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Sheffield City Region Mayoral Combined Authority and Local Enterprise Partnership

Local Growth Fund: Mid-Term Evaluation

March 2021



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APPENDICES

Appendix 1 Project Case Studies

1.0 Introduction and Background

In July 2020, Focus Consultants was appointed by Sheffield City Region Mayoral Combined Authority to undertake the mid-term evaluation of the Sheffield City Region (SCR) Local Enterprise Partnership (LEP) Local Growth Fund Programme (LGF) to provide an analysis of the operation, delivery, achievements and impact of the LGF programme to date.

1.1 Background and Context

The Sheffield City Region Local Enterprise Partnership is a business-led partnership, located at the heart of the country, which promotes and drives economic growth. Formed in 2010, and bringing together business leaders, local politicians, and other partners, the LEP leads on strategic economic policy development and determines how funding from central Government should be invested to grow the local economy. The LEP also raises the profile, image and reputation of the Sheffield City Region as a place to visit, live, work and invest in. The Mayoral Combined Authority was formally constituted in law in April 2014 and is the legal and Accountable Body for all funding devolved by Government to the MCA, including funds awarded to the LEP such as the Local Growth Fund. The MCA is also the Local Transport Authority for South Yorkshire.

Figure 1: Map of Sheffield City Region



Chaired by Dan Jarvis MBE MP, the elected Mayor, the MCA comprises the nine local authority areas of Barnsley, Bassetlaw, Bolsover, Chesterfield, Derbyshire Dales, Doncaster, North East Derbyshire, Rotherham and Sheffield. Of these nine authorities four authorities (Barnsley, Doncaster, Rotherham and Sheffield) are constituent members of the MCA and the remaining five areas are non-constituent members. Together, the LEP and MCA form the core decision-making Boards for the Sheffield City Region.

At the start of the LGF programme the five non-constituent areas (Bassetlaw, Bolsover, Chesterfield, North East Derbyshire and Derbyshire Dales) situated in Nottinghamshire and Derbyshire were served by both D2N2 and SCR LEPs. After a 2019 Government review of LEPs it was requested that areas were represented by a single LEP only. At this time the five non-constituent areas withdrew from the SCR LEP.

Similarly, to the North, Barnsley was located within two city region LEP areas: Sheffield City Region and Leeds City Region until April 2020.

1.1.1 The SCR Strategic Economic Plan (SEP)

The Strategic Economic Plan (SEP) which the Local Growth Fund is delivering against, and which this study is evaluating against is the 2015-2025 Plan. The Strategic Economic Plan provided the framework for achieving the LEP's vision of "A City Region with a stronger and bigger private sector that can compete in national and global markets". The strategic objectives underpinning this vision were:

- Ensure SCR businesses have the support they need to realise their full growth potential
- Become more outward looking
- Provide the conditions that businesses need to prosper and become more resilient.

The SEP also identified six action areas:

1. Ensure new businesses receive the support they need to flourish by investing in the LEP's Place, our Businesses and our People
2. Facilitate and proactively support growth amongst existing firms
3. Attract investment from other parts of the UK and overseas, and improve our brand
4. Increase sales of SCR's goods and services to other parts of the UK and abroad
5. Develop the SCR skills base, labour mobility and education performance
6. Secure investment in infrastructure where it will do most to support growth.

The SEP targets were:

- To grow the economy by 10% (or £3.1bn) between 2014 and 2024
- To create 70,000 net new jobs by 2024, with 30,000 to be highly skilled
- To generate 6,000 new business start-ups by 2024.

The Annual Report and Delivery Plan 2020/21 highlights the following successes that have been delivered against the SEP targets. The LGF has played a key part in this success.

A. Target: Grow the economy by 10% (or £3.1 billion) by 2024

Progress to date (2019/20): We achieved this target in 2018 due to strong performance in a range of industrial sectors. The SCR economy is currently valued at £35 billion.

B. Target: Generate 6,000 new business start-ups by 2024

Progress to date (2019/20): 9,435 new businesses have started-up in the Sheffield City Region since 2014.

C. Target: Create 70,000 net new jobs by 2024, with 30,000 to be highly skilled

Progress to date (2019/20): We are ahead of schedule on achieving this target with 57,000 jobs created since 2014. This growth has been private sector-led with the business services and manufacturing sectors adding the most jobs.

1.1.2 Local Growth Fund

Following the review on local economic growth by Lord Heseltine, the Government created a £12bn ‘Local Growth Fund’; all 39 LEPs across the UK bid for a share of the fund by developing plans outlining how and on what they would spend the money. The Growth Deal aims to drive growth across the area by providing additional funding and leveraging investment to provide new homes and space for businesses, provide high quality skills and training facilities and deliver key transport improvements across the area.

Local Growth Deals provide funds from Central Government to LEPs for projects that benefit their local area and economy. To secure funds, LEPs were required to submit a portfolio of projects to Government. After being assessed by Government, the first Growth Deal projects were announced in July 2014. Growth Deal 2 projects were announced in January 2015 and finally Growth Deal 3 projects were announced in March 2017.

The LEP was awarded £363m LGF funding, including £42.m for a retained major transport scheme. The LGF programme funds a range of different priorities including transport, skills capital, housing and business investment. The purpose of the LGF programme is to fund projects that will deliver the strategic priorities, objectives and targets outlined in the Strategic Economic Plan 2015-2025. To date, the LGF has funded a range of initiatives, programmes and projects including:

- **Infrastructure Programme** - Between 2015 and 2021 the LEP are investing £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.
- **Business Investment Fund** - A £52 million fund helping indigenous and re-locating businesses with the potential for growth to plug finance gaps which can't be met through traditional finance sources.
- **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.¹
- **Skills Capital Fund** - Investment in the development of state-of-the-art training facilities and equipment across the Sheffield City Region.
- **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.

1.2 The Assurance Framework

The LGF funded projects that are being evaluated through this study are delivered following the guidance set out in the Assurance Framework 2019. This document sets out how the MCA use public money responsibly, both openly and transparently, and achieve best value for money.

¹ As part of the devolution deal, there was an agreement for the LEP to swap capital for revenue and this contributed towards the Growth Hub. The Growth Hub is subject to a separate evaluation.

1.2.1 Thematic Boards

The Mayor, MCA Board and LEP Board are supported by five Thematic Boards (Business Growth, Housing, Infrastructure, Skills and Employment and Transport) and the MCA Executive Team. Since this evaluation commenced, the Housing and Infrastructure Boards have merged and there are now four Thematic Boards.

The Thematic Boards are responsible for driving forward the agenda of their thematic area. Thematic Boards routinely meet on an eight-weekly cycle. The responsibilities of the Thematic Boards are to:

- Shape future thematic policy, priorities and programmes for the LEP and MCA Boards to approve
- Review programme and funding applications of less than £2 million that have been through the assurance process and make decisions
- Review programme and funding applications of £2 million or more that have been through the assurance process and make a recommendation to the MCA Board for their consideration
- Accept grants with a value of less than £2 million
- Monitor programme delivery and performance on their thematic area.

1.2.2 The MCA Executive

The MCA Board, LEP Board and Thematic Boards are supported by the MCA Executive Team, employed by the MCA. The MCA Executive is a dedicated resource that provides impartial advice and works in collaboration with partners and stakeholders.

The MCA Executive supports the MCA and LEP to develop policy, initiating and encouraging project ideas, developing business cases, assurance, programme and project monitoring, evaluation, administration of the boards and preparing papers and reports for consideration.

1.2.3 Commissioning and Open Calls

Project and programme applications for funding usually originate from three sources:

- **Original Schemes** - Those schemes identified as part of the submission for Growth Deal Funding
- **A Thematic Board** - the Thematic Boards will proactively identify potential projects which satisfy the strategic objectives of the SEP and thematic Delivery Plan. These are subject to funding being available.
- **Via a targeted Open Call for Project Applications** - open calls inviting applicants to bid for funding or propose a project are published on the SCR website. Calls have a specific focus, such as delivering an investment priority or targets in the SEP. Project applicants and scheme promoters will then submit a response or bid.

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1.2.4 The Assurance Process

All schemes and projects seeking investment, are assessed to ensure they fit with the strategic intent of the growth deal and LGF funds to create jobs and improve the regions GVA.

The steps involved in the assurance process are detailed below:

- **Strategic Business Case (SBC)** - A SBC is the first official communication from a project applicant or scheme promoter. The SBC provides a first view of the 'how, what and when' the project will deliver and its strategic fit with the SEP. The SBC is a standard template and requests information from the applicant including: project objectives and vision, project outputs and outcomes against the SEP; timescales; high level cost of project; initial funding required; and project sponsor. The SBC is assessed in line with the five-case model in the HM Treasury Green Book guidance.

The Assurance Panel reviews the technical analysis undertaken by the MCA Executive. The Assurance Panel, on behalf of the Statutory Officers, provide a recommendation to a Thematic and / or LEP Boards; either to accept a project to the programme pipeline, defer the project for further work or to reject the project. The Thematic Board oversees due diligence in appraising the project, but the LEP Board accepts the project onto the pipeline programme.

- **Outline and Full Business Cases** - Having been accepted onto the programme pipeline, the project applicant is required to develop the business case further. The requirements at this stage are dependent on the nature, scale, risk and complexity of the project. Smaller, simple projects are unlikely to require an Outline Business Case (OBC) in addition to a Full Business Case (FBC).

The MCA Executive and Assurance Panel reviews the cases and the Statutory Officers determine whether an OBC is required on a project-by-project basis.

The OBC and FBC build on the foundations of the Strategic Business Case in that they provide considerably more detail on each of the five cases outlined in the HM Treasury Green Book guidance. Once an OBC and FBC is fully developed it is submitted for to progress through the assurance process. An independent assessment is undertaken of all OBCs and FBCs to quality assure and scrutinise the project as well as undertaking all necessary due diligence checks. When technical expertise or specialist advice is required to appraise the project, the MCA Executive uses contractors – the Central Independent Appraisal Team (CIAT) - to assist in appraising the SBC. The MCA Executive ensures there is always a clear distinction and adequate separation between the scheme promoters and the decision makers.

The Assurance Panel reviews the technical analysis undertaken by the MCA Executive and CIAT (where applicable). The Assurance Panel, on behalf of the Statutory Officers, makes a recommendation to the Thematic Board; either to fully approve the project or defer the project for further work. The Thematic Board can approve the project if it is within their delegated limit. Projects which exceed the delegation are endorsed by the Thematic Board and submitted to the MCA Board for approval.

1.2.5 Assurance Panel

The Panel currently consists of the MCA's three Statutory Officers or their representatives and relevant officers from the MCA Executive. The Panel makes recommendations to the appropriate decision-making Board on the level of risk of a project and whether to endorse, approve or defer funding applications. The Panel can also recommend rejecting applications at this stage. If a project is rejected, then it wouldn't be taken any further.

1.2.6 Contract Management

Once a project or scheme is approved, there is regular communication with the project applicant/scheme promoter. The MCA Executive manages the delivery of the contract and works with the applicant/scheme promoter to monitor progress and risks. The MCA Executive is responsible for immediately addressing any slippages or concerns regarding project delivery and taking corrective action. Each grant claim is crosschecked against the approved project baseline information as part of the quarterly reporting processes. All project applicants/scheme promoters are required to provide regular financial and delivery information to the MCA Executive. The applicant/scheme promoter submits quarterly reports to the MCA Executive, who collate the reports for all projects within the programme into a quarterly report to MHCLG, MCA and the LEP Board.

1.2.7 Contract Values and Clawback

A Funding Agreement between the MCA and project applicant/scheme promoter sets out the conditions relating to the MCA's agreement to fund the project and the responsibilities of the MCA and applicant/ scheme promoter. The Funding Agreement includes a mechanism for clawback based on an assessment of risk. This ensures that funding is only spent on the specified scheme and linked to the delivery of outputs and outcomes, whilst giving the MCA and LEP the option of clawing back funds for poor performance or misuse of funds.

2.0 Project Overview

The tables below give a brief explanation regarding the types of projects that have been funded through the LGF programme. Projects have been grouped by theme – a more detailed breakdown of the projects including the Business Investment Fund and Skills Capital Fund where multiple projects were funded are included in more detail later. The associated spend and outputs of these projects is analysed in more detail in the following sections, along with information on the geography, theme and urban/ rural split of the grants awarded.

Business Support Schemes	
Scheme	Brief Description
Extending SCR RGF - Unlocking business Investment	Investment grants to businesses that demonstrated growth or the potential to grow.
SCR Growth Hub	Enabling businesses to access support for growth – building on regional and national growth programmes and enabling businesses to maximise private sector expertise.
Urban Development Fund	To provide SCR JESSICA with a £15m loan to invest in commercial property developments in line with an approved Investment Strategy.
SCR Property Fund	To develop the City Region's property, offer to attract new business investment, through the offer of 'de facto grants' (first loss loans) as well as sub-market and commercial loans.

Enterprise	
Scheme	Brief Description
EZ	A fund to encourage and accelerate development in the SCR Enterprise Zone and a number of sites that are waiting formal EZ designation.
Retford Enterprise Centre - Ph 2	To provide 686m2 of new floor space for office and clean manufacturing space, to enable current occupants and other local businesses to move to larger spaces as their business grows.
AMRC Lightweighting Centre - Phase 1	To provide the Advanced Manufacturing Research Centre with leading edge capacity in the aerospace and automotive sectors.
Purchase of Advanced Manufacturing Park Technology Centre	This project will secure local ownership and control of the Advanced Manufacturing Park Technology Centre (AMPTC), through a strategic acquisition from the Government.
Harrison Drive, Langold	368sqm of new floorspace for light industrial/workshop units.

Tourism	
Scheme	Brief Description
Peak Resort	On the edge of the Peak District National Park, this project will be a nationally significant year-round tourist, leisure and education destination. Funding is facilitating initial site infrastructure works, including new access, footpath and bridleway diversions, and a secure boundary.
Yorkshire Wildlife Park	Securing land adjacent to the current Yorkshire Wildlife Park for a new entrance, visitor hub with themed restaurants, destination hotel and investment in signature animal reserves.
Gullivers Infrastructure	Gulliver's Valley theme park offering rides and attractions aimed at children aged from 2-13 years old and their families.

Enabling Works	
Scheme	Brief Description
M1J37 Claycliffe Link - Phase 2	To deliver a mixed-use development of 80.3 hectares of land, comprising of 43 hectares of employment land and 1,700 new homes, including affordable housing, plus public open space and new primary school provision.
M1 Junction 36 Strategic Site Acquisition	Acquisition of a strategic parcel of allocated employment land off the Dearne Valley Parkway to facilitate the early delivery of the site, and contribute to wider housing and employment objectives in the vicinity of M1 Junction 36 to A6195 Dearne Valley Economic Growth Corridor.

Skills	
Scheme	Brief Description
National Centre of Excellence for Food Engineering	A new build research & development facility that will integrate innovation in food processing, packaging, handling, storage & distribution equipment with techniques in food engineering/ automation.
Skills Capital – North Notts College	Refurbishment of the North Nottinghamshire College employer facilities. This project has provided upgraded rooms, facilities and frontage which benefits all learners and target SME beneficiaries in the locality.
Skills Capital – National Rail College	Delivery of a world class new National Centre for High Speed Rail (NCSR) college. The NCSR vision is to deliver high level technical skills in rail engineering and technology.
Skills Capital – Rotherham College	A newly built centre for higher level skills in Rotherham at Doncaster Gate which provides higher level skills and education focused on the delivery of higher and degree apprenticeships, short courses and foundation degrees.
Skills Capital – SHU Capacity Building for Degree Apps	The investment is to support refurbishment of two identified estates (one existing and one new lease) to enable the development of dedicated teaching spaces for Higher and Degree apprenticeship provision delivered by the scheme promoter Sheffield Hallam University.

Skills	
Skills Capital – The Sheffield College Increasing Higher Level Skills Construction and Engineering	This project enables Sheffield College to increase its vocational training offer for STEM occupations in the construction and engineering sectors.
Skills Capital – Chesterfield College Infirmary Road Project	Redevelopment of Chesterfield College's Infirmary Road Campus. New courses are on offer for school leavers and adults who want to upskill and retrain.
Skills Capital – National Fluid Power Centre Integrated Systems	Advancements to the integrated systems in the National Fluid Power Centre (RNN Group). The project consists of 3 key elements: installation and commissioning of new hydraulic pumps and pump control areas; installation of a series of electrical control modules to existing pneumatic rigs; and new electro-hydraulic training rig together with the latest sensor technology, online monitoring system and VDU.
Skills Capital – RNN Group Motor Vehicle and IT Curriculum Growth Plan	The project supports residents to acquire the skills and qualifications to support growth key industries by ensuring the facilities that learners have access to are as up to date as possible. The funding supported the updating of IT servers and the purchase of equipment including 3 x Hybrid Vehicles and 3 x Electric Vehicles to allow us to improve and advance our current Motor Vehicle Engineering offer so that Motor Vehicle learners can undertake their learning using the latest technological advancements.
Skills Capital – 360 VFX	The project entails the creation of film and tv studios, visual effects production facility (VFX), a Film, TV and VFX training academy and hotel and events business at the former High Melton campus of Doncaster College.
Skills Capital – Doncaster UTC Ltd	Replacement of outdated mechatronic and automation equipment at the Sheffield University Technical College (UTC).
Skills Capital – Digital Engineering Skills Development Network	Doncaster UTC specialises in Advanced Engineering and Digital Design for students aged 13-19. This will equip young people with the education and qualifications required for future success and will create pathways into university or higher levels of education and to the most significant areas of growth in employment, locally, nationally and internationally.
Skills Capital – Barnsley College Digital Innovation Hub	The project reconfigured and refurbished Barnsley College's existing Sci Tech Campus building into the Digital Innovation Hub (DIH), delivering learning space and teaching space designed to ensure learners have access to high-quality facilities and industry standard equipment to gain the skills and knowledge employers demand.
Skills Capital – Sheffield UTC – From Teenager to Employee	This scheme has secured a grant of £494,900 to purchase industry standard mechatronics and automation equipment. The UTC will support the upskilling of adults in the current workforce through commercial courses in industrial automation and advanced technologies whilst also raising aspirations for learners from disadvantaged backgrounds.

Transport	
Scheme	Brief Description
M1 J36 to Dearne Valley - Phase 1 (Hoyland)	New and improved highways infrastructure works and on-site servicing works, which will enable the delivery of key areas of employment land along the M1 Junction 36 - Phase 1 is in Hoyland.
M1 J36 to Dearne Valley - Phase 2 (Goldthorpe)	New and improved highways infrastructure works enabling the delivery of key areas of employment land along the M1 Junction 36 - Phase 2 is in Goldthorpe.
Harworth Bircotes	A programme of road improvements over four junctions.
Worksop & Vesuvius Works 1	The signalisation of the A60/A57/B6024 junction.
Worksop & Vesuvius Works-2a	Highways improvements to help provide access to a Manton Wood, a key employment site.
Worksop & Vesuvius Works-2b	Highway improvements to provide access to a key employment site at Shireoaks Common.
Sustainable transport exemplar	New or improved dedicated walking and cycling routes and enhanced public transport provision.
Doncaster Urban Centre - Waterfront (West)	Strengthening and improvement of an existing bridge which provides access to the site of the planned £8.5m Network Rail new accommodation and depot facilities.
Markham Vale	Road and service infrastructure investment, providing an essential connection between Markham Vale North Business and Commercial Park and the M1 Junction 29A.
Bus Rapid Transport North	A 12km Bus Rapid Transit link between Sheffield and Rotherham to facilitate regeneration and job creation.
DN7 (Hatfield Link)	A 2.9km road from Junction 5 of the M18, to unlock mixed-use development comprising 3,100 houses, commercial floor space and local centre, retail and educational facilities.
FARRS 2	Completion of Sheffield City Region Gateway connecting Doncaster Sheffield Airport to Junction 3 of the M18. Phase 2 is a 2km highway which will enable a further 395,958m ² of commercial development, improve journey times and reduce congestion.
Supertram renewal	Renewal works to ensure the longevity of the Supertram network in Sheffield.
Modelling and Strategic Testing	A refresh of SCR's testing tools to allow all transport projects over £5m to be appraised according to webTAG, as per Department for Transport requirements.
Westmoor Link	Dualling of the A630 between Junction 4 of the M18 and A18 Leger Way/Thorne Road, plus the A18 and A630 Wheatley Hall Road.

Skills	
M1J37 Claycliffe Link - Phase 1	Highway improvements to the A628 Dodowrth Road/ Pogmoor Road crossroads to facilitate economic development by unlocking prime development land.
A618 Growth Corridor	Opening up land at the former Pithouse West site for the new Gulliver's Valley theme park, improving access to the country park and allowing an existing business park to expand.
Market Harborough Line Improvements	To increase the capacity at Market Harborough station, on the route between London and Sheffield, through track realignment, improving the throughput of trains.
Greasbrough Corridor Improv's	Extra capacity at key junctions along the route of the B6089 (Car Hill/ Potter Hill/ Cinder Bridge Road).
Doncaster Sheffield Airport Capacity Expansion	Increased passenger capacity at Doncaster Sheffield Airport through a reconfigured and extended airport car park infrastructure and parking product.

Regeneration	
Scheme	Brief Description
Sheffield City Centre - Grey to Green (Phase 1)	The first phase of the transformation of 1.3 km of redundant carriageway to linear green space.
Sheffield City Centre - Grey to Green (Phase 2)	The second phase of the transformation of 1.3 km of redundant carriageway to linear green space.
Sheffield Centre - IRR Junction Improvements	Improvements to selected junctions on the Sheffield Inner Ring Road, to provide increased capacity for planned city centre regeneration.
Sheffield City Centre - Knowledge Gateway	Bringing forward sites for redevelopment along a corridor from Fitzalan Square to Brown Street.
Sheffield Centre – SRQ	Investment in connectivity and public realm for the Moor and New Retail Quarter.
Sheffield City Centre - University of Sheffield Campus (Phase 1)	A series of interventions around the University of Sheffield central campus, including: construction of high-quality landscaped pedestrian/ cycling routes, pedestrian/ cycle crossings, high quality public realm and unlocking of sites for university facilities.
Chesterfield Waterside	Site preparation works to provide site infrastructure and enable the first phase of built development for a major regeneration scheme.
Doncaster Urban Centre - Markets (Phase 1)	The rejuvenation of the markets in the town centre.
Doncaster Urban Centre - Quality Streets	Increasing the attractiveness of Doncaster's Hall Gate and Silver Street areas including enhancements to public realm, changes to traffic flow, pedestrianisation and lighting features.
Doncaster Urban Centre - St. Sepulchre 1+2	To provide a new gateway to Doncaster by redeveloping the station forecourt and the access to the station from St Sepulchre Gate.

Regeneration	
Scheme	Brief Description
Doncaster Urban Centre – Civic and Cultural Quarter (CCQ)	Public realm works to facilitate the delivery of a proposed cinema and restaurant scheme, and ensure that the wider CCQ regeneration area is more cohesively linked.
Chesterfield Northern Gateway	Regeneration scheme in Chesterfield town centre, including rebuilding Saltergate car park, developing managed office space, public realm improvements, mixed use leisure scheme.
Better Barnsley Retail and Leisure Development	Regeneration of Barnsley town centre including provision of a new library, town square, refurbished indoor market, and retail and leisure facilities.
Forge Island	Acquisition of Forge Island in central Rotherham, clearing the site and enhancing its attractiveness to future developers to deliver a leisure and cultural quarter.
Parkwood Ski Village	Remediation of the derelict former ski village site.
Glass Works	Barnsley Town Centre - 26 new retail units; 4 leisure units, including a cinema and a bowling alley; 7 restaurants; a new refurbished Market Hall and associated Food Hall.

Housing	
Scheme	Brief Description
SCR Housing Intervention Fund	This fund will enable SCR partners to drive forward the delivery of new housing, via a pilot scheme which will provide a range of flexible investment tools in order to fill gaps in nationally available products.
SCR Housing Intervention Fund - Phase 2	A second phase of the SCR Housing Intervention Fund, which will enable SCR partners to continue to drive forward the delivery of new housing, via a range of flexible investment tools.

Broadband	
Scheme	Brief Description
Superfast Broadband	To provide access to superfast broadband services for premises across South Yorkshire.

Health and Wellbeing	
Scheme	Brief Description
Olympic Legacy Park	Innovations within the health and wellbeing sector to help people be more active.

Flood Management	
Scheme	Brief Description
Upper Don Valley - UDV Flood Alleviation	Improved resilience to flooding for households, commercial properties, transport and other critical infrastructure in the area.

It is worth noting that all but one project took place within the SCR geography. The Market Harborough Line Improvements project was designed to increase the capacity at Market Harborough station, on the Midland Mainline route between London and Sheffield, through track realignment, improving the throughput of trains for freight and passenger services. The scheme will contribute towards an overall reduction in journey times between London and Sheffield, supporting the SCR economy. This project was jointly funded by Derbyshire and Nottinghamshire LEP (D2N2), Leicester and Leicestershire LEP (LLEP) and Sheffield City Region LEP (see case study section for more details).

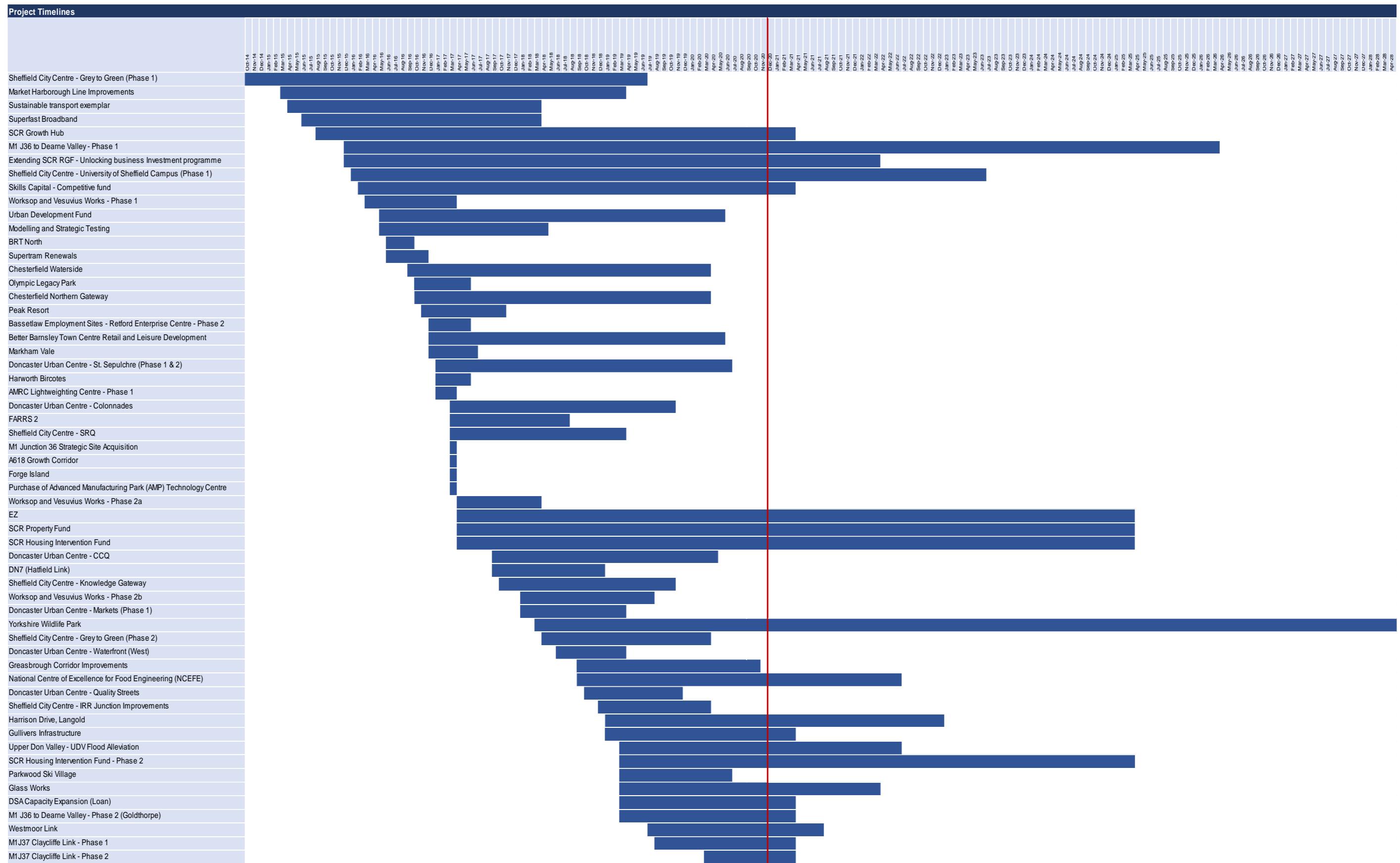
The grant allocated to each individual project and the contracted outputs can be seen in later sections. Note: Financial figures shown in the tables in the rest of this report are taken from the DELTA report. Individual project awards include both contracted amounts plus a small element of programme management costs as agreed by the MCA.

