

The North's Levelling Up & Net Zero Partnership Offer

Convention of the North
October 2021



CONVENTION OF THE
north

A United Voice 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.

In September 2019, before the pandemic and General Election, our second ever Convention in Rotherham saw the largest ever gathering of Northern leaders - from Councils and City Regions, LEPS, businesses, universities, Youth Parliaments, and voluntary sector organisations across the North. The Prime Minister attended and gave a speech 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.

Last year, the Convention was unable to meet due to the pandemic. This year we are back - putting forward this new policy agenda and planning a physical event early in 2022.

We stand more united and aligned in our aims than ever with a renewed focus, sharpened by the experience of the pandemic, on a positive vision to transform our economy - harnessing the net zero opportunity to create jobs and growth at an unprecedented scale to level up the North.

The North at a Glance

KEY FACTS

- **Population of 15.6 million people** (27% of England's total population)
- **GVA of £360bn** (22% of England's total GVA)
- **Net zero opportunity:** 50% of England's renewable energy, 36% of jobs in low carbon goods and services
- **£58bn Northern goods exported in 2019** - more than Scotland & Wales combined
- **276 newly secured FDI projects,** which created 7,094 new jobs between 2020-2021

OUR ASSETS



PROUD PEOPLE
with a reputation for endeavour, wit and grit, and communities which embrace inclusivity and diversity



PHENOMENAL NATURAL ASSETS
with nearly half of England and Wales' national parks, and a stunning coastline



DISTINCT ECONOMIC & INDUSTRIAL STRENGTHS
with prime capabilities in advanced manufacturing, health innovation, energy & digital (NPIER)



CONNECTING THE UNION
The North is located at the heart of the UK, sharing borders with Scotland & Wales and strong links to Northern Ireland



UNIQUE CAPACITY TO DELIVER
with 6 of England's 9 MCAs and established cross-sector partnerships - NP11, NPP N8, NHS & Convention of the North

OUR PRINCIPLES



STRONG SENSE OF IDENTITY
rooted in a culture that celebrates our individual places and our common heritage



A POSITIVE VISION
of how the North can lead the way in growing an inclusive economy for all our people and the country



ACTIONS NOT JUST WORDS
A strong desire to get on with the job and take ownership of our future



PARTNERSHIP - WORKING TOGETHER
in the best interests of our people & the North as a whole whilst also enabling our towns, counties and city regions to shape their own places



DEVOLUTION OF POWER & DECISION-MAKING
to and within the North, so that initiatives are developed with the North, rather than for the North

The North's Levelling Up & Net Zero Offer

Our offer is to work with the new Levelling Up Department and the Levelling Up Task Force, to develop an implementation plan for Levelling Up, which draws on the North's unique capacity to lead the national transition to Net Zero.

As we emerge from the Covid-19 pandemic, and a new post-Brexit Britain takes shape, we have a once in a generation opportunity to restructure and rebalance our economy. To build back better, to Level Up and to transition to Net Zero. We want to work with Government to make this a reality.

Unprecedented Government intervention, particularly through the Employment Retention Scheme and packages of business support, together with coordinated local, civic, and business leadership and delivery across the North have helped support communities and businesses through the crisis. That is why, although the pandemic has hit the North hard, and exacerbated many of our underlying health challenges, we have not seen the scale of deep economic scarring that many feared.

But the vulnerable and insecure, together with frontline workers have borne the brunt of the economic impact. The emergency safety net has been critical for them, so there is concern and uncertainty about the potential impact of furlough and the Universal Credit uplift coming to an end. Councils across the north have had to dig deep to support their communities, at a time when their revenues have been slashed because of the economic impact of Covid-19. As we build an inclusive recovery it is essential that the most vulnerable get the support they need and that Council finances are protected.

