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## Introduction from the LEP Chair

James Muir, Sheffield City Region LEP Chair



I am pleased to present the 2020/21 LEP Annual Report and Delivery Plan for 2021/22. This report and plan come at an opportune time to take stock following what has been a truly unprecedented year. It is also the time to look forward, to reassess our ambitions for our businesses and our communities as well as to identify new opportunities.

The LEP has played a central role in supporting the economy throughout this crisis and supporting and engaging with our region's businesses. We have ensured that the final publications of both the Strategic Economic Plan and the Recovery Action Plan incorporate the voice of all stakeholders to promote and enable not only a stronger regional economy, but a greener, fairer and therefore more resilient regional economy to emerge in the aftermath.

Targets set in the 2015-2025 SEP for GVA, job growth, and business start-ups have all been exceeded. These fresh plans have set new, ambitious targets for the region, with a focus on inclusive growth, including measures for health and the environment. The LEP has important work to do to enable the region to meet these goals and this will guide our direction in the coming year.

2020/21 marked the final funded year of the Local Growth Fund (LGF). The mid-term evaluation revealed that for every £1 of LGF investment in the economy, a further £2.35 of match funding was generated for the economy, and that to date the LGF programme has returned £24 for every £1 invested, with this predicted to rise to return £67 for every £1 of LGF invested once all outputs have been achieved. This represents excellent value for money and is testament to our ability to deliver successful programmes and projects.

Our governance model, embedded in the work of the Mayoral Combined Authority, stands us in excellent stead in the face of the Government LEP review. We have welcomed a number of new members to the LEP in the past year, improving the diversity of contributions and voices on the Board, and broadening our mix of expertise and skills.

Although as a region we have confronted an immensely challenging year, with perhaps further tests to come, we are entering a year of opportunity. We can and should be positive, confident, and persistent in our focus on delivery.

I look forward to working with the private and public sector to make this happen.

James

## Message from the Mayor

Dan Jarvis, Mayor of Sheffield City Region



The past year has seen communities and businesses in South Yorkshire suffer from the terrible impacts of COVID-19; loss, economic hardship, poor mental health to name a few.

We are not out of the woods yet, and we must be prepared to pursue the vision outlined in our Strategic Economic Plan and Renewal Action Plan to ‘build back better’ and ensure ‘an economy that works for all’ in our renewal from COVID-19.

We must grasp the opportunity to not just build a stronger region, but one that is also greener and fairer, that creates opportunity and prosperity for all.

The Local Enterprise Partnership has a vital role to play if we are to achieve this vision. Through the strong policy and governance structure we have put in place between the Mayoral Combined Authority and the LEP we are well placed to keep on working together to develop a work programme that will deliver transformational change in South Yorkshire.

This report demonstrates the impact that together the public and private sector are making. There is much more for us to do and I look forward to working with the LEP over the next year.

Dan

## Update from the MCA Chief Executive

### **Dr Dave Smith, Sheffield City Region Chief Executive**

This Annual Report and Delivery Plan are a tremendous reminder and reference point for all we have achieved collectively in the past year as we continue to strive towards making South Yorkshire a better place to live, work and prosper. I hope that in reading this document, you will recognise that we have so much to be proud of in this organisation.

While we have used everything in our armoury to tackle the challenge of helping our businesses and communities to survive and stay safe, we have managed to develop an ambitious Strategic Economic Plan, as well as a more immediate Renewal Action Plan.

If we are to attempt to achieve the goals these Plans set out, then strong partnership working between private and public sector will be essential. The value of the LEP in bridging this gap is critical. We will need to work collectively to drive inclusive growth throughout our communities and transition towards a low carbon economy.

Our track record of delivery, highlighted by the headlines from the evaluation of the LGF, is testament to the work being done by the LEP Board, the MCA and the Executive Team and all our partners across the region. As a region, we must shout about our success while continuing to adapt and strengthen.

The coming year will see a period of change as the MCA Executive and Passenger Transport Authority integrate to form a single organisation, and we rebrand as the South Yorkshire Mayoral Combined Authority. I believe this will put us in an even stronger position to seek a true transformation of our region, to run a safe and reliable transport network, build a cleaner and greener region and enable our economy to recover, renew and become more resilient. We will need to challenge and champion the devolution of powers and resources from Government so that decisions can be made by those who best know the city region.