2.1 Timeline

We have mapped each project's anticipated timeline as a means of illustrating the intended start and end points for each. Note: the end point represents financial completion rather than achievement of all outputs.

The graphic demonstrates that whilst a significant number of projects have recently achieved financial completion, there are many projects which will continue for several years, some up to 2025 and beyond the period of the Strategic Economic Plan.

It is expected that many of the outcomes will be achieved after projects have been completed. This data will need to be collated to understand the overall impact of the programme.



3.0 Financial Analysis – LGF Awards

This section considers where, and for what purposes, the LGF grants have been awarded at both the programme and project level. It considers the split of projects by investment theme, geography, and by urban/ rural location.

3.1 LGF Grants by Investment Theme

During the application and assurance process all projects awarded grant funding were allocated to an investment theme, such as transport, regeneration or business support. The table below shows the total LGF grants awarded to the projects by theme.

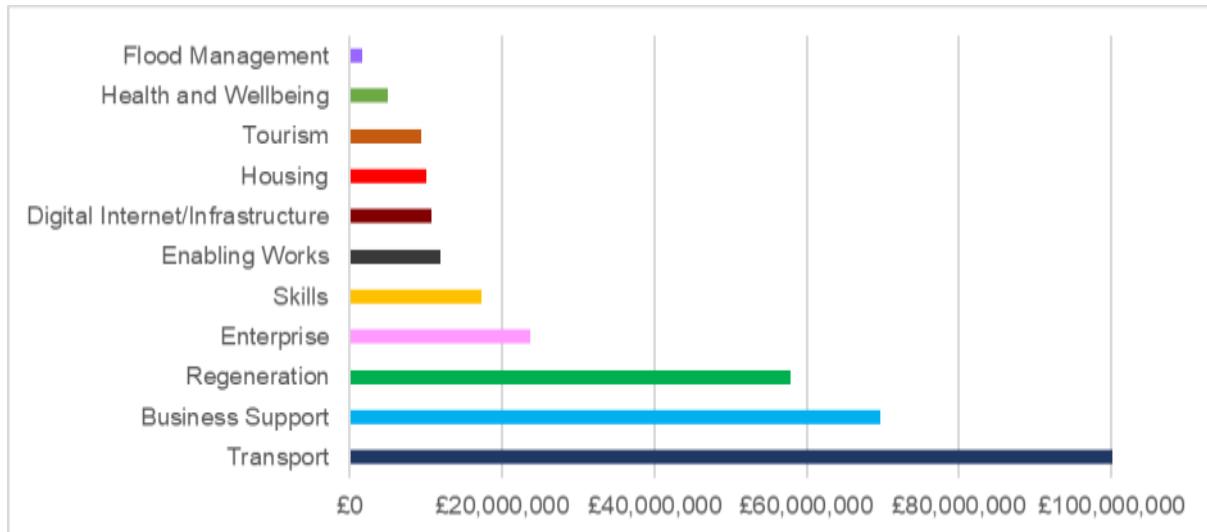
LGF Funding by Theme	
Theme	Total
Transport	£102,141,502
Business Support	£69,691,031
Regeneration	£57,849,127
Enterprise	£23,707,573
Skills	£19,534,835
Enabling Works	£11,898,040
Digital Internet/Infrastructure	£10,762,068
Housing	£10,061,705
Tourism	£9,468,430
Health and Wellbeing	£4,984,272
Flood Management	£1,577,300
Total	£321,675,883

Source: MCA Executive, October 2020

Note: Of the above funded projects, 1 project took place outside of the Sheffield City Region area. This was £5,069,605 of LGF grant for a transport scheme in Market Harborough – this is explained in more detail below.

The financial figures shown in the table above are taken from the DELTA report and include project contracted amounts plus a small element of programme management costs as agreed by the MCA.

This information has also been shown graphically below:



We can see that the three largest areas of awarded grants for the LGF programme are transport, business support and regeneration. This reflects the nature and emphasis of the programme and guidance from Government on how the funding was to be spent.

It is worth noting that certain types of projects, such as active travel, or public travel do not fit well with the national focus of the Local Growth Fund as they do not directly deliver the types of economic outputs being sought through the programme such as jobs and GVA increases.

Given the restrictions of the funding scheme, from an evaluation perspective, it is considered that there is a good spread of project spend across the different thematic areas.

3.1.1 LGF Grants by Investment Theme: Project Level

The table over the page shows the breakdown of the LGF grants awarded for each investment theme on a project-by-project basis.

Note: some schemes such as the Extending SCR RGF - Unlocking Business Investment Programme supported multiple projects. The full list of projects under this programme are included in the case studies at Appendix 1. For the Skills Capital Programme, the table below shows projects that have been approved and contracted to date.

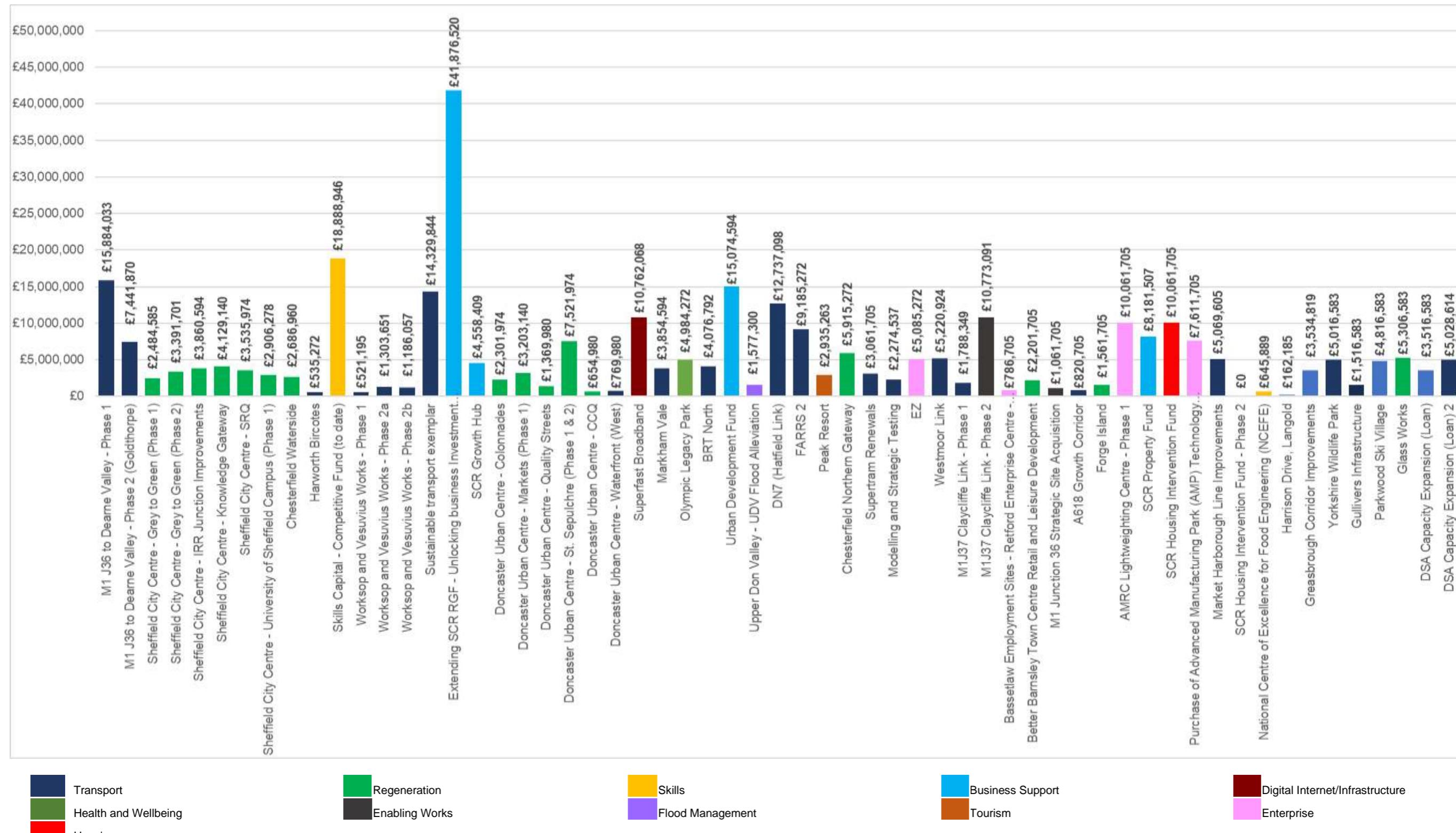
Local Growth Fund Allocation by Theme			
Theme	Project	LGF Allocation	Total for Theme
Transport	M1 J36 to Dearne Valley - Phase 1	£15,884,033	
	M1 J36 to Dearne Valley - Phase 2 (Goldthorpe)	£7,441,870	
	Harworth Bircotes	£535,272	
	Worksop and Vesuvius Works - Phase 1	£521,195	
	Worksop and Vesuvius Works - Phase 2a	£1,303,651	
	Worksop and Vesuvius Works - Phase 2b	£1,186,057	
	Sustainable transport exemplar	£14,329,844	
	Doncaster Urban Centre - Waterfront (West)	£769,980	
	Markham Vale	£3,854,594	
	BRT North	£4,076,792	
	Upper Don Valley - Parkwood Springs	£0	
	DN7 (Hatfield Link)	£12,737,098	£102,141,502
	FARRS 2	£9,185,272	
	Supertram Renewals	£3,061,705	
	Modelling and Strategic Testing	£2,274,537	
	Westmoor Link	£5,220,924	
	M1J37 Claycliffe Link - Phase 1	£1,788,349	
	A618 Growth Corridor	£820,705	
Regeneration	Market Harborough Line Improvements	£5,069,605	
	Greasbrough Corridor Improvements	£3,534,819	
	DSA Capacity Expansion (Loan)	£3,516,583	
	DSA Capacity Expansion (Loan) 2	£5,028,614	
	Sheffield City Centre - Grey to Green (Phase 1)	£2,484,585	
	Sheffield City Centre - Grey to Green (Phase 2)	£3,391,701	
	Sheffield City Centre - IRR Junction Improvements	£3,860,594	
	Sheffield City Centre - Knowledge Gateway	£4,129,140	
	Sheffield City Centre - SRQ	£3,535,974	
	Sheffield City Centre - University of Sheffield Campus (Phase 1)	£2,906,278	
	Chesterfield Waterside	£2,686,960	
	Doncaster Urban Centre - Colonnades	£2,301,974	
	Doncaster Urban Centre - Lakeside Power	£0	
	Doncaster Urban Centre - Markets (Phase 1)	£3,203,140	£57,849,127
	Doncaster Urban Centre - Quality Streets	£1,369,980	
	Doncaster Urban Centre - St. Sepulchre (Phase 1 & 2)	£7,521,974	
	Doncaster Urban Centre - CCQ	£654,980	
Skills	Doncaster Urban Centre - St. Sepulchre (Phase 3)	-	
	Chesterfield Northern Gateway	£5,915,272	
	Better Barnsley Town Centre Retail and Leisure Development	£2,201,705	
	Forge Island	£1,561,705	
	Parkwood Ski Village	£4,816,583	
	Glass Works	£5,306,583	
	National Centre of Excellence for Food Engineering (NCEFE)	£645,889	
	SHU Capacity Building for Degree Apps	£500,000	
	The Sheffield College Increasing Higher Level Skills Construction and Engineering	£154,765	
	Digital Engineering Skills Development Network	£3,712,655	
	Sheffield UTC - From Teenager to Employee	£494,900	
	Barnsley College Digital Innovation Hub	£2,590,000	
	Rotherham College	£3,513,134	£19,534,835
Business Support	National Fluid Power Centre Integrated Systems	£132,500	
	RNN Group Motor Vehicle and IT Curriculum Growth Plan	£185,500	
	Chesterfield College Infirmary Road Project	£243,000	
	North Notts College	£308,055	
	National Rail College	£6,000,000	
Digital/Internet Infrastructure	360 VFX	£902,577	
	Doncaster UTC Ltd	£151,860	
	Extending SCR RGF - Unlocking business Investment programme	£41,876,520	
Health and Wellbeing	SCR Growth Hub	£4,558,409	£69,691,031
	Urban Development Fund	£15,074,594	
	SCR Property Fund	£8,181,507	
Digital/Internet Infrastructure	Superfast Broadband	£10,762,068	£10,762,068
Health and Wellbeing	Olympic Legacy Park	£4,984,272	£4,984,272
Enabling Works	Upper Don Valley - Claywheels Lane (Phase 1)	£63,244	
	M1J37 Claycliffe Link - Phase 2	£10,773,091	£11,898,040
	M1 Junction 36 Strategic Site Acquisition	£1,061,705	

Local Growth Fund Allocation by Theme			
Theme	Project	LGF Allocation	Total for Classification
Flood Management	Upper Don Valley - UDV Flood Alleviation	£1,577,300	£1,577,300
Tourism	Peak Resort	£2,935,263	
	Yorkshire Wildlife Park	£5,016,583	£9,468,430
Enterprise	Gullivers Infrastructure	£1,516,583	
	EZ	£5,085,272	
	AMRC Lightweighting Centre - Phase 1	£10,061,705	
	Purchase of Advanced Manufacturing Park (AMP) Technology Centre	£7,611,705	£23,707,573
Housing	Harrison Drive, Langold	£162,185	
	Bassetlaw Employment Sites - Retford Enterprise Centre - Phase 2	£786,705	
	SCR Housing Intervention Fund	£10,061,705	£10,061,705
SCR Housing Intervention Fund - Phase 2			£0
			Total
			£321,675,883

Source: MCA Executive October 2020

3.1.2 Grant Funding Awarded - Graph

The graph shows the grant funding awarded to each of the projects supported by LGF. LGF Grants range in size from £162,185 to £41,876,520, with the largest grant awarded to the Extending SCR Regional Growth Fund – Unlocking Business Investment Programme, which aimed to coordinate and integrate access to finance through the Growth Hub. This project supported multiple private sector schemes and more details on this programme are included in the case study section. Similarly, the Skills Capital Programme supported major capital investment across the region including: The National College for High-Speed Rail, The North Notts College Campus, and the development of a new Centre for Higher Level Skills in Rotherham.



3.2 Grants Awarded by Geography

Reporting data allocates each funded project to a postcode, and this data has been used to further allocate each project to a district.

Note, some projects have been excluded from the calculations – see explanation below.

The tables below show a detailed breakdown of awards by district across the SCR region, including a breakdown of Business Investment Fund (BIF) and Skills Capital projects. The information in the table is based on the best information available at the time of the evaluation. Some projects have been excluded from the calculations and some information on the breakdown of funding was not available at the time of evaluation so the final breakdown by district may differ.

LGF Allocation - Sheffield						
Infrastructure Grants			BIF Projects		Skills Capital Projects (Q2 20/21)	
Project	Theme	Allocation	Project	Allocation	Project	Allocation
Sheffield City Centre - Grey to Green (Phase 1)	Regeneration	£2,484,585	AET	£49,489	SHU Capacity Building for Degree Apps	£500,000
Sheffield City Centre - Grey to Green (Phase 2)	Regeneration	£3,391,701	AF ChemPharm Project 1	£25,000	The Sheffield College Increasing Higher Level Skills Construction and Engineering	£154,765
Sheffield City Centre - IRR Junction Improvements	Regeneration	£3,860,594	AF ChemPharm Project 2	£25,000	Digital Engineering Skills Development Network	£3,712,655
Sheffield City Centre - Knowledge Gateway	Regeneration	£4,129,140	Arthurs Skips	£150,000	Sheffield UTC - From Teenager to Employee	£494,900
Sheffield City Centre - SRQ	Regeneration	£3,535,974	Bag it Don't Bin It	£50,000		
Sheffield City Centre - University of Sheffield Campus (Phase 1)	Regeneration	£2,906,278	Biovation Orthopaedic Ltd P1	£50,000		
Parkwood Ski Village	Regeneration	£4,816,583	Biovation Orthopaedics Ltd P2	£90,000		
Olympic Legacy Park	Health and Wellbeing	£4,984,272	Boeing	£5,750,000		
BRT North	Transport	£4,076,792	BPH Engineering	£27,000		
Supertram Renewals	Transport	£3,061,705	Clipper	£1,150,000		
Modelling and Strategic Testing	Transport	£2,274,537	Cosmarida 2010 Limited	£96,000		
Upper Don Valley - Claywheels Lane (Phase 1)	Enabling Works	£63,244	Cossack Cuisine	£30,000		
Upper Don Valley - UDV Flood Alleviation	Flood Management	£1,577,300	Davy Markham	£500,000		
National Centre of Excellence for Food Engineering (NCEFE)	Skills	£645,889	Diamond Specialist Seating	£184,200		
SCR Housing Intervention Fund	Housing	£2,034,204	Eurosafe Solutions Ltd	£85,000		
			Exhausts UK Limited	£50,636		
			Fernite	£135,000		
			First Customer Contact	£1,500,000		
			Forgemasters	£650,000		
			Green Estates	£84,000		
			GSK Holdings	£123,944		
			Imoves	£19,519		
			Nprime	£95,000		
			PCT	£50,000		
Housing Total		£2,034,204	Plusnet	£700,000		
Regeneration Total		£25,124,854	Pro Roll	£400,000		
Health and Wellbeing Total		£4,984,272	Russell Richardson & Sons Ltd	£107,996		
Transport Total		£9,413,035	Schuberts	£60,000		
Enabling Works Total		£63,244	Sentinel Brewing Company	£61,500		
Flood Management Total		£1,577,300	Zoo Digital	£54,176		
Skills Total		£645,889	Braitrim UK	£123,707		
Total		£43,842,798	Total	£12,477,167	Total	£4,862,320
					Sheffield Total	£61,182,285

LGF Allocation - Rotherham						
Infrastructure Grants			BIF Projects		Skills Capital Projects (Q2 20/21)	
Project	Theme	Allocation	Project	Allocation	Project	Allocation
Greasbrough Corridor Improvements	Transport	£3,534,819	BA Clic Components	£440,000	Rotherham College	£3,513,134
A618 Growth Corridor	Transport	£820,705	Coptrz	£110,000	National Fluid Power Centre Integrated Systems	£132,500
Forge Island	Regeneration	£1,561,705	ENS Precision Engineering	£62,000	RNN Group Motor Vehicle and IT Curriculum Growth Plan	£185,500
Purchase of Advanced Manufacturing Park (AMP) Technology Centre	Enterprise	£7,611,705	Gen Fab	£116,000		
AMRC Lightweighting Centre - Phase 1	Enterprise	£10,061,705	Granville Oils	£100,000		
EZ	Enterprise	£2,553,027	Health Imaging Solutions Limited	£40,000		
Gullivers Infrastructure	Tourism	£1,516,583	ITM Power (Trading) Ltd	£400,000		
SCR Housing Intervention Fund	Housing	£3,916,915	MAL	£12,000,000		
Urban Development Fund	Business Support	£4,500,000	Meadowbank Shotblasting	£69,000		
			ND2016 / Kiveton Park Steel	£100,000		
			Newburgh Precision	£90,000		
			Nikken	£250,000		
			Oracle Precision Limited	£82,000		
			Parseq Limited	£178,296		
Business Support Total		£4,500,000	PCM	£329,184		
Housing Total		£3,916,915	Ricardo	£1,980,000		
Transport Total		£4,355,525	TKL Excavations	£469,000		
Regeneration Total		£1,561,705	United Caps UK Ltd	£1,500,000		
Enterprise Total		£20,226,438	Watflo Systems Limited	£46,000		
Tourism Total		£1,516,583	Wolf Components	£76,000		
Total		£36,077,166	Total	£18,437,480	Total	£3,831,134
					Rotherham Total	£58,345,780

Note: In October 2020, the Department for Transport approved the award of £40.16m to the LEP for the 2020/21 financial year to invest in the A630 Parkway Widening Scheme in Rotherham. This is an allocation within the original LGF deal but the assurance of which was retained by DfT.

LGF Allocation - Doncaster						
Infrastructure Grants			BIF Projects		Skills Capital Projects (Q2 20/21)	
Project	Theme	Allocation	Project	Allocation	Project	Allocation
DSA Capacity Expansion (Loan)	Transport	£3,516,583	360 Media*	£4,100,000	National Rail College	£6,000,000
Doncaster Urban Centre - Waterfront (West)	Transport	£769,980	Abbey Glen	£100,000	360 VFX	£902,577
DN7 (Hatfield Link)	Transport	£12,737,098	Aeros Global	£30,000	Doncaster UTC Ltd	£151,860
FARRS 2	Transport	£9,185,272	DSA	£1,240,000		
Westmoor Link	Transport	£5,220,924	FFE	£1,000,000		
DSA Capacity Expansion (Loan) 2	Transport	£5,028,614	Hallam Castings Ltd	£65,000		
Doncaster Urban Centre - Colonnades	Regeneration	£2,301,974	Highfield	£280,000		
Doncaster Urban Centre - Markets (Phase 1)	Regeneration	£3,203,140	Kingsbury Press	£300,000		
Doncaster Urban Centre - Quality Streets	Regeneration	£1,369,980	Kustom Labels	£100,000		
Doncaster Urban Centre - St. Sepulchre (Phase 1 & 2)	Regeneration	£7,521,974	Mobile Installation Solutions Project 1	£60,000		
Doncaster Urban Centre - CCQ	Regeneration	£654,980	Omega	£750,000		
Yorkshire Wildlife Park	Tourism	£5,016,583	Yorkshire Precision Gauges	£35,000		
SCR Housing Intervention Fund	Housing	£350,000	Industrial Pallet & Transport Services Limited	£100,000		
Urban Development Fund	Business Support	£1,700,000	Mobile Installation Solutions Project 2	£50,000		
Business Support Total		£1,700,000	*Not contracted			
Housing Total		£350,000				
Transport Total		£36,458,471				
Regeneration Total		£15,052,046				
Tourism Total		£5,016,583				
Total		£58,577,101	Total	£8,210,000	Total	£7,054,437
					Doncaster Total	£73,841,538

LGF Allocation - Barnsley						
Infrastructure Grants			BIF Projects		Skills Capital Projects (Q2 20/21)	
Project	Theme	Allocation	BIF Projects	Allocation	Project	Allocation
M1 J36 to Dearne Valley - Phase 1	Transport	£15,884,033	Finance Yorkshire	£1,017,500	Barnsley College Digital Innovation Hub	£2,590,000
M1 J36 to Dearne Valley - Phase 2 (Goldthorpe)	Transport	£7,441,870	Kostal	£395,000		
M1J37 Claycliffe Link - Phase 1	Transport	£1,788,349	William Rowland Ltd	£250,000		
Glass Works	Regeneration	£5,306,583				
Better Barnsley Town Centre Retail and Leisure Development	Regeneration	£2,201,705				
M1 Junction 36 Strategic Site Acquisition	Enabling Works	£1,061,705				
M1J37 Claycliffe Link - Phase 2	Enabling Works	£10,773,091				
EZ	Enterprise	£2,275,633				
Urban Development Fund	Business Support	£798,750				
Business Support Total		£798,750				
Enterprise Total		£2,275,633				
Transport Total		£25,114,253				
Regeneration Total		£7,508,289				
Enabling Works Total		£11,834,796				
Total		£47,531,721	Total	£1,662,500	Total	£2,590,000
					Barnsley Total	£51,784,221

LGF Allocation - Chesterfield						
Infrastructure Grants			BIF Projects		Skills Capital Projects (Q2 20/21)	
Project	Theme	Allocation	Project	Allocation	Project	Allocation
Chesterfield Waterside	Regeneration	£2,686,960	AAG Systems Ltd	£34,000	Chesterfield College Infirmary Road Project	£243,000
Chesterfield Northern Gateway	Regeneration	£5,915,272	Altek Europe Ltd	£110,000		
Markham Vale	Transport	£3,854,594	Central Technology	£100,000		
			Original Recipes Ltd	£25,000		
			Palamatic Ltd	£51,372		
Regeneration Total		£8,602,232	R Wilson & Co	£120,000		
Transport Total		£3,854,594	Superior Spas	£249,000		
Total		£12,456,826	Total	£689,372	Total	£243,000
					Chesterfield Total	£13,389,198

LGF Allocation - Bassetlaw						
Infrastructure Grants			BIF Projects		Skills Capital Projects (Q2 20/21)	
Project	Theme	Allocation	Project	Allocation	Project	Allocation
Harworth Bircotes	Transport	£535,272	Harry Needle Rail	£400,000	North Notts College	£308,055
Worksop and Vesuvius Works - Phase 1	Transport	£521,195				
Worksop and Vesuvius Works - Phase 2a	Transport	£1,303,651				
Worksop and Vesuvius Works - Phase 2b	Transport	£1,186,057				
Bassetlaw Employment Sites - Retford Enterprise Centre - Phase 2	Enterprise	£786,705				
Harrison Drive, Langold	Enterprise	£162,185				
Transport Total		£3,546,175				
Enterprise Total		£948,890				
Total		£4,495,066	Total	£400,000	Total	£308,055
					Bassetlaw Total	£5,203,121

LGF Allocation - North East Derbyshire						
Infrastructure Grants			BIF Projects		Skills Capital Projects (Q2 20/21)	
Project	Theme	Allocation	Project	Allocation	Project	Allocation
Peak Resort	Tourism	£2,935,263				
Total		£2,935,263	Total	£0	Total	£0
					North East Derbyshire Total	£2,935,263

LGF Allocation - Derbyshire Dales						
Infrastructure Grants			BIF Projects		Skills Capital Projects (Q2 20/21)	
Project	Theme	Allocation	Project	Allocation	Project	Allocation
SCR Housing Intervention Fund	Housing	£270,000				
Total		£270,000	Total	£0	Total	£0
					Derbyshire Dales Total	£270,000

Note: for both the Urban Development Fund and the SCR Housing Intervention Fund, allocation data by district is to date, with some of the project's funding still to be allocated.

- SCR Housing Intervention Fund Total Allocation = £10,061,705
- Total Allocation to-date = £6,571,119
- Total Regionwide ('Unallocated') = £3,490,586
- Urban Development Fund = £15,074,594
- Total Allocation to-date = £6,998,750
- Total Regionwide ('Unallocated') = £8,075,844

3.2.1 Geographical Summary

The table below shows the summarises the funding per district based on the information above and the best information available at the time of the evaluation. Some information on the breakdown of funding was not available at the time of evaluation so the final breakdown by district may differ.