Throughout the pandemic Government action and local public and business community leadership have been mutually reinforcing factors supporting resilience and recovery. Building on this platform of nationally identified priorities combined with local leadership and delivery will be essential as we plan for growth. We set out here our offer to work with Government to deliver the objectives that will be outlined in the Levelling Up White Paper, the Comprehensive Spending Review and at COP 26 in Glasgow.

A central priority will be tackling the long-term health and inequality challenges that have been exposed by the pandemic. Covid-19 has highlighted and exacerbated the health inequalities that exist across the North and which account for the higher Covid-19 caseload and death rate. Improving population health requires investment in social as well as physical infrastructure: better mental health services; integrated care; early intervention; family

hubs; more and better jobs; education and skills; and housing and regeneration. Reducing the healthy life expectancy gap in the North is not just a Levelling Up necessity, it is also a productivity opportunity. The North's health innovation assets need to be catalysed into a network of health improvement and economic growth hubs. The great opportunity is to link together a health, education, skills and Levelling Up strategy with a green industrial revolution that will generate jobs and prosperity for the North, whilst helping global Britain go Net Zero.

The Northern Powerhouse has always been about maximising the opportunities of scale through investment in connectivity, skills, research and development and through devolution. Many of the institutional pieces are now in place, including through recent developments such as Treasury North in Darlington, Channel 4 and the new National Infrastructure Bank in Leeds, and the newly established West Yorkshire Combined Authority. And new Net Zero investments are rapidly taking shape along the east coast from Blyth to the Humber, together with the decarbonisation clusters in the North West and Teesside, and the hydrogen battery plants at Nissan and British Volt.

The transformational opportunity will be to pull these pieces together into a Levelling Up and Net Zero strategy for the North that can develop supply chain and growth corridors, boosting investment and creating a pipeline of projects and good jobs that spreads inclusive prosperity across the cities, towns and rural areas of the North.

Our offer is to work with the new Levelling Up Department and the Levelling Up Task Force, to develop an implementation plan for Levelling Up, which draws on the North's unique capacity to lead the national transition to Net Zero.

A UNIQUE CAPACITY TO DELIVER ON NET ZERO & LEVELLING UP

The North is in a unique position to deliver Levelling Up and the Net Zero transition. 6 out of the 9 existing Metro Mayors are in the North, with more to follow; we have established cross-party and cross-sector partnerships – including the Convention of the North, NP11, N8, NPP & NHSA; plus we have the human, natural and economic assets to make this happen.

The 5 Game-Changers for the North

5

How we Level Up the North:

1

LEAD THE GREEN INDUSTRIAL REVOLUTION

Harness and invest in renewable energy, decarbonise industry, retrofit housing stock and create good jobs for now and the future.

2

CLOSE THE HEALTHY LIFE EXPECTANCY GAP IN THE NORTH

By investing in social infrastructure, better, **warmer homes**, and by leveraging the North's **health and life sciences strengths** to deliver integrated population health improvement.

3

IMPROVE CONNECTIVITY IN TOWNS AND CITIES IN THE NORTH

With London style bus systems, and a strategic rail system that delivers the Northern Powerhouse Rail plan.

4

CLOSE THE EDUCATION AND SKILLS GAP

With increased catch-up funding, extended opportunity areas, and locally run skills systems aligned to inclusive Net Zero employment opportunities.

5

INCREASE PRIVATE AND PUBLIC R&D EXPENDITURE IN THE NORTH BY £5.7 BILLION

Starting with an initial £1.6bn in Government investment, enabling the North to play its part in delivering Government's national R&D objective of 2.4% of GDP by 2027 - driving productivity, growth, and competitiveness.

The North's Net Zero Opportunity

The North, the birthplace of the first Industrial Revolution, can be the crucible of the Fourth - the Green Industrial Revolution. By harnessing the North's rich manufacturing heritage, unique energy assets & innovation clusters and transitioning existing industry, we can create the UK's dynamic, sustainable economy of the future, putting Global Britain at the international cutting edge of the net zero transition.

