succeed is even more urgent.

Investing in education and skills is also vitally important to improve local productivity, and close the longstanding productivity gap between the North and the UK. The North needs all of our residents to be connected to good job opportunities and training, including vocational and academic education that suits their individual circumstances. We want to work with Government to ensure that those displaced and in danger of being displaced from work are supported to quickly transition into new roles that are rewarding, productive, and support our ambitions for sectorial development. This is especially important in supporting and accelerating our plans around a greener economic recovery.

As well as targeted action to improve the skill levels of the North's existing population retaining and attracting more skilled individuals back to the North is equally important. Our plans also focus on further investment in jobs, infrastructure, and innovation to create an environment in which the highly skilled want to live and work.

What the North Will Do

- Establish a cross-sector vision for a well-educated and skilled North where talent is nurtured and in-work training is available and accessible for all.
- Establish a world leading vocational and technical education system.
- Adopt good employment charters – set a common definition of Good Work for the whole of the North and encourage more employers to commit to high standards.
- Establish an enhanced schools catch-up programme to help pupils make up lost learning to ensure that young people are not permanently disadvantaged.
- Promote better support systems and networks to help people learn and work productively and healthily focussing on good physical and mental health in the workplace.

What We Need From Government

- Support efforts to establish a labour market that reduces the persistent dependence on precarious and low-paid work.
- Give places the freedom to match education and skills provision to local opportunities, with the inclusion of skills as a minimum in all forthcoming Northern devolution deals, whilst giving influence over all post 16 skills funding to those who seek it.
- Address the underinvestment in early years provision, reflecting the critical importance of this phase of education in shaping the life chances of our citizens.
- Maintain and enhance the commitment to delivering a high performing technical education system.
- Commit to close the disadvantage gap in secondary education with a further investment of £1 billion a year in Northern schools through reforms and further additional investment in the pupil premium.
- Resolve the challenges around apprenticeship provision and funding, particularly for smaller businesses.
- Reform the Pupil Premium to better target funding for disadvantage pupils by allocating more to those eligible for free school meals throughout their schooling, addressing the most entrenched barriers to social mobility.



Productivity & Innovation

The emerging 'One Nation' Research and Development strategy recognises that for too long there has been a grave misallocation of R&D spending, damaging the opportunities for the North to drive economic growth. Furthermore, research estimates that many parts of the UK have missed out on government R&D spending, to the tune of £4bn each year, which could have leveraged a further £8bn from the private sector.

Additional investment is essential - as the impact of the pandemic takes hold and Northern businesses will have less access to capital. The gaps in the availability of capital and shortage of productive and innovative firms in the North of England to contribute, in part, to the differences in productivity between London, the Greater South East and the North of England.

Innovative and high-growth firms are most affected, particularly within regions that are peripheral and have large rural areas with sparse bank branch networks. There is evidence that innovative firms in peripheral regions are more likely to have their applications for finance rejected, and that geography matters in the financing of innovative firms. Developing capital investment in small businesses is a long-term mission and requires effective state intervention and support.

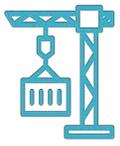
Productivity remains the key long-term route to improved living standards, but must be achieved in a way that unlocks good work and good growth. We know that our innovation expertise positions us to drive economic growth and deliver social change in major global themes such as the increased use of AI/Big Data, the shift towards clean growth, and an ageing society. Northern higher education institutions are also playing an increasingly active role in supporting innovation and knowledge transfer in the local economy supporting our ambitions to build a thriving North that balances economic, health and environmental outcomes.

What the North Will Do

- Improve institutional leadership by bringing together innovation leaders.
- Identify opportunities to boost R&D spending, scale up innovation projects and share information between sectors, partners and universities.
- Increase private sector-led R&D investment, ensuring that it develops and commercialises frontier technologies within the North's prime capabilities.
- Develop knowledge exchange and supply chains and drive applications into global markets.
- Establish a long-term approach for delivering transformational impact on productivity, identifying industrial alignment and skills shortages.

