



Press Notice

PN 84/12 - Sheffield

18/09/12

## Government formalises Sheffield city deal

The Government's plans to transform the powers and levers available to local leaders to deliver growth and jobs in their communities were confirmed today with the signature of agreements between the Deputy Prime Minister, Rt Hon Nick Clegg MP, the Financial Secretary to the Treasury, Rt Hon Greg Clark MP, and the leaders of Sheffield.

The Sheffield Deal will create a transformative local skills funding model to address skills gaps in key growth sectors such as advanced manufacturing.

The Deputy Prime Minister, Nick Clegg, said:

"Today, Sheffield signs a deal to hand chunks of power over from Whitehall control - a dramatic power shift that will mean everyone in Sheffield will feel the benefits.

"Sheffield is an economic powerhouse generating £25.7 billion for the UK economy – so it makes sense that Sheffield itself decides how to make that powerhouse grow, whether it's helping young people looking for jobs or boosting business. Over to you, Sheffield."

Greg Clark said:

"This is a great deal for Sheffield. The Government is committed to unlocking the full growth potential of our cities. We want powerful, innovative cities that are able to shape their economic destinies, boost entire regions and get the national economy growing.

"This deal provides a suite of new freedoms, powers and tools to help Sheffield embark on new and innovative ways to drive local economic growth. "

---

## Notes for Editors

1. On July 5 2012, the Government announced a series of historic city deals with our largest cities (Birmingham, Bristol, Leeds, Liverpool, Manchester, Newcastle, Nottingham and Sheffield).
2. Today's event saw the Core Cities invited to Downing Street. They were congratulated on their efforts and signed wave 1 deals with the Government agreeing its joint commitment to the full implementation of the city deals.
3. Each deal is bespoke and reflects the different needs of individual places but every deal aims to:
  - give cities the powers and tools they need to drive local economic growth;
  - unlock projects or initiatives that will boost their economies; and
  - deliver a step change in the governance arrangements.
4. There are four parts to the Sheffield City Deal:
  1. **Skills:** Sheffield City Region will create a local skills funding model to address skills gaps in key growth sectors such as advanced manufacturing. Sheffield will lever in £44.4m of local public and private sector investment in return for £27.8m of aligned funding from Central Government over a three year period. The city will use this budget to invest in skills and to incentivise colleges and providers to respond quickly and flexibly to emerging needs of key sectors. Sheffield City Region will create a Skills for Growth and Employment Partnership, enabling business leaders, skills providers and local authorities to oversee the delivery of the deal and shape skills provision. This should deliver at least 4,253 additional apprenticeships and 2,000 up-skilled employees over three years.
  2. **Finance:** create a Sheffield City Region Investment Fund that will give the city new freedoms and financial powers to invest in growth, develop infrastructure, create jobs and stimulate inward investment, based on local priorities. The £700m Sheffield City Region Investment Fund will include an initial contribution of £30m from Sheffield, business rate income from a New Development Deal scheme and public sector funding.

3. **Transport:** a transport package that will improve connectivity in Sheffield City Region including a 10 year allocation of devolved major funding; devolution of Northern Rail Franchise; local management of the tram trains project; and a Better Bus Area pilot which will give Sheffield City Region the power and tools to improve the quality and access of the local bus network.
4. **Nuclear Advanced Manufacturing Supply Chain:** Develop a national centre for procurement based around Sheffield City Region's Advanced Manufacturing and Nuclear Research Centres. This will help improve national procurement; speed up innovation and help Sheffield City Region build up its comparative advantage in advanced manufacturing and nuclear industries.

Non-media enquiries should be addressed to the Treasury Correspondence and Enquiry Unit on 020 7270 4558 or by e-mail to [public.enquiries@hm-treasury.gov.uk](mailto:public.enquiries@hm-treasury.gov.uk)

This Press Release and other Treasury publications are available on the HM Treasury website [hm-treasury.gov.uk](http://hm-treasury.gov.uk) For the latest information from HM Treasury you can subscribe to our RSS feeds or email service.

Media enquiries should be addressed to the Treasury Press Office on 020 7270 5238.