This will not be easy, but I am confident that we have the conviction, the vision and the capability to deliver these outcomes for our communities, businesses and people. I look forward to what we can achieve in the coming year.

Dave

## Introduction

This Annual Report and Delivery Plan looks back on our achievements in the last year and forward to our plans for delivery in 2021/22.

### The Local Enterprise Partnership Board (LEP)

Our business-led partnership brings together the private sector, the four Leaders of the Local Authorities and the Sheffield City Region Mayor to drive economic growth in the region.

The LEP works hand in glove with the Mayoral Combined Authority (MCA).

Thematic Boards support our work in delivering the aims and objectives of the Strategic Economic plan. These boards focus on Business Recovery & Growth, Housing & Infrastructure, Education, Skills & Employability and Transport & the Environment.

The work of the LEP is supported by an MCA Executive Team which advises the LEP, SCR Mayor and MCA on policy, commissioning of projects and programmes, and manages and monitors the delivery of projects.

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## Highlights of 2020-21

### Trade and Investment

- Continuing to build an ambitious investment pipeline of indigenous and inward investment growth businesses.
- Working with DIT and local council teams to support new inward investors into the region.
- Developing and implementing an international programme with a focus on strengthening investment and trading relationships with Maharashtra Region in India.

### Skills and Employment

- Establishing the South Yorkshire Careers and Enterprise Company Hub and growing the number of schools engaged.
- Support the development and commissioning a new regional approach to the £42m Adult Education Budget for the academic year 2021/22, including new funding for Level 3 qualifications for adults to improve the skills base.
- Delivering the final year of the Skills Bank programmes and shaping plans for roll out of the future programmes.
- Establishing the Skills Advisory Network and supporting the development of an evidence base to inform a new Skills Strategy.

### Transport

- Engagement with the Active Travel Commissioner, Dame Sarah Storey, to enable LEP input into the South Yorkshire's Active Travel programme. The Active Travel Implementation Plan and design standards were approved by the MCA and the MCA was awarded £5.73m from the Government's Active Travel Fund.
- The government provided feasibility funding to undertake more work to inform decisions on the reopening of the Barrow Hill line and a new station at Waverley as part of the Restoring Your Railways programme.
- The Transforming Cities Programme Monitoring and Evaluation Plan was adopted, supporting the MCA to measure and assess the impact of the £166m programme.
- Continuing work with Transport for the North to plan for, and secure, the benefits of transport investment in South Yorkshire for example through the Northern Powerhouse Rail programme.

## Infrastructure & Housing

- Completion of the South Yorkshire Housing Review.
- The LEP has supported the development and delivery of the £33m Getting Building Fund programme, including supporting Project Sponsors in securing £20.5m infrastructure and investment during the year.
- The LEP has supported the development of the £40m Brownfield Housing Fund programme and supported Project Sponsors in securing £3m of investment for early deliverable brownfield housing schemes.
- Commenced work on the preparation of Growth Area Economic Blueprints to identify infrastructure investment requirements in Growth Areas in support of SEP delivery.
- Supported the Mayor to secure additional flood infrastructure investment in South Yorkshire.

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## Review of 2020/21

### LGF Review

The Sheffield City Region LEP delivers a range of programmes to support the growth of the local economy. The majority of these programmes have been funded through the Local Growth Fund (LGF) – a £363.7 million investment that provides grants and loans to a broad range of projects over the period 2015 to 2021.

2020/21 was the final funded year of the Local Growth Fund (LGF), and in 2020 a mid-term evaluation was conducted to gain preliminary understanding of the impact of the fund.

### Key Findings from the LGF 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 and given the restrictions of the funding scheme, it is considered that there is a good spread of project spend across the different thematic areas.