What We Need From Government

- Rebalance UKRI R&D funding in line with the opportunities for growth presented by its key sectors, working with Northern partners to align academia, research, SMEs, and industrial priorities.
- Develop a roadmap to demonstrate how levelling up public funding in research will contribute to the national target to increase the UK's spend on research and development (R&D) to 2.4% of GDP by 2027.
- Introduce a dedicated Northern funding to unlock commercially-driven collaboration in regional strengths.
- Increase the scale of investment in skills and infrastructure.
- Introduce supportive fiscal measures to help recapitalise businesses at risk or incapable of growth due to equity erosion.
- Support investment in research, innovation and commercialisation to drive long-term prosperity, particularly in the implementation of the UK Innovation Roadmap.
- Improve productivity in low-wage, low-productivity businesses and sectors.



Trade & Investment

The North has great potential to grow, with much to offer investors, and is committed to better capitalising on our assets to fulfill ambitions. Exports currently account for 24% of Northern Powerhouse GDP – the UK average is 30%, and only 7.5% of businesses in the North export, relative to a UK average of 9.5%. Foreign Direct Investment (FDI) projects create or safeguard just 90 jobs per 100,000 population in the North, compared to a UK average of 180 per 100,000.

The North has economic strengths in high-value, high tech industries. Our four prime capabilities are international class clusters of sectorial, academic, occupational and infrastructural strengths and we are actively using these to attract investment and promote exports.

We have created a Trade and Investment Proposition, with analysis that shows the potential by 2030 for an additional £53bn-£61bn of GVA and 15,000 jobs per annum created or safeguarded through inward investment. 10,500 of these would be managerial, professional and technical-grade jobs. The transformational context in which we now operate, makes this proposition even more relevant and will position the Northern economy well to thrive in this era of transition.

To achieve this, we have proposed a programmed of operational activity – including significantly extended account management, scaled-up programmes, and dedicated overseas posts—and strategic improvements, including strengthened international connectivity.

What the North Will Do

- Establish a framework for collaboration at a pan-Northern level.
- Develop an intelligence led approach to export and investment that will target businesses with export capabilities and latent export potential, directing them to the funding and support they need.
- Target international businesses in our prime capabilities to further enhance their global value chain position.
- Build the Northern brand internationally.
- Collaborate to find and exploit opportunities to market the North.

What We Need From Government

- Provide the North with additional ownership of, and freedom to lead investment and trade through a jointly owned midterm strategy with Department for International Trade.
- Enhanced resources and greater local control over existing resources to market the North and its businesses.
- Establish a performance management framework for investment that aligns with the priorities of the Northern Powerhouse Independent Economic Review to attract investment and trade.
- Work with the North to identify and deliver the scale of investment required to level up the North's exports and inward investment.
- Establish a pan-Northern capacity fund to which local authorities and partners may bid to develop investment propositions of scale.

Transport

The potential economic value of transformational growth in the North is huge. Better transport will unlock it, with increased investment influencing the functioning of labour markets, business productivity and competitiveness in the area.

Transformational improvements to the North's transport connectivity are critical to help us achieve the vision of a globally competitive area that can sustain economic growth, making the North a more attractive and buoyant marketplace. Improving connectivity within and between important economic centres will ensure the North's people and businesses are better connected to their work and better able to do business.

Devolution of increased funding is also a key driver in promoting growth and reducing regional disparities. The National Infrastructure Commission recommended that Transport for the North could be extended to hold the full Northern Powerhouse strategic transport budget. This would ensure transport connectivity is removed as a barrier for growth and in turn reduce regional disparities. The establishment of a new Northern Transport Acceleration Council is a welcome step to help deliver tangible improvements that the North needs, but it will need genuine powers and decision-making abilities to be truly effective.

Our Strategic Transport Plan (STP) aims to rebalance decades of underinvestment and transform the lives of people in the North. It outlines how up to £70 billion of investment to 2050 could contribute towards an additional £100 billion in economic growth.

What the North Will Do

- Back a 'new deal for rail' with commitment to HS2 and the entire Northern Powerhouse Rail programme.
- Devolved control of transport systems will support our ambitions.
- Prioritise improvements for passenger and freight rail users to deliver transformational growth.
- Adopt new technologies to support a greener cleaner economy and accelerate plans to support the decarbonisation of transport.
- Back local control of bus services and deliver better bus services for our communities.