LGF Allocation by District	
District	LGF Allocation
Doncaster	£73,841,538
Sheffield	£61,182,285
Rotherham	£58,345,780
Barnsley	£51,784,221
Chesterfield	£13,389,198
Bassetlaw	£5,203,121
North East Derbyshire	£2,935,263
Derbyshire Dales	£270,000

Source: MCA Executive Monitoring Team February 2020

Notes to Table:

Where possible, projects have been allocated to a district/ borough based on postcode data reported. For clarity and accuracy, projects that operate across a number of areas have been excluded from the geographical split analysis. Where projects are yet to allocate a portion of their funding, this has also been excluded:

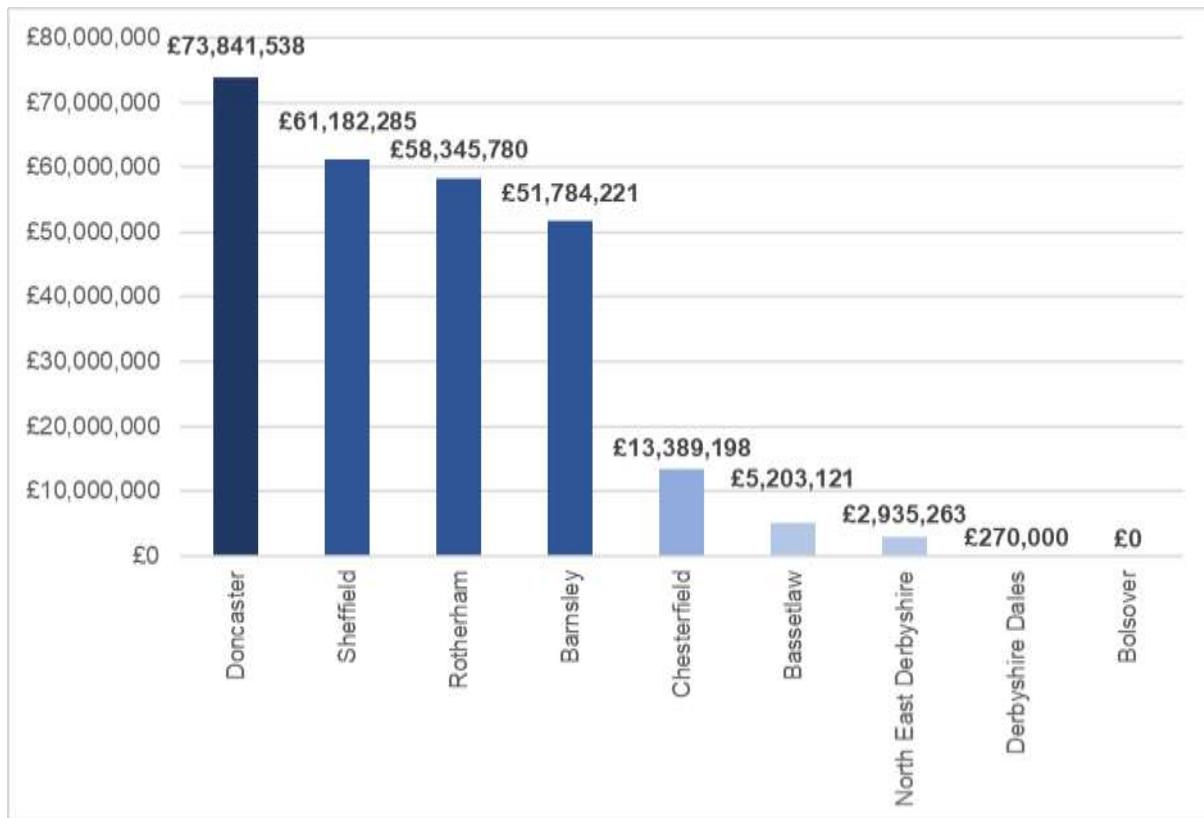
- SCR Growth Hub – £4,558,409
- Superfast Broadband – £10,762,068
- Sustainable transport exemplar - £14,329,844
- Urban Development Fund* - £8,075,844
- SCR Property Fund - £8,181,507
- SCR Housing Intervention Fund* - £3,490,586

**Part allocated*

Market Harborough is not in the SCR area, but a collaborative scheme was funded with D2N2 and LLEP. More details of this scheme can be found in later sections.

3.2.2 Grants Awarded by Geography - Graph

The grants awarded by area can be seen in the graph below. Not including the excluded schemes, the graph shows that Doncaster has been allocated the most LGF, followed by Sheffield, Rotherham and Barnsley, each of which received similar allocations.



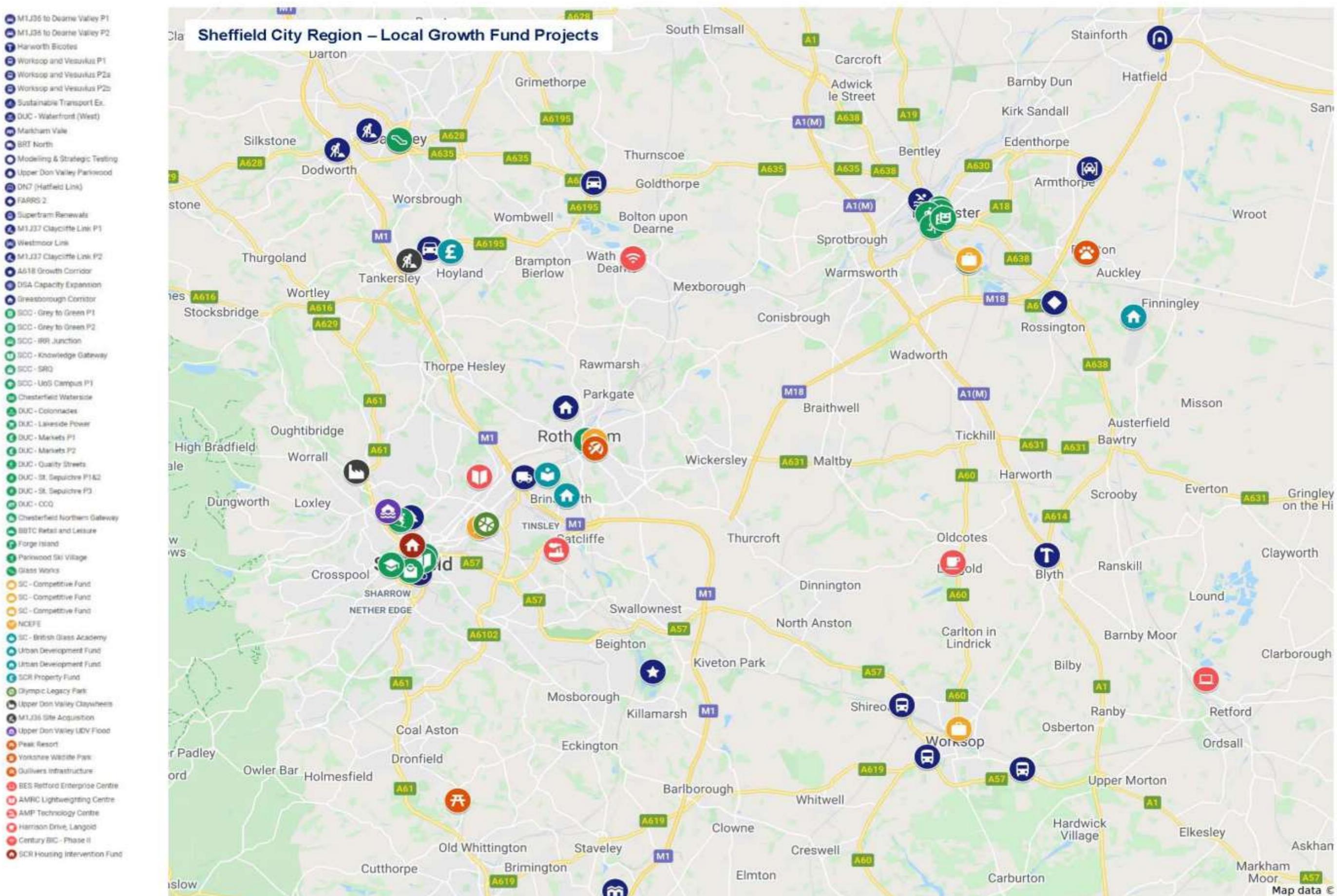
There was no direct investment in Bolsover and limited investment in Derbyshire Dales, North East Derbyshire and Bassetlaw, however these areas were able to access support from schemes that were SCR wide and were also able to benefit from LGF support from the D2N2 LEP. Similarly, Barnsley was able to access funding from Leeds City Region.

Funding was allocated on the basis of the projects submitted and the quality of the business case with funding secured from Government for a defined list of projects under Growth Deal 1, 2 and 3. This approach ensured that funding is spent in areas that it is most needed and will have the biggest impact.

3.2.3 Map of Local Growth Fund Projects

A number of LGF projects operate across a number of locations. We have illustrated all LGF projects that have been designated up to three locations; for projects with too many allocated locations to map, we have either selected the most prevalent location for the project, or where this isn't clear, withheld the project from the map. The following projects are geographically widespread and have been left off the map:

- SCR Growth Hub
- Superfast Broadband
- EZ
- Market Harborough Line Improvements
- SCR Housing Intervention Fund – Phase 2.



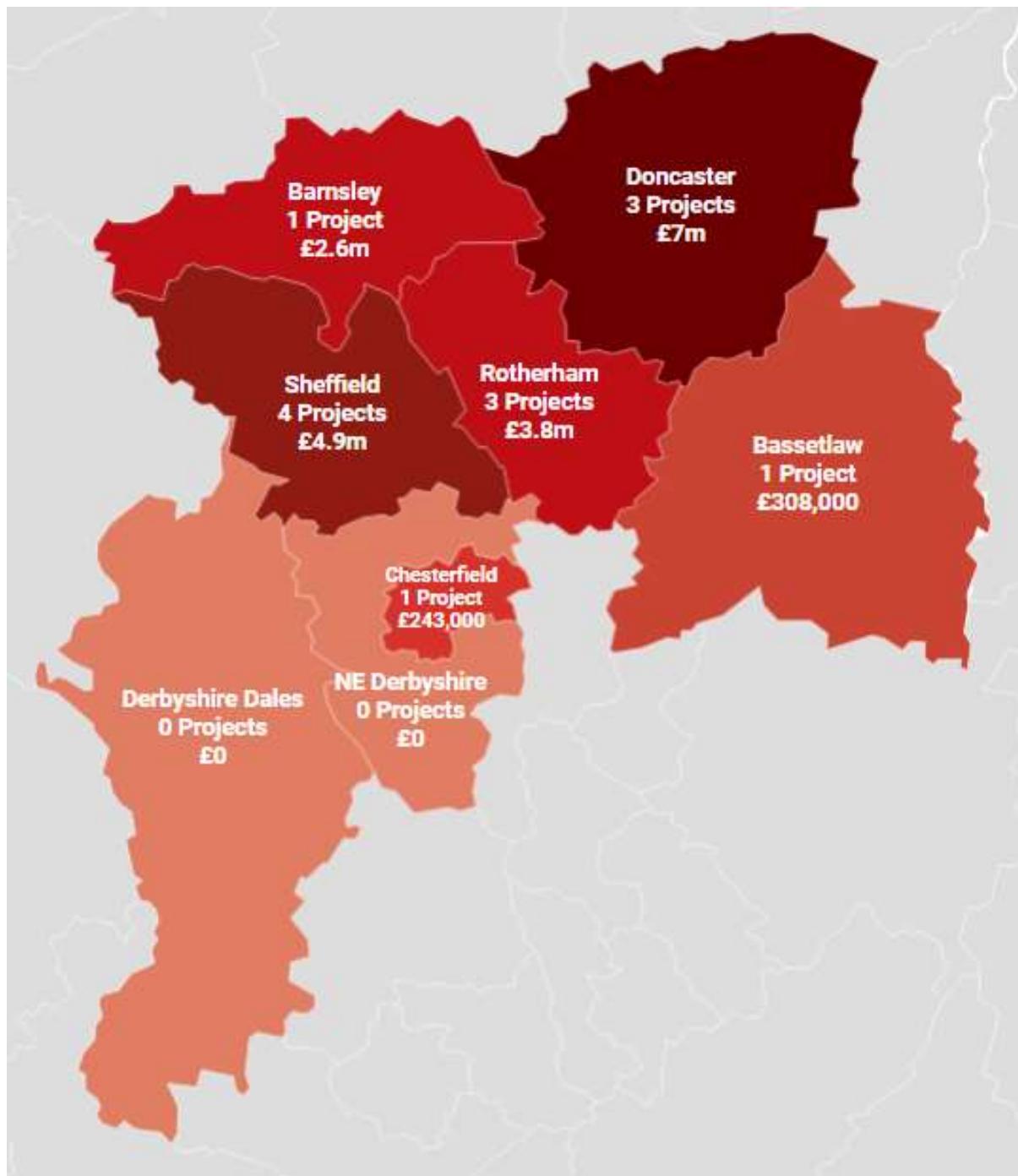
3.2.4 Map of BIF Projects

The map below illustrates a district breakdown of Business Investment Fund (BIF) Projects by allocation. The graphics are proportionate in size to allocation.



3.2.5 Map of Skills Capital Projects

The map below illustrates a district breakdown of Skills Capital Fund projects by allocation to date.



3.3 Grants Awarded by District: Funding Awarded per Head of Population and per Number of Businesses

The previous analysis of spend by district is a useful exercise in establishing where funding has been allocated geographically, but this does not reflect that there are significant differences in the nature, size and population of each area. To account for this, over the following sections, we analyse the district/ borough grant awarded by population size and by number of businesses.

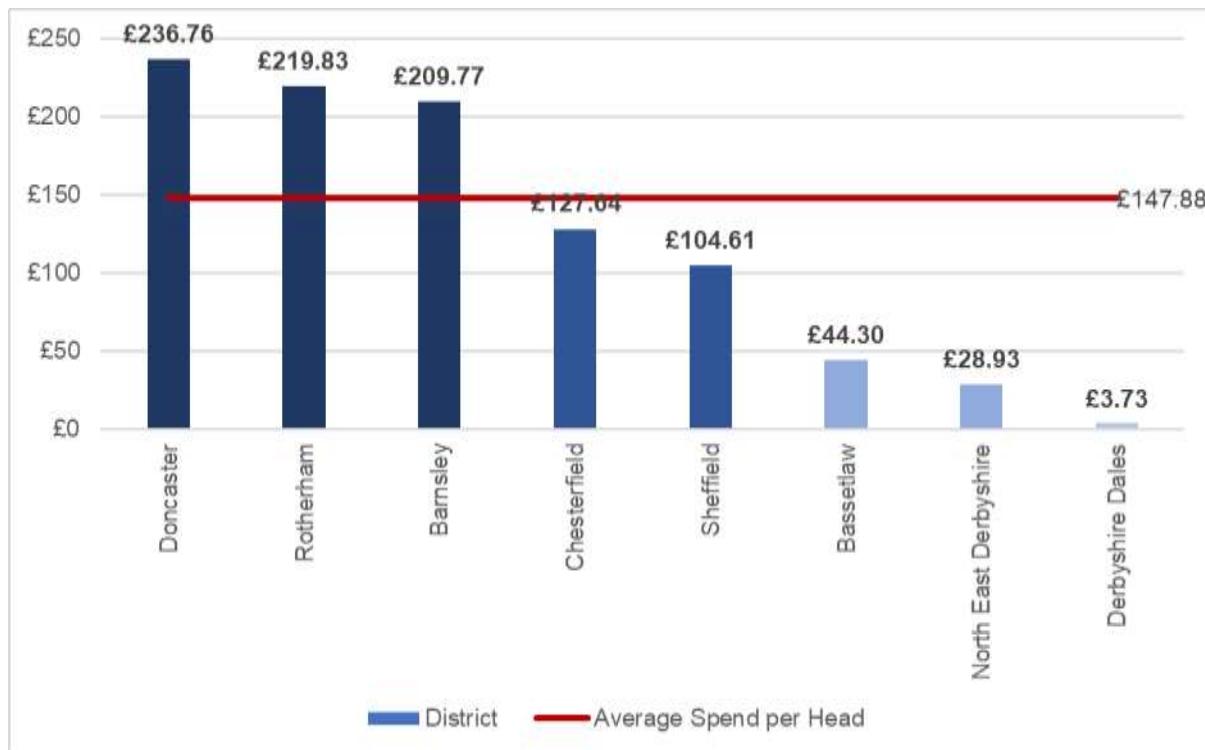
3.3.1 LGF per Head

The data reveals that (after the excluded projects have been taken out of the calculation) Doncaster (£236.76 per person), Rotherham (£219.83 per person), and Barnsley (£209.77 per person) have the highest levels of funding per head than the other districts in the Sheffield City Region.

Local Growth Fund Allocation by District - Spend per Head			
District	LGF Received	Population (2020)	Spend per Head
Doncaster	£73,841,538	311,890	£236.76
Rotherham	£58,345,780	265,411	£219.83
Barnsley	£51,784,221	246,866	£209.77
Chesterfield	£13,389,198	104,900	£127.64
Sheffield	£61,182,285	584,853	£104.61
Bassetlaw	£5,203,121	117,459	£44.30
North East Derbyshire	£2,935,263	101,462	£28.93
Derbyshire Dales	£270,000	72,300	£3.73
Sheffield City Region - Total	£266,951,406	1,805,141	£147.88

Source: MCA Executive October 2020, ONS Population Estimates, 2019. Where possible, projects have been allocated to a district/ borough based on postcode data reported. Some projects excluded where geographical breakdown is not available.

From the data we can see that the average spend per head in the Sheffield City Region was £147.88.



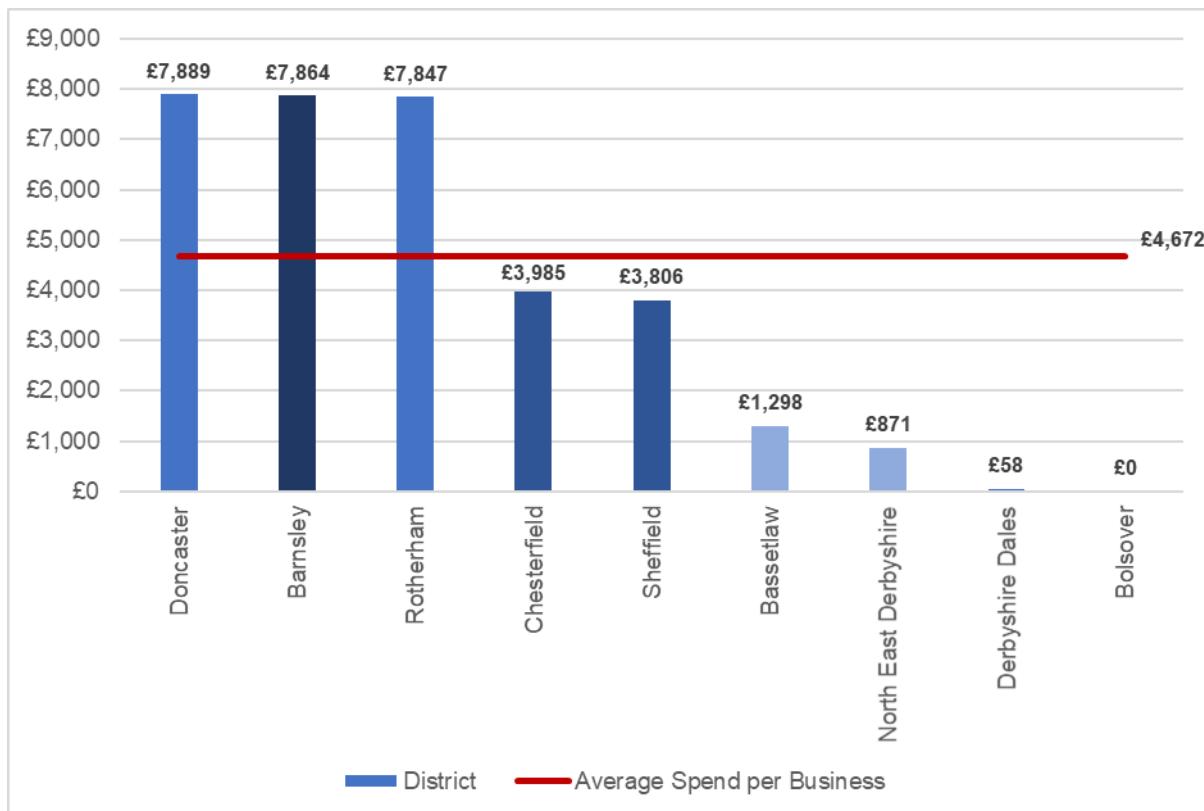
3.3.2 Awarded LGF per Business

The table below shows the total grant awarded for each area per number of business. Doncaster, Barnsley and Rotherham have a higher proportionate spend awards per business than the other districts.

Local Growth Fund Allocation by District - Spend per Business			
District	LGF Received	Nr of Businesses	Spend per Business
Doncaster	£73,841,538	9,360	£7,889
Barnsley	£51,784,221	6,585	£7,864
Rotherham	£58,345,780	7,435	£7,847
Chesterfield	£13,389,198	3,360	£3,985
Sheffield	£61,182,285	16,075	£3,806
Bassetlaw	£5,203,121	4,010	£1,298
North East Derbyshire	£2,935,263	3,370	£871
Derbyshire Dales	£270,000	4,680	£58
Bolsover	£0	2,265	£0
Sheffield City Region - Total	£266,951,406	57,140	£4,672

Source: MCA Executive Team October 2020, UK Business Count 2020. Where possible, projects have been allocated to a district/ borough based on postcode data reported. A total of £91,274,778 grant awards has been excluded from the table for projects that cross multiple areas, or for funding that is yet to be allocated £5,069,605 has been excluded for projects taking place in Harborough.

From the data we can see that the average spend per business in the Sheffield City Region was £4,672.



3.4 Funding Awarded by Rural / Urban Split

Projects were designated postcodes and these have each been defined as urban or rural. As with previous figures, projects with multiple postcodes have been excluded from the analysis.

It can be important to distinguish between rural and urban areas when analysing social and economic statistics as the populations and businesses can differ in their make-up. The opportunities, challenges and barriers for businesses, the services people receive and their quality of life can also differ markedly between rural areas and larger towns and cities.

- Urban areas are the connected built-up areas identified by Ordnance Survey mapping that have resident populations above 10,000 people.
- Rural areas are those areas that are not urban, i.e., consisting of settlements below 10,000 people or are open countryside.

Project Split by Rural/Urban Classification	
Rural/Urban Classification	LGF Funding
Rural Hamlet and Isolated Dwellings, Rural Village, Rural Town and Fringe	£42,048,768
Urban City and Town and Urban Minor Conurbation	£177,517,704
Total	£219,566,472

Source: Urban/ Rural Split was taken from the following web resource:

<https://www.doogal.co.uk>ShowMap.php?postcode=S74%209DF>

Where possible, projects have been allocated a Rural/Urban classification based on postcode data reported. Some grants have been excluded from the table for projects that cross multiple areas or specific postcode data was not available. This includes:

- SCR Growth Hub – £4,558,409
- Superfast Broadband – £10,762,068
- Sustainable transport exemplar - £14,329,844
- Extending SCR RGF – Unlocking business investment programme - £41,876,520
- EZ - £5,085,272
- SCR Property Fund - £8,181,507

Market Harborough is not in the SCR area, but a collaborative scheme was funded with D2N2 and LLEP. More details of this scheme can be found in later sections. It has been excluded from the above analysis.

3.5 Match/ Intervention Rate by Theme

The table below shows the LGF grants awarded by theme and the match funding anticipated to be levered in by the end of the programme.

Each theme has been ranked in terms of the total match funding that will be generated for every £1 of LGF invested by the end of the programme. We can see that projects classified under the 'Housing' theme are expected to generate the lowest level of match (or have the highest LGF intervention rate), whilst tourism schemes are generating the most match funding. For every £1 of LGF invested in tourism there is expected to be £8.76 spent in match funding by the end of the programme.

The average intervention rate across all themes for the LGF fund is 30% - i.e., for every £1 of LGF spend, a further £2.35 of match funding will be spent in the local economy by the end of the programme. It will be important to update this analysis at the final evaluation stage to see whether this match funding has been achieved.

Match Funding Assessment by Theme					
Project	Total LGF Awarded	Match Funding	Intervention Rate - LGF/ (LGF+ Match)	£1 of LGF brings £x match	Match Funding Rank
Tourism Total	£9,468,430	£82,952,352	10%	£8.76	1
Regeneration Total	£57,849,127	£243,960,445	19%	£4.22	2
Business Support Total	£69,691,031	£220,677,098	24%	£3.17	3
Skills Total	£19,534,835	£58,501,389	25%	£2.99	4
Digital/ Internet Total	£10,762,068	£22,090,402	33%	£2.05	5
Flood Management Total	£1,577,300	£1,689,155	48%	£1.07	6
Transport Total	£102,141,502	£100,484,902	50%	£0.98	7
Health and Wellbeing Total	£4,984,272	£4,210,000	54%	£0.84	8
Enterprise Total	£23,707,573	£15,300,126	61%	£0.65	9
Enabling Works Total	£11,898,040	£4,862,334	71%	£0.41	10
Housing Total	£10,061,705	£0	100%	£0.00	11
Total	£321,675,883	£754,728,202	30%	£2.35	

Note: Of the above funded projects, 1 project took place outside of the Sheffield City Region area. This was £5,069,605 of LGF grant for a transport scheme in Market Harborough.

This information is broken down to a project level overleaf.

Match Funding Awarded – By Theme					
Theme	Project	Total LGF Awarded	Match Funding	Intervention Rate - LGF/(LGF+Match)	£1 of LGF brings £x match
Business Support	Extending SCR RGF - Unlocking business Investment programme	£41,876,520	£121,909,011	26%	£2.91
	SCR Growth Hub	£4,558,409	£96,768,087	4%	£21.23
	Urban Development Fund	£15,074,594	£0	100%	£0.00
	SCR Property Fund	£8,181,507	£2,000,000	80%	£0.24
	Business Support Total	£69,691,031	£220,677,098	24%	£3.17
Digital/Internet Infrastructure	Superfast Broadband	£10,762,068	£22,090,402	33%	£2.05
	Digital/ Internet Total	£10,762,068	£22,090,402	33%	£2.05
Enabling Works	Upper Don Valley - Claywheels Lane (Phase 1)	£63,244	£0	100%	£0.00
	M1J37 Claycliffe Link - Phase 2	£10,773,091	£4,501,334	71%	£0.42
	M1 Junction 36 Strategic Site Acquisition	£1,061,705	£361,000	75%	£0.34
	Enabling Works Total	£11,898,040	£4,862,334	71%	£0.41
Enterprise	EZ	£5,085,272	£1,940,000	72%	£0.38
	Bassetlaw Employment Sites - Retford Enterprise Centre - Phase 2	£786,705	£725,000	52%	£0.92
	AMRC Lightweighting Centre - Phase 1	£10,061,705	£11,891,000	46%	£1.18
	Purchase of Advanced Manufacturing Park (AMP) Technology Centre	£7,611,705	£400,000	95%	£0.05
	Harrison Drive, Langold	£162,185	£344,126	32%	£2.12
	Enterprise Total	£23,707,573	£15,300,126	61%	£0.65
Flood Management	Upper Don Valley - UDV Flood Alleviation	£1,577,300	£1,689,155	48%	£1.07
	Flood Management Total	£1,577,300	£1,689,155	48%	£1.07
Health and Wellbeing	Olympic Legacy Park	£4,984,272	£4,210,000	54%	£0.84
	Health and Welbeing Total	£4,984,272	£4,210,000	54%	£0.84
Housing	SCR Housing Intervention Fund	£10,061,705	£0	100%	£0.00
	Housing Total	£10,061,705	£0	100%	£0.00
Regeneration	Sheffield City Centre - Grey to Green (Phase 1)	£2,484,585	£1,032,749	71%	£0.42
	Sheffield City Centre - Grey to Green (Phase 2)	£3,391,701	£1,880,653	64%	£0.55
	Sheffield City Centre - IRR Junction Improvements	£3,860,594	£1,288,697	75%	£0.33
	Sheffield City Centre - Knowledge Gateway	£4,129,140	£2,571,000	62%	£0.62
	Sheffield City Centre - SRQ	£3,535,974	£10,392,017	25%	£2.94
	Sheffield City Centre - University of Sheffield Campus (Phase 1)	£2,906,278	£4,989,129	37%	£1.72
	Chesterfield Waterside	£2,686,960	£0	100%	£0.00
	Doncaster Urban Centre - Colonnades	£2,301,974	£1,099,648	68%	£0.48
	Doncaster Urban Centre - Markets (Phase 1)	£3,203,140	£3,926,444	45%	£1.23
	Doncaster Urban Centre - Quality Streets	£1,369,980	£789,983	63%	£0.58
	Doncaster Urban Centre - St. Sepulchre (Phase 1 & 2)	£7,521,974	£3,570,308	68%	£0.47
	Doncaster Urban Centre - CCQ	£654,980	£7,123,147	8%	£10.88
	Chesterfield Northern Gateway	£5,915,272	£6,035,967	49%	£1.02
	Better Barnsley Town Centre Retail and Leisure Development	£2,201,705	£76,228,148	3%	£34.62
	Forge Island	£1,561,705	£20,950,000	7%	£13.41
	Parkwood Ski Village	£4,816,583	£3,000,000	62%	£0.62
	Glass Works	£5,306,583	£99,082,555	5%	£18.67
	Regeneration Total	£57,849,127	£243,960,445	19%	£4.22
Skills	Skills Capital - Competitive Fund	£18,888,946	£50,343,782	38%	£2.66
	National Centre of Excellence for Food Engineering (NCEFF)	£645,889	£8,157,607	7%	£12.63
	Skills Total	£19,534,835	£58,501,389	25%	£2.99

Match Funding Awarded – By Theme					
Theme	Project	Total LGF Awarded	Match Funding	Intervention Rate - LGF/(LGF+Match)	£1 of LGF brings £x match
Tourism	Peak Resort	£2,935,263	£40,500,000	7%	£13.80
	Yorkshire Wildlife Park	£5,016,583	£39,097,352	11%	£7.79
	Gullivers Infrastructure	£1,516,583	£3,355,000	31%	£2.21
Transport	M1 J36 to Dearne Valley - Phase 1	£15,884,033	£22,064,354	42%	£1.39
	M1 J36 to Dearne Valley - Phase 2 (Goldthorpe)	£7,441,870	£563,458	93%	£0.08
	Harworth Bircotes	£535,272	£11,100,000	5%	£20.74
	Worksop and Vesuvius Works - Phase 1	£521,195	£2,214,182	19%	£4.25
	Worksop and Vesuvius Works - Phase 2a	£1,303,651	£9,900,000	12%	£7.59
	Worksop and Vesuvius Works - Phase 2b	£1,186,057	£630,742	65%	£0.53
	Sustainable transport exemplar	£14,329,844	£12,952,511	53%	£0.90
	Doncaster Urban Centre - Waterfront (West)	£769,980	£1,798,000	30%	£2.34
	Markham Vale	£3,854,594	£3,780,000	50%	£0.98
	BRT North	£4,076,792	£13,804,747	23%	£3.39
	DN7 (Hatfield Link)	£12,737,098	£5,458,241	70%	£0.43
	FARRS 2	£9,185,272	£1,305,814	88%	£0.14
	Supertram Renewals	£3,061,705	£1,054,389	74%	£0.34
	Modelling and Strategic Testing	£2,274,537	£221,737	91%	£0.10
	Westmoor Link	£5,220,924	£5,675,547	48%	£1.09
	M1J37 Claycliffe Link - Phase 1	£1,788,349	£2,841,590	39%	£1.59
	A618 Growth Corridor	£820,705	£29,090	97%	£0.04
	Market Harborough Line Improvements	£5,069,605	£0	100%	£0.00
	Greasbrough Corridor Improvements	£3,534,819	£0	100%	£0.00
	DSA Capacity Expansion (Loan)	£5,028,614	£5,090,500	50%	£1.01
	DSA Capacity Expansion (Loan)	£3,516,583	£0	100%	£0.00
	Transport Total	£102,141,502	£100,484,902	50%	£0.98
	Total	£321,675,883	£754,728,202	30%	£2.35

4.0 Financial Analysis – Progress Towards Targets

The previous section showed what the LGF programme is delivering in terms of financial support for projects across the region. This section analyses project progress towards meeting these spend targets.

