

Wednesday, 3 March 2021

To: Members of the SCR - Local Enterprise Partnership and Appropriate Officers

NOTICE OF MEETING

You are hereby invited to a meeting of the Sheffield City Regional Local Enterprise Partnership to be held **virtually**, on: **Thursday, 11 March 2021** at **11.00 am** for the purpose of transacting the business set out in the agenda.



Dr Dave Smith
Chief Executive



You can view the agenda and papers at www.sheffieldcityregion.org.uk or use a smart phone camera and scan the QR code:

Member Distribution

James Muir (Chair)	Private Sector LEP Board Member
Nigel Brewster (Vice-Chair)	Private Sector LEP Board Member
Lucy Nickson (Vice-Chair)	Private Sector LEP Board Member
Alexa Greaves	Private Sector LEP Board Member
Professor Chris Husbands	Representative for Higher Education
Gemma Smith	Private Sector LEP Board Member
Neil MacDonald	Private Sector LEP Board Member
Karen Beardsley	Private Sector LEP Board Member
Angela Foulkes	Private Sector LEP Board Member
Peter Kennan	Private Sector LEP Board Member
Cathy Travers	Private Sector LEP Board Member
Richard Stubbs	Private Sector LEP Board Member
Joe Chetcuti	Private Sector LEP Board Member
Tanwer Khan	Private Sector LEP Board Member
Bill Adams	TUC Representative
Professor Dave Petley	University of Sheffield
Michael Faulks	Co-opted Private Sector LEP Board Member
Paul Leedham	Co-Opted LEP Board Member
Dan Fell	Doncaster Chamber
Councillor Chris Read	Rotherham MBC
Mayor Dan Jarvis MBE	SCR Mayoral Combined Authority
Councillor Bob Johnson	Sheffield City Council
Mayor Ros Jones CBE	Doncaster MBC
Councillor Sir Steve Houghton CBE	Barnsley MBC

SCR - Local Enterprise Partnership

Thursday, 11 March 2021 at 11.00 am

Venue: Virtually



Agenda

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Date of next meeting: Thursday, 13 May 2021 at 11.00 am

At: held virtually

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SCR - LOCAL ENTERPRISE PARTNERSHIP

MINUTES OF THE MEETING HELD ON:

THURSDAY, 14 JANUARY 2021 AT 11.00 AM

11 BROAD STREET WEST, SHEFFIELD S1 2BQ



Present:

James Muir (Chair)	Private Sector LEP Board Member
Lucy Nickson (Vice-Chair)	Private Sector LEP Board Member
Alexa Greaves	Private Sector LEP Board Member
Professor Chris Husbands	Representative for Higher Education
Gemma Smith	Private Sector LEP Board Member
Neil MacDonald	Private Sector LEP Board Member
Karen Beardsley	Private Sector LEP Board Member
Angela Foulkes	Private Sector LEP Board Member
Cathy Travers	Private Sector LEP Board Member
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Tanwer Khan	Private Sector LEP Board Member
Bill Adams	TUC Representative
Professor Dave Petley	University of Sheffield
Michael Faulks	Co-opted Private Sector LEP Board Member
Dan Fell	Doncaster Chamber
Councillor Chris Read	Rotherham MBC
Mayor Ros Jones CBE	Doncaster MBC

Officers in Attendance:

Dr Dave Smith	Chief Executive	MCA Executive Team
Dr Ruth Adams	Deputy Chief Executive	MCA Executive Team
Helen Kemp	Director of Business & Skills	MCA Executive Team
Gareth Sutton	Chief Finance Officer/S73 Officer	MCA Executive Team
Mark Lynam	Director of Transport, Housing and Infrastructure	MCA Executive Team
Kate Josephs	Chief Executive of Sheffield CC	Sheffield CC
Damian Allen	Interim Chief Executive, Doncaster MBC	Doncaster MBC
Rachel Clark	Assistant Director Trade & Investment	MCA Executive Team
Emily Hickey	Governance and Compliance Officer	MCA Executive Team
Felix Kumi-Ampofo	Assistant Director Policy and Assurance	MCA Executive Team
Gareth Morgan	Senior Business Development Manager	MCA Executive Team
Nici Pickering	MCA Executive Team	MCA Executive Team

- trialling of new technologies, initiatives and ideas around the sites.
- Tax sites and Customs sites would need to be identified within the UK model.
- Freeports required a site which was a port that could receive international goods and should consist of both Customs and Tax sites.
- Tax sites required under developed land which could be aligned with the bidding area's focus.
- Customs sites were required to have demonstratable import/export activity.
- A stringent authorisation process would be undertaken by the sites, which was the equivalent to the Approved Economic Operator.

The Government had published a bidding prospectus on 16 November 2020, for the establishment of up to 10 Freeports in the UK, with one in each of the four nations. This was a competitive process, to which approximately 30 locations had expressed an interest. The deadline for bid submissions to MHCLG was 5 February 2021, and a decision would be made by the Ministers in the Spring 2021. Successful bids would be required to prepare an Outline Business Case during the Summer 2021. Work was underway to reach a final bid submission.

The South Yorkshire Freeport bid had been formed around the IPort and Doncaster Sheffield Airport which were both closely based together in Doncaster. Far reaching engagement had been made with partners. The Chambers had provided assistance in arranging online sessions with over 45 South Yorkshire based businesses regarding the potential opportunities offered by the Freeport bid and to identify those businesses which wished to become Customs sites.

J Muir suggested that it would be helpful to discuss the economic implications for Tax and Customs sites outside of the meeting, in order to acquire an understanding to be shared with colleagues. **ACTION:- J Muir**

The MCA Investment Team continued to focus outside of the SCR, with a view to bringing investment into the area. As part of the implementation plan for the successful bids, there was an expectation to set out how the investment would be attracted. A requirement within the Freeport Policy related to how the retained business rates were used on the Tax sites; a local authority with a Tax site could retain 100% of the rates on the site provided that it was used for either reinvestment on the site for economic growth, to cover any necessary associated overheads, to offset or to displace any benefits which may occur.

The Board noted the requirement for an aggressive business growth strategy which would attract businesses into the region.

Professor Husbands considered that Freeports were the wrong way to stimulate economic growth and that far better approaches could be taken to building the economic development. However, within his capacity of a Member of the Board which was concerned to make the best choices for the SCR within the policy mix, he did not consider that there was an alternative other than to submit a proposal. He considered that it was necessary to ascertain the approach to be taken when displacement occurred.

T Lee referred to the modelling work underway on the benefits of the economic impact and other matters which would be finalised in the upcoming week or so. He would provide further information onto the Chair, for circulation onto the Members of the Board. **ACTION:- T Lee**

Councillor Read queried the advantages of the potential different elements of having a South Yorkshire Freeport. He was unsure whether it was pragmatic to submit a bid, due to the challenge for the SCR to establish the economic growth that was required. He did not wish to support the recommendations outlined within the report, although he appreciated that businesses were in favour of a South Yorkshire Freeport. He urged the Board to be cautious.

Mayor Jones CBE applauded the fact that the Doncaster Sheffield Airport and the IPort had been brought together to form one bid. She hoped that this would bring higher skilled and higher paid jobs into the region to enable the region's economic recovery to grow at pace.

J Muir stated that subject to a successful bid, it would be necessary for the Board to address the various points raised at today's meeting. He acknowledged the volume of work the undertaken by T Lee and M Lyman in the preparation of the bid.

RESOLVED - That members noted the content of the report and provided a steer on the key discussion points / issues set out in the paper.

5 **Strategic Economic Plan - Final**

A paper was submitted which presented the final Strategic Economic Plan (SEP).

At the last Board meeting held in November 2020, public consultation comments had been presented which indicated broadly supportive feedback to the SEP. Following the SEP consultation and the feedback that had been received at that meeting, the final changes had been made to the SEP.

J Muir expressed his thanks and appreciation, on behalf of the Board, to everyone involved in the huge undertaking in the preparation of the SEP.

RESOLVED – That Members noted the work done to date, changes made and formally adopted the Strategic Economic Plan.

6 **Implications of the Spending Review for the LEP**

A paper was presented which summarised the announcements within the Government's Spending Review as it related to the agenda of the Local Enterprise Partnership (LEP). Members were requested to consider the potential implications.

The Chancellor had delivered the Spending Review on 25 November 2020, which due to the unprecedented impact of the COVID-19 pandemic on public finances, had become a single year focus that had included a number of longer-term infrastructure commitments. The comprehensive review would now take

place in 2021.

The Board considered the following issues in progressing its priorities:-

- Working to secure the funds to unlock its business investment pipeline.
- Being 'bid' ready.
- Making the case for further devolution.
- Delivery was key.

J Muir commented that the follow-up to the Local Government funding had been a topic which had been in existence well into the previous Government's regime of Theresa May MP. Discussions with members of the Civil Service of Ministry for Local Government had admitted that the objectives at the beginning of 2020 had been very different to those at the end of 2020, which had not been as a result of the COVID-19 pandemic. It would be necessary to ascertain a level of clarity in terms of the Government's policy for business growth.

It was noted that the largest potential implication would be that funding would not be available to support certain types of activity principally whilst seeking to secure business deals for direct foreign investment or indigenous business growth, where the MCA was seeking to facilitate that growth. The MCA constantly evaluated the strategy to engage with the Government in such discussions, and strong points continued to be made both privately and publicly. Mayor Jarvis MBE in conjunction with Members of the MCA, had pressed the points at a Ministerial level.

J Muir stated that he was keen to raise the issue with Clive Betts MP, who was a Member of the Select Committee that oversaw the Local Government Ministry. The aim was to continue to work with the Treasury to discuss and highlight the areas to be addressed. He considered that if the MCA utilised the available resources, then it would be possible to demonstrate activities in order to create both new quality and skilled jobs.

RESOLVED – That Members considered the issues arising from the Spending Review as they related to the LEP and as set out in paragraph 2.4 of the report.

7

Businesses Pipeline Development and Selection

A paper was presented to provide Members with an update on the significant investment opportunities that had been identified from LEP led business engagement. The report recommended a selection of 13 identified schemes onto the pipeline in order that Business Cases may be developed.

A total of £46.8m had been invested by the LEP in business support since 2014, which had been primarily through the LGF. The position as at Quarter 4 2019/20 had indicated that the funding had achieved 2,827 direct jobs that had been created or safeguarded, at a cost per job of £16,554.65, together with private sector leverage of £92.1m. The relative position had not materially improved, and the region continued to underperform on a number of indicators. The development of the new economic plan and the COVID-19 pandemic had identified a number of factors.

A collective partnership had been formed between the LEP, Mayor Jarvis MBE and the MCA, who had produced a recovery plan which was currently being implemented in stages. One element of the recovery plan related to how businesses could be promoted and sustained during the COVID-19 pandemic and the consequences of Brexit. This included supporting sustained businesses which were in distress and would have been sustainable in normal circumstances. A great deal of work and investment was currently underway which was partly funded by the gain share allocation and the Government grant. The second element of the strategy related to the promotion of new opportunities, to develop and support businesses that were thriving and growing despite the pandemic, or as a consequence of the pandemic to provide access to new jobs and opportunities to the communities of South Yorkshire.

Dr Smith expressed his thanks to J Muir, Mayor Jones CBE and N MacDonald for the substantial amount of steer and support provided regarding promoting new opportunities. Progress continued to be provided to each of the business board meetings.

J Muir referred to a recent discussion between Mayor Jones CBE, N MacDonald, R Barker and himself regarding presenting more granularity on the projects to the Business Growth Board's cohort of Chairs.

RESOLVED – That the LEP Board Members:-

1. Noted the update on the development of the business pipeline.
2. Accepted the schemes detailed in Section 2.6 and Appendix A of the report to the programme pipeline, noting that projects would only be supported if future funding was received and assurance requirements were met.

8 **Assurance, Monitoring and Evaluation Framework Update**

A paper was presented which provided Members with the details on the policy updates that were required to conclude prior to the end of the financial year; namely the Assurance Framework, the Monitoring and Evaluation Framework and the review of LEP Board Policies. The report also highlighted any known issues that were to be addressed and provided an indicative timeline, highlighting when further detailed information would be presented for consideration.

NB. AT THIS POINT IN THE MEETING, THE BOARD WAS NO LONGER QUORATE.

RESOLVED – That the LEP Board Members:-

1. Considered the documents and policies to be updated and the indicative timeline for progression to the MCA Boards and on to National Government.
2. Agreed that Neil McDonald, as Chair of the Assurance Panel, provided

input, on behalf of the Private Sector Board Members, to the review of the Assurance Framework.

3. LEP Members agreed to consider and feedback any comments on the draft Monitoring and Evaluation Framework, particularly how information and intelligence collated was shared with Thematic and the LEP Boards to inform their role and future decision making.

9 **Mayoral Update**

A paper was presented to provide the LEP Board Members with an update on the key Mayoral activity relating to the economic agenda.

Updates were provided on:-

- The COVID-19 pandemic.
- The Brexit Deal.
- Driving a stronger, greener and fairer South Yorkshire through our renewal effort.

RESOLVED – That the LEP Board Members noted the updates.

10 **Chief Executive's Update**

A paper was presented to provide the LEP Board Members with a general update on the activity being undertaken by the LEP outside of the agenda items under discussion.

Updates were provided on:-

- AEB Procurement.
- Quarterly Economic Review.
- COVID-19 Business Input Group.
- Skills Advisory Network.
- Future High Streets Fund.
- Annual Performance Review.

RESOLVED – That the LEP Board Members noted the updates.

I, the undersigned, confirm that this is a true and accurate record of the meeting.

Signed

Name

Position

Date

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11th March 2021

Businesses Pipeline Development and Selection

Purpose of Report

The report recommends selection of 13 identified schemes onto the pipeline in order that Business Cases may be developed

Thematic Priority

1. Ensure new businesses receive the support they need to flourish.
2. Facilitate and proactively support growth amongst existing firms.
3. Attract investment from other parts of the UK and overseas and improve our brand.
4. Increase sales of SCR's goods and services to other parts of the UK and abroad.

Freedom of Information and Schedule 12A of the Local Government Act 1972

The paper is available under the MCA Publication Scheme.

Recommendations

1. The Board notes the update on the on-going development of the business pipeline
2. The Board accepts the schemes detailed in section 2.1 – 2.6 and Appendix A of this report to the programme pipeline, noting that projects will only be supported if future funding is received and assurance requirements are met.

1. Introduction

- 1.1** Since 2014 the LEP has invested £46.8m in business support primarily through LGF. This has made a significant difference to our businesses and residents in terms of increased job creation, income and wellbeing.

As at Q4 2019/20 the £46.8m fund has achieved the following:

- Direct jobs created or safeguarded = 2,827 (cost per job of £16,554.65)
- Private sector leverage = £92.1m

Despite these successes, evidence shows that the region continues to underperform on many indicators and our relative position has not materially improved.

- 1.2** An initial priority of 37 projects have been identified for pipeline development with the potential for more than 7,000 direct jobs being created. The public funding required for these schemes is significant and will be in the region £171m but would leverage in around £900m of private sector investment.
- 1.3** On 14th January 2021 a paper was presented to the board detailing the on-going engagement work with businesses and requesting entry onto the pipeline for 13 projects.

2. Proposal and justification

2.1 This paper seeks approval for an additional 13 projects to be entered onto the pipeline.

2.2 Work is being undertaken in close dialogue with these businesses to develop strategic business cases required to fulfil the requirements of submitting a funding application, enabling these growth projects to be “oven-ready” for consideration for public funding. Most of these have confidentiality requirements due to non-disclosure agreements being in place to protect commercial sensitivities.

Appendix A presents a list of the schemes anonymised.

2.3 Schemes selected represent both inward investment and the growth of indigenous businesses. Of the schemes 61% are new to the region with the rest being indigenous. These 13 projects are likely to need in the region of £73m public investment to realise c£400m of private investment. These projects combined will create 1445 jobs.

2.4 The businesses operate across the spectrum in the Digital, Energy, Advanced Manufacturing, Scientific Research, Retail and the Logistics sectors.

2.5 At this stage there is not a commitment to fund any of the projects as this is dependent upon the emerging business cases, and the availability of funding.

3. Consideration of alternative approaches

3.1 Business as Usual

Business as usual would involve the existing reactive posture as opposed to pro-actively identifying businesses with the ability to scale up and locate in the region.

It is likely an element of the business as usual programme can and should continue as it remains a priority to consider a range of financial interventions to assist businesses to adopt more innovative products or processes.

A business as usual approach on its own will not lead to the transformation required in the economy and is unlikely to lever the wider outcomes associated with a co-investment deal including the inclusion and sustainability outcomes.

3.2 Prioritise work with out of area new investment only

Whilst it remains a priority to market to national and international businesses, solely relying on generating enquiries from national and international companies that will be new to the UK, is a high- risk strategy.

4. Implications

4.1 Financial

There have been some costs associated with supporting the development work of business cases for these investments. At this stage there is not a commitment to fund any of the projects as this is dependent upon the emerging business cases, and the availability of funding.

4.2 Legal

These projects have confidentiality requirements due to non-disclosure agreements being in place to protect commercial sensitivities. Some of the potential investment may require detailed due diligence and legal work before any recommendation to support could be considered.

4.3 Risk Management

By proactively engaging with businesses and potential investment opportunities and taking a pre-emptive approach to funding being available from March 2021 to extend/replace LGF, this supports the mitigating the risk of local innovative business relocating outside of the City region to get greater support.

4.4 Equality, Diversity and Social Inclusion

The premise of the engagement is based upon a deal where greater social value is negotiated and the business commits to supporting local supply chains, local labour market, training and taking on apprenticeships, for example. These indicators are being defined as part of the work on the economic plan.

5. Communications

- 5.1** Currently all developments are at the exploratory stage and covered by Non-disclosure agreements. Communications will be jointly progressed in the future with the businesses and government if there is the potential for a significant investment deal to be realised.

6. Appendices/Annexes

- 6.1** Appendix A – Business Development Pipeline Summary

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Background papers used in the preparation of this report are available for inspection at: 11 Broad St West, Sheffield S1 2BQ

Other sources and references:

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Projects for acceptance on to the pipeline for future funding at the LEP Board March 2021.

Project	New or indigenous	Jobs created	Private sector investment £M	Brief description	Business sector
N	New	200	50	Manufacture and assembly of small digital satellites and payloads	AME
O	New	10	12	R&D project	AME
P	New	100	15	Manufacturing facility	AME
Q	Indigenous	120	17.5	Expansion of existing logistics company	Logistics
R	Indigenous	100	10	R&D and manufacture of wind turbine components	AME
S	Indigenous	40	20	Expansion project	AME
T	New	300	80	Establishing a Canning plant	AME
U	New	250	200	Establishing a steel mill	AME
V	New	50	5	Establishing a recycling processing centre for high value parts from IT etc.	AME
W	New	35	5	Relocation	On-line retail
X	New	30	10	Expansion of a semi-conductor manufacturer	AME
Y	Indigenous	110	109	Expansion	AME
Z	Indigenous	100	1	Expansion of furniture manufacturing operation	AME

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11th March 2021

LGF PROGRAMME MID-TERM EVALUATION

Purpose of Report

The Department for Business, Energy and Industrial Strategy (BEIS) requires LEPs to undertake an impact evaluation of the 2015-21 LGF Programme. The impact evaluation of the Sheffield City Region LGF programme is being delivered in two parts; a Mid-Term Evaluation and an Ex-Post Evaluation. This paper presents the findings from the Mid-Term Evaluation.

Thematic Priority

Cross-cutting across all six thematic priorities.

Freedom of Information

This paper will be made available under the SCR Publication Scheme.

Recommendations

LEP Board Members are asked to note the findings of the Mid-Term Evaluation report (attached at Appendix 1), consider the costed methodology for the Ex-Post Evaluation (attached at Appendix 2) and comment on any points.

1. Introduction

- 1.1 The Department for Business, Energy and Industrial Strategy (BEIS) requires all LEPs to evaluate the delivery of the 2015-21 LGF Programme to ascertain the impact that the programme has had in supporting economic growth in LEP areas.
- 1.2 In July 2020, Focus was appointed through an open and competitive tendering process to undertake a Mid-Term evaluation of the impact and achievements of the SCR LGF Programme to date, and to produce a costed methodology for conducting an Ex-Post evaluation of the LGF Programme in 2021-22.

2. Proposal and justification

- 2.1 The purpose of the LGF Mid-Term evaluation was to consider the economic, social value and impact that the LGF programme has achieved so far. This work consisted of the following:
 - A desk-top review of the actual spend, outputs and outcomes delivered to date, an assessment of how this has differed from the original profile at project approval.
 - An in-depth review of 9 projects with LGF recipients and project beneficiaries across the thematic areas. These have resulted in case studies to illustrate the breadth and impact of LGF projects across the City Region.
 - Consultation with local authorities, partners, stakeholders and LGF recipients (this involved a combination of phone interviews and an online survey).

- An analysis of the LGF investment in each local authority area and the cost-benefit achieved from the investment.
- Identification of important lessons and key points that should be applied in the design, administration and management of future funding programmes.

2.2 The Mid-Term evaluation report cuts the LGF spend data in several different ways to illustrate the range and breadth of the programme and its impact. The report therefore shows LGF investment by geography, by thematic area, by capita and by business count.

2.3 Key Findings from the Mid-Term Evaluation

LGF Investment by Theme - The three largest areas of profiled spend for the LGF Programme over its lifetime are transport (£102.1m), business support (£69.7m) and regeneration (£57.8m). This is in line with the original intended focus of the LGF programme.

Match Funding Generated – for every £1 of LGF investment in the economy, a further £2.35 of match funding was generated for the economy. Tourism, regeneration and business support projects have generated the highest rates of match funding (£8.76, £4.22 and £3.17 for every £1 of LGF respectively).

Return on Investment – To date the LGF programme has returned £24 for every £1 of LGF invested. By the end of the programme it is predicted that the LGF programme will return £67 for every £1 of LGF invested once all outputs have been achieved. This is considered as excellent value for money.

Economic Impact – The impact of the LGF programme to date has been calculated as follows:

	To Date	By 2025 (cumulative)
New Homes Built	£25.24m uplift in GVA and £6.66m per annum additional spend in the local economy by new households	£157.37m uplift in GVA over the period and £42.38m per annum additional spend in the local economy by new households
Superfast Broadband for Businesses	£162.5m increase in GVA per annum	£162.5m increase in GVA per annum
New Jobs Created	11,861 new jobs created (after leakage/displacement) and £528m increase in GVA per annum	24,813 new jobs created (after leakage/displacement) and a £2.08bn increase in GVA per annum
New Learners Supported	5,061 learners trained benefitting from £6.3m per annum as a result of the training	12,222 learners trained benefitting from £15.25m per annum as a result of the training
Additional Commercial Floorspace	-	Additional floorspace to accommodate 47,763 workers

LGF Investment per Head of Population – An average of £147.88 of LGF has been spent per head of population across the nine districts to date (an average of £191.82 per head of population in South Yorkshire). Barnsley (£209.81 per head), Doncaster (£236.76 per head) and Rotherham (£209.81 per head) have the highest level of LGF investment per head of population across the nine districts. Investment per head of population in Sheffield is £104.61.

Allocated LGF Spend by Local Authority Area – With the exception of cross-regional schemes and projects such as the Growth Hub, Superfast Broadband, and Extending RGF, the analysis shows that LGF spend in the four South Yorkshire districts is as follows:

	Infrastructure Grants	Business Investment Fund (BIF)	Skills Capital Projects	Total LGF Allocation
Barnsley	£47,531,721	£1,662,500	£2,590,000	£51,784,221
Doncaster	£58,577,101	£8,210,000	£7,054,437	£73,841,538
Rotherham	£36,077,166	£18,437,480	£3,831,134	£58,345,780
Sheffield	£43,842,798	£12,477,167	£4,862,320	£61,182,285

LGF Investment in Urban and Rural Areas – Based on rural/urban classification and postcode data, 19.2% of the LGF has been invested in rural areas (rural towns and fringe, rural villages and hamlets) with 80.8% invested in the city, towns and urban minor conurbation.

Average Cost per Job – The average cost per job created across the LGF Programme to date is £5,690. This is based on the assumption that the job creation targets profiled will be achieved by the end of the programme on 31 March 2021.

Average Cost per Dwelling – The average LGF investment in each new home built is £5,873. This is based only on those projects which are contracted to deliver new homes.

LGF Allocation per Square Metre of New Commercial Floorspace – The average LGF investment per square metre of new commercial floorspace is £63.

Loan Funding - The awarding of loan funds to projects is relatively uncommon amongst LEPs and seen as innovative. Private sector loan recipients have highly valued the flexibility of loan re-payments compared with commercial lenders. The evaluation has highlighted however, that the LEP and MCA should only release loan funds in full or in part when projects are ready to proceed to reduce the risk of applicants sitting on funds.

The LGF Mid-Term Evaluation Report is attached at Appendix 1.

2.4 A costed methodology and specification for the Ex-Post Evaluation have been produced. This is attached at Appendix 2. In addition to updating the analysis that has been conducted for the Mid-Term evaluation, it is proposed that the Ex-Post evaluation should include the following:

- **Loan Funding Analysis** – This analysis would further consider the added value and wider benefits that the recycling of LGF has achieved for the LEP and the economy. This could potentially identify good practice that could be replicated by other MCAs and LEPs.
- **Unsuccessful and Withdrawn Schemes** – This analysis would uncover the reasons why projects failed to gain approval, or why they were withdrawn from the appraisal process. This could be done by district to assess any restrictions or limitations that have prevented schemes from being fully developed and to identify useful lessons in the development of good quality project design and continual improvement of the project application and appraisal processes.
- **Impact Assessments** – Full economic and social impact assessments would be conducted to quantify the additional benefits of delivering the LGF programme including impact on visitor numbers, additional qualifications gained for City Region residents and potential impact on health or household income.
- **Energy and Sustainability Assessment** – This analysis would consider the carbon impact of LGF investment, showcase exemplar projects and activities that

have been funded through LGF and identify any lessons for improving environmental sustainability and reducing or off-setting carbon.

3. Consideration of alternative approaches

- 3.1 Failure to evaluate the 2015-21 LGF Programme would risk the MCA and LEP being non-compliant with a Government request, which could jeopardise future funding programmes.

4. Implications

4.1 Financial

The estimated cost of the Ex-Post Evaluation is £40,000 plus VAT and an additional recommended contingency budget of £4,000 to cover any additional requirements. This work will be commissioned in 2021-22 following conclusion of the LGF programme.

4.2 Legal

There are no direct legal implications arising from this paper.

4.3 Risk Management

The principal risk is the failure to apply the lessons learnt from the management and delivery of the 2015-21 LGF Programme to future funding programmes. The consequences being poor design and management of new programmes, funding projects and schemes which have previously resulted in lower value outputs and outcomes and a failure to build-on successful projects that have yielded higher value outputs and outcomes.

4.4 Equality, Diversity and Social Inclusion

There are no direct equality, diversity and social inclusion implications arising from this paper. The Mid-Term Evaluation has considered the LGF spend by head of population, by business unit and by urban-rural classification for each of the nine local authority areas across the Sheffield City Region.

5. Communications

- 5.1 A copy of the Mid-Term Evaluation Report will be submitted to BEIS and will be published on the website. This will deliver the MCA's and LEP's commitment to publish information on LGF investments in an open, transparent and accessible way.

6. Appendices/Annexes

- 6.1 Appendix 1 – LGF Programme Mid-Term Evaluation Report (February 2021)
Appendix 2 – LGF Ex-Post Evaluation Work Programme and Specification (Costed Methodology)

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Background papers used in the preparation of this report are available for inspection at: 11 Broad Street West, Sheffield S1 2BQ

Other sources and references:

Sheffield City Region Mayoral Combined Authority and Local Enterprise Partnership

Local Growth Fund: Mid-Term Evaluation

March 2021



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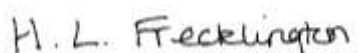
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APPENDICES

Appendix 1 Project Case Studies

1.0 Introduction and Background

In July 2020, Focus Consultants was appointed by Sheffield City Region Mayoral Combined Authority to undertake the mid-term evaluation of the Sheffield City Region (SCR) Local Enterprise Partnership (LEP) Local Growth Fund Programme (LGF) to provide an analysis of the operation, delivery, achievements and impact of the LGF programme to date.

1.1 Background and Context

The Sheffield City Region Local Enterprise Partnership is a business-led partnership, located at the heart of the country, which promotes and drives economic growth. Formed in 2010, and bringing together business leaders, local politicians, and other partners, the LEP leads on strategic economic policy development and determines how funding from central Government should be invested to grow the local economy. The LEP also raises the profile, image and reputation of the Sheffield City Region as a place to visit, live, work and invest in. The Mayoral Combined Authority was formally constituted in law in April 2014 and is the legal and Accountable Body for all funding devolved by Government to the MCA, including funds awarded to the LEP such as the Local Growth Fund. The MCA is also the Local Transport Authority for South Yorkshire.

Figure 1: Map of Sheffield City Region



Chaired by Dan Jarvis MBE MP, the elected Mayor, the MCA comprises the nine local authority areas of Barnsley, Bassetlaw, Bolsover, Chesterfield, Derbyshire Dales, Doncaster, North East Derbyshire, Rotherham and Sheffield. Of these nine authorities four authorities (Barnsley, Doncaster, Rotherham and Sheffield) are constituent members of the MCA and the remaining five areas are non-constituent members. Together, the LEP and MCA form the core decision-making Boards for the Sheffield City Region.

At the start of the LGF programme the five non-constituent areas (Bassetlaw, Bolsover, Chesterfield, North East Derbyshire and Derbyshire Dales) situated in Nottinghamshire and Derbyshire were served by both D2N2 and SCR LEPs. After a 2019 Government review of LEPs it was requested that areas were represented by a single LEP only. At this time the five non-constituent areas withdrew from the SCR LEP.

Similarly, to the North, Barnsley was located within two city region LEP areas: Sheffield City Region and Leeds City Region until April 2020.

1.1.1 The SCR Strategic Economic Plan (SEP)

The Strategic Economic Plan (SEP) which the Local Growth Fund is delivering against, and which this study is evaluating against is the 2015-2025 Plan. The Strategic Economic Plan provided the framework for achieving the LEP's vision of "A City Region with a stronger and bigger private sector that can compete in national and global markets". The strategic objectives underpinning this vision were:

- Ensure SCR businesses have the support they need to realise their full growth potential
- Become more outward looking
- Provide the conditions that businesses need to prosper and become more resilient.

The SEP also identified six action areas:

1. Ensure new businesses receive the support they need to flourish by investing in the LEP's Place, our Businesses and our People
2. Facilitate and proactively support growth amongst existing firms
3. Attract investment from other parts of the UK and overseas, and improve our brand
4. Increase sales of SCR's goods and services to other parts of the UK and abroad
5. Develop the SCR skills base, labour mobility and education performance
6. Secure investment in infrastructure where it will do most to support growth.

The SEP targets were:

- To grow the economy by 10% (or £3.1bn) between 2014 and 2024
- To create 70,000 net new jobs by 2024, with 30,000 to be highly skilled
- To generate 6,000 new business start-ups by 2024.

The Annual Report and Delivery Plan 2020/21 highlights the following successes that have been delivered against the SEP targets. The LGF has played a key part in this success.

A. Target: Grow the economy by 10% (or £3.1 billion) by 2024

Progress to date (2019/20): We achieved this target in 2018 due to strong performance in a range of industrial sectors. The SCR economy is currently valued at £35 billion.

B. Target: Generate 6,000 new business start-ups by 2024

Progress to date (2019/20): 9,435 new businesses have started-up in the Sheffield City Region since 2014.

C. Target: Create 70,000 net new jobs by 2024, with 30,000 to be highly skilled

Progress to date (2019/20): We are ahead of schedule on achieving this target with 57,000 jobs created since 2014. This growth has been private sector-led with the business services and manufacturing sectors adding the most jobs.

1.1.2 Local Growth Fund

Following the review on local economic growth by Lord Heseltine, the Government created a £12bn 'Local Growth Fund'; all 39 LEPs across the UK bid for a share of the fund by developing plans outlining how and on what they would spend the money. The Growth Deal aims to drive growth across the area by providing additional funding and leveraging investment to provide new homes and space for businesses, provide high quality skills and training facilities and deliver key transport improvements across the area.

Local Growth Deals provide funds from Central Government to LEPs for projects that benefit their local area and economy. To secure funds, LEPs were required to submit a portfolio of projects to Government. After being assessed by Government, the first Growth Deal projects were announced in July 2014. Growth Deal 2 projects were announced in January 2015 and finally Growth Deal 3 projects were announced in March 2017.

The LEP was awarded £363m LGF funding, including £42m for a retained major transport scheme. The LGF programme funds a range of different priorities including transport, skills capital, housing and business investment. The purpose of the LGF programme is to fund projects that will deliver the strategic priorities, objectives and targets outlined in the Strategic Economic Plan 2015-2025. To date, the LGF has funded a range of initiatives, programmes and projects including:

- **Infrastructure Programme** - Between 2015 and 2021 the LEP are investing £230 million in infrastructure development including vacant land and property redevelopment into new commercial and retail premises, new link roads such as the Great Yorkshire Way in Doncaster and Superfast South Yorkshire Broadband, and installing a flood alleviation scheme in the Upper Don Valley.
- **Business Investment Fund** - A £52 million fund helping indigenous and re-locating businesses with the potential for growth to plug finance gaps which can't be met through traditional finance sources.
- **Growth Hub** - A single access point where business owners can obtain advice and support on starting-up, running and growing their business. Support available through the Growth Hub includes assistance with skills and training, innovation and exporting and advice on financing a business. The SCR Growth Hub was ranked in the top three Growth Hubs nationally.¹
- **Skills Capital Fund** - Investment in the development of state-of-the-art training facilities and equipment across the Sheffield City Region.
- **Housing Fund** - A pilot scheme to help private housing developers and housing associations to unlock sites for development and build more homes in the Sheffield City Region.

1.2 The Assurance Framework

The LGF funded projects that are being evaluated through this study are delivered following the guidance set out in the Assurance Framework 2019. This document sets out how the MCA use public money responsibly, both openly and transparently, and achieve best value for money.

¹ As part of the devolution deal, there was an agreement for the LEP to swap capital for revenue and this contributed towards the Growth Hub. The Growth Hub is subject to a separate evaluation.

1.2.1 Thematic Boards

The Mayor, MCA Board and LEP Board are supported by five Thematic Boards (Business Growth, Housing, Infrastructure, Skills and Employment and Transport) and the MCA Executive Team. Since this evaluation commenced, the Housing and Infrastructure Boards have merged and there are now four Thematic Boards.

The Thematic Boards are responsible for driving forward the agenda of their thematic area. Thematic Boards routinely meet on an eight-weekly cycle. The responsibilities of the Thematic Boards are to:

- Shape future thematic policy, priorities and programmes for the LEP and MCA Boards to approve
- Review programme and funding applications of less than £2 million that have been through the assurance process and make decisions
- Review programme and funding applications of £2 million or more that have been through the assurance process and make a recommendation to the MCA Board for their consideration
- Accept grants with a value of less than £2 million
- Monitor programme delivery and performance on their thematic area.

1.2.2 The MCA Executive

The MCA Board, LEP Board and Thematic Boards are supported by the MCA Executive Team, employed by the MCA. The MCA Executive is a dedicated resource that provides impartial advice and works in collaboration with partners and stakeholders.

The MCA Executive supports the MCA and LEP to develop policy, initiating and encouraging project ideas, developing business cases, assurance, programme and project monitoring, evaluation, administration of the boards and preparing papers and reports for consideration.

1.2.3 Commissioning and Open Calls

Project and programme applications for funding usually originate from three sources:

- **Original Schemes** - Those schemes identified as part of the submission for Growth Deal Funding
- **A Thematic Board** - the Thematic Boards will proactively identify potential projects which satisfy the strategic objectives of the SEP and thematic Delivery Plan. These are subject to funding being available.
- **Via a targeted Open Call for Project Applications** - open calls inviting applicants to bid for funding or propose a project are published on the SCR website. Calls have a specific focus, such as delivering an investment priority or targets in the SEP. Project applicants and scheme promoters will then submit a response or bid.

The MCA Executive supports the MCA and LEP to develop policy, initiating and encouraging project ideas, developing business cases, assurance, programme and project monitoring, evaluation, administration of the boards and preparing papers and reports for consideration.

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1.2.4 The Assurance Process

All schemes and projects seeking investment, are assessed to ensure they fit with the strategic intent of the growth deal and LGF funds to create jobs and improve the regions GVA.

The steps involved in the assurance process are detailed below:

- **Strategic Business Case (SBC)** - A SBC is the first official communication from a project applicant or scheme promoter. The SBC provides a first view of the 'how, what and when' the project will deliver and its strategic fit with the SEP. The SBC is a standard template and requests information from the applicant including: project objectives and vision, project outputs and outcomes against the SEP; timescales; high level cost of project; initial funding required; and project sponsor. The SBC is assessed in line with the five-case model in the HM Treasury Green Book guidance.

The Assurance Panel reviews the technical analysis undertaken by the MCA Executive. The Assurance Panel, on behalf of the Statutory Officers, provide a recommendation to a Thematic and / or LEP Boards; either to accept a project to the programme pipeline, defer the project for further work or to reject the project. The Thematic Board oversees due diligence in appraising the project, but the LEP Board accepts the project onto the pipeline programme.

- **Outline and Full Business Cases** - Having been accepted onto the programme pipeline, the project applicant is required to develop the business case further. The requirements at this stage are dependent on the nature, scale, risk and complexity of the project. Smaller, simple projects are unlikely to require an Outline Business Case (OBC) in addition to a Full Business Case (FBC).

The MCA Executive and Assurance Panel reviews the cases and the Statutory Officers determine whether an OBC is required on a project-by-project basis.

The OBC and FBC build on the foundations of the Strategic Business Case in that they provide considerably more detail on each of the five cases outlined in the HM Treasury Green Book guidance. Once an OBC and FBC is fully developed it is submitted for to progress through the assurance process. An independent assessment is undertaken of all OBCs and FBCs to quality assure and scrutinise the project as well as undertaking all necessary due diligence checks. When technical expertise or specialist advice is required to appraise the project, the MCA Executive uses contractors – the Central Independent Appraisal Team (CIAT) - to assist in appraising the SBC. The MCA Executive ensures there is always a clear distinction and adequate separation between the scheme promoters and the decision makers.

The Assurance Panel reviews the technical analysis undertaken by the MCA Executive and CIAT (where applicable). The Assurance Panel, on behalf of the Statutory Officers, makes a recommendation to the Thematic Board; either to fully approve the project or defer the project for further work. The Thematic Board can approve the project if it is within their delegated limit. Projects which exceed the delegation are endorsed by the Thematic Board and submitted to the MCA Board for approval.

1.2.5 Assurance Panel

The Panel currently consists of the MCA's three Statutory Officers or their representatives and relevant officers from the MCA Executive. The Panel makes recommendations to the appropriate decision-making Board on the level of risk of a project and whether to endorse, approve or defer funding applications. The Panel can also recommend rejecting applications at this stage. If a project is rejected, then it wouldn't be taken any further.

1.2.6 Contract Management

Once a project or scheme is approved, there is regular communication with the project applicant/scheme promoter. The MCA Executive manages the delivery of the contract and works with the applicant/scheme promoter to monitor progress and risks. The MCA Executive is responsible for immediately addressing any slippages or concerns regarding project delivery and taking corrective action. Each grant claim is crosschecked against the approved project baseline information as part of the quarterly reporting processes. All project applicants/scheme promoters are required to provide regular financial and delivery information to the MCA Executive. The applicant/scheme promoter submits quarterly reports to the MCA Executive, who collate the reports for all projects within the programme into a quarterly report to MHCLG, MCA and the LEP Board.

1.2.7 Contract Values and Clawback

A Funding Agreement between the MCA and project applicant/scheme promoter sets out the conditions relating to the MCA's agreement to fund the project and the responsibilities of the MCA and applicant/scheme promoter. The Funding Agreement includes a mechanism for clawback based on an assessment of risk. This ensures that funding is only spent on the specified scheme and linked to the delivery of outputs and outcomes, whilst giving the MCA and LEP the option of clawing back funds for poor performance or misuse of funds.

2.0 Project Overview

The tables below give a brief explanation regarding the types of projects that have been funded through the LGF programme. Projects have been grouped by theme – a more detailed breakdown of the projects including the Business Investment Fund and Skills Capital Fund where multiple projects were funded are included in more detail later. The associated spend and outputs of these projects is analysed in more detail in the following sections, along with information on the geography, theme and urban/ rural split of the grants awarded.

Business Support Schemes	
Scheme	Brief Description
Extending SCR RGF - Unlocking business Investment	Investment grants to businesses that demonstrated growth or the potential to grow.
SCR Growth Hub	Enabling businesses to access support for growth – building on regional and national growth programmes and enabling businesses to maximise private sector expertise.
Urban Development Fund	To provide SCR JESSICA with a £15m loan to invest in commercial property developments in line with an approved Investment Strategy.
SCR Property Fund	To develop the City Region's property, offer to attract new business investment, through the offer of 'de facto grants' (first loss loans) as well as sub-market and commercial loans.

Enterprise	
Scheme	Brief Description
EZ	A fund to encourage and accelerate development in the SCR Enterprise Zone and a number of sites that are waiting formal EZ designation.
Retford Enterprise Centre - Ph 2	To provide 686m ² of new floor space for office and clean manufacturing space, to enable current occupants and other local businesses to move to larger spaces as their business grows.
AMRC Lightweighting Centre - Phase 1	To provide the Advanced Manufacturing Research Centre with leading edge capacity in the aerospace and automotive sectors.
Purchase of Advanced Manufacturing Park Technology Centre	This project will secure local ownership and control of the Advanced Manufacturing Park Technology Centre (AMPTC), through a strategic acquisition from the Government.
Harrison Drive, Langold	368sqm of new floorspace for light industrial/workshop units.

Tourism	
Scheme	Brief Description
Peak Resort	On the edge of the Peak District National Park, this project will be a nationally significant year-round tourist, leisure and education destination. Funding is facilitating initial site infrastructure works, including new access, footpath and bridleway diversions, and a secure boundary.
Yorkshire Wildlife Park	Securing land adjacent to the current Yorkshire Wildlife Park for a new entrance, visitor hub with themed restaurants, destination hotel and investment in signature animal reserves.
Gullivers Infrastructure	Gulliver's Valley theme park offering rides and attractions aimed at children aged from 2-13 years old and their families.

Enabling Works	
Scheme	Brief Description
M1J37 Claycliffe Link - Phase 2	To deliver a mixed-use development of 80.3 hectares of land, comprising of 43 hectares of employment land and 1,700 new homes, including affordable housing, plus public open space and new primary school provision.
M1 Junction 36 Strategic Site Acquisition	Acquisition of a strategic parcel of allocated employment land off the Dearne Valley Parkway to facilitate the early delivery of the site, and contribute to wider housing and employment objectives in the vicinity of M1 Junction 36 to A6195 Dearne Valley Economic Growth Corridor.

Skills	
Scheme	Brief Description
National Centre of Excellence for Food Engineering	A new build research & development facility that will integrate innovation in food processing, packaging, handling, storage & distribution equipment with techniques in food engineering/ automation.
Skills Capital – North Notts College	Refurbishment of the North Nottinghamshire College employer facilities. This project has provided upgraded rooms, facilities and frontage which benefits all learners and target SME beneficiaries in the locality.
Skills Capital – National Rail College	Delivery of a world class new National Centre for High Speed Rail (NCHSR) college. The NCHSR vision is to deliver high level technical skills in rail engineering and technology.
Skills Capital – Rotherham College	A newly built centre for higher level skills in Rotherham at Doncaster Gate which provides higher level skills and education focused on the deliver of higher and degree apprenticeships, short courses and foundation degrees.
Skills Capital – SHU Capacity Building for Degree Apps	The investment is to support refurbishment of two identified estates (one existing and one new lease) to enable the development of dedicated teaching spaces for Higher and Degree apprenticeship provision delivered by the scheme promoter Sheffield Hallam University.

Skills	
Skills Capital – The Sheffield College Increasing Higher Level Skills Construction and Engineering	This project enables Sheffield College to increase its vocational training offer for STEM occupations in the construction and engineering sectors.
Skills Capital – Chesterfield College Infirmary Road Project	Redevelopment of Chesterfield College's Infirmary Road Campus. New courses are on offer for school leavers and adults who want to upskill and retrain.
Skills Capital – National Fluid Power Centre Integrated Systems	Advancements to the integrated systems in the National Fluid Power Centre (RNN Group). The project consists of 3 key elements: installation and commissioning of new hydraulic pumps and pump control areas; installation of a series of electrical control modules to existing pneumatic rigs; and new electro-hydraulic training rig together with the latest sensor technology, online monitoring system and VDU.
Skills Capital – RNN Group Motor Vehicle and IT Curriculum Growth Plan	The project supports residents to acquire the skills and qualifications to support growth key industries by ensuring the facilities that learners have access to are as up to date as possible. The funding supported the updating of IT servers and the purchase of equipment including 3 x Hybrid Vehicles and 3 x Electric Vehicles to allow us to improve and advance our current Motor Vehicle Engineering offer so that Motor Vehicle learners can undertake their learning using the latest technological advancements.
Skills Capital – 360 VFX	The project entails the creation of film and tv studios, visual effects production facility (VFX), a Film, TV and VFX training academy and hotel and events business at the former High Melton campus of Doncaster College.
Skills Capital – Doncaster UTC Ltd	Replacement of outdated mechatronic and automation equipment at the Sheffield University Technical College (UTC).
Skills Capital – Digital Engineering Skills Development Network	Doncaster UTC specialises in Advanced Engineering and Digital Design for students aged 13-19. This will equip young people with the education and qualifications required for future success and will create pathways into university or higher levels of education and to the most significant areas of growth in employment, locally, nationally and internationally.
Skills Capital – Barnsley College Digital Innovation Hub	The project reconfigured and refurbished Barnsley College's existing Sci Tech Campus building into the Digital Innovation Hub (DIH), delivering learning space and teaching space designed to ensure learners have access to high-quality facilities and industry standard equipment to gain the skills and knowledge employers demand.
Skills Capital – Sheffield UTC – From Teenager to Employee	This scheme has secured a grant of £494,900 to purchase industry standard mechatronics and automation equipment. The UTC will support the upskilling of adults in the current workforce through commercial courses in industrial automation and advanced technologies whilst also raising aspirations for learners from disadvantaged backgrounds.

Transport	
Scheme	Brief Description
M1 J36 to Dearne Valley - Phase 1 (Hoyland)	New and improved highways infrastructure works and on-site servicing works, which will enable the delivery of key areas of employment land along the M1 Junction 36 - Phase 1 is in Hoyland.
M1 J36 to Dearne Valley - Phase 2 (Goldthorpe)	New and improved highways infrastructure works enabling the delivery of key areas of employment land along the M1 Junction 36 - Phase 2 is in Goldthorpe.
Harworth Bircotes	A programme of road improvements over four junctions.
Worksop & Vesuvius Works 1	The signalisation of the A60/A57/B6024 junction.
Worksop & Vesuvius Works-2a	Highways improvements to help provide access to a Manton Wood, a key employment site.
Worksop & Vesuvius Works-2b	Highway improvements to provide access to a key employment site at Shireoaks Common.
Sustainable transport exemplar	New or improved dedicated walking and cycling routes and enhanced public transport provision.
Doncaster Urban Centre - Waterfront (West)	Strengthening and improvement of an existing bridge which provides access to the site of the planned £8.5m Network Rail new accommodation and depot facilities.
Markham Vale	Road and service infrastructure investment, providing an essential connection between Markham Vale North Business and Commercial Park and the M1 Junction 29A.
Bus Rapid Transport North	A 12km Bus Rapid Transit link between Sheffield and Rotherham to facilitate regeneration and job creation.
DN7 (Hatfield Link)	A 2.9km road from Junction 5 of the M18, to unlock mixed-use development comprising 3,100 houses, commercial floor space and local centre, retail and educational facilities.
FARRS 2	Completion of Sheffield City Region Gateway connecting Doncaster Sheffield Airport to Junction 3 of the M18. Phase 2 is a 2km highway which will enable a further 395,958m ² of commercial development, improve journey times and reduce congestion.
Supertram renewal	Renewal works to ensure the longevity of the Supertram network in Sheffield.
Modelling and Strategic Testing	A refresh of SCR's testing tools to allow all transport projects over £5m to be appraised according to webTAG, as per Department for Transport requirements.
Westmoor Link	Dualling of the A630 between Junction 4 of the M18 and A18 Leger Way/Thorne Road, plus the A18 and A630 Wheatley Hall Road.

Skills	
M1J37 Claycliffe Link - Phase 1	Highway improvements to the A628 Dodowrth Road/ Pogmoor Road crossroads to facilitate economic development by unlocking prime development land.
A618 Growth Corridor	Opening up land at the former Pithouse West site for the new Gulliver's Valley theme park, improving access to the country park and allowing an existing business park to expand.
Market Harborough Line Improvements	To increase the capacity at Market Harborough station, on the route between London and Sheffield, through track realignment, improving the throughput of trains.
Greasbrough Corridor Improv's	Extra capacity at key junctions along the route of the B6089 (Car Hill/ Potter Hill/ Cinder Bridge Road).
Doncaster Sheffield Airport Capacity Expansion	Increased passenger capacity at Doncaster Sheffield Airport through a reconfigured and extended airport car park infrastructure and parking product.

Regeneration	
Scheme	Brief Description
Sheffield City Centre - Grey to Green (Phase 1)	The first phase of the transformation of 1.3 km of redundant carriageway to linear green space.
Sheffield City Centre - Grey to Green (Phase 2)	The second phase of the transformation of 1.3 km of redundant carriageway to linear green space.
Sheffield Centre - IRR Junction Improvements	Improvements to selected junctions on the Sheffield Inner Ring Road, to provide increased capacity for planned city centre regeneration.
Sheffield City Centre - Knowledge Gateway	Bringing forward sites for redevelopment along a corridor from Fitzalan Square to Brown Street.
Sheffield Centre – SRQ	Investment in connectivity and public realm for the Moor and New Retail Quarter.
Sheffield City Centre - University of Sheffield Campus (Phase 1)	A series of interventions around the University of Sheffield central campus, including: construction of high-quality landscaped pedestrian/ cycling routes, pedestrian/ cycle crossings, high quality public realm and unlocking of sites for university facilities.
Chesterfield Waterside	Site preparation works to provide site infrastructure and enable the first phase of built development for a major regeneration scheme.
Doncaster Urban Centre - Markets (Phase 1)	The rejuvenation of the markets in the town centre.
Doncaster Urban Centre - Quality Streets	Increasing the attractiveness of Doncaster's Hall Gate and Silver Street areas including enhancements to public realm, changes to traffic flow, pedestrianisation and lighting features.
Doncaster Urban Centre - St. Sepulchre 1+2	To provide a new gateway to Doncaster by redeveloping the station forecourt and the access to the station from St Sepulchre Gate.

Regeneration	
Scheme	Brief Description
Doncaster Urban Centre – Civic and Cultural Quarter (CCQ)	Public realm works to facilitate the delivery of a proposed cinema and restaurant scheme, and ensure that the wider CCQ regeneration area is more cohesively linked.
Chesterfield Northern Gateway	Regeneration scheme in Chesterfield town centre, including rebuilding Saltergate car park, developing managed office space, public realm improvements, mixed use leisure scheme.
Better Barnsley Retail and Leisure Development	Regeneration of Barnsley town centre including provision of a new library, town square, refurbished indoor market, and retail and leisure facilities.
Forge Island	Acquisition of Forge Island in central Rotherham, clearing the site and enhancing its attractiveness to future developers to deliver a leisure and cultural quarter.
Parkwood Ski Village	Remediation of the derelict former ski village site.
Glass Works	Barnsley Town Centre - 26 new retail units; 4 leisure units, including a cinema and a bowling alley; 7 restaurants; a new refurbished Market Hall and associated Food Hall.

Housing	
Scheme	Brief Description
SCR Housing Intervention Fund	This fund will enable SCR partners to drive forward the delivery of new housing, via a pilot scheme which will provide a range of flexible investment tools in order to fill gaps in nationally available products.
SCR Housing Intervention Fund - Phase 2	A second phase of the SCR Housing Intervention Fund, which will enable SCR partners to continue to drive forward the delivery of new housing, via a range of flexible investment tools.

Broadband	
Scheme	Brief Description
Superfast Broadband	To provide access to superfast broadband services for premises across South Yorkshire.

Health and Wellbeing	
Scheme	Brief Description
Olympic Legacy Park	Innovations within the health and wellbeing sector to help people be more active.

Flood Management	
Scheme	Brief Description
Upper Don Valley - UDV Flood Alleviation	Improved resilience to flooding for households, commercial properties, transport and other critical infrastructure in the area.

