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Rt Hon Jeremy Hunt MP Chancellor of the Exchequer HM Treasury 1 Horse Guards Road London SW1A 2HQ

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Dear Chancellor,

I congratulate you on retaining your appointment as Chancellor of the Exchequer. I look forward to working with you closely to deliver on levelling up and enabling West Yorkshire to reach its full potential.

I am writing ahead of the upcoming Autumn Statement, to set out key priorities to enable West Yorkshire to reach its full potential and reduce inequality. We need a plan to save our economy, protect our households and rescue our public services.

I would welcome an early conversation with you to discuss how we can work together to improve the lives of people in my region and ensure that we unlock opportunity so that we can make a full contribution to the UK economy.

In West Yorkshire we have a long track record of delivery which shows that a place-based approach to funding can have a real and long-lasting impact on local economic growth. As a result, the region is home to 81,000 businesses, and an internationally significant economy with an output of £57.3 billion.

West Yorkshire is a leading hub for financial, professional and businesses services contributing £15 billion to the UK economy. The region also has significant strengths around healthtech, advanced manufacturing and digital which will drive forward our productivity ambitions.

Small and Medium-sized enterprises are the lifeblood of the economy in West Yorkshire, and yet many are facing into a crisis in the cost of doing business. Though I



acknowledge the support you have provided, many businesses have been dealing with the impact of energy rises since October 2021. This is due to them not being subject to the energy price cap that has partially restrained increases in the domestic sector.

My asks of you as Chancellor ahead of the Autumn Statement are:

- 1. Reconsideration of the six-month cap on business prices and a discussion on which sectors may be targeted/prioritised at a review point. The government needs to take immediate action to help people tackle the crisis in the cost of doing business. I would welcome a discussion on further steps to be taken to support businesses with energy efficiency measures and bills. We can also supply rich evidence supplied by local businesses on their energy prices.
- Provide long-promised investment in the North, especially on transport. This
 should include delivering Northern Powerhouse Rail in full, with a new line
 from Manchester to Leeds and a vital new station in Bradford, delivering on
 previous promises to ensure Bradford can reach its potential.
- 3. **Provide assurance of the Government's continued commitment to mass transit in West Yorkshire.** Leeds remains the largest city in Europe without a mass transit system, and while our initial allocation of £830m from this year's City Region Sustainable Transport Settlement has allowed us to begin the work, our ambitious vision will require continued support over several parliamentary terms.
- 4. **An end to bidding contests that consume time and resources**, such as the recent Levelling Up Fund bidding round and the bureaucracy around the UK Shared Prosperity Fund. Instead, devolve funding to Mayors to invest in programmes at pace that will help to grow their local economies. The right scale of devolved funding is critical; we need step change levels of investment in both our physical and social infrastructure to support a green and inclusive recovery.
- 5. Levelling up can only happen, and businesses can only thrive, if there is a strong foundation of public services. Local Authorities play a significant role in driving economic growth, yet core services continue to be under significant and increasing pressure, having lost nearly £15 billion of core government funding over the last decade. Government must recognise the crucial role that councils play in growth and provide sufficient funding and certainty for councils in the long term. This should include a long-term solution for funding adult social care and support for SEND.
- 6. **Increase government commitment to net zero.** West Yorkshire's asks of government in the Skidmore Review are:
 - a. National policy must provide long-term funding certainty to develop strategic approaches to decarbonisation.
 - b. Further devolved skills funding and powers to Mayoral Combined Authorities.



- c. Financial mechanisms/models to allow support homeowners to implement energy efficiency and heat decarbonisation without an upfront cost.
- d. Introduce a comprehensive SME business efficiency programme based on the various ERDF supported local authority delivery projects.
- e. Strengthen national policy guidance and the introduction of a legal provision for planning on climate change.
- 7. Work with us to turn 'net zero' into 'net gain'. We are making major investments that will accelerate the UK's progress towards zero carbon, from smart manufacturing and the export of electric vehicles to community-led retrofit and measures to decarbonise public transport and industrial emissions. These are all industries that will create jobs, grow the skills base, and improve community wellbeing. At COP27, the Prime Minister urged the world to go further and faster on the transition to renewable energy and to limit the devastating impact of the climate crisis. Give local leaders the powers and funding necessary to develop local plans that enable co-investment with the private sector to meet our net zero target.
- 8. Accelerate the decoupling of gas from electricity prices to enable consumers to benefit fully from cheap domestic low-carbon generation. I urge the government to commit to the 2019 manifesto pledge to invest in clean energy solutions and green infrastructure which will reduce carbon emissions and pollution, and deliver energy cost savings for business and households, not just in West Yorkshire, but across the UK.
- 9. Provide proper funding to support our local police and the local criminal justice system, in order to help address the likely increase in demand caused by the cost-of-living crisis, the impact of inflation and energy prices on our police budgets, and the backlog of cases in the criminal courts that is preventing people from obtaining swift justice.
- 10. Work with us to maximise our innovation potential across our business base and seven HEIs, including exploring opportunities to work collaboratively with your department and Innovate UK on regional opportunities to address some of our biggest challenges, including increased R&D spend in the region and any future Innovation Deals (Innovation Accelerators or beyond).

I look forward to welcoming you to West Yorkshire to meet with me and discuss how we can work collaboratively with you to deliver on our shared objectives.

Yours sincerely,

Tracy Brabin

Mayor of West Yorkshire