The table below shows the progress of the overall programme towards meeting the LGF spend targets.

Based on the data provided by the MCA Executive, LGF funded projects have claimed approximately £277.6m of grant funding - 80.6% of the total LGF funding that has been allocated.

LGF Award	2015-2016	2016-17	17-18	18-19	19-20	20-21	Total
	£43,847,944	£75,122,442	£86,850,906	£42,471,649	£29,867,716	£43,238,940	£321,399,596
		15-17	Financial Year				Total
LGF Expenditure							
Actual		116,078,698	78,947,408	46,027,079	36,582,868	-	277,636,053
Forecast for year		116,078,698	78,947,408	46,027,079	51,107,274	50,517,369	342,677,829
Progress towards forecast			100%	100%	72%	0%	81%
Non-LGF Expenditure							
Actual		104,911,119	71,501,841	127,615,384	215,400,575	-	519,428,919
Forecast for year		104,911,119	71,501,841	127,615,383	230,834,200	183,170,516	718,033,058
Progress towards forecast			100%	100%	93%	0%	72%
Total LGF + non-LGF Expenditure							
Actual		220,989,817	150,449,249	173,642,463	251,983,443	-	797,064,972
Forecast for year		220,989,817	150,449,249	173,642,462	281,941,474	233,687,885	1,060,710,887
Progress towards forecast		+100%	+100%	+100%	+89%	+0%	75%

The table over the page splits the above date at a project level.

LGF Claimed to Date					
Theme	Project	Total LGF Awarded	LGF Claimed to date		Match Funding
			£	%	
Business Support	Extending SCR RGF - Unlocking business Investment programme	£41,876,520	£31,923,113	76.2%	£121,909,011
	SCR Growth Hub	£4,558,409	£2,858,800	62.7%	£96,768,087
	Urban Development Fund	£15,074,594	£15,066,024	99.9%	£0
	SCR Property Fund	£8,181,507	£8,172,938	99.9%	£2,000,000
	Business Support Total	£69,691,031	£58,020,874	83.3%	£220,677,098
Digital/Internet Infrastructure	Superfast Broadband	£10,762,068	£10,753,498	99.9%	£22,090,402
	Digital/ Internet Total	£10,762,068	£10,753,498	99.9%	£22,090,402
Enabling Works	Upper Don Valley - Claywheels Lane (Phase 1)	£63,244	£63,244	100.0%	£0
	M1J37 Claycliffe Link - Phase 2	£10,773,091	£464,043	4.3%	£4,501,334
	M1 Junction 36 Strategic Site Acquisition	£1,061,705	£1,053,136	99.2%	£361,000
	Enabling Works Total	£11,898,040	£1,580,422	13.3%	£4,862,334
Enterprise	EZ	£5,085,272	£5,076,702	99.8%	£1,940,000
	Bassetlaw Employment Sites - Retford Enterprise Centre - Phase 2	£786,705	£778,136	98.9%	£725,000
	AMRC Lightweighting Centre - Phase 1	£10,061,705	£10,053,136	99.9%	£11,891,000
	Purchase of Advanced Manufacturing Park (AMP) Technology Centre	£7,611,705	£7,603,136	99.9%	£400,000
	Harrison Drive, Langold	£162,185	£153,615	94.7%	£344,126
	Enterprise Total	£23,707,573	£23,664,724	99.8%	£15,300,126
Flood Management	Upper Don Valley - UDV Flood Alleviation	£1,577,300	£1,314,806	83.4%	£1,689,155
	Flood Management Total	£1,577,300	£1,314,806	83.4%	£1,689,155
Health and Wellbeing	Olympic Legacy Park	£4,984,272	£4,975,702	99.8%	£4,210,000
	Health and Wellbeing Total	£4,984,272	£4,975,702	99.8%	£4,210,000
Housing	SCR Housing Intervention Fund	£10,061,705	£10,053,136	99.9%	£0
	Housing Total	£10,061,705	£10,053,136	99.9%	£0
Regeneration	Sheffield City Centre - Grey to Green (Phase 1)	£2,484,585	£2,484,585	100.0%	£1,032,749
	Sheffield City Centre - Grey to Green (Phase 2)	£3,391,701	£3,382,182	99.7%	£1,880,653
	Sheffield City Centre - IRR Junction Improvements	£3,860,594	£3,849,855	99.7%	£1,288,697
	Sheffield City Centre - Knowledge Gateway	£4,129,140	£4,129,140	100.0%	£2,571,000
	Sheffield City Centre - SRQ	£3,535,974	£3,535,974	100.0%	£10,392,017
	Sheffield City Centre - University of Sheffield Campus (Phase 1)	£2,906,278	£2,906,278	100.0%	£4,989,129
	Chesterfield Waterside	£2,686,960	£2,678,390	99.7%	£0
	Doncaster Urban Centre - Colonnades	£2,301,974	£2,301,974	100.0%	£1,099,648
	Doncaster Urban Centre - Markets (Phase 1)	£3,203,140	£3,203,140	100.0%	£3,926,444
	Doncaster Urban Centre - Quality Streets	£1,369,980	£1,369,980	100.0%	£789,983
	Doncaster Urban Centre - St. Sepulchre (Phase 1 & 2)	£7,521,974	£7,553,839	100.4%	£3,570,308
	Doncaster Urban Centre - CCQ	£654,980	£654,980	100.0%	£7,123,147
	Chesterfield Northern Gateway	£5,915,272	£5,906,702	99.9%	£6,035,967
	Better Barnsley Town Centre Retail and Leisure Development	£2,201,705	£2,193,136	99.6%	£76,228,148
	Regeneration Total	£57,849,127	£57,809,317	99.9%	£243,960,445
Skills	Skills Capital - Competitive fund	£18,888,946	£16,140,183	85.4%	£50,343,782
	National Centre of Excellence for Food Engineering (NCEFE)	£645,889	£637,319	98.7%	£8,157,607
	Skills Total	£19,534,835	£16,777,503	85.9%	£58,501,389
Tourism	Peak Resort	£2,935,263	£2,926,693	99.7%	£40,500,000
	Yorkshire Wildlife Park	£5,016,583	£5,008,014	99.8%	£39,097,352
	Gullivers Infrastructure	£1,516,583	£1,508,014	99.4%	£3,355,000
	Tourism Total	£9,468,430	£9,442,720	99.7%	£82,952,352
Transport	M1 J36 to Dearne Valley - Phase 1	£15,884,033	£9,172,683	57.7%	£22,064,354
	M1 J36 to Dearne Valley - Phase 2 (Goldthorpe)	£7,441,870	£2,347,599	31.5%	£563,458
	Harworth Bircotes	£535,272	£526,702	98.4%	£11,100,000
	Worksop and Vesuvius Works - Phase 1	£521,195	£518,338	99.5%	£2,214,182
	Worksop and Vesuvius Works - Phase 2a	£1,303,651	£1,300,795	99.8%	£9,900,000
	Worksop and Vesuvius Works - Phase 2b	£1,186,057	£1,183,201	99.8%	£630,742
	Sustainable transport exemplar	£14,329,844	£14,321,274	99.9%	£12,952,511
	Doncaster Urban Centre - Waterfront (West)	£769,980	£769,980	100.0%	£1,798,000

LGF Claimed to Date					
Theme	Project	Total LGF Awarded	LGF Claimed to date		Match Funding
			£	%	
	Markham Vale	£3,854,594	£3,846,024	99.8%	£3,780,000
	BRT North	£4,076,792	£4,068,223	99.8%	£13,804,747
	DN7 (Hatfield Link)	£12,737,098	£11,919,221	93.6%	£5,458,241
	FARRS 2	£9,185,272	£9,176,702	99.9%	£1,305,814
	Supertram Renewals	£3,061,705	£3,053,136	99.7%	£1,054,389
	Modelling and Strategic Testing	£2,274,537	£1,880,368	82.7%	£221,737
	Westmoor Link	£5,220,924	£2,879,814	55.2%	£5,675,547
	M1J37 Claycliffe Link - Phase 1	£1,788,349	£1,809,210	101.2%	£2,841,590
	A618 Growth Corridor	£820,705	£812,136	99.0%	£29,090
	Market Harborough Line Improvements	£5,069,605	£5,061,036	99.8%	£0
	Greasbrough Corridor Improvements	£3,534,819	£8,014	0.2%	£0
	DSA Capacity Expansion (Loan)	£5,028,614	£5,018,614	99.8%	£5,090,500
	DSA Capacity Expansion (Loan)	£3,516,583	£3,500,000	99.5%	£0
	Transport Total	£102,141,502	£83,173,068	81.4%	£100,484,902

5.0 Outputs Analysis: Forecast, Actuals, and Value for Money Assessment

This section analyses the key outputs that projects are contracted to deliver, those outputs that have been achieved and those that are forecasted to be achieved in the future.

5.1 Programme Level Outputs

The table below summarises the key outputs achieved to date across the programme against the overall target and shows levels of achievement as a percentage. Forecasts show outputs anticipated to be achieved by 2025 as per reporting detail in the Delta returns, supplemented with updates from the project team.

Programme Level Outputs – Key Outputs		Total
Housing	Houses Completed	1,336
	Total Forecast	8,331
	Progress towards forecast	16%
Jobs	Jobs Created	14,325
	Total Forecast by 2025	56,537
	Progress towards forecast	25%
Skills	Area of new or improved floorspace (m ²)	13,560
	Total Forecast by 2025	13,758
	Progress towards forecast	99%
	Number of New Learners Assisted	5,061
	Total Forecast by 2025	12,222
	Progress towards forecast	41%
Commercial Floorspace	Area of new or improved floorspace (m ²)	540,711
	Total Forecast	1,124,067
	Progress towards forecast	48%
<p>Source: MCA Executive October 2020</p> <p>Note: As the data was updated manually following discussions with the project team to get the latest position, it may vary slightly from the returns reported to partners.</p>		

In addition to the outputs shown in the table the LGF programme is also forecasting to achieve additional outputs including broadband connections, construction jobs, new roads and new cycle paths. At this interim stage our focus has been on analysing the key outputs as shown in the table above.

5.2 Project Level Output

The table overleaf details the forecast and achieved outputs for each of the grant funded projects. From the table, we can make the following comments on project progress:

- The projects that have broadly already achieved their outputs include: Skills Capital – Competitive Fund, Worksop and Vesuvius Works – Phase 1, Sustainable Transport Exemplar, Doncaster Urban Centre – Waterfront (West), Markham Vale, BRT North, Urban Development Fund, Bassetlaw Employment Sites, A618 Growth Corridor, and DSA Capacity Expansion Phase 1.
- A number of projects are assessed as having made 0% progress against target outputs to-date, although each of these are early in their reporting schedule and report anecdotally that target outputs are still likely to be achieved.

Project Level Outputs – Forecasts and Actuals										
Outputs	Jobs		Housing Units Completed		Commercial Floorspace		Area of new or improved learning/training space (sq m)		Number of New Learners Assisted (in courses leading to a full qualification)	
	Achieved to date	Expected to be achieved by 2025 (Forecast)*	Achieved to date	Expected to be achieved by 2025 (Forecast)*	Achieved to date	Expected to be achieved by 2025 (Forecast)*	Achieved to date	Expected to be achieved by 2025 (Forecast)*	Achieved to date	Expected to be achieved by 2025 (Forecast)*
M1 J36 to Dearne Valley - Phase 1	366	4,555			184,976	286,748				
M1 J36 to Dearne Valley - Phase 2 (Goldthorpe)	0	1,400								
Sheffield City Centre - Grey to Green (Phase 1)	0	1,890								
Sheffield City Centre - Grey to Green (Phase 2)	446	758								
Sheffield City Centre - IRR Junction Improvements	0	150								
Sheffield City Centre - Knowledge Gateway	1,807	2,863	40	491	14,776	43,270				
Sheffield City Centre – SRQ	0	651			208,670	208,670				
Sheffield City Centre - University of Sheffield Campus (Phase 1)	86	917								
Chesterfield Waterside	0	330	0	310						
Harworth Bircotes	1,111	1,939	261	1,003	27,400	152,038				
Skills Capital - Competitive fund	10	10					13,560	13,758	5,061	12,222
Worksop and Vesuvius Works - Phase 1	566	566	126	126	40,703	90,711				
Worksop and Vesuvius Works - Phase 2a	125	1,355								
Worksop and Vesuvius Works - Phase 2b	125	915	62	233						
Sustainable transport exemplar										
Extending SCR RGF - Unlocking business Investment programme	2,832	3,261								
SCR Growth Hub	2,232	2,762								
Doncaster Urban Centre – Colonnades	457	557			5,126	5,126				
Doncaster Urban Centre - Lakeside Power										
Doncaster Urban Centre - Markets (Phase 1)	279	599								
Doncaster Urban Centre - Quality Streets	1	80			925	2,519				
Doncaster Urban Centre - St. Sepulchre (Phase 1 & 2)	0	2,034								
Doncaster Urban Centre – CCQ	0	2,976	0	55						
Doncaster Urban Centre - Waterfront (West)	600	600								
Super-fast Broadband										
Markham Vale	638	638								
Olympic Legacy Park	76	913								
BRT North	500	500	814	814						
Urban Development Fund	409	409			11,404	11,404				
Upper Don Valley - Claywheels Lane (Phase 1)										
Upper Don Valley - Parkwood Springs										
Upper Don Valley - UDV Flood Alleviation										
DN7 (Hatfield Link)	0	7,342	0	3,100						
FARRS 2	0	5,763								
Peak Resort	0	406								
Chesterfield Northern Gateway	0	510								
Supertram Renewals										
Modelling and Strategic Testing										
EZ	180	610								
Westmoor Link										
M1J37 Claycliffe Link - Phase 1	0	167								
M1J37 Claycliffe Link - Phase 2	0	3,510	0	1,700						
Bassetlaw Employment Sites - Retford Enterprise Centre - Phase 2	66	66			686	686				
Better Barnsley Town Centre Retail and Leisure Development	713	814			9,283	25,230				
M1 Junction 36 Strategic Site Acquisition	0	162								
A618 Growth Corridor	6	6			22,297	240,000				
Forge Island	0	46	0	140						
AMRC Lightweighting Centre - Phase 1	78	112			788	788				
SCR Property Fund	140	800			12,020	36,673				
SCR Housing Intervention Fund			33	359						
Purchase of Advanced Manufacturing Park (AMP) Technology Centre										
Market Harborough Line Improvements										
National Centre of Excellence for Food Engineering (NCEFE)	8	42								
Harrison Drive, Langold	0	8								
Greasbrough Corridor Improvements										
Yorkshire Wildlife Park	14	315								
Gullivers Infrastructure	0	183								
Parkwood Ski Village	0	200								
Glass Works	277	856			1,657	20,204				
DSA Capacity Expansion (Loan) phase 2		240								
DSA Capacity Expansion (Loan)	177	751								
Total	14,325	56,537	1,336	8,331	540,711	1,124,067	13,560	13,758	5,061	12,222

Source: MCA Executive October 2020

We have reported the outputs achieved to date based on deliverables data supplied by the MCA Executive up to and including 2019/20 Quarter 4

Note: the table only shows the key outputs achieved by the project. A number of additional outputs are being delivered by projects such as broadband connections, new roads, new cycle paths and additional construction jobs. Outputs go up to 2025 Forecasts as per Delta Return.

5.3 Costs Per Outputs – Value for Money

This section analyses the outputs forecasted to be achieved by 2025 in more detail. It has been designed to provide some benchmark figures that could be applied to future funding schemes in terms of cost per individual output.

5.3.1 Jobs Created per Theme

As job creation was a key driver for the LGF projects we have analysed the numbers of jobs forecasted to be created by the end of the programme by each of the different investment themes. The table below shows the average cost per job by theme and ranks these.

Note: The Skills Capital Total only includes capital spend on new facilities such as colleges etc. These projects would therefore not be expected to create significant numbers of direct jobs. These projects focussed on creating learning outcomes which are included in later sections.

LGF Awarded by Theme: Average Cost Per Job Created				
Theme	Total Awarded	Jobs Expected to be achieved by 2025	Average Cost per Job	Rank
Enabling Works Total	£11,898,040	3,672	£3,240	1
Regeneration Total	£57,849,127	16,231	£3,564	2
Transport Total	£102,141,502	26,737	£3,820	3
Health and Wellbeing Total	£4,984,272	913	£5,459	4
Business Support Total	£69,691,031	7,232	£9,636	5
Tourism Total	£9,468,430	904	£10,474	6
Enterprise Total	£23,707,573	796	£29,783	7
Skills Capital Total	£19,534,835	52	£375,670	8
Superfast Broadband Total	£10,762,068	0	n/a	n/a
Flood Management Total	£1,577,300	0	n/a	n/a
Housing Total	£10,061,705	0	n/a	n/a
Total	£321,675,883	56,537	£5,690	

The above data suggests that projects funded under the ‘Enabling Works’ theme will generate the lowest cost per job, closely followed by ‘Regeneration’ projects. The average cost per job across the whole programme (assuming that targets are reached) will be just under £6,000.

It should be recognised that not all projects were designed to directly create jobs, and so it is not accurate to assume that projects that have a high cost per job are necessarily performing worse than those with a low cost per job. Each project must be viewed within its own set of individual circumstances.

The above data is split at individual project level over the page.

LGF Awarded and Jobs Created by Projects				
Theme	Project	Total Awarded	Jobs Expected to be achieved by 2025	Average Cost per Job
Business Support	Extending SCR RGF - Unlocking Business Investment Programme	£41,876,520	3,261	£12,842
	SCR Growth Hub	£4,558,409	2,762	£1,650
	Urban Development Fund	£15,074,594	409	£36,857
	SCR Property Fund	£8,181,507	800	£10,227
	Business Support Total	£69,691,031	7,232	£9,636
Digital/ Internet Infrastructure	Superfast Broadband	£10,762,068	-	n/a
	Superfast Broadband Total	£10,762,068	-	n/a
Enabling Works	Upper Don Valley - Claywheels Lane (Phase 1)	£63,244	-	n/a
	M1J37 Claycliffe Link - Phase 2	£10,773,091	3,510	£3,069
	M1 Junction 36 Strategic Site Acquisition	£1,061,705	162	£6,554
	Enabling Works Total	£11,898,040	3,672	£3,240
Enterprise	EZ	£5,085,272	610	£8,337
	Bassetlaw Employment Sites - Retford Enterprise Centre - Phase 2	£786,705	66	£11,920
	AMRC Lightweighting Centre - Phase 1	£10,061,705	112	£89,837
	Purchase of Advanced Manufacturing Park (AMP) Technology Centre	£7,611,705	-	n/a
	Harrison Drive, Langold	£162,185	8	£20,273
	Enterprise Total	£23,707,573	796	£29,783
Flood Management	Upper Don Valley - UDV Flood Alleviation	£1,577,300	-	n/a
	Flood Management Total	£1,577,300	-	n/a
Health and Wellbeing	Olympic Legacy Park	£4,984,272	913	£5,459
	Health and Wellbeing Total	£4,984,272	£913	£5,459
Housing	SCR Housing Intervention Fund	£10,061,705	-	n/a
	Housing Total	£10,061,705	£0	n/a
Regeneration	Sheffield City Centre - Grey to Green (Phase 1)	£2,484,585	1,890	£1,315
	Sheffield City Centre - Grey to Green (Phase 2)	£3,391,701	758	£4,475
	Sheffield City Centre - IRR Junction Improvements	£3,860,594	150	£25,737
	Sheffield City Centre - Knowledge Gateway	£4,129,140	2,863	£1,442
	Sheffield City Centre - SRQ	£3,535,974	651	£5,432
	Sheffield City Centre - University of Sheffield Campus (Phase 1)	£2,906,278	917	£3,169
	Chesterfield Waterside	£2,686,960	330	£8,142
	Doncaster Urban Centre - Colonnades	£2,301,974	557	£4,133
	Doncaster Urban Centre - Markets (Phase 1)	£3,203,140	599	£5,347
	Doncaster Urban Centre - Quality Streets	£1,369,980	80	£17,125
	Doncaster Urban Centre - St. Sepulchre (Phase 1 & 2)	£7,521,974	2,034	£3,698
	Doncaster Urban Centre - CCQ	£654,980	2,976	£220
	Chesterfield Northern Gateway	£5,915,272	510	£11,599
	Better Barnsley Town Centre Retail and Leisure Development	£2,201,705	814	£2,705
	Forge Island	£1,561,705	46	£33,950
	Parkwood Ski Village	£4,816,583	200	£24,083
	Glass Works	£5,306,583	856	£6,199
	Regeneration Total	£57,849,127	16,231	£3,564
Skills	Skills Capital - Competitive fund	£18,888,946	10	£1,888,895
	National Centre of Excellence for Food Engineering (NCEFE)	£645,889	42	£15,378
	Skills Total	£19,534,835	52	£375,670
Tourism	Peak Resort	£2,935,263	406	£7,230
	Yorkshire Wildlife Park	£5,016,583	315	£15,926
	Gullivers Infrastructure	£1,516,583	183	£8,287
	Tourism Total	£9,468,430	904	£10,474
Transport	M1 J36 to Dearne Valley - Phase 1	£15,884,033	4,555	£3,487
	M1 J36 to Dearne Valley - Phase 2 (Goldthorpe)	£7,441,870	1,400	£5,316
	Harworth Bircotes	£535,272	1,939	£276
	Worksop and Vesuvius Works - Phase 1	£521,195	566	£921
	Worksop and Vesuvius Works - Phase 2a	£1,303,651	1,355	£962

LGF Awarded and Jobs Created by Projects				
Theme	Project	Total Awarded	Jobs Expected to be achieved by 2025	Average Cost per Job
	Worksop and Vesuvius Works - Phase 2b	£1,186,057	915	£1,296
	Sustainable transport exemplar	£14,329,844	-	n/a
	Doncaster Urban Centre - Waterfront (West)	£769,980	600	£1,283
	Markham Vale	£3,854,594	638	£6,042
	BRT North	£4,076,792	500	£8,154
	DN7 (Hatfield Link)	£12,737,098	7,342	£1,735
	FARRS 2	£9,185,272	5,763	£1,594
	Supertram Renewals	£3,061,705	-	n/a
	Modelling and Strategic Testing	£2,274,537	-	n/a
	Westmoor Link	£5,220,924	-	n/a
	M1J37 Claycliffe Link - Phase 1	£1,788,349	167	£10,709
	A618 Growth Corridor	£820,705	6	£136,784
	Market Harborough Line Improvements	£5,069,605	-	n/a
	Greasbrough Corridor Improvements	£3,534,819	-	n/a
	DSA Capacity Expansion (Loan) II	£5,028,614	240	n/a
	DSA Capacity Expansion (Loan)	£3,516,583	751	£4,683
Transport Total		£102,141,502	26,737	£3,820
Total		£321,675,883	56,537	£5,690

5.3.2 New Homes Created

A number of the schemes supported by the LGF are delivering housing outcomes. The table below shows the schemes that are contracted to deliver housing outputs, their 2025 forecast and the proportionate LGF grant awarded per home constructed (based on 2025 forecasts).

We can see that there is a range between projects of £534 and £28,027 per house built, assuming all profiled targets are met. This reflects the fact that some schemes had elements of land remediation that increased costs or faced other types of challenges.

Based only on projects that are contracted to creating housing, and assuming that the 2025 forecasts are met, the average LGF grant per house will be £5,873. This provides a useful benchmark to feed into future assurance processes.

New Homes - LGF Awarded Per House				
Theme	Outputs	LGF Awarded	Expected to be achieved by 2025	LGF Awarded per House by 2025 – Assuming forecasts are met
Enabling Works	M1J37 Claycliffe Link - Phase 2	£10,773,091	1,700	£6,337
Housing	SCR Housing Intervention Fund	£10,061,705	359	£28,027
Regeneration	Sheffield City Centre - Knowledge Gateway	£4,129,140	491	£8,410
	Chesterfield Waterside	£2,686,960	310	£8,668
	Doncaster Urban Centre – CCQ	£654,980	55	£11,909
	Forge Island	£1,561,705	140	£11,155
Transport	Harworth Bircotes	£535,272	1,003	£534
	Worksop and Vesuvius Works - Phase 1	£521,195	126	£4,136
	Worksop and Vesuvius Works - Phase 2b	£1,186,057	233	£5,090
	BRT North	£4,076,792	814	£5,008
	DN7 (Hatfield Link)	£12,737,098	3,100	£4,109
Total		£48,923,996	8,331	£5,873

Source: MCA Executive October 2020

5.3.3 Commercial Floorspace

The table below shows the commercial floorspace that is expected to be achieved by the LGF funding split down at individual project level by 2025. Based only on projects that are contracted to deliver floorspace we can see that the average LGF grant per 1sqm of floor space anticipated to be created is £63 (assuming forecasts are met)

Outputs	LGF Awarded	Expected to be achieved by 2025 Sqm	LGF Awarded per sq. metre of floorspace created
Urban Development Fund	£15,074,594	11,404	£1,322
SCR Property Fund	£8,181,507	36,673	£223
Bassetlaw Employment Sites - Retford Enterprise Centre - Phase 2	£786,705	686	£1,147
AMRC Lightweighting Centre - Phase 1	£10,061,705	788	£12,769
Sheffield City Centre - Knowledge Gateway	£4,129,140	43,270	£95
Sheffield City Centre - SRQ	£3,535,974	208,670	£17
Doncaster Urban Centre - Colonnades	£2,301,974	5,126	£449
Doncaster Urban Centre - Quality Streets	£1,369,980	2,519	£544
Better Barnsley Town Centre Retail and Leisure Development	£2,201,705	25,230	£87
Glass Works	£5,306,583	20,204	£263
M1 J36 to Dearne Valley - Phase 1	£15,884,033	286,748	£55
Harworth Bircotes	£535,272	152,038	£4
Worksop and Vesuvius Works - Phase 1	£521,195	90,711	£6
A618 Growth Corridor	£820,705	240,000	£3
	£70,711,073	1,124,067	£63

Source – MCA Executive

The LGF grant per square metre varies from £3 to £12,769 across projects delivering this output. This reflects that fact some projects are not solely focussed on floorspace and some projects have added costs such as land remediation and infrastructure work before floorspace could be developed.

