

## Sheffield City Region Budget Briefing 2016

The 'devolution revolution' was one of the major themes of the Budget in addition to committing to additional infrastructure investment.

### SCR specific announcements:

- **Single Pot:** Previously agreed mayoral devolution deals (including SCR's) will also each receive unringfenced single pots of funding to spend on local priorities, **worth £2.86 billion** in total. The single pots will initially include a five-year settlement rolling together existing transport funding, gainshare investment funds and Local Growth Fund allocations. This will be supplemented in the future with further flexibility over central government funding e.g. the Adult Skills Budget and Bus Service Operators Grant.
- **Enterprise Zone:** extension of the SCR Enterprise Zone subject to local agreement and sign off of the business case.
- Sheffield City Region and four other areas will each benefit from a **science and innovation audit**.
- **£75m** of funding to develop the future transformation of east-west road connections, including a new **Trans-Pennine tunnel under the Peak District between Sheffield and Manchester**, as well as options to enhance the A66, A69 and the north-west quadrant of the M60.

### Opportunities for the SCR:

- **Next wave of Local Growth Fund:** the next round of bids for £3.8bn of Local Growth Fund for LEPs were announced to take place later this year. This will comprise £1.8bn of funding for Growth Deals and £2bn through the Home Building Fund.
- Launch of a competition to identify the best value small modular reactor for the UK, government will allocate at least **£30 million for a 21st century nuclear manufacturing programme**. This will create opportunities for the North's centres of excellence in nuclear research, e.g. Nuclear Advanced Manufacturing Research Centre.
- The government will invest £20 million a year of new funding in a **Northern Powerhouse Schools Strategy**.
- **Civil service re-location:** by the middle of this Parliament the Ministry of Justice will have a major programme to create substantial centres of expertise outside the capital. This will reduce costs, access highly skilled labour markets in the regions and contribute to the Northern Powerhouse.

### Wider devolution headlines:

- **New Devo Deals announced:** The government announced three new mayoral devolution deals in England, including for county areas, for the West of England, Greater Lincolnshire and East Anglia.
- The Greater Manchester and Liverpool City Region will pilot the **retention of 100% of business rates** from April 2017 and London will receive an increased share of rates.
- The government has also agreed a further devolution deal with Greater Manchester, including a commitment to work towards the devolution of criminal justice powers, as well as supporting the establishment of a Life Chances Investment Fund. In addition, a second devolution deal with Liverpool City Region was announced including new powers over transport and joint working on children's services, health, housing and justice.