ADDRESSING THE NEED FOR A JUST TRANSITION



89,172kt of CO2 emitted by the North in 2018 (11% higher emissions per person than UK avg.)



3/6 of UK's largest industrial clusters by emissions located in the North



1.3 million jobs created or secured by 2040 across the North*



400,000 jobs retrofitting homes by 2040 in the North*

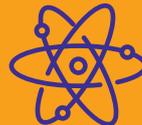
CATALYSING OUR NET ZERO ASSETS



50% of England's renewable energy is located in the North



Dogger Bank in the North East is set to be the world's largest offshore wind farm



A new generation of **small modular nuclear reactors** with sites in the North West



UK's two first ever Gigafactories - British Volt in Blyth & Nissan in Sunderland



Hydrogen on the Humber: transitioning the UK's largest CO2 emitting region into the **first net zero industrial cluster**



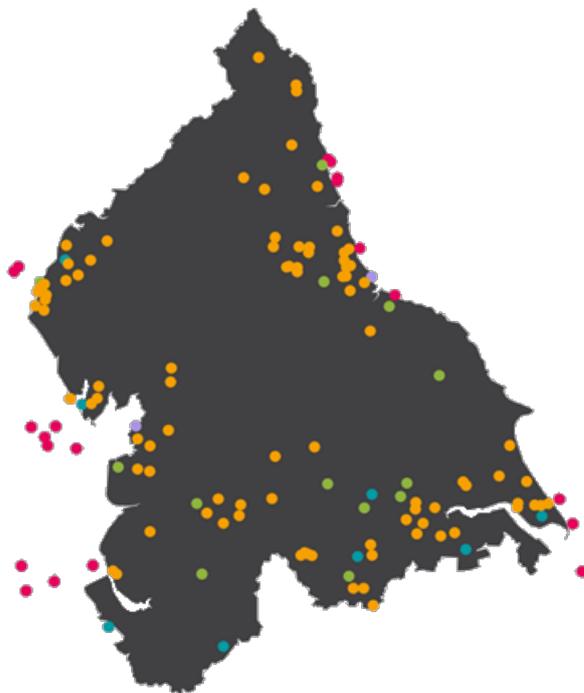
Home to **3 of England's 6 offshore wind clusters**

The North's Net Zero Opportunity: Mapped

The work of NP11 and the Government's Green Jobs Taskforce has shown the potential employment & skills opportunities of the net zero transition for the North.

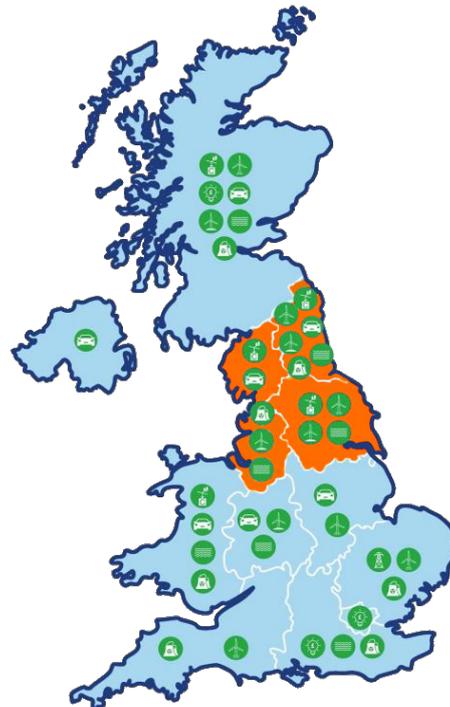
Figure 1 shows the distribution of low carbon energy production within the North. Figure 2 shows how half of England's green job opportunity sites are concentrated in the North.