5.4 Value for Money Assessment Summary

- Based on all projects, the average cost per job across the whole programme (assuming that targets are reached) will be just under £6,000.
- Based only on projects that are contracted to creating housing, the average LGF grant per new house will be £5,873. (assuming that targets are reached)
- Based only on projects that were contracted to deliver floorspace we can see that the average LGF awarded per 1sqm of floor space created will be £63. (assuming that targets are reached).

6.0 Loan Funded Schemes

A number of the projects funded through the LGF fund are loan funded rather than grant funded. These are shown in the table below.

Loan Funded Schemes – SCR LGF Programme		
Project	Loan Amount Initially Advanced	
Donbac – A Business Investment Fund Project, forming part of the SCR RGF – Unlocking Business Investment	Principal	1,000,000
	Interest	86,250
	Total	1,086,250
JESSICA - To provide SCR JESSICA with a £15m loan to invest in commercial property developments in line with an approved Investment Strategy. Expected that the loan will be repaid within 3 years.	Principal	15,000,000
	Interest	153361.24
	Total	15,153,361
Rotherham Metropolitan Borough Council - Forge Island: Acquisition of Forge Island in central Rotherham, clearing the site and enhancing its attractiveness to future developers to deliver a leisure and cultural quarter.	Principal	1,500,000
	Interest	0
	Total	1,500,000
Sheffield City Council Parkwood - Remediation of the derelict former ski village site	Principal	4,800,000
	Interest	0
	Total	4,800,000
Hughes Armstrong – an individual Business Investment Fund Project, forming part of the SCR RGF – Unlocking Business Investment	Principal	175,000
	Interest	0
	Total	175,000
DN7 – Hatfield Link: A 2.9km road from Junction 5 of the M18, to unlock mixed-use development comprising 3,100 houses, commercial floor space and local centre, retail and educational facilities.	Principal	1,390,000
	Interest	0
	Total	1,390,000
Yorkshire Wildlife Park - Securing land adjacent to the current Yorkshire Wildlife Park for a new entrance, visitor hub with themed restaurants, destination hotel and investment in signature animal reserves.	Principal	5,000,000
	Interest	1,217,883
	Total	6,217,883
Gullivers - Gulliver's Valley overall resort will be a theme park offering rides and attractions aimed at children aged from 2-13 years old and their families.	Principal	1,100,000
	Interest	34,375
	Total	1,134,375
Doncaster Sheffield Airport - loan 1: Increased passenger capacity at DSA through a reconfigured and extended airport car park infrastructure and parking product.	Principal	3,500,000
	Interest	420,000
	Total	3,920,000
Fenwood – Part of the SCR Housing Intervention Fund	Principal	175,010
	Interest	25,952
	Total	200,962
SCR Financial Intervention Co. ²	Principal	9,982,752
	Interest	0
	Total	9,982,752
Doncaster Sheffield Airport - loan 2: Increased passenger capacity at DSA through a reconfigured and extended airport car park infrastructure and parking product.	Principal	5,020,600
	Interest	1,087,728
	Total	6,108,328
Total		45,560,583

Source: MCA Executive October 2020

² Holding company for funds

6.1 Loan Funding – Key Points

Whilst loans had been given to public sector organisations under previous funding programmes, providing loans to the private sector has been a bit of a policy shift under the LGF programme.

For public sector organisations, loans may have been offered where there has been less certainty of outputs, for example around public realm projects. In some instances where outputs have been achieved, the loan may get converted to grant.

The move towards loans for the private sector was also taken because a number of project ideas came forward that aligned with the aims of the programme, would deliver appropriate outputs and would benefit the region but it was clear that the projects would generate income and therefore it would not be appropriate to offer the project a grant. This also brings benefits for the MCA in terms of interest payments which can provide opportunities for reinvestment. Loan funding also assists with meeting annual spend targets as the funds are released in one lump sum generally even if the activity takes place over a number of years.

Some loan re-payments have been deferred because of the Covid-19 pandemic. This flexibility has been highly valued by the private sector schemes - one private sector loan recipient told us that they would not have had this flexibility with commercial lenders and were very complimentary regarding the MCA's understanding.

In many respects, the offering of loans is quite innovative for a LGF Programme and has supported schemes and delivered benefits for the region that wouldn't have been possible previously or would have taken much longer to deliver without the availability of the loan funding. However, the evaluation work has highlighted the importance of only providing the funds when a project is ready to proceed or to release the funds in phases or else there is a risk of organisations 'sitting' on funds and projects not proceeding.

7.0 Consultation

As part of the evaluation, consultation was undertaken with project stakeholders, MCA Executive staff, LEP Board Members, Local Authority contacts and those organisations who had received funding through the LGF programme. The consultations involved a mixture of one or one conversations and an online questionnaire. The questionnaire was sent to circa 100 individuals.

As well as representatives from the MCA Executive, feedback was received from the following organisations:

- Chesterfield Borough Council
- Centre for Regional Economic & Social Research, Sheffield Hallam University
- North East Derbyshire District Council
- Sheffield City Region Combined Authority
- Sheffield City Council
- Doncaster University Technical College.
- The Sheffield College
- Superfast South Yorkshire
- UK Atomic Energy Authority
- Cities and Local Growth Unit
- Peak District Rural Housing Association
- Barnsley Metropolitan Borough Council
- Legacy Park Ltd.

The findings from the survey are set out over the following pages. They have been supplemented with additional feedback collated through virtual consultations with a selection of funded projects. The key themes arising from the consultation have been summarised below.

7.1 Funding Awarded and Application Processes

7.1.1 Spend and Funding Awarded

Funding is allocated yearly and annual spend targets have been met every year except one, which has meant the MCA has not been subject to government-imposed reductions in budgets in future years. This was generally viewed as a positive, however, a number of consultees highlighted the '*spend it or lose it*' culture of the process - inevitably some projects will not spend to profile and the need arises to allocate funding to projects at short notice that can spend within the required timeframes. This solution to minimising underspend can shift the emphasis of the programme towards prioritising projects that are deliverable in the short time, rather than prioritising those with the largest impact in the long term.

Consultation identified that there can be a '*pressure to spend*'. However, it should be noted that this isn't an issue that is specific to the Sheffield City Region LGF Programme - it is a pressure faced by all organisations managing LGF programmes and is the nature of programmes with annual funding allocations.

The above issues are compounded by the fact that ‘80% of spend generally happens in last quarter’. Whilst this is not unusual for a grant programme, this last-minute approach makes the budgeting process difficult to manage, especially if some projects slip unexpectedly. Examples of creative approaches to dealing with last minute underspends were provided, for example advancing loans to a subsidiary company. These types of processes should be shared/ communicated with other LEPs to ensure that all LEPs can benefit from this knowledge and expertise.

7.1.2 Bidding process

Consultees told us that apart from the initial funding round, where a pipeline of projects was included in the Growth Deal, the calls have been openly promoted through a combination structured and fully open calls. Calls for proposals were opened when there was clearly going to be an underspend, if the LEP were looking to commission a specific type of scheme, or just needed to refresh the pipeline. These calls have been published on the website and through social media to try and reach both the public and private sector.

The following comments were made about the open calls:

- Open calls ensure that the application process is available to all and are a good way of capturing the whole market. The downside to this approach is that there are inevitably get some projects submitted that just don't fit well with the call and these applications can take a lot of time to sift through and process. Open calls can mean that applicants can put projects in speculatively that are ‘*a bit of a punt*’ – again this adds to the administration burden for the MCA Executive.
- Open calls don't lend themselves to being strategic – the programme has to fund what comes forward, and coupled with the fact that the 2015 SEP was quite broad, this can mean a wide spectrum of schemes rather than a targeted approach were funded through the LGF programme.
- *‘The bidding process seems dominated by local authorities, which is understandable in many ways. It would be useful to know, however, how proactive each Local Authority has been in promoting funding opportunities to wider interested parties at their local levels. For example, in this area we have seen a number of successful college bids, have colleges in the wider city region had the same opportunity to engage in the programme?’*
- *‘The key line of communication between LGF funding opportunities filtering through to key officers who would be responsible for bidding to the different funding streams is very blurred and often causes delays.... The use of emails with this information isn't productive - there should be a portal for SCR and its partners to obtain the full details, guidance, templates etc’*
- *‘Not very well. You need to know where to look on the website’.*

A conversation with one project highlighted that they felt that once you are ‘in the system’, the team on the ground were brilliant at helping with the process, however, for applicants outside of the system, and particularly the private sector and those who aren’t used to applying for public sector funding, it can be difficult to access.

7.1.3 Commissioning

There was a move towards a commissioning approach during the delivery of the LGF programme.

There have been specific calls for projects to address an identified need such as with housing or skills capital schemes. For the housing call, a prospectus was prepared and circulated to local authorities, housing associations, developers, landowners etc - this was considered to be a transparent way of publicising the scheme. The success of this approach for housing schemes can be evidenced by the number of private sector projects that have come forward. It was noted that private sector applicants have sometimes been held back by a lack of knowledge and understanding of funding issues such as state aid, the business case requirements or the due diligence processes. The consultation identified that it is considered that decisions about priorities and what should be funded are '*based on a sound understanding of policy and the local area*'. There has been an increasing emphasis on identifying a preferred option for a problem or opportunity and then procuring the solution.

Some consultees felt that a commissioning approach has also enabled money to go to different types of organisations and that it is positive to see the confidence to deliver things that are a bit different as the programme progressed.

It was suggested that the commissioning approach could be further developed by the MCA Executive. Ideas suggested included:

- '*An SCR intelligence team that understands where money should be invested - matching delivery with need in a joined-up way and liaising with the LA to do this, a more joined up approach and done collectively and collaboratively with the local authorities'*'
- '*A partnership approach to projects, where the MCA Executive team are more involved in the ongoing delivery of the schemes, offering support and guidance. Joint ownership of schemes creating a new culture of delivery*'.

7.1.4 Type of Applicants / Business Case Development

It was noted that some Local Authorities thought that they should get a certain proportion of money '*their share*', but funding was allocated based on fit with the SEP, the robustness of the business case, the ability to deliver outputs and whether the project provided good value for money. Overall, funding awards were dominated by public sector applicants, particularly in the initial years. It was generally felt that this was inevitable given the nature of the fund, and the focus on transport/ major infrastructure schemes and delivering GVA and jobs. A number of schemes were developed in later bidding rounds to achieve a better balance, such as the Business Investment Fund, a follow on from the Regional Growth Fund programme which was designed to support private businesses.

A number of suggestions were made with respect to business case development and requirements:

- ‘Earlier advice on what a good Business Case comprises would head off difficulties later. Improved tools are now available’
- ‘Business Case preparation is very costly especially for transport schemes. These costs cannot be recovered until final approval and the scheme funding agreement is executed which in some cases can be up to 3 years. Staged payments (as per other LEP’s i.e., WYCA) should be considered’
- ‘The bidding process was a bit complicated - we had to submit a Strategic Business Case, An Outline Business case and then a Full Business case. There was duplication on some of the questions..... In our view 3 stages is too many - this could be streamlined to two stages’
- ‘Project sponsors face a lack of expert resource to develop good quality business cases, lack of revenue funding for scheme development and there is a lack of two-way communication during the development of Business Cases’.
- ‘We like the principle of there being a sponsoring officer from the LEP who works with the project team to develop the bid. That person can then explain to the appraisal panel what the project is seeking to achieve. In some cases we think it may be beneficial for the project team to present to the panel rather than the decision making to be arms-length’
- ‘You get questions from different people at the LEP all wearing different hats’
- ‘There are transparent and clear guidelines’
- ‘The frequency of the approval boards can sometimes impede delivery especially during latter phases of the LGF programme’.

7.1.5 Alignment with LA Processes

It was noted that the MCA’s processes do not always align with the Local Authority processes and administration requirements. It was suggested that it would be useful to work with the Local Authorities to streamline the processes and reduce duplication of forms and paperwork. Some specific comments included:

- ‘Indicative costings at the Strategic Outline Business Case stage back in 2014 have been unable to be altered throughout the OBC/FBC stage even when schemes have been out to procurement. LA procurement rules won’t allow us to go out to tender unless funding is secured - this occurs at FBC, but when actual tender prices are returned SCR won’t increase the LGF support accordingly. This should be reconsidered’
- ‘Local Authority partners are part of the Sheffield City Region but this often feels that its them and us’
- ‘Draft Funding Agreement should be issued alongside pending approvals as unfeasible T&C’s could impact on Local Authority partners being able to agree to the Funding Agreement without further cabinet permissions’

7.1.6 Withdrawn and Unsuccessful Schemes

Some applicants have withdrawn their projects from the application process due to external factors such as lack of match funding, because they were not deliverable in the timeframes, or because other priorities took precedent. Other reasons cited for projects being withdrawn include planning permissions being turned down, or costs being significantly under estimated during the initial phases of project development and therefore projects became unaffordable.

It was reported that there was more risk of private sector projects withdrawing as these tend to be driven by profit and availability of funds to match the LGF investment. It is felt that when projects withdraw from the application process it is significant waste of a lot of resources, in time and money, for both the applicant and for the MCA.

Consultees who had had a project turned down for LGF funding were asked about the transparency of the decision. Comments received included:

- *'We were informed of the outcome but it wasn't clear as to why we were unsuccessful'*
- *'Not a funding bid as such but a request to carry over funding into the next contract was rejected.....I believe the decision was clear and transparent'*
- *'It seems that certain projects get favoured over others. Once you are in the pipeline is this your position, or can things come in and others get to the top of the list'*
- *'The decision was clear but the dialogue before the application with the LEP raised our expectations of success'.*

7.1.7 Bid Development Support

Funding is available to support applicants with the development of their business cases, although this money has to be paid back if the project doesn't progress. Some suggestions as to how support for applicants is already provided or could be developed in future are listed below:

- *'The MCA Exec Team offer to review documents before they are formally submitted, however a lot of the project sponsors don't have the capacity to lift their eyes from the day job and don't always have the time to take up offers of support even when offered'.*
- One consultee told us that another grant programme has been trialling putting MCA Executive Team members into local authorities to support the project development process. The officer can bring people together from different teams to support the development of the projects - they know what is needed by the MCA and this leads to schemes coming through are of high quality.
- *'Upfront funding for applicants to help fund the economic, site appraisal, planning and legal fees would help'*. It was suggested that the MCA could set up a framework of suppliers to support with this, with efficiencies generated though economic or scale. An example given was that the MCA Executive could commission site appraisals for all of the housing or infrastructure projects themselves, ensuring consistency of approach, creating economies of scale and reducing the burden on the applicant.
- Another consultee told us that *'From the outside the application process probably feels a bit frustrating, especially for small projects as there are a lot of hoops to jump through. Small proposals can miss out the outline business case stage, but it feels quite onerous for small proposals. It's a lot of work in terms of time and cost for smaller projects'*.

7.1.8 Projects Supported

Respondents to the questionnaire were asked whether they thought the right kind of projects were being funded by the LGF programme.

Do you think the correct type of projects were prioritised for investment?			
Answer Choice	Response Percent	Response Total	
Yes	83.3%	10	
No	16.7%	2	
Answered		12 (3 skipped)	

Respondents were asked to expand on their answers, they told us:

- ‘Yes and No, funding is very much geared towards Value for Money/ Benefit Cost Ratio / GVA which is often counter-productive. The appraisal process needs to be more weighted towards the strategic fit, solutions to deliver scheme that would benefit the SCR strategically’
- ‘LGF is positioned as a Growth Fund programme - going forward due to COVID-19 and the economic recession then it should be repositioned as both a Growth and Transition Fund to help organisations and individuals to transition to new working practices and operating models, and transition to growth sectors moving away from declining sectors’
- ‘Potential for more place-specific programmes/investment plans - to help join up the disparate elements of the LGF programme itself (given its broad focus) as well as other SCR and external funding sources. Understand this is in development via locality “blueprints” for each main urban centre and growth zones Seems an encouraging development’
- ‘It feels like larger Authorities or Yorkshire based Authorities were more likely to be successful in securing funding’
- ‘It is difficult to justify funding for public realm schemes, the LEP could consider widening out the outputs that they are assessing projects on, this could include for example crime reduction, increased perception of public spaces, or uplift in land values post project’
- ‘It felt as if politics determined that LGF was spread too thinly over SCR geographical region. Whether it is our project or someone else’s it should have been where it can deliver most for the region’
- ‘More transparency for the private sector to see what opportunities are available from SCR. Businesses could benefit hugely from working with the SCR’
- Further discussion with one project suggested that they felt that the programme prioritised projects which exclusively concentrated on creating high value jobs and developing high level skills. The project felt that in reality, employing local people in low-value jobs, particularly in the current economic climate, could be seen as just as important. This helps to support lower skilled people into work, often for the first time.
- One consultee told us that projects run by Local Authorities could often run ‘regardless of LEP funding’, and that therefore, the funding makes more of a difference to the private sector’.

7.2 Assurance Process

7.2.1 Main Problems Causing Hold Ups During Assurance Processes

Problems causing delays during the assurance process included:

- The consultation highlighted that during the period of the LGF programme, some applicants have been submitting funding applications without planning permission, other statutory consents, Local Authority approval or before match funding has been secured. This causes issues as it creates significant delays with delivery and has a knock-on impact on the overall LGF programme expenditure profile which must be met each year. Some projects that have been held up for 18 months in the planning process.
- In some instances, schemes have been allowed to bypass the outline business case. This has not always been a successful approach as there is a significant risk of a poor quality full business case. '*There needs to be firmer guidance about the quality expected in a full business case*'

7.2.2 Assurance Panel

It was suggested that the assurance panel might benefit from an increase in business representation. One consultee noted: '*it would be useful to understand how much real engagement with the business community is there, in say, how impactful the housing transport/ housing schemes will be on them*'.

7.2.3 Comparisons with other LEPs

It was noted that Barnsley MBC (which is also part of Leeds City Region LEP) have expressed that the SCR Business Investment Fund is much more difficult to access, and more bureaucratic, than the Leeds City Region equivalent and '*that for the Business Investment Fund, they default to Leeds*'.

7.3 Monitoring and Reporting

The following was noted with regards to monitoring and reporting:

- It was noted that some of the older projects were initiated when there were few staff and unclear guidance on output requirements. Guidance is now clearer.
- '*There is no precedence of clawback of funding for underperformance*'.
- A beginning to end ownership of projects by members of the MCA Executive Team staff could support continuity and help facilitate project development and delivery. It is considered this approach would help ensure MCA Executive staff knowledge and experience is best utilised.
- '*When there are lessons learnt with projects these need to be fed back to those developing and delivering projects*'.
- '*The team are really friendly and approachable*'
- '*Communication with the monitoring team has been great – really quick and responsive and there to help – a big positive*'
- '*Administratively well organised with readily available support offered by SCR officers if required*'
- '*Very detailed and in the early stages changed each quarter*'.

- *'It wasn't always clear what documentation was required to evidence delivery ... It is easier to document if evidence requirements are known at the start'*
- *'Delays in approving change requests and locked data sheets often made it difficult to correctly complete the report.... Overall, the format as it is now does provide a good, clear insight into the projects' performance providing change requests are actioned to enable baselines to be amended'*
- *'When changes have been sought the change request process has been made straight forward'.*

Some consultees noted that the reporting process was quite bureaucratic and onerous although it was generally recognised that this information needed to be captured. Indeed, one respondent told us that the '*The PDS document is well thought out and provides a structure for reporting on progress - it is a good document'*

Suggestions for improvements to the monitoring and reporting process were noted, including:

- *'Would be useful to have a session/ workshop about how to complete the monitoring forms, similar to those held at the start of the process around developing the business case'*
- *'The PDS forms could be simplified, a lot of information is captured within the forms that never changes. I hate the excel format so when typing project updates and more lengthy updates it is all in one cell and not easy to check for typos etc'*
- *'Would be good for outputs to pick up wider benefits such as how much benefit from public realm, how can public realm be seen as a priority'*
- *'The PDS spreadsheets are not user-friendly and project managers dread filling them in, quite often cells are locked so we have to email back to get them unlocked'.*

7.4 Growth and Perception of the MCA and LEP

7.4.1 Growth of the MCA

It was agreed that the MCA Executive team has grown over the period of the programme, not just physically in terms of staffing numbers, but also in terms of knowledge and experience gained, ability to deliver and support projects, and improved partnership working. This experience means that the team are perhaps now better placed to ask the right questions of projects. A team of contract managers is now in place who have regular contact with projects. This improvement in the working relationships with the project sponsors/ partners has helped with openness.

7.4.2 Communication of Messages

Respondents to the questionnaire were asked how well stakeholders are kept informed of overall progress of the Local Growth Fund Programme. The answers can be seen in the table below:

Sheffield City Region: Local Growth Fund - Mid Term Evaluation		
On a scale of 1-5, how well informed are stakeholders kept informed of overall progress of the Local Growth Fund Programme? 5 = very well informed, 1= not very well informed?		
Answer Choice	Response Percent	Response Total
1 – Not Very Well Informed	23.1%	3
2	23.1%	3
3	30.8%	4
4	23.1%	3
5 - Very Well Informed	0.0%	0
Answered		13

The results suggest that the MCA Executive team could consider ways in which to keep stakeholders better informed, beyond the MCA or LEP Boards as information is perhaps not getting filtered down to partner organisations. One project told us: '*Apart from our project I am not aware of any others'*

The following was also noted with regards to communication:

- The communication in terms of what funding is available can sometimes be unclear – '*the message is sometimes that we are overcommitted, but this can quickly change to under committed and a need to bring forward projects*'. It was suggested that it not always clear if there is money available.
- There is a need to '*shout out*' about the success of the programme and the projects. In terms of marketing, it should be remembered that it is not all about the big flagship projects and that some of the smaller schemes have brought significant benefits to the area.

7.4.3 Perception

It was suggested that the MCA can be seen by some as the Government Office for the area, and it is sometimes perceived that it is MCA Executive who are making up the rules, '*when in reality they are trying to do their best to support as many projects to work within the parameters laid out by government*'. One suggestion to overcome this was to get projects and stakeholders in a room with MCA Executive staff more regularly and more partnership working in developing projects.

7.5 Key Issues Faced by Projects

Consultees told us about the key issues that are being faced by the projects. Comments included:

- '*Overly optimistic timescales, cost uncertainty*'
- '*The key issues at the moment is the difficulty in getting extensions to projects that have been delayed by CV-19. This seems to be taking a long time and is at odds with the way in which most organisations have adapted to the circumstances of CV-19 whereby there has been much greater flexibility and decision making has been rapid*'
- '*Balancing the wide-ranging priorities, and the needs of all local areas; and therefore, the inevitable prioritisation challenges that arise from these*'

- ‘Difficulty in linking up strategy with EU funds’
- ‘A key issue for capital projects is an apparent need to apply clawback again outcomes that are often outside the control of the project sponsor e.g. job creation for a public realm scheme. This requires a sponsor to underwrite the potential risk of clawback i.e. secure additional funding (an accounting liability) which may not have been built into the project budget. Clawback on uncontrolled outcomes, whilst understandable, tend to delay project progress at best and have the potential to cancel important strategic activity.’
- ‘Secure a strategic programme of interventions to provide certainty’
- ‘Provide funding to allow projects to be worked up in some detail - and do not require clawback if they do not proceed’
- ‘VFM needs to reflect all 5 cases within a business plan rather than being fixated on a cost:benefit ratio’
- ‘Clawback on outcomes needs to consider whether those outcomes are in control of the project sponsor and earlier engagement is required in respect to potential clawback’.

7.6 Wider Social and Environmental Benefits

With the LGF focus on GVA and jobs outputs, it was reported that certain types of project were very difficult to fund such as active travel, or those for the wider public good - *‘in a competitive funding environment it is difficult to justify the additionality - they will always perform worse in comparison in an appraisal process focussed on GVA, jobs and growth’*.

Projects were asked about the wider social and environmental benefits of their projects. They provided many excellent examples some of which are shown below:

- ‘Peak resort will support the tourism sector both in the immediate area and within the Peak District. It has supported the creation of beautiful pathways that have added to the flora and fauna locally, cycle trails etc. Opportunities for local businesses in the supply chain’
- ‘Northern Gateway will see quality public realm created in the Town Centre that will enhance the quality of the townscape and the attractiveness of Chesterfield Town Centre as a place, it has ensured the wider regeneration of the Town Centre has been kick started and it is evident that private sector investment is taking place in the wider area’
- ‘We are working with the developers to ensure that they offer local businesses opportunities within the supply chain - we have held meet the buyer events and will hold another virtual one shortly, work experience placements are being offered and apprenticeship opportunities’
- ‘Housing product and tenure diversification, therefore ensuring that housing meets a wider range of community and social needs’
- ‘The project carried out outreach work with young people including schools and child social care facilities’
- ‘Broadband can contribute to reducing greenhouse gas emissions, promoting resource efficiency, and climate adaptation measures while also encouraging economic growth. For instance, companies saving on energy bills by adopting cloud computing models whereby their data and applications are run using centralised server farms. Improved broadband infrastructure will help reduce reliance on transport by residents and businesses, as a result of increased remote working, tele conferencing and the implementation of new business practices. Again, in terms of covid-19 this has had a huge impact’

- *Improvement in ecology with the removal and remediation of contaminated material.*
- *Landscaping provides a good environment for the local community to use and exercise in. A junior park run was established in November 2019.*
- *Drainage is based upon a SUDS methodology including all car parks and hard landscaping. Adjacent to the school we planted orchard as part of the education process of healthy living and eating.*
- *We set a quality brief and materials that represent good value and easy maintenance. The design was awarded the Architects Journal landscape design of the year for 2019.*

One project did note a negative impact:

- *Some schemes aimed to improve the appearance of urban centres and local air quality. Generally, however, most schemes are likely to lead to traffic growth, especially goods vehicles'*

7.7 Considerations for Future Funding

Consultees suggested the following that could be considered for future funding programmes:

- **Consideration of Social Value** - It was suggested that there is significant emphasis on job creation and GVA outputs – ‘should be looking at the wider picture?’ ‘Do social projects fall down because the appraisals are focussed on GVA and Job Creation’
- **Covid19 Pandemic** - A full review of the impact of COVID-19 on the programme is currently being undertaken, at this point it is hard to quantify. There have been requests to reprofile outputs, and some projects have been unable to spend their grant as they have had supply chain issues. Conversely there were examples of projects that were ahead of schedule as a result of Covid19, for example, a project at a College that had been able to get on site early as there were no pupils on site. The team noted that the change in demand for office space will become apparent over the forthcoming months and years and may free up land available for future / different uses.
It was suggested that future funding schemes could consider the conversion of office spaces into homes in urban centres.
- **Masterplanning and Collaboration** - It is hoped that in future the MCA can become more involved in area regeneration in terms of master-planning for areas. This will mean that they have more detailed knowledge of areas, more confidence of information that is in bids, are aware of the problems and issues faced and can work collaboratively with partners to address these issues with a package of measures.
- **Energy/ Low Carbon** - It was suggested that energy has been an ‘ambition rather than a requirement’ during the programme, however, it was noted that this is becoming increasingly important for SCR. It was suggested that projects could have higher intervention rates for non-gas boilers in housing schemes, or better energy efficiency etc.
- **EU Transition/ Brexit** - It was noted that the EU transition could create a huge amount of uncertainty for businesses and this is falling off the radar with the current Covid19 crisis.