It is worth noting that all but one project took place within the SCR geography. The Market Harborough Line Improvements project was designed to increase the capacity at Market Harborough station, on the Midland Mainline route between London and Sheffield, through track realignment, improving the throughput of trains for freight and passenger services. The scheme will contribute towards an overall reduction in journey times between London and Sheffield, supporting the SCR economy. This project was jointly funded by Derbyshire and Nottinghamshire LEP (D2N2), Leicester and Leicestershire LEP (LLEP) and Sheffield City Region LEP (see case study section for more details).

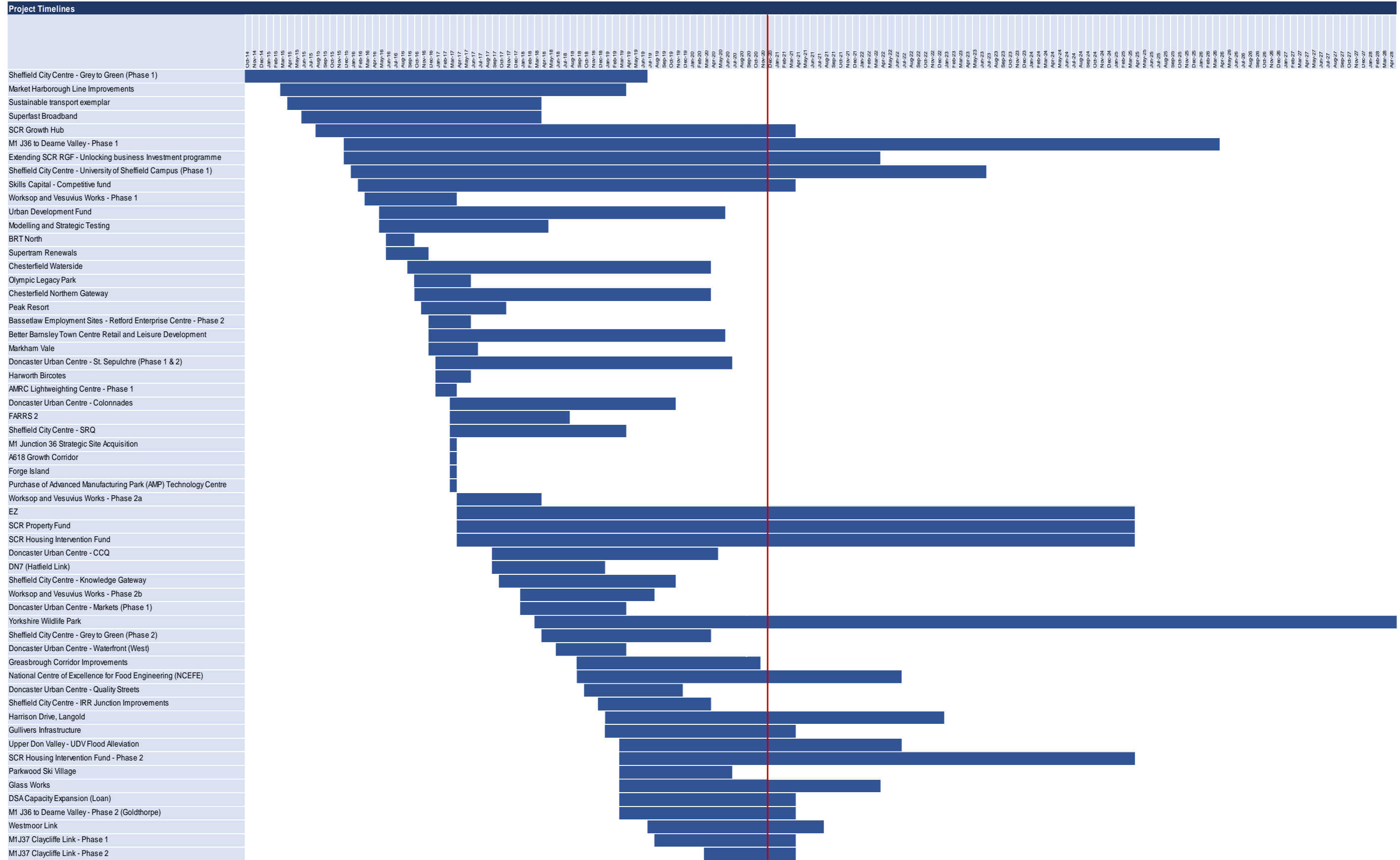
The grant allocated to each individual project and the contracted outputs can be seen in later sections. Note: Financial figures shown in the tables in the rest of this report are taken from the DELTA report. Individual project awards include both contracted amounts plus a small element of programme management costs as agreed by the MCA.

2.1 Timeline

We have mapped each project's anticipated timeline as a means of illustrating the intended start and end points for each. Note: the end point represents financial completion rather than achievement of all outputs.

The graphic demonstrates that whilst a significant number of projects have recently achieved financial completion, there are many projects which will continue for several years, some up to 2025 and beyond the period of the Strategic Economic Plan.

It is expected that many of the outcomes will be achieved after projects have been completed. This data will need to be collated to understand the overall impact of the programme.



3.0 Financial Analysis – LGF Awards

This section considers where, and for what purposes, the LGF grants have been awarded at both the programme and project level. It considers the split of projects by investment theme, geography, and by urban/ rural location.

3.1 LGF Grants by Investment Theme

During the application and assurance process all projects awarded grant funding were allocated to an investment theme, such as transport, regeneration or business support. The table below shows the total LGF grants awarded to the projects by theme.

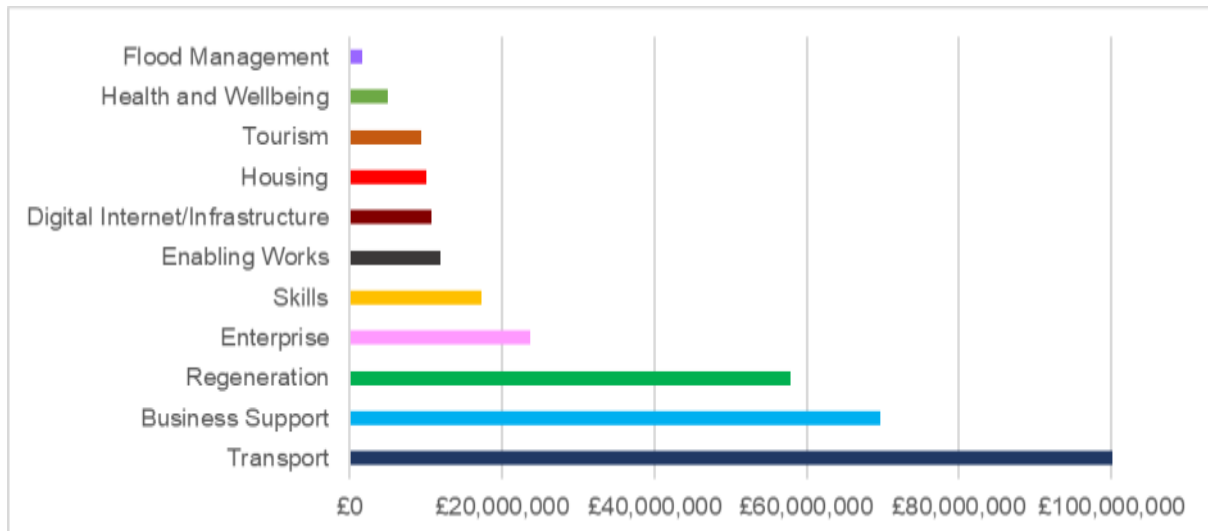
LGF Funding by Theme	
Theme	Total
Transport	£102,141,502
Business Support	£69,691,031
Regeneration	£57,849,127
Enterprise	£23,707,573
Skills	£19,534,835
Enabling Works	£11,898,040
Digital Internet/Infrastructure	£10,762,068
Housing	£10,061,705
Tourism	£9,468,430
Health and Wellbeing	£4,984,272
Flood Management	£1,577,300
Total	£321,675,883

Source: MCA Executive, October 2020

Note: Of the above funded projects, 1 project took place outside of the Sheffield City Region area. This was £5,069,605 of LGF grant for a transport scheme in Market Harborough – this is explained in more detail below.

The financial figures shown in the table above are taken from the DELTA report and include project contracted amounts plus a small element of programme management costs as agreed by the MCA.

This information has also been shown graphically below:



We can see that the three largest areas of awarded grants for the LGF programme are transport, business support and regeneration. This reflects the nature and emphasis of the programme and guidance from Government on how the funding was to be spent.

It is worth noting that certain types of projects, such as active travel, or public travel do not fit well with the national focus of the Local Growth Fund as they do not directly deliver the types of economic outputs being sought through the programme such as jobs and GVA increases.

Given the restrictions of the funding scheme, from an evaluation perspective, it is considered that there is a good spread of project spend across the different thematic areas.

3.1.1 LGF Grants by Investment Theme: Project Level

The table over the page shows the breakdown of the LGF grants awarded for each investment theme on a project-by-project basis.

Note: some schemes such as the Extending SCR RGF - Unlocking Business Investment Programme supported multiple projects. The full list of projects under this programme are included in the case studies at Appendix 1. For the Skills Capital Programme, the table below shows projects that have been approved and contracted to date.

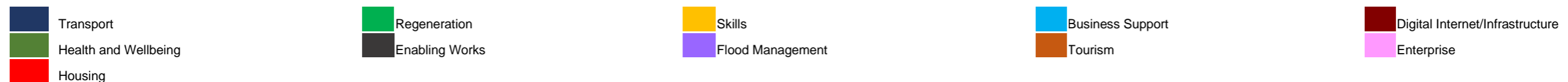
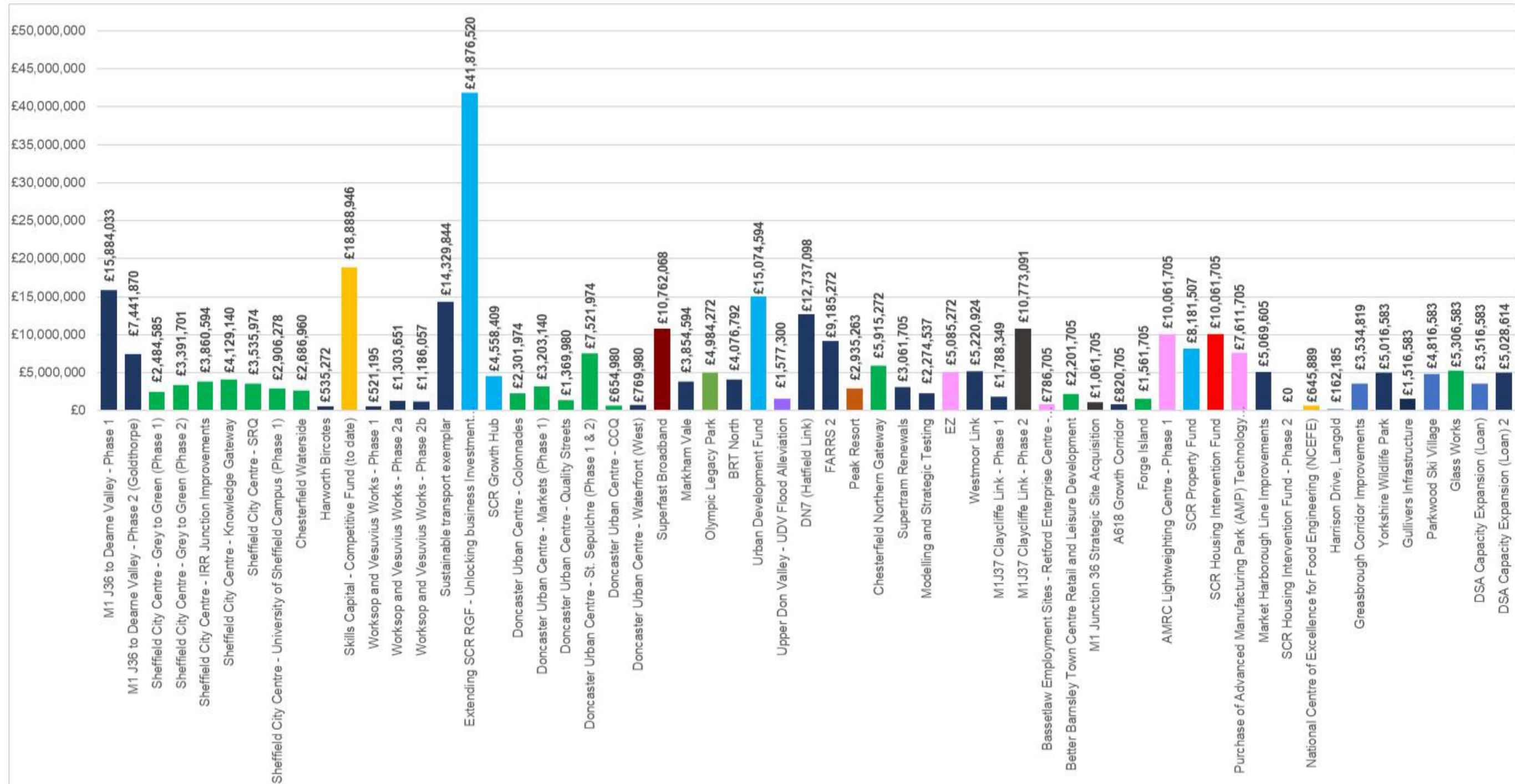
Local Growth Fund Allocation by Theme			
Theme	Project	LGF Allocation	Total for Theme
Transport	M1 J36 to Dearne Valley - Phase 1	£15,884,033	£102,141,502
	M1 J36 to Dearne Valley - Phase 2 (Goldthorpe)	£7,441,870	
	Harworth Bircotes	£535,272	
	Worksop and Vesuvius Works - Phase 1	£521,195	
	Worksop and Vesuvius Works - Phase 2a	£1,303,651	
	Worksop and Vesuvius Works - Phase 2b	£1,186,057	
	Sustainable transport exemplar	£14,329,844	
	Doncaster Urban Centre - Waterfront (West)	£769,980	
	Markham Vale	£3,854,594	
	BRT North	£4,076,792	
	Upper Don Valley - Parkwood Springs	£0	
	DN7 (Hatfield Link)	£12,737,098	
	FARRS 2	£9,185,272	
	Supertram Renewals	£3,061,705	
	Modelling and Strategic Testing	£2,274,537	
	Westmoor Link	£5,220,924	
	M1J37 Claycliffe Link - Phase 1	£1,788,349	
	A618 Growth Corridor	£820,705	
	Market Harborough Line Improvements	£5,069,605	
	Greasbrough Corridor Improvements	£3,534,819	
	DSA Capacity Expansion (Loan)	£3,516,583	
DSA Capacity Expansion (Loan) 2	£5,028,614		
Regeneration	Sheffield City Centre - Grey to Green (Phase 1)	£2,484,585	£57,849,127
	Sheffield City Centre - Grey to Green (Phase 2)	£3,391,701	
	Sheffield City Centre - IRR Junction Improvements	£3,860,594	
	Sheffield City Centre - Knowledge Gateway	£4,129,140	
	Sheffield City Centre - SRQ	£3,535,974	
	Sheffield City Centre - University of Sheffield Campus (Phase 1)	£2,906,278	
	Chesterfield Waterside	£2,686,960	
	Doncaster Urban Centre - Colonnades	£2,301,974	
	Doncaster Urban Centre - Lakeside Power	£0	
	Doncaster Urban Centre - Markets (Phase 1)	£3,203,140	
	Doncaster Urban Centre - Quality Streets	£1,369,980	
	Doncaster Urban Centre - St. Sepulchre (Phase 1 & 2)	£7,521,974	
	Doncaster Urban Centre - CCQ	£654,980	
	Doncaster Urban Centre - St. Sepulchre (Phase 3)	-	
	Chesterfield Northern Gateway	£5,915,272	
	Better Barnsley Town Centre Retail and Leisure Development	£2,201,705	
	Forge Island	£1,561,705	
	Parkwood Ski Village	£4,816,583	
	Glass Works	£5,306,583	
Skills	National Centre of Excellence for Food Engineering (NCEFE)	£645,889	£19,534,835
	SHU Capacity Building for Degree Apps	£500,000	
	The Sheffield College Increasing Higher Level Skills Construction and Engineering	£154,765	
	Digital Engineering Skills Development Network	£3,712,655	
	Sheffield UTC - From Teenager to Employee	£494,900	
	Barnsley College Digital Innovation Hub	£2,590,000	
	Rotherham College	£3,513,134	
	National Fluid Power Centre Integrated Systems	£132,500	
	RNN Group Motor Vehicle and IT Curriculum Growth Plan	£185,500	
	Chesterfield College Infirmary Road Project	£243,000	
	North Notts College	£308,055	
	National Rail College	£6,000,000	
	360 VFX	£902,577	
	Doncaster UTC Ltd	£151,860	
Business Support	Extending SCR RGF - Unlocking business Investment programme	£41,876,520	£69,691,031
	SCR Growth Hub	£4,558,409	
	Urban Development Fund	£15,074,594	
	SCR Property Fund	£8,181,507	
Digital/Internet Infrastructure	Superfast Broadband	£10,762,068	£10,762,068
Health and Wellbeing	Olympic Legacy Park	£4,984,272	£4,984,272
Enabling Works	Upper Don Valley - Claywheels Lane (Phase 1)	£63,244	£11,898,040
	M1J37 Claycliffe Link - Phase 2	£10,773,091	
	M1 Junction 36 Strategic Site Acquisition	£1,061,705	

Local Growth Fund Allocation by Theme			
Theme	Project	LGF Allocation	Total for Classification
Flood Management	Upper Don Valley - UDV Flood Alleviation	£1,577,300	£1,577,300
Tourism	Peak Resort	£2,935,263	£9,468,430
	Yorkshire Wildlife Park	£5,016,583	
	Gullivers Infrastructure	£1,516,583	
Enterprise	EZ	£5,085,272	£23,707,573
	AMRC Lightweighting Centre - Phase 1	£10,061,705	
	Purchase of Advanced Manufacturing Park (AMP) Technology Centre	£7,611,705	
	Harrison Drive, Langold	£162,185	
	Bassetlaw Employment Sites - Retford Enterprise Centre - Phase 2	£786,705	
Housing	SCR Housing Intervention Fund	£10,061,705	£10,061,705
	SCR Housing Intervention Fund - Phase 2	£0	
		Total	£321,675,883

Source: MCA Executive October 2020

3.1.2 Grant Funding Awarded - Graph

The graph shows the grant funding awarded to each of the projects supported by LGF. LGF Grants range in size from £162,185 to £41,876,520, with the largest grant awarded to the Extending SCR Regional Growth Fund – Unlocking Business Investment Programme, which aimed to coordinate and integrate access to finance through the Growth Hub. This project supported multiple private sector schemes and more details on this programme are included in the case study section. Similarly, the Skills Capital Programme supported major capital investment across the region including: The National College for High-Speed Rail, The North Notts College Campus, and the development of a new Centre for Higher Level Skills in Rotherham.



3.2 Grants Awarded by Geography

Reporting data allocates each funded project to a postcode, and this data has been used to further allocate each project to a district.

Note, some projects have been excluded from the calculations – see explanation below.

The tables below show a detailed breakdown of awards by district across the SCR region, including a breakdown of Business Investment Fund (BIF) and Skills Capital projects. The information in the table is based on the best information available at the time of the evaluation. Some projects have been excluded from the calculations and some information on the breakdown of funding was not available at the time of evaluation so the final breakdown by district may differ.

LGF Allocation - Sheffield						
Infrastructure Grants			BIF Projects		Skills Capital Projects (Q2 20/21)	
Project	Theme	Allocation	Project	Allocation	Project	Allocation
Sheffield City Centre - Grey to Green (Phase 1)	Regeneration	£2,484,585	AET	£49,489	SHU Capacity Building for Degree Apps	£500,000
Sheffield City Centre - Grey to Green (Phase 2)	Regeneration	£3,391,701	AF ChemPharm Project 1	£25,000	The Sheffield College Increasing Higher Level Skills Construction and Engineering	£154,765
Sheffield City Centre - IRR Junction Improvements	Regeneration	£3,860,594	AF ChemPharm Project 2	£25,000	Digital Engineering Skills Development Network	£3,712,655
Sheffield City Centre - Knowledge Gateway	Regeneration	£4,129,140	Arthurs Skips	£150,000	Sheffield UTC - From Teenager to Employee	£494,900
Sheffield City Centre - SRQ	Regeneration	£3,535,974	Bag it Don't Bin It	£50,000		
Sheffield City Centre - University of Sheffield Campus (Phase 1)	Regeneration	£2,906,278	Biovation Orthopaedic Ltd P1	£50,000		
Parkwood Ski Village	Regeneration	£4,816,583	Biovation Orthopaedic s Ltd P2	£90,000		
Olympic Legacy Park	Health and Wellbeing	£4,984,272	Boeing	£5,750,000		
BRT North	Transport	£4,076,792	BPH Engineering	£27,000		
Supertram Renewals	Transport	£3,061,705	Clipper	£1,150,000		
Modelling and Strategic Testing	Transport	£2,274,537	Cosmarida 2010 Limited	£96,000		
Upper Don Valley - Claywheels Lane (Phase 1)	Enabling Works	£63,244	Cossack Cuisine	£30,000		
Upper Don Valley - UDV Flood Alleviation	Flood Management	£1,577,300	Davy Markham	£500,000		
National Centre of Excellence for Food Engineering (NCEFE)	Skills	£645,889	Diamond Specialist Seating	£184,200		
SCR Housing Intervention Fund	Housing	£2,034,204	Eurosafe Solutions Ltd	£85,000		
			Exhausts UK Limited	£50,636		
			Fernite	£135,000		
			First Customer Contact	£1,500,000		
			Forgemasters	£650,000		
			Green Estates	£84,000		
			GSK Holdings	£123,944		
			Imoves	£19,519		
			Nprime	£95,000		
			PCT	£50,000		
Housing Total		£2,034,204	Plusnet	£700,000		
Regeneration Total		£25,124,854	Pro Roll	£400,000		
Health and Wellbeing Total		£4,984,272	Russell Richardson & Sons Ltd	£107,996		
Transport Total		£9,413,035	Schuberts	£60,000		
Enabling Works Total		£63,244	Sentinel Brewing Company	£61,500		
Flood Management Total		£1,577,300	Zoo Digital	£54,176		
Skills Total		£645,889	Braitrim UK	£123,707		
Total		£43,842,798	Total	£12,477,167	Total	£4,862,320
					Sheffield Total	£61,182,285

LGF Allocation - Rotherham						
Infrastructure Grants			BIF Projects		Skills Capital Projects (Q2 20/21)	
Project	Theme	Allocation	Project	Allocation	Project	Allocation
Greasbrough Corridor Improvements	Transport	£3,534,819	BA Clic Components	£440,000	Rotherham College	£3,513,134
A618 Growth Corridor	Transport	£820,705	Coptrz	£110,000	National Fluid Power Centre Integrated Systems	£132,500
Forge Island	Regeneration	£1,561,705	ENS Precision Engineering	£62,000	RNN Group Motor Vehicle and IT Curriculum Growth Plan	£185,500
Purchase of Advanced Manufacturing Park (AMP) Technology Centre	Enterprise	£7,611,705	Gen Fab	£116,000		
AMRC Lightweighting Centre - Phase 1	Enterprise	£10,061,705	Granville Oils	£100,000		
EZ	Enterprise	£2,553,027	Health Imaging Solutions Limited	£40,000		
Gullivers Infrastructure	Tourism	£1,516,583	ITM Power (Trading) Ltd	£400,000		
SCR Housing Intervention Fund	Housing	£3,916,915	MAL	£12,000,000		
Urban Development Fund	Business Support	£4,500,000	Meadowbank Shotblasting	£69,000		
			ND2016 / Kiveton Park Steel	£100,000		
			Newburgh Precision	£90,000		
			Nikken	£250,000		
			Oracle Precision Limited	£82,000		
			Parseq Limited	£178,296		
Business Support Total		£4,500,000	PCM	£329,184		
Housing Total		£3,916,915	Ricardo	£1,980,000		
Transport Total		£4,355,525	TKL Excavations	£469,000		
Regeneration Total		£1,561,705	United Caps UK Ltd	£1,500,000		
Enterprise Total		£20,226,438	Watflo Systems Limited	£46,000		
Tourism Total		£1,516,583	Wolf Components	£76,000		
Total		£36,077,166	Total	£18,437,480	Total	£3,831,134
					Rotherham Total	£58,345,780

Note: In October 2020, the Department for Transport approved the award of £40.16m to the LEP for the 2020/21 financial year to invest in the A630 Parkway Widening Scheme in Rotherham. This is an allocation within the original LGF deal but the assurance of which was retained by DfT.

LGF Allocation - Doncaster						
Infrastructure Grants			BIF Projects		Skills Capital Projects (Q2 20/21)	
Project	Theme	Allocation	Project	Allocation	Project	Allocation
DSA Capacity Expansion (Loan)	Transport	£3,516,583	360 Media*	£4,100,000	National Rail College	£6,000,000
Doncaster Urban Centre - Waterfront (West)	Transport	£769,980	Abbey Glen	£100,000	360 VFX	£902,577
DN7 (Hatfield Link)	Transport	£12,737,098	Aeros Global	£30,000	Doncaster UTC Ltd	£151,860
FARRS 2	Transport	£9,185,272	DSA	£1,240,000		
Westmoor Link	Transport	£5,220,924	FFE	£1,000,000		
DSA Capacity Expansion (Loan) 2	Transport	£5,028,614	Hallam Castings Ltd	£65,000		
Doncaster Urban Centre - Colonnades	Regeneration	£2,301,974	Highfield	£280,000		
Doncaster Urban Centre - Markets (Phase 1)	Regeneration	£3,203,140	Kingsbury Press	£300,000		
Doncaster Urban Centre - Quality Streets	Regeneration	£1,369,980	Kustom Labels	£100,000		
Doncaster Urban Centre - St. Sepulchre (Phase 1 & 2)	Regeneration	£7,521,974	Mobile Installation Solutions Project 1	£60,000		
Doncaster Urban Centre - CCQ	Regeneration	£654,980	Omega	£750,000		
Yorkshire Wildlife Park	Tourism	£5,016,583	Yorkshire Precision Gauges	£35,000		
SCR Housing Intervention Fund	Housing	£350,000	Industrial Pallet & Transport Services Limited	£100,000		
Urban Development Fund	Business Support	£1,700,000	Mobile Installation Solutions Project 2	£50,000		
Business Support Total		£1,700,000				
Housing Total		£350,000				
Transport Total		£36,458,471				
Regeneration Total		£15,052,046				
Tourism Total		£5,016,583	*Not contracted			
Total		£58,577,101	Total	£8,210,000	Total	£7,054,437
Doncaster Total						£73,841,538

LGF Allocation - Barnsley						
Infrastructure Grants			BIF Projects		Skills Capital Projects (Q2 20/21)	
Project	Theme	Allocation	BIF Projects	Allocation	Project	Allocation
M1 J36 to Dearne Valley - Phase 1	Transport	£15,884,033	Finance Yorkshire	£1,017,500	Barnsley College Digital Innovation Hub	£2,590,000
M1 J36 to Dearne Valley - Phase 2 (Goldthorpe)	Transport	£7,441,870	Kostal	£395,000		
M1J37 Claycliffe Link - Phase 1	Transport	£1,788,349	William Rowland Ltd	£250,000		
Glass Works	Regeneration	£5,306,583				
Better Barnsley Town Centre Retail and Leisure Development	Regeneration	£2,201,705				
M1 Junction 36 Strategic Site Acquisition	Enabling Works	£1,061,705				
M1J37 Claycliffe Link - Phase 2	Enabling Works	£10,773,091				
EZ	Enterprise	£2,275,633				
Urban Development Fund	Business Support	£798,750				
Business Support Total		£798,750				
Enterprise Total		£2,275,633				
Transport Total		£25,114,253				
Regeneration Total		£7,508,289				
Enabling Works Total		£11,834,796				
Total		£47,531,721	Total	£1,662,500	Total	£2,590,000
Barnsley Total						£51,784,221

LGF Allocation - Chesterfield						
Infrastructure Grants			BIF Projects		Skills Capital Projects (Q2 20/21)	
Project	Theme	Allocation	Project	Allocation	Project	Allocation
Chesterfield Waterside	Regeneration	£2,686,960	AAG Systems Ltd	£34,000	Chesterfield College Infirmarary Road Project	£243,000
Chesterfield Northern Gateway	Regeneration	£5,915,272	Altek Europe Ltd	£110,000		
Markham Vale	Transport	£3,854,594	Central Technology	£100,000		
			Original Recipes Ltd	£25,000		
			Palamatic Ltd	£51,372		
Regeneration Total		£8,602,232	R Wilson & Co	£120,000		
Transport Total		£3,854,594	Superior Spas	£249,000		
Total		£12,456,826	Total	£689,372	Total	£243,000
Chesterfield Total						£13,389,198

LGF Allocation - Bassetlaw						
Infrastructure Grants			BIF Projects		Skills Capital Projects (Q2 20/21)	
Project	Theme	Allocation	Project	Allocation	Project	Allocation
Harworth Bircotes	Transport	£535,272	Harry Needle Rail	£400,000	North Notts College	£308,055
Worksop and Vesuvius Works - Phase 1	Transport	£521,195				
Worksop and Vesuvius Works - Phase 2a	Transport	£1,303,651				
Worksop and Vesuvius Works - Phase 2b	Transport	£1,186,057				
Bassetlaw Employment Sites - Retford Enterprise Centre - Phase 2	Enterprise	£786,705				
Harrison Drive, Langold	Enterprise	£162,185				
Transport Total		£3,546,175				
Enterprise Total		£948,890				
Total		£4,495,066	Total	£400,000	Total	£308,055
Bassetlaw Total						£5,203,121

LGF Allocation - North East Derbyshire						
Infrastructure Grants			BIF Projects		Skills Capital Projects (Q2 20/21)	
Project	Theme	Allocation	Project	Allocation	Project	Allocation
Peak Resort	Tourism	£2,935,263				
Total		£2,935,263	Total	£0	Total	£0
North East Derbyshire Total						£2,935,263

LGF Allocation - Derbyshire Dales						
Infrastructure Grants			BIF Projects		Skills Capital Projects (Q2 20/21)	
Project	Theme	Allocation	Project	Allocation	Project	Allocation
SCR Housing Intervention Fund	Housing	£270,000				
Total		£270,000	Total	£0	Total	£0
Derbyshire Dales Total						£270,000

Note: for both the Urban Development Fund and the SCR Housing Intervention Fund, allocation data by district is to date, with some of the project's funding still to be allocated.

- SCR Housing Intervention Fund Total Allocation = £10,061,705
- Total Allocation to-date = £6,571,119
- Total Regionwide ('Unallocated') = £3,490,586
- Urban Development Fund = £15,074,594
- Total Allocation to-date = £6,998,750
- Total Regionwide ('Unallocated') = £8,075,844

3.2.1 Geographical Summary

The table below shows the summarises the funding per district based on the information above and the best information available at the time of the evaluation. Some information on the breakdown of funding was not available at the time of evaluation so the final breakdown by district may differ.

LGF Allocation by District	
District	LGF Allocation
Doncaster	£73,841,538
Sheffield	£61,182,285
Rotherham	£58,345,780
Barnsley	£51,784,221
Chesterfield	£13,389,198
Bassetlaw	£5,203,121
North East Derbyshire	£2,935,263
Derbyshire Dales	£270,000

Source: MCA Executive Monitoring Team February 2020

Notes to Table:

Where possible, projects have been allocated to a district/ borough based on postcode data reported. For clarity and accuracy, projects that operate across a number of areas have been excluded from the geographical split analysis. Where projects are yet to allocate a portion of their funding, this has also been excluded:

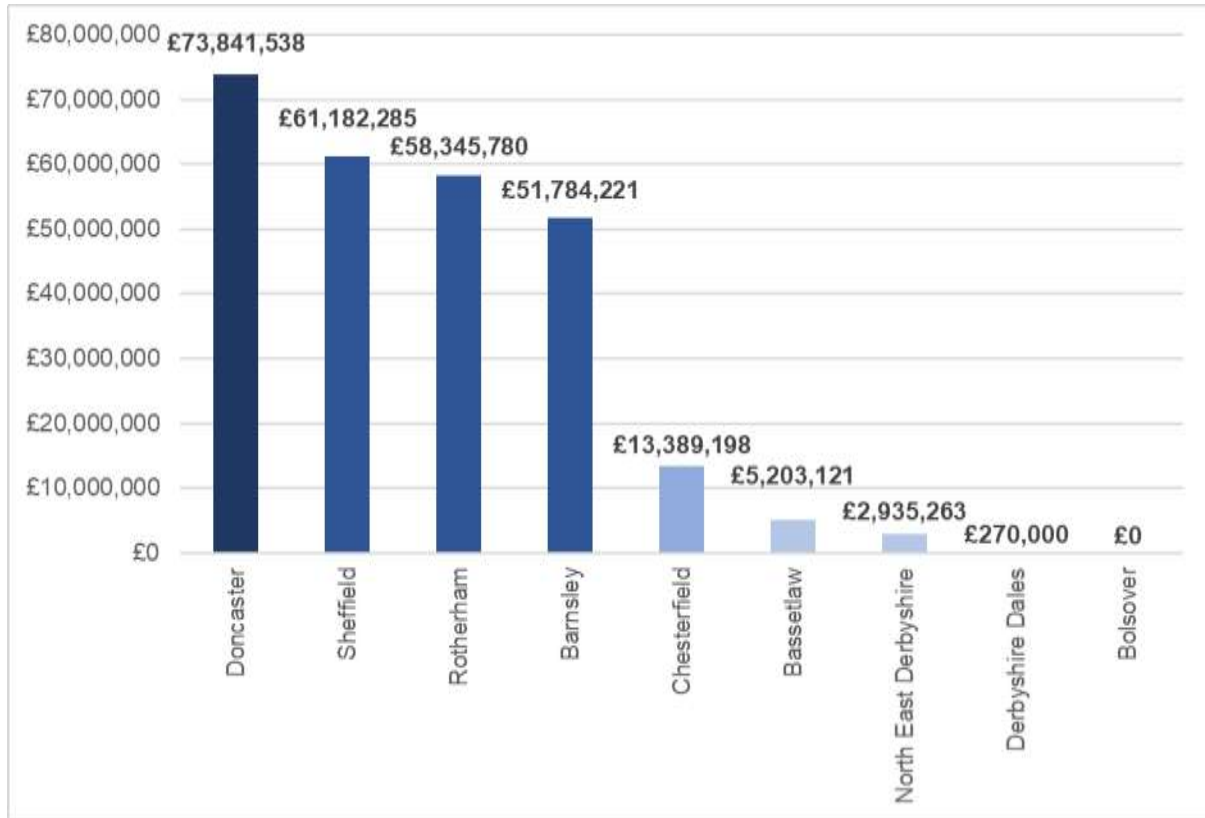
- SCR Growth Hub – £4,558,409
- Superfast Broadband – £10,762,068
- Sustainable transport exemplar - £14,329,844
- Urban Development Fund* - £8,075,844
- SCR Property Fund - £8,181,507
- SCR Housing Intervention Fund* - £3,490,586

*Part allocated

Market Harborough is not in the SCR area, but a collaborative scheme was funded with D2N2 and LLEP. More details of this scheme can be found in later sections.

3.2.2 Grants Awarded by Geography - Graph

The grants awarded by area can be seen in the graph below. Not including the excluded schemes, the graph shows that Doncaster has been allocated the most LGF, followed by Sheffield, Rotherham and Barnsley, each of which received similar allocations.



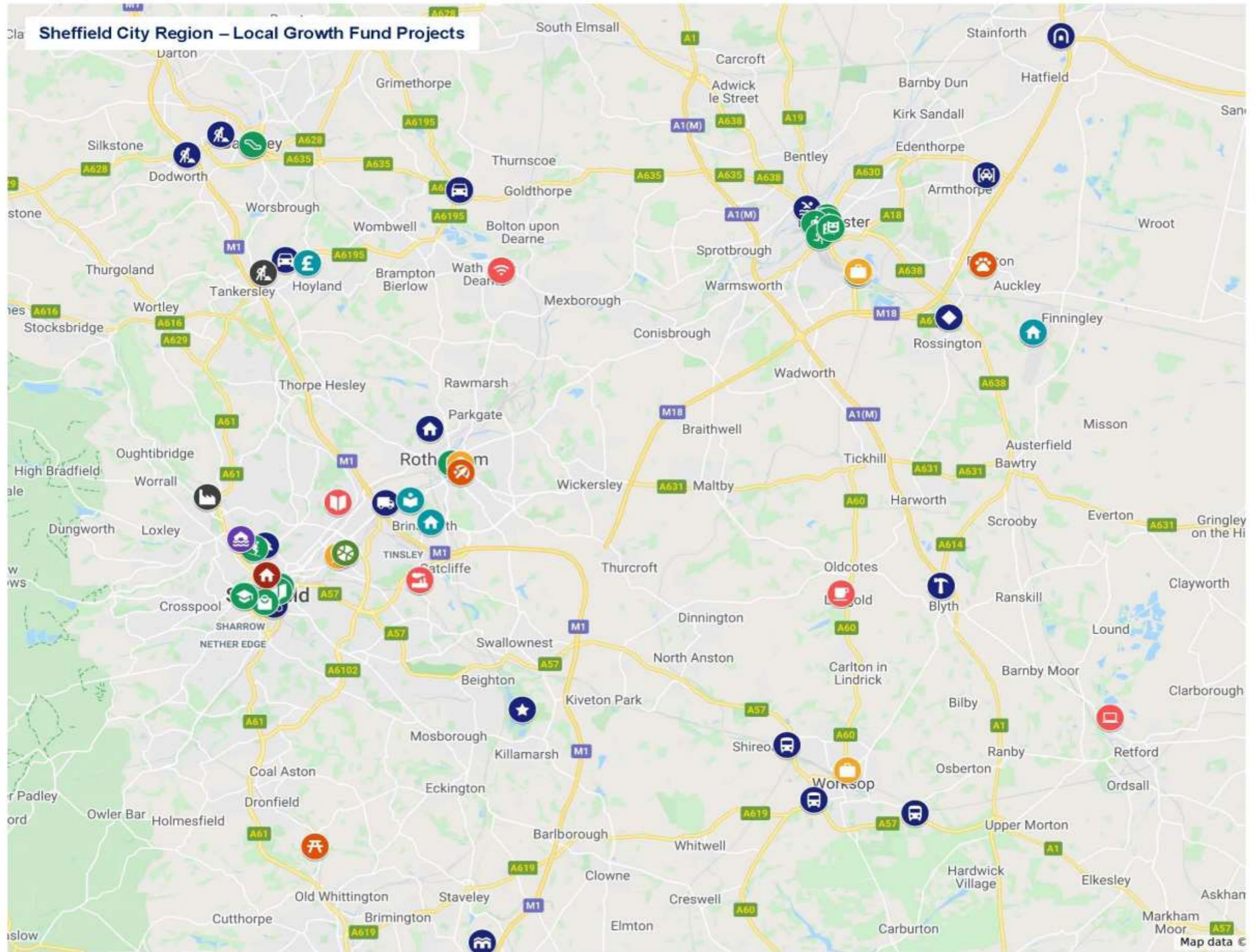
There was no direct investment in Bolsover and limited investment in Derbyshire Dales, North East Derbyshire and Bassetlaw, however these areas were able to access support from schemes that were SCR wide and were also able to benefit from LGF support from the D2N2 LEP. Similarly, Barnsley was able to access funding from Leeds City Region.

Funding was allocated on the basis of the projects submitted and the quality of the business case with funding secured from Government for a defined list of projects under Growth Deal 1, 2 and 3. This approach ensured that funding is spent in areas that it is most needed and will have the biggest impact.

3.2.3 Map of Local Growth Fund Projects

A number of LGF projects operate across a number of locations. We have illustrated all LGF projects that have been designated up to three locations; for projects with too many allocated locations to map, we have either selected the most prevalent location for the project, or where this isn't clear, withheld the project from the map. The following projects are geographically widespread and have been left off the map:

- SCR Growth Hub
- Superfast Broadband
- EZ
- Market Harborough Line Improvements
- SCR Housing Intervention Fund – Phase 2.



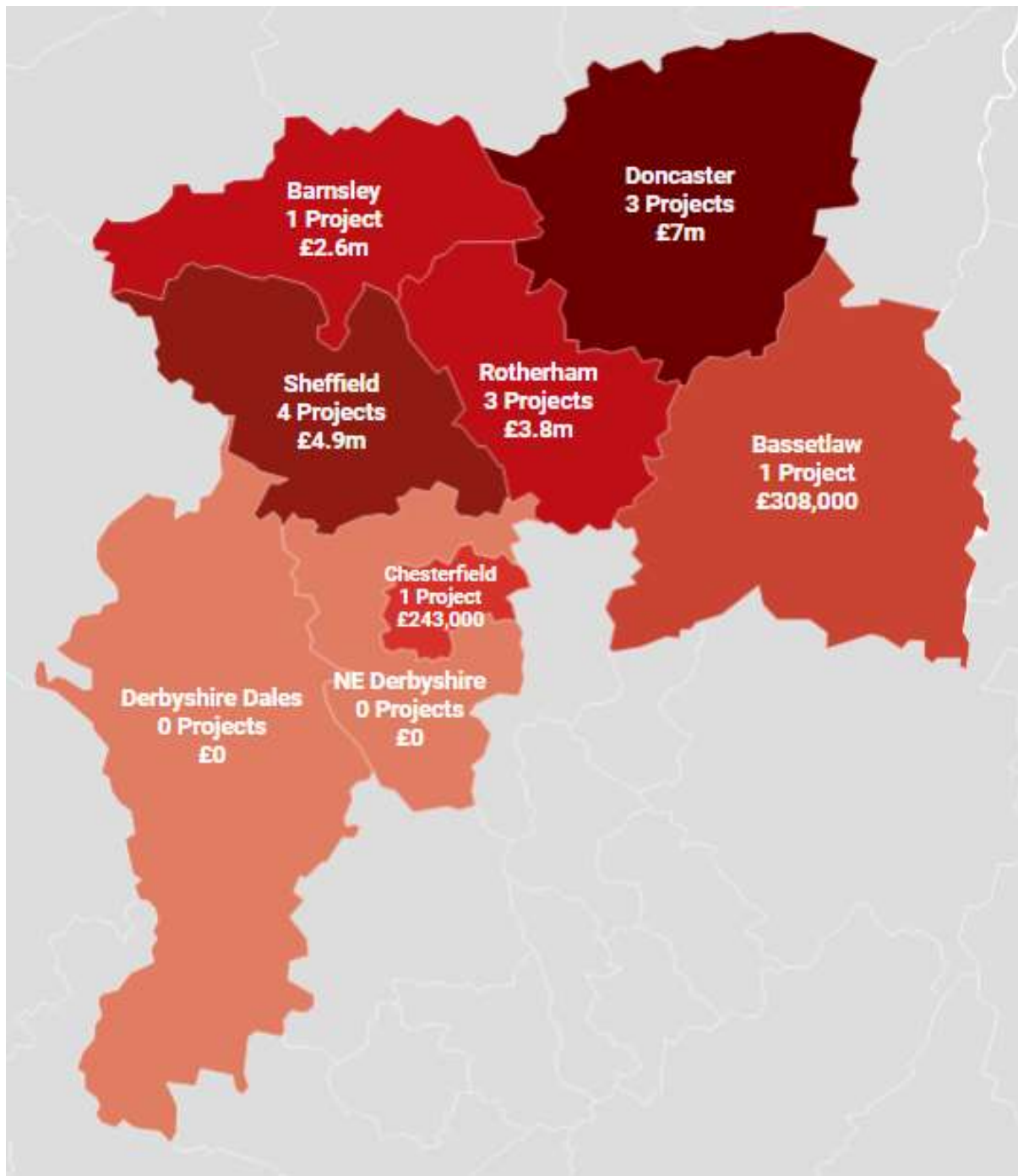
3.2.4 Map of BIF Projects

The map below illustrates a district breakdown of Business Investment Fund (BIF) Projects by allocation. The graphics are proportionate in size to allocation.



3.2.5 Map of Skills Capital Projects

The map below illustrates a district breakdown of Skills Capital Fund projects by allocation to date.



3.3 Grants Awarded by District: Funding Awarded per Head of Population and per Number of Businesses

The previous analysis of spend by district is a useful exercise in establishing where funding has been allocated geographically, but this does not reflect that there are significant differences in the nature, size and population of each area. To account for this, over the following sections, we analyse the district/ borough grant awarded by population size and by number of businesses.

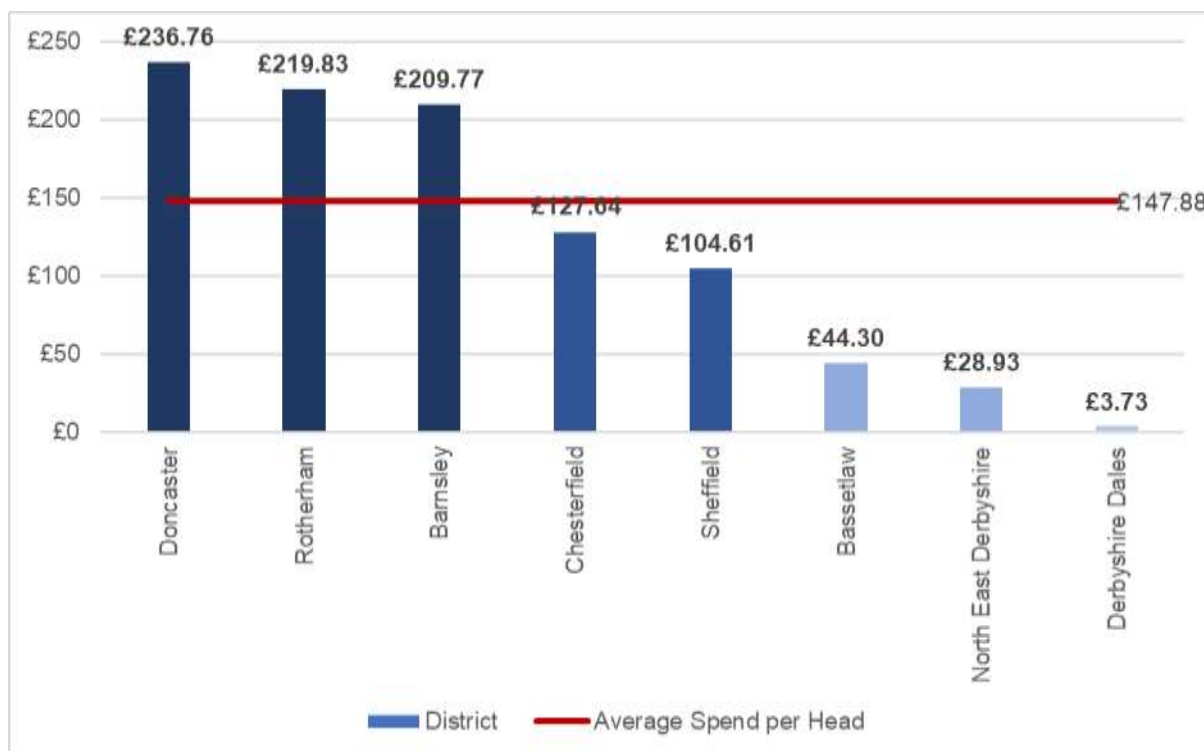
3.3.1 LGF per Head

The data reveals that (after the excluded projects have been taken out of the calculation) Doncaster (£236.76 per person), Rotherham (£219.83 per person), and Barnsley (£209.77 per person) have the highest levels of funding per head than the other districts in the Sheffield City Region.

Local Growth Fund Allocation by District - Spend per Head			
District	LGF Received	Population (2020)	Spend per Head
Doncaster	£73,841,538	311,890	£236.76
Rotherham	£58,345,780	265,411	£219.83
Barnsley	£51,784,221	246,866	£209.77
Chesterfield	£13,389,198	104,900	£127.64
Sheffield	£61,182,285	584,853	£104.61
Bassetlaw	£5,203,121	117,459	£44.30
North East Derbyshire	£2,935,263	101,462	£28.93
Derbyshire Dales	£270,000	72,300	£3.73
Sheffield City Region - Total	£266,951,406	1,805,141	£147.88

Source: MCA Executive October 2020, ONS Population Estimates, 2019. Where possible, projects have been allocated to a district/ borough based on postcode data reported. Some projects excluded where geographical breakdown is not available.

From the data we can see that the average spend per head in the Sheffield City Region was £147.88.



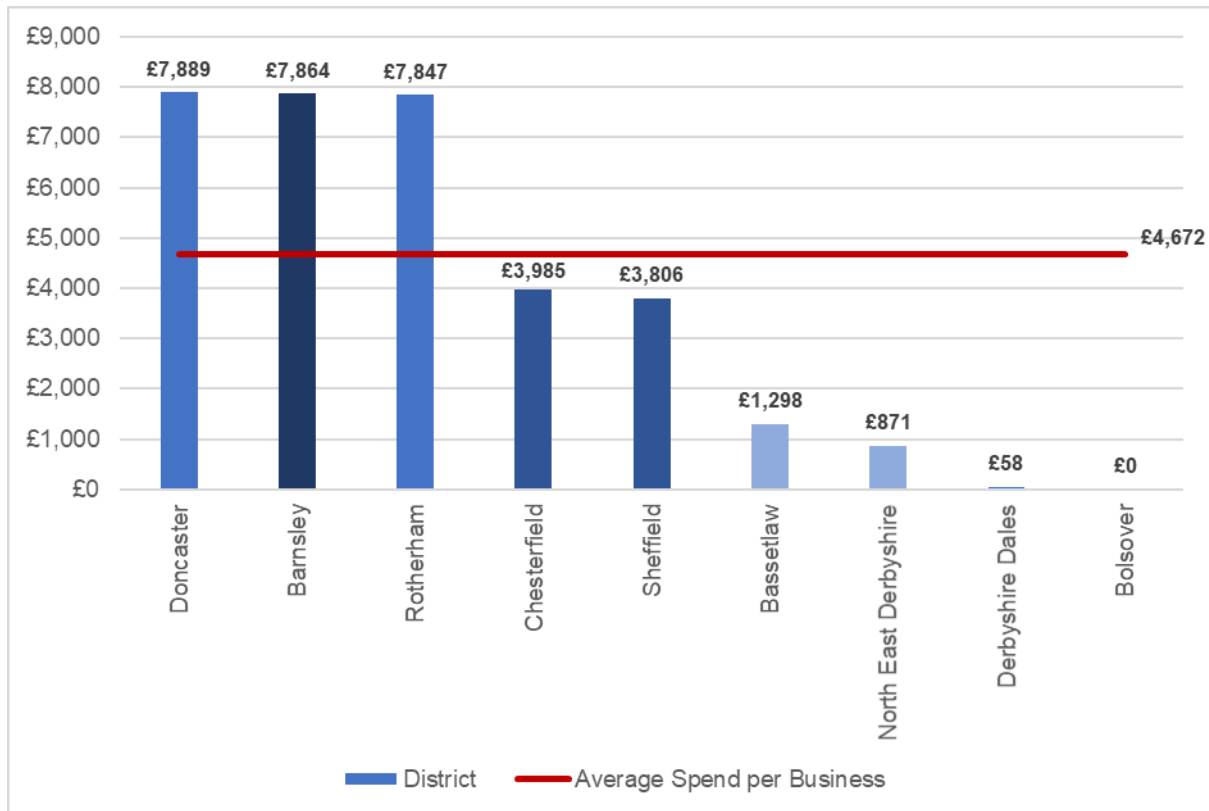
3.3.2 Awarded LGF per Business

The table below shows the total grant awarded for each area per number of business. Doncaster, Barnsley and Rotherham have a higher proportionate spend awards per business than the other districts.

Local Growth Fund Allocation by District - Spend per Business			
District	LGF Received	Nr of Businesses	Spend per Business
Doncaster	£73,841,538	9,360	£7,889
Barnsley	£51,784,221	6,585	£7,864
Rotherham	£58,345,780	7,435	£7,847
Chesterfield	£13,389,198	3,360	£3,985
Sheffield	£61,182,285	16,075	£3,806
Bassetlaw	£5,203,121	4,010	£1,298
North East Derbyshire	£2,935,263	3,370	£871
Derbyshire Dales	£270,000	4,680	£58
Bolsover	£0	2,265	£0
Sheffield City Region - Total	£266,951,406	57,140	£4,672

Source: MCA Executive Team October 2020, UK Business Count 2020. Where possible, projects have been allocated to a district/ borough based on postcode data reported. A total of £91,274,778 grant awards has been excluded from the table for projects that cross multiple areas, or for funding that is yet to be allocated £5,069,605 has been excluded for projects taking place in Harborough.

From the data we can see that the average spend per business in the Sheffield City Region was £4,672.



3.4 Funding Awarded by Rural / Urban Split

Projects were designated postcodes and these have each been defined as urban or rural. As with previous figures, projects with multiple postcodes have been excluded from the analysis.

It can be important to distinguish between rural and urban areas when analysing social and economic statistics as the populations and businesses can differ in their make-up. The opportunities, challenges and barriers for businesses, the services people receive and their quality of life can also differ markedly between rural areas and larger towns and cities.