Figure 1:
Low carbon energy production in the North



- Key**
- Offshore wind
 - Onshore wind
 - Nuclear
 - Solar >2MW
 - Biomass

Figure 2:
Employment and skills opportunities arising from Net Zero transition

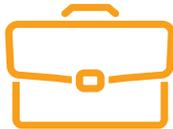


- Key**
- | | | | |
|------------------------------|--------------------------|------------------------|-------------------------------------|
| ● Heat Pumps | ● Heat Networks | ● Low Carbon Hydrogen | ● Public Transport and Cycling |
| ● CCUS | ● Retrofit | ● Electricity Networks | ● Onshore Wind |
| ● Offshore Wind | ● Nuclear | ● Green Finance | ● Solar |
| ● Automotive | ● Aerospace | ● Maritime | ● Tidal |
| ● Rail | ● Forestry | ● Agriculture | ● Smart Systems |
| ● Waste and Circular Economy | ● Oil and Gas | ● Steel | ● Nature Conservation & Restoration |
| ● Climate Change Adaptation | ● Science and Innovation | | |

Case Study:

Net Zero North West Economic Investment Prospectus

A recent report by Siemens forecasts the economic impact of the transition for the North West. It uses financial cases for 18 net zero projects, based on a total planned investment of £206.9bn, and estimates the potential for:



660,000 jobs secured or created, with 204,550 jobs retrofitting homes, by 2040



£285bn in additional GVA across the North-West by 2040

Scaling Net Zero North West's estimates at a pan-Northern level, could mean:



1.3 million jobs secured or created across the North by 2040*



400,000 jobs retrofitting homes

Additionally, forecasts by NP11 about the energy and clean growth economy suggest:



Over £2bn per year in GVA growth to the energy economy by 2050



50% reduction in CO2 emissions by 2032 against 2005 levels

The Levelling Up Health Challenge

Deep economic scarring was avoided but the North was hit hard by the pandemic. Covid-19 cases were 20% higher, and the death rate 12% higher, in the North. A strong correlation between existing deprivation and Covid-19 cases highlights the grave threat of inequality. Healthy life expectancy in all three Northern regions is lower than the national average and the region's health inequalities have a significant negative impact on economic activity and productivity levels. The need for levelling up has never been greater.

Average Healthy Life Expectancy



Men

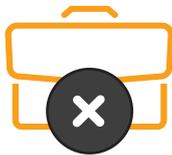
North: 61.2

England: 63.4

Women

North: 61.9

England: 63.9

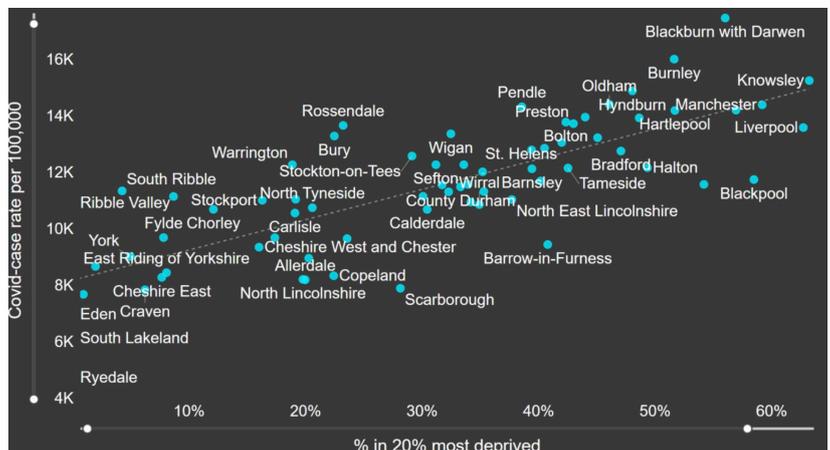


The rate of economic inactivity is 10% higher in the North



Health inequalities in the North cost the UK £13.2bn a year in lost productivity

A Strong Correlation Between the Top 20% Most Deprived Local Authorities and Covid-19 Cases



Delivering the Levelling Up Opportunity

We want to work with the new Levelling Up Department and Taskforce to develop an operational plan for delivering Levelling Up, that will build on the North's ability to generate national prosperity through leading the Net Zero Transition.