7.8 Consultation Analysis and Conclusions

Following an analysis of the consultation findings, the following key conclusions can be made:

- The programme has been well managed to date. There are inevitable struggles around annual funding allocations which are felt across programmes of this nature. Working in partnership, the MCA and the individual projects appear to have managed this well in the circumstances.
- Overall, it is considered that bidding processes have been fair and well publicised. It is always going to be difficult to get the message to everyone and a partnership approach is needed to ensure cascading of the information at a local level.
- The move towards more commissioning is a positive approach with more of a partnership approach between the MCA and partners in different areas of the region. The benefits of this would include jointly working up business cases so they are submitted at an appropriate time.
- The business case process is, as required, aligned with the HM Treasury Green Book guidance. This is extensive, particularly for organisations unfamiliar with the approach. The MCA Executive has looked at streamlining the approach for smaller projects but there will always be need to provide assurance of government funds.
- Despite these requirements, there is an opportunity to better align programme requirements with the requirements of Local Authorities to facilitate business case development
- Monitoring and reporting are almost always the most unpopular part of the funding process for sponsors. However, there has been positive feedback on the improvements made to the monitoring processes for the programme and in particular praise for how supportive the MCA Executive have been.
- The desire for programmes which look beyond pure economic outputs and impacts is common amongst the consultees and reflects the new SEP. It is clear that projects are creating many social and environmental outcomes that are difficult to report within the core jobs created and GVA outputs and a way to be able to report these outcomes should be considered.
- There are opportunities to better market the successful LGF funded projects and celebrate the benefits and impact of the programme.

8.0 Project Level Review – Project Case Studies

Having reviewed the overall programme performance, the evaluation team then undertook a 'deeper-dive' into a sample of funded projects to create a series of case studies.

A diverse range of projects were selected in order to provide a cross-section in terms of themes, locations and project value.

The projects chosen for case studies are shown in the table below.

	Skills	Town Centre Regeneration	Business Support	Tourism	Public Realm	Transport
Sheffield					Grey to Green	
Rotherham	Skills Capital – RNN Higher-Level Skills Centre			Gulliver's Valley		
Bassetlaw	Skills Capital – RNN North Notts College Facelift					
Doncaster	Skills Capital – National College of Advanced Technology and Infrastructure					
Barnsley		The Glassworks				
Chesterfield						
NE Derbyshire						
Bolsover						
Derbyshire Dales						
Harborough					Market Harborough Line Speed Improvement	
LGF Project Value	£9.81m	£7.4m	£41.9m	£1.4m	£3.3m	£5m

For each project a desktop review of data was undertaken along with a virtual consultation with a representative from the project team. The case studies are included in Appendix 1.

8.1 Case Study Key Findings

What is clear from the case studies is that the nature of projects funded and what they were trying to achieve ranged hugely, from tourism facilities and town centre improvement, to attracting multi-million-pound, high profile businesses to the area.

Lessons learnt from speaking to the projects include:

- Projects are not always dependant on funding to go ahead, some projects told us that the projects may have taken place without LGF support. However, funding does add value to these projects, allowing them to include extra elements that would not otherwise be fundable. This could increase improving the standard of building that is affordable, or investing in better public realm etc.
- There is sometimes a mismatch between the outputs that the projects were reporting to us and the outputs from the latest Delta Return. This is likely due to the time-lags in reporting, but final outputs will need to be fully reviewed as part of the final evaluation.
- The projects are achieving a lot of wider environmental and social impacts over and above the core LGF outputs. Collating this data at a project level would help to demonstrate the wider impacts of the whole programme. This could be considered for the final evaluation.
- Sharing of best practice - many of the projects that we spoke to were not aware of other schemes that had been funded. Getting projects together could help to celebrate successes and share lessons learnt, raising the profile of the funded schemes and the LGF programme as a whole. It could potentially lead to joint working and opportunities for collaboration between the funded schemes.
- The private sector projects may benefit with additional support in terms of preparing bids/ business plans. It was felt that this might enable them to better compete with public sector applicants.
- The economic impacts of the individual projects could be affected by the Covid19 pandemic and its long-term impacts – such as reduced demand for rail travel and reduced demand for shop and business units. The wider impacts of Covid19 are not yet apparent.

9.0 Economic Impact Analysis

This section takes the key outcomes/ outputs that have either been achieved, or are forecast to be achieved through the LGF programme, and calculates their potential wider economic benefits for the SCR economy. The calculations consider multipliers, adjust for the leakage of the benefits outside of the SCR area and apply displacement and deadweight factors. The calculations undertaken consider the potential economic impact of:

- New homes built
- Investment in superfast broadband for businesses
- New jobs created
- New learners supported
- Additional office floorspace.

Note, this is only a high-level economic impact so we have focussed on understanding the impacts of the key outputs. A more detailed study would be needed to fully capture the whole impact of the individual projects.

1. Economic Benefits Achieved in the SCR Area to Date as a Result of the Investment:

- **Additional Spend in the Local Economy by New Households:** potential £6.66million per annum
- **Superfast Broadband GVA:** a potential additional £162.5 million GVA for the SCR economy per annum.
- **Jobs GVA:** A potential additional £528m increase in GVA per annum
- **Learners Economic Benefits:** 5,061 learners have been trained/ are in training to date. When they have completed their training, it is estimated between them they will benefit from £6.3 million per annum as a result of the training. (equivalent to circa £316 million over a 50-year period)
- **Housebuilding:** There will also be an additional one-off £25.24 million of GVA during the period as a result of housebuilding.

2. Economic Benefits Forecast to be Achieved in the SCR Area by 2025: (note: this is cumulative and includes the actuals achieved to date)

- **Additional spend in the local economy by new households:** potential £42.38 million per annum
- **Jobs GVA:** A potential additional £2.08 billion in GVA per annum for the area.
- **Learners Economic Benefits:** 12,222 learners will be trained/ be in training by 2025. When they have completed their training, it is estimated between them they will benefit from £15.25 million per annum as a result of the training.
- **Floorspace:** Enough floorspace to accommodate 47,763 workers.
- **Superfast Broadband GVA:** a potential additional £162.5 million GVA for the SCR economy per annum.
- **Housebuilding:** There will also be an additional one-off £157.37million of GVA during the period as a result of housebuilding.

9.1 Key Principles – Economic Impact

The key principles/ features used in this economic impact assessment are shown below. We have also included a glossary of the terminology used.

The approach taken is rooted in HM Treasury ‘Green Book’ methodology, using a mix of relevant technical guidance, judgements, primary data or standard assumptions for key economic factors. When using data sources to inform calculations we have applied the following approach: use of primary sources where possible, where possible use of data from the project team. Where primary data is not available, we have used standard assumptions, evidence from national and local reports and recognised industry data.

9.1.1 Economic Impact Terminology Used in the Calculations – Glossary

The research undertaken has been designed to estimate the total effect of the suite of projects listed in previous sections and funded through the LGF Programme. This means considering a wide range of consequential or induced effects as well as the immediate effects. These are explained below.

- **Multiplier Effects:** The further economic activity (jobs, expenditure or income) associated.
- **Deadweight:** The outputs that would have occurred without the intervention.
- **Displacement:** The proportion of intervention outputs accounted for by reduced outputs elsewhere in the target area.
- **Leakage:** The proportion of outputs that benefit those outside of the intervention's target area or group.

As this is only a high-level economic impact we have, in general, used the following standard benchmarks when calculating multipliers, leakage, deadweight and displacement. This said adjustments have been made adjustments in places to account for local conditions where appropriate. These decisions have been justified in the analysis.

- **GVA Multipliers:** The Scottish Office publish a list of GVA multipliers per SIC code. The average GVA multiplier across all sectors of the economy is that for every £1 of direct GVA created by businesses there is £1.65 of direct, indirect and induced GVA. This multiplier has been used.
- **Employment Multipliers:** The What Works Centre for Local Economic Growth suggest the following employment multipliers: *Additional jobs in the tradable sector tend to increase employment in the non-tradable sector (e.g., local shops and restaurants). ... For each additional job in the tradable sector, 0.9 jobs are created in the non-tradable sector. The impact of additional jobs in the tradable sector on other tradable jobs is smaller: an additional job in the tradable sector creates, on average, 0.4 jobs in other parts of the tradable sector.* Based on the above we have assumed that for every direct job created there are 2.3 direct, indirect and induced jobs (1 direct job = 1 direct job + 0.9 non-tradable jobs + 0.4 tradable jobs).
- **Deadweight:** The Homes and Communities Agency Additionality Guidance 2014, provides a series of ready reckoners for deadweight. Guidance indicates an average deadweight factor across intervention types of 24%.

- **Leakage:** The Homes and Communities Agency Additionality Guidance, provides a series of ready reckoners for Leakage. Guidance suggests that where a reasonably high proportion of the benefits will be retained within the target area, a factor of 25% should be applied.
- **Displacement:** This is variable depending on the nature of the outputs. Assumptions have been made for each case and the justification included.

9.1.2 Geography

The economic impact calculations have been designed to capture the impact of the programme on the SCR geographic area.

9.1.3 Limitations of Economic Impact Assessments

It is important to recognise that there are limitations to any economic impact assessment. There are noted below:

- The findings are reliant on the robustness of the ‘base case’ and the quality of the data available – in this instance the quality of data reported by the projects and recorded by the MCA Executive.
- There is an inability to count non-quantifiable economic benefits that have value to individuals or organisations (e.g. quality of life improvements and profile raising).

Not discounting all of the above it must be noted that the approach taken is cost effective, comparable and is built on economic convention.

The economic impact calculations for the LGF investment are shown over the following pages.

9.2 New Homes

The table below summarises the numbers of new homes that have been built to date as a result of the LGF grant funding. In addition, it shows the number of new homes that the projects are forecasting they will have supported by 2025.

SCR Local Growth Fund Projects – New Housing, Delivered and Forecast		
Project	New Housing - Achieved to date	New Housing - Expected to be achieved by 2025 (Forecast)
Sheffield City Centre - Knowledge Gateway	40	491
Chesterfield Waterside	0	310
Harworth Bircotes	261	1,003
Worksop and Vesuvius Works - Phase 2	126	126
Worksop and Vesuvius Works - Phase 2b	62	233
Doncaster Urban Centre - CCQ	0	55
BRT North	814	814
DN7 (Hatfield Link)	0	3,100
M1J37 Claycliffe Link - Phase 3	0	1,700
Forge Island	0	140
SCR Housing Intervention Fund	33	359
	1,336	8,331

There are a number of economic benefits that these new homes will have for the local economy, including: increased spend in local shops and restaurants resulting from the population increases, increased council tax revenue for the local authority and construction jobs created as a result of the investment.

The economic benefits of house building were quantified in the July 2018 report – The Economic Footprint of House Building in England and Wales. The report was prepared by The Home Builders Federation (HBF) and Lichfields and can be found at the following link –

<https://lichfields.uk/media/4313/the-economic-footprint-of-uk-house-building.pdf>

Note: HBF is the representative body of the home building industry in England and Wales; their members' account for 80% of all new homes built in England and Wales in any one year, and include companies of all sizes, ranging from multinational, household names through regionally based businesses to small local companies. Lichfields is a planning and development consultancy in the UK.

The report highlights that in 2016/17 the house building industry in England and Wales built around 224,000 new homes. The report goes on to calculate the economic footprint of this investment.

This national data has been factored down, allowing us to understand the potential impact that the new houses supported through LGF funding could have on the local SCR economy.

Economic Benefits from Houses Being Built as a Result of LGF Funding (Excluding Multiplier, Leakage, Deadweight and Displacement Unless Specified)						
Base Data Source - The Economic Footprint of House Building in England and Wales			Economic Impact of New Homes Resulting from LGF Funding - Pro-rated figures from National Numbers			
Area of Impact	Total Economic Impact for the 224,054 homes built in England and Wales in 2016/17	Average Impact per individual home built	Already built		Forecast to be built by the 2025 (Cumulative – includes actuals)	
Increase in Spend in Shops and Services	It is estimated that residents of the 224,054 net additional homes built across England and Wales in 2016/17 generated £5.9 billion ¹ of spending over the course of the year. This equates to an average of £26,333 average spend generated per household per year. ¹ Based on data from the ONS Family Spending Survey 2018 which showed that households across England and Wales spent an average of £503 a week in 2017	The centre for Cities state that average wage in the city-region are low at £459 a week, compared to a national average of £539 (85%). We have therefore assumed average spend per household per year is 85% of the national average Assumed spend per household of £22,383	Houses built to date x	1,336	Houses forecast to be built by the end of the programme x	8,331
			Spend per household per year =	£22,383	Spend per household per year =	£22,383
			Spend generated in economy per year	£29,903,688	Spend generated in economy per year	£190,263,378
Additional Tax Revenue	It is estimated that the residents of the 224,054 additional new homes built in 2016/17 generated just under £253 million of council tax receipts. ² Based on an average Council Tax per dwelling charge of £1,128 in 2016/17	£253 million of council tax receipts / 224,054 new houses = £1,128 council tax receipts per new home per year	Houses built to date x	1,336	Houses forecast to be built by the end of the programme x	8,331
			Average council tax per new home =	£1,128	Average council tax per new home =	£1,128
			Council tax receipts per year	£1,507,008	Council tax receipts per year	£9,397,368
Section 106	Based on a survey of houses it is possible to estimate that £841m of Section 106 contributions are made each year. Of this, £122m is spend on new and improved schools. £45m is invested in open space, community, sport and leisure facilities.	£167m spent on new and improved schools, open space, sport and leisure facilities / 224,054 new houses = £745 per new home	Houses built to date x	1,336	Houses forecast to be built by the end of the programme x	8,331
			Average contribution per new home	£745	Average contribution per new home	£745
			=	£995,320	=	£6,206,595
Section 106 of the Town and County Planning Act 1990 provides a tool for securing investment in essential infrastructure arising from development and this contribution can be used by local authorities to fund new services and infrastructure in the local area.						
GVA Analysis	Across the UK as a whole, house building ⁴ was reported to generate £19.2 billion of GVA in 2016 (this figure excludes some important supply chain and induced impacts)	£19.2 billion of GVA / 224,054 new houses = £84,800 GVA per home built	Houses built to date x	1,336	Houses forecast to be built by the end of the programme x	8,331
			GVA per home built	£84,800	GVA per home built	£84,800
			=	£113,292,800	=	£706,468,800

⁴As defined by SIC sub-sector code 41:202 Construction of domestic buildings, using a proxy based on BRES 2016.

⁵ONS Annual Business Survey 2016 Provisional Results; this figure does not include the full extent of house building supply chains.

⁶This is just an approximate measure of GVA as we are comparing a calendar year figure to a financial year figure.

Now we understand the wider economic impact of the new homes we need to understand how much benefit is realised for, and retained in, the SCR area – the target area for this study. This is done by applying the following factors.

New Homes - Economic Impact Applying Multipliers, Leakage, Displacement and Deadweight						
Area of Impact	Multiplier	Leakage	Deadweight	Displacement	Total	
Increase in Spend in Local Shops and Services per annum	Standard GVA Multiplier of 1:1.65	Assume significant leakage from area. 30% of spend stays in SCR area.	Without the intervention limited houses would have been built in these areas. 90% of benefits additional.	Assume 50% of houses would have been built elsewhere in the target area or are lived in by people already living in the area relocating.	New Homes Already built:	1,336
					Total spend from households in new homes	£29,903,688
					Potential total impact for SCR area per annum after factors applied	£6.66m
					Forecast to be built by the end of the programme 2025:	8,331
					Total spend from households in new homes by 2025	£190,263,378
					Potential total impact for SCR area per annum after factors applied	£42.38m
Additional Tax Revenue – per annum	N/A	N/A - all will go to Local Authority	Without the intervention only limited houses would have been built in these areas. 90% of benefits are additional.	Assume 50% of houses would have been built elsewhere in the target area or are lived in by people already living in the area relocating.	New Homes Already built:	1,336
					Total additional council tax from new homes	£1,507,008
					Potential total impact for SCR area per annum after factors applied	£0.68m
					Forecast to be built by the end of the programme 2025:	8,331
					Total additional council tax from new homes	£9,397,368
					Potential total impact for SCR area per annum after factors applied	£4.23m
Section 106 – one off benefit	N/A	No Leakage - all houses built in SCR area, therefore all revenue for SCR	Without the intervention limited houses would have been built in these areas. 90% of benefits additional.	Assume 50% of houses would have been built elsewhere in the target area.	New Homes Already built:	1,336
					Total Section 106 contributions relating from households	£995,320
					Potential total impact for SCR area per annum after factors applied	£0.45m
					Forecast to be built by the end of the programme 2025:	8,331
					Total Section 106 contributions relating from households	£6,206,595
					Potential total impact for SCR area per annum after factors applied	£2.79m
GVA Analysis – one off benefit	Standard GVA Multiplier of 1:1.65	Assume significant leakage from area. 30% of spend stays in SCR area.	Without the intervention only limited houses would have been built in these areas. 90% of benefits are additional.	Assume 50% of houses would have been built elsewhere in the target area.	New Homes Already built:	1,336
					Total GVA from new house building	£113,292,800
					Potential total impact for SCR area per annum after factors applied	£25.24m
					Forecast to be built by the end of the programme 2025	8,331
					Total GVA from new house building	£706,468,800
					Potential total impact for SCR area per annum after factors applied	£157.37m

Summary – Economic Impact of New Homes to the SCR Economy

The 1,336 new homes that have already been built as a result of the LGF funding, once displacement, leakage, multiplier effects and deadweight have been considered, have the potential to create the following for the local SCR economy:

- Additional spend in local shops and services per annum: £6.66m
- Potential additional Council Tax receipts: £0.68m per annum
- Potential additional Section 106 contributions for schools and leisure facilities: £0.45m (one off)
- Additional GVA from housebuilding: £25.24m (one off).

By 2025 it is anticipated that 8,331 houses will have been built (inclusive of the 1,336 built to date). Once displacement, leakage, multiplier effects and deadweight have been considered these new houses have the potential to create the following for the local SCR economy:

- Additional spend in local shops and services per annum: £42.38m
- Potential additional Council Tax receipts: £4.23m per annum
- Potential additional Section 106 contributions for schools and leisure facilities: £2.79m (one off)
- Additional GVA from housebuilding: £157.37m (one off).

9.3 Superfast Broadband

Investment in Superfast Broadband will bring significant economic benefits to the businesses in the SCR area. It is estimated that 118,092 businesses have been provided with Superfast Broadband in the SCR area. The economic benefits that this investment brings to businesses can be quantified using data from a recent Government report - Ipsos MORI (with Simetrica, George Barrett and Dr. Pantelis Koutroumpis) were commissioned by the Department for Digital, Culture, Media and Sport (DCMS) in May 2017 to undertake an evaluation of the economic and public value impacts of the Superfast Broadband Programme. The report shows that investment in superfast broadband connectivity has created a range of local and national economic impacts:

- **Impact on performance of local firms:** The evidence indicated that making superfast broadband speeds available improved local economic performance. It is estimated that postcodes benefitting from subsidised coverage saw employment rise by 0.8 percent and turnover grow by 1.2 percent in response to improved infrastructure. Overall, it is estimated that subsidised superfast coverage led to the creation or retention of 49,000 additional jobs on those postcodes that received upgraded infrastructure. The total turnover of firms located on those postcodes also expanded by almost £9.0bn (per annum) in response to the upgraded infrastructure. The productivity of local economic activity, as approximated by turnover per worker, also increased by 0.32 percent as a result of faster available download and upload speeds, accounting for £2.1bn of overall turnover growth. There was evidence, however, that over 80 percent of these impacts were driven by the relocation of firms to postcodes receiving subsidised coverage.

- **Productivity gains:** Making superfast broadband speeds available also appeared to raise the productivity of firms that did not change location while the programme was delivered. It was estimated that subsidised coverage raised the turnover per worker of these firms by 0.38 percent, broadly consistent with other estimates of the impact of faster broadband in the UK, equivalent to £1,390 in GVA per firm per annum. This gives assurance that the economic impacts of the programme were not purely driven by the relocation of firms.
- **Unemployment:** Subsidised coverage also supported reductions in unemployment in the areas benefitting from the programme. It was estimated that subsidised coverage reduced the number of individuals claiming Jobseekers Allowance (JSA) by 8,800 by 2016, as well as reducing the number of long-term claimants (those claiming JSA for 12 months or longer) by 2,500. These impacts are estimated to have increased national economic output by a further £38m by June 2016.
- **Overall value for money:** The estimated benefit to cost ratio of non-residential coverage was £1: £12.28.

The table below uses the data from the above report to quantify the potential economic value that supporting Superfast Broadband in SCR could have.

Impact of Superfast Broadband (Excluding Multipliers, Leakage and Deadweight) to Date		
Average impact per firm per annum	Number of firms supported to date	
Impact of superfast broadband in the UK is equivalent to £1,390 in GVA per firm per annum – <i>for existing firms - not relocating to the area because of the scheme</i>	Businesses provided with superfast broadband in the SCR area	118,092
	Increase in GVA per annum per business	£1,390
	Increase in GVA per annum resulting from investment in superfast broadband	£164,147,880

Source: base data - Department for Digital, Culture, Media and Sport (DCMS), May 2017 Superfast Broadband Report

The table above calculates the potential economic benefits that the project could have but now we need to understand the impact of this on the SCR economy. This can be done by applying factors for the deadweight, the multiplier effect and the leakage of the benefits out of the area (the above calculations already consider displacement – as noted in report). More detailed descriptions of these terms can be found in previous sections and the calculations are included in the table over the page.

Superfast Broadband Projects - Economic Impact Applying Multipliers, Leakage and Deadweight		
Deadweight - i.e. what would have happened anyway	Very small deadweight as unlikely that broadband would have been provided to these businesses without LGF funding. Potentially some small, locally organised schemes.	80% of benefits retained for SCR area
Multiplier - indirect and induced spend in the local economy	Use standard GVA multiplier - here the GVA multiplier is expressed as the ratio of the direct, indirect and induced GVA changes to the direct GVA change.	£1 direct GVA creates £1.65 direct, indirect and induced GVA
Leakage - how much of the benefit leaks out of the area	Use Standard Leakage	75% of benefits for SCR area
Total Economic Impact	Increased GVA for the SCR economy	£162.5m per annum

Source: GVA Multipliers: The Scottish Office publish a list of GVA multipliers per SIC code.

Leakage: HCA standard Leakage of 25%.

Summary – Economic Impact of New Broadband provision to the SCR Economy

Investment in Superfast Broadband has the potential to generate an additional £162.5m GVA for the SCR economy per annum.

9.4 Additional Office Accommodation/ Commercial Floor Space Created

A number of the projects supported through the programme are creating additional commercial floorspace. Job creation is a key driver for the LGF programme, so it is useful to understand the numbers of employees who could be housed within this new floorspace if it were to be operating at full capacity.

The table below shows the total floorspace forecast to be created through the grant funding by 2025 and the proposed uses for the new spaces.

Floor Space Created		
Project	Type of Use	Expected to be achieved by 2025 Sqm
Urban Development Fund	Office and some industrial	11,404
Bassetlaw Employment Sites - Retford Enterprise Centre - Phase 2	Office space	686
Sheffield City Centre - Knowledge Gateway	Office and retail	43,270
Sheffield City Centre - SRQ	Office and retail	208,670
Doncaster Urban Centre – Colonnades	Office and retail	5,126

Floor Space Created		
Project	Type of Use	Expected to be achieved by 2025 Sqm
Doncaster Urban Centre - Quality Streets	Retail and leisure	2,519
Better Barnsley Town Centre Retail and Leisure Development	Retail and leisure	25,230
Glass Works	Retail and leisure	20,204
M1 J36 to Dearne Valley - Phase 1	Mixture of leisure/retail (pub, Starbucks, Spar etc), light industrial and warehouse (car showrooms)	286,748
Harworth Bircotes	Industrial land off of junction on A1	152,038
Worksop and Vesuvius Works - Phase 1	Industrial	90,711
A618 Growth Corridor	Expansion of existing business park and opening up for Gullivers theme park to locate to area	240,000
SRC Property Fund	Mix of uses	36,673
AMRC Lightweighting Centre - Phase 1	R&D space	788
Total		1,124,067 sqm

We have used the information about to make some estimations about the overall percentage usages of the spaces that are being created.

New Commercial Floor Space			
Use Class	Use Type	Area per FTE (sqm)	%
B1(a)	General Office	224,089	19.9
B1(b)	R&D Space	788	0.1
B1(c)	Light Industrial	95,583	8.5
B2	Industrial and Manufacturing	337,619	30.0
A1	Retail	257,260	22.9
A3	Restaurants and Cafes	113,145	10.1
A1	Retail warehouse	95,583	8.5
		1,124,067	100

The OFFPAT and the Homes and Communities Agency have created an Employment Density Guide that can be used to assist appraisers in the estimation of the potential employment that could be generated by property development based on 'employment density' ratios. Ratios are generally expressed as the number of square metres per employee.

The Guide is intended to be used in planning, appraising and evaluating economic development and regeneration programmes and projects. Employment density refers to the average floorspace (in m²) per Full-Time Equivalent (FTE) member of staff. It is used as a measure of intensity of building use and an indicator of how much space each person occupies within the workplace. This guide can be used to estimate the number of workers who can be accommodated in the new commercial floorspace supported through the LGF grants.

Employment Density for New Commercial Floor Space				
Use Class	Use Type	Area per FTE (m ²)	Floor Area Basis	Comment on potential variation
B1(a)	General Office	12	NIA	Includes corporate, professional services, public sector, TMT, finance and insurance
B1(b)	R&D Space	50	NIA	Lower densities will be achieved in units with higher provision of shared or communal spaces. Range of 40-60.
B1(c)	Light Industrial	47	NIA	A Blended rate of the above B1(a) uses where they are found in out of town business park locations
B2	Industrial and Manufacturing	36	GIA	Densities within separately let units are c.7 m ² per workstation but 30% of a facility's total NIA for shared services reduces the overall density
A1	Retail	17.5 / 90	NIA	Includes high street, foodstore and retail warehouse. Range from 17.5 (high street, foodstore) to 90 (retail warehouse).
A3	Restaurants and Cafes	17.5	NIA	

GIA – Gross Internal Area, GEA – Gross External Area, NIA – Net Internal Area
Source: https://www.kirklees.gov.uk/beta/planning-policy/pdf/examination/national-evidence/NE48_employment_density_guide_3rd_edition.pdf

We have assumed that the floorspaces to be created are reported to the MCA Executive as gross space. We must therefore convert our floorspace figures into Net Internal Area, as this is the unit used in the guide (with the exception of industrial/ manufacturing). Offpat guidance suggests that gross internal area is generally 15% - 20% higher than net internal area.

Floorspace Forecasted – Gross to Net					
Use Class	Use Type	Area per FTE (sqm)		Area per FTE (sqm) per employee	Capacity for employees
		Gross	Net 85%		
B1(a)	General Office	224,089	190475.7	12	15,873
B1(b)	R&D Space	788	669.8	50	13
B1(c)	Light Industrial	95,583	81245.55	47	1,729
B2	Industrial and Manufacturing	337,619	n/a	30	11,254
A1	Retail	257,260	218671	17.5	12,495
A3	Restaurants and Cafes	113,145	96173.25	17.5	5,496
A1	Retail Warehouse	95,583	81245.55	90	903
Total					47,763

As this is simply a straightforward calculation detailing the capacity of the floorspace that has been built, no factors (leakage, multipliers, deadweight or displacement) have been applied.

Summary – Economic Impact of Commercial Floorspace to the SCR Economy

- By 2025 the project will create sufficient floorspace to accommodate circa 47,763 workers within SCR.

9.5 Jobs/ Employment

A review of data from the projects supported through the LGF grants shows that many of the projects supported are forecasting to create new jobs as a result of the investment.