- Urban areas are the connected built-up areas identified by Ordnance Survey mapping that have resident populations above 10,000 people.
- Rural areas are those areas that are not urban, i.e., consisting of settlements below 10,000 people or are open countryside.

Project Split by Rural/Urban Classification	
Rural/Urban Classification	LGF Funding
Rural Hamlet and Isolated Dwellings, Rural Village, Rural Town and Fringe	£42,048,768
Urban City and Town and Urban Minor Conurbation	£177,517,704
Total	£219,566,472

Source: Urban/ Rural Split was taken from the following web resource:

<https://www.doogal.co.uk/ShowMap.php?postcode=S74%209DF>

Where possible, projects have been allocated a Rural/Urban classification based on postcode data reported. Some grants have been excluded from the table for projects that cross multiple areas or specific postcode data was not available. This includes:

- SCR Growth Hub – £4,558,409
- Superfast Broadband – £10,762,068
- Sustainable transport exemplar - £14,329,844
- Extending SCR RGF – Unlocking business investment programme - £41,876,520
- EZ - £5,085,272
- SCR Property Fund - £8,181,507

Market Harborough is not in the SCR area, but a collaborative scheme was funded with D2N2 and LLEP. More details of this scheme can be found in later sections. It has been excluded from the above analysis.

3.5 Match/ Intervention Rate by Theme

The table below shows the LGF grants awarded by theme and the match funding anticipated to be levered in by the end of the programme.

Each theme has been ranked in terms of the total match funding that will be generated for every £1 of LGF invested by the end of the programme. We can see that projects classified under the 'Housing' theme are expected to generate the lowest level of match (or have the highest LGF intervention rate), whilst tourism schemes are generating the most match funding. For every £1 of LGF invested in tourism there is expected to be £8.76 spent in match funding by the end of the programme.

The average intervention rate across all themes for the LGF fund is 30% - i.e., for every £1 of LGF spend, a further £2.35 of match funding will be spent in the local economy by the end of the programme. It will be important to update this analysis at the final evaluation stage to see whether this match funding has been achieved.

Match Funding Assessment by Theme					
Project	Total LGF Awarded	Match Funding	Intervention Rate - LGF/ (LGF+ Match)	£1 of LGF brings £x match	Match Funding Rank
Tourism Total	£9,468,430	£82,952,352	10%	£8.76	1
Regeneration Total	£57,849,127	£243,960,445	19%	£4.22	2
Business Support Total	£69,691,031	£220,677,098	24%	£3.17	3
Skills Total	£19,534,835	£58,501,389	25%	£2.99	4
Digital/ Internet Total	£10,762,068	£22,090,402	33%	£2.05	5
Flood Management Total	£1,577,300	£1,689,155	48%	£1.07	6
Transport Total	£102,141,502	£100,484,902	50%	£0.98	7
Health and Wellbeing Total	£4,984,272	£4,210,000	54%	£0.84	8
Enterprise Total	£23,707,573	£15,300,126	61%	£0.65	9
Enabling Works Total	£11,898,040	£4,862,334	71%	£0.41	10
Housing Total	£10,061,705	£0	100%	£0.00	11
Total	£321,675,883	£754,728,202	30%	£2.35	

Note: Of the above funded projects, 1 project took place outside of the Sheffield City Region area. This was £5,069,605 of LGF grant for a transport scheme in Market Harborough.

This information is broken down to a project level overleaf.

Match Funding Awarded – By Theme					
Theme	Project	Total LGF Awarded	Match Funding	Intervention Rate - LGF/ (LGF+Match)	£1 of LGF brings £x match
Business Support	Extending SCR RGF - Unlocking business Investment programme	£41,876,520	£121,909,011	26%	£2.91
	SCR Growth Hub	£4,558,409	£96,768,087	4%	£21.23
	Urban Development Fund	£15,074,594	£0	100%	£0.00
	SCR Property Fund	£8,181,507	£2,000,000	80%	£0.24
	Business Support Total	£69,691,031	£220,677,098	24%	£3.17
Digital/Internet Infrastructure	Superfast Broadband	£10,762,068	£22,090,402	33%	£2.05
	Digital/ Internet Total	£10,762,068	£22,090,402	33%	£2.05
Enabling Works	Upper Don Valley - Claywheels Lane (Phase 1)	£63,244	£0	100%	£0.00
	M1J37 Claycliffe Link - Phase 2	£10,773,091	£4,501,334	71%	£0.42
	M1 Junction 36 Strategic Site Acquisition	£1,061,705	£361,000	75%	£0.34
	Enabling Works Total	£11,898,040	£4,862,334	71%	£0.41
Enterprise	EZ	£5,085,272	£1,940,000	72%	£0.38
	Bassetlaw Employment Sites - Retford Enterprise Centre - Phase 2	£786,705	£725,000	52%	£0.92
	AMRC Lightweighting Centre - Phase 1	£10,061,705	£11,891,000	46%	£1.18
	Purchase of Advanced Manufacturing Park (AMP) Technology Centre	£7,611,705	£400,000	95%	£0.05
	Harrison Drive, Langold	£162,185	£344,126	32%	£2.12
	Enterprise Total	£23,707,573	£15,300,126	61%	£0.65
Flood Management	Upper Don Valley - UDV Flood Alleviation	£1,577,300	£1,689,155	48%	£1.07
	Flood Management Total	£1,577,300	£1,689,155	48%	£1.07
Health and Wellbeing	Olympic Legacy Park	£4,984,272	£4,210,000	54%	£0.84
	Health and Welbeing Total	£4,984,272	£4,210,000	54%	£0.84
Housing	SCR Housing Intervention Fund	£10,061,705	£0	100%	£0.00
	Housing Total	£10,061,705	£0	100%	£0.00
Regeneration	Sheffield City Centre - Grey to Green (Phase 1)	£2,484,585	£1,032,749	71%	£0.42
	Sheffield City Centre - Grey to Green (Phase 2)	£3,391,701	£1,880,653	64%	£0.55
	Sheffield City Centre - IRR Junction Improvements	£3,860,594	£1,288,697	75%	£0.33
	Sheffield City Centre - Knowledge Gateway	£4,129,140	£2,571,000	62%	£0.62
	Sheffield City Centre - SRQ	£3,535,974	£10,392,017	25%	£2.94
	Sheffield City Centre - University of Sheffield Campus (Phase 1)	£2,906,278	£4,989,129	37%	£1.72
	Chesterfield Waterside	£2,686,960	£0	100%	£0.00
	Doncaster Urban Centre - Colonnades	£2,301,974	£1,099,648	68%	£0.48
	Doncaster Urban Centre - Markets (Phase 1)	£3,203,140	£3,926,444	45%	£1.23
	Doncaster Urban Centre - Quality Streets	£1,369,980	£789,983	63%	£0.58
	Doncaster Urban Centre - St. Sepulchre (Phase 1 & 2)	£7,521,974	£3,570,308	68%	£0.47
	Doncaster Urban Centre - CCQ	£654,980	£7,123,147	8%	£10.88
	Chesterfield Northern Gateway	£5,915,272	£6,035,967	49%	£1.02
	Better Barnsley Town Centre Retail and Leisure Development	£2,201,705	£76,228,148	3%	£34.62
	Forge Island	£1,561,705	£20,950,000	7%	£13.41
	Parkwood Ski Village	£4,816,583	£3,000,000	62%	£0.62
	Glass Works	£5,306,583	£99,082,555	5%	£18.67
	Regeneration Total	£57,849,127	£243,960,445	19%	£4.22
Skills	Skills Capital - Competitive Fund	£18,888,946	£50,343,782	38%	£2.66
	National Centre of Excellence for Food Engineering (NCEFF)	£645,889	£8,157,607	7%	£12.63
	Skills Total	£19,534,835	£58,501,389	25%	£2.99

Match Funding Awarded – By Theme					
Theme	Project	Total LGF Awarded	Match Funding	Intervention Rate - LGF/ (LGF+Match)	£1 of LGF brings £x match
Tourism	Peak Resort	£2,935,263	£40,500,000	7%	£13.80
	Yorkshire Wildlife Park	£5,016,583	£39,097,352	11%	£7.79
	Gullivers Infrastructure	£1,516,583	£3,355,000	31%	£2.21
Transport	M1 J36 to Dearne Valley - Phase 1	£15,884,033	£22,064,354	42%	£1.39
	M1 J36 to Dearne Valley - Phase 2 (Goldthorpe)	£7,441,870	£563,458	93%	£0.08
	Harworth Bircotes	£535,272	£11,100,000	5%	£20.74
	Worksop and Vesuvius Works - Phase 1	£521,195	£2,214,182	19%	£4.25
	Worksop and Vesuvius Works - Phase 2a	£1,303,651	£9,900,000	12%	£7.59
	Worksop and Vesuvius Works - Phase 2b	£1,186,057	£630,742	65%	£0.53
	Sustainable transport exemplar	£14,329,844	£12,952,511	53%	£0.90
	Doncaster Urban Centre - Waterfront (West)	£769,980	£1,798,000	30%	£2.34
	Markham Vale	£3,854,594	£3,780,000	50%	£0.98
	BRT North	£4,076,792	£13,804,747	23%	£3.39
	DN7 (Hatfield Link)	£12,737,098	£5,458,241	70%	£0.43
	FARRS 2	£9,185,272	£1,305,814	88%	£0.14
	Supertram Renewals	£3,061,705	£1,054,389	74%	£0.34
	Modelling and Strategic Testing	£2,274,537	£221,737	91%	£0.10
	Westmoor Link	£5,220,924	£5,675,547	48%	£1.09
	M1J37 Claycliffe Link - Phase 1	£1,788,349	£2,841,590	39%	£1.59
	A618 Growth Corridor	£820,705	£29,090	97%	£0.04
	Market Harborough Line Improvements	£5,069,605	£0	100%	£0.00
	Greasbrough Corridor Improvements	£3,534,819	£0	100%	£0.00
	DSA Capacity Expansion (Loan)	£5,028,614	£5,090,500	50%	£1.01
DSA Capacity Expansion (Loan)	£3,516,583	£0	100%	£0.00	
	Transport Total	£102,141,502	£100,484,902	50%	£0.98
	Total	£321,675,883	£754,728,202	30%	£2.35

4.0 Financial Analysis – Progress Towards Targets

The previous section showed what the LGF programme is delivering in terms of financial support for projects across the region. This section analyses project progress towards meeting these spend targets.

The table below shows the progress of the overall programme towards meeting the LGF spend targets.

Based on the data provided by the MCA Executive, LGF funded projects have claimed approximately £277.6m of grant funding - 80.6% of the total LGF funding that has been allocated.

LGF Award	2015-2016	2016-17	17-18	18-19	19-20	20-21	Total
	£43,847,944	£75,122,442	£86,850,906	£42,471,649	£29,867,716	£43,238,940	£321,399,596
			Financial Year				Total
		15-17	17-18	18-19	19-20	20-21	
LGF Expenditure							
Actual		116,078,698	78,947,408	46,027,079	36,582,868	-	277,636,053
Forecast for year		116,078,698	78,947,408	46,027,079	51,107,274	50,517,369	342,677,829
Progress towards forecast			100%	100%	72%	0%	81%
Non-LGF Expenditure							
Actual		104,911,119	71,501,841	127,615,384	215,400,575	-	519,428,919
Forecast for year		104,911,119	71,501,841	127,615,383	230,834,200	183,170,516	718,033,058
Progress towards forecast			100%	100%	93%	0%	72%
Total LGF + non-LGF Expenditure							
Actual		220,989,817	150,449,249	173,642,463	251,983,443	-	797,064,972
Forecast for year		220,989,817	150,449,249	173,642,462	281,941,474	233,687,885	1,060,710,887
Progress towards forecast		+100%	+100%	+100%	+89%	+0%	75%

The table over the page splits the above data at a project level.

LGF Claimed to Date					
Theme	Project	Total LGF Awarded	LGF Claimed to date		Match Funding
			£	%	
Business Support	Extending SCR RGF - Unlocking business Investment programme	£41,876,520	£31,923,113	76.2%	£121,909,011
	SCR Growth Hub	£4,558,409	£2,858,800	62.7%	£96,768,087
	Urban Development Fund	£15,074,594	£15,066,024	99.9%	£0
	SCR Property Fund	£8,181,507	£8,172,938	99.9%	£2,000,000
	Business Support Total	£69,691,031	£58,020,874	83.3%	£220,677,098
Digital/Internet Infrastructure	Superfast Broadband	£10,762,068	£10,753,498	99.9%	£22,090,402
	Digital/ Internet Total	£10,762,068	£10,753,498	99.9%	£22,090,402
Enabling Works	Upper Don Valley - Claywheels Lane (Phase 1)	£63,244	£63,244	100.0%	£0
	M1J37 Claycliffe Link - Phase 2	£10,773,091	£464,043	4.3%	£4,501,334
	M1 Junction 36 Strategic Site Acquisition	£1,061,705	£1,053,136	99.2%	£361,000
	Enabling Works Total	£11,898,040	£1,580,422	13.3%	£4,862,334
Enterprise	EZ	£5,085,272	£5,076,702	99.8%	£1,940,000
	Bassetlaw Employment Sites - Retford Enterprise Centre - Phase 2	£786,705	£778,136	98.9%	£725,000
	AMRC Lightweighting Centre - Phase 1	£10,061,705	£10,053,136	99.9%	£11,891,000
	Purchase of Advanced Manufacturing Park (AMP) Technology Centre	£7,611,705	£7,603,136	99.9%	£400,000
	Harrison Drive, Langold	£162,185	£153,615	94.7%	£344,126
	Enterprise Total	£23,707,573	£23,664,724	99.8%	£15,300,126
Flood Management	Upper Don Valley - UDV Flood Alleviation	£1,577,300	£1,314,806	83.4%	£1,689,155
	Flood Management Total	£1,577,300	£1,314,806	83.4%	£1,689,155
Health and Wellbeing	Olympic Legacy Park	£4,984,272	£4,975,702	99.8%	£4,210,000
	Health and Wellbeing Total	£4,984,272	£4,975,702	99.8%	£4,210,000
Housing	SCR Housing Intervention Fund	£10,061,705	£10,053,136	99.9%	£0
	Housing Total	£10,061,705	£10,053,136	99.9%	£0
Regeneration	Sheffield City Centre - Grey to Green (Phase 1)	£2,484,585	£2,484,585	100.0%	£1,032,749
	Sheffield City Centre - Grey to Green (Phase 2)	£3,391,701	£3,382,182	99.7%	£1,880,653
	Sheffield City Centre - IRR Junction Improvements	£3,860,594	£3,849,855	99.7%	£1,288,697
	Sheffield City Centre - Knowledge Gateway	£4,129,140	£4,129,140	100.0%	£2,571,000
	Sheffield City Centre - SRQ	£3,535,974	£3,535,974	100.0%	£10,392,017
	Sheffield City Centre - University of Sheffield Campus (Phase 1)	£2,906,278	£2,906,278	100.0%	£4,989,129
	Chesterfield Waterside	£2,686,960	£2,678,390	99.7%	£0
	Doncaster Urban Centre - Colonnades	£2,301,974	£2,301,974	100.0%	£1,099,648
	Doncaster Urban Centre - Markets (Phase 1)	£3,203,140	£3,203,140	100.0%	£3,926,444
	Doncaster Urban Centre - Quality Streets	£1,369,980	£1,369,980	100.0%	£789,983
	Doncaster Urban Centre - St. Sepulchre (Phase 1 & 2)	£7,521,974	£7,553,839	100.4%	£3,570,308
	Doncaster Urban Centre - CCQ	£654,980	£654,980	100.0%	£7,123,147
	Chesterfield Northern Gateway	£5,915,272	£5,906,702	99.9%	£6,035,967
	Better Barnsley Town Centre Retail and Leisure Development	£2,201,705	£2,193,136	99.6%	£76,228,148
	Forge Island	£1,561,705	£1,553,136	99.5%	£20,950,000
	Parkwood Ski Village	£4,816,583	£4,808,014	99.8%	£3,000,000
	Glass Works	£5,306,583	£5,298,014	99.8%	£99,082,555
	Regeneration Total	£57,849,127	£57,809,317	99.9%	£243,960,445
Skills	Skills Capital - Competitive fund	£18,888,946	£16,140,183	85.4%	£50,343,782
	National Centre of Excellence for Food Engineering (NCEFE)	£645,889	£637,319	98.7%	£8,157,607
	Skills Total	£19,534,835	£16,777,503	85.9%	£58,501,389
Tourism	Peak Resort	£2,935,263	£2,926,693	99.7%	£40,500,000
	Yorkshire Wildlife Park	£5,016,583	£5,008,014	99.8%	£39,097,352
	Gullivers Infrastructure	£1,516,583	£1,508,014	99.4%	£3,355,000
	Tourism Total	£9,468,430	£9,442,720	99.7%	£82,952,352
Transport	M1 J36 to Dearne Valley - Phase 1	£15,884,033	£9,172,683	57.7%	£22,064,354
	M1 J36 to Dearne Valley - Phase 2 (Goldthorpe)	£7,441,870	£2,347,599	31.5%	£563,458
	Harworth Bircotes	£535,272	£526,702	98.4%	£11,100,000
	Worksop and Vesuvius Works - Phase 1	£521,195	£518,338	99.5%	£2,214,182
	Worksop and Vesuvius Works - Phase 2a	£1,303,651	£1,300,795	99.8%	£9,900,000
	Worksop and Vesuvius Works - Phase 2b	£1,186,057	£1,183,201	99.8%	£630,742
	Sustainable transport exemplar	£14,329,844	£14,321,274	99.9%	£12,952,511
	Doncaster Urban Centre - Waterfront (West)	£769,980	£769,980	100.0%	£1,798,000

LGF Claimed to Date					
Theme	Project	Total LGF Awarded	LGF Claimed to date		Match Funding
			£	%	
	Markham Vale	£3,854,594	£3,846,024	99.8%	£3,780,000
	BRT North	£4,076,792	£4,068,223	99.8%	£13,804,747
	DN7 (Hatfield Link)	£12,737,098	£11,919,221	93.6%	£5,458,241
	FARRS 2	£9,185,272	£9,176,702	99.9%	£1,305,814
	Supertram Renewals	£3,061,705	£3,053,136	99.7%	£1,054,389
	Modelling and Strategic Testing	£2,274,537	£1,880,368	82.7%	£221,737
	Westmoor Link	£5,220,924	£2,879,814	55.2%	£5,675,547
	M1J37 Claycliffe Link - Phase 1	£1,788,349	£1,809,210	101.2%	£2,841,590
	A618 Growth Corridor	£820,705	£812,136	99.0%	£29,090
	Market Harborough Line Improvements	£5,069,605	£5,061,036	99.8%	£0
	Greasbrough Corridor Improvements	£3,534,819	£8,014	0.2%	£0
	DSA Capacity Expansion (Loan)	£5,028,614	£5,018,614	99.8%	£5,090,500
	DSA Capacity Expansion (Loan)	£3,516,583	£3,500,000	99.5%	£0
	Transport Total	£102,141,502	£83,173,068	81.4%	£100,484,902

5.0 Outputs Analysis: Forecast, Actuals, and Value for Money Assessment

This section analyses the key outputs that projects are contracted to deliver, those outputs that have been achieved and those that are forecasted to be achieved in the future.

5.1 Programme Level Outputs

The table below summarises the key outputs achieved to date across the programme against the overall target and shows levels of achievement as a percentage. Forecasts show outputs anticipated to be achieved by 2025 as per reporting detail in the Delta returns, supplemented with updates from the project team.

Programme Level Outputs – Key Outputs		Total
Housing	Houses Completed	1,336
	Total Forecast	8,331
	Progress towards forecast	16%
Jobs	Jobs Created	14,325
	Total Forecast by 2025	56,537
	Progress towards forecast	25%
Skills	Area of new or improved floorspace (m2)	13,560
	Total Forecast by 2025	13,758
	Progress towards forecast	99%
	Number of New Learners Assisted	5,061
	Total Forecast by 2025	12,222
	Progress towards forecast	41%
Commercial Floorspace	Area of new or improved floorspace (m2)	540,711
	Total Forecast	1,124,067
	Progress towards forecast	48%

Source: MCA Executive October 2020

Note: As the data was updated manually following discussions with the project team to get the latest position, it may vary slightly from the returns reported to partners.

In addition to the outputs shown in the table the LGF programme is also forecasting to achieve additional outputs including broadband connections, construction jobs, new roads and new cycle paths. At this interim stage our focus has been on analysing the key outputs as shown in the table above.

5.2 Project Level Output

The table overleaf details the forecast and achieved outputs for each of the grant funded projects. From the table, we can make the following comments on project progress:

- The projects that have broadly already achieved their outputs include: Skills Capital – Competitive Fund, Worksop and Vesuvius Works – Phase 1, Sustainable Transport Exemplar, Doncaster Urban Centre – Waterfront (West), Markham Vale, BRT North, Urban Development Fund, Bassetlaw Employment Sites, A618 Growth Corridor, and DSA Capacity Expansion Phase 1.
- A number of projects are assessed as having made 0% progress against target outputs to-date, although each of these are early in their reporting schedule and report anecdotally that target outputs are still likely to be achieved.

Project Level Outputs – Forecasts and Actuals										
Outputs	Jobs		Housing Units Completed		Commercial Floorspace		Area of new or improved learning/training space (sq m)		Number of New Learners Assisted (in courses leading to a full qualification)	
	Achieved to date	Expected to be achieved by 2025 (Forecast)*	Achieved to date	Expected to be achieved by 2025 (Forecast)*	Achieved to date	Expected to be achieved by 2025 (Forecast)*	Achieved to date	Expected to be achieved by 2025 (Forecast)*	Achieved to date	Expected to be achieved by 2025 (Forecast)*
M1 J36 to Dearne Valley - Phase 1	366	4,555			184,976	286,748				
M1 J36 to Dearne Valley - Phase 2 (Goldthorpe)	0	1,400								
Sheffield City Centre - Grey to Green (Phase 1)	0	1,890								
Sheffield City Centre - Grey to Green (Phase 2)	446	758								
Sheffield City Centre - IRR Junction Improvements	0	150								
Sheffield City Centre - Knowledge Gateway	1,807	2,863	40	491	14,776	43,270				
Sheffield City Centre – SRQ	0	651			208,670	208,670				
Sheffield City Centre - University of Sheffield Campus (Phase 1)	86	917								
Chesterfield Waterside	0	330	0	310						
Harworth Bircotes	1,111	1,939	261	1,003	27,400	152,038				
Skills Capital - Competitive fund	10	10					13,560	13,758	5,061	12,222
Workshop and Vesuvius Works - Phase 1	566	566	126	126	40,703	90,711				
Workshop and Vesuvius Works - Phase 2a	125	1,355								
Workshop and Vesuvius Works - Phase 2b	125	915	62	233						
Sustainable transport exemplar										
Extending SCR RGF - Unlocking business Investment programme	2,832	3,261								
SCR Growth Hub	2,232	2,762								
Doncaster Urban Centre – Colonnades	457	557			5,126	5,126				
Doncaster Urban Centre - Lakeside Power										
Doncaster Urban Centre - Markets (Phase 1)	279	599								
Doncaster Urban Centre - Quality Streets	1	80			925	2,519				
Doncaster Urban Centre - St. Sepulchre (Phase 1 & 2)	0	2,034								
Doncaster Urban Centre – CCQ	0	2,976	0	55						
Doncaster Urban Centre - Waterfront (West)	600	600								
Super-fast Broadband										
Markham Vale	638	638								
Olympic Legacy Park	76	913								
BRT North	500	500	814	814						
Urban Development Fund	409	409			11,404	11,404				
Upper Don Valley - Claywheels Lane (Phase 1)										
Upper Don Valley - Parkwood Springs										
Upper Don Valley - UDV Flood Alleviation										
DN7 (Hatfield Link)	0	7,342	0	3,100						
FARRS 2	0	5,763								
Peak Resort	0	406								
Chesterfield Northern Gateway	0	510								
Supertram Renewals										
Modelling and Strategic Testing										
EZ	180	610								
Westmoor Link										
M1J37 Claycliffe Link - Phase 1	0	167								
M1J37 Claycliffe Link - Phase 2	0	3,510	0	1,700						
Bassetlaw Employment Sites - Retford Enterprise Centre - Phase 2	66	66			686	686				
Better Barnsley Town Centre Retail and Leisure Development	713	814			9,283	25,230				
M1 Junction 36 Strategic Site Acquisition	0	162								
A618 Growth Corridor	6	6			22,297	240,000				
Forge Island	0	46	0	140						
AMRC Lightweighting Centre - Phase 1	78	112			788	788				
SCR Property Fund	140	800			12,020	36,673				
SCR Housing Intervention Fund			33	359						
Purchase of Advanced Manufacturing Park (AMP) Technology Centre										
Market Harborough Line Improvements										
National Centre of Excellence for Food Engineering (NCEFE)	8	42								
Harrison Drive, Langold	0	8								
Greasbrough Corridor Improvements										
Yorkshire Wildlife Park	14	315								
Gullivers Infrastructure	0	183								
Parkwood Ski Village	0	200								
Glass Works	277	856			1,657	20,204				
DSA Capacity Expansion (Loan) phase 2		240								
DSA Capacity Expansion (Loan)	177	751								
Total	14,325	56,537	1,336	8,331	540,711	1,124,067	13,560	13,758	5,061	12,222

Source: MCA Executive October 2020

We have reported the outputs achieved to date based on deliverables data supplied by the MCA Executive up to and including 2019/20 Quarter 4

Note: the table only shows the key outputs achieved by the project. A number of additional outputs are being delivered by projects such as broadband connections, new roads, new cycle paths and additional construction jobs. Outputs go up to 2025 Forecasts as per Delta Return.

5.3 Costs Per Outputs – Value for Money

This section analyses the outputs forecasted to be achieved by 2025 in more detail. It has been designed to provide some benchmark figures that could be applied to future funding schemes in terms of cost per individual output.

5.3.1 Jobs Created per Theme

As job creation was a key driver for the LGF projects we have analysed the numbers of jobs forecasted to be created by the end of the programme by each of the different investment themes. The table below shows the average cost per job by theme and ranks these.

Note: The Skills Capital Total only includes capital spend on new facilities such as colleges etc. These projects would therefore not be expected to create significant numbers of direct jobs. These projects focussed on creating learning outcomes which are included in later sections.

LGF Awarded by Theme: Average Cost Per Job Created				
Theme	Total Awarded	Jobs Expected to be achieved by 2025	Average Cost per Job	Rank
Enabling Works Total	£11,898,040	3,672	£3,240	1
Regeneration Total	£57,849,127	16,231	£3,564	2
Transport Total	£102,141,502	26,737	£3,820	3
Health and Wellbeing Total	£4,984,272	913	£5,459	4
Business Support Total	£69,691,031	7,232	£9,636	5
Tourism Total	£9,468,430	904	£10,474	6
Enterprise Total	£23,707,573	796	£29,783	7
Skills Capital Total	£19,534,835	52	£375,670	8
Superfast Broadband Total	£10,762,068	0	n/a	n/a
Flood Management Total	£1,577,300	0	n/a	n/a
Housing Total	£10,061,705	0	n/a	n/a
Total	£321,675,883	56,537	£5,690	

The above data suggests that projects funded under the ‘Enabling Works’ theme will generate the lowest cost per job, closely followed by ‘Regeneration’ projects. The average cost per job across the whole programme (assuming that targets are reached) will be just under £6,000.

It should be recognised that not all projects were designed to directly create jobs, and so it is not accurate to assume that projects that have a high cost per job are necessarily performing worse than those with a low cost per job. Each project must be viewed within its own set of individual circumstances.

The above data is split at individual project level over the page.

LGF Awarded and Jobs Created by Projects				
Theme	Project	Total Awarded	Jobs Expected to be achieved by 2025	Average Cost per Job
Business Support	Extending SCR RGF - Unlocking Business Investment Programme	£41,876,520	3,261	£12,842
	SCR Growth Hub	£4,558,409	2,762	£1,650
	Urban Development Fund	£15,074,594	409	£36,857
	SCR Property Fund	£8,181,507	800	£10,227
	Business Support Total	£69,691,031	7,232	£9,636
Digital/ Internet Infrastructure	Superfast Broadband	£10,762,068	-	n/a
	Superfast Broadband Total	£10,762,068	-	n/a
Enabling Works	Upper Don Valley - Claywheels Lane (Phase 1)	£63,244	-	n/a
	M1J37 Claycliffe Link - Phase 2	£10,773,091	3,510	£3,069
	M1 Junction 36 Strategic Site Acquisition	£1,061,705	162	£6,554
	Enabling Works Total	£11,898,040	3,672	£3,240
Enterprise	EZ	£5,085,272	610	£8,337
	Bassetlaw Employment Sites - Retford Enterprise Centre - Phase 2	£786,705	66	£11,920
	AMRC Lightweighting Centre - Phase 1	£10,061,705	112	£89,837
	Purchase of Advanced Manufacturing Park (AMP) Technology Centre	£7,611,705	-	n/a
	Harrison Drive, Langold	£162,185	8	£20,273
	Enterprise Total	£23,707,573	796	£29,783
Flood Management	Upper Don Valley - UDV Flood Alleviation	£1,577,300	-	n/a
	Flood Management Total	£1,577,300	-	n/a
Health and Wellbeing	Olympic Legacy Park	£4,984,272	913	£5,459
	Health and Wellbeing Total	£4,984,272	£913	£5,459
Housing	SCR Housing Intervention Fund	£10,061,705	-	n/a
	Housing Total	£10,061,705	£0	n/a
Regeneration	Sheffield City Centre - Grey to Green (Phase 1)	£2,484,585	1,890	£1,315
	Sheffield City Centre - Grey to Green (Phase 2)	£3,391,701	758	£4,475
	Sheffield City Centre - IRR Junction Improvements	£3,860,594	150	£25,737
	Sheffield City Centre - Knowledge Gateway	£4,129,140	2,863	£1,442
	Sheffield City Centre - SRQ	£3,535,974	651	£5,432
	Sheffield City Centre - University of Sheffield Campus (Phase 1)	£2,906,278	917	£3,169
	Chesterfield Waterside	£2,686,960	330	£8,142
	Doncaster Urban Centre - Colonnades	£2,301,974	557	£4,133
	Doncaster Urban Centre - Markets (Phase 1)	£3,203,140	599	£5,347
	Doncaster Urban Centre - Quality Streets	£1,369,980	80	£17,125
	Doncaster Urban Centre - St. Sepulchre (Phase 1 & 2)	£7,521,974	2,034	£3,698
	Doncaster Urban Centre - CCQ	£654,980	2,976	£220
	Chesterfield Northern Gateway	£5,915,272	510	£11,599
	Better Barnsley Town Centre Retail and Leisure Development	£2,201,705	814	£2,705
	Forge Island	£1,561,705	46	£33,950
	Parkwood Ski Village	£4,816,583	200	£24,083
	Glass Works	£5,306,583	856	£6,199
		Regeneration Total	£57,849,127	16,231
Skills	Skills Capital - Competitive fund	£18,888,946	10	£1,888,895
	National Centre of Excellence for Food Engineering (NCEFE)	£645,889	42	£15,378
	Skills Total	£19,534,835	52	£375,670
Tourism	Peak Resort	£2,935,263	406	£7,230
	Yorkshire Wildlife Park	£5,016,583	315	£15,926
	Gullivers Infrastructure	£1,516,583	183	£8,287
	Tourism Total	£9,468,430	904	£10,474
Transport	M1 J36 to Dearne Valley - Phase 1	£15,884,033	4,555	£3,487
	M1 J36 to Dearne Valley - Phase 2 (Goldthorpe)	£7,441,870	1,400	£5,316
	Harworth Bircotes	£535,272	1,939	£276
	Worksop and Vesuvius Works - Phase 1	£521,195	566	£921
	Worksop and Vesuvius Works - Phase 2a	£1,303,651	1,355	£962

LGF Awarded and Jobs Created by Projects				
Theme	Project	Total Awarded	Jobs Expected to be achieved by 2025	Average Cost per Job
	Worksop and Vesuvius Works - Phase 2b	£1,186,057	915	£1,296
	Sustainable transport exemplar	£14,329,844	-	n/a
	Doncaster Urban Centre - Waterfront (West)	£769,980	600	£1,283
	Markham Vale	£3,854,594	638	£6,042
	BRT North	£4,076,792	500	£8,154
	DN7 (Hatfield Link)	£12,737,098	7,342	£1,735
	FARRS 2	£9,185,272	5,763	£1,594
	Supertram Renewals	£3,061,705	-	n/a
	Modelling and Strategic Testing	£2,274,537	-	n/a
	Westmoor Link	£5,220,924	-	n/a
	M1J37 Claycliffe Link - Phase 1	£1,788,349	167	£10,709
	A618 Growth Corridor	£820,705	6	£136,784
	Market Harborough Line Improvements	£5,069,605	-	n/a
	Greasbrough Corridor Improvements	£3,534,819	-	n/a
	DSA Capacity Expansion (Loan) II	£5,028,614	240	n/a
	DSA Capacity Expansion (Loan)	£3,516,583	751	£4,683
	Transport Total	£102,141,502	26,737	£3,820
	Total	£321,675,883	56,537	£5,690

5.3.2 New Homes Created

A number of the schemes supported by the LGF are delivering housing outcomes. The table below shows the schemes that are contracted to deliver housing outputs, their 2025 forecast and the proportionate LGF grant awarded per home constructed (based on 2025 forecasts).

We can see that there is a range between projects of £534 and £28,027 per house built, assuming all profiled targets are met. This reflects the fact that some schemes had elements of land remediation that increased costs or faced other types of challenges.

Based only on projects that are contracted to creating housing, and assuming that the 2025 forecasts are met, the average LGF grant per house will be £5,873. This provides a useful benchmark to feed into future assurance processes.

New Homes - LGF Awarded Per House				
Theme	Outputs	LGF Awarded	Expected to be achieved by 2025	LGF Awarded per House by 2025 – Assuming forecasts are met
Enabling Works	M1J37 Claycliffe Link - Phase 2	£10,773,091	1,700	£6,337
Housing	SCR Housing Intervention Fund	£10,061,705	359	£28,027
Regeneration	Sheffield City Centre - Knowledge Gateway	£4,129,140	491	£8,410
	Chesterfield Waterside	£2,686,960	310	£8,668
	Doncaster Urban Centre – CCQ	£654,980	55	£11,909
	Forge Island	£1,561,705	140	£11,155
Transport	Harworth Bircotes	£535,272	1,003	£534
	Worksop and Vesuvius Works - Phase 1	£521,195	126	£4,136
	Worksop and Vesuvius Works - Phase 2b	£1,186,057	233	£5,090
	BRT North	£4,076,792	814	£5,008
	DN7 (Hatfield Link)	£12,737,098	3,100	£4,109
	Total	£48,923,996	8,331	£5,873

Source: MCA Executive October 2020

5.3.3 Commercial Floorspace

The table below shows the commercial floorspace that is expected to be achieved by the LGF funding split down at individual project level by 2025. Based only on projects that are contracted to deliver floorspace we can see that the average LGF grant per 1sqm of floor space anticipated to be created is £63 (assuming forecasts are met)

Outputs	LGF Awarded	Expected to be achieved by 2025 Sqm	LGF Awarded per sq. metre of floorspace created
Urban Development Fund	£15,074,594	11,404	£1,322
SCR Property Fund	£8,181,507	36,673	£223
Bassetlaw Employment Sites - Retford Enterprise Centre - Phase 2	£786,705	686	£1,147
AMRC Lightweighting Centre - Phase 1	£10,061,705	788	£12,769
Sheffield City Centre - Knowledge Gateway	£4,129,140	43,270	£95
Sheffield City Centre - SRQ	£3,535,974	208,670	£17
Doncaster Urban Centre - Colonnades	£2,301,974	5,126	£449
Doncaster Urban Centre - Quality Streets	£1,369,980	2,519	£544
Better Barnsley Town Centre Retail and Leisure Development	£2,201,705	25,230	£87
Glass Works	£5,306,583	20,204	£263
M1 J36 to Dearne Valley - Phase 1	£15,884,033	286,748	£55
Harworth Bircotes	£535,272	152,038	£4
Worksop and Vesuvius Works - Phase 1	£521,195	90,711	£6
A618 Growth Corridor	£820,705	240,000	£3
	£70,711,073	1,124,067	£63

Source – MCA Executive

The LGF grant per square metre varies from £3 to £12,769 across projects delivering this output. This reflects that fact some projects are not solely focussed on floorspace and some projects have added costs such as land remediation and infrastructure work before floorspace could be developed.

5.4 Value for Money Assessment Summary

- Based on all projects, the average cost per job across the whole programme (assuming that targets are reached) will be just under £6,000.
- Based only on projects that are contracted to creating housing, the average LGF grant per new house will be £5,873. (assuming that targets are reached)
- Based only on projects that were contracted to deliver floorspace we can see that the average LGF awarded per 1sqm of floor space created will be £63. (assuming that targets are reached).

6.0 Loan Funded Schemes

A number of the projects funded through the LGF fund are loan funded rather than grant funded. These are shown in the table below.

Loan Funded Schemes – SCR LGF Programme		
Project	Loan Amount Initially Advanced	
	Donbac – A Business Investment Fund Project, forming part of the SCR RGF – Unlocking Business Investment	Principal
Interest		86,250
Total		1,086,250
JESSICA - To provide SCR JESSICA with a £15m loan to invest in commercial property developments in line with an approved Investment Strategy. Expected that the loan will be repaid within 3 years.	Principal	15,000,000
	Interest	153361.24
	Total	15,153,361
Rotherham Metropolitan Borough Council - Forge Island: Acquisition of Forge Island in central Rotherham, clearing the site and enhancing its attractiveness to future developers to deliver a leisure and cultural quarter.	Principal	1,500,000
	Interest	0
	Total	1,500,000
Sheffield City Council Parkwood - Remediation of the derelict former ski village site	Principal	4,800,000
	Interest	0
	Total	4,800,000
Hughes Armstrong – an individual Business Investment Fund Project, forming part of the SCR RGF – Unlocking Business Investment	Principal	175,000
	Interest	0
	Total	175,000
DN7 – Hatfield Link: A 2.9km road from Junction 5 of the M18, to unlock mixed-use development comprising 3,100 houses, commercial floor space and local centre, retail and educational facilities.	Principal	1,390,000
	Interest	0
	Total	1,390,000
Yorkshire Wildlife Park - Securing land adjacent to the current Yorkshire Wildlife Park for a new entrance, visitor hub with themed restaurants, destination hotel and investment in signature animal reserves.	Principal	5,000,000
	Interest	1,217,883
	Total	6,217,883
Gullivers - Gulliver's Valley overall resort will be a theme park offering rides and attractions aimed at children aged from 2-13 years old and their families.	Principal	1,100,000
	Interest	34,375
	Total	1,134,375
Doncaster Sheffield Airport - loan 1: Increased passenger capacity at DSA through a reconfigured and extended airport car park infrastructure and parking product.	Principal	3,500,000
	Interest	420,000
	Total	3,920,000
Fenwood – Part of the SCR Housing Intervention Fund	Principal	175,010
	Interest	25,952
	Total	200,962
SCR Financial Intervention Co. ²	Principal	9,982,752
	Interest	0
	Total	9,982,752
Doncaster Sheffield Airport - loan 2: Increased passenger capacity at DSA through a reconfigured and extended airport car park infrastructure and parking product.	Principal	5,020,600
	Interest	1,087,728
	Total	6,108,328
Total		45,560,583

Source: MCA Executive October 2020

² Holding company for funds

6.1 Loan Funding – Key Points

Whilst loans had been given to public sector organisations under previous funding programmes, providing loans to the private sector has been a bit of a policy shift under the LGF programme.

For public sector organisations, loans may have been offered where there has been less certainty of outputs, for example around public realm projects. In some instances where outputs have been achieved, the loan may get converted to grant.

The move towards loans for the private sector was also taken because a number of project ideas came forward that aligned with the aims of the programme, would deliver appropriate outputs and would benefit the region but it was clear that the projects would generate income and therefore it would not be appropriate to offer the project a grant. This also brings benefits for the MCA in terms of interest payments which can provide opportunities for reinvestment. Loan funding also assists with meeting annual spend targets as the funds are released in one lump sum generally even if the activity takes place over a number of years.

Some loan re-payments have been deferred because of the Covid-19 pandemic. This flexibility has been highly valued by the private sector schemes - one private sector loan recipient told us that that they would not have had this flexibility with commercial lenders and were very complimentary regarding the MCA's understanding.

In many respects, the offering of loans is quite innovative for a LGF Programme and has supported schemes and delivered benefits for the region that wouldn't have been possible previously or would have taken much longer to deliver without the availability of the loan funding. However, the evaluation work has highlighted the importance of only providing the funds when a project is ready to proceed or to release the funds in phases or else there is a risk of organisations 'sitting' on funds and projects not proceeding.

7.0 Consultation

As part of the evaluation, consultation was undertaken with project stakeholders, MCA Executive staff, LEP Board Members, Local Authority contacts and those organisations who had received funding through the LGF programme. The consultations involved a mixture of one to one conversations and an online questionnaire. The questionnaire was sent to circa 100 individuals.

As well as representatives from the MCA Executive, feedback was received from the following organisations:

- Chesterfield Borough Council
- Centre for Regional Economic & Social Research, Sheffield Hallam University
- North East Derbyshire District Council
- Sheffield City Region Combined Authority
- Sheffield City Council
- Doncaster University Technical College.
- The Sheffield College
- Superfast South Yorkshire
- UK Atomic Energy Authority
- Cities and Local Growth Unit
- Peak District Rural Housing Association
- Barnsley Metropolitan Borough Council
- Legacy Park Ltd.

The findings from the survey are set out over the following pages. They have been supplemented with additional feedback collated through virtual consultations with a selection of funded projects. The key themes arising from the consultation have been summarised below.

7.1 Funding Awarded and Application Processes

7.1.1 Spend and Funding Awarded

Funding is allocated yearly and annual spend targets have been met every year except one, which has meant the MCA has not been subject to government-imposed reductions in budgets in future years. This was generally viewed as a positive, however, a number of consultees highlighted the '*spend it or lose it*' culture of the process - inevitably some projects will not spend to profile and the need arises to allocate funding to projects at short notice that can spend within the required timeframes. This solution to minimising underspend can shift the emphasis of the programme towards prioritising projects that are deliverable in the short time, rather than prioritising those with the largest impact in the long term.

Consultation identified that there can be a '*pressure to spend*'. However, it should be noted that this isn't an issue that is specific to the Sheffield City Region LGF Programme - it is a pressure faced by all organisations managing LGF programmes and is the nature of programmes with annual funding allocations.

The above issues are compounded by the fact that *'80% of spend generally happens in last quarter'*. Whilst this is not unusual for a grant programme, this last-minute approach makes the budgeting process difficult to manage, especially if some projects slip unexpectedly. Examples of creative approaches to dealing with last minute underspends were provided, for example advancing loans to a subsidiary company. These types of processes should be shared/ communicated with other LEPs to ensure that all LEPs can benefit from this knowledge and expertise.

7.1.2 Bidding process

Consultees told us that apart from the initial funding round, where a pipeline of projects was included in the Growth Deal, the calls have been openly promoted through a combination structured and fully open calls. Calls for proposals were opened when there was clearly going to be an underspend, if the LEP were looking to commission a specific type of scheme, or just needed to refresh the pipeline. These calls have been published on the website and through social media to try and reach both the public and private sector.

The following comments were made about the open calls:

- Open calls ensure that the application process is available to all and are a good way of capturing the whole market. The downside to this approach is that there are inevitably get some projects submitted that just don't fit well with the call and these applications can take a lot of time to sift through and process. Open calls can mean that applicants can put projects in speculatively that are *'a bit of a punt'* – again this adds to the administration burden for the MCA Executive.
- Open calls don't lend themselves to being strategic – the programme has to fund what comes forward, and coupled with the fact that the 2015 SEP was quite broad, this can mean a wide spectrum of schemes rather than a targeted approach were funded through the LGF programme.
- *'The bidding process seems dominated by local authorities, which is understandable in many ways. It would be useful to know, however, how proactive each Local Authority has been in promoting funding opportunities to wider interested parties at their local levels. For example, in this area we have seen a number of successful college bids, have colleges in the wider city region had the same opportunity to engage in the programme?'*
- *'The key line of communication between LGF funding opportunities filtering through to key officers who would be responsible for bidding to the different funding streams is very blurred and often causes delays.... The use of emails with this information isn't productive - there should be a portal for SCR and its partners to obtain the full details, guidance, templates etc'*
- *'Not very well. You need to know where to look on the website'*.

A conversation with one project highlighted that they felt that once you are 'in the system', the team on the ground were brilliant at helping with the process, however, for applicants outside of the system, and particularly the private sector and those who aren't used to applying for public sector funding, it can be difficult to access.

7.1.3 Commissioning

There was a move towards a commissioning approach during the delivery of the LGF programme.

There have been specific calls for projects to address an identified need such as with housing or skills capital schemes. For the housing call, a prospectus was prepared and circulated to local authorities, housing associations, developers, landowners etc - this was considered to be a transparent way of publicising the scheme. The success of this approach for housing schemes can be evidenced by the number of private sector projects that have come forward. It was noted that private sector applicants have sometimes been held back by a lack of knowledge and understanding of funding issues such as state aid, the business case requirements or the due diligence processes. The consultation identified that it is considered that decisions about priorities and what should be funded are *'based on a sound understanding of policy and the local area'*. There has been an increasing emphasis on identifying a preferred option for a problem or opportunity and then procuring the solution.

Some consultees felt that a commissioning approach has also enabled money to go to different types of organisations and that it is positive to see the confidence to deliver things that are a bit different as the programme progressed.

It was suggested that the commissioning approach could be further developed by the MCA Executive. Ideas suggested included:

- *'An SCR intelligence team that understands where money should be invested - matching delivery with need in a joined-up way and liaising with the LA to do this, a more joined up approach and done collectively and collaboratively with the local authorities'*
- *'A partnership approach to projects, where the MCA Executive team are more involved in the ongoing delivery of the schemes, offering support and guidance. Joint ownership of schemes creating a new culture of delivery'*.

7.1.4 Type of Applicants / Business Case Development

It was noted that some Local Authorities thought that they should get a certain proportion of money *'their share'*, but funding was allocated based on fit with the SEP, the robustness of the business case, the ability to deliver outputs and whether the project provided good value for money. Overall, funding awards were dominated by public sector applicants, particularly in the initial years. It was generally felt that this was inevitable given the nature of the fund, and the focus on transport/ major infrastructure schemes and delivering GVA and jobs. A number of schemes were developed in later bidding rounds to achieve a better balance, such as the Business Investment Fund, a follow on from the Regional Growth Fund programme which was designed to support private businesses.

A number of suggestions were made with respect to business case development and requirements:

- *'Earlier advice on what a good Business Case comprises would head off difficulties later. Improved tools are now available'*
- *'Business Case preparation is very costly especially for transport schemes. These costs cannot be recovered until final approval and the scheme funding agreement is executed which in some cases can be up to 3 years. Staged payments (as per other LEP's i.e., WYCA) should be considered'*
- *'The bidding process was a bit complicated - we had to submit a Strategic Business Case, An Outline Business case and then a Full Business case. There was duplication on some of the questions..... In our view 3 stages is too many - this could be streamlined to two stages'*
- *'Project sponsors face a lack of expert resource to develop good quality business cases, lack of revenue funding for scheme development and there is a lack of two-way communication during the development of Business Cases'.*
- *'We like the principle of there being a sponsoring officer from the LEP who works with the project team to develop the bid. That person can then explain to the appraisal panel what the project is seeking to achieve. In some cases we think it may be beneficial for the project team to present to the panel rather than the decision making to be arms-length'*
- *'You get questions from different people at the LEP all wearing different hats'*
- *'There are transparent and clear guidelines'*
- *'The frequency of the approval boards can sometimes impede delivery especially during latter phases of the LGF programme'.*

7.1.5 Alignment with LA Processes

It was noted that the MCA's processes do not always align with the Local Authority processes and administration requirements. It was suggested that it would be useful to work with the Local Authorities to streamline the processes and reduce duplication of forms and paperwork. Some specific comments included:

- *'Indicative costings at the Strategic Outline Business Case stage back in 2014 have been unable to be altered throughout the OBC/FBC stage even when schemes have been out to procurement. LA procurement rules won't allow us to go out to tender unless funding is secured - this occurs at FBC, but when actual tender prices are returned SCR won't increase the LGF support accordingly. This should be reconsidered'*
- *'Local Authority partners are part of the Sheffield City Region but this often feels that its them and us'*
- *'Draft Funding Agreement should be issued alongside pending approvals as unfeasible T&C's could impact on Local Authority partners being able to agree to the Funding Agreement without further cabinet permissions'*

7.1.6 Withdrawn and Unsuccessful Schemes

Some applicants have withdrawn their projects from the application process due to external factors such as lack of match funding, because they were not deliverable in the timeframes, or because other priorities took precedent. Other reasons cited for projects being withdrawn include planning permissions being turned down, or costs being significantly under estimated during the initial phases of project development and therefore projects became unaffordable.

It was reported that there was more risk of private sector projects withdrawing as these tend to be driven by profit and availability of funds to match the LGF investment. It is felt that when projects withdraw from the application process it is significant waste of a lot of resources, in time and money, for both the applicant and for the MCA.

Consultees who had had a project turned down for LGF funding were asked about the transparency of the decision. Comments received included:

- *'We were informed of the outcome but it wasn't clear as to why we were unsuccessful'*
- *'Not a funding bid as such but a request to carry over funding into the next contract was rejected.....I believe the decision was clear and transparent'*
- *'It seems that certain projects get favoured over others. Once you are in the pipeline is this your position, or can things come in and others get to the top of the list'*
- *'The decision was clear but the dialogue before the application with the LEP raised our expectations of success'.*

7.1.7 Bid Development Support

Funding is available to support applicants with the development of their business cases, although this money has to be paid back if the project doesn't progress. Some suggestions as to how support for applicants is already provided or could be developed in future are listed below:

- *'The MCA Exec Team offer to review documents before they are formally submitted, however a lot of the project sponsors don't have the capacity to lift their eyes from the day job and don't always have the time to take up offers of support even when offered'.*
- One consultee told us that another grant programme has been trialling putting MCA Executive Team members into local authorities to support the project development process. The officer can bring people together from different teams to support the development of the projects - they know what is needed by the MCA and this leads to schemes coming through are of high quality.
- *'Upfront funding for applicants to help fund the economic, site appraisal, planning and legal fees would help'.* It was suggested that the MCA could set up a framework of suppliers to support with this, with efficiencies generated through economic or scale. An example given was that the MCA Executive could commission site appraisals for all of the housing or infrastructure projects themselves, ensuring consistency of approach, creating economies of scale and reducing the burden on the applicant.
- Another consultee told us that *'From the outside the application process probably feels a bit frustrating, especially for small projects as there are a lot of hoops to jump through. Small proposals can miss out the outline business case stage, but it feels quite onerous for small proposals. It's a lot of work in terms of time and cost for smaller projects'.*

7.1.8 Projects Supported

Respondents to the questionnaire were asked whether they thought the right kind of projects were being funded by the LGF programme.

Do you think the correct type of projects were prioritised for investment?		
Answer Choice	Response Percent	Response Total
Yes	83.3%	10
No	16.7%	2
Answered		12 (3 skipped)

Respondents were asked to expand on their answers, they told us:

- *‘Yes and No, funding is very much geared towards Value for Money/ Benefit Cost Ratio / GVA which is often counter-productive. The appraisal process needs to be more weighted towards the strategic fit, solutions to deliver scheme that would benefit the SCR strategically’*
- *‘LGF is positioned as a Growth Fund programme - going forward due to COVID-19 and the economic recession then it should be repositioned as both a Growth and Transition Fund to help organisations and individuals to transition to new working practices and operating models, and transition to growth sectors moving away from declining sectors’*
- *‘Potential for more place-specific programmes/investment plans - to help join up the disparate elements of the LGF programme itself (given its broad focus) as well as other SCR and external funding sources. Understand this is in development via locality "blueprints" for each main urban centre and growth zones Seems an encouraging development’*
- *‘It feels like larger Authorities or Yorkshire based Authorities were more likely to be successful in securing funding’*
- *‘It is difficult to justify funding for public realm schemes, the LEP could consider widening out the outputs that they are assessing projects on, this could include for example crime reduction, increased perception of public spaces, or uplift in land values post project’*
- *‘It felt as if politics determined that LGF was spread too thinly over SCR geographical region. Whether it is our project or someone else's it should have been where it can deliver most for the region’*
- *‘More transparency for the private sector to see what opportunities are available from SCR. Businesses could benefit hugely from working with the SCR’*
- Further discussion with one project suggested that they felt that the programme prioritised projects which exclusively concentrated on creating high value jobs and developing high level skills. The project felt that in reality, employing local people in low-value jobs, particularly in the current economic climate, could be seen as just as important. This helps to support lower skilled people into work, often for the first time.
- One consultee told us that projects run by Local Authorities could often run *‘regardless of LEP funding’*, and that therefore, the funding makes more of a difference to the private sector’.