We welcome Government's commitment to Levelling Up and its refocussing of Whitehall onto this national priority. The designation of the Department of Housing, Local Government and Communities as the Department of Levelling Up is an important declaration of intent. Together with the appointment of Andy Haldane as temporary Permanent Secretary leading the Levelling Up Taskforce this suggests a clear alignment of policy and delivery responsibility across Whitehall. This will now need to be matched with a similar alignment between central government and the Mayors, Councils, LEPs and business organisations that can deliver Levelling Up across the North.

The Convention of the North was set up to play this convening role, and our offer is to work with Ministers, officials, and the Levelling Up Taskforce on developing the detail behind the objectives that will be set out in White Paper. This will require detailed planning, coordination and sequencing and will draw on the experience of Councils, Combined Authorities, LEPs and businesses across the North in driving recovery and working towards ambitious climate emergency targets, reducing their transport emissions, retrofitting housing stock and delivering jobs and growth in the process.

As part of this process of development, we will want to co-develop a series of Levelling Up and Net Zero delivery offers and propositions, the outlines of which we set out on the following pages. For each proposition, we will want to agree what we can offer to do ourselves, where we will need support from Government, and what further policy and planning work needs to be undertaken.

We hope that the launch of this policy document serves as a pivotal moment for the North, the start of a conversation and new partnership with Government. Over the coming months we will engage with Government ministers and officials on how to move this agenda forward, and after the Comprehensive Spending Review, Levelling Up White Paper and COP26, we will meet as a Convention in Liverpool to lay the foundations for delivering this transformational opportunity.

Our Propositions



1. SCALING UP THE NET ZERO ECONOMIC OPPORTUNITY

Drive significant investment in Net Zero, science and engineering initiatives, capitalising on existing expertise and capabilities, in off-shore wind energy, hydrogen, carbon capture, and Small Modular Reactors (SMRs) to create a green engineering and manufacturing corridor in the North that supports sustainable innovation and economic growth activity and helps close the R&D investment gap. This should be managed in a way that maximises supply chain and job opportunities across the North, linked with superclusters of industrial decarbonisation and renewable energy assets, which connect towns and cities across innovation corridors.



2. CATALYSING THE OPPORTUNITY FOR LIFE SCIENCES INNOVATION

Driving prosperity through research and innovation has been placed at the core of the UK Government's recovery strategy. Our offer to Government is to work with NP11 & NHTA investing £260m, with £9m initially, to create a Northern Supercluster for Health and Life Sciences that strengthens the UK's global offering in the field, addressing levelling up based on excellence and opportunity and supporting a place-based approach to research, skills and innovation. Built on the strengths of the North's £13.6bn life sciences economy and home to 21% of the UK's total life sciences workforce, the Supercluster will strengthen the North's LEPs, universities, NHS Trusts, AHSNs, Catapults, Science Parks and other stakeholders, enhancing the UK's global industry offer. The Supercluster would build resilience in the UK's health system, enabling it to tackle future pandemics and directly aid tackling health inequalities in the North which cost the UK £13.2bn a year in lost productivity, whilst at the same time creating job and skills opportunities.



3. RETROFITTING HOMES AT SCALE ACROSS THE NORTH

Our existing housing stock is the biggest single source of carbon emissions. Retrofitting homes is fundamental to hitting our Net Zero targets, and it will also generate thousands of good jobs, whilst tackling fuel poverty. Net Zero North West has estimated that this will generate over 200,000 new skilled construction jobs, scaling that across the whole of the North could create over 400,000 new jobs. Public investment can pump prime this, but the bulk of the investment will need to come from the private sector. We will need policy, regulatory and fiscal freedoms to unlock the potential for impact investment, and other forms of blended finance to develop tailored investable propositions that can fund long term retrofitting projects, often as part of wider regeneration and development.