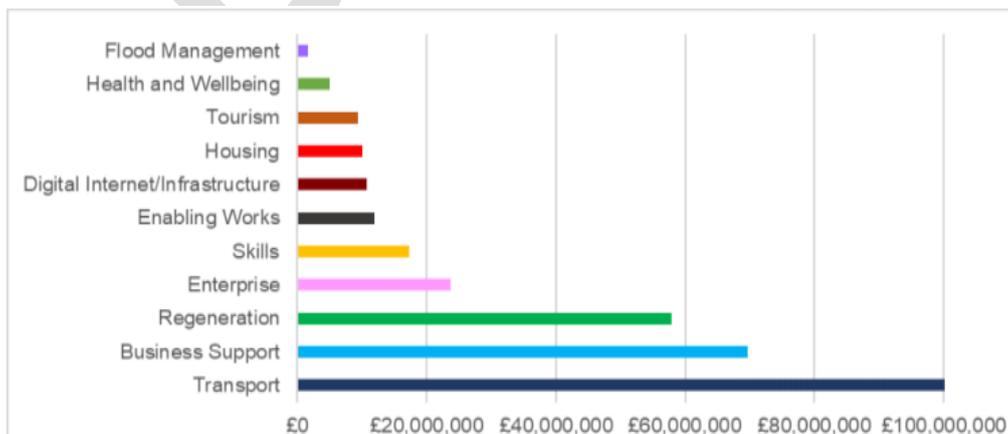
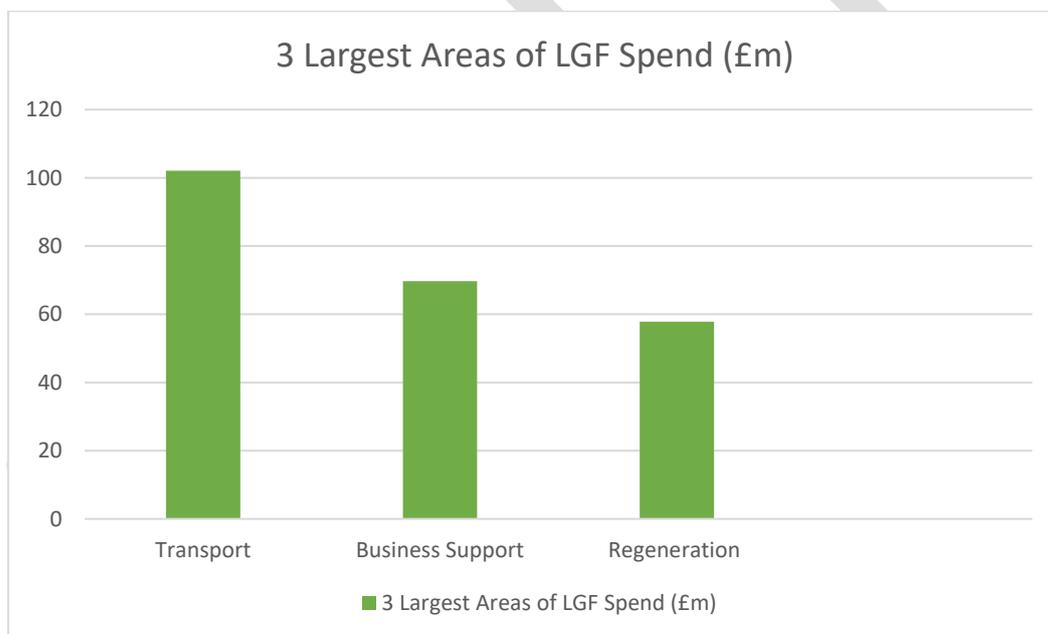
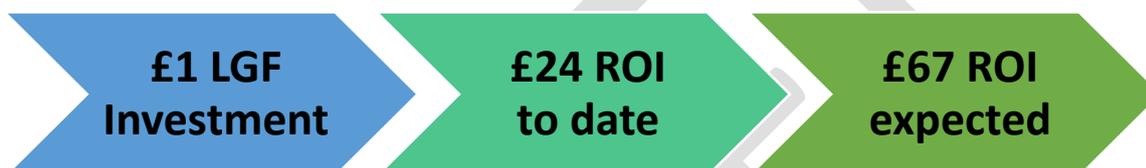


Figure 1: LGF Investment by Theme

**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.



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

	To Date	By 2025 (cumulative)
<b>New Homes Built</b>	£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
<b>Superfast Broadband for Businesses</b>	£162.5m increase in GVA per annum	£162.5m increase in GVA per annum
<b>New Jobs Created</b>	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
<b>New Learners Supported</b>	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
<b>Additional Commercial Floorspace</b>	-	Additional floorspace to accommodate 47,763 workers

1. Infrastructure Programme - Between 2015 and 2021 the LEP invested £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.
2. Business Investment Fund - A £52 million fund that helped indigenous and re-locating businesses with the potential for growth to plug finance gaps which can't be met through traditional finance sources.
3. 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.
4. Skills Capital Fund - Investment in the development of state-of-the-art training facilities and equipment across the Sheffield City Region.
5. 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. This year we have also completed our Housing Strategy.

