

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

A.1 iPort Bridge (TCF2 FBC)

Appendix A1 provides a summary of the project assurance and the suggested conditions of award.

This investment is for £5.45m from TCF2 towards total project costs of £5.79m to SYPTTE.

The project will deliver a new 0.5km bus and active travel link between New Rossington and the Iport to make PT a viable option for workforce and visitors.

The Benefits and Outcomes –

The project will deliver the following outcomes-

- Increased walking and cycling journeys
- Reduce public transport journey time
- Increase bus patronage
- Improvements in air quality and health and wellbeing

The project has a clear strategic rationale, demonstrating strong linkage to transport strategy goals, mayoral commitments and policies, the SEP, the RAP and TCF2 objectives. There is a key risk concerning access rights to the site however the risk is considered manageable at this stage. 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 Stations Access Package (TCF2 FBC)

Appendix A2 provides a summary of the project assurance and the suggested conditions of award.

This investment is for £6.17m from TCF2 to DMBC.

The Stations Access package aims to enhance accessibility to/from and at rail stations within Doncaster, including Adwick, Bentley, Conisborough, Kirk Sandall, and Thorne North and South, and deliver interventions that support connectivity to future High Speed Rail 2/Northern Powerhouse Rail touchpoints so that the rail network can become a viable alternative to the private car.

The project complements other TCF intended works including a package focused upon rail station improvements including enhanced signage, CCTV and lighting, and a package of improvements to cycle parking at each of the stations.

The Benefits and Outcomes

The project will deliver the following outputs -

- 10.1km of improved walking and cycling infrastructure
- 10.9km of new walking and cycling infrastructure
- 30 junction improvements to benefit non-car modes

The project will also contribute to the following outcomes -

- More walking and cycling journeys across the Sheffield City Region
- Increased rail patronage
- Increased satisfaction with public transport

The project aligns well with local and national policies and is considered good value for money. A number of conditions were outlined to be resolved during the assurance of the FBC, which have been addressed. The Assurance Summary notes some conditions of approval these are detailed in full within Appendix A2.

A.3 Gene Therapy Innovation & Manufacturing Centre

Appendix A3 provides a summary of the scheme assurance and the suggested conditions of award.

The Project

The project is seeking to establish the Gene Therapy Innovation & Manufacturing Centre (GTIMC) which will include provision of new facilities to conduct cutting-edge gene therapy, innovation, bespoke skills and training provision and a state-of-the-art gene therapy manufacturing facility within the University of Sheffield Innovation District.

The Benefits and Outcomes

The project will deliver:

- • 35 Jobs
- • 132 new learners assisted in courses leading to a full qualification
- • 780m2 Innovation floorspace

The GTIMC will facilitate the production of a talent pipeline through new training and skills provision (attracting skilled graduates to South Yorkshire and retaining these people in a high growth industry), provide manufacturing capacity for academic-led products, and act as a de-risked environment for the development of complex and underdeveloped treatments which may otherwise struggle to reach the clinic and provide patient benefit (translation stage). It will also create a number of new high-quality jobs, whilst providing opportunities for venture capital and international pharmaceutical investment that will significantly enhance SCR's innovation ecosystem.

The project aligns well with a range of local and national strategies and objectives. The assurance summary notes some conditions of approval, that will need to be resolved before an FBC can be submitted. These are detailed in full within Appendix A3.

A.4 Project D0001

Appendix A4 provides a summary of the scheme assurance and the suggested conditions of award.

The Project

This inward investment project seeks £7.13m capital funding in the form of a grant and loan as part of a wider £17.5m scheme at an intervention rate of c. 42%. Following initial discussions, the company have proposed a funding package of £5.16m grant and £1.97m loan. However, following external appraisal of the business case members are asked to consider whether consideration should be given to the current mix of grant and loan particularly in relation to the project demonstrating value for money.

The project will deliver a manufacturing facility and cement the company's footprint here in South Yorkshire. The project will be located within one of the key growth areas identified in the Strategic Economic plan (SEP). The project is expected to deliver against all three of the MCA's core strategic outcomes (Stronger, Fairer, Greener) and the SEP's overarching policy objectives (Growth, Inclusion and Sustainability).

The MCA is being asked to fund the establishment and fit-out of the Smart Factory (including equipment purchase), and R&D activities.

The Benefits and Outcomes

The project will deliver –

- 300 jobs

The project supports the strength of the region in leading edge technology and has significant opportunities to grow beyond the initial scheme. The technology being developed is likely to be a significant part of many product lines. The investment is due to create 300 jobs (gross) the standard way of calculating the value for money of jobs works on net jobs and estimates are that the scheme will create c139 net jobs after factoring in deadweight and displacement. However, this could potentially rise to 236 FTE's in the central case scenario. Utilising the worst-case net figure, the cost for job is high, albeit other cases could be more positive in terms of cost per job. The former estimate represents a worst-case scenario and depending on the actual levels of leakage and displacement could be much better. GVA is estimated at £7.4m per annum once full capacity reached.

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.

For information:

The estimate of cost per net job, as a value for money indicator, takes account of key additionality factors. In particular, the following are always considered

- **displacement** - which is the extent to which an increase in economic activity or other desired outcome is offset by reductions in economic activity or other desired outcome in the area under consideration or in areas close by. For example, where a supported business takes market share from an unsupported business),
- **leakage** - which is the extent to which effects “leak out” of a target area into others, in this case out of South Yorkshire
- **substitution** - where firms substitute one type of labour for another to benefit from an intervention but do not increase employment or output.
- **deadweight** - which is the extent to which the impact would have happened anyway,
- **multiplier effect** - which is the extent to which the project will generate further indirect impacts e.g. through the supply chain and increased spending in the local area.

These considerations are applied proportionally for every proposed investment and the applicant has an opportunity to submit their own estimate, backed by assumptions, rationale and evidence. This is then assessed objectively to provide an independent cost per net job estimate.

Please note that this is only one of the indicators in assessing value for money.

Other indicators like net present social value, cost benefit ratio, and several quantifiable, monetised, non-monetised and non quantifiable benefits are assessed based on the information provided. The principles are set out in the HM Treasury Green Book

(https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/938046/The_Green_Book_2020.pdf).