What We Need From Government

- Fund a Northern Budget for transport alongside long-term local transport budgets to underpin both new and further development of existing infrastructure to better connect people to jobs.
- Provide clarity about the Northern Powerhouse growth body purpose and its relationship to Government Departments and existing Northern structures.
- Provide a 'new deal for rail', with progress on High Speed 2 and Northern Powerhouse Rail. That means the devolution of transport funding to local areas as well as a Transport Budget for the North, enabling full delivery of the Transport for the North plan, and supporting the devolution of control and shared accountability for the North's entire rail network programme.
- Devolve control of transport systems to our places to enable London-style transport management with a financial settlement to enable expanded, extensive and better funded bus services.
- Reform appraisal methodologies, which reward high wage areas with evidence of congestion rather than opportunities for wider economic benefit and opportunity for future growth, encouraging growth in less productive places, help encourage transformational investments and support as a priority low carbon public transport.
- Provide financial support to assist drivers and small businesses to switch to greener alternatives, emphasising the potential of active and green travel.
- Develop a national infrastructure strategy that responds positively to the recommendations from the National Infrastructure Assessment.



Digital

The COVID-19 pandemic has challenged our ways of living and working together, highlighting the importance of digitisation across the North. New technologies have kept our businesses and services running, supported education and helped families stay connected. This is likely to trigger structural changes with increased home working, e-commerce and digital health services. Connectivity is a key driver of digital transformation and opportunity and, with the unprecedented national shift to working home-working, the demand for digital access and infrastructure has never been higher.

Meanwhile, the North's digital economy is thriving and the pace of change following the pandemic is accelerating exponentially. There are numerous digital specialisms across the North and our tech businesses produce £9.9bn in GVA, which equates to 5.2% of the North's total economic output.

We have ambitious plans to nurture Northern talent to facilitate the sector's continued growth, which in turn will drive the UK's world-class digital capabilities and economic performance.

What the North Will Do

- Expand our thriving digital economy to drive world-class capabilities, capitalising on opportunities across the Grand Challenges.
- Develop a Northern skills programme to upskill businesses and workers for a digital world, driving improved productivity.
- Collaborate to develop innovative ways of strengthening digital inclusion so all Northern communities can benefit from the digital economy.

What We Need From Government

- Support a pan-Northern digital skills programme to retrain businesses and workers for an increasingly digital world.
- Work with us to create a digital poverty programme, which improves access to digital connectivity and devices for those that need it.
- Establish a future digital fund - incentivising accelerated private sector delivery of full fibre and 5G wireless connectivity.
- Prioritise the North for 5G investment focused on connected health, prevention and climate change.



Culture, Leisure & Tourism

The North has a strong sense of identity, proud people, and phenomenal natural assets. The coronavirus pandemic highlighted the significant contribution of culture, leisure and tourism to the vitality of our societies. Councils are one of the biggest funders of culture and leisure, spending around £2.2 billion a year on these services and have recognised the sector as an integral component to overall Northern recovery.

As we work to recover, we have a unique opportunity for the North to work with Government to launch a recovery programme that recognises that each area faces different challenges and has lost different elements of its cultural offering.

Whilst Government intervention to date with initiatives like the CJRS has helped to support the sector in the short term, we are looking to a longer term focus on reinventing the sector with a clear emphasis on fairness and inclusivity including ensuring fair and equal access to cultural opportunities and support for independent workers, artists and venues.

With creative industries powering the growth of the UK's workforce, adding new posts at twice the rate of the rest of the economy, it is also essential that the sector is supported as a significant employer in the North.

What the North Will Do

- Build on the North's cultural heritage and phenomenal natural assets and develop a more inclusive thriving and vibrant society that ensures equal access to cultural opportunities.
- A commitment to level up the visitor economy in the North, including the establishment of a pan northern collaboration to enhance the cultural and visitor economy.
- To support DMO's in the North leading to a better coordinated and more sustainable local approach to building back the tourism sector post-COVID-19.

What We Need From Government

- Establish a national strategy and programme of activity to support the resilience of the Northern cultural and visitor economy.
- Provide immediate, short term funding to strengthen the resilience and capacity of DMOs to support industry recovery.
- Work with Government to support the review of the DMO structure in England, leading to a better coordinated and more sustainable local approach to building back the tourism sector post-Covid-19.
- Support to increase productivity across the North's visitor economy.