Over the last decade the SCR economy has grown much faster than expected. The GVA, job growth, and business start-up targets that were set in the 2015-2025 SEP have all been exceeded. However, SCR still lags the England average for productivity and is ranked 33rd out of 38 LEP areas, which is lower than all other English city regions.

### Development of a new Strategic Economic Plan and Renewal Action Plan.

After engagement with over 250 business leaders and organisations from the public, private and voluntary sectors, our 20-year Strategic Economic Plan (SEP) was approved in January 2021. This sets out our blueprint to drive the region's recovery from COVID and transform South Yorkshire's economy and society for people, businesses and places. The SEP shows the way to a stronger, greener and fairer economy as the region looks to unlock its potential and create prosperity and opportunity for all. The vision at the core of our strategy is to "build an economy that works for all".

By 2041 our region will look very different. Our targets will be:

**Economy:** Inclusive growth, underpinned by productivity gains will drive an extra £7.6bn GVA

**Jobs:** 33,000 extra people in higher level jobs

**Environment:** A net zero carbon city region

**Skills:** 30,000 more people with higher level skills and 9,000 people fewer with no skills or low qualifications

**Health:** Healthy life expectancy at birth to match the national average, improving by roughly 3 years for men and women in the SCR at birth

Our subsequent Renewal Action Plan (RAP) sets out our road map to help South Yorkshire recover from the pandemic and put us on the path towards social and economic renewal. It will help people, employers and places recover, and put us on course to transform our region – making our economy and society stronger, greener and fairer. The plan also contributes to our longer-term goals and the transformation of our City Region – so we can build back better. The plan shows how we will help to make the economy:

- Stronger – an economic transformation to create not just a bigger economy but a better one: higher-tech, higher skill, and higher-value
- Greener – a green transformation to decarbonise our economy, improve our environment, and revolutionise our transport
- Fairer – a transformation of wellbeing and inclusion, reforming our economy, raising our quality of life, reducing inequality, and widening opportunity

### Welcomed new LEP Board Members

We have welcomed a number of new members to the LEP in the past year, improving the diversity of contributions and voices on the Board and broadening our mix of expertise and skills.

- ❖ Joe Chetcuti, director at Front Ideas
- ❖ Michael Faulks, co-founder and chief technical officer at loetec Ltd
- ❖ Karen Beardsley, managing director of Unipart Rail Operations
- ❖ Angela Foulkes, chief executive at Sheffield College
- ❖ Gemma Smith, managing director at Strata Homes
- ❖ Cathy Travers, managing director at Mott MacDonald UK and Europe.
- ❖ Dan Fell, chief executive at Doncaster Chamber of Commerce

### A high performing organisation

Each year the Government undertake a review of LEP performance. In the last year the LEP has received a clean bill of health. The results of the Government's Annual Performance Review indicated that the LEP met all expectations for Governance, Delivery and Strategy.

## Case Studies - LGF

To celebrate the success of the LGF period we have highlighted a number of case studies that we have supported during the programme.

### Case Study 1:

[The National College of Advanced Transport and Infrastructure](#) opened in 2017 to provide higher-level training and skills to learners in order to transform the UK rail and transport infrastructure network.

The LGF investment was used primarily for equipment related to highspeed rail and transport and infrastructure more generally – and is all used frequently in the curriculum. 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. Since March 2020, the College have delivered all learning through online groups at 1:1 sessions due the COVID-19 pandemic. 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.

Sheffield City Region Local Growth Fund allocation: £6,000,000

Total project cost: £40,000,000



### Case Study 2:

[The Glass Works](#) project helps transform a 3.8-hectare site in the heart of Barnsley town centre.

The scheme will also act as a catalyst for wider private sector investment in the town centre, housing developments, commercial space and transport infrastructure.

Despite COVID-19, a significant proportion of new units are pre-let, and the food hall has proved very popular for casual dining.

