

## Mayoral Combined Authority Board

Tuesday, 4 June 2024

### The Gateway Review

---

<b>Is the paper exempt from the press and public?</b>	No
<b>Reason why exempt:</b>	Not applicable
<b>Purpose of this report:</b>	Governance
<b>Is this a Key Decision?</b>	No
<b>Has it been included on the Forward Plan?</b>	Not a Key Decision

---

**Director Approving Submission of the Report:**  
Gareth Sutton, Executive Director Resources & Investment

**Report Author(s):**  
Lyndsey Whitaker, Head of Assurance and Evaluation  
[lyndsey.whitaker@southyorkshire-ca.gov.uk](mailto:lyndsey.whitaker@southyorkshire-ca.gov.uk)

---

#### **Executive Summary**

Mayoral Combined Authorities are subject to the Government's national Gateway Review process to evaluate how Devolution Investment Funds (known as Gainshare) have been invested, and the impact that the funding has had on the regional economy. The Department for Levelling Up, Housing and Communities (DLUHC) is the lead department for the Gateway Review and SQW are the appointed national evaluators.

The first Gateway Review for SYMCA covers the period April 2020 to March 2025. It consists of three phases: the production of the Local Evaluation Framework (LEF) which sets out the schemes that will be funded with Gainshare, a Mid-Term Evaluation of progress made in delivering the schemes and a Final Review to identify the achievements and impact of the funded schemes.

This report outlines the steps in the Gateway Review process and the stakeholder engagement, activities and progress that has been made to date to evaluate the investment of Gainshare across South Yorkshire. The report also summarises the feedback from the national evaluators and the next steps involved in concluding the first Gateway Review.

The report notes that the Academic Panel considered that SYMCA has made a good start to the use of Gainshare funds.

### **What does this mean for businesses, people and places in South Yorkshire?**

The Gateway Review results in the publication of a series of documents and evaluation reports that describe how and where funds devolved to SYMCA have been invested in supporting local and regional economic growth for the benefit of people, businesses and communities in South Yorkshire.

### **Recommendations**

1. MCA Board notes the feedback received from the national evaluators of the Gateway Review.
2. MCA Board considers how local authorities and stakeholders should be further engaged in the evaluation of Devolution Investment Funds for the remainder of the Gateway Review period.

### **Consideration by any other Board, Committee, Assurance or Advisory Panel**

None

---

## **1. Background**

- 1.1 All Mayoral Combined Authorities are subject to the Government's national Gateway Review process which evaluates how Devolution Investment Funds (known as Gainshare) are being invested. The Gateway Review is a process undertaken every five years following the first release of the devolved funds. It seeks to determine the impact that the funds are having on local and regional economic development and growth. The first Gateway Review for the South Yorkshire MCA covers the period April 2020 to March 2025.
- 1.2 The MCA was required to produce and submit a Local Evaluation Framework (LEF) in May 2023 which identified 56 individual projects and programmes that would be funded by Gainshare over the first Gateway Review period. This included schemes that had already been approved by the MCA Board, projects which were part-way through the assurance process, and initiatives that were under development. .
- 1.3 The LEF identified the investment that would be made from Gainshare, the value of match funding from partners or other programme funds (eg. CRSTS, Levelling Up) and the expected outputs and outcomes for each scheme drawn where known. The LEF also explained the MCAs governance structure, the strategic priorities for investment including the transformational Place Plans for each district and how the schemes would be monitored and evaluated for economic impact.
- 1.4 All schemes and programme included in the LEF will be evaluated during the Gateway Review period, with the Business Case, Funding Agreement, financial data, monitoring reports and any project evaluation shared with the national

evaluators. This information will be used to inform a series of written Evidence Papers for the Mid-Term Review and Final Review.

- 1.5 The MCA is required to produce and submit the following five written Evidence Papers for both a Mid-term Review and a Final Review:
  - **Contextual Economic Forecasting** – this document sets out the baseline economic data for a set of key performance indicators for 2020 and shows the projected level of change and growth in the South Yorkshire economy over the five-year Gateway period and economic forecasts up to 2041.
  - **Impact** – this provides an in-depth evaluation of the impact that nearly completed projects have achieved to date.
  - **Progress Plus** – this is a report on projects that are in an advanced stage of delivery which have been evaluated to identify the achievements made to date and the anticipated impact on the South Yorkshire economy on project completion.
  - **Progress** – this document is a quantitative data report which provides an update on the delivery status of other Gainshare schemes listed in the LEF including the financial, output and outcome profiles and actual expenditure, output and outcome achievement.
  - **Capacity and Partnership Development** - this report provides an overview of the governance and decision-making structures at the MCA, the allocation of the Devolution Investment Funds to the districts and the Place Plans. It also provides a narrative account of how the MCA has collaborated with local authority partners and other stakeholders in building capacity, developing projects and programmes. It provides qualitative information on SYMCA's approach to investing Gainshare by referencing feedback and views gathered from stakeholders and partners through consultative interviews and surveys.
- 1.6 The Evidence Papers are used by the national evaluators, to ascertain the impact that Devolution Investment Funds have had in South Yorkshire, particularly in relation to supporting and enabling economic growth in the region and in the UK. Once the Evidence Papers have been assessed, the national evaluators compile a Mid-Term Review Report and a Final Review Report and these are then reviewed by an independent panel of academic and economic experts appointed by the Department for Levelling Up, Housing and Communities (DLHUC).
- 1.7 The Academic Panel includes renowned university professors and technical experts, such as Professor Philip McCann and Professor Cecilia Wong (University of Manchester) and Professor Ron Martin (University of Cambridge). Their role is to provide a peer review of the LEF, Evidence Papers and Mid-Term and Final Review Reports and provide advice to SYMCA on how the reports can be refined prior to their submission to DLUHC.
- 1.8 The Gateway Review process concludes with a presentation of the Final Review Report to DLUHC and a Gateway Review Challenge Session with SYMCA and DLUHC in January 2025.