Jobs		
Outputs	Achieved to date	Expected to be achieved by 2025 – Includes Actuals
Total	14,325	56,537
<i>Source: Delata Returns</i>		

To understand the wider economic benefits of the jobs created the following factors have been applied:

Jobs Created - Economic Impact Applying Multipliers, Leakage, Displacement and Deadweight	
Deadweight - i.e. what would have happened anyway	Without the intervention only limited projects would have been developed: 90% of employment benefits are additional
Multiplier - (indirect and induced spend in the local economy	Use standard Employment Multiplier 1 job creates 2.3 direct, indirect and induced jobs
Displacement - reduction in outputs elsewhere	These are new jobs, therefore limited displacement. Assume 80% of benefits are for the area
Leakage - how much of the benefit leaks out of the area.	Assume 50% of jobs lost from the area – higher than the standard benchmark but local knowledge suggests significant numbers of supply chain jobs maybe outside of the area.
Total Combined Factor	0.828

These factors have been applied to generate the figures below:

New Jobs Already Created: 14,325

- Potential total impact for SCR area per annum after leakage, multipliers, displacement and deadweight: $(14,325 \times 0.828) = 11,861 \text{ jobs}$

Forecast Jobs to be Created by 2025: 56,537 jobs

- Potential total impact for SCR area per annum after leakage, multipliers, displacement and deadweight: $(56,537 \times 0.828) = 46,813 \text{ jobs}$

Using the number of jobs created it is possible to calculate the GVA impact of these on the SCR economy. We have used data from the SCR 2020-2040 SEP which notes that GVA per employee in SCR is 82% of the UK average. With a UK average of £54,300 (as at Nov 2019) this suggests that GVA per job in SCR is £44,526. Source: <https://www.pwc.co.uk/services/economics-policy/insights/uk-economic-outlook.html>

Economic Impact of Jobs Created per Annum on SCR Economy				
Annual Business Survey	GVA Impact of Employment			
Productivity Measure	GVA of jobs already created		GVA of jobs forecast to be delivered 2025	
The average GVA per employee per annum is £44,526	Jobs X	11,861	Jobs X	46,813
	Average GVA per employee per annum	£44,526	Average GVA per employee per annum	£44,526
	= increase in GVA	£528.12 million	= increase in GVA	£2.08 billion

Summary – Economic Impact of Additional Employment in the SCR Economy

- The potential total impact for SCR area of jobs created to date as a result of the LGF investment, after leakage, multipliers, displacement and deadweight have been attributed is 11,861 jobs. Assuming these are permanent jobs, these workers could create an additional £528.12m increase in GVA per annum for the area.
- The potential total impact for the SCR area of jobs predicted to be created by 2025 after leakage, multipliers, displacement and deadweight have been attributed is 46,813 jobs. Assuming these are permanent jobs, these workers could create an additional £2.08 billion increase in GVA per annum for the area.

9.6 Learners

The creation and refurbishment of new learning spaces will enable the numbers of training opportunities delivered in the SCR area to increase. The table below summarises the numbers of learners that have been supported in the new learning spaces/ learning provision or are forecast to be achieved by 2025.

Learners Resulting from SCR Investment	
Already achieved	Forecast to be achieved 2025
5,061	12,222

Source: LGF claim forms and application forms, and discussions with projects.

A higher skilled pool of workers will have significant benefits for both the learner and the local economy, for example, the 2011 BIS report: *Returns to Intermediate and Low-Level Vocational Qualifications*, states: *The net present value of the lifetime benefit associated with Level 3 vocational qualifications stands at between £37,000 (for NVQ Level 3, under most pessimistic assumptions) and approximately £89,000 (for BTEC Level 3 qualifications, under most optimistic assumptions). For Level 2 qualifications, the lifetime benefits range between £35,000 and £57,000 (for BTEC qualifications) and between £42,000 and £71,000 (for City & Guilds qualifications). The net benefit associated with NVQ Level 2 qualifications is slightly lower and stands at between £18,000 and £42,000, primarily due to the employment impact.*

Whilst not all of the qualifications supported are NVQ 2 or 3 we can use this information as a benchmark to give an approximation of the benefits achieved by LGF funding for learning. We have taken the midpoint NVQ level 3 lifetime benefits and applied this across the board to all learners. (*note, some learners may only achieve level 2 and some may achieve higher than level 3 so we have taken level 3 as the midpoint*). Using the mid-point of the level 3 qualifications we can assume that each new learner has an associated lifetime benefit of £63,000. This has been applied to learner numbers to estimate the total impact of the funding. The results can be seen in the table:

Learners Resulting from LGF Investment – Lifetime benefits		
	Already achieved	Forecast to be achieved by the end of the programme 2025
Learner numbers	5,061	12,222
Assumed lifetime benefit from learning = £63,000 per learner	£318,843,000	£769,986,000

9.6.1 Multipliers, Displacement, Deadweight and Leakage

Now we understand the wider economic impact of the learners we need to understand how much benefit is realised for the SCR area – the target area. This is done by applying the following factors:

Apprenticeships Economic Impact - Applying Multipliers, Leakage, Displacement and Deadweight		
Current Position	Total Benefit	Factor
Deadweight – counterfactual/baseline positions	Assume no deadweight - unlikely that training of this nature would have been provided without the LGF grant	N/A
Multiplier - indirect and induced spend in the local economy	Use standard GVA multiplier	Multiplier - 1:1.65
Displacement – reduction in outputs elsewhere	No other similar facility to compete with in the area - therefore small displacement factor	80% of benefits are specific to the projects
Leakage - how much of the benefit leak out of the area.	HCA Standard Leakage	75% stays in area

Learning Already Commenced:

- Total increase in benefit from training = £318.9 million
- Potential total impact for SCR area after leakage, multipliers, displacement and deadweight = $\text{£318,843,000} \times 1.65 \times 0.8 \times 0.75 = \text{£315.65m}$
- If we assume this is over a 50-year period, we can assume that this equates to an economic benefit of £6.3million per annum.

Learning undertaken by end of the programme 2025:

- Total increase in benefit from training = £770m
- Potential total impact for SCR area after leakage, multipliers, displacement and deadweight = £762.3 million
- If we assume this is over a 50-year period, we can assume that this equates to an economic benefit of £15.25 million per annum.

Summary - Economic Impact of Learning to the SCR Economy

- 5,061 learners have been trained/ are in training to date. When they have completed their training, it is estimated between them they will benefit from £6.3 million per annum as a result of the training.
- 12,222 learners will be trained/ be in training by 2025. When they have completed their training, it is estimated between them they will benefit from £15.25million per annum as a result of the training.

10.0 Return on Investment

Value for money can be considered in relation to Return on Investment, using the estimates from the economic impact assessment above. Below we have estimated return on investment to date, and by the end of the programme. We have calculated the return on investment over a 10-year period into the future using the following calculation:

Return on Investment = (Total Economic Impact - LGF Investment) / LGF Investment

Return on Investment to date	
Economic impact per annum x 10 years	£7.03bn
One off additional GVA	£25.24m
Total	£7.06bn
LGF Investment	£277.6m
ROI per £1 of investment	£24

Return on Investment by end of programme	
Economic impact per annum x 10 years	£23bn
One off additional GVA	£157m
Total	£23.157bn
LGF Investment	£344.5m
ROI per £1 of investment	£67

10.1 Summary

Based on the calculations undertaken as part of this evaluation, this suggests a Return on Investment currently of £24 for every £1 of LGF investment to date and this is expected to increase to a Return on Investment of £67 for every £1 of LGF investment by the end of the programme, once all outputs have been achieved and over a period of 10 years.

11.0 Summary, Conclusions and Recommendations

11.1 Summary

The £344.5m Sheffield City Region Local Growth Fund Programme has operated since April 2015 and will be financially complete by March 2021. Funding has been allocated to over 60 projects or programmes covering a range of themes including business support, enterprise, tourism, skills, transport, regeneration and housing. The themes that have received the largest amounts of funding have been transport, business support and regeneration, in line with the aims of the LGF Programme and the Sheffield City Region Strategic Economic Plan 2015-2025.

In terms of geographical spread, (and with certain exclusions, including projects covering multiple areas) Doncaster has received the most funding, followed by Sheffield, Rotherham and Barnsley. Doncaster has had the highest funding per head of population whilst Rotherham has had the highest funding per business.

The funding awarded by investment theme and the anticipated match for each is shown in the table below. The average intervention rate across all themes for the LGF programme was 30% - i.e., for every £1 of LGF spend, a further circa £2.35 of match funding was spent in the local economy. It will be important to get an updated analysis at the ex-post evaluation stage to see whether this match funding has been fully achieved.

Match Funding Assessment by Theme					
Project	Total LGF Awarded	Match Funding	Intervention Rate - LGF/(LGF+Match)	£1 of LGF brings £x match	Match Funding Rank
Tourism Total	£9,468,430	£82,952,352	10%	£8.76	1
Regeneration Total	£57,849,127	£243,960,445	19%	£4.22	2
Business Support Total	£69,691,031	£220,677,098	24%	£3.17	3
Skills Total	£19,534,835	£58,501,389	25%	£2.99	4
Digital/ Internet Total	£10,762,068	£22,090,402	33%	£2.05	5
Flood Management Total	£1,577,300	£1,689,155			6
Transport Total	£102,141,502	£100,484,902	50%	£0.98	7
Health and Wellbeing Total	£4,984,272	£4,210,000			8
Enterprise Total	£23,707,573	£15,300,126	61%	£0.65	9
Enabling Works Total	£11,898,040	£4,862,334	71%	£0.41	10
Housing Total	£10,061,705	£0	100%	£0.00	12
Total	£321,678,883	£754,728,202	30%	£2.35	

Note: Of the above funded projects, 1 project took place outside of the Sheffield City Region area. This was £5,069,605 of LGF grant for a transport scheme in Market Harborough.

Of the total funding awarded to projects, approximately £277.6m or 80.6% has been claimed to date.

The table below summarises the key outputs achieved to date across the programme against the target and shows levels of achievement as a percentage.

Programme Level Outputs – Key Outputs		Total
Housing	Houses Completed	1,336
	Total Forecast	8,331
	Progress towards forecast	16%
Jobs	Jobs Created	14,325
	Total Forecast	56,537
	Progress towards forecast	25%
Skills	Area of new or improved floorspace (m ²)	13,560
	Total Forecast	13,758
	Progress towards forecast	99%
	Number of New Learners Assisted	5,061
	Total Forecast	12,222
	Progress towards forecast	41%
Commercial Floorspace	Area of new or improved floorspace (m ²)	540,711
	Total Forecast	1,124,067
	Progress towards forecast	48%

Source: MCA Executive October 2020

In total, just under 50% of the forecast outputs have been achieved to date.

In addition to the outputs shown in the table, the programme is also forecasting to achieve additional outputs including broadband connections, construction jobs, new roads and new cycle paths.

It is considered that the LGF programme currently offers comparatively low value for money. This in part can be explained by the fact that the programme has spent over 80% of its grants awarded but delivered less than 50% of outputs. However, in looking at the expected cost per output once all projects have been completed and the forecast outputs have been achieved, this suggests the programme will offer excellent value for money as follows:

- Based on all projects, the average cost per job across the whole programme will be just under £6,000.
- Based only on projects that are contracted to deliver new houses, the average LGF grant per new house will be £5,873.
- Based only on projects that are contracted to deliver floorspace we can see that the average LGF award per 1sqm of floor space created will be just £64.

An economic impact assessment of the programme based on reported and forecasted outputs shows:

a) Economic Benefits Achieved in SCR to Date as a Result of the Investment:

- **Additional Spend in the Local Economy by New Households:** potential £6.66million per annum
- **Superfast Broadband GVA:** a potential additional £162.5 million GVA for the SCR economy per annum.
- **Jobs GVA:** A potential additional £528m increase in GVA per annum
- **Learners Economic Benefits:** 5,061 learners have been trained/ are in training to date. When they have completed their training, it is estimated between them they will benefit from £6.3 million per annum as a result of the training. (equivalent to circa £316 million over a 50-year period)
- **Housebuilding:** There will also be an additional one-off £25.24 million of GVA during the period as a result of housebuilding.

b) Economic Benefits Forecast to be Achieved in SCR by 2025: (*note: this is cumulative and includes the actuals achieved to date*)

- **Additional spend in the local economy by new households:** potential £42.38 million per annum
- **Jobs GVA:** A potential additional £2.08 billion in GVA per annum for the area.
- **Learners Economic Benefits:** 12,222 learners will be trained/ be in training by 2025. When they have completed their training, it is estimated between them they will benefit from £15.25 million per annum as a result of the training.
- **Floorspace:** Enough floorspace to accommodate 47,763 workers.
- **Superfast Broadband GVA:** a potential additional £162.5 million GVA for the SCR economy per annum.
- **Housebuilding:** There will also be an additional one-off £157.37 million of GVA during the period as a result of housebuilding.

Value for money has also been considered in relation to Return on Investment, using the estimates from the economic impact analysis. The suggests a Return on Investment currently of £24 for every £1 of LGF investment and this is expected to increase to a Return on Investment of £67 for every £1 of LGF investment by the end of the programme.

The key issues, challenges and lessons learnt from speaking to projects include:

- Projects are not always dependant on the funding to go ahead, some projects told us that the schemes may have taken place without LGF support. However, funding does add value to these schemes, allowing projects to include extra elements that would not otherwise be fundable. This could increase improving the standard of building that is affordable, or investing in better public realm etc.

- There is sometimes a mismatch between the outputs that the projects were reporting to the evaluation team and the outputs from the latest Delta Return. This is likely due to the time-lags in reporting, but final outputs will need to be fully reviewed as part of the final evaluation.
- The projects are achieving significant wider environmental and social impacts over and above the core LGF outputs. Collating this data at a project level would help to demonstrate the wider impacts of the whole programme. This could be considered for the final evaluation.
- Sharing of best practice - many of the projects that we spoke to were not aware of other schemes that had been funded. Getting projects together could help to celebrate successes and share lessons learnt, raising the profile of the funded schemes and the LGF programme as a whole. It could potentially lead to joint working and opportunities for collaboration between the funded schemes.
- Private sector projects felt they might benefit with additional support in terms of preparing bids/business plans. It was felt that this might enable them to better compete with public sector applicants.
- Covid-19 Implications: The Covid-19 pandemic has created slight delays in some of the programmes. The retail and leisure markets are also facing challenges at the moment, which is likely to impact on demand of units and the ability to attract investors. Social distancing and the availability of materials has also slowed the progress of some projects. Many of the projects were creating significant employment floorspace, with a move towards working from home it remains to be seen how strong demand and uptake will be for many of these new spaces.
- Brexit: some projects have been impacted by the uncertainty surrounding the UK's withdrawal from the EU. In some cases, projects have noticed an unwillingness amongst customers to invest in skills, and it was suggested that companies are increasingly risk-averse to expanding their workforce.
- Monitoring process: some of the projects found the monitoring process to be onerous and complicated. It was suggested that projects at an early stage would benefit from a simplified monitoring process, at least until they are on site and due to be completing tangible outcomes.

11.2 Conclusions

- The programme appears to have been well managed to date. Annual spend targets have been met and the MCA Executive team have taken flexible and innovative approaches to ensure targets have been met and to allow projects to proceed. The programme management put in place by the MCA Executive has significantly contributed to the successful delivery of the programme to date.
- The programme has funded a diverse range of projects across the region and has found routes to get funding to the private sector as well as public sector which other LGF programmes have struggled to achieve.

- Whilst monitoring and reporting is usually the most unpopular part of the funding process for sponsors, there has been positive feedback on the improvements made to the monitoring processes for the programme and in particular praise for how supportive the MCA Executive Team have been.
- Output achievements are somewhat behind profile, when compared to expenditure. This is not unexpected as outputs and in particular outcomes are often achieved late in a programme of this nature.
- If all forecast outputs are achieved, the programme will have delivered excellent value for money and is demonstrating a very high return on investment of £24 of economic benefit for every £1 spent currently.
- The analysis demonstrates that the programme has already delivered significant economic impact across the region with potential for this to substantially increase further as more outputs are achieved. This impact aligns with the aims of the programme in terms of driving economic growth, job creation and increasing GVA. It also aligns with the SCR 2015-25 Strategic Economic Plan and in particular the aims to ensure businesses have the support they need to grow, prosper and become more resilient.
- The analysis undertaken as part of this evaluation suggests the LGF programme will result in directly and indirectly creating 46,813 new jobs in SCR, a significant contribution to the target of 70,000 new jobs by 2025 set out in the Strategic Economic Plan.
- It is clear that as well as economic benefits, many of the projects funded through the programme are delivering social and environmental benefits which staff and stakeholders involved in the programme would like to see captured and reported.
- Key outcomes delivered by the project include: providing funding to projects to allow them to create exemplar/ high quality buildings to increase the profile of the area rather than just cheaper, lower cost options, supporting schemes that improve public realm and the visitor experience which are often more difficult to justify in terms of hard economic outputs and working with applicants who are not traditionally recipients of this type of funding such as private sector applicants and education facilities.

11.3 Recommendations

Recommendations from the evaluation have come from the experience of the evaluation team as well as feedback and suggestions from staff, projects and stakeholders. The recommendations are split between those that relate to the future operation and evaluation of the programme and those that relate to future programmes.

11.3.1 Local Growth Fund

- The focus for the programme as it comes to an end financially will be on achieving spend and output targets. The MCA Executive and partners have managed this well to date but as the programme ends there will be a need for intense monitoring to ensure these targets are achieved and the programme continues to perform well in this area.
- However, this monitoring could be done in a more partnership and proactive way than perhaps has previously happened – working together to maximise the potential and support delivery of targets rather than from a scrutiny perspective.
- As monitoring of outputs will be required beyond 2021, there may be a requirement for training / workshops on the monitoring processes as inevitably there will be personnel changes within funded organisations with people taking on responsibility for reporting of projects that they have perhaps had little involvement with during delivery. The achievement of outputs will be vital to achieving the potential economic benefits that this evaluation has identified as being possible as a result of the LGF investment.
- This evaluation has highlighted that the programme has been wide reaching and achieved a huge amount for the region. There is an opportunity to celebrate this and raise awareness of what has been funded and what has been achieved. It is clear from the consultation that there is a lack of awareness amongst stakeholders of what projects have been funded beyond their own organisation / geographical area and therefore there is a great opportunity to shout about and celebrate the programme successes.
- It is clear that many of the projects supported through the Local Growth Fund are delivering wider social and environmental benefits and these are not necessarily getting captured and reported. Whilst it will be difficult for these to be fully captured now, the post-ex evaluation should include a consideration and analysis of the social and environmental impact as well as economic impact of the programme.
- A full review of the impact of the Covid-19 pandemic is currently being undertaken but this should also be considered as part of the ex-post evaluation in terms of any impact of the potential economic benefits or any delays in achieving these.

11.3.2 Future Programmes

- A continued move towards commissioning should be considered to allow a pro-active approach to delivering targeted solutions to specific challenges or opportunities in Sheffield City Region. In such an approach, the MCA Executive team would work with local partners to develop solutions and there should be effort to involve a wide range of partners in developing solutions including the private sector. This approach may provide opportunities for a wider range of organisations to be involved in developing local solutions without having to directly bid for funding.

- This would mean that the MCS would be a partner rather than just funder, allowing the MCA Executive Team to have more detailed knowledge of local area and work with partners to develop projects, commission feasibility and business case development and then commission a solution. This presents the opportunity to better align MCA and Local Authority processes where both are necessary for a project to succeed and will also help to ensure projects only come forward for funding when they are genuinely in a position to move forward.
- Linked to this, an approach whereby there is a beginning to end ownership of projects within the MCA Executive with an individual contact could support continuity and genuinely feeling of working in partnership rather than a sponsor / funder relationship. This could also make better use of staff knowledge and experience.
- Such a commissioning approach would also reduce the need for so many calls for projects which can be very time intensive for both applicants and the MCA Executive Team. However, calls can be useful in terms of developing a pipeline of project ideas and therefore a mixed approach should be considered.
- There can be challenges and barriers – capacity and financially amongst smaller local authorities and organisations and in particular the private sector in developing business cases. The MCA Executive should continue to roll out the offer of funding the business case development stage for projects with such costs forming part of the overall grant offer and having to be repaid if the project does not proceed. The MCA may also wish to consider having a panel of organisations who can assist with business case development who the MCA Executive could appoint on behalf of applicants, therefore supporting the partnership approach further.
- Regular workshops should be held for potential applicants for any new funding programmes, covering not only the requirements of the initial business case but also what happens as a project proceeds through the process including potential timescales, what evidence will need to be provided and when and details of the draft funding agreement. This might help to reduce the number of projects withdrawn and also reduce delays when trying to get funding agreements signed.
- Similarly, workshops should be held with successful applicants to talk through the monitoring process. These should be held regularly to provide refresher sessions and also to reflect the likely staff turnover which means that new people will be taking responsibility for project reporting and monitoring over the life of a project or programme.
- There is a clear desire to be able to support projects which deliver wider public benefit / well-being as well as projects which will support economic growth and resilience. This balance is perhaps even more important now in light of the impact of the Covid-19 pandemic. The LEP as part of the MCA could look to influence the focus of future funding coming from Government to have this wider remit in line with the 2020-2040 Strategic Economic Plan which has a strong focus on well-being and protecting the environment.

- The requirement to follow a Green Book compliant assurance process is well recognised and will no doubt continued to be required in future programmes. However, the MCA may wish to consider whether an assurance process for future programmes could be developed that also gives weight to factors such as well-being, wider public good and environmental considerations.
- Projects supported through the Local Growth Fund are delivering wider social and environmental benefits and these are not necessarily getting captured and reported. For future funding programmes, the MCA should consider the development of an evaluation framework which emphasises the importance of evaluation economic impact as well as social and environmental impact with ideas and suggestions of how these can be evaluated.
- Linked to this, it is clear that there are different levels of project level evaluations taking place. The MCA may wish to consider making evaluation a requirement for each project and to appoint an evaluation panel who can work with projects – not to evaluate directly but to be involved in the project contracting and inception process to advise and support on how to undertaken evaluation and to be a source of support and guidance as projects are delivered. This will provide robust information to support future programme evaluations.
- Feedback from stakeholders and projects highlights a desire for an application and assurance process appropriate to the project size and funding requested. It is recognised that such an approach has been put in place in SCR and it is recommended that this is continued for future programmes.

Appendix 1

Project Case Studies

The Glassworks



Location: Barnsley Town Centre

Applicant: Barnsley Metropolitan Borough Council

Total Cost: c.£140,000,000

LGF Grant: c.£7,400,000

Timescale for Delivery: 2017 to September 2021

Outputs - The project has achieved, and is forecasting to achieve, the following outputs:

Outputs	Jobs		Commercial Floorspace	
	Achieved to date	Expected to be achieved by 2025 (Forecast)	Achieved to date	Expected to be achieved by 2025 (Forecast)
Glass Works	277	856	1,657	20,204

Background - The Glass Works is being built on a 3.8-hectare site in the heart of Barnsley town centre and will include: 26 new retail units, 4 leisure units including a 13 screen Cineworld and a Superbowl Laser quest facility and 7 restaurants.

The development has received two tranches of LGF – an initial loan in 2017, followed by a grant in 2019 for £5.3million. The initial loan was converted to a grant, bringing the funding for the scheme to circa £7.4 million. LGF funding contributed to the delivery of a variety of elements of the scheme including: public realm works, the shell and core fit out of the market kitchen food court and demolition of redundant buildings. The project started in 2015 and the LGF funded elements of the scheme are now complete. The second phase of the development – the retail and leisure elements - are now being developed, with a view to being open in September 2021.

Rationale - The scheme was designed to address the chronic leakage of local retail and leisure spend as evidenced in the 2016 FSP report that identified 59% of Barnsley catchment residents do not use Barnsley Town centre as a retail destination. Analysis projected that there would be a 7% decrease in shoppers by 2021 if no intervention was made. Two previous attempts to attract private investment had failed, and it was at this point that the Council took the decision to fund the scheme.

In addition to the above the project also aims to:

- Deliver a mix of retail and leisure opportunities designed to fill a gap in the market
- Make the town centre more welcoming to families – creating spaces that families want to enjoy and facilities they want to use in a safe and family friendly environment.
- Improve the public realm of the town centre, including improving the movement/ circulation
- Address retailer concerns around the need for units with larger floorspace – the current provision wasn't providing the accommodation that was needed.

Progress - Currently 60% of the new units are pre-let; with 12 months to go before formal opening this is a significant positive for the scheme, demonstrating that the development is delivering what businesses want. The Market Kitchen is now open – this is a space with multiple food and beverage operators and a communal seating area. This space has been very popular for casual dining with the local community and has remained popular even during the Covid19 pandemic. The development has also generated additional business interest in peripheral town centre sites.

Covid19 Implications - Discussions with the project manager highlighted the following implications of the Covid19 pandemic:

- The Covid19 pandemic has created a slight delay in the programme, but this is only estimated at four/ five weeks. The project is now due to complete September 2021 rather than summer 2021.
- The retail and leisure markets are facing massive challenges at the moment which could impact on demand for the remaining units. However, on a positive note, there have been two lease signings during the pandemic – TK Max and Deichmann.

LGF Grant: Additionality - The scheme probably would have gone ahead without the LGF funding, but cost savings would have had to have been made compromising on the overall quality of the final scheme -elements such as the covered walkway and some elements of the public square would not have been delivered. The LGF support has meant that the team were able to invest the extra money required to make the area attractive and appealing and give it the best possible opportunity to attract the quality and types of tenants that they were hoping for.

Economic Impacts - An independent economic impact of the scheme was undertaken at the full business case stage which suggests that the scheme will support:

- The potential to support the delivery of 1,617 gross new operational FTE jobs, brought about through a mix of Development Site and wider spending-related impacts and safeguard a further 214 gross exiting FTE jobs in the town centre
- Net additional employment – A total of 941 generated construction, development site and wider spending-related net additional FTE jobs and a further 252 safeguarded net FTE jobs within Sheffield City Region's labour market (totalling 1,193 net FTEs)
- £418.1m in additional generated and safeguarded GVA for the Sheffield City Region economy by 2035, £317.2m in GVA at present values over the period
- Enable 544 new dwellings and 58,650 sqm (GEA) of additional commercial space
- Generate an additional £56.8m in gross one-off Land Value Uplift and leverage an additional £86m in private-led investment to unlock new development site opportunities in the borough
- An additional £14.3m in Business Rate returns and additional £5.0m in Council Tax returns
- Support 50 new NVQ Level 2-4+ qualifications in Barnsley.

Discussions with the project manager also highlighted that the project has ‘designed out crime’ in the area, making the space a more welcoming and appealing environment, and that the Local Authority are hoping to work with new businesses locating at the site to deliver work placement opportunities for local people. The development has also been designed to support the Local Authority’s Green Agenda with the use of carbon reduction measures such as solar panels, electric charge points and timed lighting.

Market Harborough Line Speed Improvement



Location: Harborough

Applicant: Network Rail Infrastructure Ltd

Total Cost: £49,650,000

LGF Grant: £5,000,000

Timescale for Delivery: July 2017 to December 2019

Outputs – The project delivered the following outputs and outcomes:

- Track realignment on the Midland Mainline enabling an increased line speed up to 85mph.
- An alternative to the barrow crossing by constructing a footbridge.
- A time saving of 0.5 minutes in both directions (London-Sheffield), with the potential for increasing this up to one minute in both directions, for non-stop passenger and freight train services on the Midland Main Line.
- An increase in accessibility at the station.

Background - The Midland Mainline (MML) is a key route between London and the Sheffield City Region via the East Midlands but development has suffered from the Government's abandonment of the electrification of the line to Sheffield that was scheduled for 2023. The biggest single flow of business travel for any regional cities or towns is to or from London, therefore journey times and facilities for rail travel on the Midland Main Line to and from London is of crucial importance to business throughout the SCR region and most of the East Midlands.

Stakeholders including Local Authorities, representatives of the local business community and Members of Parliament sought funding for an upgrade to the Midland Main Line for a number of years. As a result of which funding has been allocated for comprehensive upgrades at Leicester and Derby. The works in the Market Harborough area were the one unfunded element of this long-standing campaign. To address this a bid for funding was made to all three Midland Main Line LEPs – Sheffield City Region LEP, Leicester & Leicestershire LEP and D2N2 LEP.

