



## South Yorkshire Objective 1 Programme 2000-2006 Historical Background

### **Why did South Yorkshire qualify for Objective 1 status between 2000 and 2006?**

Between 1994 and 1999, South Yorkshire, together with other parts of Yorkshire and the Humber received Objective 2 funding in an effort to reverse the effects of industrial decline. The fundamental cause of this decline was that South Yorkshire lacked both the volume and quality of jobs and businesses.

Although that Objective 2 programme made a significant contribution to the development of the region in many ways, South Yorkshire's economy continued to decline - to a point where the wealth per person (GDP - Gross Domestic Product) fell to less than 75% of the European average in the late 90s. This was the key trigger for Objective 1 status between 2000 and 2006.

The economic downturn in South Yorkshire between 1979 and 1995 was severe. The nature of the decline was unique, in comparison with the rest of the UK and Europe. While many other regions suffered problems of recession in the 1970s and early 1980s, many have made significant progress down the road to recovery and restructure. For South Yorkshire, and especially in the coal and steel areas, the experience was recent and raw. Communities were still feeling the loss of the traditional industries upon which the sub-region was dependent.

As a consequence, South Yorkshire's economy under-performed against every economic indicator. Critically, the trend in most of these was generally downward. Although a gross domestic product of less than 75% of the European average is the technical trigger for Objective 1, the fundamental reason why the South Yorkshire economy was performing so poorly is the lack of volume and quality of jobs and businesses.

### **South Yorkshire's Vision**

The severity of the economic decline confronting South Yorkshire created a number of key issues that the Objective 1 Programme strategy set out to tackle:

- A jobs gap in terms of both volume and quality
- Low profitability amongst South Yorkshire's manufacturing companies
- A continuing dependence on business sectors in decline
- Low levels of skills and usage of information and communications technology
- Increasing deprivation within many of South Yorkshire's communities.

In 1996 South Yorkshire's four local authorities and three training and enterprise councils took the lead in setting up South Yorkshire Forum (later renamed the

South Yorkshire Partnership) to develop plans for a better future for the area. In due course it attracted a wide range of other public, private and voluntary bodies - including the Government Office for Yorkshire and the Humber and Yorkshire Forward (the Regional Development Agency). Working together they developed a vision for the future, which is set out in the Objective 1 Single Programming Document:

**"To build a balanced, diverse and sustainable high growth economy in South Yorkshire, recognised as a growing European centre for high technology manufacturing and knowledge based services and offering opportunities for the whole community."**

### **The Objective 1 Programme's Key Priorities, Areas for Investment and Timetable for Action**

The key priorities of the Programme are:

- Stimulating the emergence of new growth and high technology sectors
- Modernising businesses through enhancing competitiveness and innovation
- Building a world-leading learning region which promotes equity, employment and social inclusion
- Providing economic opportunities for targeted communities
- Support business investment through strategic spatial development
- Addressing financial and transport constraints to economic growth

Four themes underpin all activities that are being supported to ensure that the investments made help to move South Yorkshire along a more sustainable development path. The four themes are:

- Creativity, innovation and technology (including information society)
- Employability and skills
- Environmental good practice
- Social inclusion and diversity (including gender mainstreaming)

### **What is the Objective 1 Programme investing in?**

The investment is being used to lay the foundations for further economic growth in the longer term. The investment is being made in three broad areas:

- Investing in Business and Enterprise
- Investing in People, Communities and Skills
- Investing in Development and Infrastructure

### **Objective 1 Timetable**

The programme was formally adopted by the Programme Monitoring Committee on 19 July 2000 and launched by Rt Hon David Blunkett in Doncaster on 25 July 2000. The Programme closed for new applications on 31<sup>st</sup> December 2006 and the final investments were made early in 2007. All funds must be spent by 31<sup>st</sup> December 2008.