7.2 Assurance Process

7.2.1 Main Problems Causing Hold Ups During Assurance Processes

Problems causing delays during the assurance process included:

- The consultation highlighted that during the period of the LGF programme, some applicants have submitting funding applications without planning permission, other statutory consents, Local Authority approval or before match funding has been secured. This causes issues as it creates significant delays with delivery and has a knock-on impact on the overall LGF programme expenditure profile which must be met each year. Some projects that have been held up for 18 months in the planning process.
- In some instances, schemes have been allowed to bypass the outline business case. This has not always been a successful approach as there is a significant risk of a poor quality full business case. *'There needs to be firmer guidance about the quality expected in a full business case'*

7.2.2 Assurance Panel

It was suggested that the assurance panel might benefit from an increase in business representation. One consultee noted: *'it would be useful to understand how much real engagement with the business community is there, in say, how impactful the housing transport/ housing schemes will be on them'*.

7.2.3 Comparisons with other LEPs

It was noted that Barnsley MBC (which is also part of Leeds City Region LEP) have expressed that the SCR Business Investment Fund is much more difficult to access, and more bureaucratic, than the Leeds City Region equivalent and *'that for the Business Investment Fund, they default to Leeds'*.

7.3 Monitoring and Reporting

The following was noted with regards to monitoring and reporting:

- It was noted that some of the older projects were initiated when there were few staff and unclear guidance on output requirements. Guidance is now clearer.
- *'There is no precedence of clawback of funding for underperformance'*
- A beginning to end ownership of projects by members of the MCA Executive Team staff could support continuity and help facilitate project development and delivery. It is considered this approach would help ensure MCA Executive staff knowledge and experience is best utilised.
- *'When there are lessons learnt with projects these need to be fed back to those developing and delivering projects'*
- *'The team are really friendly and approachable'*
- *'Communication with the monitoring team has been great – really quick and responsive and there to help – a big positive'*
- *'Administratively well organised with readily available support offered by SCR officers if required'*
- *'Very detailed and in the early stages changed each quarter'*

- *'It wasn't always clear what documentation was required to evidence delivery ... It is easier to document if evidence requirements are known at the start'*
- *'Delays in approving change requests and locked data sheets often made it difficult to correctly complete the report.... Overall, the format as it is now does provide a good, clear insight into the projects' performance providing change requests are actioned to enable baselines to be amended'*
- *'When changes have been sought the change request process has been made straight forward'*

Some consultees noted that the reporting process was quite bureaucratic and onerous although it was generally recognised that this information needed to be captured. Indeed, one respondent told us that the *'The PDS document is well thought out and provides a structure for reporting on progress - it is a good document'*

Suggestions for improvements to the monitoring and reporting process were noted, including:

- *'Would be useful to have a session/ workshop about how to complete the monitoring forms, similar to those held at the start of the process around developing the business case'*
- *'The PDS forms could be simplified, a lot of information is captured within the forms that never changes. I hate the excel format so when typing project updates and more lengthy updates it is all in one cell and not easy to check for typos etc'*
- *'Would be good for outputs to pick up wider benefits such as how much benefit from public realm, how can public realm be seen as a priority'*
- *'The PDS spreadsheets are not user-friendly and project managers dread filling them in, quite often cells are locked so we have to email back to get them unlocked'*

7.4 Growth and Perception of the MCA and LEP

7.4.1 Growth of the MCA

It was agreed that the MCA Executive team has grown over the period of the programme, not just physically in terms of staffing numbers, but also in terms of knowledge and experience gained, ability to deliver and support projects, and improved partnership working. This experience means that the team are perhaps now better placed to ask the right questions of projects. A team of contract managers is now in place who have regular contact with projects. This improvement in the working relationships with the project sponsors/ partners has helped with openness.

7.4.2 Communication of Messages

Respondents to the questionnaire were asked how well stakeholders are kept informed of overall progress of the Local Growth Fund Programme. The answers can be seen in the table below:

Sheffield City Region: Local Growth Fund - Mid Term Evaluation		
On a scale of 1-5, how well informed are stakeholders kept informed of overall progress of the Local Growth Fund Programme? 5 = very well informed, 1= not very well informed?		
Answer Choice	Response Percent	Response Total
1 – Not Very Well Informed	23.1%	3
2	23.1%	3
3	30.8%	4
4	23.1%	3
5 - Very Well Informed	0.0%	0
Answered		13

The results suggest that the MCA Executive team could consider ways in which to keep stakeholders better informed, beyond the MCA or LEP Boards as information is perhaps not getting filtered down to partner organisations. One project told us: *‘Apart from our project I am not aware of any others’*

The following was also noted with regards to communication:

- The communication in terms of what funding is available can sometimes be unclear – *‘the message is sometimes that we are overcommitted, but this can quickly change to under committed and a need to bring forward projects’*. It was suggested that it not always clear if there is money available.
- There is a need to *‘shout out’* about the success of the programme and the projects. In terms of marketing, it should be remembered that it is not all about the big flagship projects and that some of the smaller schemes have brought significant benefits to the area.

7.4.3 Perception

It was suggested that the MCA can be seen by some as the Government Office for the area, and it is sometimes perceived that it is MCA Executive who are making up the rules, *‘when in reality they are trying to do their best to support as many projects to work within the parameters laid out by government’*. One suggestion to overcome this was to get projects and stakeholders in a room with MCA Executive staff more regularly and more partnership working in developing projects.

7.5 Key Issues Faced by Projects

Consultees told us about the key issues that are being faced by the projects. Comments included:

- *‘Overly optimistic timescales, cost uncertainty’*
- *‘The key issues at the moment is the difficulty in getting extensions to projects that have been delayed by CV-19. This seems to be taking a long time and is at odds with the way in which most organisations have adapted to the circumstances of CV-19 whereby there has been much greater flexibility and decision making has been rapid’*
- *‘Balancing the wide-ranging priorities, and the needs of all local areas; and therefore, the inevitable prioritisation challenges that arise from these’*

- *'Difficulty in linking up strategy with EU funds'*
- *'A key issue for capital projects is an apparent need to apply clawback again outcomes that are often outside the control of the project sponsor e.g. job creation for a public realm scheme. This requires a sponsor to underwrite the potential risk of clawback i.e. secure additional funding (an accounting liability) which may not have been built into the project budget. Clawback on uncontrolled outcomes, whilst understandable, tend to delay project progress at best and have the potential to cancel important strategic activity.'*
- *'Secure a strategic programme of interventions to provide certainty'*
- *'Provide funding to allow projects to be worked up in some detail - and do not require clawback if they do not proceed'*
- *'VFM needs to reflect all 5 cases within a business plan rather than being fixated on a cost:benefit ratio'*
- *'Clawback on outcomes needs to consider whether those outcomes are in control of the project sponsor and earlier engagement is required in respect to potential clawback'.*

7.6 Wider Social and Environmental Benefits

With the LGF focus on GVA and jobs outputs, it was reported that certain types of project were very difficult to fund such as active travel, or those for the wider public good - *'in a competitive funding environment it is difficult to justify the additionality - they will always perform worse in comparison in an appraisal process focussed on GVA, jobs and growth'.*

Projects were asked about the wider social and environmental benefits of their projects. They provided many excellent examples some of which are shown below:

- *'Peak resort will support the tourism sector both in the immediate area and within the Peak District. It has supported the creation of beautiful pathways that have added to the flora and fauna locally, cycle trails etc. Opportunities for local businesses in the supply chain'*
- *'Northern Gateway will see quality public realm created in the Town Centre that will enhance the quality of the townscape and the attractiveness of Chesterfield Town Centre as a place, it has ensured the wider regeneration of the Town Centre has been kick started and it is evident that private sector investment is taking place in the wider area'*
- *'We are working with the developers to ensure that they offer local businesses opportunities within the supply chain - we have held meet the buyer events and will hold another virtual one shortly, work experience placements are being offered and apprenticeship opportunities'*
- *'Housing product and tenure diversification, therefore ensuring that housing meets a wider range of community and social needs'*
- *'The project carried out outreach work with young people including schools and child social care facilities'*
- *'Broadband can contribute to reducing greenhouse gas emissions, promoting resource efficiency, and climate adaptation measures while also encouraging economic growth. For instance, companies saving on energy bills by adopting cloud computing models whereby their data and applications are run using centralised server farms. Improved broadband infrastructure will help reduce reliance on transport by residents and businesses, as a result of increased remote working, tele conferencing and the implementation of new business practices. Again, in terms of covid-19 this has had a huge impact'*

- *Improvement in ecology with the removal and remediation of contaminated material.*
- *Landscaping provides a good environment for the local community to use and exercise in. A junior park run was established in November 2019.*
- *Drainage is based upon a SUDS methodology including all car parks and hard landscaping. Adjacent to the school we planted orchard as part of the education process of healthy living and eating.*
- *We set a quality brief and materials that represent good value and easy maintenance. The design was awarded the Architects Journal landscape design of the year for 2019.*

One project did note a negative impact:

- *Some schemes aimed to improve the appearance of urban centres and local air quality. Generally, however, most schemes are likely to lead to traffic growth, especially goods vehicles'*

7.7 Considerations for Future Funding

Consultees suggested the following that could be considered for future funding programmes:

- **Consideration of Social Value** - It was suggested that there is significant emphasis on job creation and GVA outputs – *'should be looking at the wider picture?' 'Do social projects fall down because the appraisals are focussed on GVA and Job Creation'*
- **Covid19 Pandemic** - A full review of the impact of COVID-19 on the programme is currently being undertaken, at this point it is hard to quantify. There have been requests to reprofile outputs, and some projects have been unable to spend their grant as they have had supply chain issues. Conversely there were examples of projects that were ahead of schedule as a result of Covid19, for example, a project at a College that had been able to get on site early as there were no pupils on site. The team noted that the change in demand for office space will become apparent over the forthcoming months and years and may free up land available for future / different uses. It was suggested that future funding schemes could consider the conversion of office spaces into homes in urban centres.
- **Masterplanning and Collaboration** - It is hoped that in future the MCA can become more involved in area regeneration in terms of master-planning for areas. This will mean that they have more detailed knowledge of areas, more confidence of information that is in bids, are aware of the problems and issues faced and can work collaboratively with partners to address these issues with a package of measures.
- **Energy/ Low Carbon** - It was suggested that energy has been an *'ambition rather than a requirement'* during the programme, however, it was noted that this is becoming increasingly important for SCR. It was suggested that projects could have higher intervention rates for non-gas boilers in housing schemes, or better energy efficiency etc.
- **EU Transition/ Brexit** - It was noted that the EU transition could create a huge amount of uncertainty for businesses and this is falling of the radar with the current Covid19 crisis.

7.8 Consultation Analysis and Conclusions

Following an analysis of the consultation findings, the following key conclusions can be made:

- The programme has been well managed to date. There are inevitable struggles around annual funding allocations which are felt across programmes of this nature. Working in partnership, the MCA and the individual projects appear to have managed this well in the circumstances.
- Overall, it is considered that bidding processes have been fair and well publicised. It is always going to be difficult to get the message to everyone and a partnership approach is needed to ensure cascading of the information at a local level.
- The move towards more commissioning is a positive approach with more of a partnership approach between the MCA and partners in different areas of the region. The benefits of this would include jointly working up business cases so they are submitted at an appropriate time.
- The business case process is, as required, aligned with the HM Treasury Green Book guidance. This is extensive, particularly for organisations unfamiliar with the approach. The MCA Executive has looked at streamlining the approach for smaller projects but there will always be need to provide assurance of government funds.
- Despite these requirements, there is an opportunity to better align programme requirements with the requirements of Local Authorities to facilitate business case development
- Monitoring and reporting are almost always the most unpopular part of the funding process for sponsors. However, there has been positive feedback on the improvements made to the monitoring processes for the programme and in particular praise for how supportive the MCA Executive have been.
- The desire for programmes which look beyond pure economic outputs and impacts is common amongst the consultees and reflects the new SEP. It is clear that projects are creating many social and environmental outcomes that are difficult to report within the core jobs created and GVA outputs and a way to be able to report these outcomes should be considered.
- There are opportunities to better market the successful LGF funded projects and celebrate the benefits and impact of the programme.

8.0 Project Level Review – Project Case Studies

Having reviewed the overall programme performance, the evaluation team then undertook a ‘deeper-dive’ into a sample of funded projects to create a series of case studies.

A diverse range of projects were selected in order to provide a cross-section in terms of themes, locations and project value.

The projects chosen for case studies are shown in the table below.

	Skills	Town Centre Regeneration	Business Support	Tourism	Public Realm	Transport
Sheffield			Extending RGF		Grey to Green	
Rotherham	Skills Capital – RNN Higher-Level Skills Centre			Gulliver's Valley		
Bassetlaw	Skills Capital – RNN North Notts College Facelift					
Doncaster	Skills Capital – National College of Advanced Technology and Infrastructure					
Barnsley		The Glassworks				
Chesterfield						
NE Derbyshire						
Bolsover						
Derbyshire Dales						
Harborough						Market Harborough Line Speed Improvement
LGF Project Value	£9.81m	£7.4m		£41.9m	£1.4m	£3.3m

For each project a desktop review of data was undertaken along with a virtual consultation with a representative from the project team. The case studies are included in Appendix 1.

8.1 Case Study Key Findings

What is clear from the case studies is that the nature of projects funded and what they were trying to achieve ranged hugely, from tourism facilities and town centre improvement, to attracting multi-million-pound, high profile businesses to the area.

Lessons learnt from speaking to the projects include:

- Projects are not always dependant on funding to go ahead, some projects told us that the projects may have taken place without LGF support. However, funding does add value to these projects, allowing them to include extra elements that would not otherwise be fundable. This could increase improving the standard of building that is affordable, or investing in better public realm etc.
- There is sometimes a mismatch between the outputs that the projects were reporting to us and the outputs from the latest Delta Return. This is likely due to the time-lags in reporting, but final outputs will need to be fully reviewed as part of the final evaluation.
- The projects are achieving a lot of wider environmental and social impacts over and above the core LGF outputs. Collating this data at a project level would help to demonstrate the wider impacts of the whole programme. This could be considered for the final evaluation.
- Sharing of best practice - many of the projects that we spoke to were not aware of other schemes that had been funded. Getting projects together could help to celebrate successes and share lessons learnt, raising the profile of the funded schemes and the LGF programme as a whole. It could potentially lead to joint working and opportunities for collaboration between the funded schemes.
- The private sector projects may benefit with additional support in terms of preparing bids/ business plans. It was felt that this might enable them to better compete with public sector applicants.
- The economic impacts of the individual projects could be affected by the Covid19 pandemic and its long-term impacts – such as reduced demand for rail travel and reduced demand for shop and business units. The wider impacts of Covid19 are not yet apparent.

9.0 Economic Impact Analysis

This section takes the key outcomes/ outputs that have either been achieved, or are forecast to be achieved through the LGF programme, and calculates their potential wider economic benefits for the SCR economy. The calculations consider multipliers, adjust for the leakage of the benefits outside of the SCR area and apply displacement and deadweight factors. The calculations undertaken consider the potential economic impact of:

- New homes built
- Investment in superfast broadband for businesses
- New jobs created
- New learners supported
- Additional office floorspace.

Note, this is only a high-level economic impact so we have focussed on understanding the impacts of the key outputs. A more detailed study would be needed to fully capture the whole impact of the individual projects.

1. Economic Benefits Achieved in the SCR Area to Date as a Result of the Investment:

- **Additional Spend in the Local Economy by New Households:** potential £6.66million per annum
- **Superfast Broadband GVA:** a potential additional £162.5 million GVA for the SCR economy per annum.
- **Jobs GVA:** A potential additional £528m increase in GVA per annum
- **Learners Economic Benefits:** 5,061 learners have been trained/ are in training to date. When they have completed their training, it is estimated between them they will benefit from £6.3 million per annum as a result of the training. (equivalent to circa £316 million over a 50-year period)
- **Housebuilding:** There will also be an additional one-off £25.24 million of GVA during the period as a result of housebuilding.

2. Economic Benefits Forecast to be Achieved in the SCR Area by 2025: *(note: this is cumulative and includes the actuals achieved to date)*

- **Additional spend in the local economy by new households:** potential £42.38 million per annum
- **Jobs GVA:** A potential additional £2.08 billion in GVA per annum for the area.
- **Learners Economic Benefits:** 12,222 learners will be trained/ be in training by 2025. When they have completed their training, it is estimated between them they will benefit from £15.25 million per annum as a result of the training.
- **Floorspace:** Enough floorspace to accommodate 47,763 workers.
- **Superfast Broadband GVA:** a potential additional £162.5 million GVA for the SCR economy per annum.
- **Housebuilding:** There will also be an additional one-off £157.37million of GVA during the period as a result of housebuilding.

9.1 Key Principles – Economic Impact

The key principles/ features used in this economic impact assessment are shown below. We have also included a glossary of the terminology used.

The approach taken is rooted in HM Treasury 'Green Book' methodology, using a mix of relevant technical guidance, judgements, primary data or standard assumptions for key economic factors. When using data sources to inform calculations we have applied the following approach: use of primary sources where possible, where possible use of data from the project team. Where primary data is not available, we have used standard assumptions, evidence from national and local reports and recognised industry data.

9.1.1 Economic Impact Terminology Used in the Calculations – Glossary

The research undertaken has been designed to estimate the total effect of the suite of projects listed in previous sections and funded through the LGF Programme. This means considering a wide range of consequential or induced effects as well as the immediate effects. These are explained below.

- **Multiplier Effects:** The further economic activity (jobs, expenditure or income) associated.
- **Deadweight:** The outputs that would have occurred without the intervention.
- **Displacement:** The proportion of intervention outputs accounted for by reduced outputs elsewhere in the target area.
- **Leakage:** The proportion of outputs that benefit those outside of the intervention's target area or group.

As this is only a high-level economic impact we have, in general, used the following standard benchmarks when calculating multipliers, leakage, deadweight and displacement. This said adjustments have been made adjustments in places to account for local conditions where appropriate. These decisions have been justified in the analysis.

- **GVA Multipliers:** The Scottish Office publish a list of GVA multipliers per SIC code. The average GVA multiplier across all sectors of the economy is that for every £1 of direct GVA created by businesses there is £1.65 of direct, indirect and induced GVA. This multiplier has been used.
- **Employment Multipliers:** The What Works Centre for Local Economic Growth suggest the following employment multipliers: *Additional jobs in the tradable sector tend to increase employment in the non-tradable sector (e.g., local shops and restaurants). ... For each additional job in the tradable sector, 0.9 jobs are created in the non-tradable sector. The impact of additional jobs in the tradable sector on other tradable jobs is smaller: an additional job in the tradable sector creates, on average, 0.4 jobs in other parts of the tradable sector.* Based on the above we have assumed that for every direct job created there are 2.3 direct, indirect and induced jobs (1 direct job = 1 direct job + 0.9 non-tradable jobs + 0.4 tradable jobs).
- **Deadweight:** The Homes and Communities Agency Additionality Guidance 2014, provides a series of ready reckoners for deadweight. Guidance indicates an average deadweight factor across intervention types of 24%.

- **Leakage:** The Homes and Communities Agency Additionality Guidance, provides a series of ready reckoners for Leakage. Guidance suggests that where a reasonably high proportion of the benefits will be retained within the target area, a factor of 25% should be applied.
- **Displacement:** This is variable depending on the nature of the outputs. Assumptions have been made for each case and the justification included.

9.1.2 Geography

The economic impact calculations have been designed to capture the impact of the programme on the SCR geographic area.

9.1.3 Limitations of Economic Impact Assessments

It is important to recognise that there are limitations to any economic impact assessment. There are noted below:

- The findings are reliant on the robustness of the 'base case' and the quality of the data available – in this instance the quality of data reported by the projects and recorded by the MCA Executive.
- There is an inability to count non-quantifiable economic benefits that have value to individuals or organisations (e.g. quality of life improvements and profile raising).

Not discounting all of the above it must be noted that the approach taken is cost effective, comparable and is built on economic convention.

The economic impact calculations for the LGF investment are shown over the following pages.

9.2 New Homes

The table below summarises the numbers of new homes that have been built to date as a result of the LGF grant funding. In addition, it shows the number of new homes that the projects are forecasting they will have supported by 2025.

SCR Local Growth Fund Projects – New Housing, Delivered and Forecast		
Project	New Housing - Achieved to date	New Housing - Expected to be achieved by 2025 (Forecast)
Sheffield City Centre - Knowledge Gateway	40	491
Chesterfield Waterside	0	310
Harworth Bircotes	261	1,003
Worksop and Vesuvius Works - Phase 2	126	126
Worksop and Vesuvius Works - Phase 2b	62	233
Doncaster Urban Centre - CCQ	0	55
BRT North	814	814
DN7 (Hatfield Link)	0	3,100
M1J37 Claycliffe Link - Phase 3	0	1,700
Forge Island	0	140
SCR Housing Intervention Fund	33	359
	1,336	8,331

There are a number of economic benefits that these new homes will have for the local economy, including: increased spend in local shops and restaurants resulting from the population increases, increased council tax revenue for the local authority and construction jobs created as a result of the investment.

The economic benefits of house building were quantified in the July 2018 report – The Economic Footprint of House Building in England and Wales. The report was prepared by The Home Builders Federation (HBF) and Lichfields and can be found at the following link –

<https://lichfields.uk/media/4313/the-economic-footprint-of-uk-house-building.pdf>

Note: HBF is the representative body of the home building industry in England and Wales; their members' account for 80% of all new homes built in England and Wales in any one year, and include companies of all sizes, ranging from multinational, household names through regionally based businesses to small local companies. Lichfields is a planning and development consultancy in the UK.

The report highlights that in 2016/17 the house building industry in England and Wales built around 224,000 new homes. The report goes on to calculate the economic footprint of this investment.

This national data has been factored down, allowing us to understand the potential impact that the new houses supported through LGF funding could have on the local SCR economy.

Economic Benefits from Houses Being Built as a Result of LGF Funding (Excluding Multiplier, Leakage, Deadweight and Displacement Unless Specified)						
Base Data Source - The Economic Footprint of House Building in England and Wales			Economic Impact of New Homes Resulting from LGF Funding - Pro-rated figures from National Numbers			
Area of Impact	Total Economic Impact for the 224,054 homes built in England and Wales in 2016/17	Average Impact per individual home built	Already built		Forecast to be built by the 2025 (Cumulative – includes actuals)	
Increase in Spend in Shops and Services	It is estimated that residents of the 224,054 net additional homes built across England and Wales in 2016/17 generated £5.9 billion ¹ of spending over the course of the year. This equates to an average of £26,333 average spend generated per household per year. ¹ Based on data from the ONS Family Spending Survey 2018 which showed that households across England and Wales spent an average of £503 a week in 2017	The centre for Cities state that average wage in the city-region are low at £459 a week, compared to a national average of £539 (85%). We have therefore assumed average spend per household per year is 85% of the national average Assumed spend per household of £22,383	Houses built to date x	1,336	Houses forecast to be built by the end of the programme x	8,331
			Spend per household per year =	£22,383	Spend per household per year =	£22,383
			Spend generated in economy per year	£29,903,688	Spend generated in economy per year	£190,263,378
Additional Tax Revenue	It is estimated that the residents of the 224,054 additional new homes built in 2016/17 generated just under £253 million of council tax receipts. ³ Based on an average Council Tax per dwelling charge of £1,128 in 2016/17	$\frac{\text{£253 million of council tax receipts}}{224,054 \text{ new houses}} = \text{£1,128 council tax receipts per new home per year}$	Houses built to date x	1,336	Houses forecast to be built by the end of the programme x	8,331
			Average council tax per new home =	£1,128	Average council tax per new home =	£1,128
			Council tax receipts per year	£1,507,008	Council tax receipts per year	£9,397,368
Section 106	Based on a survey of houses it is possible to estimate that £841m of Section 106 contributions are made each year. Of this, £122m is spend on new and improved schools. £45m is invested in open space, community, sport and leisure facilities.	$\frac{\text{£167m spent on new and improved schools, open space, sport and leisure facilities}}{224,054 \text{ new houses}} = \text{£745 per new home}$	Houses built to date x	1,336	Houses forecast to be built by the end of the programme x	8,331
			Average contribution per new home =	£745	Average contribution per new home =	£745
				£995,320		£6,206,595
Section 106 of the Town and County Planning Act 1990 provides a tool for securing investment in essential infrastructure arising from development and this contribution can be used by local authorities to fund new services and infrastructure in the local area.						
GVA Analysis	Across the UK as a whole, house building ⁴ was reported to generate £19.2 billion of GVA in 2016 (this figure excludes some important supply chain and induced impacts)	$\frac{\text{£19.2 billion of GVA}}{224,054 \text{ new houses}} = \text{£84,800 GVA per home built}$	Houses built to date x	1,336	Houses forecast to be built by the end of the programme x	8,331
			GVA per home built =	£84,800	GVA per home built =	£84,800
				£113,292,800		£706,468,800
⁴ As defined by SIC sub-sector code 41:202 Construction of domestic buildings, using a proxy based on BRES 2016. ⁵ ONS Annual Business Survey 2016 Provisional Results; this figure does not include the full extent of house building supply chains. ⁶ This is just an approximate measure of GVA as we are comparing a calendar year figure to a financial year figure.						

Now we understand the wider economic impact of the new homes we need to understand how much benefit is realised for, and retained in, the SCR area – the target area for this study. This is done by applying the following factors.

New Homes - Economic Impact Applying Multipliers, Leakage, Displacement and Deadweight						
Area of Impact	Multiplier	Leakage	Deadweight	Displacement	Total	
Increase in Spend in Local Shops and Services per annum	Standard GVA Multiplier of 1:1.65	Assume significant leakage from area. 30% of spend stays in SCR area.	Without the intervention limited houses would have been built in these areas. 90% of benefits additional.	Assume 50% of houses would have been built elsewhere in the target area or are lived in by people already living in the area relocating.	New Homes Already built:	1,336
					Total spend from households in new homes	£29,903,688
					Potential total impact for SCR area per annum after factors applied	£6.66m
					Forecast to be built by the end of the programme 2025:	8,331
					Total spend from households in new homes by 2025	£190,263,378
					Potential total impact for SCR area per annum after factors applied	£42.38m
Additional Tax Revenue – per annum	N/A	N/A - all will go to Local Authority	Without the intervention only limited houses would have been built in these areas. 90% of benefits are additional.	Assume 50% of houses would have been built elsewhere in the target area or are lived in by people already living in the area relocating.	New Homes Already built:	1,336
					Total additional council tax from new homes	£1,507,008
					Potential total impact for SCR area per annum after factors applied	£0.68m
					Forecast to be built by the end of the programme 2025:	8,331
					Total additional council tax from new homes	£9,397,368
					Potential total impact for SCR area per annum after factors applied	£4.23m
Section 106 – one off benefit	N/A	No Leakage - all houses built in SCR area, therefore all revenue for SCR	Without the intervention limited houses would have been built in these areas. 90% of benefits additional.	Assume 50% of houses would have been built elsewhere in the target area.	New Homes Already built:	1,336
					Total Section 106 contributions relating from households	£995,320
					Potential total impact for SCR area per annum after factors applied	£0.45m
					Forecast to be built by the end of the programme 2025:	8,331
					Total Section 106 contributions relating from households	£6,206,595
					Potential total impact for SCR area per annum after factors applied	£2.79m
GVA Analysis – one off benefit	Standard GVA Multiplier of 1:1.65	Assume significant leakage from area. 30% of spend stays in SCR area.	Without the intervention only limited houses would have been built in these areas. 90% of benefits are additional.	Assume 50% of houses would have been built elsewhere in the target area.	New Homes Already built:	1,336
					Total GVA from new house building	£113,292,800
					Potential total impact for SCR area per annum after factors applied	£25.24m
					Forecast to be built by the end of the programme 2025:	8,331
					Total GVA from new house building	£706,468,800
					Potential total impact for SCR area per annum after factors applied	£157.37m

Summary – Economic Impact of New Homes to the SCR Economy

The 1,336 new homes that have already been built as a result of the LGF funding, once displacement, leakage, multiplier effects and deadweight have been considered, have the potential to create the following for the local SCR economy:

- Additional spend in local shops and services per annum: £6.66m
- Potential additional Council Tax receipts: £0.68m per annum
- Potential additional Section 106 contributions for schools and leisure facilities: £0.45m (one off)
- Additional GVA from housebuilding: £25.24m (one off).

By 2025 it is anticipated that 8,331 houses will have been built (inclusive of the 1,336 built to date). Once displacement, leakage, multiplier effects and deadweight have been considered these new houses have the potential to create the following for the local SCR economy:

- Additional spend in local shops and services per annum: £42.38m
- Potential additional Council Tax receipts: £4.23m per annum
- Potential additional Section 106 contributions for schools and leisure facilities: £2.79m (one off)
- Additional GVA from housebuilding: £157.37m (one off).

9.3 Superfast Broadband

Investment in Superfast Broadband will bring significant economic benefits to the businesses in the SCR area. It is estimated that that 118,092 businesses have been provided with Superfast Broadband in the SCR area. The economic benefits that this investment brings to businesses can be quantified using data from a recent Government report - Ipsos MORI (with Simetrica, George Barrett and Dr. Pantelis Koutroumpis) were commissioned by the Department for Digital, Culture, Media and Sport (DCMS) in May 2017 to undertake an evaluation of the economic and public value impacts of the Superfast Broadband Programme. The report shows that investment in superfast broadband connectivity has created a range of local and national economic impacts:

- **Impact on performance of local firms:** The evidence indicated that making superfast broadband speeds available improved local economic performance. It is estimated that postcodes benefitting from subsidised coverage saw employment rise by 0.8 percent and turnover grow by 1.2 percent in response to improved infrastructure. Overall, it is estimated that subsidised superfast coverage led to the creation or retention of 49,000 additional jobs on those postcodes that received upgraded infrastructure. The total turnover of firms located on those postcodes also expanded by almost £9.0bn (per annum) in response to the upgraded infrastructure. The productivity of local economic activity, as approximated by turnover per worker, also increased by 0.32 percent as a result of faster available download and upload speeds, accounting for £2.1bn of overall turnover growth. There was evidence, however, that over 80 percent of these impacts were driven by the relocation of firms to postcodes receiving subsidised coverage.

- **Productivity gains:** Making superfast broadband speeds available also appeared to raise the productivity of firms that did not change location while the programme was delivered. It was estimated that subsidised coverage raised the turnover per worker of these firms by 0.38 percent, broadly consistent with other estimates of the impact of faster broadband in the UK, equivalent to £1,390 in GVA per firm per annum. This gives assurance that the economic impacts of the programme were not purely driven by the relocation of firms.
- **Unemployment:** Subsidised coverage also supported reductions in unemployment in the areas benefitting from the programme. It was estimated that subsidised coverage reduced the number of individuals claiming Jobseekers Allowance (JSA) by 8,800 by 2016, as well as reducing the number of long-term claimants (those claiming JSA for 12 months or longer) by 2,500. These impacts are estimated to have increased national economic output by a further £38m by June 2016.
- **Overall value for money:** The estimated benefit to cost ratio of non-residential coverage was £1: £12.28.

The table below uses the data from the above report to quantify the potential economic value that supporting Superfast Broadband in SCR could have.

Impact of Superfast Broadband (Excluding Multipliers, Leakage and Deadweight) to Date		
Average impact per firm per annum	Number of firms supported to date	
Impact of superfast broadband in the UK is equivalent to £1,390 in GVA per firm per annum – <i>for existing firms - not relocating to the area because of the scheme</i>	Businesses provided with superfast broadband in the SCR area	118,092
	Increase in GVA per annum per business	£1,390
	Increase in GVA per annum resulting from investment in superfast broadband	£164,147,880

Source: base data - Department for Digital, Culture, Media and Sport (DCMS), May 2017 Superfast Broadband Report

The table above calculates the potential economic benefits that the project could have but now we need to understand the impact of this on the SCR economy. This can be done by applying factors for the deadweight, the multiplier effect and the leakage of the benefits out of the area (the above calculations already consider displacement – as noted in report). More detailed descriptions of these terms can be found in previous sections and the calculations are included in the table over the page.

Superfast Broadband Projects - Economic Impact Applying Multipliers, Leakage and Deadweight		
Deadweight - i.e. what would have happened anyway	Very small deadweight as unlikely that broadband would have been provided to these businesses without LGF funding. Potentially some small, locally organised schemes.	80% of benefits retained for SCR area
Multiplier - indirect and induced spend in the local economy	Use standard GVA multiplier - here the GVA multiplier is expressed as the ratio of the direct, indirect and induced GVA changes to the direct GVA change.	£1 direct GVA creates £1.65 direct, indirect and induced GVA
Leakage - how much of the benefit leaks out of the area	Use Standard Leakage	75% of benefits for SCR area
Total Economic Impact	Increased GVA for the SCR economy	£162.5m per annum

Source: GVA Multipliers: The Scottish Office publish a list of GVA multipliers per SIC code.

Leakage: HCA standard Leakage of 25%.

Summary – Economic Impact of New Broadband provision to the SCR Economy

Investment in Superfast Broadband has the potential to generate an additional £162.5m GVA for the SCR economy per annum.

9.4 Additional Office Accommodation/ Commercial Floor Space Created

A number of the projects supported through the programme are creating additional commercial floorspace. Job creation is a key driver for the LGF programme, so it is useful to understand the numbers of employees who could be housed within this new floorspace if it were to be operating at full capacity.

The table below shows the total floorspace forecast to be created through the grant funding by 2025 and the proposed uses for the new spaces.

Floor Space Created		
Project	Type of Use	Expected to be achieved by 2025 Sqm
Urban Development Fund	Office and some industrial	11,404
Bassetlaw Employment Sites - Retford Enterprise Centre - Phase 2	Office space	686
Sheffield City Centre - Knowledge Gateway	Office and retail	43,270
Sheffield City Centre - SRQ	Office and retail	208,670
Doncaster Urban Centre – Colonnades	Office and retail	5,126

Floor Space Created		
Project	Type of Use	Expected to be achieved by 2025 Sqm
Doncaster Urban Centre - Quality Streets	Retail and leisure	2,519
Better Barnsley Town Centre Retail and Leisure Development	Retail and leisure	25,230
Glass Works	Retail and leisure	20,204
M1 J36 to Dearne Valley - Phase 1	Mixture of leisure/retail (pub, Starbucks, Spar etc), light industrial and warehouse (car showrooms)	286,748
Harworth Bircotes	Industrial land off of junction on A1	152,038
Worksop and Vesuvius Works - Phase 1	Industrial	90,711
A618 Growth Corridor	Expansion of existing business park and opening up for Gullivers theme park to locate to area	240,000
SRC Property Fund	Mix of uses	36,673
AMRC Lightweighting Centre - Phase 1	R&D space	788
Total		1,124,067 sqm

We have used the information about to make some estimations about the overall percentage usages of the spaces that are being created.

New Commercial Floor Space			
Use Class	Use Type	Area per FTE (sqm)	%
B1(a)	General Office	224,089	19.9
B1(b)	R&D Space	788	0.1
B1(c)	Light Industrial	95,583	8.5
B2	Industrial and Manufacturing	337,619	30.0
A1	Retail	257,260	22.9
A3	Restaurants and Cafes	113,145	10.1
A1	Retail warehouse	95,583	8.5
		1,124,067	100

The OFFPAT and the Homes and Communities Agency have created an Employment Density Guide that can be used to assist appraisers in the estimation of the potential employment that could be generated by property development based on 'employment density' ratios. Ratios are generally expressed as the number of square metres per employee.

The Guide is intended to be used in planning, appraising and evaluating economic development and regeneration programmes and projects. Employment density refers to the average floorspace (in m²) per Full-Time Equivalent (FTE) member of staff. It is used as a measure of intensity of building use and an indicator of how much space each person occupies within the workplace. This guide can be used to estimate the number of workers who can be accommodated in the new commercial floorspace supported through the LGF grants.

Employment Density for New Commercial Floor Space				
Use Class	Use Type	Area per FTE (m ²)	Floor Area Basis	Comment on potential variation
B1(a)	General Office	12	NIA	Includes corporate, professional services, public sector, TMT, finance and insurance
B1(b)	R&D Space	50	NIA	Lower densities will be achieved in units with higher provision of shared or communal spaces. Range of 40-60.
B1(c)	Light Industrial	47	NIA	A Blended rate of the above B1(a) uses where they are found in out of town business park locations
B2	Industrial and Manufacturing	36	GIA	Densities within separately let units are c.7 m ² per workstation but 30% of a facility's total NIA for shared services reduces the overall density
A1	Retail	17.5 / 90	NIA	Includes high street, foodstore and retail warehouse. Range from 17.5 (high street, foodstore) to 90 (retail warehouse).
A3	Restaurants and Cafes	17.5	NIA	
GIA – Gross Internal Area, GEA – Gross External Area, NIA – Net Internal Area Source: https://www.kirklees.gov.uk/beta/planning-policy/pdf/examination/national-evidence/NE48_employment_density_guide_3rd_edition.pdf				

We have assumed that the floorspaces to be created are reported to the MCA Executive as gross space. We must therefore convert our floorspace figures into Net Internal Area, as this is the unit used in the guide (with the exception of industrial/ manufacturing). Offpat guidance suggests that gross internal area is generally 15% - 20% higher than net internal area.

Floorspace Forecasted – Gross to Net					
Use Class	Use Type	Area per FTE (sqm)		Area per FTE (sqm) per employee	Capacity for employees
		Gross	Net 85%		
B1(a)	General Office	224,089	190475.7	12	15,873
B1(b)	R&D Space	788	669.8	50	13
B1(c)	Light Industrial	95,583	81245.55	47	1,729
B2	Industrial and Manufacturing	337,619	n/a	30	11,254
A1	Retail	257,260	218671	17.5	12,495
A3	Restaurants and Cafes	113,145	96173.25	17.5	5,496
A1	Retail Warehouse	95,583	81245.55	90	903
Total					47,763

As this is simply a straightforward calculation detailing the capacity of the floorspace that has been built, no factors (leakage, multipliers, deadweight or displacement) have been applied.

Summary – Economic Impact of Commercial Floorspace to the SCR Economy

- By 2025 the project will create sufficient floorspace to accommodate circa 47,763 workers within SCR.

9.5 Jobs/ Employment

A review of data from the projects supported through the LGF grants shows that many of the projects supported are forecasting to create new jobs as a result of the investment.

Jobs		
Outputs	Achieved to date	Expected to be achieved by 2025 – Includes Actuals
Total	14,325	56,537
<i>Source: Delata Returns</i>		

To understand the wider economic benefits of the jobs created the following factors have been applied:

Jobs Created - Economic Impact Applying Multipliers, Leakage, Displacement and Deadweight	
Deadweight - i.e. what would have happened anyway	Without the intervention only limited projects would have been developed: 90% of employment benefits are additional
Multiplier - (indirect and induced spend in the local economy)	Use standard Employment Multiplier 1 job creates 2.3 direct, indirect and induced jobs
Displacement - reduction in outputs elsewhere	These are new jobs, therefore limited displacement. Assume 80% of benefits are for the area
Leakage - how much of the benefit leaks out of the area.	Assume 50% of jobs lost from the area – higher than the standard benchmark but local knowledge suggests significant numbers of supply chain jobs maybe outside of the area.
Total Combined Factor	0.828

These factors have been applied to generate the figures below:

New Jobs Already Created: 14,325

- Potential total impact for SCR area per annum after leakage, multipliers, displacement and deadweight: $(14,325 \times 0.828) = 11,861$ jobs

Forecast Jobs to be Created by 2025: 56,537 jobs

- Potential total impact for SCR area per annum after leakage, multipliers, displacement and deadweight: $(56,537 \times 0.828) = 46,813$ jobs

Using the number of jobs created it is possible to calculate the GVA impact of these on the SCR economy. We have used data from the SCR 2020-2040 SEP which notes that GVA per employee in SCR is 82% of the UK average. With a UK average of £54,300 (as at Nov 2019) this suggests that GVA per job in SCR is £44,526. Source: <https://www.pwc.co.uk/services/economics-policy/insights/uk-economic-outlook.html>

Economic Impact of Jobs Created per Annum on SCR Economy				
Annual Business Survey	GVA Impact of Employment			
Productivity Measure	GVA of jobs already created		GVA of jobs forecast to be delivered 2025	
The average GVA per employee per annum is £44,526	Jobs X	11,861	Jobs X	46,813
	Average GVA per employee per annum	£44,526	Average GVA per employee per annum	£44,526
	= increase in GVA	£528.12 million	= increase in GVA	£2.08 billion

Summary – Economic Impact of Additional Employment in the SCR Economy

- The potential total impact for SCR area of jobs created to date as a result of the LGF investment, after leakage, multipliers, displacement and deadweight have been attributed is 11,861 jobs. Assuming these are permanent jobs, these workers could create an additional £528.12m increase in GVA per annum for the area.
- The potential total impact for the SCR area of jobs predicted to be created by 2025 after leakage, multipliers, displacement and deadweight have been attributed is 46,813 jobs. Assuming these are permanent jobs, these workers could create an additional £2.08 billion increase in GVA per annum for the area.

9.6 Learners

The creation and refurbishment of new learning spaces will enable the numbers of training opportunities delivered in the SCR area to increase. The table below summarises the numbers of learners that have been supported in the new learning spaces/ learning provision or are forecast to be achieved by 2025.

Learners Resulting from SCR Investment	
Already achieved	Forecast to be achieved 2025
5,061	12,222
<i>Source: LGF claim forms and application forms, and discussions with projects.</i>	

A higher skilled pool of workers will have significant benefits for both the learner and the local economy, for example, the 2011 BIS report: Returns to Intermediate and Low-Level Vocational Qualifications, states: *The net present value of the lifetime benefit associated with Level 3 vocational qualifications stands at between £37,000 (for NVQ Level 3, under most pessimistic assumptions) and approximately £89,000 (for BTEC Level 3 qualifications, under most optimistic assumptions). For Level 2 qualifications, the lifetime benefits range between £35,000 and £57,000 (for BTEC qualifications) and between £42,000 and £71,000 (for City & Guilds qualifications). The net benefit associated with NVQ Level 2 qualifications is slightly lower and stands at between £18,000 and £42,000, primarily due to the employment impact.*

Whilst not all of the qualifications supported are NVQ 2 or 3 we can use this information as a benchmark to give an approximation of the benefits achieved by LGF funding for learning. We have taken the midpoint NVQ level 3 lifetime benefits and applied this across the board to all learners. *(note, some learners may only achieve level 2 and some may achieve higher than level 3 so we have taken level 3 as the midpoint).* Using the mid-point of the level 3 qualifications we can assume that each new learner has an associated lifetime benefit of £63,000. This has been applied to learner numbers to estimate the total impact of the funding. The results can be seen in the table:

Learners Resulting from LGF Investment – Lifetime benefits		
	Already achieved	Forecast to be achieved by the end of the programme 2025
Learner numbers	5,061	12,222
Assumed lifetime benefit from learning = £63,000 per learner	£318,843,000	£769,986,000

9.6.1 Multipliers, Displacement, Deadweight and Leakage

Now we understand the wider economic impact of the learners we need to understand how much benefit is realised for the SCR area – the target area. This is done by applying the following factors:

Apprenticeships Economic Impact - Applying Multipliers, Leakage, Displacement and Deadweight		
Current Position	Total Benefit	Factor
Deadweight – counterfactual/ baseline positions	Assume no deadweight - unlikely that training of this nature would have been provided without the LGF grant	N/A
Multiplier - indirect and induced spend in the local economy	Use standard GVA multiplier	Multiplier - 1:1.65
Displacement – reduction in outputs elsewhere	No other similar facility to compete with in the area - therefore small displacement factor	80% of benefits are specific to the projects
Leakage - how much of the benefit leak out of the area.	HCA Standard Leakage	75% stays in area

Learning Already Commenced:

- Total increase in benefit from training = £318.9 million
- Potential total impact for SCR area after leakage, multipliers, displacement and deadweight = $£318,843,000 \times 1.65 \times 0.8 \times 0.75 = £315.65m$
- If we assume this is over a 50-year period, we can assume that this equates to an economic benefit of £6.3million per annum.

Learning undertaken by end of the programme 2025:

- Total increase in benefit from training = £770m
- Potential total impact for SCR area after leakage, multipliers, displacement and deadweight = £762.3 million
- If we assume this is over a 50-year period, we can assume that this equates to an economic benefit of £15.25 million per annum.

Summary - Economic Impact of Learning to the SCR Economy

- 5,061 learners have been trained/ are in training to date. When they have completed their training, it is estimated between them they will benefit from £6.3 million per annum as a result of the training.
- 12,222 learners will be trained/ be in training by 2025. When they have completed their training, it is estimated between them they will benefit from £15.25million per annum as a result of the training.

10.0 Return on Investment

Value for money can be considered in relation to Return on Investment, using the estimates from the economic impact assessment above. Below we have estimated return on investment to date, and by the end of the programme. We have calculated the return on investment over a 10-year period into the future using the following calculation:

$$\text{Return on Investment} = (\text{Total Economic Impact} - \text{LGF Investment}) / \text{LGF Investment}$$

Return on Investment to date	
Economic impact per annum x 10 years	£7.03bn
One off additional GVA	£25.24m
Total	£7.06bn
LGF Investment	£277.6m
ROI per £1 of investment	£24

Return on Investment by end of programme	
Economic impact per annum x 10 years	£23bn
One off additional GVA	£157m
Total	£23.157bn
LGF Investment	£344.5m
ROI per £1 of investment	£67

10.1 Summary

Based on the calculations undertaken as part of this evaluation, this suggests a Return on Investment currently of £24 for every £1 of LGF investment to date and this is expected to increase to a Return on Investment of £67 for every £1 of LGF investment by the end of the programme, once all outputs have been achieved and over a period of 10 years.

11.0 Summary, Conclusions and Recommendations

11.1 Summary

The £344.5m Sheffield City Region Local Growth Fund Programme has operated since April 2015 and will be financially complete by March 2021. Funding has been allocated to over 60 projects or programmes covering a range of themes including business support, enterprise, tourism, skills, transport, regeneration and housing. The themes that have received the largest amounts of funding have been transport, business support and regeneration, in line with the aims of the LGF Programme and the Sheffield City Region Strategic Economic Plan 2015-2025.

In terms of geographical spread, (and with certain exclusions, including projects covering multiple areas) Doncaster has received the most funding, followed by Sheffield, Rotherham and Barnsley. Doncaster has had the highest funding per head of population whilst Rotherham has had the highest funding per business.

The funding awarded by investment theme and the anticipated match for each is shown in the table below. The average intervention rate across all themes for the LGF programme was 30% - i.e., for every £1 of LGF spend, a further circa £2.35 of match funding was spent in the local economy. It will be important to get an updated analysis at the ex-post evaluation stage to see whether this match funding has been fully achieved.

Match Funding Assessment by Theme					
Project	Total LGF Awarded	Match Funding	Intervention Rate - LGF/ (LGF+Match)	£1 of LGF brings £x match	Match Funding Rank
Tourism Total	£9,468,430	£82,952,352	10%	£8.76	1
Regeneration Total	£57,849,127	£243,960,445	19%	£4.22	2
Business Support Total	£69,691,031	£220,677,098	24%	£3.17	3
Skills Total	£19,534,835	£58,501,389	25%	£2.99	4
Digital/ Internet Total	£10,762,068	£22,090,402	33%	£2.05	5
Flood Management Total	£1,577,300	£1,689,155	48%	£1.07	6
Transport Total	£102,141,502	£100,484,902	50%	£0.98	7
Health and Wellbeing Total	£4,984,272	£4,210,000	54%	£0.84	8
Enterprise Total	£23,707,573	£15,300,126	61%	£0.65	9
Enabling Works Total	£11,898,040	£4,862,334	71%	£0.41	10
Housing Total	£10,061,705	£0	100%	£0.00	12
Total	£321,678,883	£754,728,202	30%	£2.35	

Note: Of the above funded projects, 1 project took place outside of the Sheffield City Region area. This was £5,069,605 of LGF grant for a transport scheme in Market Harborough.

Of the total funding awarded to projects, approximately £277.6m or 80.6% has been claimed to date.

The table below summarises the key outputs achieved to date across the programme against the target and shows levels of achievement as a percentage.

Programme Level Outputs – Key Outputs		Total
Housing	Houses Completed	1,336
	Total Forecast	8,331
	Progress towards forecast	16%
Jobs	Jobs Created	14,325
	Total Forecast	56,537
	Progress towards forecast	25%
Skills	Area of new or improved floorspace (m2)	13,560
	Total Forecast	13,758
	Progress towards forecast	99%
	Number of New Learners Assisted	5,061
	Total Forecast	12,222
	Progress towards forecast	41%
Commercial Floorspace	Area of new or improved floorspace (m2)	540,711
	Total Forecast	1,124,067
	Progress towards forecast	48%
<i>Source: MCA Executive October 2020</i>		

In total, just under 50% of the forecast outputs have been achieved to date.

In addition to the outputs shown in the table, the programme is also forecasting to achieve additional outputs including broadband connections, construction jobs, new roads and new cycle paths.

It is considered that the LGF programme currently offers comparatively low value for money. This in part can be explained by the fact that the programme has spent over 80% of its grants awarded but delivered less than 50% of outputs. However, in looking at the expected cost per output once all projects have been completed and the forecast outputs have been achieved, this suggests the programme will offer excellent value for money as follows:

- Based on all projects, the average cost per job across the whole programme will be just under £6,000.
- Based only on projects that are contracted to deliver new houses, the average LGF grant per new house will be £5,873.
- Based only on projects that are contracted to deliver floorspace we can see that the average LGF award per 1sqm of floor space created will be just £64.

An economic impact assessment of the programme based on reported and forecasted outputs shows:

a) Economic Benefits Achieved in SCR to Date as a Result of the Investment:

- **Additional Spend in the Local Economy by New Households:** potential £6.66million per annum
- **Superfast Broadband GVA:** a potential additional £162.5 million GVA for the SCR economy per annum.
- **Jobs GVA:** A potential additional £528m increase in GVA per annum
- **Learners Economic Benefits:** 5,061 learners have been trained/ are in training to date. When they have completed their training, it is estimated between them they will benefit from £6.3 million per annum as a result of the training. (equivalent to circa £316 million over a 50-year period)
- **Housebuilding:** There will also be an additional one-off £25.24 million of GVA during the period as a result of housebuilding.

b) Economic Benefits Forecast to be Achieved in SCR by 2025: (note: this is cumulative and includes the actuals achieved to date)

- **Additional spend in the local economy by new households:** potential £42.38 million per annum
- **Jobs GVA:** A potential additional £2.08 billion in GVA per annum for the area.
- **Learners Economic Benefits:** 12,222 learners will be trained/ be in training by 2025. When they have completed their training, it is estimated between them they will benefit from £15.25 million per annum as a result of the training.
- **Floorspace:** Enough floorspace to accommodate 47,763 workers.
- **Superfast Broadband GVA:** a potential additional £162.5 million GVA for the SCR economy per annum.
- **Housebuilding:** There will also be an additional one-off £157.37 million of GVA during the period as a result of housebuilding.

Value for money has also been considered in relation to Return on Investment, using the estimates from the economic impact analysis. This suggests a Return on Investment currently of £24 for every £1 of LGF investment and this is expected to increase to a Return on Investment of £67 for every £1 of LGF investment by the end of the programme.

The key issues, challenges and lessons learnt from speaking to projects include:

- Projects are not always dependant on the funding to go ahead, some projects told us that the schemes may have taken place without LGF support. However, funding does add value to these schemes, allowing projects to include extra elements that would not otherwise be fundable. This could increase improving the standard of building that is affordable, or investing in better public realm etc.

- There is sometimes a mismatch between the outputs that the projects were reporting to the evaluation team and the outputs from the latest Delta Return. This is likely due to the time-lags in reporting, but final outputs will need to be fully reviewed as part of the final evaluation.
- The projects are achieving significant wider environmental and social impacts over and above the core LGF outputs. Collating this data at a project level would help to demonstrate the wider impacts of the whole programme. This could be considered for the final evaluation.
- Sharing of best practice - many of the projects that we spoke to were not aware of other schemes that had been funded. Getting projects together could help to celebrate successes and share lessons learnt, raising the profile of the funded schemes and the LGF programme as a whole. It could potentially lead to joint working and opportunities for collaboration between the funded schemes.
- Private sector projects felt they might benefit with additional support in terms of preparing bids/business plans. It was felt that this might enable them to better compete with public sector applicants.
- Covid-19 Implications: The Covid-19 pandemic has created slight delays in some of the programmes. The retail and leisure markets are also facing challenges at the moment, which is likely to impact on demand of units and the ability to attract investors. Social distancing and the availability of materials has also slowed the progress of some projects. Many of the projects were creating significant employment floorspace, with a move towards working from home it remains to be seen how strong demand and uptake will be for many of these new spaces.
- Brexit: some projects have been impacted by the uncertainty surrounding the UK's withdrawal from the EU. In some cases, projects have noticed an unwillingness amongst customers to invest in skills, and it was suggested that companies are increasingly risk-averse to expanding their workforce.
- Monitoring process: some of the projects found the monitoring process to be onerous and complicated. It was suggested that projects at an early stage would benefit from a simplified monitoring process, at least until they are on site and due to be completing tangible outcomes.