## 2. Key Issues

2.1 The Local Evaluation Framework (LEF) listed 56 Gainshare funded schemes that were expected to be approved, contracted and in delivery by March 2025 (the end of the Gateway Review period). The schemes were grouped into eight thematic areas to demonstrate how they related to the strategic priorities in the Strategic Economic Plan (SEP):

1. **Emergency Recovery** – this covered the funding allocated to the local authorities for COVID recovery activities, including a range of projects to support the survival of businesses in Barnsley, support to keep prime leisure facilities open in Doncaster and Sheffield and support for staff resource to develop several new projects and initiatives in Rotherham.
2. **Connected by Water** – nine flood mitigation and alleviation schemes were included, specifically the recently completed Rotherham to Kilnhurst Flood Alleviation Scheme and Canal Barrier near Forge Island. Other schemes included those requiring development funding, such as Sheaf Valley, Fishlake and Lundwood.
3. **Place-Based Investment** – these are the key schemes and strategic sites identified by the local authorities in their place Plans, such as Thriving Town Centre in Barnsley to complete the Glassworks development, Doncaster Waterfront remediation to unlock the site for mixed-use development, Century Business Centre in Rotherham which is providing additional move-on space for growing businesses and Fargate Future High Street in Sheffield to re-purpose and renovate a key part of the city.
4. **Innovation** – the schemes under this theme include the Canon Medical Diagnostic Suite in the AMID and Northern Gritstone who are providing seedcorn finance to support SME growth.
5. **Skills and Workforce Development** – the Apprenticeship Hub is a key project in this programme, alongside the Union Learning project.
6. **Advanced Manufacturing** – this includes schemes which will support advanced manufacturing businesses to grow and develop new products for market including the Gene Therapy and Manufacturing Centre, AML Accelerate. It also included the investments in Lontra and the Ultimate Battery Company.
7. **Business Growth** – projects under this thematic area included the Tech South Yorkshire project and Business Support Advisers.
8. **SYMCA Operational Programme** – this covers the Gainshare funding that has been allocated to the Transformational Investment Fund, Capital Financing, and the costs associated with the Mayoral Election.

2.2 The LEF was submitted on 26 May 2023. Feedback from the Academic Panel was very positive. The LEF was described as well written and comprehensive, and whilst they highlighted that SYMCA's programme contained a high volume of projects, they liked the approach of grouping schemes into programmes with other linked funds (eg CRSTS, High Streets Fund) to enable the combined impact of schemes to be captured at a wider geographical level. They also approved of SYMCA's commitment to independently evaluating projects.

2.3 The Mid-Term Review process took place between June 2023 and February 2024, where the MCA compiled and submitted the five required Evidence Papers on the

administration and utilisation of Gainshare funding in South Yorkshire. The Mid-Term Evidence Papers were assessed by the national evaluators in February 2024 and an assessment report was presented to the Academic Panel on 19 February 2024.