4. CONNECTING THE NORTH

Improving local & national strategic transport links across the North is a key requirement. This means next-generation bus networks across the North using sustainable bus fleets that are integrated with wider transport systems and offer smart ticketing for more affordable and convenient services, focused on connecting people with employment and educational opportunities through enhancing first and last-mile routes. This could be in part funded by road pricing. Completing the strategic rail network that will connect the North through Northern Powerhouse Rail remains a first-order priority for the North.



5. LINKING SKILLS WITH THE FUTURE ECONOMY OF THE NORTH

Improving skill levels, and planning for the skills and employment needs of the Net Zero economy, are at the very heart of Levelling Up the North. That's why places within the North need to be able to match skills provision to local opportunities, with full skills devolution in all devolution deals. The problems around apprenticeship provision and funding need to be urgently resolved so that we can rapidly increase the number of apprenticeships as we build recovery and plan for the employment needs of Net Zero transition. We also need more local flexibility in programmes like Kickstart so that we can focus on those outside, or at risk of being outside, the labour market – connecting all residents to good quality jobs.

Our Propositions



6. LEVELLING UP EDUCATION OUTCOMES

Covid-19 has exacerbated the educational divide which already sees too many children at a disadvantage across the North. An immediate priority should be funding education catch-up, including backing the Northern Research Group/ CPP proposal to expand the pupil premium to all children whose family income is less than £24,400. We also need to develop and extend Opportunity Areas, to include health and wider determinants, so that the public, private and country sectors can work together with schools and local and combined authorities to tackle the multiple barriers faced by children.



7. LEVELLING UP HEALTH OUTCOMES

Reducing the healthy life expectancy gap should be a core metric for Levelling Up. This requires a population health approach, which should be coordinated by local government and combined authorities working with the NHS through an integrated health and care system. It also requires social infrastructure investment, shifting more funding towards health improvement, early intervention and prevention.



8. REGENERATING OUR TOWNS, CITIES, COASTAL AND RURAL COMMUNITIES

Place identity is at the heart of Northern identity, and the North is made up of vibrant and distinct communities, towns and cities. The Government's Levelling Up fund has already recognised the importance of high streets to people's sense of local wellbeing. But the impact of the Covid-19 crisis has presented many towns and cities with even greater challenges, accelerating the decline of many traditional retail businesses, calling into question the viability of some planned commercial and retail developments and driving a new hybrid model for office working. We are still in the early stages of understanding the long-term impact of some of these changes, but they are likely to make culture, leisure, mixed-use work and housing developments, and innovation districts even more important to the future sustainability of our communities. We will need to bring public and private partners together to create new investment models, including Special Purpose Vehicles, that can create more strategic regeneration in town and city centres, linked not only to house building but also the repurposing of public spaces. And this will also require longer-term strategic investment and regeneration capacity with places working in partnership with Government and development agencies such as Homes England, as well as the Nature North partnership.



9. EXTENDING DEVOLUTION AND DECENTRALISATION

Devolution has been critical to powering up the North. Much is already being delivered and coordinated by Combined Authorities, Councils and LEPs. They have been the foundation of the North's resilience in the face of the pandemic, keeping their towns and cities running and then leading their recovery as we come out of Covid-19. But the devolution picture now needs to be completed across the North, with mayoral combined authorities or county deals for all those areas not yet covered. And devolved areas need to be given the full range of tools to drive recovery and Levelling Up, including skills funding, UK Shared Prosperity Funding, and the joint delivery of the export and inward investment activity set out in NP11's Trade & Investment Proposition.



10. CREATING A NORTHERN EVIDENCE NETWORK

The evolution of Northern economic strategy has been based on rigorous analysis and evidence. The Northern Powerhouse Independent Review (NPIER) is the foundation for Northern economic planning and identified the four prime capabilities on which much NP11 and Northern Powerhouse work has been based on. But the evidence on which this was based now needs to be refreshed, not least in the light of the economic impact of Covid-19 in accelerating a number of underlining long-term trends. NP11 and its partners in LEPs, MCAs and TFN are now working on establishing a Northern Evidence Network that can provide a comprehensive, independent evidence base that can be drawn on by policymakers and decision-makers across the North and within central government. This would require an investment of £2.85 million.