It is due to complete in September 2021.

Sheffield City Region Local Growth Fund allocation: £7,430,000

Total project cost: £142,303,975



### Case Study 3:

We have supported the innovative [Grey to Green Phase I](#) and [Grey to Green Phase II](#) projects. They have made Castlegate and Exchange Street a location for new investment and cutting-edge businesses, as well as a more attractive location to live in. It creates habitats for wildlife and will help city cooling, as well as providing local park and riverside access. These projects have improved the connectivity within Sheffield City Centre and made more attractive links between places.

#### Phase I

Sheffield City Region Local Growth Fund allocation: £2,464,000

Total project cost: £3,496,749

#### Phase II

Sheffield City Region Local Growth Fund allocation: £3,320,000

Total project cost: £5,083,865



#### Case Study 4:

In July 2020 [Gulliver's Valley](#) theme park and resort opened in Rotherham after being delayed by COVID-19 pandemic. 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).

Sheffield City Region Local Growth Fund allocation: £1,500,000 (£400,000 grant, £1,100,000 loan)  
Total project cost: £6,527,000



## Our plans for 2021/22

We must seize the opportunity in the year ahead to deliver a solid foundation for our new ambitions highlighted in the refreshed Strategic Economic Plan and the Renewal Action Plan.

The work of the LEP Board and the relationship between the LEP and the MCA will need to be refreshed following the Government's LEP Review to build on what is working well. The LEP Board will have to show resilience, and embrace change, recognising that unlocking the potential of our region will always be the driving force of our work.

The LEP have an expansive role to play across the strategic reach of the MCA;

- Offering strategic insight and direction to establish a delivery plan for Gainshare Investment
- In 2021/22 the South Yorkshire Digital Infrastructure Strategy will be completed to provide a framework for the roll-out of gigabit capable broadband infrastructure and 5G across South Yorkshire.
- Supporting the continuing Growth Hub and Skills Bank programmes, as well as the first-year delivery of the Adult Education Budget
- The recent agreement to re-name the MCA will need a considered public and private sector approach to strategic place-making and brand development input.
- To achieve a fairer region, we have work to do to inform the development of the Inclusion Strategy that incorporates the views of diverse stakeholders across the geographic footprint
- Continuing to develop the business investment pipeline and identify opportunities to champion and advocate for South Yorkshire as a place that is open for business
- Advising on Mayoral priority areas such as Active Travel and Arts, Culture and Heritage and supporting these programmes of work.
- Building upon the LEP business leadership approach that has been enhanced in response to the pandemic, including using the Business Advisory Group to strengthen engagement and dialogue with organisations such as the Chambers of Commerce.

The new Corporate Plan 21/22 is a joint document that supports our work by setting out the shared priorities of the Mayor, the MCA and the LEP to be delivered by the MCA Executive working collaboratively with partner organisations. It is structured around the three key themes of Stronger, Greener, and Fairer, and the guiding vision that the Mayor, the Mayoral Combined Authority, and the Local Enterprise Partnership work collectively together to ensure the South Yorkshire economy prospers.

In 2021/22, we will invest our funding in the following contracted projects and programmes:

Thematic Area	Programme/Project	Project Start Date	SCR Investment 2021-22	Expected Outputs/Outcomes 2021-22	Total SCR Investment (All Years)	Total Expected Outputs/Outcomes (All Years)
Business Growth and Recovery	Business Investment Fund (BIF)	April 2015/16	£6.228m	Jobs: 260	£50.44m	<b>Achieved by 2021/22</b> Jobs: 3,257
	Growth Hub	April 2015/16	£0.700m	<b>Bus Assist</b> Light intensity - 500 Medium intensity - 250 High intensity – 100		
	Made Smarter Programme		£1.500m (YH wide)	SMEs engaged: 500 Intensive support provided to 60 SMEs	£1.500m (YH wide)	SMEs engaged: 500 Intensive support provided to 60 SMEs
	Key Account Management (Trade & Investment)		£0.080m			
<b>Sub Total:</b>			<b>£8.508m</b>			