Housing

The North is a great place to live, with proud heritage and culture, and an outstanding natural environment. Building on our strong track record of rebalancing, regenerating and repurposing local areas, we are pursuing an ambitious house building agenda to build high-quality, affordable housing and integrate it fully with the wider growth and renewal of local places. This will create new jobs and local supply chains quickly, and over the longer term attract and retain a skilled workforce and grow the North's share of the working population, relieving pressure on land elsewhere.

We're leading innovation in construction technologies to decarbonise new homes and are continuing to drive reductions in carbon emissions by improving our housing stock and living environments.

Our vision is to create great places for people to live, which in turn enables the the North to become a magnet for new business and talented people. We are already making a difference. In the last 3 years the North delivered 56k thousand homes pa, above a 10 year trend of 35k. But research for Homes for the North by CEBR and QUOD suggests that the North needs 65k homes per year to support our transformational growth plans. Current rules around investment funding and needs assessment actively reduce the amount of money available for housing in the North.

We want to work with Government to address the issues that hold back housing growth in the North, from lower land values, poor viability and infrastructure gaps, correcting market failures that are particularly concentrated in many Northern communities.

What the North Will Do

- Establish a Northern Housing strategy, working with Government and Homes England – making the case for growth and maximising capacity in the North.
- Launch an ambitious house building agenda with housing investment at the heart of repurposing and renewing our town centres and high streets, creating new jobs as well as making towns and places more attractive to retain and attract talent, with culture as well as connectivity.
- Lead on sustainable regeneration, driving reductions in carbon emissions and fuel poverty by improving housing stock and living environments whilst creating new green jobs and local supply chains.
- Provide safe and affordable homes for all, located where they are most needed to drive economic renewal.

What We Need From Government

- A new, scaled up Housing Infrastructure Fund for the North, to improve viability through tackling large scale infrastructure projects, the excess costs of development on previously developed land, and strategic town centre and local house building projects needed to unlock land values and growth. This would subsume the existing Brownfield Land Fund.
- Embed this approach in Homes England investment strategy and a new appraisal and investment framework – designed to enable quality housing development and ensure that the North can build homes and regenerate neighbourhoods to align with the economic growth needs set out in the NPIER.
- A new domestic “green deal” to support retrofit and a scaled up decarbonisation fund.
- Incentivise forward looking local plans that support wider growth, by reviewing the standard method for establishing local housing need and include devolution of housing delivery powers and funding to combined authorities.
- Establish an innovation corridor across the North in Modern Methods of Construction to accelerate delivery, alongside high-quality and best design standards.
- Commit to demanding standards for energy efficiency in new homes, supporting Government's net zero target, bringing forward the Future Homes standard for new housing from 2025 to 2023.

Summary of Key Asks to Government

Clean Growth

A dedicated Net Zero North programme to develop transformational low carbon projects, such as the N8 Net Zero North proposition, backed by a Northern Investment Fund.

Back a flexible, regional approach to energy innovation and regulation and set energy efficiency measures as a national infrastructure priority.

Deliver proof of concept demonstrators and pilot utilising carbon pricing and natural capital accounting to inform viability assessments alongside reform of Green Book appraisal processes.

Education, Skills & Work

Give places the freedom to match education and skills provision to local opportunities, with the inclusion of skills as a minimum in all forthcoming Northern devolution deals.

Address the underinvestment in early years provision and maintain and enhance the commitment to delivering a high performing technical education system.

Commit to close the disadvantage gap in secondary education with a further investment of £1 billion a year in Northern schools and reform the Pupil Premium to better target funding for disadvantaged pupils.

Productivity & Innovation

Rebalance UKRI R&D funding in line with the opportunities for growth presented by the North's key sectors and improve productivity in low-wage, low-productivity businesses and sectors.

Dedicated Northern innovation funding to unlock commercially-driven collaboration in regional strengths.

Trade & Investment

Provide the North with additional ownership of, and freedom to lead investment and trade through a jointly owned midterm strategy with Department for International Trade.

