

Assurance Summary



Scheme Details

Project Name	The Glass Works – securing occupiers	Type of funding	Revenue
Grant Recipient	BMBC	Total Scheme Cost	£17,372,000
MCA Executive Board	MCA	MCA Funding	£2,600,000
Programme name	Gainshare	% MCA Allocation	15%

Part A - Appraisal Summary

Strategic Case	
<i>Project rationale</i>	Gap funding is required due to the impact of the pandemic and threatens the viability of the project, which has already had significant investment. MCA funding is needed to ensure sufficient inducement can be offered to attract the quality of occupier the project is targeting. The rationale for securing public monies to ensure the major Glass Works scheme remains viable should be strengthened, particularly on why a successful Glass Works is pivotal for the future success of Barnsley's inclusive economy.
<i>Strategic fit</i>	See Annex 1 at the end of this form.
Value for Money	
<i>Value for Money Statement</i>	
Significant work is required at OBC stage to present the outputs, outcomes and added value of MCA funding. This is because the project is already in receipt of MCA funding via LGF. This extra funding will not secure further outputs and outcomes but is intended to protect the investment that has already gone in and secure the promised returns. However, the extent to which this funding will actually do this needs to be fully tested and presented in the OBC.	
Risk	
Top 5 risks as present in the business case:	
<ol style="list-style-type: none"> 1. The rise of new COVID-19 variants leads to lockdown measures being re-introduced which prevent the opening of non-essential retail and hospitality businesses (Likelihood: Med / Impact: High) 2. The request for financial support for the Glass Works is not approved at all, or at a lower level. (Likelihood: Low / Impact: High) 3. Given the on-going uncertainty around the lifting of pandemic lockdown restrictions, prospective tenants may ultimately choose not to conclude negotiations and not take space at the Glass Works. (Likelihood: Low / Impact: High) 4. Prospective tenants may be attracted to the Glass Works but demand higher level of inducements than anticipated at present (Likelihood: Low / Impact: High) 5. It takes longer to conclude individual negotiations than anticipated leading to some expenditure slipping into 2022/23 (Likelihood: Low / Impact: Med) 	

Delivery
Timescales for the delivery of the key project milestones appear reasonable.
Legal
The applicant will obtain up-to-date Subsidy Control advice as part of the development of the Outline Business Case.

Annex 1 – Strategic Policy Fit

To what extent does the project meet the MCA’s strategic objectives as set out in the of the MCA Corporate Plan 2021-22?

Outcome	Strategic Objective	R/A/G Rating	Comments
Stronger Achieve sustained good growth, underpinned by productivity gains that exceed the UK average	Leading an economic transformation by: 1. creating not just a bigger economy but a better one: higher-tech, higher skill, and higher-value - backing wealth and job creators	G	The application says 14 jobs will be safeguarded with this investment.
	2. enabling businesses to survive, adapt and thrive and be more innovative and resilient as we come out of the pandemic and resulting economic downturn	G	The overall project is vital for creating more vibrant urban centres and increasing their leisure offer, which has been made even more important due to the pandemic’s impacts. It would bring new businesses into Barnsley. Its alignment with the strategic objective of the SEP and RAP of creating a stronger economy is very clear.
	3. stimulating local economies by investing in the infrastructure, transport and digital capabilities to create jobs and transform places	A	
Greener Drive forward environmental sustainability to achieve our net-zero carbon target by 2040	Leading a green transformation by: 4. decarbonising our economy, regenerating the natural environment and accelerating Net Zero Carbon transition	R	In the immediate term, opportunities for net-zero are limited. However, in the longer-term, there is potential for retail units to be consolidated in the Glass Works and this site being repurposed into green spaces, so there could be a modest contribution in the future.
	5. capitalising on technological and scientific capabilities to improve the resilience and quantum of clean energy supply, storage, distribution and usage	R	

	6. revolutionising transport, getting South Yorkshire moving by foot, bike, bus, tram and train	R	Not applicable
Fairer Unlock prosperity by eliminating the wage gap and health inequalities between South Yorkshire and the national average	Leading a wellbeing and inclusion transformation by: 7. raising quality of life, reducing inequality, and widening opportunity for South Yorkshire people	A	Despite the case being made strongly for Stronger, the same has not been made for Fairer. Appendix B says the investment will create more opportunities for disadvantaged people. This isn't referenced in the SBC, nor is any detail provided about how they would achieve this.
	8. equipping people to contribute to and benefit from economic prosperity	A	
	9. supporting people to improve their skills, get back to work, remain in or progress in work, or set up in business and thereby accelerate social mobility	A	

Part B - Recommendation and Conditions

Recommendation	Proceed to OBC
Payment Basis	
Conditions of Award (including clawback clauses)	
<i>Project costs to be worked up in further detail during OBC development. Gainshare funding can only be used to assist with capital costs of tenants.</i>	