Thematic Area	Programme/Project	Project Start Date	SCR Investment 2021-22	Expected Outputs/Outcomes 2021-22	Total SCR Investment (All Years)	Total Expected Outputs/Outcomes (All Years)
Housing and Infrastructure	<p><b>M1 junction 37 Phase 2 Economic Growth Corridor Claycliffe</b></p> <p>Transport upgrades and access improvements to enable new homes, new school and jobs at Pogmoor site off Junction 37 in Barnsley.</p>	July 2019	£4.073m	Jobs:0	£10.637m	<p><b>Achieved by 2021/2022:</b> Jobs:0</p> <p><b>Total Projected</b> Jobs: 2,053</p>
<b>Sub-Total</b>			<b>£4.617m</b>			
Skills and Employment	<p><b>Digital Engineering Skills Development Network</b></p> <p>Establishing a transformational digital engineering skills network to increase the technical training offer at levels 3 and 4 for STEM occupations in the Engineering and Digital Technology sectors</p>	Dec 19	£1.129m	New learning floorspace: 1,128 sq m	£3.713m	

<b>Skills and Employment</b>	Skills Bank 2 extension		£0.785m	1,000 skills deals		
	Enterprise Advisor Network		£0.406m			
<b>Sub-Total</b>			<b>£2.32m</b>			
<b>Transport</b>	<b>Greasbrough Road Junctions</b> A junction improvement – replacement of the existing mini-roundabout at the junction of B6089 Potter Hill, B6089 Main Street and Coach Road, Greasbrough.		£1.050m	0.3 km of improved road	£1.759m	
<b>Sub-Total</b>			<b>£1.050m</b>			
<b>Total Committed Expenditure 2021-22</b>			<b>£16.495m</b>			

## The LEP Board

The LEP Board brings together 15 permanent private sector representatives, including two representatives from the Higher Education sector, plus the four Leaders of the Local Authorities and the Mayor as well as a Trade Union representative, a Chamber of Commerce representative and a co-opted private sector member.

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	James Muir
	Chair of LEP and LEP Equality and Diversity Champion
	Nigel Brewster Managing Director of Brewster Partners Recruitment Group LEP Vice Chair
	Lucy Nickson Chief Executive, Day One LEP Vice Chair
	Alexa Greaves Chief Executive at AAG Small Business Champion
	Professor Sir Chris Husbands Vice Chancellor of Sheffield Hallam University Representative for Higher Education

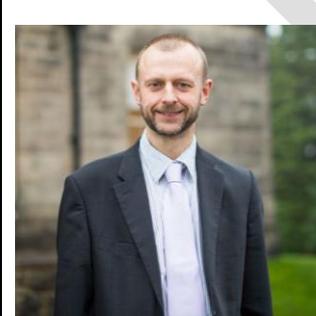
	<p>Gemma Smith Managing Director at Strata</p>
	<p>Karen Beardsley</p>
	<p>Managing Director at Unipart Rail Operations</p>
	<p>Neil MacDonald Former Master Cutler</p>
	<p>Joe Chetcuti Director at Front Ideas</p>
	<p>Peter Kennan Chartered Accountant &amp; Tax Advisor</p>

	<p>Richard Stubbs  CEO at Yorkshire &amp; Humber Academic Health Science Network</p>
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	<p>Tanwer Khan  Managing Director – Sovereign Management Solutions</p>
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	<p>Dan Fell</p>
	<p>Chief Executive at Doncaster Chamber of Commerce  Co-Opted LEP Board Member</p>

	<p>Bill Adams  Regional Secretary of TUC Yorkshire &amp; Humber  Trade Union Representative</p>

	<p>Professor Dave Petley  Vice-President for Innovation at the University of Sheffield  Co-opted LEP Board Member</p>



Cathy Travers  
Managing Director at Mott MacDonald UK and Europe.



Michael Faulks

Co-founder and Chief Technical Officer at loetec Ltd  
Co-Opted LEP Board Member



Angela Foulkes  
Chief Executive at Sheffield College



Mayor Dan Jarvis MBE  
Mayor of Sheffield City Region

	<p>Councillor Terry Fox Leader of Sheffield City Council</p>
	<p>Councillor Chris Read Leader of Rotherham Metropolitan Borough Council</p>
	<p>Mayor Ros Jones CBE Leader of Doncaster Metropolitan Borough Council</p>
	<p>Councillor Sir Steve Houghton CBE Leader of Barnsley Metropolitan Borough Council</p>

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