Establish a performance management framework for investment that aligns with the priorities of the Northern Powerhouse Independent Economic Review to attract investment and trade.

Establish a pan-Northern capacity fund to support local authorities and partners to develop investment propositions at scale.

Transport

A Northern Budget for transport to deliver the TFN plan, with long-term local transport budgets to support development of new and existing infrastructure, better connecting people to jobs.

A 'new deal for rail', with progress on High Speed 2 and Northern Powerhouse Rail, and devolution of control and shared accountability for the North's rail network.

Reform appraisal methodologies, and develop a national infrastructure strategy that responds positively to the recommendations from the National Infrastructure Assessment.

Culture Leisure & Tourism

Establish a national strategy and programme of activity to support the resilience of the Northern cultural and visitor economy.

Work with Government to support the review of the DMO structure in England, leading to a better coordinated and more sustainable local approach to building back the tourism sector post-Covid-19.

Support to increase productivity across the North's visitor economy.

Digital

Support a pan-Northern digital skills programme to retrain businesses and workers for an increasingly digital world;

Support the creation of a digital poverty programme, which improves access to digital connectivity and devices for those that need it

Establish a Future Digital Fund -incentivising accelerated private sector delivery of full fibre and 5G wireless connectivity

Housing

Establish a new Housing Infrastructure Fund for the North, to improve viability through tackling the excess costs of development on previously developed land, and strategic town centre and local house building projects needed to unlock land values and growth. .

Incentivise forward looking local plans that support wider growth, by reviewing the standard method for establishing local housing need and include devolution of housing delivery powers and funding to combined authorities.

Establish an innovation corridor across the North in Modern Methods of Construction to accelerate delivery, alongside high quality and best design standards.

Convention of the North

The NP11 is the business-led voice for the North that brings together the 11 Local Enterprise Partnerships (LEPs) from across the North of England. It plays a leading role in realising the vision for an economically thriving Northern Powerhouse that drives economic prosperity, international competitiveness, and inclusive growth that benefits everyone across the North's great towns, cities and rural communities.

Its members include:

Roger Marsh, Chair of Leeds City Region LEP and Chair of NP11; Clare Hayward, Chair of Cheshire & Warrington LEP; Lord Richard Inglewood, Chair of Cumbria LEP; Mo Islap, Co-Chair of the Greater Manchester LEP; Lou Cordwell, Co-Chair of Greater Manchester LEP; Cllr Stephen Parnaby OBE, Interim Chair of Humber LEP; Steve Fogg, Chair of Lancashire LEP; Asif Hamid MBE, Chair of Liverpool City Region LEP; Lucy Winskell OBE, Chair of North East LEP; James Muir, Chair of Sheffield City Region LEP; Paul Booth OBE, Chair of Tees Valley LEP; and David Kerfoot MBE, Chair of York & North Yorkshire LEP.

The Convention of the North brings together people from across the North, including businesses, trade unions, elected leaders, and community and faith groups, to speak with one voice on pan-Northern issues.

This year, due to the COVID-19 health pandemic, the Convention of the North is unable to gather in Liverpool as planned. Nevertheless, the Convention continues its work with this collective statement and plans to be back with a physical event next year.

Its steering group includes:

Nick Forbes, Leader of Newcastle City Council and Chair of the Convention; Susan Hinchcliffe, Leader of Bradford Council; Sir Richard Leese, Leader of Manchester City Council; Nigel Murphy, Deputy Leader of Manchester City Council; Carl Les, Leader of North Yorkshire County Council; Geoff Driver, Leader of Lancashire County Council; Keith Iddon, Deputy Leader of Lancashire County Council; Michael Green, Cabinet Member for Economic Development at Lancashire County Council; John Merry, Deputy Mayor of Salford; Karl Aspen, Leader of York City Council; Ben Houchen, Mayor of Tees Valley; Judith Blake, Leader of Leeds City Council; Julie Dore, Leader of Sheffield City Council; Greater Manchester Mayor Andy Burnham; Liverpool City Region Metro Mayor Steve Rotheram and Sheffield City Region Mayor Dan Jarvis; Roger Marsh, Chair of Leeds City Region Enterprise Partnership and Chair of NP11.