Next Steps...



- This offer will be formally presented to Government as the unified vision for how the North can work with Ministers and Officials to develop and deliver Levelling Up.
- We will work with the Levelling Up, Housing and Communities Department and the Levelling Up Taskforce to scope a plan for co-development and delivery across the North.
- Partners across the North, and the policy groups that helped to shape this Levelling Up Offer, will now develop a plan for collaborative policy development for the 10 Levelling Up propositions. For each proposition, we will want to agree what we can offer to do ourselves, where we will need support from Government, and what further policy and planning work needs to be undertaken.
- We will move ahead with plans, led by NP11, and its LEP, MCA and TFN partners, to establish A Northern Evidence Network, that will provide an independent evidence to support recovery, Levelling Up and Net Zero Transition.
- The Convention of the North will then reconvene in Liverpool in the next few months to bring together the voice of the North with Government to discuss and assess the emerging plans for Levelling Up and Net Zero Transition. This will be a major gathering of the North bringing together Councils and Mayoral Combined Authorities; MPs and Ministers, with Businesses, LEPs, Youth Parliaments, Universities and Voluntary Sector Organisations.

NP11

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:

Sir Roger Marsh OBE DL

Chair of Leeds City Region LEP & Chair of NP11

Clare Hayward DL

Chair of the Cheshire & Warrington, LEP

Lord Richard Inglewood DL

Chair of Cumbria LEP

Lou Cordwell

Chair of the Greater Manchester LEP

James Newman

Chair of Hull & East Yorkshire LEP

Asif Hamid MBE

Chair of Liverpool City Region LEP

Lucy Winkell OBE

Chair of the North East LEP

James Muir

Chair of Sheffield City Region LEP

Siobhan McArdle

Chair of Tees Valley LEP

Helen Simpson OBE

Chair of York & North Yorkshire LEP

Debbie Francis OBE

Chair of Lancashire LEP

Convention of the North

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.

Its steering group includes:

Nick Forbes

Leader of Newcastle City Council and Chair of the Convention

Amanda Hopgood

Leader of Durham County Council

Andy Preston

Mayor of Middlesbrough

Susan Hinchcliffe

Leader of Bradford Council

Sir Richard Leese

Leader of Manchester City Council

Carl Les

Leader of North Yorkshire County Council

Philippa Williamson

Leader of Lancashire County Council

James Lewis

Leader of Leeds City Council

Terry Fox

Leader of Sheffield City Council

Greater Manchester Mayor Andy Burnham

Liverpool City Region Mayor Steve Rotheram

Sheffield City Region Mayor Dan Jarvis

North of Tyne Mayor Jamie Driscoll

West Yorkshire Mayor Tracey Brabin

Tees Valley Mayor Ben Houchen

Darren Hale

Leader of Hull City Council

John Merry

Deputy Mayor of Salford City Council

Joanne Anderson

Mayor of Liverpool

Keith Aspden

Leader of York City Council

Sir Stephen Houghton

Leader of Barnsley Council

Sir Roger Marsh OBE DL

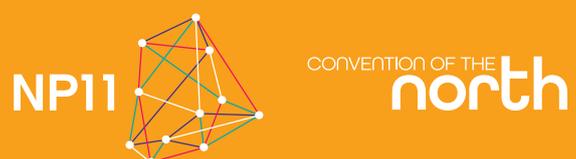
Chair of Leeds City Region Enterprise Partnership and Chair of NP11

Henri Murison

Director of the Northern Powerhouse Partnership .

This statement was informed via an extensive consultation process with:

Convention of the North steering group members; NP11 Chair, Chief Executives and officers, Chair and senior members of the Northern Research Group; Northern Powerhouse Partnership Board.



This document has been produced by NP11 & Convention of the North with support from Metro Dynamics.