11.2 Conclusions

- The programme appears to have been well managed to date. Annual spend targets have been met and the MCA Executive team have taken flexible and innovative approaches to ensure targets have been met and to allow projects to proceed. The programme management put in place by the MCA Executive has significantly contributed to the successful delivery of the programme to date.
- The programme has funded a diverse range of projects across the region and has found routes to get funding to the private sector as well as public sector which other LGF programmes have struggled to achieve.

- Whilst monitoring and reporting is usually the most unpopular part of the funding process for sponsors, there has been positive feedback on the improvements made to the monitoring processes for the programme and in particular praise for how supportive the MCA Executive Team have been.
- Output achievements are somewhat behind profile, when compared to expenditure. This is not unexpected as outputs and in particular outcomes are often achieved late in a programme of this nature.
- If all forecast outputs are achieved, the programme will have delivered excellent value for money and is demonstrating a very high return on investment of £24 of economic benefit for every £1 spent currently.
- The analysis demonstrates that the programme has already delivered significant economic impact across the region with potential for this to substantially increase further as more outputs are achieved. This impact aligns with the aims of the programme in terms of driving economic growth, job creation and increasing GVA. It also aligns with the SCR 2015-25 Strategic Economic Plan and in particular the aims to ensure businesses have the support they need to grow, prosper and become more resilient.
- The analysis undertaken as part of this evaluation suggests the LGF programme will result in directly and indirectly creating 46,813 new jobs in SCR, a significant contribution to the target of 70,000 new jobs by 2025 set out in the Strategic Economic Plan.
- It is clear that as well as economic benefits, many of the projects funded through the programme are delivering social and environmental benefits which staff and stakeholders involved in the programme would like to see captured and reported.
- Key outcomes delivered by the project include: providing funding to projects to allow them to create exemplar/ high quality buildings to increase the profile of the area rather than just cheaper, lower cost options, supporting schemes that improve public realm and the visitor experience which are often more difficult to justify in terms of hard economic outputs and working with applicants who are not traditionally recipients of this type of funding such as private sector applicants and education facilities.

11.3 Recommendations

Recommendations from the evaluation have come from the experience of the evaluation team as well as feedback and suggestions from staff, projects and stakeholders. The recommendations are split between those that relate to the future operation and evaluation of the programme and those that relate to future programmes.

11.3.1 Local Growth Fund

- The focus for the programme as it comes to an end financially will be on achieving spend and output targets. The MCA Executive and partners have managed this well to date but as the programme ends there will be a need for intense monitoring to ensure these targets are achieved and the programme continues to perform well in this area.
- However, this monitoring could be done in a more partnership and proactive way than perhaps has previously happened – working together to maximise the potential and support delivery of targets rather than from a scrutiny perspective.
- As monitoring of outputs will be required beyond 2021, there may be a requirement for training / workshops on the monitoring processes as inevitably there will be personnel changes within funded organisations with people taking on responsibility for reporting of projects that they have perhaps had little involvement with during delivery. The achievement of outputs will be vital to achieving the potential economic benefits that this evaluation has identified as being possible as a result of the LGF investment.
- This evaluation has highlighted that the programme has been wide reaching and achieved a huge amount for the region. There is an opportunity to celebrate this and raise awareness of what has been funded and what has been achieved. It is clear from the consultation that there is a lack of awareness amongst stakeholders of what projects have been funded beyond their own organisation / geographical area and therefore there is a great opportunity to shout about and celebrate the programme successes.
- It is clear that many of the projects supported through the Local Growth Fund are delivering wider social and environmental benefits and these are not necessarily getting captured and reported. Whilst it will be difficult for these to be fully captured now, the post-ex evaluation should include a consideration and analysis of the social and environmental impact as well as economic impact of the programme.
- A full review of the impact of the Covid-19 pandemic is currently being undertaken but this should also be considered as part of the ex-post evaluation in terms of any impact of the potential economic benefits or any delays in achieving these.

11.3.2 Future Programmes

- A continued move towards commissioning should be considered to allow a pro-active approach to delivering targeted solutions to specific challenges or opportunities in Sheffield City Region. In such an approach, the MCA Executive team would work with local partners to develop solutions and there should be effort to involve a wide range of partners in developing solutions including the private sector. This approach may provide opportunities for a wider range of organisations to be involved in developing local solutions without having to directly bid for funding.

- This would mean that the MCS would be a partner rather than just funder, allowing the MCA Executive Team to have more detailed knowledge of local area and work with partners to develop projects, commission feasibility and business case development and then commission a solution. This presents the opportunity to better align MCA and Local Authority processes where both are necessary for a project to succeed and will also help to ensure projects only come forward for funding when they are genuinely in a position to move forward.
- Linked to this, an approach whereby there is a beginning to end ownership of projects within the MCA Executive with an individual contact could support continuity and genuinely feeling of working in partnership rather than a sponsor / funder relationship. This could also make better use of staff knowledge and experience.
- Such a commissioning approach would also reduce the need for so many calls for projects which can be very time intensive for both applicants and the MCA Executive Team. However, calls can be useful in terms of developing a pipeline of project ideas and therefore a mixed approach should be considered.
- There can be challenges and barriers – capacity and financially amongst smaller local authorities and organisations and in particular the private sector in developing business cases. The MCA Executive should continue to roll out the offer of funding the business case development stage for projects with such costs forming part of the overall grant offer and having to be repaid if the project does not proceed. The MCA may also wish to consider having a panel of organisations who can assist with business case development who the MCA Executive could appoint on behalf of applicants, therefore supporting the partnership approach further.
- Regular workshops should be held for potential applicants for any new funding programmes, covering not only the requirements of the initial business case but also what happens as a project proceeds through the process including potential timescales, what evidence will need to be provided and when and details of the draft funding agreement. This might help to reduce the number of projects withdrawn and also reduce delays when trying to get funding agreements signed.
- Similarly, workshops should be held with successful applicants to talk through the monitoring process. These should be held regularly to provide refresher sessions and also to reflect the likely staff turnover which means that new people will be taking responsibility for project reporting and monitoring over the life of a project or programme.
- There is a clear desire to be able to support projects which deliver wider public benefit / well-being as well as projects which will support economic growth and resilience. This balance is perhaps even more important now in light of the impact of the Covid-19 pandemic. The LEP as part of the MCA could look to influence the focus of future funding coming from Government to have this wider remit in line with the 2020-2040 Strategic Economic Plan which has a strong focus on well-being and protecting the environment.

- The requirement to follow a Green Book compliant assurance process is well recognised and will no doubt continued to be required in future programmes. However, the MCA may wish to consider whether an assurance process for future programmes could be developed that also gives weight to factors such as well-being, wider public good and environmental considerations.
- Projects supported through the Local Growth Fund are delivering wider social and environmental benefits and these are not necessarily getting captured and reported. For future funding programmes, the MCA should consider the development of an evaluation framework which emphasises the importance of evaluation economic impact as well as social and environmental impact with ideas and suggestions of how these can be evaluated.
- Linked to this, it is clear that there are different levels of project level evaluations taking place. The MCA may wish to consider making evaluation a requirement for each project and to appoint an evaluation panel who can work with projects – not to evaluate directly but to be involved in the project contracting and inception process to advise and support on how to undertaken evaluation and to be a source of support and guidance as projects are delivered. This will provide robust information to support future programme evaluations.
- Feedback from stakeholders and projects highlights a desire for an application and assurance process appropriate to the project size and funding requested. It is recognised that such an approach has been put in place in SCR and it is recommended that this is continued for future programmes.

Appendix 1

Project Case Studies

The Glassworks



Location: Barnsley Town Centre

Applicant: Barnsley Metropolitan Borough Council

Total Cost: c.£140,000,000

LGF Grant: c.£7,400,000

Timescale for Delivery: 2017 to September 2021

Outputs - The project has achieved, and is forecasting to achieve, the following outputs:

Outputs	Jobs		Commercial Floorspace	
	Achieved to date	Expected to be achieved by 2025 (Forecast)	Achieved to date	Expected to be achieved by 2025 (Forecast)
Glass Works	277	856	1,657	20,204

Background - The Glass Works is being built on a 3.8-hectare site in the heart of Barnsley town centre and will include: 26 new retail units, 4 leisure units including a 13 screen Cineworld and a Superbowl Laser quest facility and 7 restaurants.

The development has received two tranches of LGF – an initial loan in 2017, followed by a grant in 2019 for £5.3million. The initial loan was converted to a grant, bringing the funding for the scheme to circa £7.4 million. LGF funding contributed to the delivery of a variety of elements of the scheme including: public realm works, the shell and core fit out of the market kitchen food court and demolition of redundant buildings. The project started in 2015 and the LGF funded elements of the scheme are now complete. The second phase of the development – the retail and leisure elements - are now being developed, with a view to being open in September 2021.

Rationale - The scheme was designed to address the chronic leakage of local retail and leisure spend as evidenced in the 2016 FSP report that identified 59% of Barnsley catchment residents do not use Barnsley Town centre as a retail destination. Analysis projected that there would be a 7% decrease in shoppers by 2021 if no intervention was made. Two previous attempts to attract private investment had failed, and it was at this point that the Council took the decision to fund the scheme.

In addition to the above the project also aims to:

- Deliver a mix of retail and leisure opportunities designed to fill a gap in the market
- Make the town centre more welcoming to families – creating spaces that families want to enjoy and facilities they want to use in a safe and family friendly environment.
- Improve the public realm of the town centre, including improving the movement/ circulation
- Address retailer concerns around the need for units with larger floorspace – the current provision wasn't providing the accommodation that was needed.

Progress - Currently 60% of the new units are pre-let; with 12 months to go before formal opening this is a significant positive for the scheme, demonstrating that the development is delivering what businesses want. The Market Kitchen is now open – this is a space with multiple food and beverage operators and a communal seating area. This space has been very popular for casual dining with the local community and has remained popular even during the Covid19 pandemic. The development has also generated additional business interest in peripheral town centre sites.

Covid19 Implications - Discussions with the project manager highlighted the following implications of the Covid19 pandemic:

- The Covid19 pandemic has created a slight delay in the programme, but this is only estimated at four/ five weeks. The project is now due to complete September 2021 rather than summer 2021.
- The retail and leisure markets are facing massive challenges at the moment which could impact on demand for the remaining units. However, on a positive note, there have been two lease signings during the pandemic – TK Max and Deichmann.

LGF Grant: Additionality - The scheme probably would have gone ahead without the LGF funding, but cost savings would have had to have been made compromising on the overall quality of the final scheme -elements such as the covered walkway and some elements of the public square would not have been delivered. The LGF support has meant that the team were able to invest the extra money required to make the area attractive and appealing and give it the best possible opportunity to attract the quality and types of tenants that they were hoping for.

Economic Impacts - An independent economic impact of the scheme was undertaken at the full business case stage which suggests that the scheme will support:

- The potential to support the delivery of 1,617 gross new operational FTE jobs, brought about through a mix of Development Site and wider spending-related impacts and safeguard a further 214 gross exiting FTE jobs in the town centre
- Net additional employment – A total of 941 generated construction, development site and wider spending-related net additional FTE jobs and a further 252 safeguarded net FTE jobs within Sheffield City Region's labour market (totalling 1,193 net FTEs)
- £418.1m in additional generated and safeguarded GVA for the Sheffield City Region economy by 2035, £317.2m in GVA at present values over the period
- Enable 544 new dwellings and 58,650 sqm (GEA) of additional commercial space
- Generate an additional £56.8m in gross one-off Land Value Uplift and leverage an additional £86m in private-led investment to unlock new development site opportunities in the borough
- An additional £14.3m in Business Rate returns and additional £5.0m in Council Tax returns
- Support 50 new NVQ Level 2-4+ qualifications in Barnsley.

Discussions with the project manager also highlighted that the project has 'designed out crime' in the area, making the space a more welcoming and appealing environment, and that the Local Authority are hoping to work with new businesses locating at the site to deliver work placement opportunities for local people. The development has also been designed to support the Local Authority's Green Agenda with the use of carbon reduction measures such as solar panels, electric charge points and timed lighting.

Market Harborough Line Speed Improvement



Location: Harborough

Applicant: Network Rail Infrastructure Ltd

Total Cost: £49,650,000

LGF Grant: £5,000,000

Timescale for Delivery: July 2017 to December 2019

Outputs – The project delivered the following outputs and outcomes:

- Track realignment on the Midland Mainline enabling an increased line speed up to 85mph.
- An alternative to the barrow crossing by constructing a footbridge.
- A time saving of 0.5 minutes in both directions (London-Sheffield), with the potential for increasing this up to one minute in both directions, for non-stop passenger and freight train services on the Midland Main Line.
- An increase in accessibility at the station.

Background - The Midland Mainline (MML) is a key route between London and the Sheffield City Region via the East Midlands but development has suffered from the Government's abandonment of the electrification of the line to Sheffield that was scheduled for 2023. The biggest single flow of business travel for any regional cities or towns is to or from London, therefore journey times and facilities for rail travel on the Midland Main Line to and from London is of crucial importance to business throughout the SCR region and most of the East Midlands.

Stakeholders including Local Authorities, representatives of the local business community and Members of Parliament sought funding for an upgrade to the Midland Mine Line for a number of years. As a result of which funding has been allocated for comprehensive upgrades at Leicester and Derby. The works in the Market Harborough area were the one unfunded element of this long-standing campaign. To address this a bid for funding was made to all three Midland Main Line LEPs – Sheffield City Region LEP, Leicester & Leicestershire LEP and D2N2 LEP.

Project - The project concerned improvements to the Market Harborough Railway Station including the construction of a footbridge with lifts at Market Harborough Station, lengthening of the station platform, improved station accessibility including the removal of the current Barrow crossing, and the straightening of the track. The line speed through Market Harborough station was previously 60mph due to the curvature of the track – this was the most severe restriction on an inner-city route in England south of Hadrian's Wall, with consequential journey time penalties for businesses travelling to and from London. Additionally, the project invested in improvements to facilities at the Station; Network Rail worked with East Midlands Trains to increase the car park capacity to 500 spaces.

The £54m infrastructure enhancement scheme included £13m in contributions from the three Local Enterprise Partnerships (LEP) working together: Sheffield City Region (£5m), D2N2 (£5m) and LLEP (£3m).

Gulliver's Valley



Location: Rotherham

Applicant: Gulliver's World

Total Cost: £7,527,000

LGF Grant: £400,000 grant, £1,100,000 loan

Timescale for Delivery: August 2018 – July 2020

Background – Phase 1 of the Gulliver's Valley project sought a total of £1.5m (19.9%) from the Sheffield City Region (comprising £400,000 grant funding and £1.1m loan funding) as part of a £7.527m total project cost. The overall total development cost for the entire Gulliver's Valley development is estimated to be in the order of £37m as there are 4 further phases planned.

Gulliver's Valley opened in 2020 (although has been subject to COVID-19 restrictions). Gulliver's Valley overall resort is a theme park offering rides and attractions aimed at children aged from 2-13 years old and their families. It also includes a water play zone, a NERF zone, a climbing zone, a glades attraction and an education and ecology centre encompassing forest classrooms and outdoor learning adventures for children. The resort also offers family friendly accommodation in the form of glamping, woodland lodges, and hotels. The development encompasses Gully's Dream Village, a community where children with life threatening illnesses can be given the chance to enjoy cost-free respite in a magical environment.

LGF Grant - The LGF support specifically accelerated delivery of elements of the visitor accommodation planned as part of the Resort, bringing forward accommodation units into phase 1 of the development (2020) rather than being delivered in phase 2 of the scheme (2024). This acceleration of visitor accommodation delivery establishes the resort as a short stay destination from day one of operation, accelerating the creation of 38 FTEs into phase 1 (2021) of the scheme. 28 rooms are already open to park visitors, and the project has already created 71 FTEs.

The LGF funds were used for the following specific activities:

- Improvements to the A618 to facilitate pedestrian access
- Construction of the junction and entrance driveway to facilitate visitor access
- Purchase of themed accommodation units
- Groundworks and installation of accommodation units
- Construction of guest and operational facilities to service accommodation.

Application Process - Gulliver's were very complimentary about the support they received from their Local Authority to submit their bid to the LGF. They highlighted that private sector organisations do not have the track record of this type of application process that public sector organisations do, and this makes it harder to compete for funding.

Social Impact - Working alongside Rotherham Council, the project was designed to get people back into work who might not normally follow the usual career paths. The hospitality industry can be characterised by employees with few or low levels of qualifications, and typically accept employees from a wide range of backgrounds – from mother’s seeking part-time work during school hours, to school leavers needing a first job with no prior experience. Job roles at Gulliver’s are diverse, and can accommodate young people, as well as older people (aged 50+ or 65+) who are looking to get back into work. For older people, the mental positivity that is linked to working with families and children reduces health issues, both mental and physical, and helps them to feel part of the community. Gulliver’s aim to hire local people, and their staff are given on-the-job training; the park runs apprenticeships with Rotherham College (including management training).

The wider project development will also deliver a Service Academy aimed at both employees of Gulliver’s, and other residents living in the City Region who wish to pursue training opportunities and qualifications in service and hospitality. The Service Academy is proposed to link with a local college to provide the onsite training resources for apprenticeships and BTEC qualifications. It will also undertake the training for all new members of the Gulliver’s team.

The Gulliver’s Management training programme will also be co-ordinated through the Academy. Gulliver’s on-site training will train in excess of 70 people per year for Gulliver’s alone. They are still in discussion with the college as to the exact courses and numbers of trainees beyond Gulliver’s own requirements. It is proposed to bring it into operation in line with the start of operational teams coming onto site. Similarly, Gulliver’s hosts work placements for students in local colleges.

This forms part of Gulliver’s wider aim to create work interventions at an earlier stage in local schools, to encourage young people to consider their career options at an earlier age, and fostering an aspiration amongst young people. The project has worked with 8 schools in this way (and would have accommodated 28 schools if it wasn’t for the Covid-19 pandemic). Gulliver’s are planning a further bid to build a Skills Village providing a safe environment for training, job interventions, and to create career pathways for many young people.

The Gulliver’s scheme raises the question of whether going forward, funding should be used to support projects focussed on high level skills, or whether they should be looking to support those with no work experience, or from households with a tradition of worklessness in to employment.

Environmental Impact - In addition to the social impacts detailed above, the park was designed to be environmentally friendly. The park site within a woodland park setting, features rainwater harvesting systems to run the toilets, and is planning solar panels for the roof. In an effort to have a net-zero impact on trees, Gulliver’s redistributed the plants and trees uprooted to build the park. Phase 2 of the development will include an Ecology Centre, working with local communities and wildlife organisations to link the community with ecology, charity and skills development.

Economic Impact - According to the Business Case, on completion, the Gulliver’s Valley development will bring £37m private sector investment to the City Region and create in the order of 250 FTE employees in the leisure, tourism and visitor economy; jobs which will particularly benefit younger people living in the City Region.

Skills Capital Programme Overview



Location: Various – See table below

Applicant: Various – See table below

Total Cost: £69,232,728

LGF Grant: £18,888,946

Timescale for Delivery: February 2016 to 2021

An overview of the Skills Capital Programme is set out below, case studies of funded projects are included over the page.

Background - The Sheffield City Region Skills Capital Fund is open to applicants from across the SCR area from 2016 to 2021. The programme was designed to address the skills gaps identified in the SCR area.

The focus for investment of the Competitive Fund is state-of-the-art training facilities and equipment, which will demonstrably contribute to the economic growth of the SCR area, ensuring the City Region has the capacity and capability to meet future labour market and business requirements. Projects that have already benefitted from this fund include: The National College for High-Speed Rail campus in Doncaster (now National College of Advanced Transport & Infrastructure); the North Notts College campus at Worksop, and the development of a new Centre for Higher Level Skills in Rotherham.

Applicants could apply for funding for projects that:

- *Help us to increase the number of adults in learning, by creating an attractive offer to both business and individuals. At the same time, we recognise that to be cost effective, learning spaces need to be flexible to cater for a wider cohort. We would like to see space that is adaptable and encourages use by employers, adults and young people to foster and develop new ways of working as well as building relationships across business and education.*
- *Provide clear progression pathways for learners, with a rationale as to where learners progress and clear pathways into either the next level of learning, higher education or employment. Delivery of Level 2 and below qualifications will be capped at 20% of the total of all learning per bid.*
- *Proactively push the boundaries of the current skills/education system to test out new, bold ways of working that embed employer input and innovation through co-design whilst responding the economic need in the Region.*
- *Work collaboratively, with a minimum of three partners which may include education providers, local authorities, universities and employers to maximise knowledge, resource and expertise.*
- *Support key SCR priority sectors which are driving/supporting economic growth. These are clustered around STEM related sectors which includes advanced manufacturing, engineering, digital, construction, logistics and professional services.*
- *Deliver an increase in Level 3 and above technical provision.*
- *Support the introduction of T-levels.*

The application guidance highlighted that to secure funding projects needed to demonstrate:

- *Demand/Need - there must be clearly demonstrable demand from the sector/employer.*
- *Additionality - projects must deliver additional learning. This can include:*
 - *Increase in learner numbers (at any age)*
 - *Increase in the level of NVQ equivalent provision on offer*
 - *New or enhanced qualifications*
 - *Better quality of existing provision (evidence implications)*
 - *Increased commercial income (evidence demand)*
 - *Increased achievement/retention rates*
- *Value for Money - it must be clear what the SCR SCF is investing in and what the return on investment for the LEP is in terms of supporting economic growth*
- *Revenue Streams - Projects must clearly show what revenue streams they envisage will fund activity, what assumptions they have made around levels of income whether this is Government funding or profiles for commercial income.*

Outputs and Spend - To date, the Skills Capital Programme has funded the projects shown in the table over the page. A selection of these projects were researched further as mini case studies and are shown over the following pages.

Skills Capital Competitive Fund Projects								
Project Name	Jobs		Apprenticeships		Area of new or improved learning/training floorspace (m2)		Number of New Learners Assisted	
	Achieved to date	Expected to be achieved by 2025 (Forecast)	Achieved to date	Expected to be achieved by 2025 (Forecast)	Achieved to date	Expected to be achieved by 2025 (Forecast)	Achieved to date	Expected to be achieved by 2025 (Forecast)
North Notts College	0	0	531	531	2,000	2,000	447	447
National Rail College	0	0	145	145	7,260	7,260	328	1,369
Rotherham College	10	10	140	400	3,300	3,300	662	662
SHU Capacity Building for Degree Apps	0	0	0	0	0	0	1,568	7,224
The Sheffield College Increasing Higher Level Skills Construction and Engineering	0	0	468	1,199	0	0	639	1,729
Chesterfield College Infirmary Road Project	0	0	339	4,629	0	0	1,084	5,374
National Fluid Power Centre Integrated Systems	0	0	0	0	0	0	821	1,006
RNN Group Motor Vehicle and IT Curriculum Growth Plan	0	0	0	0	0	0	790	790
360 VFX	0	0	0	0	1,000	1,000	92	672
Doncaster UTC Ltd	0	0	0	0	0	6,300	0	976
Digital Engineering Skills Development Network	0	0	0	1,101	0	1,198	0	890
Barnsley College Digital Innovation Hub	0	15	0	216	0	3,723	0	2,111
Sheffield UTC - From Teenager to Employee	0	0	0	0	0	0	0	220
TOTALS	10	25	1,623	8,221	13,560	24,781	6,431	23,470

Source: MCA Executive

Case Study: National College of Advanced Transport & Infrastructure



Location: Doncaster
Applicant: Doncaster Metropolitan Borough Council
Total Cost: £40,000,000
LGF Grant: £6,000,000
Timescale for Delivery: Opened September 2017
Outputs: Key outputs to be achieved by the project are shown below:

Project Name	Jobs		Apprenticeships		Area of new or improved learning/training floorspace (m2)		Number of New Learners Assisted	
	Achieved to date	Expected to be achieved by 2025 Forecast	Achieved to date	Expected to be achieved by 2025 Forecast	Achieved to date	Expected to be achieved by 2025 Forecast	Achieved to date	Expected to be achieved by 2025 Forecast
National Rail College	0	0	145	145	7,260	7,260	328	1,369

Background - The Advanced Transport & Infrastructure National College (NCATI) was established to provide the higher-level skills needed to transform the UK rail and transport infrastructure network.

The College opened in September 2017 as the National College for High-Speed Rail (NCHSR) on state-of-the-art campuses in Birmingham and Doncaster. In addition to £40 million from the Department of Education, the college has received £12 million investment from the Sheffield City Region LEP and Greater Birmingham and Solihull Local Enterprise Partnership (LEP) as well as £10 million in industry donations. The LGF investment was used primarily for equipment related to high-speed rail and transport and infrastructure more generally – this is all used in the curriculum.

In August 2019, the College changed its name to reflect the growing demand across the UK transport infrastructure industry. The widening of the scope also allowed for the college to become a sustainable business not entirely dependent on the success of HS2. In addition, NCATI's business partners operate across the wider transport and infrastructure industry anyway – only HS2 Ltd was concerned exclusively with rail.

The College is dedicated to providing the higher-level training required to support HS2, Northern Powerhouse Rail and other rail projects, as well as supporting the skills demand from employers who are facing skills challenges such as digitalisation of the railway and an ageing workforce. Through a combination of classroom teaching, real work experience and short courses, the College provides technical and professional courses, using the very latest industry technology, to a diverse range of learners that are starting a career in the industry, are looking to switch careers, or are part of the existing workforce.

The College is split across two campuses – in Birmingham and Doncaster - offering fully installed track and rolling stock, specialist workshops, advanced digital learning and practical classroom teaching. The Doncaster site specialises in Rolling Stock, Track Systems and Power, while the Birmingham site focuses on civil engineering and command, control and communication. The College offers a range of courses, apprenticeships and accredited programmes, all developed with industry employers and specialists. The latest technology offered includes augmented reality classroom and virtual reality training onboard two Eurostar power cars, touch screen interactive whiteboards, and a dedicated BIM cave. The College comprises c.76,000sqft of teaching and workshop space, including specialist rail equipment such as 150m of external track and catenary. The college has the capacity to train 3,200 engineers a year.

Industry Links - NCATI was developed in partnership with businesses that already work in the rail industry. Equipment has been donated by the college's partners, including: a Eurostar power car with investigation pit underneath; multiple sections of track, including maintenance section; CAD software; high speed pantographs; overhead line equipment; workbenches and full sets of tools. These close links also provide additional connections for learners to the industry including: work placements, visits to sites and depots, mentors for each learner, guest lecturers and subject matter experts. The College is fully kitted out with the very latest equipment – trains, carriages, track and digital systems. The Doncaster campus specifically focuses on Rolling Stock, Track Systems and Power.

Courses - The college predominantly focus on Level 4 apprenticeship qualifications, with some capacity to upskill Level 3 learners. The Higher Education courses offered by NCATI are regulated and qualified through Sheffield Hallam University, while many of the technical courses are delivered by industry businesses. NCATI also offers short courses in professional development and technical skills, to fulfil industry skill gaps and meet legislative requirements. The college offers courses in: first aid, health and safety, leadership and management, Microsoft and IT software, rail, and wellbeing. Across the Higher Education and Apprenticeship programmes, most of the college's learners are based in the respective city regions (Birmingham City and Sheffield City). However, apprenticeships (including learners, learning providers and employers) draw interest from a much wider catchment area; for example, the Doncaster campus hosts learners from Preston, where Alstom have a base.

Building Design - The LGF funding has enabled the college to create a better learning environment and to improve employability skills for the sector that will go on to employ their learners. Without the funding from LGF, the building design would have suffered from value engineering. The Doncaster campus is thought to be inspiring; a state-of-the-art, bespoke camps built for training and education in transport and infrastructure. Unique to NCATI, the building houses a range of different disciplines related to high-speed rail, but the building doesn't compartmentalise each specialism – the site is designed to facilitate cohesion across rolling stock, power, civil engineering and other areas. Students participate in a general education on transport and infrastructure, before moving onto their specialisms, but they are always visible to each other.

The LGF funding ensured that the design and build of the campus was at the top end; the college's customer base are mostly in the realm of billion-pound turnover businesses, and therefore have high expectations of a professional educational environment. In 2020, the NCHSR saw its first full-time graduates complete their respective courses.

The College has been able to report a 100% achievement rate with regards to: Access to Higher Education courses, Functional Skills, and on the first cohort of BSc (Hons) learners. In addition, all apprentices who have been through End Point Assessment have achieved with a high percentage of apprentices awarded Merits and Distinctions.

Environmental and Social Impact - The Doncaster campus building, design and architecture has won awards, and the building has achieved a BREEAM assessment of Outstanding (which represents less than 1% of UK new non-domestic buildings). This is the highest category possible in terms of environmental impact, and is driven by the implementation of solar panels and rainwater harvesting systems.

The college attracts a diverse range of learners, ranging from young people seeking a career, those aged 40 and above who are seeking a career conversion, as well as a number of people joining Access Courses at Level 3 – both new learners without the qualifications to join the full course, and older learners looking to add to their opportunities. The Level 3 courses are giving people the opportunity to fill in skills gaps and accreditation.

The college is also proving to have a positive impact on the diversity of the sector. The rail sector is categorised by a distinct lack of diversity – approximately 9% of the workforce are females, and the industry struggles to attract an ethnic diversity too. In the Sheffield City Region, the college is outstripped the regional (and national) industry average in terms of both female and BAME participation.

More widely, the college is working with Sheffield Hallam University to run the South Yorkshire Futures programme to help with education and attainment in South Yorkshire. In addition, in recent months, NCATI have hosted c.300 learners from Doncaster's new University Technical College (UTC). The UTC, scheduled for opening in 2020, was delayed until October – NCATI hosted the learners for the first half-term, who otherwise wouldn't have been able to start their vocational courses.

Economic Impact - The college has the capacity to train 3,200 engineers a year. With an average GVA per job across the rail-related industries at £69,000, some 50% above the UK average (Oxford Economics 2018), if each of these engineers was a new entrant to the sector and was to enter full time employment this could create an additional GVA per annum of £220 million per annum for each new cohort. We must remember however, that many of these trainees may already be working in the sector, and many will be replacing those leaving the sector.

BREXIT and Covid19 Challenges - NCATI conferred that the Covid-19 pandemic has not had as much of a negative impact as anticipated. The College had undertaken a number of Business Continuity Planning exercises in 2019, and were well placed to quickly switch to online course delivery and support at the start of the pandemic. Unlike many other providers, since the inception of the College, the institution has depended on technology to deliver teaching and learning, meaning the transition to online teaching and learning was quickly achieved by the curriculum team and leaders. Since March 2020, the College have delivered all learning through online groups at 1:1 sessions. A recent survey of learners about online learning found 100% satisfaction with how they are delivering and how they have responded to learning during the Covid-19 pandemic.

The college is broadly aware of the impact of Brexit – they have noticed an unwillingness amongst customers to invest in skills due to the uncertainty created by the referendum. Companies are increasingly risk-averse to expanding their workforce – the college’s future depends on commitments to a new and upskilled workforce. This has also resulted in a reduction in the number of apprenticeships available. However, the government has provided some scope for optimism after announcements that investment in the transport and infrastructure industry could provide a means to improve the economy in light of the Covid-19 pandemic and Brexit scenario.

Case Study: North Nottinghamshire College Professional Centre



Location: Bassetlaw

Applicant: North Nottingham College, Worksop

Total Cost: £933,500

LGF Grant: £308,055 (33%)

Timescale for Delivery: March to November 2016

Background - the project specifically focused on a physical face-lift of the North Notts College campus in Worksop along with the upgrading of the rooms and facilities immediately adjacent to the property frontage. Residing in Bassetlaw, the project falls within both the Sheffield City Region and D2N2 LEP areas. Overall, the project has provided 1,635m² of upgraded rooms, facilities and frontage which benefits all learners as well as SME beneficiaries in the surrounding area.

The capital project sought to upgrade, update and develop the existing building, acting as a catalyst for the further development of the offer to business generally and the Construction Academy in particular. This modernisation of the facilities as a whole, including the improvements to the façade, building efficiency and accessibility is all part of making the college more relevant and effective in the Worksop area.

North Nottinghamshire College’s construction academy is set up to develop, grow and improve non-trade-based skills in the construction sector – this includes financial control, management and bespoke organisational development training that take a specific construction sector focus. The new classrooms and teaching areas are used primarily to provide training to the construction and management sectors, as well as the curriculum areas of logistics, manufacturing and engineering.

Project Rationale - Whilst Bassetlaw is a large district by way of land mass, there are significant swathes of rural areas with low population and business presence. Bassetlaw has seen a net loss of businesses over the last 5 years in the district, and there has been a higher rate of business deaths in the area when compared to the East Midlands and national averages.

The area also suffers from higher levels of unemployment in the population. With regards to construction training, there is only one recognised Level 3 qualification in Construction Management (ILM) nearby, delivered by the National Construction College in Leicestershire, although there is currently no progression through this mechanism.

Impact - Although improvements to the college will have a general benefit to learners, the project's target beneficiaries were SMEs in the locality, specifically in the construction centre. The project expected to facilitate 400 adult apprenticeships, as well as the development of adult skills in both the workplace and the classroom. In addition to apprenticeships, the project is aiming to: have a positive impact on local businesses, to increase follow-on investment, and to improve linkages between business and education:

- **Development and Coaching:** the project provides businesses with the facilities to learn new business processes, leading to improvements in efficiency and productivity via structured strategic and financial planning including the management of staff and resources in line with business demand. The college provides delivery management, financial, HR, staff development and coaching programmes.
- **Business Support:** the college works with businesses to plan and address both employment shortages and skills gaps.
- **A Catalyst for Investment:** the college is expanding its commercial programmes specifically to the construction sector, providing training programmes.
- **Apprenticeships:** working in conjunction with contractor Robert Woodhead Ltd, the project has encouraged the uptake of apprentices in the local supply chain.
- **Improving Business/Education Linkages:** the college is developing programmes for 18-24 year olds that specifically respond to the needs of local employers.

Social Impact - the social impacts are all closely tied to the intrinsic value in having a modern, higher education institution in Worksop. The area is blighted by deprivation, and the RNN Group is focused on providing entry-level and access education to mitigate against the detrimental socio-economic factors affecting the area. The college hosts pre-entry learners, as well as those on flex-provision (defined as having physical, mental or severe difficulties), and the project has made the building more accommodating and accessible for all. The project has facilitated ground floor access, wider corridors, and ultimately provided a centre for all levels.

Environmental Impact - the developments undertaken were environmentally-conscious, with the improved insulation and use of heat power having a positive impact on the amount of energy required at the centre. Moreover, the building benefits from improvements to the exterior cladding.

Overall, the development ensures the sustainability of the building and the college's services, enabling them to continue supporting people at all levels, and further developing relationships with SMEs. The college is being used heavily as a marketing tool to advertise RNN to potential students, as a means of encouraging those outside of the usual realm of education to participate.

Counterfactual - without investment from SCR Skills Capital, the project would not have proceeded. The RNN Group had insufficient funds to provide any additional match funding for the project, or to increase borrowing. Without the input from the programme, there would still be a lack of opportunities to access higher level skills and education, and there would still be a lack of appropriate skills training provision for local employers.

Impact of Covid-19 - the centre is currently operating at a c.50% occupancy level as a result of their necessitated response to the Covid-19 pandemic. Social distancing and accessibility requirements have meant that the college has had to adopt a blended learning style, although this has proved challenging because there is a significant portion of learners who either don't have access to appropriate technology, or are not competent enough with the equipment.

The biggest challenge for the college has been getting learners into practical workshops – subject areas utilising the beauty salons, gym and workshops have suffered the most from a lack of practical teaching.

The pandemic has had a huge impact on education as the centre has had to readdress how they operate. There is less footfall on campus, and there are one-way systems as well as reduced capacities in classrooms. In order to continue delivery and education, the centre has invested in 600 laptops to support a blended learning model, and to mitigate against the digital poverty that impacts many of their learners.

Process - the project team have experience of working in an output-orientated environment having worked with Sheffield City Region at the University College Rotherham (URC) project. The team said that they have a positive relationship with the MCA Executive, and that a focus on outputs is typical of this kind of programme. There is an understanding that the funding is allocated as a means of achieving a specific output – be that responding to market gaps, improving efficiency, creating jobs etc.

Local Growth Fund Spending - the project raised the issue of Local Growth Fund allocations, and suggested that investment might benefit people more if it takes into account even earlier stage education. Although it is understood that funding is allocated to achieve specific outputs, the project implied that grassroots community provision might have even more of an impact on local people, yet the impact is likely to be less tangible.

For example, the college previously offered lots of craft programmes and community classes, which acted as a step to attracting people to education, often people who wouldn't consider this otherwise. These types of provision are less output-centric, but they break down the barriers to education and retraining for lots of people. Retraining is thought to be increasingly pertinent in society at the moment.

Case Study: RNN Centre for Higher Level Skills



Location: Rotherham

Applicant: RNN Group, Rotherham Campus

LGF Grant: £3,524,736

Background - The new centre provides higher levels skills and education, focussed on the delivery of higher and degree level apprenticeships, short courses and

Foundation Degrees. Degree awarding powers are provided by RNN's existing HE partners, Sheffield Hallam University and Hull University.

Rationale - Within Rotherham there was no university centre, the college delivered some higher-level skills courses but this was integrated into 16-18 provision. In addition, the number of local people entering higher education was lower than average. Local residents wanted a bespoke centre to deliver university level qualifications in the town. This project was designed to provide a new facility to upskill local residents.

Links with Local Employers - The college works closely with local employers, and qualifications have been developed in conjunction with local employer needs. Circa 50% of learners undertaking courses at the new HE facility are already in employment locally and are upskilling. Many of these are studying on a part time basis and examples include engineering students, who are upskilling so that they can take on more management responsibilities within their businesses.

Going forward the plans are to continue to develop work/ employer specific training and encourage closer working with local businesses to ensure that the new centre provides the training needed in to support local businesses. The project is helping to upskill the local community which in turn should help to attract businesses and higher skilled jobs to the area.

Impact - The project has raised the aspirations of local people, and discussions with the project team highlighted that as a result of the new facility many learners are undertaking training who traditionally wouldn't.

Many students are from non-traditional traditional backgrounds, are mature or part time. Most students are from the local area, with many are likely to remain in the area.

The Building - Discussions with the team highlighted that it is good for the town itself to have its own university centre. A lot of the students want to study locally but don't think that university 'is for them'. This new facility gives local people the chance to study to a higher level in their local town.

The flagship building has won awards for bio-diversity management and sustainability. The team told us that this high-quality building has helped to give HE students their own identify. Feedback from students is that they feel that they are studying at university level and the team told us that the building is an aspirational tool.

The students at lower levels can come in to the building and see what they can aspire to. Having such a high-quality centre in the town is a positive, and many students refer to it as 'university'.

Covid - The team told us that this year has been ok for recruiting students and that they have hit their targets; they don't feel that Covid19 has not had a negative impact on the project. Indeed, the team told us that it has pushed them into remote teaching and distance learning approaches.

Sheffield City Centre ‘Grey to Green’ Phase 2



Location: Sheffield
Applicant: Sheffield City Centre
Total Cost: £5,090,000
LGF Grant: £3,320,000
Timescale for Delivery: Completed September 2020
Outputs - Key outputs to be achieved by the project are shown below:

Outputs	Jobs	
	Achieved to date	Expected to be achieved by 2025 (Forecast)
Sheffield City Centre - Grey to Green (Phase 2)	446	758

Project Summary - The multi-functional Grey to Green Phase 2 scheme links Castlegate to the ‘hidden jewel’ of Victoria Quays and has transformed the almost redundant former Inner Ring Road into a green corridor with sustainable drainage, floral meadows, segregated cycle lanes and public art. The project contributes to the rediscovery of the historic and landscape heritage of the quarter, directly extending the multi-award-winning Phase 1 (West Bar to Bridge St) also funded by LGF, which has successfully triggered regeneration and investment along its length.

The lushly planted largely traffic free public spaces will also give walkers and cyclists much easier and more enjoyable access to and from the city centre. These will create the opportunity for outdoor events, such as the Castlegate Festival, Waterways Festival and Exchange Street Escape to grow in the area.



An additional part of the scheme has significantly improved Snig Hill and the approach to Castle House, where popular food halls Kommune and tech workspace Kollider are now based.

A redundant dual carriageway from Park Square to Blonk Street, once part of a seven-lane Inner Ring Road, has been reclaimed to provide a much-improved setting for the seven hotels in Castlegate – the largest concentration in the city centre - when they reopen. As part of the scheme, two City Centre Style Information Points will also be installed (one on Castlegate and one on Exchange St). This includes quality areas for pedestrians and two-way cycle facilities with a new 20mph speed limit in place. Bus routes have been shortened and several long-distance cycle and walking routes into the city centre have been connected, including the Five Weirs Walk, Canal Towpath, Upper Don Trail, National Cycle Route 67 and Park Square/Sheaf Valley Park.

Castlegate Street has been closed to vehicles to create a large riverside terrace with potential to accommodate outdoor seating for cafes and bars, including the former public toilet due to open soon as the Two Rivers Bar and the Tap and Barrel - now under new management by the Peddlers Market team and renamed the Hop Box. The Council also plans to market the former Hydroponics shop on Castlegate as an exciting opportunity. In revitalising the area, the Council and its Castlegate Partners aim to encourage its revival as a thriving social and commercial hub. A historical lectern has been also installed on Exchange Place to celebrate the history of the area.

Progress - The project was completed in September 2020, accounting for only minor delays to the overall schedule, all attributable to the Covid-19 pandemic. Despite including contingency elements in the plan, the project was hindered by necessity of social distancing which slowed construction. Moreover, during the first few months of the pandemic, there were issues with the availability of materials, which resulted in a delay in completion from April to September 2020.

LGF Funding - The Sheffield City Region's £3.32m contribution formed most of the project's £5.6m budget. Sheffield City Council funded the concept design and costing of the scheme at risk, before the LGF contribution was secured. The project could not have gone ahead without the funding from the LGF Programme.

Project Rationale - Castlegate, formerly the busy historic shopping, industrial and civic centre of Sheffield has been in decline for many years due to a contraction of retail, relocation of civic functions and loss of its distinctive economic role. This process accelerated in the last ten years with closure of Castle Markets, resulting in a large amount of vacant floorspace, much in good condition. In the following decade, the environment has degraded and this has discouraged investment and developments in the vicinity, including both housing and hotel developments. Anti-social behaviour, boarded-up sites and a lack of investment saw the area decline. Anecdotal evidence suggests that hotel owners and business owners in the area were growing dissatisfied with Sheffield Council for an absence of any activity that might improve the area.

Private sector confidence to invest was hindered by a low-quality, road dominated environment particularly along the former Inner Ring Road and Civic Circle (Blonk St, Exchange St, Exchange Place and Snig Hill). Yet Castlegate remained a main gateway into the city centre forming the setting of, or route to, most central hotels. Although the area was underperforming as an arrival point and as a jobs and business rate driver for the city, it had enormous potential for reinvention and economic growth.

Impact: Key areas of impact for the project are:

- Reclaiming 2.4ha of redundant highway
- Dramatically improving the setting of 14 key development plots/buildings and prevent further loss of occupation, giving the area a completely new look and feel.
- Improving connectivity for pedestrians, cyclists and public transport and reconnecting the riverside hotel and business district to the core city centre
- Reduce flood risk and extend climate change resilience by: reducing vehicle emissions, using innovative landscape solutions, removing considerable areas of impermeable highway, and introducing surface water storage and water sensitive design.

- Establish a place for people, outdoor events and vitality by: reallocating surplus road space to create public event space, reducing congestion and improving accessibility, and by increasing wildlife habitat by 1 ha, including additional trees and meadow planting leading to increased biodiversity and lowering of the heat island affect.

Economic Impact - A key output of the project was the transformation of key public spaces which drive the new function of Castlegate/Victoria Quays as a major location for new investment, particularly for cutting edge technology and creative businesses. As a result of both the project's predecessor – Phase 1 – and the continued investment – Phase 2 – a number of businesses have relocated to previously-vacant office buildings in the area. Both Social Work England and XLN are now counted as tenants as a result. With regards to jobs created, the project has already reached target numbers, enticing tenants to empty office blocks, employing 40 people in now opened-up warehouses, as well as the regeneration of Castle House – an empty, listed building, which saw nearly 200 jobs created. The overall project has created at least 540 jobs.

Moreover, the project is strengthening and growing the established hotel cluster in the immediate vicinity. The hotels now benefit from clear, delineated, pedestrianised routes into the city centre. The wider site is now benefitting from new and sustained interest from developers as a result of the project.

Environmental and Social Impact - The project will also improve resilience to climate change, providing large porous planted areas to soak up and hold back surface water in heavy rainfall in an area which suffered badly in the 2007 floods. Along with Phase 1 at West Bar this is believed to be the largest 'retro-fit' scheme of its kind in the UK and has drawn much interest from both other cities in the UK and nationally. The project provides innovative climate change resilience whilst promoting sustainable travel.

An important aspect of the scheme is its ecological impact on a previously hard 'grey' environment. Fifty-seven new trees have been planted as part of the scheme, along with a multitude of low maintenance perennial meadow plants and bulbs which will provide a year-long succession of colour and natural habitat for insects, birds and mammals. There will be a total of over 350 shrubs planted as part of the project. In November 2020, over 30,000 bulbs will be planted. Overall, the project reports to have achieved a reduction of 230 tonnes of CO² from the environment.

The scheme includes specially designed bug hotels within the four public art 'totems' as well as an additional six more naturalistic looking 'bug hotels'. They provide habitats specially designed for bees, birds and other insects to thrive, along with nature and heritage information boards. Phase 2 comprises flood risk alleviation work, overall protecting 25 businesses from the risk of flooding.

Process - The project conferred that their success, in terms of delivering outputs and milestones on time, can be attributed to fact that the complex scheme was fully designed before going to procurement. The project has also benefitted from a useful contact within the MCA Executive.

Business Investment Fund

Location: Across the Region

Applicant: Various – see tables

Total Cost: To date, over £276 million

LGF Grant: £41.9 million committed of a £52 million budget

Timescale for Delivery: Ongoing.

Background - The SCR Business Investment Fund has £52million to invest in grants to businesses that demonstrated growth or the potential to grow. Funding commitments of £41.9 million have been made to date to help businesses unlock investment in activity that helps their business to grow, become more productive and recruit new employees. This can be seen in the table below. Project level detail is included over the page.

Business Investment Fund Spend Per Area			
Spend by Area	BIF Applied For	Total Project Cost	Jobs Forecast
Barnsley	£1,662,500	£5,107,322	33
Bassetlaw	£400,000	£2,255,000	40
Chesterfield	£689,372	£3,986,546	97
Doncaster	£8,210,000	£67,526,532	649
Rotherham	£18,437,480	£81,418,979	731
Sheffield	£12,477,168	£115,933,811	2,577
Overall Total to Date	£41,876,520	£276,228,189	4,127

Note: The above figures exclude projects that are in the 'pipeline'. They only consider schemes that are approved, contracted or completed.

Projects Funded Through the BIF - A more detailed breakdown of the projects funded through the RGF programme is included over the page.

Projects Funded Through the BIF Fund						
	Company Name	BIF Applied For	Total Project Cost	Jobs Forecast	Status	Project description
Barnsley	Finance Yorkshire	£1,017,500		-	Contract Issued	Risk capital to support FY "Interim Fund"
	Kostal	£395,000	£1,577,334	21	Contract Issued	R&D project to develop sensoric steering wheel
	William Rowland Ltd	£250,000	£3,529,988	12	Contract Issued	Construction, plant & equipment to relocate operations & diversify activity
	Barnsley Total	£1,662,500	£5,107,322	33		
Bassetlaw	Harry Needle Rail	£400,000	£2,255,000	40	Approved	Refurbishment and fit out of a railway maintenance and storage facility
	Bassetlaw Total	£400,000	£2,255,000	40		
Chesterfield	AAG Systems Ltd	£34,000	£120,000	12	Project Complete	Funding to support the refurbishment of the new premises
	Altek Europe Ltd	£110,000	£1,530,084	11	Project Complete	Construction of a workshop and alterations to existing building to consolidate operations
	Central Technology	£100,000	£394,000	25	Contract Issued	Premises refurbishment
	Original Recipes Ltd	£25,000	£83,800	11	Contract Issued	Purchase and fit out of a modular food production unit
	Palamatic Ltd	£51,372	£226,372	8	Project Complete	Capital investment to support factory fit out and equipment.
	R Wilson & Co	£120,000	£400,500	10	Project Complete	Capital investment in new chrome plating line.
	Superior Spas	£249,000	£1,231,790	20	Approved	Construction and fit out of a new warehouse, offices & showroom
	Chesterfield Total	£689,372	£3,986,546	97		
Doncaster	360 Media	£4,100,000	£36,000,000	265	Approved	Creation of a film and television studio and VFX Academy
	Abbey Glen	£100,000	£4,011,437	45	Approved	Cap ex investment to relocate and expand operation
	Aeros Global	£30,000	£182,000	3	Approved	Investment in a Flight simulator to establish commercial pilot training facility
	DSA	£1,240,000	£1,653,000	4	Contract Issued	Significant investment in infrastructure to support increased cargo capacity
	FFE	£1,000,000		48	Contract Issued	Loan at market rate to support Microloan fund to invest in around 20 SMEs across the City Region
	Hallam Castings Ltd	£65,000	£245,000	6	Project Complete	Capital investment to support investment by aluminium casting business
	Highfield	£280,000	£2,305,000	60	Project Complete	Capital investment to support growth and job creation linked to the new apprenticeship levy and related programmes
	Industrial Pallet & Transport Services Limited	£100,000	£570,595	9	Approved	Investment in manufacturing pallet line
	Kingsbury Press	£300,000	£2,760,000	30	Approved	Premises fit out and equipment to increase and enhance capacity and efficiencies
	Kustom Labels	£100,000	£615,000	10	Project Complete	Cap ex investment in Xeikon printing press and Digilase cutter
	Mobile Installation Solutions Project 1	£60,000	£355,000	12	Project Complete	Cap ex investment to expand manufacturing capacity
	Mobile Installation Solutions Project 2	£50,000	£263,000	8	Approved	Cap ex investment to expand manufacturing capacity
	Omega	£750,000	£18,411,000	145	Contract Issued	Capital Investment to construct a raw material facility and office block
	Yorkshire Precision Gauges	£35,000	£155,500	4	Project Complete	Purchase and installation of 3 machines to improve production capacity and capability
Doncaster Total	£8,210,000	£67,526,532	649			
Rotherham	BA Clic Components	£440,000	£3,046,714	40	Project Complete	Capital investment to support factory fit-out and new machinery
	Coptrz	£110,000	£550,000	10	Project Complete	Capital investment to support development of drone set - (drones, laser sensors, transponders etc.) and an integrated software platform
	ENS Precision Engineering	£62,000	£248,000	8	Project Complete	Capital grant to support purchase of CNC machines and crane
	Gen Fab	£116,000	£590,000	10	Contract Issued	Purchase and installation of a 10kw laser cutting machine
	Granville Oils	£100,000	£1,545,000	8	Project Complete	Capital investment to support expansion of premises
	Health Imaging Solutions Limited	£40,000	£170,000	6	Contract Issued	Capital investment to support expansion of premises
	ITM Power (Trading) Ltd	£400,000	£4,175,800	50	Approved	Premises relocation and installation of an 5MVA power supply
	MAL	£12,000,000	£24,000,000	200	Contract Issued	Support for research and development programme and capital investment
	Meadowbank Shotblasting	£69,000	£340,000	13	Project Complete	Support for investment in equipment and facilities for large item shot-blasting and coating
	ND2016 / Kiveton Park Steel	£100,000	£1,000,000	70	Project Complete	Acquisition of KPS assets to support job creation and safeguarding
	Newburgh Precision	£90,000	£704,541	13	Project Complete	Purchase and installation of a High Capacity Machining Centre, to increase and enhance production capacity
	Nikken	£250,000	£2,500,000	15	Project Complete	Building construction and cap ex investment to develop in-house manufacturing capability
	Oracle Precision Limited	£82,000	£410,000	8	Contract Issued	Relocation to new premises and investment in new machinery
	Parseq Limited	£178,296	£3,126,000	38	Approved	Building construction and fit out
	PCM	£329,184	£6,229,600	81	Contract Issued	Capital investment by US IT reseller to establish European HQ in Sheffield
	Ricardo	£1,980,000	£10,858,924	53	Approved	R&D and capex investment to establish high voltage battery R&D and production facility
	TKL Excavations	£469,000	£2,349,400	51	Contract Issued	Capital investment in site clearance plant and recycling equipment
United Caps UK Ltd	£1,500,000	£19,000,000	40	Contract Issued	Construction and fit out of a production plant	
Watflo Systems Limited	£46,000	£200,000	5	Contract Issued	Cap ex investment in tooling to create an assembly line for an innovative rainwater capture device	
Wolf Components	£76,000	£375,000	12	Project Complete	Purchase of 2 Mini Spring machines	
Rotherham Total	£18,437,480	£81,418,979	731			
Sheffield	AET	£49,489	£284,000	4	Project Complete	Purchase of a Panasonic gantry robot welder and overhead crane
	AF ChemPharm Project 1	£25,000	£90,988	2	Project Complete	Capital investment to support in-house chromatography
	AF ChemPharm Project 2	£25,000	£91,655	1	Approved	Investment in scientific equipment to expand services and product offer
	Arthurs Skips	£150,000	£1,740,000	20	Project Complete	Capital investment to support waste recycling plant
	Bag it Don't Bin It	£50,000	£273,360	6	Project Complete	Premises refurbishment and cap ex to expand operations
	Biovation Orthopaedic Ltd P1	£50,000	£207,470	6	Project Complete	Investment in tooling and validations for disposable osteoarthritis instrument
	Biovation Orthopaedic s Ltd P2	£90,000	£467,049	8	Contract Issued	Investment in tooling and validations for disposable osteoarthritis instrument
	Boeing	£5,750,000	£43,900,000	55	Contract Issued	Capital investment to support inward investment in research project and fabrication facility.
BPH Engineering	£27,000	£92,000	4	Project Complete	Capital investment to support diversification away from oil & gas industry	

Projects Funded Through the BIF Fund						
	Company Name	BIF Applied For	Total Project Cost	Jobs Forecast	Status	Project description
	Braitrim UK	£123,707	£883,693	42	Approved	Automation project involving purchase and installation of equipment
	Clipper	£1,150,000	£20,085,680	817	Contract Issued	Inward investment to establish an SCR Fulfilment Centre.
	Cosmarida 2010 Limited	£96,000	£482,000	39	Contract Issued	Relocation project involving investment in building works and equipment
	Cossack Cuisine	£30,000	£125,000	5	Approved	Automation project involving purchase and installation of equipment
	Davy Markham	£500,000		-	Project Complete	Loan, at market rate, to support DM as they service a number of new contracts.
	Diamond Specialist Seating	£184,200	£1,837,000	25	Approved	Consolidation project involving purchase of land and building, building construction and purchase of plant & equipment
	Eurosafe Solutions Ltd	£85,000	£350,000	25	Contract Issued	To support the fit-out of newly acquired premises. Leading to growth and jobs
	Exhausts UK Limited	£50,636	£125,636	6	Contract Issued	R&D project to develop R&D capability
	Fernite	£135,000	£492,816	21	Approved	Investment in premises and machinery to create world class manufacturing facility
	First Customer Contact	£1,500,000	£19,053,000	447	Approved	Salaries project to establish customer contact centre in SCR
	Forgemasters	£650,000	£6,500,000	639	Project Complete	Capital investment in plant and machinery to enable access to new markets.
	Green Estates	£84,000	£195,537	7	Contract Issued	Construction, premises conversion and equipment
	GSK Holdings	£123,944	£413,148	30	Project Complete	Capital investment to support expansion of premises
	Imoves	£19,519	£77,692	3	Project Complete	Capital investment to support development of digital educational activity resources.
	Nprime	£95,000	£500,000	10	Approved	Premises construction and fit out to create military grade secure facility
	PCT	£50,000	£524,705	10	Project Complete	Capital investment to support purchase of new laser cutting machinery.
	Plusnet	£700,000	£12,936,000	265	Project Complete	Capital investment to support acquisition of mobile telecoms customer
	Pro Roll	£400,000	£2,531,500	25	Project Complete	Support for investment in integral melt plant in order to consolidate hand rolling and metal processing services and re-start the Melt facility
	Russell Richardson & Sons Ltd	£107,996	£767,966	8	Contract Issued	Premises fit out and equipment to increase and enhance capacity and efficiencies
	Schuberts	£60,000	£285,000	8	Project Complete	Capital investment to support a new equipment to be housed in the new Customer Testing, Demonstration and Training Facility
	Sentinel Brewing Company	£61,500	£350,036	12	Project Complete	Capital investment to support start-up brewery
	Zoo Digital	£54,176	£270,880	28	Project Complete	Capital investment to support expansion of premises
	Sheffield Total	£12,477,168	£115,933,811	2,577		
	Overall RGF Total	£41,876,520	£276,228,189	4,127		

Examples of Projects Supported Through the BIF:

McLaren Automotive - A partnership between luxury sports car producer McLaren Automotive and the University of Sheffield's Advanced Manufacturing Research Centre (AMRC) has led to the development of a significant new manufacturing facility, bringing a £100 million boost to the economy. Supported by the SCR LGF programme, the high-performance supercar manufacturer has created a new purpose-built Composites Technology Centre in the Advanced Manufacturing Innovation District, a world-class centre of manufacturing excellence within the Sheffield City Region. This investment – and the innovation, jobs, training and opportunities it offers – is hugely significant for Sheffield City Region, the North of England and the UK's global, industrial ambitions.

