

## **Appendix A - Progression of schemes to full approval and award of funding**

### **A.1 South Yorkshire Rail Station Improvements**

This investment is for £3.45m from Transforming Cities Fund (TCF2) to South Yorkshire Passenger Transport Executive (SYPTE).

The project will deliver improvements at 11 stations across Barnsley and Doncaster. Improvements relate to 5 prioritised areas: customer information, accessible toilets and baby change, station access, station circulation and ticket offices.

#### **The Benefits and Outcomes –**

The project will deliver the following outputs-

- Cycle storage
- Street directional signage
- Toilets
- Lighting enhancement
- Seating
- Passenger information
- CCTV
- Shelters
- Ticket office
- Access improvements
- Surfacing/renewal
- Car park enhancement

The project will also contribute to the following outcomes –

- Improved Quality of station environment
- Access for all at rail stations
- Improved perception of rail station
- Increased rail patronage
- Greater availability of secure cycle parking

The project has a clear strategic rationale, demonstrating strong linkage the SEP, and national and local policy to improve connectivity and encourage modal shift towards “greener”.

The Assurance Summary notes some conditions of approval that will need to be resolved prior to contract execution, these are detailed in full within **Appendix A1**.

### **A.2 Project D0012**

The applicant is seeking £1.75m funding to expand its existing site in the Barnsley district. The total project cost is £23.8m, leading to an MCA intervention rate of c. 7%.

The new development for this privately owned company will comprise a new 75,000 sqft building which will be equipped from the outset with automation equipment. It will also house new process equipment.

The project is estimated to create 87 net additional jobs at a cost of £20,115 per net job to the MCA. The project is also forecast to generate £16.2m net additional GVA (or £9.7m accounting for optimism bias) over a 10 year period, equating to a return of £9.25 per £1 of MCA investment (or £5.54 per £1 accounting for optimism bias).

This project is expected to generate significant value following the initial investment. Pre-tax profits returning to the company are forecast in the region of £2m p/a, whilst there is expected to be business-rate uplift accruing to the sponsoring authority.

The project reaches the threshold for investment subject to conditions, notably to have confirmed the match funding prior to entering into the funding agreement, to seek a value share arrangement that supports gainshare principles, and provision within the contract for clawback clauses related to jobs.

Further details and conditions of funding are in **Appendix A2**

### A.3 **Century BIC II**

This investment is for £1.6m GBF and £1m Gainshare funding to Rotherham Metropolitan Borough Council (RMBC).

The Rotherham based ‘Century BIC’ project seeks a further £2.6m following an initial approved investment of £2m in October 2020. A further £1m gainshare funding was provisionally approved in March 2021 with the remaining £1.6m requested from GBF. Changes to working behaviours arising from the pandemic has precipitated a change in the project design with a refocus on manufacturing workshop space generating additional cost. The GBF change request has been considered and approved by government.

The assurance summary includes conditions which it is recommended be met during contracting.

### **The Benefits and Outcomes**

The project will deliver the following outputs-

- 15,000 sq ft of new floor space
- 75 FTE jobs

The project will also contribute to the following outcomes –

- Allow/promote existing businesses to expand their operations.
- Providing additional space suitable for new businesses.
- Attract inward investment with a quality premises offer.
- Increasing the proportion of the workforce employed in the private sector.

- Providing new employment opportunities, increasing the size of the workforce of the SCR and the workforce's productivity

The project delivers 75 gross jobs at a cost per job of £69,896. This is outside what is normally considered acceptable value for money and represents a high investment per net job. However, the strategic case points to further returns and under the circumstances of rising cost and redesign of the scheme due to Covid, this could be deemed acceptable.

The project is estimated to generate net additional GVA of approximately £22.17m over a 10-year period. This equates to a return of £5.63 per £1 of MCA investment.

The project is strongly aligned to the Strategic Economic Plan. Specifically, it will provide South Yorkshire businesses with the support to reach their growth potential by providing 'grow-on' space for expanding businesses; thereby freeing up smaller premises for business starts. It will also secure investment in infrastructure to support economic growth.

The Assurance Summary notes some conditions of approval that will need to be resolved prior to contract execution, these are detailed in full within **Appendix A3**.

#### A.4 Fargate Measures

This project seeks £6m of capital funding as part of a cohesive approach to Sheffield City centre, addressing Fargate alongside the Heart of the City 2 project in order that these are mutually supportive and in effect form interconnected elements of a single programme. Whilst initiatives such as Heart of the City 2 and the Future High Streets Fund have been in development since well before the start of the Covid pandemic, the impact of the past 18 months has brought these issues into sharper focus, requiring even more flexibility in what projects need to be delivered, how these are funded and what additional activity is required to cement the planned investment

The MCA is being asked to fund four interventions:

- The acquisition of additional property on Fargate/High Street to support the objectives of committed Future High Streets Funding investment,
- Address the immediate issues resulting from the closure of John Lewis Partnership (JLP)
- Cambridge Street Collective/Leah's Yard Showcase will provide temporary space in 15 units/structures housed under the JLP canopy opposite Leah's Yard on Cambridge Street.
- Heart of the City shopfronts and white walling of units

#### The Benefits and Outcomes

The project will deliver –

- 377 jobs

The assurance summary notes some conditions of approval, including the concerns regarding cost per job, that will need to be resolved before a contract award can be made. These are detailed in full within **Appendix A4**.