- 2.4 The Mid-Term Review involved an assessment of the Business Cases, local authority Place Plans, financial claims, monitoring reports, site visit reports, schematics and photographic evidence. Consultative interviews were held with partners and stakeholders, in addition to an e-survey to gather qualitative information for the evaluation of Gainshare investment in South Yorkshire.
- 2.5 Feedback from the Academic Panel on the Mid-Term Review report written by the national evaluators identified a list of additional information and data they would like to see incorporated into the Evidence Papers for the Final Review Report. **The Academic Panel acknowledged that SYMCA was at an earlier stage in devolution compared to other MCAs and that a good start had been made to deploy the Devolution Investment Funds.** They felt that the volume of projects was high and the 'single pot' approach to utilising Gainshare alongside other funding programmes (eg. CRSTS, Levelling Up Fund), made it difficult to isolate and attribute the impact of the Devolution Investment Funds on economic growth in South Yorkshire. The number of schemes also made the Evidence Papers and Mid-Term Review Report lengthy. The Academic Panel has advised focusing on fewer, larger schemes or programmes of activity in future as this has worked well in other MCA areas. The Academic Panel has also requested further clarity in the Final Review Report on the intention, proportion and strategic approach of allocating Gainshare to the districts as opposed to funding South Yorkshire wide interventions. These requests and recommendations will be addressed for the Final Review.
- 2.6 The Final Review process has already started. The five Evidence Papers are being updated and case studies are being commissioned to provide additional detail on the achievements and impact of Gainshare funded schemes to date. A further and expanded round of consultative interviews will take place to gather additional qualitative information to support the quantitative monitoring data from scheme delivery.
- 2.7 Once drafted, the five Evidence Papers will be submitted to the national evaluators in mid July 2024. The national evaluators will assess and comment on the content and they will then compile their findings and recommendations in the Final Review Report. The Final Review Report will be presented to the Academic Panel for peer review and presented to DLUHC. A Gateway Review Report will then be compiled by the national evaluators and presented to DLUHC by 31 October 2024.
- 2.8 It is yet to be confirmed by DLUHC whether the Gateway Review process will continue after April 2025, or whether it will be replaced with a different form of evaluation. This is largely dependent on discussions around the Single Settlement and Level 4 Devolution Framework.

### 3. Options Considered and Recommended Proposal

#### 3.1 Option 1

The Gateway Review is a mandatory evaluation process which all areas with devolved funding from Government are required to comply with. There is therefore only a single option to produce the series of written Evidence Papers requested for review by DLUHC.

#### **4. Consultation on Proposal**

- 4.1 An e-survey was distributed to over 100 individuals in 34 organisations in August 2023 for the Mid-Term Review, and this was followed with consultative interviews with partners and stakeholders in September 2023. The purpose of the consultation was to obtain views and feedback on how devolution funding was being invested in South Yorkshire, and the extent to which the interventions would support local and regional economic growth. The individuals consulted included Leaders, local authority Chief Executives and Senior Directors, former LEP Board members, business representative organisations and other private and third sector organisations.
- 4.2 The e-survey and consultative interviews will be repeated in early Summer 2024 to obtain views and feedback for the Final Review. Consultative interviews will also include the Contract and Project Managers from the SYMCA Executive Team and funding applicants for the Final Review.

#### **5. Timetable and Accountability for Implementing this Decision**

- 5.1 The key tasks and deadlines that have already been completed for the Gateway Review are detailed below:
- **26 May 2023** - Production of the Local Evaluation Framework and the identification of Gainshare funded schemes subject to evaluation
  - **June to September 2023** – Drafting of the five Evidence Papers, distribution of the e-survey and consultative interviews conducted with partners and stakeholders
  - **30 October 2023** - Submission of five Evidence Papers for the Mid-Term Review
  - **2 January to 8 February 2024** – Assessment of the five Evidence Papers by the national evaluators. National evaluators compile the Mid-Term Review Report
  - **19 February 2024** – peer review of the Mid-Term Review Report by the Academic Panel with feedback and recommendations for the Final Review
- 5.2 The next steps to conclude the Gateway Review process are as follows:
- **1 May to 30 June 2024** – Drafting of the five Evidence Papers for the Final Review including distribution of the e-survey, consultative interviews and compilation of case studies on projects
  - **Mid July 2024** – national evaluators review the Evidence Papers and advise on any amendments or additional information required
  - **31 July 2024** – Submission of finalised Evidence Papers to national evaluators for assessment
  - **August to October 2024** – national evaluators compile the Final Review Report and check accuracy of content with SYMCA

- **31 October 2024** - national evaluators submit the Final Review report to the Academic Panel and DLUHC.
- **November to December 2024** – peer review of the Final Review Report by the Academic Panel in liaison with DLUHC.
- **January 2025 (TBC)** – Gateway Review Challenge Session for SYMCA with DLUHC

## **6. Financial and Procurement Implications and Advice**

- 6.1 Consultancy support is being procured through the SYMCA Appraisal, Investment and Evaluation procurement framework to aid the Assurance and Evaluation Team in completing the consultative interviews, compiling case studies and preparing an updated Economic Forecasting Evidence Paper for the Final Review.

## **7. Legal Implications and Advice**

- 7.1 Not applicable.

## **8. Human Resources Implications and Advice**

- 8.1 Not applicable.

## **9. Equality and Diversity Implications and Advice**

- 9.1 Not applicable.

## **10. Climate Change Implications and Advice**

- 10.1 Not applicable.

## **11. Information and Communication Technology Implications and Advice**

- 11.1 Not applicable.

## **12. Communications and Marketing Implications and Advice**

- 12.1 In line with SYMCA's policy on publishing information on investments in an open and transparent way, the Mid-Term and Final Gateway Review Reports will be published on the website.

## **List of Appendices Included**

None

## **Background Papers**

None