The Composites Technology Centre is responsible for the development and manufacturing of advanced carbon fibre chassis for McLaren Automotive's supercars, creating more than 200 jobs through a combined investment of nearly £50 million. Based in the UK's first Advanced Manufacturing Innovation District, the site of the new centre offers world-class research, skills and partnerships.

McLaren Automotive and the University of Sheffield are delivering a two-year research and development programme, which will lead to the development of a production facility to build its lightweight carbon fibre chassis for its new models from 2020.

Boeing - in 2018, Boeing opened its new Fabrication factory in Sheffield, with the support of Sheffield City Region. The new factory, the company's first manufacturing site in Europe, makes actuation system components for the 737 and 767 passenger jets from raw materials sourced in the UK. At full capacity, Boeing Sheffield produces thousands of parts each month, which are shipped for assembly in Boeing's Portland plant in Oregon, United States.

Boeing Sheffield manufactures more than 100 different high-tech actuation components for the 737 and 767 wing trailing edge. Actuation systems move the flaps at the back of the wing to provide extra lift at low speeds during take-off and landing. The 6,200-square-metre facility represents a Boeing investment of more than £40 million, placing the world's largest aerospace company at the heart of Sheffield City Region's growing Global Innovation Corridor. A total of 52 employees, including experienced mechanics, engineers and more than 20 apprentices, make up the current Boeing Sheffield team.

The Boeing factory is based at the Advanced Manufacturing Research Centre in Rotherham and forms a key part of the region's Advanced Manufacturing Innovation District. Boeing established a presence in South Yorkshire in 2001 when the company co-founded the Advanced Manufacturing Research Centre (AMRC) with the University of Sheffield in Rotherham. Boeing Sheffield is a direct result of this longstanding and successful relationship with the AMRC and its world-class research and development. The company has initiated a major new research programme with the AMRC to develop new manufacturing techniques that can be applied to the new Boeing Sheffield facility.

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Project: Local Growth Fund – Ex Post Evaluation

Document Title: Work Programme and
Specification

Date: October 2020

Authorised By: Heather Frecklington, Partner

Signature:

1. Introduction

This document sets out the proposed work programme and specification for the ex post evaluation of the Sheffield City Region Local Growth Fund Programme. It builds on the findings/ information collated by Focus Consultants during the Mid-Term Review which was undertaken from July to November 2020.

This specification is Focus' suggested approach to delivering this commission. Each element of the proposed study has been listed, along with the details of the work suggested and an indication of the fee/ resource allocation that would be expected. The proposed evaluation methodology has been designed not just to capture the detail of what has happened as a result of the project, but also to understand the lessons learnt and how future programmes could be shaped by these findings.

Focus suggest an indicative budget of circa £40,000 + VAT for this commission. This is based on a composite consultancy day rate of £450 + VAT. (note: within the resource allocation we would expect to see a range of personnel, including partners, associates, consultants and researchers as appropriate). A contingency of up to £4,000 should also be budgeted for any additional requirements.

A suggested breakdown of this budget against the different elements of the commission can be seen in the table below:

Indication of Fee and Resource: LGF Ex Post Evaluation			
	Days	Cost	Total
Meetings and progress reports	5	£450	£2,250
Documentation and data review	5	£450	£2,250
Financial and outputs analysis	6	£450	£2,700
Loan funding analysis	2	£450	£900
Case studies	20	£450	£9,000
Project consultation - unsuccessful and withdrawn schemes	2	£450	£900
Project consultation - funded projects	8	£450	£3,600
Staff and stakeholder consultation	4	£450	£1,800
Board member consultation	2	£450	£900
Consultation with education providers	2	£450	£900
Economic impact assessment	10	£450	£4,500
Social impact assessment	3	£450	£1,350
Energy and sustainability assessment	4	£450	£1,800
Emerging priorities/ external influences since mid-term evaluation	3	£450	£1,350
Value for money assessment	3	£450	£1,350
Recommendations, summary and next steps	3	£450	£1,350
Reporting	5	£450	£2,250
Total Days	87	£450	£39,150
Travel and subsistence - case study visits etc			£500
Overall Total Cost			£39,650

By presenting the proposed elements of the specification individually the project team can add to, remove, or increase/ decrease the importance (and associated consultancy days) of each element as they see fit. The detailed specification and work programme for the delivery of the ex post evaluation is shown over the page.

2. Ex Post Evaluation: Specification

A midterm evaluation of the SCR LGF programme was undertaken between July and November 2020. This included a review of outputs achieved to date, case studies with projects, consultation with partners and stakeholders and an initial review of the economic benefits of the programme for the local economy. As the LGF programme draws to a close an ex post evaluation of this scheme will be needed.

The audience for the report will include: Mayoral Combined Authority, LEP Board, Local Authorities and relevant Government Departments. It will be made publicly available on the SCR website. The evaluation needs to follow HM Treasury Green Book Guidance.

It is expected that the ex post LGF evaluation will build on the mid-term review by undertaking additional quantitative and qualitative analysis and research. We expect that the ex post LGF evaluation would include (but is not limited to) the following elements as shown in the table below.

Sheffield City Region – Local Growth Fund Ex Post Evaluation Specification	
Work Strand	Requirements
Meetings with the SCR client team	<ul style="list-style-type: none"> • Inception meeting to set out working practices and to agree timeframes. Face-to-face if possible. • Catch-up-meetings every two weeks with the SCR team – virtual.
Documentation and data review	<ul style="list-style-type: none"> • Documentation and data review examining any changes in policy/ strategy that have occurred since the mid-term evaluation and analysis of how this has impacted/ shaped the delivery of the overall programme and individual projects. • Analysis of any emerging policy/ strategy that will shape the direction of any future SCR grant programmes.
Financial and outputs analysis	<ul style="list-style-type: none"> • Interrogation of SCR LGF financial and output data setting out the final position. As a minimum this will need to include an analysis of outputs, spend and match-funding/ intervention rates by: geography, theme, urban/ rural and private sector/ public sector led schemes. Analysis will be required at both the project and programme level and will build on the work undertaken at the mid-term evaluation. • Analysis of the contribution of the LGF programme as a whole towards meeting the SCR targets as set out in the Strategic Economic Plan.
Loan funding analysis	<ul style="list-style-type: none"> • Update the mid-term evaluation analysis of loan funded projects to provide a more detailed examination of the success of the loan funding programme, to include, but not limited to: <ul style="list-style-type: none"> – The repayments process and clawback mechanisms – The repayment progress – value repaid etc – Recycling of any investments/ reinvestment of loan funds – Outcomes achieved by loan funded schemes versus grant funded schemes – Consultation with loan funded schemes to understand the impacts that the money has delivered

Case Studies	<ul style="list-style-type: none"> • Follow up of the seven case studies undertaken at the mid-term evaluation to track progress, variations, long-term impact etc. • In addition to the above, a further detailed analysis of a selection of ten projects (projects to be agreed with the client team). • Case studies to include: <ul style="list-style-type: none"> – Detailed review of all project documentation, including progress towards achieving outputs and outcomes – Consultation with delivery teams – Beneficiary impact (this is dependent on the nature of the project, but could include: users of business accommodation, tourists at facility visitors, opinions on public realm, cycle path users, learners etc) – Individual economic impact assessments for the case study projects – An understanding of any wider social benefits delivered by the projects <p><i>Note: Case Studies are key element of the Ex Post Evaluation study – it is assumed that circa 20% of the project budget will be allocated to this area of work.</i></p>
Project consultation - unsuccessful and withdrawn schemes	<ul style="list-style-type: none"> • Consultation with projects that were unsuccessful in securing LGF funding, including: <ul style="list-style-type: none"> – Whether the project still took place, or took place to a lesser extent – Whether the project team understood why the project was unsuccessful in terms of the grant funding application and whether this message was communicated clearly
Project consultation - funded projects	<ul style="list-style-type: none"> • Consultation with funded projects, including an assessment of: <ul style="list-style-type: none"> – The impact of the funding and the lessons learnt – The success of the SCR management and governance arrangements
Staff & stakeholder consultation	<ul style="list-style-type: none"> • Consultation with stakeholders, including Local Authority representatives, to understand the successes, lessons learnt and future priorities for SCR.
Board member consultation	<ul style="list-style-type: none"> • Consultation with LEP Board Members, including an assessment of: <ul style="list-style-type: none"> – The level to which they feel involved – The transparency of any decision making – Any suggestions for the future
Consultation with education providers	<ul style="list-style-type: none"> • To assess the impact of the skills funded projects on the SCR skills base and highlight and future priority areas for investment.
Economic Impact Assessment	<ul style="list-style-type: none"> • An updated economic impact analysis to reflect changes since the mid-term evaluation in terms of GVA benefits - including GVA from housing, jobs and broadband investment. • This should be supplemented by calculations to capture any additional economic impacts of the programme, such as: increased visitor numbers in the local economy and impact of additional qualifications for local residents.
Social Impact Assessment	<ul style="list-style-type: none"> • Whilst a key driver for the LGF was the creation of jobs and GVA, going forward it is likely that social impact will become increasing important. The ex post evaluation will therefore need to consider: <ul style="list-style-type: none"> – The social impacts associated with the funded projects, what are they, can they be quantified?

	<ul style="list-style-type: none"> – What lessons were learnt from the projects/ programme in terms of social impact to shape future investments.
Energy and sustainability assessment	<ul style="list-style-type: none"> • Whilst a key driver for the LGF was the creation of jobs and GVA, going forward it is likely that Energy, Sustainability and the Environment will be a key cross cutting theme for any future investment decisions. This element of the study should include, but is not limited to investigating: <ul style="list-style-type: none"> – What was the energy/ carbon impact of the LGF spend, how can this be improved – Audit/ review of what the energy standards were applied for any funded projects, were any exemplar sustainability schemes funded, what are the low carbon/ sustainability lessons learnt and suggestions for the future.
Emerging priorities/ external influences since the mid-term evaluation	<ul style="list-style-type: none"> • This element of the study should consider any external factors that have occurred since the mid-term evaluation, to include, but not limited to: the Covid 19 Pandemic and BREXIT. Areas for consideration should include the SCR response, the impact of project delivery, and ability of the programme to hit spend and output targets.
Value for money assessment	<ul style="list-style-type: none"> • Benchmarking of the programme against other similar schemes and provide a cost: benefit analysis. • Review the outputs /match funding/ intervention rates by project and theme to set benchmarks for future application and appraisal criteria.
Recommendations, summary and next steps	<ul style="list-style-type: none"> • To summarise the key impacts of the LGF programme • To provide recommendations for future SCR programmes

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11th March 2021

Assurance Framework

Purpose of Report

Each year the MCA and LEP are required to update and publish an Assurance Framework to outline the robust, transparent and effective governance arrangements that are in place. Following devolution, the Assurance Framework also needs to be approved by four Government departments. This report summarises the amendments that have been incorporated into the Assurance Framework and presents it for consideration by the LEP Board.

Thematic Priority

Cross cutting - Governance

Freedom of Information and Schedule 12A of the Local Government Act 1972

Under the Freedom of Information Act this paper and its appendices will be made available under the SCR Publication Scheme.

Recommendations

That the Local Enterprise Partnership:

1. Notes, at section 2.3, the key amendments that have been made to the Assurance Framework to ensure compliance with the Government's requirements.
2. Considers and endorses the updated Assurance Framework set out at Appendix 1.

1. Introduction

- 1.1 Each year the MCA and LEP is required by Government to update and publish its Assurance Framework by the 31st March. The Assurance Framework sets out how the MCA and LEP will use public money responsibly, make robust decisions, achieve best value for money and act in an open and transparent manner. It explains the governance structures in place for making decisions, outlines the policies and procedures that support decision-making and summarises how investments and interventions are appraised and managed, and how the MCA and LEP will publish information.

2. Proposal and justification

- 2.1 The MCA and LEP is required by Government to publish an updated Assurance Framework by 31st March 2021 in accordance with the National Local Growth Assurance Framework guidance (issued in January 2019) and the 2018 LEP Review (Strengthened Local Enterprise Partnerships).
- 2.2 As advised at the MCA meeting on 25th January 2021 the Assurance Framework has been revised to outline the governance arrangements that will be used to manage and account for Gainshare and the Adult Education Budget (AEB), to incorporate changes made to the

HM Treasury Green Book in November 2020, and to streamline and improve the assurance processes and procedures based on lessons learnt. The draft Assurance Framework 2021 is attached at Appendix 1 and it takes effect from 1 April 2021.

2.3 Key amendments made to the Assurance Framework

Management of Gainshare – A summary of the processes in place for allocating, managing, monitoring and evaluating the use and impact of Gainshare including the five-year Gateway Review process with Government.

Funding Flexibilities – Clarity on the appraisal and assurance process to reflect the flexibilities available to the MCA.

Adult Education Budget (AEB) – Further detail on the procurement and approval process for contracting with AEB delivery partners and investing AEB.

SYLTE integration with MCA Executive – Detail on the integration of SYLTE within the MCA which will conclude in 2021.

Project Development – Reference to working with scheme promoters and partners to identify and develop project ideas to deliver the Strategic Economic Plan (SEP) and Renewal Action Plan (RAP) objectives.

Other minor changes include:

- Changing the name of the SCR Executive Team to the MCA Executive Team
- Changing the name of the Appraisal Panel to Assurance Panel
- Removal of references to SCR and Sheffield City Region as far as possible with more emphasis on South Yorkshire
- Removal of references to LGF as far as possible to reflect the new funding programmes and responsibilities from 1st April 2021
- Updated charts and tables for the timeline of the organisation, LEP and Thematic Board membership, staff structure and project appraisal and assurance process.

2.4 MCAs with devolved funding and powers are required to submit their draft Assurance Frameworks to Government for approval. This is because their Assurance Frameworks outline the arrangements that are in place to manage the Single Pot allocation and Adult Education Budget (AEB).

2.5 The Assurance Framework will be presented to the MCA Board for approval on 22nd March 2021.

2.6 LEP Policies

National Assurance Framework guidance requires the LEP to have in place a number of policies. This includes:

- Code of Conduct
- Complaints Policy
- Confidential Complaints Policy
- Diversity Policy
- Declaration/Conflicts of Interests Policy
- Expenses Policy
- Gifts and Hospitality Policy
- Whistleblowing

These policies have been in place since 2017 and are reviewed on an annual basis to ensure they meet the requirements of any new guidance and to reflect any changes made to the Assurance Framework. Amended policies will take effect from 1st April, will be

communicated to all Members and published on the website alongside the revised Assurance Framework.

Summary of key changes

Policy	Key changes
Terms of Reference	Updated to provide more flexibility around length of term for co-opted members. Updated to clarify that HE, FE, TUC and Chamber of Commerce members are representatives of their sector/body.
Diversity Policy	Board composition (50/50 gender split) commitment brought into line with National Assurance Framework requirement.
Expenses Policy	An organisational wide Expenses Policy has been introduced and will be affective for LEP members from 1 st April. The new policy sets out new rates for subsistence and hotel claims and permits claims for wifi services on trains.
Code of Conduct Complaints Policy Confidential Complaints Policy Declaration/Conflicts of Interests Policy Gifts and Hospitality Policy Whistleblowing	Minor changes only, including updated hyperlinks, emails addresses etc

3. Consideration of alternative approaches

- 3.1 Failure to update, endorse and submit the Assurance Framework and Monitoring and Evaluation Framework for Government approval would risk the MCA and LEP being non-compliant with national standards on governance and transparency, and not fulfilling the conditions for devolution.

4. Implications

4.1 Financial

The MCA and LEP are required to demonstrate compliance with national guidance in order to receive devolved and core funding. The release of Gainshare funding is dependent on the Government's approval of the Assurance Framework.

4.2 Legal

The Assurance Framework outlines the legal duties of the MCA as the Accountable body for the LEP and the policies and procedures that are in place to ensure that the MCA and LEP make decisions in a legally compliant, robust and transparent manner. This includes referencing the responsibilities of the Section 73 Officer, the purpose of internal and external audit, the role of the Overview and Scrutiny Committee and the project appraisal process (*Appendix 1 – Section 4: Accountability for Decisions and Public Funds*).

4.3 Risk Management

The Assurance Framework specifies the processes and procedures that are in place to manage risk. These processes are in accordance with HM Treasury's Orange Book principle and include the Strategic Risk Management Framework, the Risk Register and

quarterly monitoring of projects and programmes (*Appendix 1 – Section 4: Accountability for Decisions and Public Funds*).

4.4 Equality, Diversity and Social Inclusion

The LEP is required to demonstrate its approach to equality and diversity in terms of the composition of the LEP Board and its Equality and Diversity policy. The Assurance Framework outlines the LEP's commitment to equality and diversity and current gender composition of the LEP Board (*Appendix 1 – Section 3: Structures and Roles*). The LEP Diversity Policy is also referenced.

5. Communications

- 5.1** The MCA and LEP are obliged to publish information on the decisions that are being made, particularly on investments, in an open and transparent way. The MCA and LEP have always taken the approach of publishing as much information as possible on the website so that it is accessible.

Appendix 1 – Section 8: Publishing Information outlines how the general public can access information that the MCA and LEP holds, the range of information that can be accessed through the website, the Forward Plan of Key Decisions, meeting papers and financial and project performance information.

The approved Assurance Framework 2021 and LEP policies will be published on the website.

6. Appendices/Annexes

- 6.1** Appendix 1 - Sheffield City Region Assurance Framework 2021
Appendix 2 – Revised Terms of Reference

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Background papers used in the preparation of this report are available for inspection at: 11 Broad Street West, Sheffield S1 2BQ

Other sources and references:

Sheffield City Region

Assurance Framework



2021

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Version Control

V1	First draft	L Whitaker
V2	Second draft	C Howard, F Kumi-Ampofo, N Byers, C James, L Whitaker
V3	Incorporated amendments from R Adams and S Davenport	L Whitaker, F Kumi-Ampofo
V4	Incorporated amendments from N MacDonald	L Whitaker

1. Introduction

Purpose of the Assurance Framework

- 1.1 The aim of this document is to set out how the Sheffield City Region Mayoral Combined Authority (MCA) will use public money responsibly, both openly and transparently, and achieve best value for money. This document outlines:
- The respective roles and responsibilities of the Mayoral Combined Authority Board, the Sheffield City Region Mayor, the Local Enterprise Partnership (LEP) Board and other elements of the decision-making and delivery structure;
 - The key processes for ensuring accountability, probity, transparency, legal compliance and value for money;
 - How potential investments will be prioritised, appraised, approved, and delivered; and
 - How the progress and impacts of these investments will be monitored and evaluated.
- 1.2 The Assurance Framework sits alongside several key governance and policy documents – most notably the Devolution Agreement and Settlement Letter, the MCA Constitution, the LEP Terms of Reference, the Financial Regulations, the Strategic Economic Plan (SEP), Renewal Action Plan (RAP), Investment Plan and Monitoring and Evaluation Framework.
- 1.3 The Assurance Framework has been developed in response to the National Local Growth Assurance Framework (January 2019, which incorporates the Single Pot Assurance Framework Guidance 2016), Strengthened Local Enterprise Partnerships Report (July 2018), the LEP Governance and Transparency Best Practice Guide (January 2018) and the Ney Review (October 2017).
- 1.4 This Assurance Framework takes effect from 1 April 2021. It will apply to all new funding bids, funding regimes and projects from this date. For continuity and consistency purposes, some existing projects which are already part way through the 2020 Assurance Framework process, will conclude their approval through that route.

Updating the Assurance Framework

- 1.5 The Assurance Framework is reviewed and updated at the end of each year. The next annual review of this document is scheduled to commence in November 2021. However, this document may be amended and re-published prior to the annual review date if improvements or significant changes are made to the MCA, LEP or its governance and assurance structures and processes, or if new guidance is received from the Government.
- 1.6 A draft of the Assurance Framework is presented to the MCA and LEP Boards to approve any changes. The Assurance Framework is then submitted to the Ministry of Housing, Communities and Local Government (MHCLG) and other Government Departments for approval, including the Department for Transport and Department for Education.

The Structure of this Document

- 1.7 The remainder of this document is structured into the following sections:
- **Section 2** describes the Sheffield City Region, the funding devolved by Government and the plan for economic growth;

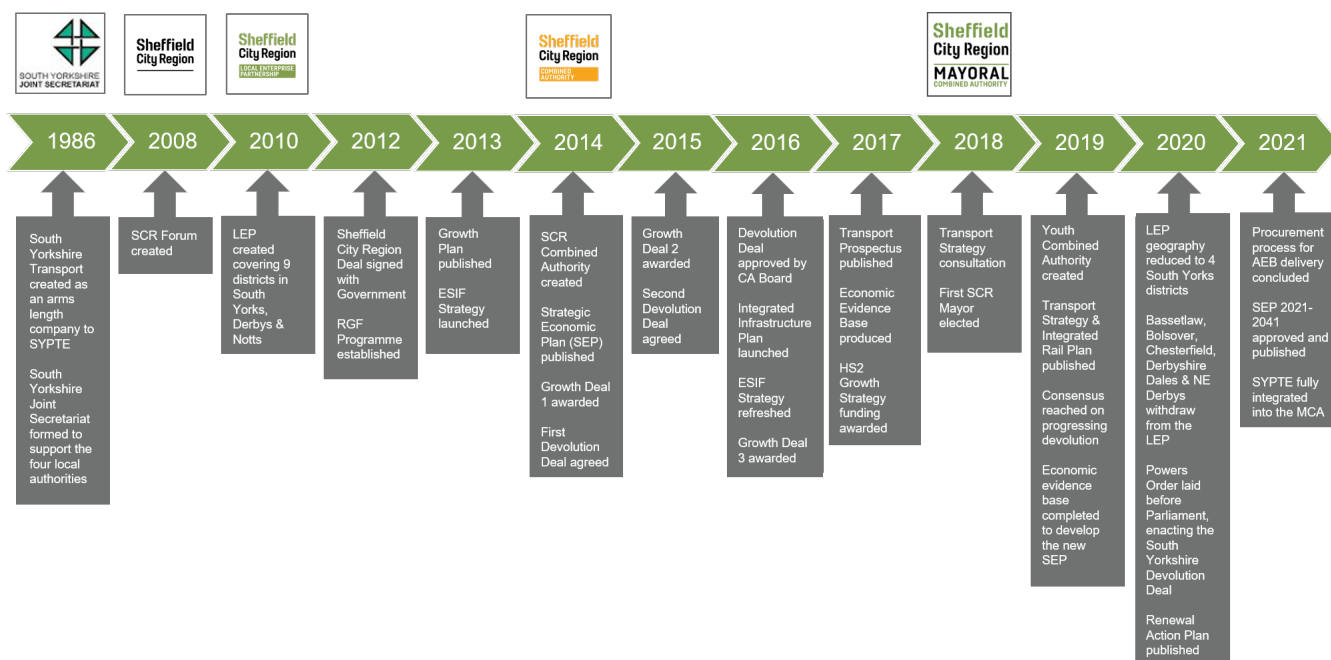
- **Section 3** explains the structures, roles and responsibilities of the organisations that make up the decision-making bodies;
- **Section 4** outlines the processes for ensuring openness and accountability for public funds;
- **Section 5** describes how the MCA and LEP collaborate and engage with other MCAs, LEPs, partners and the public;
- **Section 6** illustrates how decisions are made in a robust, evidenced and transparent manner;
- **Section 7** explains how projects are delivered and monitored and evaluated;
- **Section 8** outlines how information is published;
- **Appendix A** provides a summary of the policies that the LEP is governed by; and
- **Appendix B** is a joint statement from the LEP and MCA on their respective roles and responsibilities.

2. About the Sheffield City Region

History

- 2.1 The Sheffield City Region geographical area consists of the four local authority districts in South Yorkshire.
- 2.2 The concept of the Sheffield City Region dates back to 2008 when the SCR Forum was created. However, joint working across the South Yorkshire authorities significantly predates this, as shown in Figure 1 below.

Figure 1: Sheffield City Region Timeline



- 2.3 The SCR Forum evolved into the Local Enterprise Partnership (LEP) in 2010. This was followed by the formation of the Mayoral Combined Authority (MCA) on the 1st April 2014 and the election of the first Mayor on the 4th May 2018. The South Yorkshire Devolution Deal¹ was signed into law on 27 July 2020.

Geography

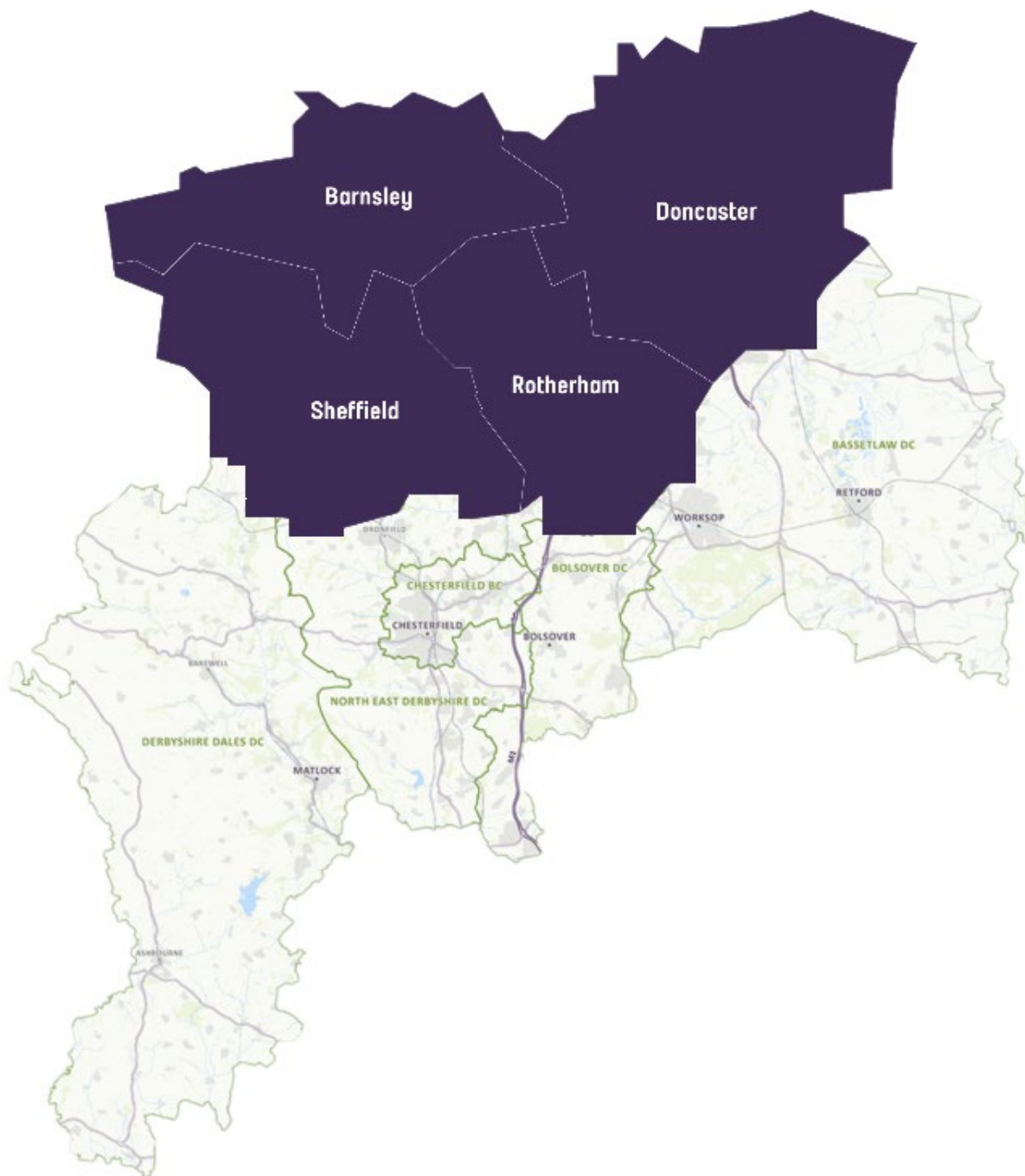
- 2.4 The MCA and LEP's boundaries are coterminous. The geography consists of the four local authority districts in South Yorkshire (Barnsley, Doncaster, Rotherham and Sheffield).
- 2.5 The wider functional economic area for the Sheffield City Region also covers five neighbouring districts in the D2N2 LEP area: Bassetlaw, Bolsover, Chesterfield, Derbyshire Dales and North East Derbyshire (Figure 2). Prior to 1 April 2020, these districts were full members of the Sheffield City Region LEP, when revisions to the LEP's geography were made to comply with the LEP Review recommendation on removing overlaps with other LEPs.
- 2.6 Whilst the five districts in Derbyshire and Nottinghamshire are no longer members of the Sheffield City Region LEP, they continue to be non-constituent members of the MCA in accordance with the 2014 Order²

¹ [The Barnsley, Doncaster, Rotherham and Sheffield Combined Authority \(Functions and Amendment\) Order 2020](#)

² [The Barnsley, Doncaster, Rotherham and Sheffield Combined Authority Order 2014](#)

that created the MCA. Discussions will take place throughout 2021 to determine the best way of engaging with the non-constituent local authorities on cross-border economic issues.

Figure 2: Map of the Sheffield City Region and the wider Functional Economic Area

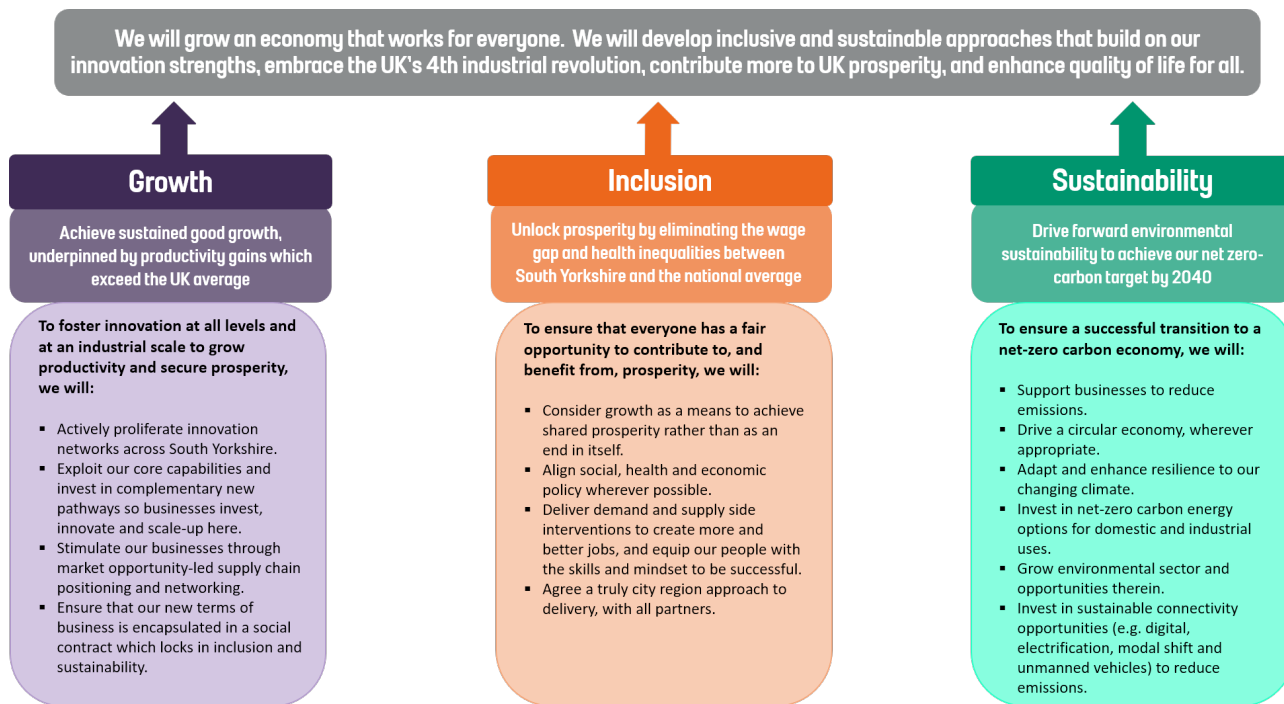


Plan for Economic Growth

2.7 In 2020, the MCA and LEP completed work on developing a Renewal Action Plan (RAP) in response to the COVID Pandemic and its attendant socio-economic challenges, to outline the objectives and priorities for economic recovery and growth for the Sheffield City Region. The RAP accompanies a new Strategic Economic Plan (SEP) which was approved by the MCA and LEP Boards in January 2021.

- 2.8 The SEP is a twenty-year economic strategy which sets out the vision and policy objectives for growing the economy at pace; ensuring that all people and places have a fair opportunity to contribute to and benefit from prosperity and protecting and enhancing our environment.
- 2.9 The SEP is built on a broad range of socio-economic data and is the result of extensive consultation with business representatives, local industry leaders, local authorities, residents and stakeholder organisations. The vision and policy objectives for economic growth across the City Region, are set out in Figure 3 below.

Figure 3: Strategic Economic Plan 2021-2041 (January 2021)



- 2.10 The SEP will be reviewed and updated on a regular basis to ensure a sound strategic basis for investment.
- 2.11 The RAP is a jobs-led plan that outlines £1.7bn of priority interventions for supporting our Employers, People and Places focusing particularly on the immediate term. The priorities are set out in Figure 4 below:

Figure 4: Renewal Action Plan

	Programme Objectives	Targets & Outputs
People	Help people find jobs and adapt to the new economy	<p>Helping 35,000 people re-engage with the labour market, creating benefits such as:</p> <ul style="list-style-type: none"> • 3,000 apprenticeships and other training positions • NEET levels below national average • Higher share of leavers/graduates in education or work within 12-18 months
Employers	Support employers to adapt, survive and thrive despite COVID	<p>Over 25,000 businesses supported:</p> <ul style="list-style-type: none"> • COVID-adapted working environments • Reduced carbon emissions • 15,000 jobs created through supply chain re-shoring / localising • Invoice and cashflow support • Investment to innovate and thrive
Places	Infrastructure investment to level up our economy, create jobs, and transform our communities	<p>Strengthened communities and urban centres underpinned by:</p> <ul style="list-style-type: none"> • Maintained cycling and walking rates • Uplift in urban footfall and spend • Created / supported 6,000 new jobs across infrastructure programmes • Improved local economic resilience and health and wellbeing

2.12 Together, with the Transport Strategy, the Net Zero Work Programme, and the local authority Leaders' priorities for Gainshare, the SEP and the RAP set the blueprint for how devolved and awarded funding from Government will be invested. The SEP and RAP also set the criteria that all programmes, schemes and projects will be measured and assessed against; from application stage through to contracting and delivery.

Devolved Powers and Funding

2.13 The South Yorkshire Devolution Deal provides the ability to establish a single pot of funding to invest in economic development. This includes Gainshare, the Adult Education Budget, a consolidated transport budget and other local growth monies as detailed below.

Gainshare

2.14 The Gainshare (grant-based investment funding) allocation for South Yorkshire through the Devolution Deal is £30m per annum for a period of 30 years. This consists of 60% capital and 40% revenue funding and is to be invested in the delivery of the MCA and LEP's strategic and economic priorities.

Adult Education Budget (AEB)

2.15 From the start of the 2021/22 academic year, the MCA will assume responsibility for the Adult Education Budget (AEB). Devolution of AEB will support high quality adult education across South Yorkshire. This equates to around £35m per annum.

Transport Settlement

2.16 The MCA is responsible for the consolidated devolved capital transport budget. This consists of the Integrated Transport Block, the Highways Maintenance Block (excluding PFI), and Highways Maintenance incentive funding.

Transforming Cities Fund (TCF)

- 2.17 Following a successful bidding process, in March 2020, the Government awarded £166m from the Transforming Cities Fund (TCF) to the Sheffield City Region for a period of three years.

Getting Building Fund (GBF)

- 2.18 In June 2020, the MCA was awarded £33.6m for a prioritised programme of Major Capital Infrastructure Schemes under the Government's Getting Building Fund. The fund is to be used to accelerate 'shovel ready' infrastructure schemes.

Brownfield Fund (BF)

- 2.19 The MCA was allocated £40m in June 2020 to deliver a programme of housing schemes on brownfield sites over the next 5 years through the Government's Brownfield Fund.

Emergency Active Travel Fund

- 2.20 During 2020, the MCA was awarded £8.7m in two tranches to support investment in active travel infrastructure in order to accelerate modal shift from car journeys, improve decongestion, safety for non-motorised road users and air quality, and promote healthier lifestyles.

UK Shared Prosperity Fund (UKSPF)

- 2.21 In November 2014, the Chancellor of the Exchequer announced that a UK Shared Prosperity Fund (UKSPF) pilot programme in 2021-22 to help UK regions to prepare for a longer-term UKSPF from 2023. The UKSPF will replace the previous six-year Local Growth Fund (LGF) programme and EU Structural Funds.
- 2.22 More detailed information on the UKSPF pilot will be published in early 2021 but it is expected to be focussed on supporting infrastructure improvements and regeneration in areas of deprivation, tailored employment and skills development and supporting businesses with innovation and green technology adoption.

Powers

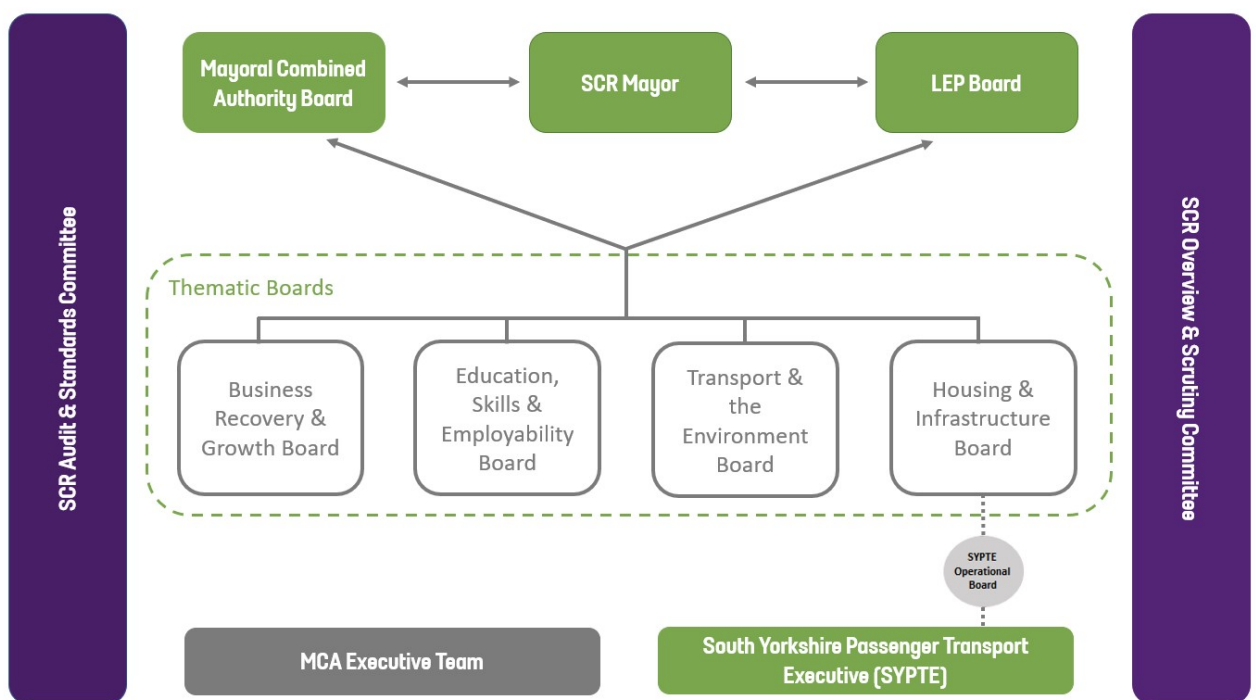
- 2.23 Under the South Yorkshire Devolution Deal, the MCA and Mayor were granted the following devolved powers from Government:
- The full devolution of the 19+ Adult Education Budget for college and training providers;
 - To improve the supply and quality of housing and secure the development of land or infrastructure;
 - To create a non-statutory Spatial Framework for South Yorkshire;
 - The option to establish Mayoral Development Corporations;
 - To provide grants and make agreements with other bodies on the management of the strategic highway network; and
 - The option to introduce a Mayoral precept.

3. Structures and Roles

Overview

- 3.1 The MCA and LEP governance model combines the best of private sector expertise and public sector capacity, transparency and accountability.
- 3.2 The Mayoral Combined Authority (MCA) and Local Enterprise Partnership (LEP) form the core decision-making Boards. The private sector led LEP, supports and works alongside democratically elected Leaders on the MCA Board. The Mayor, the Leaders of the four local authorities in South Yorkshire and LEP Chair sit on both Boards. This has resulted in strong partnership between the MCA and LEP. It also ensures that a single oversight is in place to deliver efficient, effective, accountable and informed decision-making.
- 3.3 The Mayor, MCA Board and LEP Board are supported by four Thematic Boards and the MCA Executive Team. The Thematic Boards are responsible for driving forward the agenda of their thematic area. The MCA Executive Team advises the Mayor, MCA and LEP on policy, seeks agreement between those bodies and subsequently commissions, manages and monitors the delivery of projects. The MCA Executive Team and local authority Chief Executives also support the decision-making process. Two independent committees, the Audit and Standards Committee and Overview and Scrutiny Committee, ensure that the MCA, LEP and Mayor are fulfilling their legal obligations, and developing and delivering strategies that are in the best interests of local people.
- 3.4 Figure 5 sets out the overall structure and how the Boards and Committees relate to one another.

Figure 5: The Organisational Structure



- 3.5 In 2021, SYPTE will be fully amalgamated into the MCA with SYPTE staff becoming part of the MCA Executive Team.

- 3.6 The following sections provide a description of the different elements of the structure and their respective roles and responsibilities.

The Mayor

- 3.7 The Mayor is directly elected by the electorate in South Yorkshire (Barnsley, Doncaster, Rotherham and Sheffield) and serves a four-year term of office. The Mayor was elected in May 2018 and the next Mayoral Election is scheduled to take place in May 2022.

Role of the Mayor

- 3.8 The Mayor has a manifesto of commitments on which he was elected, and he exercises powers and functions that are devolved to the MCA by central Government.
- 3.9 The Mayor is the Chair of the MCA and leads the MCA in terms of proposing and agreeing the revenue and capital budgets of the MCA, including allocation of the consolidated transport budget, appropriate use of the Adult Education Budget and how Gainshare is utilised to support the MCA's policies.
- 3.10 The Mayor is a member of the LEP Board and also promotes South Yorkshire as a place to live, work, visit and invest in.

Responsibilities of the Mayor

- 3.11 The decision-making powers and functions of the Mayor are:
- Development of a strategy and spending plan for the delivery of mayoral functions;
 - Responsibility for a consolidated, devolved transport budget, with a multi-year settlement to be agreed at the Spending Review;
 - Responsibility and the power to approve franchised bus services, to support the MCA's delivery of smart and integrated ticketing across South Yorkshire;
 - Responsibility for an identified Key Route Network of local authority roads that will be collaboratively managed and maintained by the MCA on behalf of the Mayor;
 - Powers over strategic planning, including the responsibility to create a spatial framework for the Sheffield City Region;
 - Ability to create Mayoral Development Areas or Corporations in agreement with the relevant MCA member.

The Mayoral Combined Authority (MCA)

- 3.12 The Sheffield City Region Combined Authority was formally constituted in law in April 2014. It comprises the four constituent local authorities for South Yorkshire and five non-constituent local authorities from the neighbouring D2N2 LEP area. The constituent members are Barnsley, Doncaster, Rotherham and Sheffield. The non-constituent members are Bassetlaw, Bolsover, Chesterfield, Derbyshire Dales and North East Derbyshire. With the election of the Mayor in May 2018, it became the Mayoral Combined Authority (MCA).

Role of the MCA

- 3.13 The MCA is the legal and Accountable Body for funding devolved and awarded to the MCA and LEP. The MCA is also the Local Transport Authority for South Yorkshire. This role and its accompanying responsibilities are defined in the [MCA Constitution](#).

Responsibilities of the MCA

- 3.14 The MCA's remit is strategic economic development, housing, skills and transport.
- 3.15 The MCA is responsible for setting the policy direction in South Yorkshire and maximising financial investment to achieve economic growth. The MCA is also responsible for making large investment decisions and ensuring that the policy and strategic objectives of the SEP are delivered.
- 3.16 On this basis, typically the agenda for the MCA is focused on different elements of the SEP and takes decisions and oversees performance on items including:
- Programme updates – on initiatives being delivered;
 - Investment decisions;
 - Monitoring of financial and output performance;
 - Assurance, strategic risk management and governance; and
 - Strategies and plans.
- 3.17 The constituent members of the MCA are accountable for where and how public money is being spent.
- 3.18 Additional responsibilities and further powers may be devolved to the Mayor and the MCA, pending agreement by Government, the Mayor, MCA and the constituent authorities.

Membership of the MCA

- 3.19 Membership of the MCA is set out in Table 1 below. This specifies the type of membership; constituent, non-constituent and observer.

Table 1: Membership of the MCA 2021/22

Member	Post	Membership Type
South Yorkshire	Mayor	Constituent
Barnsley Metropolitan Borough Council	Leader	Constituent
Doncaster Metropolitan Borough Council	Mayor	Constituent
Rotherham Metropolitan Borough Council	Leader	Constituent
Sheffield City Council	Leader	Constituent
Bassetlaw District Council	Leader	Non-constituent
Bolsover District Council	Leader	Non-constituent
Chesterfield Borough Council	Leader	Non-constituent
Derbyshire Dales District Council	Leader	Non-constituent
North East Derbyshire District Council	Leader	Non-constituent
Sheffield City Region LEP	Chair	Non-voting
Barnsley Metropolitan Borough Council	Nominated Representative	Rotational
Sheffield City Council	Nominated Representative	Rotational

- 3.20 The MCA Constitution stipulates that substitute members will be nominated and agreed by the full members annually.
- 3.21 Each year the MCA appoints two additional, rotational members from amongst the constituent councils. This is a requirement of the Order by which the Combined Authority was established to ensure that the majority of Members are from constituent councils. In 2021/22, the rotational members are from Barnsley and

Sheffield. In 2022/23, they will be from Doncaster and Rotherham. By convention these Members do not attend or vote.

- 3.22 Organisations are invited to attend MCA meetings as an observer. These can include Government agencies (such as Homes England or Network Rail) and other LEPs which have close economic links with the Sheffield City Region (for example but not restricted to the Leeds City Region, Manchester and Humber LEPs).
- 3.23 All MCA Board members are expected to conduct themselves in accordance with the Nolan Principles of Public Life. These principles are embedded in the [MCA Members' Code of Conduct](#) as detailed in the MCA Constitution.

MCA Board Meetings

- 3.24 The MCA Board meets on an eight-weekly cycle and the meetings are held in public.
- 3.25 All constituent members of the MCA Board and the Mayor have one equally weighted vote. Non-constituent members have no automatic right to vote. The MCA Constitution allows for voting rights to be extended to non-constituent members at the discretion of the constituent members.
- 3.26 Decisions are made by a majority of the members present at MCA meetings and voting when using the powers held by the Authority when it was established in 2014. For the new powers devolved to the MCA through the devolution deal, the Mayor must be part of the majority of members present and voting on the exercise of such functions. These functions are:
- Adult Education Budget;
 - Skills powers/duties; and
 - Housing functions.

The Constitution sets the majority as the Mayor plus 75% of the Members from the constituent councils present at the meeting. By convention, if 100% of the Members from the constituent councils are in favour of a resolution, then the Mayor will also vote in favour (as that is the will of the MCA), unless the Mayor gives minuted reason for not doing so.

- 3.27 The approval of the non-statutory Spatial Framework will require a unanimous decision from all constituent members. The establishment of any Mayoral Development Corporation will require the agreement of the Mayor and the MCA member that represents that place.
- 3.28 The Mayor's budget proposals will be approved by the MCA in accordance with the Combined Authorities (Finance) Order 2017 and the Constitution.

Quoracy for MCA Board Meetings

- 3.29 At least three voting members of the MCA must be present for a meeting to be valid. If a decision is required to meet agreed timescales and a meeting of the MCA is either not possible or scheduled, written procedures for decision making apply, in line with the MCA Constitution and the relevant Overview and Scrutiny regulations.

The Local Enterprise Partnership Board (LEP)

3.30 The Local Enterprise Partnership (LEP) is a voluntary business-led partnership which brings together business leaders, local politicians and other partners to promote and drive economic growth across the Sheffield City Region. The Sheffield City Region LEP was established in 2010.

Role of the LEP

3.31 The LEP leads on strategic economic policy development within the City Region and sets the blueprint for how the Sheffield City Region economy should evolve and grow. The LEP is the developer and author of the SEP. The LEP works to raise the profile, image and reputation of the Sheffield City Region as a place to visit, live, work and invest in.

Responsibilities of the LEP

3.32 The LEP is responsible for setting strategy and acts as the custodian of the SEP. The LEP bids for funding and programmes from Government and is responsible for delivering these programmes. This included delivering the Growth Deal programme of activity which concluded on 31 March 2021.

3.33 The LEP is also responsible for ensuring that policy and decisions both receive the input of key business leaders, and by extension, reflect the views of the wider business community. The LEP fulfils this responsibility by leading on engagement with local businesses and policy makers at a City Regional, national and international level.

3.34 The focus of the LEP Board is to discuss and make decisions on the following:

- **South Yorkshire Economy** – such as research on how well the economy is performing and the issues and needs of different sectors and markets;
- **Performance** - of LEP funded programmes;
- **Providing a Forum for Debate** - between the public and private sectors; and
- **Economic Strategy and Policy Development** – on new initiatives being brought forward.

Membership of the LEP

3.35 The LEP currently comprises 13 permanent private sector representatives, the four Leaders of the Local Authorities and the Mayor, a Trades Union Representative and up to five co-opted private sector members who act as specialist advisers on thematic issues. Membership of the LEP is set out in Table 2 below:

Table 2: Membership of the Sheffield City Region Local Enterprise Partnership (LEP) 2021/22

Member	Post	Membership Type
James Muir	LEP Chair – Permanent Member	Private Sector
Nigel Brewster	LEP Vice Chair – Permanent Member	Private Sector
Lucy Nickson	LEP Vice Chair – Permanent Member	Private Sector
Alexa Greaves	Permanent Member	Private Sector
Gemma Smith	Permanent Member	Private Sector
Professor Chris Husbands	Permanent Member	Private Sector
Peter Kennan	Permanent Member	Private Sector
Tan Khan	Permanent Member	Private Sector
Neil MacDonald	Permanent Member	Private Sector

Richard Stubbs	Permanent Member	Private Sector
Joe Chetcuti	Permanent Member	Private Sector
Karen Beardsley	Permanent Member	Private Sector
Cathy Travers	Permanent Member	Private Sector
Angela Foulkes	FE College Representative	Private Sector
Professor Dave Petley	HE Representative	Private Sector
Dan Fell	Chambers of Commerce Representative	Private Sector
Bill Adams	Trades Union Representative	Membership Body
Paul Leedham	Co-opted Member	Private Sector
Michael Faulks	Co-opted Member	Private Sector
MCA	Mayor	Public Sector
Barnsley Metropolitan Borough Council	Leader	Public Sector
Doncaster Metropolitan Borough Council	Mayor	Public Sector
Rotherham Metropolitan Borough Council	Leader	Public Sector
Sheffield City Council	Leader	Public Sector

- 3.36 Private sector LEP Board members are assigned a portfolio of work based on their expertise and knowledge. The portfolios are thematic based, and each LEP Board member leads on the LEP's activity on that theme.
- 3.37 The LEP Board also designates a private sector LEP Board member to be Small Business Champion and Equality and Diversity Champion. The Small Business Champion is tasked with leading engagement with small businesses, and ensuring that the views of micro, small and medium sized businesses are adequately represented by the LEP. The Equality and Diversity Champion ensures that the LEP Board understands its role in promoting diversity and eliminating discrimination.
- 3.38 The current composition of the LEP Board is 75% Private Sector members compared to 21% Public Sector members and 4% Membership Body members. This equates to a ratio that is substantially higher than the Government requirement of a two-third, one-third split.
- 3.39 Co-opted members were first introduced onto the LEP Board in Autumn 2017 to provide additional specialist advice and expertise on the SEP's thematic priorities, such as infrastructure, skills and employment. The knowledge and advice provided by the co-opted members has led to significant progress being made on key projects and initiatives including the development and delivery of the Housing Investment Fund pilot.
- 3.40 All LEP Board members are expected to conduct themselves in accordance with the Nolan Principles of Public Life. These principles are embedded in the [LEP Code of Conduct](#). LEP Board members are required to sign a document confirming that they will subscribe to Nolan principles as a condition of their appointment.

LEP Board Meetings

- 3.41 The LEP Board meets on an eight-weekly cycle and the meetings are held in private, with the exception of an Annual General Meeting (AGM).
- 3.42 All Board members (apart from co-opted members) have equal voting rights, and decisions are taken on the basis of a simple majority.

Quoracy for LEP Board Meetings

- 3.43 Meetings of the LEP Board are considered quorate when at least one quarter of the Private Sector Members and at least one quarter of the constituent local authority members are present.
- 3.44 A LEP Board Member may be counted in the quorum if they are able to participate in the meeting by remote means such as by internet, audio or video link. The member must remain available throughout the agenda items where discussions and decisions are made.
- 3.45 Co-opted members, and any LEP Board member who is obliged to withdraw under the LEP Code of Conduct, are not counted towards the quorum.
- 3.46 To ensure that LEP Board members are suitably committed to the work of the LEP, consistent non-attendance at meetings is grounds for termination of membership. This is outlined in the [LEP Terms of Reference](#).
- 3.47 If a decision is required to meet agreed timescales and a meeting of the LEP is either not possible or scheduled, the urgency procedure for decision making applies, as outlined in LEP Terms of Reference will be implemented.

LEP Chair

- 3.48 The LEP Chair must have a private sector background.
- 3.49 The LEP Chair leads on building the reputation and influence of South Yorkshire at a national and international level. The LEP Chair is also a non-voting member of the MCA.

LEP Vice Chair

- 3.50 The LEP has two Vice Chairs.
- 3.51 The LEP Vice Chairs must have a private sector background.
- 3.52 The LEP Vice Chairs provide day to day leadership and support to the LEP Board Members, lead on business relations within the City Region, engage with the wider business community and deputise for the LEP Chair when necessary.

Defined Term Limits

- 3.53 The LEP Chair and LEP Vice Chairs have defined term limits of three years. They can re-apply for a further term.
- 3.54 All other permanent private sector LEP Board member, and the named HE representative, are appointed for an initial term of three years. As set-out in the LEP Terms of Reference, the Chair may extend the appointment of an individual for a further term of up to three years. With a clear rationale, and only in exceptional circumstances, a further extension not exceeding two years may be granted.
- 3.55 Co-opted LEP Board members have a defined term limit of one year. However, following a recommendation from the LEP Appointments Panel, the LEP Chair can at their discretion, extend the term of co-opted members for a further period.
- 3.56 The Trades Union Congress (TUC), Chambers of Commerce and FE Colleges (via the Association of Colleges) nominate their named representatives on an annual basis.

LEP Board Recruitment and Appointment

- 3.57 Private sector LEP Board members are appointed through an open and transparent recruitment and selection process, which is run on an annual basis. In the interests of continuity and succession planning, the recruitment is staggered so that the terms of all private sector members do not expire at the same time.
- 3.58 When private sector members either approach the end of their term, or if a LEP Board member resigns mid-term, the vacant positions on the LEP Board are promoted through the MCA website, social media channels and are advertised in local and regional media. Local business representative organisations are also consulted about LEP Board vacancies and advertise and promote these vacancies through communications with their members.
- 3.59 When recruiting new LEP Board members, consideration is given to achieving diversity on the LEP Board in line with the [LEP Diversity Policy](#). However, all Board appointments are made on merit, and within the context of the skills and experience required by the LEP Board.
- 3.60 Interested candidates are required to complete and submit an application form. A LEP Appointments Panel, which is made-up of LEP Board Vice Chairs, reviews and assesses the applications against the LEP Board Member Job Description and Person Specification, with advice and support from the MCA Executive Team. Candidates are shortlisted for an interview by a panel including LEP Board members (usually the Vice Chairs), a member of an independent business representative body, and the MCA Chief Executive or Deputy Chief Executive.
- 3.61 A combination of the completed application form and interview are used to judge each candidate's experience, suitability and fit. The LEP Appointments Panel makes the appointments which are then ratified by the LEP Board.
- 3.62 Newly appointed LEP Board members are invited to attend an induction session with the MCA Executive Team to develop their understanding of the City Region, the organisational and decision-making structure, the LEP's priorities and plans and support available to LEP Board members from the MCA Executive Team.
- 3.63 Vacant positions for the Chair and Vice Chair roles are promoted in the same way. However, these positions are also advertised in national media outlets and on the Government's Public Appointments website. The Mayor leads the appointment panel for the LEP Chair, which also includes another LEP Board Member, an independent business representative organisation, a Local Authority Chief Executive and either the MCA Chief Executive or Deputy Chief Executive.

Equality and Diversity

- 3.64 The [LEP Diversity Policy](#) seeks to ensure that the composition of the LEP Board is diverse and reflective of the City Region in the broadest sense. Consideration is given to gender, race, protected characteristics and areas of expertise including industry knowledge, geography, sectors and business size. This is done with a view to obtaining an appropriate balance of membership. Applications from under-represented groups are encouraged.
- 3.65 The current gender composition of the LEP Board is detailed in Table 3 below. It illustrates that 38.5% of the LEP's permanent private sector members are women.

Table 3: Gender Composition of LEP Board (February 2021)

Type of Membership	Gender		Vacant Posts	Total	Gender Ratio	
	Female	Male			Female	Male
Private Sector (Permanent)	5	8	0	13	38.5%	61.5%
Public Sector (Permanent)	1	4	0	5	20.0%	80.0%
Membership Body (Permanent)	0	1	0	1	0%	100%
Permanent Members	6	13	0	19	31.6%	68.4%
Private Sector (Co-opted & Named Representatives)	1	4	0	5	20.0%	80.0%
Co-opted/Representative Members	1	4	0	5	20.0%	80.0%
All Private Sector (TOTAL)	6	12	0	18	33.3%	66.7%
All Members (TOTAL)	7	17	0	24	29.2%	70.8%

3.66 The LEP will obtain an equal split of male and female Private Sector Board members by March 2023.

How the MCA and LEP Work Together

3.67 A key facet of the governance arrangements in the City Region is the strong inter-relationship between the LEP and MCA and overlap of membership. Building on the best of the public and private sectors, this brings accountability, transparency and business insight together. The configuration and membership of the LEP and MCA are designed to be mutually supportive.

3.68 The MCA is the legally Accountable Body for all funds awarded to the LEP and approves the LEP annual capital and revenue budgets prior to the start of the financial year. However, the LEP advises on how these funds are prioritised.

3.69 The MCA tests the value for money of proposed projects, and makes decisions in a legally compliant, responsible and transparent manner.

3.70 To maintain good communication and cooperation, the LEP and MCA are both served by the same team of staff (the MCA Executive Team). Financial information and updates on programme delivery are reported to both the LEP and MCA Boards. This includes details of applications received for LEP funded programmes and contracts awarded.

3.71 Given the clarity in remit and strong controls being in place, there are minimal circumstances where the MCA would not comply with the LEP's advice. However potentially this could occur if:

- The LEP was seeking to influence a decision of the MCA, which is within the remit of the Accountable Body, specifically an operational decision as opposed to a strategic decision regarding the economic strategy;
- The LEP was seeking to influence a decision which is non-compliant with public accountability requirements and procedures, or does not offer value for money;
- The MCA was seeking to influence a decision which is within the remit of the LEP (for example, supporting a project that is not aligned with the objectives of the SEP); or
- The MCA was refusing to operationalise a policy directive of the LEP in accordance with the SEP.

3.72 A procedure is in place for managing conflicts in decision-making should they occur. The three Statutory Officers (Head of Paid Service, Section 73 Officer and Monitoring Officer) would first attempt to resolve the conflict with the Chairs of the LEP and MCA Boards. If the conflict cannot be resolved, and depending on the

nature of the conflict, this would be formally escalated to either the LEP Board or MCA Board to discuss and agree a resolution.

- 3.73 A Memorandum of Understanding concisely and simply explains the respective roles and responsibilities of the LEP and MCA, and how they work together. This is published and ensures that members of the public are clear on who is responsible for decision-making in the City Region. This document is contained in Appendix B.

Thematic Boards

- 3.74 To support decision-making and delivery, the MCA and LEP are supported by four Thematic Boards, which are based on the broad strategic priorities of the SEP. The four Thematic Boards all have delegated authority to make financial decisions on behalf of the MCA up to defined limits.

Role of the Thematic Boards

- 3.75 The purpose of the [Thematic Boards](#) is to provide adequate and experienced capacity to review projects and make investment decisions. These Boards bring together the public and private leadership of the MCA and LEP to drive the delivery of activity, ensuring that the focus remains on the outcomes being delivered. The Thematic Boards therefore enable the MCA and LEP Boards to operate strategically rather than merely as investment boards.
- 3.76 The four Thematic Boards are accountable to the MCA and each one has a defined portfolio with distinct responsibilities for Business Recovery & Growth, Housing & Infrastructure, Education, Skills & Employability and Transport & the Environment.
- 3.77 The Transport & the Environment Board has a broader role than the other three Thematic Boards; specifically, co-ordinating the transport activities, and overseeing the performance, of the South Yorkshire Passenger Transport Executive (SYPTTE).

Responsibilities of the Thematic Boards

- 3.78 Each of the four Thematic Boards (Business Recovery & Growth; Housing &, Infrastructure; Education, Skills & Employability; and Transport & the Environment) has delegated authority to approve projects with a value of less than £2 million. Decisions made by the Thematic Boards are presented to the MCA Board in a written Delegated Decisions Report. As the delegating body, the MCA has the right to review decisions made by the Thematic Boards.
- 3.79 The responsibilities of the four Thematic Boards are to:
- Shape future policy, priorities and programmes for the LEP and MCA Boards to approve;
 - Review programme and funding applications of less than £2 million that have been through the appraisal process and decide whether to approve, defer or reject the application;
 - Review programme and funding applications of £2 million or more that have been through the appraisal process and make a recommendation to the MCA Board for approval, deferment or rejection of the application;
 - Accept grants with a value of less than £2 million; and
 - Monitor programme delivery and performance on their thematic area.
- 3.80 The Transport & the Environment Board has the following additional responsibilities:
- Shaping the development of the transport strategy and strategies for its implementation;

- Overseeing the performance of SYPTTE in delivering operational transport services and its capital programme and providing SYPTTE with political direction;
- Recommending the capital programme of SYPTTE for approval to the MCA; and
- Recommending the revenue budget of SYPTTE for approval to the MCA.

Membership of the Thematic Boards

3.81 The members of the four Thematic Boards are set out in Table 4 below:

Table 4: Membership of the Thematic Boards 2021/22

Business Recovery & Growth	Education, Skills & Employability	Housing & Infrastructure	Transport & the Environment
One Leader from the MCA of a South Yorkshire local authority	One Leader from the MCA of a South Yorkshire local authority	One Leader from the MCA of a South Yorkshire local authority	One Leader from the MCA of a South Yorkshire local authority
	Leader of Chesterfield Borough Council (non-constituent local authority from the MCA)		The Director General of the SYPTTE
A nominated representative for each of the South Yorkshire local authorities	A nominated representative for each of the South Yorkshire local authorities	A nominated representative for each of the South Yorkshire local authorities	A nominated representative for each of the South Yorkshire local authorities
A lead Chief Executive from a South Yorkshire local authority	A lead Chief Executive from a South Yorkshire local authority	A lead Chief Executive from a South Yorkshire local authority	A lead Chief Executive from a South Yorkshire local authority
Two private sector LEP Board members	Two private sector LEP Board members	Two private sector LEP Board members	Two private sector LEP Board members
Head of Paid Service (or their nominated representative)	Head of Paid Service (or their nominated representative)	Head of Paid Service (or their nominated representative)	Head of Paid Service (or their nominated representative)
A non-voting representative for the other non-constituent local authorities from the MCA	A non-voting representative for the other non-constituent local authorities from the MCA	A non-voting representative for the other non-constituent local authorities from the MCA	A non-voting representative for the other non-constituent local authorities from the MCA

3.82 Board decisions are made on the basis of consensus. Where consensus cannot be reached the issue is escalated to the MCA.

3.83 The Thematic Boards can form operational Hubs or Task and Finish groups of key stakeholders and advisors to assist in the management and monitoring of individual programmes or projects. Any such groups are purely advisory and cannot assume any of the Thematic Board's responsibilities for decision-making. They are also required to submit reports to the Thematic Board.

Thematic Board Meetings

3.84 Thematic Boards meet on an eight-weekly cycle and the MCA Executive Team provides the secretariat function.

Quoracy for Thematic Board Meetings

- 3.85 Meetings of the Thematic Boards (with the exception of the Transport & the Environment Board) are quorate when five members are present; of which two are from South Yorkshire (constituent) local authorities and one is a LEP private sector member.
- 3.86 Transport & the Environment Board meetings are quorate when six members are present. of which two are from South Yorkshire (constituent) local authorities and one is a LEP private sector member.
- 3.87 A member who is obliged to withdraw under the [MCA Code of Conduct](#) or [LEP Code of Conduct](#) shall not be counted towards the quorum.
- 3.88 If a decision is required to meet agreed timescales and a meeting of the Thematic Board is either not possible or scheduled, written procedures for decision making apply, in line with the Thematic Boards Protocol for Decisions Between Meetings.

Audit and Standards Committee

- 3.89 The [Audit and Standards Committee](#) ensures that the LEP, MCA and Mayor are operating in a legal, open and transparent way.
- 3.90 In accordance with the Chartered Institute of Public Finance and Accountancy (CIPFA) guidance, the Committee provides a high-level focus on assurance and governance arrangements.
- 3.91 The Audit and Standards Committee monitors the operation of the organisation. Their role is to ensure that the MCA is fulfilling its legal obligations, complies with statutory requirements, is managing risk effectively and has robust control measures in place for all devolved powers and funding. The Committee reviews and endorses all budgets and accounts, including those for the LEP, before they are finalised and presented to the MCA Board for approval, and identify any risks.
- 3.92 Membership of the Audit and Standards Committee is politically balanced and consists of 8 elected Councillors (or their nominated substitute) from the four South Yorkshire local authorities and two independent members.
- 3.93 The Audit and Standards Committee meets at least quarterly and reports into the MCA on both financial and non-financial performance.

Overview and Scrutiny Committee

- 3.94 The [Overview and Scrutiny Committee](#) holds the MCA, Mayor, LEP and Thematic Boards to account for all decisions taken, including devolved powers and funding. The Overview and Scrutiny Committee has the authority to review and scrutinise any decision made, or action taken by the LEP, MCA, Mayor, Thematic Boards or [MCA Executive Team](#). The Committee can, at their discretion, produce reports and make recommendations for change or improvements.
- 3.95 The Overview and Scrutiny Committee is responsible for checking that the MCA and LEP are delivering their objectives, and that policies, strategies and plans are made in the best interests of residents and workers in the Sheffield City Region. They provide independent scrutiny of initiatives and LEP activities and public consultation on draft strategies.

- 3.96 Membership of the Overview and Scrutiny Committee is politically balanced and consists of 10 elected Councillors from the four South Yorkshire local authorities (or their nominated substitute); typically, the Chair of each local authority's overarching Scrutiny Committee.
- 3.97 The Overview and Scrutiny Committee meets on a quarterly basis. The MCA is required to consider the conclusions of any review by the Overview and Scrutiny Committee at the next available meeting.

Statutory Officers

- 3.98 The MCA appoints three [Statutory Officers](#) to discharge duties and obligations on their behalf. The Statutory Officers ensure that the MCA is acting in accordance with its legal duties and responsibilities, operating within the financial regulations and receiving appropriate advice on policy and governance.
- 3.99 The Statutory Officer roles are defined in the MCA Constitution and comprise:
- **Head of Paid Service** – The Chief Executive of the MCA fulfils the role of the Head of Paid Service. The Head of Paid Service discharges the functions in relation to the MCA as set out in section 4 of the Local Government and Housing Act 1989 and acts as the principal advisor to the LEP.
 - **Section 73 Officer** – The Group Finance Director fulfils the role of Section 73 Officer in accordance with the Local Government Act 1985. The Section 73 Officer administers the financial affairs of the MCA and LEP.
 - **Monitoring Officer** – The Monitoring Officer discharges the functions in relation to the MCA as set out in section 5 of the Local Government and Housing Act 1989.

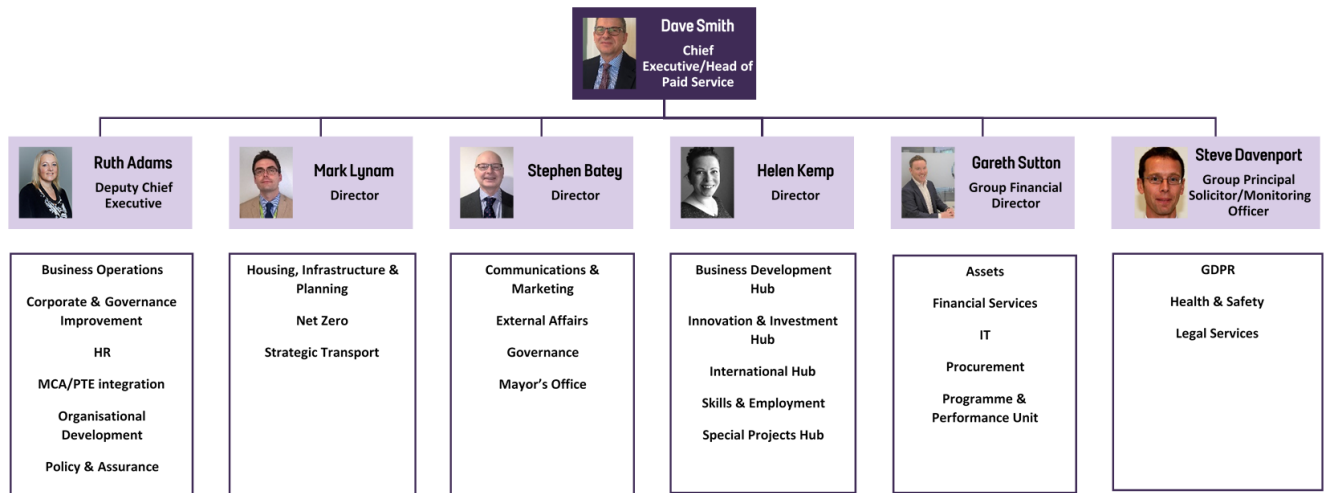
Remuneration Panel

- 3.100 An independent Remuneration Panel convenes to identify the salary and allowances that should be paid to the Mayor and Deputy Mayor for their term of office. The MCA does not currently have a Deputy Mayor.
- 3.101 The Remuneration Panel reports their recommendations in a report to the MCA Board who decide the salary and allowances that will be paid.

The MCA Executive Team

- 3.102 The MCA Board, LEP Board and Thematic Boards are supported by the MCA Executive Team. The MCA Executive Team is a dedicated resource that provides impartial advice and works in collaboration with partners and stakeholders.
- 3.103 The role of the MCA Executive Team is to advise and support the MCA, Mayor and LEP.
- 3.104 The MCA Executive Team of staff are employed by the MCA and the current functions are shown in Figure 6 below.

Figure 6: The MCA Executive Team Structure



3.105 The MCA Executive Team supports the following activities:

- **Developing Policy** - supporting the MCA, Mayor and LEP to draft key policy, including the SEP;
- **Initiating and Encouraging Project Ideas** - the team works with officers from local authorities, the private sector and project applicants to identify and bring forward viable project ideas that support the strategic objectives of the City Region;
- **Advising Funding Applicants on Business Cases and the Appraisal Process** – advising project applicants on how to develop a robust and comprehensive Business Case;
- **Appraising Business Cases** – independently reviewing and appraising business cases and funding applications through the Assurance Panel and contracting specialists and subject experts to undertake technical reviews as required, prior to making recommendations to the Thematic Boards;
- **Programme and Project Design and Development** – designing and developing investment programmes and projects to deliver the agreed policy objectives of the Mayor, MCA and LEP, in line with the agreed Investment Plan. This sometimes includes preparing and submitting funding bids to Central Government proactively or in response to specific calls and opportunities that may arise;
- **Programme Monitoring** - collating and communicating performance on different funding streams to the MCA and LEP Boards and MHCLG as per the Government's requirements;
- **Project Monitoring and Evaluation** - managing the monitoring and evaluation framework, and providing reports and updates to the Thematic Boards, MCA and LEP;
- **Administration and secretariat function for the Boards** – ensuring MCA, LEP and Thematic Board meetings are planned and arranged in a timely fashion and communicated;
- **Compiling Papers and Reports** - for the Mayor and Board members;
- **Enquiries** – dealing with the media and handling general enquiries from the public;
- **Publishing Information** – ensuring that minutes, agendas and papers of the meetings of the LEP, MCA Board, Audit and Standards Committee and Overview and Scrutiny Committee are published promptly on the MCA website and publishing information on MCA and LEP policies and procedures; and
- **Promoting the City Region** – to potential investors and the public as a place to invest, work and live.

3.106 The functions of the MCA Executive Team are organised to maintain 'ethical walls' and ensure that there are no opportunities for conflicts of interest between project and programme commissioning and project appraisal.

4. Accountability for Public Funds

- 4.1 Several measures are in place to ensure that the Mayor, MCA and LEP are managing and administering public funds in a responsible, efficient, transparent and accountable manner.

The Accountable Body

- 4.2 The MCA is the legal and Accountable Body for powers and funding devolved by Government. The MCA is also the legal and accountable body for the LEP and is therefore responsible for all decisions and expenditure.
- 4.3 The MCA holds all funding, enters into contractual arrangements and processes payments. The MCA also provides programme management to account for the funding and ensures that the impact of investment is assessed.
- 4.4 The MCA is accountable for:
- Ensuring that its decisions and activities conform with legal requirements regarding equalities, environmental and European legislation (such as State Aid), and that records are maintained so that this is evidenced;
 - Retaining overall responsibility for the appropriate use of public funds by the MCA, LEP and Thematic Boards;
 - Ensuring that the approved Assurance Framework is being adhered to;
 - Ensuring that all contracts entered discharge their duties; and
 - Maintaining and publishing annual accounts (including devolved and other funding sources received from Government), in accordance with the relevant regulations, each year in draft form by 31 May and finalised in July.
- 4.5 In accordance with section 101 of the Local Government Act 1972, the MCA delegates certain decisions to the Statutory Officers. The [Scheme of Delegation](#) in Part 4. E of the Constitution specifies the delegations for funding and decision-making that are available to the Head of Paid Service (the Chief Executive of the MCA), the Section 73 Officer (Group Finance Director), and the Monitoring Officer.

Section 73 Officer

- 4.6 The Section 73 Officer is fully engaged in the operation of the organisation, ensuring that devolved funds are managed responsibly and allocated through a robust application process.
- 4.7 The Section 73 Officer is accountable for:
- Ensuring that devolved funds, including the AEB, are used legally, appropriately and are subject to the usual local authority checks and balances, including discharging financial duties under the [Financial Regulations 2019](#);
 - Ensuring that the MCA acts in a manner that is lawful, transparent, evidence based, consistent and proportionate, including the publication of annual audited accounts;
 - Signing-off Value for Money Statements for all funding applications during the appraisal process as true and accurate;
 - Certifying that funding can be released under the appropriate conditions (in line with statutory duties);

- Signing-off quarterly reports to the Ministry of Housing, Communities and Local Government (MHCLG) on programme performance and expenditure;
- Ensuring that the established professional codes of practice are applied; and
- Ensuring that strong governance arrangements and LEP policies are in place to ensure that the LEP is operating robustly and transparently (by providing an Annual Assurance Statement and letter to the MHCLG Accounting Officer).

Internal and External Audit

- 4.8 The MCA has an established process for internal and external audit. Internal audit is a contracted service provided by Grant Thornton. Ernst and Young are the appointed external auditors. As the MCA is the Accountable Body, the audit arrangements cover both the LEP and the MCA's funding and activities, including devolved monies.
- 4.9 In conjunction with the internal audit team, the MCA Head of Paid Service, Section 73 Officer and Monitoring officer prepare an annual Internal Audit Plan at the start of each financial year, which is reviewed towards the end of the financial year. The Internal Audit Plan includes all aspects of the appraisal, assurance, monitoring and evaluation processes. This provides independent and objective assurance to the MCA. The Plan is approved by the MCA and is considered by the Audit and Standards Committee. The current plan was approved by the Audit and Standards Committee in July 2020.

Overview and Scrutiny

- 4.10 The independent Overview and Scrutiny Committee holds the MCA, Mayor, LEP and Thematic Boards to account on behalf of the public. They have the authority to review and scrutinise any decisions made including the investment of devolved funds, or actions taken. The Committee can at their discretion, make recommendations for change or improvement.
- 4.11 The Overview and Scrutiny Committee has an annual [Work Programme](#) of topics that they will scrutinise. Committee members are encouraged to propose additional topics for scrutiny.

Assurance Panel

- 4.12 The Assurance Panel conducts a technical review of all business cases for projects that are seeking funding. The Panel currently consists of a LEP Board member who acts as Chair, the MCA's three Statutory Officers or their representatives (Monitoring Officer, Section 73 Officer and Head of Paid Service) and relevant officers from the MCA Executive Team. The Panel makes recommendations to the appropriate decision-making Board on the value for money and level of risk of a project and whether to endorse, approve, defer or reject funding applications. The Assurance Panel also advises on any conditions that should be placed on the funding and advises on the merits of potentially competing funding applications by considering the net impact of the overall investment programme.
- 4.13 The Statutory Officers ensure that the Accountable Body duties are discharged through their representation on the Assurance Panel. This embeds the roles and functions of the Statutory Officers in the project appraisal process. All projects seeking funding are reviewed by the Assurance Panel and are subject to independent technical scrutiny.
- 4.14 The Assurance Panel meets every two weeks, or more frequently if necessary, to ensure the pipeline of project proposals continues at the required pace.
- 4.15 The appraisal process is detailed in Section 5.

Ensuring Value for Money

- 4.16 All projects and programmes that apply for funding are appraised and assessed for Value for Money (VfM) using the HM Treasury Green Book and appraisal guidance published by individual Government departments such as the Department for Education and Department for Transport and the Ministry for Housing, Community and Local Government.
- 4.17 The VfM assessment considers the potential costs, benefits, risks, uncertainties and impacts of the project. A Benefit Cost Ratio (BCR) is calculated for the project wherever possible but this is just one of the basket of metrics considered in the VfM assessment. All of the wider monetised and non-monetised impacts and benefits of a project are quantified wherever possible and non-quantifiable benefits are also assessed qualitatively. Non-monetised costs and disbenefits are also qualitatively assessed.
- 4.18 A VfM Statement is completed by the Assurance Panel at every stage of the appraisal process (Strategic Outline Case, Business Justification Case, Outline Business Case and Full Business Case) and published on the MCA website with the business case to enable partners and members of the public to comment. The initial, adjusted and final BCR for transport projects is calculated in accordance with the DfT's Value for Money Advice Note for Local Transport Decision Makers.
- 4.19 The VfM statements are on a proportionate basis relative to the level of risk, complexity and funding sought.
- 4.20 The Section 73 Officer is responsible for signing-off VfM Statements and this must be done before a project can progress to the next stage of the appraisal process. The VfM Statement is also signed-off by the MCA at each stage of the appraisal process.
- 4.21 The VfM Statement for each project, is presented to the appropriate Board or Thematic Board. The Statement includes the Assurance Panel's justification and recommendation on whether the project should be approved, deferred or rejected and any conditions that should be put in place.
- 4.22 The ambition is always to support projects that demonstrate High VfM. However, projects that are appraised as offering lower VfM, may still be funded if there is a strong strategic business case and the project will deliver the strategic and economic objectives in the SEP (for economic growth, inclusion and sustainability), or where the project is essential to unlock or enable other development to take place. However, the MCA and/or LEP can decide to remove a project from the programme if the appraisal identifies Poor or Low VfM.

Managing Risk

- 4.23 The approach to risk management is comprehensive and in accordance with HM Treasury's Orange Book principles and other project management guidance. The Deputy Chief Executive of the MCA is the named officer for managing risk on the MCA and LEP activity.
- 4.24 Robust control measures and a Strategic Risk Management Framework are in place to provide accountability and support due diligence. The Strategic Risk Management Framework guides the identification, assessment and management of risks for all activities.
- 4.25 Risk management controls and mitigation action plans are agreed and added to the programme Risk Register. A plan is then constructed to reduce the likelihood of the risk occurring and/or decrease the impact of a risk, should it occur.
- 4.26 Funding applicants are required to include risk and contingency plans as part of their application for funding. Once a project has received funding approval, the MCA Executive Team works with project applicants to monitor delivery of the contract and risks. Quarterly Monitoring reports are compiled for the Thematic Boards to identify any issues with delivery, perceived or actual risks to the project, any corrective action and any change requests (for example, a reduction in grant or an extension to the timescale for delivering key

milestones). Any risks to the delivery of the SEP Programme are reported to, and considered by, the Chairs and Vice Chairs of the MCA and LEP respectively.

Annual Reviews by Government

- 4.27 The MCA holds a review meeting with Government each year to discuss delivery of the Devolution Deal and investment of devolved funding. The meeting is an opportunity to identify achievements and successes and any areas for improvement.

- 4.28 The LEP is reviewed twice a year by Government; a Mid-Year Review and an Annual Performance Review. The review considers the governance arrangements that are in place, strategic approach and performance against profiled expenditure and outputs on funding awarded to the LEP. A representative of the MCA attends the Annual Performance Review meeting, along with the LEP Chair and/or LEP Deputy Chair.

5. Robust and Transparent Decision-Making

- 5.1 In accordance with the Transparency Code and Government guidance on best practice, the Mayor, MCA Board, LEP Board and Thematic Boards are expected to act in the interests of the Sheffield City Region when making investment decisions. All decisions are made via an approved process, free from bias or perception of bias.
- 5.2 To ensure that decision-making is robust and transparent, all meetings of the MCA Board, Audit and Standards Committee and Overview and Scrutiny Committee are held in public. The MCA also publishes a monthly [Forward Plan of Key Decisions](#) to alert the public to decisions that will be taken, in advance of the decision being made. The decision-making process is detailed below.

Budget Setting and Allocation

- 5.3 The annual Mayoral Budget is developed by the Mayor, alongside the MCA revenue and capital budget. The budgets are presented to the MCA Board in draft form in November and again for final approval each January. The budgets must be agreed in accordance with the Combined Authorities (Finance) Order 2017 and the Constitution.
- 5.4 The budget for the allocation and investment of Gainshare funding for the 2021/22 and 2022/23 financial years was agreed by the MCA Board in advance. The budget was set in accordance with the agreed investment priorities identified and agreed by members in the Renewal Action Plan (RAP) that was submitted to Government in Summer 2020. Activities funded with Gainshare are managed and accounted for alongside all funding devolved and awarded to the MCA and LEP.
- 5.5 The MCA, in consultation with the LEP where appropriate, is responsible for setting the annual capital and revenue budgets for any funding allocated to the LEP prior to the start of the financial year.
- 5.6 All approved capital and revenue budgets are published on the MCA website. Budgets are monitored on a quarterly basis with reports submitted to the Boards. Quarterly financial monitoring reports on individual programmes and projects are also submitted.
- 5.7 The Investment Plan identifies how all devolved funding will be invested to deliver the South Yorkshire Devolution Deal and the strategic objectives and investment priorities outlined in the SEP and RAP. Individual Delivery Plans identify how budgets will be spent in each of the thematic areas (for example, skills, business growth and housing). The Investment and Delivery Plans are informed by quantitative data and qualitative information on the performance and health of the Sheffield City Region economy, and analysis of economic, social and environmental needs. This ensures that the development of new schemes and interventions will address weaknesses and opportunities in the economy.
- 5.8 Investment decisions on the allocation and use of the Adult Education Budget (AEB) in South Yorkshire are made with full consideration to the statutory entitlements. Approximately half of the AEB is allocated to the delivery of the following statutory entitlements:
- English and Maths, up to and including Level 2, for individuals aged 19 and over, who have not previously attained a GCSE grade A* to C or grade 4, or higher, and/or;
 - First full qualification at Level 2 for individuals aged 19 to 23, and/or;
 - First full qualification at Level 3 for individuals aged 19-23.
- 5.9 The remainder of the AEB is allocated to non-statutory training and is procured through an open, commissioning process.

5.10 The MCA Board is the final decision-making body for AEB funding awards.

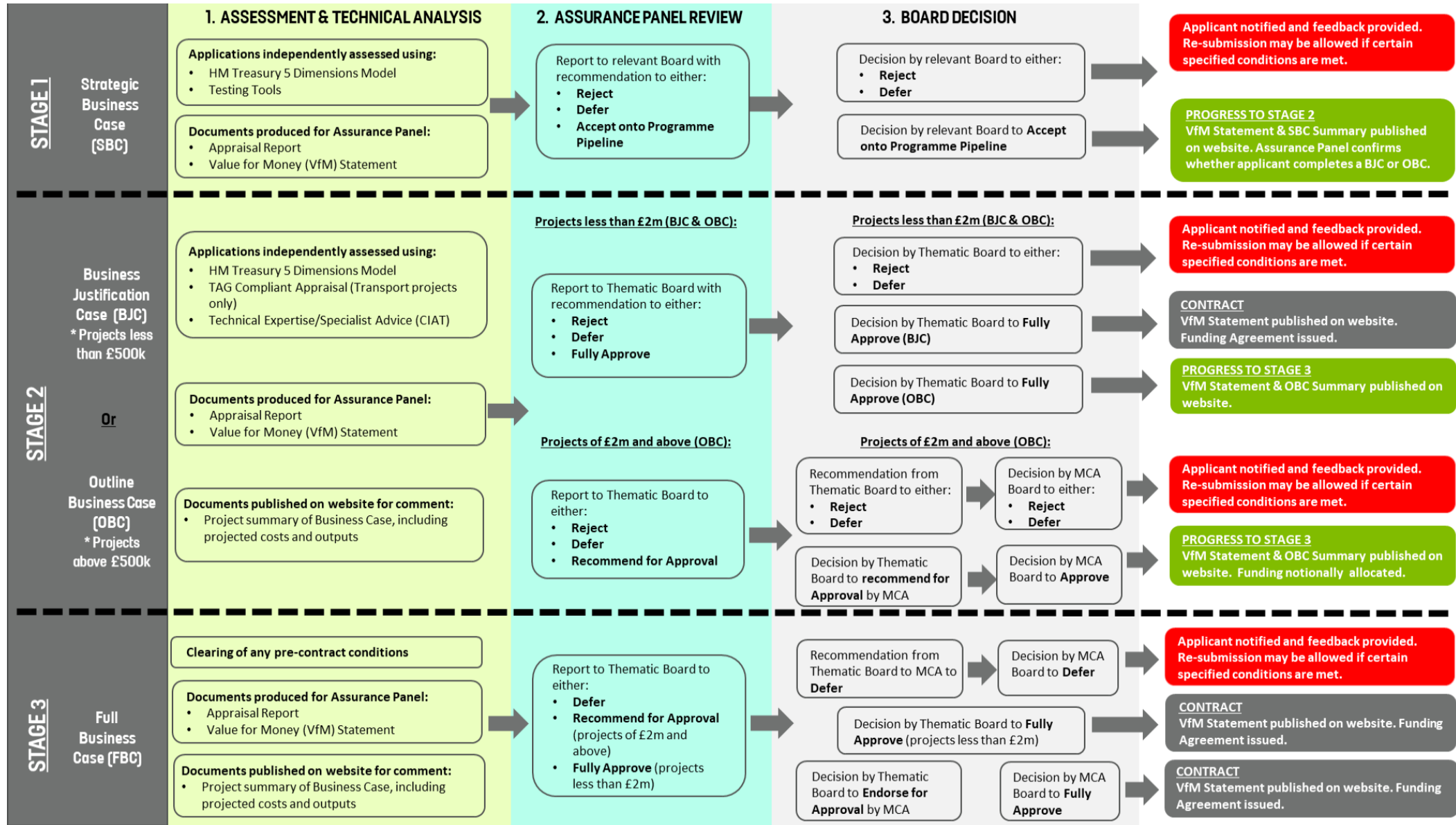
Commissioning and Open Calls

- 5.11 In accordance with the agreed policy, programme and project applications for funding usually originate from three sources:
- **A Thematic Board** – the Thematic Boards will proactively identify potential projects which satisfy the policy objectives of the SEP, RAP and thematic Delivery Plan. These are subject to funding being available.
 - **MCA Executive Team** – the MCA Executive Team may identify a need for a programme or project that either meets the policy objectives and strategic outcomes of the SEP, RAP or which will respond to an economic shock. These details may be held within an agreed Commissioning Framework or Delivery Plan.
 - **Via a targeted Open Call for Project Applications** – open calls inviting applicants to bid for funding or propose a project are published on the MCA website. Calls have a specific focus, such as delivering an investment priority or targets in the SEP. Project applicants will then submit a response or bid.
- 5.12 Commissioning for non-statutory AEB delivery began at the end of 2020. Training providers are required to submit a Delivery Plan which will be appraised. Following a moderation process, the MCA will consider and then approve all funding allocations.
- 5.13 The procurement process for non-statutory AEB delivery follows established rules and best practice for procurement including the latest HM Treasury Green Book and AEB funding and appraisal guidance and will seek best value for money.

The Appraisal Process

- 5.14 All schemes seeking investment (including projects commissioned by the Thematic Boards, responses to Open Calls and projects identified by the MCA Executive Team but excluding AEB), undergo a proportionate process and appraisal to assess the merits of the application, its strategic fit and value for money.
- 5.15 Each project and application for funding is assessed on its own merit, including where there are potentially competing applications for funding.
- 5.16 For transport schemes, central case assessments must be based on forecasts which are consistent with the definitive version of NTEM (DfT's planning dataset). This requirement doesn't stop MCAs and LEPs considering alternative planning assumptions as sensitivity tests and considering the results of these in coming to a decision about whether to approve a scheme.
- 5.17 The steps involved in the appraisal process are detailed and illustrated in Figure 7. The MCA can decide to agree a bespoke process for project development and assurance which may omit stages to what is shown below, if the circumstances demand this. This will be in situations where for example, a national funding allocation demands such changes in order to meet the eligibility criteria. In any cases where there is a departure from the full process, the MCA will agree a revised process based on the existing stages laid out in this document.

Figure 7: Business Case Development, Appraisal and Approval Process



Pre-Submission: Programme and Project Ideas Entry

- 5.18 For an investment idea or concept to be considered by the LEP and MCA, a process is required so that the basic details can be discussed and assessed. This acts as a filter and an early check on the expectations of all parties, ensuring that scheme promoters do not deploy resources into further project development and the production of a more detailed business case until exploratory discussions have taken place with the MCA and LEP. The discussion will be used to confirm that the intended outcomes are likely to contribute to the agreed policy objectives and strategic outcomes. A form is the usual means by which initial ideas, concepts and proposals are captured and assessed. The MCA Executive Team works with the relevant Thematic Board to consider this and may then make a proposal to the LEP or MCA Board to accept a proposal onto the programme pipeline, or to defer or reject it.

Stage 1 Submission: Strategic Business Case

- 5.19 The purpose of the Strategic Business Case (SBC) is to establish the case for change and should provide a first detailed (albeit high level) view of the 'how, what and when' the project will deliver. It is important that an SBC can demonstrate its alignment with the SEP and RAP which set the blueprint for how funds will be invested. The SBC is a standard template and requests the following information from the applicant:
- Project objectives and the rationale for investment;
 - Project outputs and outcomes against the SEP and RAP;
 - High level timescales;
 - High level cost estimate of project (a range will suffice at this stage);
 - Initial estimate of funding required;
 - Project sponsor; and
 - Identifying risks, initial options analysis and the preferred way forward.

Stage 1 Appraisal: Strategic Business Case

- 5.20 The SBC is assessed in line with the five-dimension model in the HM Treasury Green Book and appraisal guidance published by individual Government departments. The SBC is therefore appraised against the following criteria:
- **Strategic Dimension** – contribution to strategic objectives and national policy objectives;
 - **Economic Dimension** – impact on local and national growth, likely BCR category, the social, distributional and environmental impacts, and an assessment of the value the project adds;
 - **Financial Dimension** – cost estimate and sources of funding e.g. identified scheme promoter, private sector and other contributions;
 - **Commercial Dimension** – proven marketplace for the project, certainty in outcomes, procurement processes and commercial viability, consideration of social value; and
 - **Management Dimension** – demonstration that the project is capable of being delivered successfully, including Delivery Plans, statutory processes, programme, risk management (with appropriate mitigation plans), State Aid and benefit realisation.
- 5.21 The biggest emphasis at this stage is on the Strategic Dimension and to an extent the Economic Dimension. It is at this stage that a decision is made regarding the strategic fit of the proposed intervention's objectives, outcomes, impact and benefits relative to the SEP and RAP. This needs to be proven and agreed at this stage. An early assessment of the potential value for money offered by the preferred way forward, relative to the current situation and the do minimum option, informs the programme entry decision.

- 5.22 To assess complex or transport related schemes, a series of approved and bespoke testing tools and models may be used (such as FLUTE 18, SCRTM1) to better understand the potential outcomes and value for money of an application. A proportionate TAG assessment is undertaken, relative to the size of the project, to consider aspects such as the quality of the built environment. The VfM Statement confirms what tools have been used in conducting the appraisal at this stage.
- 5.23 The MCA Executive Team completes a VfM Statement and submits the appraisal report and VfM Statement to the Assurance Panel for their assessment.

Stage 1 Assurance Panel Recommendation: Strategic Outline Case

- 5.24 The Assurance Panel reviews the technical analysis undertaken by the MCA Executive Team and then agrees what recommendation will be made to the appropriate Board; either to accept a project to the programme pipeline, defer the project for further work or to reject the project.
- 5.25 Dependent on the source and level of funding, the LEP Board, MCA or a Thematic Board will have ultimate oversight of which projects are invited to develop their business cases further. The MCA has ultimate oversight of all TCF projects and projects seeking investment from devolved funding. A VfM statement is submitted to the relevant board alongside other assessment information so that they can make a decision on which projects should be selected to further develop their business cases. In cases where the LEP or MCA have funding oversight, Thematic Boards may be consulted during the Strategic Business Case assessment and selection process.
- 5.26 Once a project has been accepted onto the programme pipeline, the VfM Statement is published on the MCA website alongside a summary of the SBC. This is updated periodically to include links to the key documents for each project and a record of progress. The MCA Executive Team collects any external comments on these schemes, and these are considered as part of the appraisal process. Project sponsors are also required to publish their SBC's on their own websites (or an appropriate summary of the submission) and must consider all comments received and reflect this in the next stages of the application process (Outline Business Case and Full Business Case).

Stage 2 Submission: Outline Business Case

- 5.27 Having been accepted onto the programme pipeline, the project applicant or scheme promoter is required to develop the project and subsequently the business case further. The aim of an Outline Business Case (OBC) is to:
- Identify the investment option which optimises value for money;
 - Prepare a scheme for procurement; and
 - Put in place the necessary funding and management arrangements for the successful delivery of the scheme.

Once an OBC has been developed, there will be a clear understanding of the project plan, project management and governance arrangements, benefits realisation and risk management arrangements. Project assurance and post-project evaluation details will be fully worked-up.

- 5.28 The requirements at this stage are dependent on the nature, scale, risk and complexity of the project. For most small value cases (less than £500,000 total project value and offering a low level of risk), a project will go through a Business Justification Case (BJC) rather than require an OBC and Full Business Case (FBC). Small value projects which are complex, or which present significant risk will still require an OBC and FBC.

- 5.29 The OBC and FBC build on the foundations of the Strategic Outline Case in that they provide considerably more detail on each of the five dimensions outlined in the latest HM Treasury Green Book guidance. The MCA Executive Team will provide guidance to project applicants and scheme promoters to assist them in developing an OBC and FBC, including DfT business case guidance for transport projects.
- 5.30 A series of gateway checks are in place to ensure that projects are developed to the appropriate standard at the right time, to enable informed decisions to be made by the appropriate Boards.
- 5.31 If agreed at programme level by the MCA, individual projects may be supported with their capital development costs to assist with timely progression of business cases. A proportion of total project costs may be released early at OBC stage (typically 2% of the total project cost) for capital scheme development, and/or at FBC stage (typically around 10% of the total project cost) to support detailed design and other procurement costs and fees to progress the scheme. For TCF and other transport projects, the amount of funding that would be available for early release is around 12% of the scheme value (based on a costed fee plan) to mitigate risks associated with developing and delivering large schemes. For all other projects, the amount of funding that will potentially be released early is around 10% (based on a costed fee plan). The full development funding awarded is entirely subject to clawback if the application does not result in successful capital delivery over an agreed timeframe.
- 5.32 The five dimensions help to ensure that all impacts of a project (monetised and non-monetised) are presented in the OBC and FBC for consideration. The OBC and FBC templates and guidance set out the basis for capturing impacts, including Optimism Bias. The Optimism Bias for transport projects is calculated in accordance with the DfT's Value for Money Advice Note for Local Transport Decision Makers.
- 5.33 It is essential that project applicants and scheme promoters agree the scope of costs and benefits before any substantive business case development is undertaken.
- 5.34 Project applicants and scheme promoters must also ensure that the commercial, financial and management arrangements are appropriate for effective delivery.
- 5.35 Once a final version of the OBC is received from an applicant, it is published on the MCA website to enable partners, stakeholders and members of the public to comment on the proposed project, and its projected costs and outputs. Any comments received are considered as part of the appraisal.
- 5.36 A fully developed OBC will have determined the preferred option, potential value for money, ascertained affordability and funding requirements and be preparing the potential deal which enables successful delivery. Once an OBC is fully developed it is submitted for appraisal.

Stage 2 Appraisal: Outline Business Case

- 5.37 An independent assessment is undertaken of all OBCs to quality assure and scrutinise the project as well as undertaking all necessary due diligence checks. Any comments received via the MCA website on the published business case are considered.
- 5.38 When technical expertise or specialist advice is required to appraise the project, the MCA Executive Team uses experts – the Central Independent Appraisal Team (CIAT) - to assist in appraising the Business Case. The MCA Executive Team ensures there is always a clear distinction and adequate separation between the scheme promoters and the decision makers.
- 5.39 Transport projects undergo a proportionate TAG compliant appraisal. An Appraisal Scoping Report template is used to assess such schemes, comprising the:
- Level of analytical detail to be applied to approve a scheme against overarching Government transport objectives and the rationale for this;

- Modelling tools to be applied;
- Alternative interventions to be considered; and
- Timescales for business case development.

5.40 The MCA Executive Team completes a Value for Money (VfM) Statement and submits the appraisal report and VfM Statement to the Assurance Panel for their assessment.

Stage 2 Assurance Panel Recommendation: Outline Business Case

5.41 The Assurance Panel reviews the technical analysis undertaken by the MCA Executive Team and CIAT (where applicable), including the VfM Statement. The Assurance Panel then agrees what recommendation they will make to the Thematic Board; either to approve the project or defer the project for further work. At this stage it is still possible that an application could be recommended for rejection on the grounds of Poor VfM (determined as having a BCR rating of below 1, along with other indicators also showing poor levels accounting for significant non-monetised impacts and key uncertainties) or presenting significant uncertainty or risk.

5.42 The Thematic Board can approve the Outline Business Case if it is within their delegated limit. Projects which exceed the delegation are endorsed by the relevant Thematic Board and then submitted to the MCA Board for approval.

5.43 Meeting papers for the MCA or relevant Thematic Board are published on the MCA website a week before the meeting, including the project summaries and VfM assessments of applications seeking OBC approval.

5.44 At OBC stage, the funding decision of the MCA (or Thematic Board with delegated authority) will be notionally allocated, subject to appropriate conditions being met within an agreed timeframe. All funding decisions are communicated in writing to project applicants.

5.45 Following approval of an OBC, it may be necessary to complete a range of statutory processes to ensure the project is actually ready to start. This could include for example, obtaining planning permission, initiating a Compulsory Purchase Order, or satisfying a number of conditions agreed as part of the OBC. Compliance checks on any conditions of funding specified by the MCA, LEP or Thematic Board are then carried out by the MCA Executive Team, and updated documents on the project including the VfM Statement is published on the MCA website.

Stage 3 Submission and Appraisal: Full Business Case

5.46 Much of the work involved in producing the FBC focuses on revisiting and updating the conclusions of the OBC and documenting the outcomes of the procurement. The purpose of the FBC is to:

- Identify the procurement opportunity which offers optimum value for money;
- Agree the commercial and contractual arrangements for the successful delivery; and
- Put in place the detailed management arrangements for successful delivery.

Any pre-contract conditions which were put in place as part of the OBC approval should be cleared during the development of an FBC.

5.47 Once a final version of the FBC is received from an applicant, it is published on the MCA website to enable partners, stakeholders and members of the public to comment. Any comments received are considered before the project receives full approval.

5.48 The Assurance Panel reviews the technical analysis undertaken by the MCA Executive Team and CIAT (where applicable), including the VfM Statement. The Assurance Panel then agrees what recommendation they will make to the Thematic Board; either to approve the project or defer the project for further work.

Stage 3 Agreement: Full Business Case

- 5.49 Meeting papers for the MCA or relevant Thematic Board are published on the MCA website a week before the meeting, including the project summaries and VfM assessments of applications seeking FBC approval.
- 5.50 The Thematic Board can approve the Full Business Case if it is within their delegated limit. Projects which exceed the delegation are endorsed by the relevant Thematic Board and then submitted to the MCA Board for approval.
- 5.51 At this point, the MCA, or Thematic Board if it is within their delegation limits, will be asked to grant authority to enter into a Funding Agreement once funding approval is given. Updated documents on the project including the VfM Statement are published on the MCA website.

Complaints and Appeals

- 5.52 All applicants for funding are made aware of the recommendations made by the Assurance Panel and the decision of the relevant approving Board, along with the rationale for the recommendations. Complaints can be made if the applicant deems that due process has not been followed.
- 5.53 Decisions made by the Mayor, MCA, LEP and Thematic Boards can be scrutinised by the Overview and Scrutiny Committee. All decisions on funding must follow the appraisal process outlined above to be valid.
- 5.54 If a complaint is made, the MCA Chair and Monitoring Officer will convene an independent committee to review the issue and make a recommendation to the MCA/LEP Board as appropriate.
- 5.55 In any case where it is alleged that the MCA, LEP or Thematic Board is (a) acting in breach of the law, (b) failing to adhere to the process outlined in this Assurance Framework, or (c) failing to safeguard public funds, complaints are directed to the MCA's Monitoring Officer or their deputy. This includes complaints from stakeholders, members of the public or internal whistleblowers.
- 5.56 As the MCA is the accountable body for all funding decisions, the Monitoring Officer will address the allegation following the protocols set out in the [MCA Constitution](#).
- 5.57 If the MCA or LEP cannot resolve the issue to the complainant's satisfaction, and the complaint relates to funding allocated to the City Region, the issue may be passed to the relevant Government department (such as the MHCLG, or the Department for Transport (DfT)).

Conflicts of Interest and Decision-Making

- 5.58 At all stages of decision-making, the national guidance on registering conflicts of interest is adhered to. This includes any interests declared by members of the MCA, LEP and Thematic Boards, the Assurance Panel, and Statutory Officers. This is detailed in the [LEP Declarations of Interest Policy](#).
- 5.59 Each member of the MCA, LEP and Thematic Boards is required to declare their pecuniary and non-pecuniary interests (whether they are a member in their individual capacity or representing an organisation). Members are also responsible for reviewing and updating their register. This includes declaring any gifts or hospitality received. Declarations of interest are also sought and recorded in the minutes of each MCA, LEP and Thematic Board meeting. The [Individual Register of Interest](#) forms and the [Register of Declarations Made at Meetings](#) are regularly updated and published on the MCA website.

5.60 Senior members of staff within the MCA Executive Team and Statutory Officers also complete and maintain an Individual Register of Interest and update it when circumstances change. These are also published on the MCA website.

6. Contract Management

- 6.1 Once a project is approved, contracts are issued and regular communication with the project applicant or scheme promoter is maintained throughout the project's lifetime.

Contracting

- 6.2 A Funding Agreement between the MCA and project applicant/scheme promoter sets out the conditions relating to the MCA's agreement to fund the project and the responsibilities of the MCA and applicant/scheme promoter in managing, delivering and monitoring the project.
- 6.3 The Funding Agreement specifies that grants and loans are capped, and applicants/scheme promoters bear the risk for all overspend on the project beyond the approved amount.
- 6.4 The Funding Agreement also stipulates the expected outputs and outcomes that the project will deliver.

Payment Against Claims

- 6.5 Payment milestones are agreed with the project applicant/scheme promoter at the point of contract. The milestones depend on the complexity, cost and timescales of the project. This forms part of the programme management role of the MCA, which is subject to external audit.
- 6.6 Each grant claim is crosschecked against the approved project baseline information as part of the quarterly reporting processes.

Managing Contract Performance

- 6.7 The MCA Executive Team manages the delivery of the contract and works with the applicant/scheme promoter to monitor the project's progress and risks. Monitoring conditions are set out initially in a grant determination letter from Government for each funding source, so the MCA Executive Team is required to adopt a flexible approach to managing contract performance. This may be dependent on the funding source, value or risk of a particular programme or project.
- 6.8 The MCA Executive Team monitors the delivery of the project, and the progress made in achieving the outputs and outcomes, in line with the Monitoring and Evaluation Framework.
- 6.9 The MCA Executive Team is responsible for immediately addressing any slippages or concerns regarding project delivery and taking corrective action, including updating the Risk Register as necessary.
- 6.10 A change control process is in place to ensure that variations to an approved project are discussed with the project applicant and agreed with the MCA Executive Team. Variations to a project are logged on the project's file and reported to the LEP, MCA and Thematic Boards when appropriate. Minor changes which do not alter the terms of the Funding Agreement can be agreed between the project applicant and MCA Executive Team. The relevant Board is however, notified of any changes that are contrary to the terms of the Funding Agreement, such as changes to a project's income, expenditure or output profile.
- 6.11 Where there is significant underperformance or cause for concern, a project will be referred to the MCA, LEP or Thematic Boards for a decision.

Clawback

- 6.12 The Funding Agreement includes a mechanism for clawback based on an assessment of risk. This ensures that funding is only spent on the specified project and linked to the delivery of outputs and outcomes, whilst giving the MCA and LEP the option of clawing back funds for poor performance or misuse of funds.

7. Measuring Performance and Success

- 7.1 Monitoring and measuring the performance of projects and programmes provides important lessons which are used to improve future decision-making. This increases the likelihood of successful delivery of future projects.

Monitoring and Evaluation Framework

- 7.2 A comprehensive monitoring and evaluation framework is in place which has been designed in accordance with the most recent HM Treasury's Magenta and Green Book principles and other monitoring and evaluation guidance, such as that published by the What Works Centre.
- 7.3 The Monitoring and Evaluation Framework sets out how projects and programmes including devolved funds such as AEB and TCF will be assessed both during their delivery and post-delivery phases, to understand the inputs, outputs and impacts of investment made in the Sheffield City Region. The framework outlines in detail the processes in place to enable the MCA Executive Team to gather robust feedback on delivery performance and identify the lessons learnt from projects and programmes and any best practice that can be applied to future activity, programmes and policy. The Framework supports the Government's five-yearly Gateway Review process for evaluating investment funds.
- 7.4 The framework sets out several logic models, and identifies the performance metrics and indicators that are used to assess the impact of a project or programme and its contribution to delivering the Devolution Deal, and SEP and RAP objectives and output and outcome targets for economic growth. This includes the specific objectives and targets for devolved funding such as AEB and TCF.
- 7.5 The SEP includes a broad range of economic, social and environmental indicators that new MCA and LEP funded schemes and projects will be measured against. The SEP indicators are also used to regularly track the overall performance and health of the Sheffield City Region economy. This quantitative data helps to inform the development of new schemes and interventions to address weaknesses and challenges in the local economy.
- 7.6 The process for monitoring and evaluating project and programme performance is summarised in the sections below.

Monitoring

- 7.7 All project applicants/scheme promoters and AEB delivery partners are required to provide regular financial and delivery information, including progress made in achieving the expected outputs and outcomes, to the MCA Executive Team. The Programme and Performance Unit maintain oversight of contract delivery, through regular contact with applicants, scheme promoters and delivery partners including site visits where appropriate. The Unit gathers information and data to ensure that a robust audit trail is in place.
- 7.8 The applicant/scheme promoter and AEB delivery partner submits quarterly reports to MCA Executive Team. All quarterly reports are signed-off by the Section 73 Officer and LEP Board. This enables the MCA and LEP to fulfil their duties on reporting and accounting for public monies.
- 7.9 Site visits to project applicant/scheme promoters and AEB and TCF delivery partners are conducted once per year as a minimum.
- 7.10 Project Applicants/scheme promoters and AEB delivery partners are responsible for informing the MCA Executive Team of any changes to the scope, costs and implementation timescales for their project. The

MCA Executive Team assesses the impact of any changes on the overall programme, budget and expenditure. Cost increases, financial slippage and significant changes to outputs and outcomes are reported to the appropriate Board where necessary. The MCA does not guarantee that it will meet any cost increases either in full or in part.

- 7.11 The MCA Executive Team presents Quarterly Monitoring Reports on project and programme delivery, including AEB, to the MCA, LEP and relevant Thematic Board. This ensures that LEP members are informed of progress on projects and are sighted on any issues that will result in financial slippage or underperformance.
- 7.12 Quarterly reports on project and programme performance are also submitted to the relevant Government department, specifically MHCLG, the Department for Education and Department for Transport.
- 7.13 Following devolution of the AEB in 2021/22 academic year, the MCA will submit an annual report to Government each January on the delivery of AEB functions from the previous academic year to date including:
- South Yorkshire policies for adult education
 - Expenditure against AEB
 - Data analysis of AEB delivery in South Yorkshire

Evaluation

- 7.14 The frequency and type of evaluation conducted, depends on the contract value, duration and complexity of the project. The level of evaluation required is determined at Outline Business Case stage so that adequate resource can be allocated to fund the cost of evaluation prior to the project's approval. This enables evaluation to be factored into a project and programme's design from the outset.
- 7.15 Pilot projects and major schemes such as AEB and TCF, are subject to more extensive and frequent evaluation; typically, annual interim evaluation and a final evaluation after the project has ended.
- 7.16 As a minimum, all projects are evaluated post-delivery on the project's impact, to ascertain whether the project's objectives, outputs and outcomes were achieved, the reasons and results of any under or over performance, and to identify any lessons or recommendations that should be applied to future projects.
- 7.17 The MCA Executive Team procures external and independent evaluation of all MCA and LEP funded programmes and projects, including AEB and TCF through an open and competitive process to evaluate the impact of specific funding streams, significant investments and pilot projects.
- 7.18 Research and evaluation consultants are invited to apply to be part of an Evaluation Panel and deliver independent evaluation of projects, schemes and programmes. Experts are contracted based on their subject and thematic expertise and evaluation experience.
- 7.19 The use of external evaluation experts to provide technical expertise and specialist advice on conducting project and programme evaluation, ensures that all evaluation conducted on projects and programmes funded by the MCA and LEP is as objective and impartial as possible.
- 7.20 Project evaluation provides accountability for the investment made. It also provides local evidence on which to base future projects and programmes. The MCA Executive Team reviews the results of the evaluation against the objectives of the project as set out in the business case and Funding Agreement and the most appropriate counterfactual. Evaluation results for all projects are published on the MCA website.

- 7.21 Where there is a variation between a project's objectives and its outcomes, the MCA Executive Team works with the promoter to agree corrective action. If the corrective action is unsuccessful, clawback clauses in the Funding Agreement can be invoked as a final resort and to secure the desired outcomes via alternative measures.
- 7.22 The MCA Executive Team compiles a summary report for the MCA of all projects that have completed during the previous quarter. This report confirms whether the project has delivered against its spending profile and achieved the outputs and objectives in the Funding Agreement. The report also recommends whether each project can be closed.
- 7.23 As part of the annual report to Government on the delivery of AEB functions from the previous academic year to date, the MCA will also provide an update on interim evaluation findings on the impact that AEB has had in South Yorkshire. These findings will be derived from qualitative data such as employer and learner survey responses and quantitative data on the take-up of AEB funded provision in South Yorkshire and improvements in participation, progression and attainment in statutory and non-statutory training.
- 7.24 In addition, other devolved investment funds to Mayoral Combined Authorities are subject to the Government's Gateway Review process. An independent panel assesses and evaluates the impact of investments on the economy and economic growth every five years. The first Gateway Review for the MCA is expected to take place in 2025.

8. Inclusive and Collaborative Working

- 8.1 The strength and success of the Sheffield City Region partnership is founded on good governance and partner collaboration. Collaboration and a true partnership approach have been a cornerstone of the MCA and LEP achieving what they have to date. This collaboration is resulting in a focused programme of engagement; designed to accelerate the delivery of the SEP and harness the City Region's latent potential.

The LEP Network

- 8.2 The LEP is an active member of the national LEP Network and is committed to developing and sharing best practice with the LEP Network and its members. The LEP is also committed to learning and embedding the best practice of other LEPs within the Sheffield City Region.

Collaboration with Other LEPs, Metro Mayors and the Northern Powerhouse

- 8.3 The Mayor, MCA and LEP are committed to working in collaboration with other LEPs, Mayoral Combined Authorities and the Northern Powerhouse to pool knowledge and resource and enhance the effectiveness, transparency, decision-making and leadership in local economic development.
- 8.4 The Mayor, MCA and LEP have achieved the following by working across geographical borders:
- Led a trade delegation to India in conjunction with NP11 members (the 11 LEP areas in the Northern Powerhouse) and led the NP11's presence and programme at MIPIM 2020;
 - Collaborated with Transport for the North (TfN) and LEPs across the North of England to inform the development of TfN's Strategic Transport Plan. TfN also contributed to the development of the Sheffield City Region Transport Strategy and Integrated Rail Action Plan;
 - Worked in partnership with the Metro Mayors (M9) on an Air Quality Summit and joint lobbying to Government for increased powers and funding;
 - Collaborated on Working Win, the health-led employment trial;
 - Agreed a Collaboration Framework with D2N2 LEP to share data and manage activities, projects and communications in the former geographical overlap area;
 - Invested £5m of the Sheffield City Region Growth Deal allocation in upgrading the Midland Main Line at Market Harborough, in conjunction with the D2N2 and the Leicester and Leicestershire LEPs;
 - Completed a wave 1 Science and Innovation Audit with the Lancashire Partnership around shared sectoral strengths; and
 - Shared intelligence on AEB procurement.

Engaging with Other Partners

- 8.5 Regular meetings are held with partners to ensure an open and two-way dialogue on activity being undertaken across the City Region, and to discuss the development of strategies and progress in delivering the SEP priorities and objectives. These meetings take place with business representative organisations, including the Chambers of Commerce, Federation of Small Business, CBI, Institute of Directors and Make UK, as well as local authority partners and the universities.
- 8.6 A programme of engagement events is also held with partners across the City Region. Typically, these events are thematic based, and are used to obtain input and feedback from partners to inform the City Region's policies, strategies and project formulation. These engagement events are advertised on the MCA website and social media channels and through partners such as the business representative organisations.

8.7 Examples of collaboration with partners and agencies have included:

- Establishing a Sheffield City Region Policy Advisory Group to share and pool economic evidence and data to inform the development of the new SEP;
- Establishing a Local Resilience Forum to collaborate on the response to the COVID-19 pandemic;
- Development of a Renewal Action Plan to direct investment towards economic recovery and growth;
- Having representation on the Northern Powerhouse Investment Fund Board;
- Playing an active role in the north of England Growth Hub network, which is designed to share best practice;
- Playing an active part of the national network established for the devolution of the Adult Education Budget (AEB). The LEP has led the work around data analysis/labour market intelligence and the contractual arrangements for the operation of the AEB in a devolved model; and
- Developing a strong working relationship with Department for International Trade (DIT) on the Northern Powerhouse agenda, including trade missions and having three exciting investment propositions showcased through the Northern Powerhouse Investment portfolio/pitchbook.

8.8 Local and national partners have been, and will continue to be, fully engaged throughout the development phase of AEB devolution. A Skills Advisory Network brings together employers and further and higher education institutions from the Sheffield City Region with representatives from the Department for Education and the Department for Work and Pensions. The Network will assist in the identification and setting of the processes and priorities for AEB funding awards and monitoring and evaluation of AEB delivery.

Engaging with the Public

8.9 The MCA publishes a plan on key decisions that will be taken at least 28 days before the decision is due to be made. The [Forward Plan of Key Decisions](#) includes decisions that have a financial implication (such as projects that are seeking investment from the MCA and LEP, new programmes or schemes that would be delivered across the city region, or new strategies) and non-financial decisions which impact on two or more local authority areas. The plan is refreshed and published on the MCA website every month and it enables members of the public to view information on decisions before they are made so that they can comment on them.

8.10 The plan provides brief information on the project, programme or strategy, the date the decision will be taken, the lead officer's contact details and information on how to access any relevant reports (subject to restrictions on their disclosure).

8.11 In addition to publishing information on potential investment decisions in the Forward Plan of Key Decisions, the VfM Statement and business case for each project is published and publicised on the MCA website at every stage of the appraisal process. This enables members of the public and stakeholders to comment on proposed projects before funding decisions are made. All comments received are considered by the Assurance Panel in deciding whether to recommend a project for approval, deferment or rejection, and are made available to the MCA, LEP and Thematic Boards.

8.12 The MCA website also explains how members of the public can request information as well as providing feedback and submitting questions for MCA meetings.

8.13 The LEP holds an Annual General Meeting (AGM) each year which is open to the public and publicised through the Sheffield City Region website and social media networks and press.

8.14 The MCA holds its AGM in June each year.

Formal and Public Consultation

- 8.15 In accordance with the MCA's statutory obligations, the MCA Executive Team undertakes a public consultation exercise when revising or developing a new strategic document. The consultation period runs for between 6 and 12 weeks. Information on the consultation is posted on the homepage of the MCA website with a draft document and details of how to submit views, comments and supporting evidence electronically and by post. Information on any scheduled consultation events are also displayed.
- 8.16 Comments and evidence submitted by partners and individuals during the public consultation period are logged, analysed and categorised, with records kept on how the final draft of the strategy has been amended to reflect the comments and evidence received.
- 8.17 In 2018, the public were consulted on the draft South Yorkshire Transport Strategy and in 2020, the public were consulted on the draft Strategic Economic Plan.

9. Publishing Information

- 9.1 The MCA is subject to the same Transparency Code that applies to local authorities. To deliver the responsibilities under the code, the MCA and LEP has developed a robust, but proportionate, approach to sharing and publishing information so that it is accessible to the public.

Access to Information

- 9.2 The MCA Constitution includes a publication scheme which sets out how and when agendas, minutes, papers and other documents produced by the MCA, LEP and MCA Executive Team will be made available to the public. It also sets out any exceptions to publishing information, such as not disclosing information that is prohibited by law or which is exempt under the Local Government Act 1972 Schedule 12A or Freedom of Information Act 2000.
- 9.3 The [Publication Scheme](#), which applies to both the Local Enterprise Partnership (LEP) and MCA, is published on the MCA website. MCA, LEP and Thematic Board papers clearly state whether the paper will be published under the Publication Scheme and whether any exemptions apply.
- 9.4 The MCA is subject to the Local Government Act 1972, Freedom of Information Act 2000, Data Protection Acts of 1998 and 2018, the General Data Protection Regulations (GDPR) and the Environmental Impact Regulations 2004. As Accountable Body, the MCA fulfils these functions on behalf of the LEP.
- 9.5 The public are made aware of their right to access information through the MCA website. Requests for information are dealt with in accordance with the relevant legislation and information is not unreasonably withheld. The MCA Executive Team elects to publish more information on activities and decisions than is stipulated in Government guidance, so that Freedom of Information requests are less necessary.
- 9.6 All data supplied to the MCA, LEP and MCA Executive Team, including personal, financial, confidential and sensitive information is processed and handled in line with data protection legislation. Personal information is stored securely to maintain privacy. This process is detailed in the [Privacy Policy](#).

MCA Website

- 9.7 Core information regarding activity being undertaken by the MCA, LEP and Mayor is available on the MCA website.
- 9.8 The MCA website is structured into the following sections:
- **Investors** – this section is targeted at potential inward investors and contains information on the portfolio of land available for investment and the Enterprise Zone locations in the City Region;
 - **Business** – this section is aimed primarily at indigenous businesses and explains the schemes and initiatives available to support businesses to start-up, thrive and grow, including the Sheffield City Region Growth Hub;
 - **Governance** – this is a dedicated section on how the City Region functions, including sub-sections on the Board structure and Board membership (Who We Are), LEP and MCA policies, procedures, processes, decision-making and expenditure (How We Make Decisions), agendas and papers for meetings of the different Boards (Meetings), statutory notices on the Mayoral Election (Democracy and Elections) and the LEP Board Recruitment process and vacancies;

- **What We Do** – this section provides information on the SEP, thematic priorities, public consultations on draft strategies, mini-portfolios on LEP funded projects and initiatives and a resources library of key documents and policies; and
- **Mayor** – this section contains information on the elected Mayor including the Mayor's role, powers, priorities and plans.

Meeting Papers

- 9.9 The schedule of MCA Board, LEP Board, Audit and Standards Committee and Overview and Scrutiny Committee meetings for the year ahead are published on the MCA website.
- 9.10 The notice of the meeting, the agenda and accompanying papers are published five clear working days in advance of the meeting. Where papers contain commercially sensitive information or are subject to one of the exemptions under the Local Government Act 1972 Schedule 12A or Freedom of Information Act 2000, they are not published and are categorised as a private item. Decisions on whether individual agenda items are private items are made by the LEP Chair in consultation with the Head of Paid Service and Monitoring Officer using existing local authority regulations.
- 9.11 Draft minutes of meetings are published no more than ten working days after the meetings on the MCA website. All MCA minutes are signed at the same or next suitable meeting of the Authority and published within ten clear working days.

Notice of Decisions

- 9.12 As stated in previous sections, the MCA publishes a Forward Plan of Key Decisions that will be taken by the MCA, LEP or Thematic Boards at least 28 days before the decision is made to enable members of the public to view and comment on them.
- 9.13 Details of all project approvals made by the MCA, LEP and Thematic Boards are recorded in the Minutes of the meetings. In addition, the MCA Executive Team maintains and publishes a [Grants and Contracts Register](#) on the MCA website which provides details of all contracts and agreements signed, a brief summary of the project, and the value of the contract.
- 9.14 A Delegated Authority Report for decisions taken by each Thematic Board is produced for the MCA which documents all decisions that the Board has taken, including any approval they have given to projects within their delegated authority limit (up to £2 million) and any endorsement, deferment or rejection of projects that exceed their delegation. Delegated Authority Reports is a standing agenda item for discussion at each MCA meeting and they are published in the meeting paper pack on the MCA website.

Information on Board Members

- 9.15 The following information on LEP and MCA Board Members is published on the MCA website:
- Biography – including name, job title, organisation represented, membership of Committees and any lead roles;
 - Individual Register of Interests;
 - Declarations at Meetings;
 - Attendance Record;
 - Gifts and Hospitalities Record; and
 - Term of Office

- 9.16 LEP Board members are not remunerated. Members are entitled to claim back travel and subsistence costs incurred whilst undertaking duties and responsibilities on behalf of the LEP. The MCA Executive Team publishes details of all expenses and subsistence claimed by LEP Board Members and authorised by the Head of Paid Service in [Quarterly Expenses Reports](#).
- 9.17 The MCA Executive Team also publishes [Quarterly Gifts and Hospitality Reports](#) which summarise any gifts or hospitality accepted and received by LEP Board members with a notional or actual value that exceeds £50. Gifts and hospitality are also recorded in each LEP Board Members' Individual Register of Interest.

Financial Information

- 9.18 A range of budgetary and financial information is published on the MCA website so that it is transparent and accessible to the public.
- 9.19 MCA, Mayoral and LEP budgets are set prior to the start of the financial year within the Budget and Policy Framework. As the Accountable Body, the MCA is responsible for setting and approving the annual budgets for the organisations within the MCA governance structure. This includes approving the transport revenue budget for the South Yorkshire Passenger Transport Executive (SYPTTE), setting the transport levy and approving the LEP's capital and revenue budget.
- 9.20 The MCA is also responsible for agreeing an annual programme of capital expenditure, together with proposals for the financing of that programme. This includes projects promoted by both the MCA and those directly managed by SYPTTE.
- 9.21 Quarterly updates on the performance of the LEP capital and revenue programmes are provided to the MCA and LEP Boards and these are published in meeting papers.
- 9.22 As stated previously in this section, funding decisions are also published on the MCA website in the [Grants and Contracts Register](#). Payments to general suppliers that have a value of more than £250 are published every month in the [Payments Made to Suppliers](#) register.
- 9.23 The LEP's finalised capital and revenue income and expenditure is published every year as part of the [Group Accounts](#) (incorporating the MCA, LEP and SYPTTE). The draft accounts are considered by the MCA and LEP Boards in June/July each year. The finalised accounts which include the [Annual Governance Statement](#), are published alongside the [Independent Audit Certificate](#) for the financial year.
- 9.24 The roles and salary bands of all staff employed in the MCA Executive Team which exceed £50,000 per annum are also published on the MCA website.

Procurement and Funding Opportunities

- 9.25 The MCA Executive Team publishes calls for projects on a regular basis on the MCA website and social media feeds. The application templates and guidance documents for each commissioning call are available via the MCA website. Calls for ESIF funded activity are also advertised on the www.gov.uk website.
- 9.26 An open and competitive procurement process is in operation. When undertaking any procurement, all Boards, officers and staff must comply with the Contract Procurement Rules. Opportunities to supply goods and services are advertised on the [YORtender](#) website with a link from the MCA website.
- 9.27 Information on how businesses can access advice and support services, including applying for grant-funded programmes, is advertised in the [Business](#) section of the MCA website.

Branding

- 9.28 In accordance with branding guidance on awarded and devolved funding, the MCA Executive Team ensures that the correct logos and wording are displayed in all promotional materials for MCA and LEP funded projects and programmes. Promotional materials include the MCA website, websites of project applicants/scheme promoters, signage, social media posts, press notices and marketing literature.

LEP Delivery Plan

- 9.29 The LEP publishes an [Annual Delivery Plan and End of Year report](#) in May each year.
- 9.30 The Annual Delivery Plan outlines the LEP's priorities and planned activities for the coming year including developmental work and any public consultation that is expected to take place.
- 9.31 The End of Year report provides an assessment of the LEP's activity and achievements against the Annual Delivery Plan and an assessment of how the South Yorkshire economy has changed over the course of the year. This sets the baseline economic position to measure future performance against.

Glossary of Terms

AEB	Adult Education Budget
AGM	Annual General Meeting
BCR	Benefit Cost Ratio
BMBC	Barnsley Metropolitan Borough Council
CIAT	Central Independent Appraisal Team
D2N2	Derby, Derbyshire, Nottingham and Nottinghamshire Local Enterprise Partnership
DfE	Department for Education
DfT	Department for Transport
DIT	Department for International Trade
DMBC	Doncaster Metropolitan Borough Council
FLUTE	Forecasting the interactions of Land-Use, Transport and Economy
LEP	Local Enterprise Partnership
LGF	Local Growth Fund
LTA	Local Transport Authority
MCA	Mayoral Combined Authority
MHCLG	Ministry of Housing, Communities and Local Government
OBC	Outline Business Case
R&D	Research and Development
RMBC	Rotherham Metropolitan Borough Council
SBC	Strategic Business Case
SCC	Sheffield City Council
SCR	Sheffield City Region
SCRTM1	Sheffield City Region Transport Model 1
Section 73	Equivalent to a Section 151 Officer
SEP	Strategic Economic Plan
SYPTTE	South Yorkshire Passenger Transport Executive
TAG	Transport Appraisal Guide (formerly known as WebTAG)
TCF	Transforming Cities Fund

Appendix A: Summary of LEP Policies

The Sheffield City Region MCA and LEP are strongly committed to putting in place robust decision-making and financial management policies and procedures to ensure that public money is being spent responsibly and is accounted for.

Each year, the suite of LEP policies are reviewed and refined in an effort to continually improve governance and accountability. The LEP's policies are listed below and published on the MCA website at <https://sheffieldcityregion.org.uk/about-us-governance-policy/how-we-make-decisions-2/>.

LEP Terms of Reference

The [LEP Terms of Reference](#) outlines the role and aims of the LEP Board and the duties of LEP Board members. It also details the LEP's Board member recruitment and appointment process, the roles of the Chair and Deputy Chair, and the decision-making process.

LEP Board Recruitment

The [LEP Board Appointment Process](#) explains how vacancies on the LEP Board will be openly advertised, and how Board appointments will be made by a LEP Appointments Panel in a transparent, competitive and non-discriminatory way.

Equality and Diversity

The LEP's commitment and approach to ensuring equality and diversity is detailed in the [LEP Diversity Policy](#). The policy covers recruitment and selection and all engagement with individuals and organisations. The policy also outlines the LEP Board's commitment to nominating a LEP Board member to act as Diversity Champion. The policy applies to LEP Board members, the MCA Executive Team and any Thematic Board members.

Code of Conduct

All LEP Board members proactively sign-up to the [LEP Code of Conduct](#) when they are appointed to the Board, as a condition of their appointment. The Code of Conduct explicitly requires LEP Board members to conform with the Seven Principles of Public Life (Nolan principles) – selflessness, integrity, objectivity, accountability, openness, honesty and leadership. MCA Executive Team staff are required to sign the employee's Code of Conduct as a condition of their employment which requires them to carry out their duties in accordance with the Nolan principles.

Remuneration and Expenses

LEP Board members are not remunerated. Members are entitled to claim back travel and subsistence costs incurred whilst undertaking duties and responsibilities on behalf of the LEP. The [LEP Expenses Policy](#) explains the requirement for travel and subsistence to be pre-approved by the Head of Paid Service prior to being incurred and the process for claiming expenses.

Gifts and Hospitality

LEP Board members are required to notify the Head of Paid Service in writing of all offers of hospitality and gifts received with a value of more than £50. The [LEP Gifts and Hospitality Policy](#) aligns with Local Authority systems

and standards on accepting and declaring gifts. The policy also applies to the MCA Executive Team and any Sub-groups involved in advising on or making decisions.

Conflicts of Interest

The [LEP Declarations of Interest Policy](#) requires all LEP Board members and senior officers to complete and maintain an up to date Register of Declarations to avoid any conflicts of interest when advising on, or making decisions.

Whistleblowing

The [LEP Whistleblowing Policy](#) provides information on how concerns about the LEP, LEP Board members and the MCA Executive Team should be raised, how the concerns will be handled and how concerns will be dealt with sensitively and in confidence.

Complaints

The [LEP Confidential Complaints Policy](#) explains how complaints about the LEP, LEP Board members and the MCA Executive Team should be submitted and how complaints will be dealt with and responded to.

Data Management

The Privacy Policy explains how and why information provided by service users and members of the public is collected and used. This includes data that is provided to the MCA Executive Team via the MCA website, information provided to funded services and projects (e.g. Growth Hub, Skills Bank, Working Win) and data provided over the telephone. The policy ensures that the LEP and MCA Executive Team will only process data in a legally compliant way, and that personal information will be handled in confidence and stored securely to maintain privacy.

Appendix B: Joint Statement from LEP and MCA

This Memorandum of Understanding (MoU) sets out the respective roles and responsibilities of the Sheffield City Region Mayoral Combined Authority (MCA) and the Local Enterprise Partnership (LEP). It has been produced to provide clarity on how decisions on public funds are made within the Sheffield City Region.

Roles

The MCA is the legal and Accountable Body for funding devolved by Government to the MCA and LEP, including the Growth Deal. The MCA is also the Local Transport Authority for South Yorkshire.

The LEP is a voluntary business-led partnership which drives economic growth and advises how LEP funding should be invested in developing and growing the Sheffield City Region economy.

The Mayor is directly elected by the electorate in South Yorkshire to lead the Sheffield City Region and to promote it as a place to live, work and invest in. The Mayor is Chair of the MCA and is a member of the LEP Board.

Responsibilities

The Mayoral Combined Authority is required to:

- Approve all annual capital and revenue budgets prior to the start of the financial year;
- Accept proposed projects onto the programme pipeline;
- Ensure that decisions on proposed projects are aligned with the objectives of the SEP and RAP;
- Test the value for money of proposed projects;
- Ensure that the legal duties of the MCA as the LEP's Accountable Body, operate in a responsible and transparent manner; and
- Inform the LEP of any operational decisions made.

The Local Enterprise Partnership is required to:

- Produce and publish the Strategic Economic Plan (SEP);
- Support the Mayor in producing the Local Industrial Strategy;
- Advise the MCA on decisions of how any capital and revenue budgets allocated to the LEP are prioritised and spent; and
- Oversee the delivery of any LEP funded programmes and projects.

Operating Practices and Policies

The MCA and LEP will be served by a central team of impartial staff (the MCA Executive Team) who will provide advice and report on financial information and programme delivery to both the MCA and LEP Boards.

The MCA and LEP agree to conform with the Seven Principles of Public Life (Nolan principles) – selflessness, integrity, objectivity, accountability, openness, honesty and leadership.

The MCA and LEP are opposed to all forms of unlawful, unfair and inappropriate discrimination, and commit to provide equality and fairness to all those who wish to work with them and to not act less favourably on the grounds of any protected characteristic.

Amendments

This MoU can be amended at any time with agreement of both the MCA and LEP.

The Mayoral Combined Authority and Local Enterprise Partnership affirm to know, understand and agree to this Memorandum of Understanding as negotiated together.

**Signed on Behalf of the Sheffield City Region
Mayoral Combined Authority:**

**Signed on Behalf of the Sheffield City Region Local
Enterprise Partnership:**

Signature: _____

Signature: _____

Name: Mayor Dan Jarvis MP MBE
Position: Sheffield City Region Mayor and Chair
of the Mayoral Combined Authority

Name: James Muir
Position: LEP Chair

Date: _____

Date: _____

**Sheffield
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* Note - Track changes shown intentionally*

**Sheffield
City Region**

**LOCAL ENTERPRISE
PARTNERSHIP**

SCR Local Enterprise Partnership

Terms of Reference

Document Properties

Change Record

Version	Revision	Author	Description	Date
20-21: 0	1	CJames	Annual Review	February 2020
<u>21-22</u>	<u>1</u>			<u>February 2021</u>

Document Approval

Approving Body or Person	Role (review, approve)	Date
LEP Board	Approve	5th March 2020

1. Aims, Objectives and Priorities

1.1 Local Enterprise Partnerships (LEPs) are private sector led voluntary partnerships between local authorities and businesses set up in 2010 by the Department of Business Innovation and Skills to help determine local economic priorities and lead economic growth and job creation within the local area.

1.2 The purpose of the Sheffield City Region (SCR) LEP is

- to originate economic policy, author and maintain a Strategic Economic Plan (SEP) for the SCR region and determine key funding priorities
- to support the SCR Mayor in developing the Local Industrial Strategy
- to ~~ensure the SCR bids~~ for public funding made available by government for LEPs in support of economic growth
- to ensure ~~SCR~~ policy and decisions receive the input and views of key business leaders and take account of the views of the wider business community
- to engage with local, national and international businesses to understand the needs of different sectors and markets
- to engage business, opinion formers and policy makers at a national and international level in promoting economic growth in the region

1.3 In pursuit of this role the SCR LEP will:

- capture and communicate ~~business~~ requirements for changes to, and development of economic policy and the commission of associated appropriate interventions
- work collaboratively with all partners, including Local Authorities to address barriers to growth and to drive efficiency
- bring together intelligence and expertise to identify priorities and develop solutions to maximise private sector investment in the City Region region and secure sustainable growth
- work to create an environment for business growth ensuring appropriate mechanisms exist through which, as a co-ordinated voice, the private sector can inform and influence the shape and future direction of local and national government policy

1.4 To ensure the LEP is effective in this role it has the authority to:

- engage in dialogue with Government and respond to policy, proposals and opportunities to bid for funding in support of economic growth
- engage with investors, businesses and advisors to secure growth opportunities
- to develop and consult on regional economic policy, programmes and interventions designed to maximise growth in the region
- to provide leadership in key themes and priorities to promote growth
- to raise the profile, image, reputation and influence of the region at a regional, national and international level

2. Legal Status

- 2.1 The SCR LEP is an informal partnership. It does not have legal status to enter into contracts and will act through the ~~Sheffield City Region~~ Mayoral Combined Authority as Accountable Body.

3. Role of Members/Accountability

- 3.1 Irrespective of his or her background or geography, it is the duty of a LEP Board member to act in the best interests of the ~~City R~~region and in accordance with the policy of the LEP Board.

All private sector member of the LEP act in their individual capacity and not as representatives of their respective organisations. The only exception to this ~~is~~ are the representatives for Higher Education, Further Education, Chambers of Commerce and the Trade Union Congress on the Board.

- 3.2 All LEP Board members are expected to discharge their duties in line with the Nolan Principles for Standards of Public Life¹ and the Code of Practice for Board Members of Public Bodies². Private Sector members must comply with the SCR LEP Private Sector Code of Conduct. Political Leaders who are Members of the SCR LEP must also comply with the members Code of Conduct in addition to that of the Mayoral Combined Authority.

- 3.3 The LEP Board is the strategic commissioner ~~for the SCR~~ in matters of economic development. It will make recommendations to the ~~SCR~~ MCA ~~who is~~ (the Accountable body) for the use of public funds (The MCA's Scheme of Delegation is set out within the MCA Constitution) ~~However~~ however, the LEP is made accountable:

- through the inclusion on the LEP Board of Leaders of the member Local Authorities
- through the Assurance Framework and the role of Government in monitoring and evaluating performance
- through the transparent and public access to the agenda, papers and minutes that record decisions and the rationale by which they were approved or rejected

4. Membership

- 4.1 The LEP Board will comprise of Leaders of the constituent members Local Authorities plus the Mayor. Private Sector Members will form the majority of the Board. In addition, the Chair can co-opt up to five additional private sector board members, with specialist knowledge, ~~for a one-year term~~. Co-opted members will not be counted in the private sector majority.

The Chair will be appointed from the private sector and will provide strategic leadership on business growth for ~~SCR~~ the region. The Chair will lead on building the reputation and influence of the ~~City R~~region at national and international level.

The Chair will be a non-voting member of the ~~Sheffield City Region~~ Mayoral Combined Authority.

Two Vice-Chairs will be appointed from the private sector and will provide day to day leadership and support to LEP Board Members. The Vice-Chair will lead on business

¹ See <https://www.gov.uk/government/publications/the-7-principles-of-public-life>

² See <https://www.gov.uk/government/publications/board-members-of-public-bodies-code-of-conduct>

relations within the ~~City Region~~, including engaging with the SME business community and will deputise for the Chair.

Private Sector representation on the LEP Board will be made up of business leaders who are either currently or recently in leading positions within business or who have specific sectoral or other experience relevant to the work of the LEP Board. The Board will also include a representative from the ~~City Region~~'s Higher and Further Education sectors and a Trade Union representative

All private sector members of the LEP, with the exception of the representative for Higher Education, Further Education, Chambers of Commerce and the Trade Union Congress~~Higher Education~~, act in their individual capacity and alternate Members will not be allowed to attend meetings should any Board Member be unavailable.

Private Sector Board Members will be appointed based on their experience, leadership skills and commitment to the achievement of the aims and objectives of the LEP.

Local Authority Leaders of constituent ~~and non-constituent~~ authorities will be members of the LEP and may send a nominated substitute. Nominated substitutes will be required to complete a Register of Interest.

4.2 Diversity

The ~~SCR LEP~~ is committed to diversity ~~and the LEP Board~~ will have regard to ensuring ~~they the Board has~~ have diverse representation, which is reflective of the local business community, including gender, ethnicity, geographical spread, business size and sector experience. The LEP Board's commitment to diversity is articulated through its Diversity Policy.

5. Co-opting

- 5.1 Where specific skills or abilities are required which are not available among existing members co-optees may be appointed to the LEP Board. The appointment will be made by the Chair, in consultation with the Board, for 12 months and, at the discretion of the recruitment panel in consultation with the Chair up to 2 years. Co-opted members will not have voting rights and will not count towards the quorum or the private sector majority.

6. Recruitment, Appointment & Termination of Private Sector Membership

6.1 Recruitment

Recruitment will be undertaken in line with the SCR LEP Diversity Policy and made through an open, transparent, competitive and non-discriminatory process.

An Appointment Committee will be convened and a formal interview panels will be constituted as specified below:

Position	Panel
Appointment of a Chair	Chair of the SCR -MCA plus two private sector LEP Board members and a representative of the Local Authority Chief Executives
Appointment of private sector board members	Chair of the LEP plus the Vice-Chairs of the LEP and the Chair of the SCR MCA
Vice-Chair (where there is more than one candidate)	Chair of the LEP and Chair of the SCR MCA

Interview panels will be advised by the Chief Executive or the Deputy Chief Executive.

6.2 Appointment

A formal offer will be made to successful candidates. On appointment Board members are required to sign a declaration affirming their understanding and commitment to the Code of Conduct.

6.3 Termination

Where a Board Member is no longer able to meet the conditions of LEP Board membership as defined by these terms of reference and the associated guidance issued by Government, the Chair, following consultation with the Vice-Chairs and Chief Executive, may terminate a Member's appointment to the Board before the expiry of his/her period of appointment, with immediate effect.

LEP Board members who miss a third or more of the scheduled Board meetings and/or a third or more of the relevant Thematic Board meetings in a 12 month period will be reviewed by the Chair and their membership may be terminated, without prejudice, an appointment may be terminated by the Chair in consultation with the Vice Chair/s.

Failure to declare interests at meetings and to complete a register of interests will also be grounds for an appointment to the Board to be terminated.

A LEP Board Member may resign at any time by giving notice to the Chair in writing, having immediate effect.

7. Term of Appointment

7.1 The term of office for a Private Sector Board Member will be 3 years. This may be extended by the Chair by a upto a further term. In exceptional circumstances, with a clear rationale, Members may be appointed for a further term not exceeding 2 years.

7.2 The Chair and Vice-Chairs, once appointed, will remain in role for a term of three years or until they choose to step down from the position if within that term. In exceptional circumstances, an extension of a further three-year term may be agreed by the Board.

8. Performance

8.1 Private sector LEP Board Members are expected to attend LEP Board meetings and any relevant Thematic Board they are appointed to.

The Chair, in consultation with Private Sector Board Members, will also appoint lead responsibilities aligned to the strategic priorities of the ~~City-Region~~ region.

Any private sector LEP Board member invited to join another body or organisation as a LEP Board member will require the consent of the Chair and will need to register this interest with the Chief Executive.

8.2 LEP Board Members will attend an annual appraisal meeting with the Chair.

8.3 Leaders of Local Authorities will also be governed by the Constitution and Codes of

Conduct of the Mayoral Combined Authority, associated legal and government policy requirements and by their Local Authority governance and codes.

9. Frequency of Meetings

9.1 The LEP Board will meet on an eight-weekly cycle.

10. Attendance

10.1 Private sector LEP Board members who miss a third or more of the scheduled Board meetings and/or a third or more of the relevant Thematic Board meetings in a 12-month period will be reviewed by the Chair and their membership may be terminated.

11. Quorum

11.1 Meetings of the LEP Board will be quorate when at least one quarter of the Private Sector Members and at least one quarter of the constituent Public Sector members are present.

A Member who is obliged to withdraw under the Code of Conduct for Members shall not be counted towards the quorum.

11.2 For the purpose of determining whether a quorum is present, a LEP Board Member may be counted in the quorum if they are able to participate in the proceedings of the meeting by remote means e.g. telephone or video link (or equivalent) and remain so available throughout the discussion and decision for each item for which they are counted as part of the quorum.

12. Decision Making at the LEP Board meeting

12.1 It is envisaged that most LEP Board decisions shall be made by consensus.

In the event of a consensus not being reached, a decision will be taken by a vote of those Members present at the meeting and entitled to vote (including those participating by remote means as above). Each LEP Board Member shall have one vote subject to any obligation they have not to participate under the Code of Conduct for Members and Declaration of Interests Policy.

Voting shall be by a show of hands (or verbally where a Member is attending by remote means) and all decisions (other than those of procedure taken by the person chairing the meeting) shall be by a majority of votes cast.

In the case of an equality of votes, the person chairing the meeting may exercise a second or casting vote.

13. Conflicts of Interests

13.1 Register of Interests

It is the responsibility of Board members to ensure an up to date Register of Interests is maintained. A member must, within 28 days of becoming aware of any change in their interests, provide written notification of this. These will be published on the ~~SCR~~ website and is a condition of appointment. Registers will also be subject to an annual review.

13.2 Declaration of Interests at a meeting

It is the responsibility of Board members to declare any personal, prejudicial or pecuniary interest on any item of business being conducted at a LEP Board or Committee meeting. Where a 'pecuniary interest is declared Members will leave the meeting, where a 'non-pecuniary interest is declared, Members may remain at the meeting but not participate in business. (See Declaration of Interests Policy)

14. Urgency Procedure

14.1 In order to ensure that the LEP Board is able to progress its business in an efficient manner, comments on urgent matters may be sought by the ~~SCR~~ Chief Executive or other Statutory Officer outside the meeting cycle.

Members will receive email notification which identifies:

- Details of the matter requiring comment and/or endorsement and the reason for urgency (including an explanation as to why an emergency meeting is not proposed to be held to conduct the business);
- The date responses are required by;
- The name of the person or persons making or putting forward the proposal/decision

Two working days after the close of responses, the following will be circulated to all LEP Board Members:

- The outcome of the decision taken by Statutory Officers (including responses received in agreement and responses received in disagreement); and the date when any decision comes into effect; and
- Any mitigating action taken to address Members' stated views or concerns.

Decisions and actions taken will be retrospectively reported to the next meeting of the LEP Board.

15. Subordinate Bodies

With the approval of the Chair and the Vice Chair/s, the LEP Board may establish a subordinate body to assist it to meet its remit.

Any such subordinate body set up by the LEP Board shall include one or more LEP Board Members, as nominated by the Board. With the consent of the Chair, any such group may also co-opt onto it any independent person with the relevant expertise - judged against pre-determined criteria - on the issues within the remit of these groups.

The remit and terms of reference for any such subordinate body shall be approved by the LEP Board.

16. Transparency

16.1 Agendas and Reports

Agendas and reports for the LEP Board will be available on the ~~Sheffield City Region~~ website at least five clear working days before the meeting to which they relate.

16.2 Access to Information

Reports will be released with the agenda, except in those cases where the information contained in the reports is exempt from disclosure under The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 or under Schedule 12A of the Local Government Act 1972. These papers will be classed as 'exempt' papers and marked as such.

Exempt reports can still be requested under the Freedom of Information Act 2000, at which stage the ~~SCR~~ Mayoral Combined Authority (as the Accountable Body) will consider, on a case by case basis (taking into consideration such factors as timing, any applicable exemptions and the public interest test).

16.3 Meetings

The LEP Board meetings will not be held in public. The Annual General Meeting of the LEP Board will be held in public and members of the public will be invited to submit questions about the agenda items.

16.4 Meeting Record

The draft minutes of each meeting of the LEP Board will be posted on the ~~Sheffield City Region~~ website within 10 clear working days of the meeting taking place. The agreed minutes of each meeting will be published within 10 clear working days after approval at the subsequent meeting.

17. Secretariat

17.1 The ~~Sheffield City Region~~ MCA Executive Team provides an independent secretariat function for the SCR LEP Board.

18. Amendments to Terms of Reference

18.1 These terms of reference will be reviewed annually in line with the review of the Assurance Framework and the Annual Governance Review. Any changes will be approved by the LEP Board.

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March 2021

Mayor's Update

Purpose of Report

To provide LEP Board Members with an update on key Mayoral activity relating to the economic agenda.

1. The COVID pandemic

COVID has been tearing the heart and soul out of our communities for almost a year. However, there is positive news and light at the end of the tunnel with the successful vaccine rollout and the Prime Minister's announcement of a timetable for the easing of lockdown.

Despite all the pain lockdowns have caused, it is critical that any easing be done based on solid science and at a cautious pace. COVID-19 has shown that the economy and health are inextricably linked. We have to get case rates down before we reopen the economy – not just to protect the NHS and save lives, but also for better economic outcomes. Those businesses forced to close or seeing reduced demand must be additionally compensated for this sacrifice. This must be the last lockdown.

Whilst the South of England has recently seen large reductions in its case rates, rates have stabilised at a higher level in most of the North and Midlands, especially in South Yorkshire. Recent reductions have been slower in more deprived communities. It is no coincidence that COVID has hit the most deprived areas of our country hardest, including places like South Yorkshire where people cannot afford to lose income and cannot work from home so easily.

We have to get test and trace right; we have to extend furlough; address business debt; extend the business rates holiday and VAT cut for hospitality, retail and leisure for at least six months; and we have to make sure people are not forced to choose between financial survival and isolating themselves if they have symptoms.

In the longer term, we need a rebuilding that does more than get us back to the status quo – but tackles our deeply unequal society and helps build a stronger, greener and fairer UK.

Local public procurement reform can help our regional recovery effort. That's why we are proposing a comprehensive effort to utilise our own procurement processes to leverage spending support for the local economy, enable enterprise, and create social value to a much greater degree. We want to support local businesses as much as we can by directing money into the local

economy. This will mean making it easier for smaller companies, including cooperatives, to bid to work with us.

Improved procurement practices will encourage higher labour standards, better pay, faster decarbonisation, more apprenticeships and other goals. I look forward to working with the LEP to start developing our proposals, which could lead the way for further public procurement improvements across the region.

2. Integrated Rail Plan for the North and Midlands

We are expecting the Government to publish its long-awaited Integrated Rail Plan for the North and Midlands sometime between the Budget and the local elections in May. This is a critical strategy, which will shape Government investment in rail infrastructure in South Yorkshire for many years to come. I'm continuing to work with ministers to ensure that the content of the Integrated Rail Plan reflects the priorities we set out in our own Integrated Rail Plan published in 2019.

3. Improving local public transport

The impact Covid has had on our local public transport system should not be underestimated. Our bus network was already at a low base, with falling levels of patronage and declining public and private investment. Covid has accelerated trends we already knew existed and which we needed to address.

That is why I'm continuing our commitment made at the MCA, to drive improvement in the bus network in South Yorkshire by responding to the bus review conducted by Clive Betts and his commissioners. This will be a major priority over the next 12 months, as we use the opportunity provided by the pending National Bus Strategy to rethink our bus services and how they operate.

4. Protecting people from flooding

Following the devastating 2019 floods in South Yorkshire, action, and not just words, is needed to better protect people, communities and businesses from the risks of further floods. The Priority Programme of 27 schemes that the Mayoral Combined Authority developed and presented to Government nearly a year ago would protect over 10,300 homes and 2,800 businesses.

Given that Government announced last March that the national budget for such investment had doubled, we now urgently need Government to make this programme happen. I have written to the Chancellor to ask him to act now. The provision of an £36m from Government, when combined with confirmation of the indicative Grant in Aid and Medium-Term Plan allocations, would bring forward nine schemes, enabling work to start on £66.2m of our priority programme before the end of 2022.

March 2021

Chief Executive's Update

Purpose of Report

To provide LEP Board Members with a general update on activity being undertaken by the LEP outside of the agenda items under discussion.

1. South Yorkshire Freeport bid

In February, the region officially launched its bid for a South Yorkshire Freeport, centred around Doncaster Sheffield Airport and the iPort logistics hub. If successful, the Freeport will create 28,700 new jobs in advanced manufacturing including rail, automotive, defence and aerospace, and double the number of higher-level apprenticeships. We expect to find out in spring if our bid is successful. Other known competing bids are: Tees Valley, Humber, Liverpool, Bristol, Plymouth, East Midlands Airport, Thames, Felixstowe/Harwich, Tyne, Cumbria, Southampton/Portsmouth, Gatwick Airport and Bournemouth.

2. Chambers of Commerce Skills Roundtables

SCR MCA is working with the region's Chambers of Commerce on a series of focus groups to gain intelligence on business skills gaps and needs. This work is being part-funded by the DfE. In its recent White Paper, DfE set out plans to see business groups, specifically including Chambers of Commerce, working alongside colleges to develop tailored skills plans to meet local training needs. The SCR MCA will use this work as a starting point for future activity as areas of the Government's White Paper are further developed.

3. India Roundtable events

Last month, two successful international Roundtable events took place to enhance relationships and increase trading opportunities between the city region and India. Delegates, included Mayor Dan Jarvis MP and The Mayor of Pune Murlidhar Mohol, Vikram Kumar, the Municipal Commissioner for Pune, Sir Nigel Knowles, the CEO of DWF and International Advisor to Mayor Jarvis, Dame Sarah Storey, Active Travel Commissioner for Sheffield City Region, David Latimer, the CEO of Sheffield-based company Magnomatics, and the Vice Chancellors of the University of Sheffield and Sheffield Hallam University. The group discussed areas for potential collaboration and investment, including active and urban transport systems, climate action through a low carbon economy, water and waste management, trade, investment and business partnerships. There was a particular focus on the transfer of knowledge and technology between industries, research institutions and universities.

4. Covid-19 Business Input Group

This group continues to meet on a fortnightly basis to secure a business view on where the region's support should be targeted. The group continue to receive policy and data insights on the impact of covid-19 and provide business insight and intelligence on the shape of our business support response. It is chaired by Lucy Nickson and includes members from the FSB, MakeUK, CBI, Chambers of Commerce, the trade unions and other business groups.

5. LEP Peer Review

The LEP is participating in the national programme of LEP Peer reviews. Peer reviews are intended to provide the opportunity for LEPs to draw on good practice, share experiences and provide a forum for new learning and development. We are twinned with West Yorkshire LEP and will be working with them to build our joint working arrangements.