Project - The project concerned improvements to the Market Harborough Railway Station including the construction of a footbridge with lifts at Market Harborough Station, lengthening of the station platform, improved station accessibility including the removal of the current Barrow crossing, and the straightening of the track. The line speed through Market Harborough station was previously 60mph due to the curvature of the track – this was the most severe restriction on an inner-city route in England south of Hadrian's Wall, with consequential journey time penalties for businesses travelling to and from London. Additionally, the project invested in improvements to facilities at the Station; Network Rail worked with East Midlands Trains to increase the car park capacity to 500 spaces.

The £54m infrastructure enhancement scheme included £13m in contributions from the three Local Enterprise Partnerships (LEP) working together: Sheffield City Region (£5m), D2N2 (£5m) and LLEP (£3m).

Gulliver's Valley



Location: Rotherham

Applicant: Gulliver's World

Total Cost: £7,527,000

LGF Grant: £400,000 grant, £1,100,000 loan

Timescale for Delivery: August 2018 – July 2020

Background – Phase 1 of the Gulliver's Valley project sought a total of £1.5m (19.9%) from the Sheffield City Region (comprising £400,000 grant funding and £1.1m loan funding) as part of a £7.527m total project cost. The overall total development cost for the entire Gulliver's Valley development is estimated to be in the order of £37m as there are 4 further phases planned.

Gulliver's Valley opened in 2020 (although has been subject to COVID-19 restrictions). Gulliver's Valley overall resort is a theme park offering rides and attractions aimed at children aged from 2-13 years old and their families. It also includes a water play zone, a NERF zone, a climbing zone, a glades attraction and an education and ecology centre encompassing forest classrooms and outdoor learning adventures for children. The resort also offers family friendly accommodation in the form of glamping, woodland lodges, and hotels. The development encompasses Gully's Dream Village, a community where children with life threatening illnesses can be given the chance to enjoy cost-free respite in a magical environment.

LGF Grant - 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). This acceleration of visitor accommodation delivery establishes the resort as a short stay destination from day one of operation, accelerating the creation of 38 FTEs into phase 1 (2021) of the scheme. 28 rooms are already open to park visitors, and the project has already created 71 FTEs.

The LGF funds were used for the following specific activities:

- Improvements to the A618 to facilitate pedestrian access
- Construction of the junction and entrance driveway to facilitate visitor access
- Purchase of themed accommodation units
- Groundworks and installation of accommodation units
- Construction of guest and operational facilities to service accommodation.

Application Process - Gulliver's were very complimentary about the support they received from their Local Authority to submit their bid to the LGF. They highlighted that private sector organisations do not have the track record of this type of application process that public sector organisations do, and this makes it harder to compete for funding.

Social Impact - Working alongside Rotherham Council, the project was designed to get people back into work who might not normally follow the usual career paths. The hospitality industry can be characterised by employees with few or low levels of qualifications, and typically accept employees from a wide range of backgrounds – from mothers seeking part-time work during school hours, to school leavers needing a first job with no prior experience. Job roles at Gulliver's are diverse, and can accommodate young people, as well as older people (aged 50+ or 65+) who are looking to get back into work. For older people, the mental positivity that is linked to working with families and children reduces health issues, both mental and physical, and helps them to feel part of the community. Gulliver's aim to hire local people, and their staff are given on-the-job training; the park runs apprenticeships with Rotherham College (including management training).

The wider project development will also deliver a Service Academy aimed at both employees of Gulliver's, and other residents living in the City Region who wish to pursue training opportunities and qualifications in service and hospitality. The Service Academy is proposed to link with a local college to provide the onsite training resources for apprenticeships and BTEC qualifications. It will also undertake the training for all new members of the Gulliver's team.

The Gulliver's Management training programme will also be co-ordinated through the Academy. Gulliver's on-site training will train in excess of 70 people per year for Gulliver's alone. They are still in discussion with the college as to the exact courses and numbers of trainees beyond Gulliver's own requirements. It is proposed to bring it into operation in line with the start of operational teams coming onto site. Similarly, Gulliver's hosts work placements for students in local colleges.

This forms part of Gulliver's wider aim to create work interventions at an earlier stage in local schools, to encourage young people to consider their career options at an earlier age, and fostering an aspiration amongst young people. The project has worked with 8 schools in this way (and would have accommodated 28 schools if it wasn't for the Covid-19 pandemic). Gulliver's are planning a further bid to build a Skills Village providing a safe environment for training, job interventions, and to create career pathways for many young people.

The Gulliver's scheme raises the question of whether going forward, funding should be used to support projects focussed on high level skills, or whether they should be looking to support those with no work experience, or from households with a tradition of worklessness in to employment.

Environmental Impact - In addition to the social impacts detailed above, the park was designed to be environmentally friendly. The park site within a woodland park setting, features rainwater harvesting systems to run the toilets, and is planning solar panels for the roof. In an effort to have a net-zero impact on trees, Gulliver's redistributed the plants and trees uprooted to build the park. Phase 2 of the development will include an Ecology Centre, working with local communities and wildlife organisations to link the community with ecology, charity and skills development.

Economic Impact - According to the Business Case, on completion, the Gulliver's Valley development will bring £37m private sector investment to the City Region and create in the order of 250 FTE employees in the leisure, tourism and visitor economy; jobs which will particularly benefit younger people living in the City Region.

Skills Capital Programme Overview



Location: Various – See table below

Applicant: Various – See table below

Total Cost: £69,232,728

LGF Grant: £18,888,946

Timescale for Delivery: February 2016 to 2021

An overview of the Skills Capital Programme is set out below, case studies of funded projects are included over the page.

Background - The Sheffield City Region Skills Capital Fund is open to applicants from across the SCR area from 2016 to 2021. The programme was designed to address the skills gaps identified in the SCR area.

The focus for investment of the Competitive Fund is state-of-the-art training facilities and equipment, which will demonstrably contribute to the economic growth of the SCR area, ensuring the City Region has the capacity and capability to meet future labour market and business requirements. Projects that have already benefitted from this fund include: The National College for High-Speed Rail campus in Doncaster (now National College of Advanced Transport & Infrastructure); the North Notts College campus at Worksop, and the development of a new Centre for Higher Level Skills in Rotherham.

Applicants could apply for funding for projects that:

- *Help us to increase the number of adults in learning, by creating an attractive offer to both business and individuals. At the same time, we recognise that to be cost effective, learning spaces need to be flexible to cater for a wider cohort. We would like to see space that is adaptable and encourages use by employers, adults and young people to foster and develop new ways of working as well as building relationships across business and education.*
- *Provide clear progression pathways for learners, with a rationale as to where learners progress and clear pathways into either the next level of learning, higher education or employment. Delivery of Level 2 and below qualifications will be capped at 20% of the total of all learning per bid.*
- *Proactively push the boundaries of the current skills/education system to test out new, bold ways of working that embed employer input and innovation through co-design whilst responding the economic need in the Region.*
- *Work collaboratively, with a minimum of three partners which may include education providers, local authorities, universities and employers to maximise knowledge, resource and expertise.*
- *Support key SCR priority sectors which are driving/supporting economic growth. These are clustered around STEM related sectors which includes advanced manufacturing, engineering, digital, construction, logistics and professional services.*
- *Deliver an increase in Level 3 and above technical provision.*
- *Support the introduction of T-levels.*

The application guidance highlighted that to secure funding projects needed to demonstrate:

- *Demand/Need - there must be clearly demonstrable demand from the sector/employer.*
- *Additionality - projects must deliver additional learning. This can include:*
 - *Increase in learner numbers (at any age)*
 - *Increase in the level of NVQ equivalent provision on offer*
 - *New or enhanced qualifications*
 - *Better quality of existing provision (evidence implications)*
 - *Increased commercial income (evidence demand)*
 - *Increased achievement/retention rates*
- *Value for Money - it must be clear what the SCR SCF is investing in and what the return on investment for the LEP is in terms of supporting economic growth*
- *Revenue Streams - Projects must clearly show what revenue streams they envisage will fund activity, what assumptions they have made around levels of income whether this is Government funding or profiles for commercial income.*

Outputs and Spend - To date, the Skills Capital Programme has funded the projects shown in the table over the page. A selection of these projects were researched further as mini case studies and are shown over the following pages.

Skills Capital Competitive Fund Projects								
Project Name	Jobs		Apprenticeships		Area of new or improved learning/training floorspace (m2)		Number of New Learners Assisted	
	Achieved to date	Expected to be achieved by 2025 (Forecast)	Achieved to date	Expected to be achieved by 2025 (Forecast)	Achieved to date	Expected to be achieved by 2025 (Forecast)	Achieved to date	Expected to be achieved by 2025 (Forecast)
North Notts College	0	0	531	531	2,000	2,000	447	447
National Rail College	0	0	145	145	7,260	7,260	328	1,369
Rotherham College	10	10	140	400	3,300	3,300	662	662
SHU Capacity Building for Degree Apps	0	0	0	0	0	0	1,568	7,224
The Sheffield College Increasing Higher Level Skills Construction and Engineering	0	0	468	1,199	0	0	639	1,729
Chesterfield College Infirmary Road Project	0	0	339	4,629	0	0	1,084	5,374
National Fluid Power Centre Integrated Systems	0	0	0	0	0	0	821	1,006
RNN Group Motor Vehicle and IT Curriculum Growth Plan	0	0	0	0	0	0	790	790
360 VFX	0	0	0	0	1,000	1,000	92	672
Doncaster UTC Ltd	0	0	0	0	0	6,300	0	976
Digital Engineering Skills Development Network	0	0	0	1,101	0	1,198	0	890
Barnsley College Digital Innovation Hub	0	15	0	216	0	3,723	0	2,111
Sheffield UTC - From Teenager to Employee	0	0	0	0	0	0	0	220
TOTALS	10	25	1,623	8,221	13,560	24,781	6,431	23,470

Source: MCA Executive

Case Study: National College of Advanced Transport & Infrastructure



Location: Doncaster

Applicant: Doncaster Metropolitan Borough Council

Total Cost: £40,000,000

LGF Grant: £6,000,000

Timescale for Delivery: Opened September 2017

Outputs: Key outputs to be achieved by the project are shown below:

Project Name	Jobs		Apprenticeships		Area of new or improved learning/training floorspace (m ²)		Number of New Learners Assisted	
	Achieved to date	Expected to be achieved by 2025 Forecast	Achieved to date	Expected to be achieved by 2025 Forecast	Achieved to date	Expected to be achieved by 2025 Forecast	Achieved to date	Expected to be achieved by 2025 Forecast
National Rail College	0	0	145	145	7,260	7,260	328	1,369

Background - The Advanced Transport & Infrastructure National College (NCATI) was established to provide the higher-level skills needed to transform the UK rail and transport infrastructure network.

The College opened in September 2017 as the National College for High-Speed Rail (NCHSR) on state-of-the-art campuses in Birmingham and Doncaster. In addition to £40 million from the Department of Education, the college has received £12 million investment from the Sheffield City Region LEP and Greater Birmingham and Solihull Local Enterprise Partnership (LEP) as well as £10 million in industry donations. The LGF investment was used primarily for equipment related to high-speed rail and transport and infrastructure more generally – this is all used in the curriculum.

In August 2019, the College changed its name to reflect the growing demand across the UK transport infrastructure industry. The widening of the scope also allowed for the college to become a sustainable business not entirely dependent on the success of HS2. In addition, NCATI's business partners operate across the wider transport and infrastructure industry anyway – only HS2 Ltd was concerned exclusively with rail.

The College is dedicated to providing the higher-level training required to support HS2, Northern Powerhouse Rail and other rail projects, as well as supporting the skills demand from employers who are facing skills challenges such as digitalisation of the railway and an ageing workforce. 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 that are starting a career in the industry, are looking to switch careers, or are part of the existing workforce.

The College is split across two campuses – in Birmingham and Doncaster - offering fully installed track and rolling stock, specialist workshops, advanced digital learning and practical classroom teaching. The Doncaster site specialises in Rolling Stock, Track Systems and Power, while the Birmingham site focuses on civil engineering and command, control and communication. The College offers a range of courses, apprenticeships and accredited programmes, all developed with industry employers and specialists. The latest technology offered includes augmented reality classroom and virtual reality training onboard two Eurostar power cars, touch screen interactive whiteboards, and a dedicated BIM cave. The College comprises c.76,000sqft of teaching and workshop space, including specialist rail equipment such as 150m of external track and catenary. The college has the capacity to train 3,200 engineers a year.

Industry Links - NCATI was developed in partnership with businesses that already work in the rail industry. Equipment has been donated by the college's partners, including: a Eurostar power car with investigation pit underneath; multiple sections of track, including maintenance section; CAD software; high speed pantographs; overhead line equipment; workbenches and full sets of tools. These close links also provide additional connections for learners to the industry including: work placements, visits to sites and depots, mentors for each learner, guest lecturers and subject matter experts. The College is fully kitted out with the very latest equipment – trains, carriages, track and digital systems. The Doncaster campus specifically focuses on Rolling Stock, Track Systems and Power.

Courses - The college predominantly focus on Level 4 apprenticeship qualifications, with some capacity to upskill Level 3 learners. The Higher Education courses offered by NCATI are regulated and qualified through Sheffield Hallam University, while many of the technical courses are delivered by industry businesses. NCATI also offers short courses in professional development and technical skills, to fulfil industry skill gaps and meet legislative requirements. The college offers courses in: first aid, health and safety, leadership and management, Microsoft and IT software, rail, and wellbeing. Across the Higher Education and Apprenticeship programmes, most of the college's learners are based in the respective city regions (Birmingham City and Sheffield City). However, apprenticeships (including learners, learning providers and employers) draw interest from a much wider catchment area; for example, the Doncaster campus hosts learners from Preston, where Alstom have a base.

Building Design - The LGF funding has enabled the college to create a better learning environment and to improve employability skills for the sector that will go on to employ their learners. Without the funding from LGF, the building design would have suffered from value engineering. The Doncaster campus is thought to be inspiring; a state-of-the-art, bespoke camp built for training and education in transport and infrastructure. Unique to NCATI, the building houses a range of different disciplines related to high-speed rail, but the building doesn't compartmentalise each specialism – the site is designed to facilitate cohesion across rolling stock, power, civil engineering and other areas. Students participate in a general education on transport and infrastructure, before moving onto their specialisms, but they are always visible to each other.

The LGF funding ensured that the design and build of the campus was at the top end; the college's customer base are mostly in the realm of billion-pound turnover businesses, and therefore have high expectations of a professional educational environment. In 2020, the NCHSR saw its first full-time graduates complete their respective courses.

The College has been able to report a 100% achievement rate with regards to: Access to Higher Education courses, Functional Skills, and on the first cohort of BSc (Hons) learners. In addition, all apprentices who have been through End Point Assessment have achieved with a high percentage of apprentices awarded Merits and Distinctions.

Environmental and Social Impact - The Doncaster campus building, design and architecture has won awards, and the building has achieved a BREEAM assessment of Outstanding (which represents less than 1% of UK new non-domestic buildings). This is the highest category possible in terms of environmental impact, and is driven by the implementation of solar panels and rainwater harvesting systems.

The college attracts a diverse range of learners, ranging from young people seeking a career, those aged 40 and above who are seeking a career conversion, as well as a number of people joining Access Courses at Level 3 – both new learners without the qualifications to join the full course, and older learners looking to add to their opportunities. The Level 3 courses are giving people the opportunity to fill in skills gaps and accreditation.

The college is also proving to have a positive impact on the diversity of the sector. The rail sector is categorised by a distinct lack of diversity – approximately 9% of the workforce are females, and the industry struggles to attract an ethnic diversity too. In the Sheffield City Region, the college is outstripped the regional (and national) industry average in terms of both female and BAME participation.

More widely, the college is working with Sheffield Hallam University to run the South Yorkshire Futures programme to help with education and attainment in South Yorkshire. In addition, in recent months, NCATI have hosted c.300 learners from Doncaster's new University Technical College (UTC). The UTC, scheduled for opening in 2020, was delayed until October – NCATI hosted the learners for the first half-term, who otherwise wouldn't have been able to start their vocational courses.

Economic Impact - The college has the capacity to train 3,200 engineers a year. With an average GVA per job across the rail-related industries at £69,000, some 50% above the UK average (Oxford Economics 2018), if each of these engineers was a new entrant to the sector and was to enter full time employment this could create an additional GVA per annum of £220 million per annum for each new cohort. We must remember however, that many of these trainees may already be working in the sector, and many will be replacing those leaving the sector.

BREXIT and Covid19 Challenges - NCATI conferred that the Covid-19 pandemic has not had as much of a negative impact as anticipated. The College had undertaken a number of Business Continuity Planning exercises in 2019, and were well placed to quickly switch to online course delivery and support at the start of the pandemic. Unlike many other providers, since the inception of the College, the institution has depended on technology to deliver teaching and learning, meaning the transition to online teaching and learning was quickly achieved by the curriculum team and leaders. Since March 2020, the College have delivered all learning through online groups at 1:1 sessions. 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.

The college is broadly aware of the impact of Brexit – they have noticed an unwillingness amongst customers to invest in skills due to the uncertainty created by the referendum. Companies are increasingly risk-averse to expanding their workforce – the college's future depends on commitments to a new and upskilled workforce. This has also resulted in a reduction in the number of apprenticeships available. However, the government has provided some scope for optimism after announcements that investment in the transport and infrastructure industry could provide a means to improve the economy in light of the Covid-19 pandemic and Brexit scenario.

Case Study: North Nottinghamshire College Professional Centre



Location: Bassetlaw

Applicant: North Nottingham College, Worksop

Total Cost: £933,500

LGF Grant: £308,055 (33%)

Timescale for Delivery: March to November 2016

Background - the project specifically focused on a physical face-lift of the North Notts College campus in Worksop along with the upgrading of the rooms and facilities immediately adjacent to the property frontage. Residing in Bassetlaw, the project falls within both the Sheffield City Region and D2N2 LEP areas. Overall, the project has provided 1,635m² of upgraded rooms, facilities and frontage which benefits all learners as well as SME beneficiaries in the surrounding area.

The capital project sought to upgrade, update and develop the existing building, acting as a catalyst for the further development of the offer to business generally and the Construction Academy in particular. This modernisation of the facilities as a whole, including the improvements to the façade, building efficiency and accessibility is all part of making the college more relevant and effective in the Worksop area.

North Nottinghamshire College's construction academy is set up to develop, grow and improve non-trade-based skills in the construction sector – this includes financial control, management and bespoke organisational development training that take a specific construction sector focus. The new classrooms and teaching areas are used primarily to provide training to the construction and management sectors, as well as the curriculum areas of logistics, manufacturing and engineering.

Project Rationale - Whilst Bassetlaw is a large district by way of land mass, there are significant swathes of rural areas with low population and business presence. Bassetlaw has seen a net loss of businesses over the last 5 years in the district, and there has been a higher rate of business deaths in the area when compared to the East Midlands and national averages.

The area also suffers from higher levels of unemployment in the population. With regards to construction training, there is only one recognised Level 3 qualification in Construction Management (ILM) nearby, delivered by the National Construction College in Leicestershire, although there is currently no progression through this mechanism.

Impact - Although improvements to the college will have a general benefit to learners, the project's target beneficiaries were SMEs in the locality, specifically in the construction centre. The project expected to facilitate 400 adult apprenticeships, as well as the development of adult skills in both the workplace and the classroom. In addition to apprenticeships, the project is aiming to: have a positive impact on local businesses, to increase follow-on investment, and to improve linkages between business and education:

- Development and Coaching: the project provides businesses with the facilities to learn new business processes, leading to improvements in efficiency and productivity via structured strategic and financial planning including the management of staff and resources in line with business demand. The college provides delivery management, financial, HR, staff development and coaching programmes.
- Business Support: the college works with businesses to plan and address both employment shortages and skills gaps.
- A Catalyst for Investment: the college is expanding its commercial programmes specifically to the construction sector, providing training programmes.
- Apprenticeships: working in conjunction with contractor Robert Woodhead Ltd, the project has encouraged the uptake of apprentices in the local supply chain.
- Improving Business/Education Linkages: the college is developing programmes for 18-24 year olds that specifically respond to the needs of local employers.

Social Impact - the social impacts are all closely tied to the intrinsic value in having a modern, higher education institution in Worksop. The area is blighted by deprivation, and the RNN Group is focused on providing entry-level and access education to mitigate against the detrimental socio-economic factors affecting the area. The college hosts pre-entry learners, as well as those on flex-provision (defined as having physical, mental or severe difficulties), and the project has made the building more accommodating and accessible for all. The project has facilitated ground floor access, wider corridors, and ultimately provided a centre for all levels.

Environmental Impact - the developments undertaken were environmentally-conscious, with the improved insulation and use of heat power having a positive impact on the amount of energy required at the centre. Moreover, the building benefits from improvements to the exterior cladding.

Overall, the development ensures the sustainability of the building and the college's services, enabling them to continue supporting people at all levels, and further developing relationships with SMEs. The college is being used heavily as a marketing tool to advertise RNN to potential students, as a means of encouraging those outside of the usual realm of education to participate.

Counterfactual - without investment from SCR Skills Capital, the project would not have proceeded. The RNN Group had insufficient funds to provide any additional match funding for the project, or to increase borrowing. Without the input from the programme, there would still be a lack of opportunities to access higher level skills and education, and there would still be a lack of appropriate skills training provision for local employers.

Impact of Covid-19 - the centre is currently operating at a c.50% occupancy level as a result of their necessitated response to the Covid-19 pandemic. Social distancing and accessibility requirements have meant that the college has had to adopt a blended learning style, although this has proved challenging because there is a significant portion of learners who either don't have access to appropriate technology, or are not competent enough with the equipment.

The biggest challenge for the college has been getting learners into practical workshops – subject areas utilising the beauty salons, gym and workshops have suffered the most from a lack of practical teaching.

The pandemic has had a huge impact on education as the centre has had to readdress how they operate. There is less footfall on campus, and there are one-way systems as well as reduced capacities in classrooms. In order to continue delivery and education, the centre has invested in 600 laptops to support a blended learning model, and to mitigate against the digital poverty that impacts many of their learners.

Process - the project team have experience of working in an output-orientated environment having worked with Sheffield City Region at the University College Rotherham (URC) project. The team said that they have a positive relationship with the MCA Executive, and that a focus on outputs is typical of this kind of programme. There is an understanding that the funding is allocated as a means of achieving a specific output – be that responding to market gaps, improving efficiency, creating jobs etc.

Local Growth Fund Spending - the project raised the issue of Local Growth Fund allocations, and suggested that investment might benefit people more if it takes into account even earlier stage education. Although it is understood that funding is allocated to achieve specific outputs, the project implied that grassroots community provision might have even more of an impact on local people, yet the impact is likely to be less tangible.

For example, the college previously offered lots of craft programmes and community classes, which acted as a step to attracting people to education, often people who wouldn't consider this otherwise. These types of provision are less output-centric, but they break down the barriers to education and retraining for lots of people. Retraining is thought to be increasingly pertinent in society at the moment.

Case Study: RNN Centre for Higher Level Skills



Location: Rotherham

Applicant: RNN Group, Rotherham Campus

LGF Grant: £3,524,736

Background - The new centre provides higher levels skills and education, focussed on the delivery of higher and degree level apprenticeships, short courses and

Foundation Degrees. Degree awarding powers are provided by RNN's existing HE partners, Sheffield Hallam University and Hull University.

Rationale - Within Rotherham there was no university centre, the college delivered some higher-level skills courses but this was integrated into 16-18 provision. In addition, the number of local people entering higher education was lower than average. Local residents wanted a bespoke centre to deliver university level qualifications in the town. This project was designed to provide a new facility to upskill local residents.

Links with Local Employers - The college works closely with local employers, and qualifications have been developed in conjunction with local employer needs. Circa 50% of learners undertaking courses at the new HE facility are already in employment locally and are upskilling. Many of these are studying on a part time basis and examples include engineering students, who are upskilling so that they can take on more management responsibilities within their businesses.

Going forward the plans are to continue to develop work/ employer specific training and encourage closer working with local businesses to ensure that the new centre provides the training needed in to support local businesses. The project is helping to upskill the local community which in turn should help to attract businesses and higher skilled jobs to the area.

Impact - The project has raised the aspirations of local people, and discussions with the project team highlighted that as a result of the new facility many learners are undertaking training who traditionally wouldn't.

Many students are from non-traditional traditional backgrounds, are mature or part time. Most students are from the local area, with many are likely to remain in the area.

The Building - Discussions with the team highlighted that it is good for the town itself to have its own university centre. A lot of the students want to study locally but don't think that university 'is for them'. This new facility gives local people the chance to study to a higher level in their local town.

The flagship building has won awards for bio-diversity management and sustainability. The team told us that this high-quality building has helped to give HE students their own identify. Feedback from students is that they feel that they are studying at university level and the team told us that the building is an aspirational tool.

The students at lower levels can come in to the building and see what they can aspire to. Having such a high-quality centre in the town is a positive, and many students refer to it as 'university'.

Covid - The team told us that this year has been ok for recruiting students and that they have hit their targets; they don't feel that Covid19 has not had a negative impact on the project. Indeed, the team told us that it has pushed them into remote teaching and distance learning approaches.

Sheffield City Centre 'Grey to Green' Phase 2



Location: Sheffield

Applicant: Sheffield City Centre

Total Cost: £5,090,000

LGF Grant: £3,320,000

Timescale for Delivery: Completed September 2020

Outputs - Key outputs to be achieved by the project are shown below:

		Jobs	
Outputs		Achieved to date	Expected to be achieved by 2025 (Forecast)
Sheffield City Centre - Grey to Green (Phase 2)		446	758

Project Summary - The multi-functional Grey to Green Phase 2 scheme links Castlegate to the 'hidden jewel' of Victoria Quays and has transformed the almost redundant former Inner Ring Road into a green corridor with sustainable drainage, floral meadows, segregated cycle lanes and public art. The project contributes to the rediscovery of the historic and landscape heritage of the quarter, directly extending the multi-award-winning Phase 1 (West Bar to Bridge St) also funded by LGF, which has successfully triggered regeneration and investment along its length.

The lushly planted largely traffic free public spaces will also give walkers and cyclists much easier and more enjoyable access to and from the city centre. These will create the opportunity for outdoor events, such as the Castlegate Festival, Waterways Festival and Exchange Street Escape to grow in the area.



An additional part of the scheme has significantly improved Snig Hill and the approach to Castle House, where popular food halls Kommune and tech workspace Kollider are now based.

A redundant dual carriageway from Park Square to Blonk Street, once part of a seven-lane Inner Ring Road, has been reclaimed to provide a much-improved setting for the seven hotels in Castlegate – the largest concentration in the city centre - when they reopen. As part of the scheme, two City Centre Style Information Points will also be installed (one on Castlegate and one on Exchange St). This includes quality areas for pedestrians and two-way cycle facilities with a new 20mph speed limit in place. Bus routes have been shortened and several long-distance cycle and walking routes into the city centre have been connected, including the Five Weirs Walk, Canal Towpath, Upper Don Trail, National Cycle Route 67 and Park Square/Sheaf Valley Park.

Castlegate Street has been closed to vehicles to create a large riverside terrace with potential to accommodate outdoor seating for cafes and bars, including the former public toilet due to open soon as the Two Rivers Bar and the Tap and Barrel - now under new management by the Peddlers Market team and renamed the Hop Box. The Council also plans to market the former Hydroponics shop on Castlegate as an exciting opportunity. In revitalising the area, the Council and its Castlegate Partners aim to encourage its revival as a thriving social and commercial hub. A historical lectern has been also installed on Exchange Place to celebrate the history of the area.

Progress - The project was completed in September 2020, accounting for only minor delays to the overall schedule, all attributable to the Covid-19 pandemic. Despite including contingency elements in the plan, the project was hindered by necessity of social distancing which slowed construction. Moreover, during the first few months of the pandemic, there were issues with the availability of materials, which resulted in a delay in completion from April to September 2020.

LGF Funding - The Sheffield City Region's £3.32m contribution formed most of the project's £5.6m budget. Sheffield City Council funded the concept design and costing of the scheme at risk, before the LGF contribution was secured. The project could not have gone ahead without the funding from the LGF Programme.

Project Rationale - Castlegate, formerly the busy historic shopping, industrial and civic centre of Sheffield has been in decline for many years due to a contraction of retail, relocation of civic functions and loss of its distinctive economic role. This process accelerated in the last ten years with closure of Castle Markets, resulting in a large amount of vacant floorspace, much in good condition. In the following decade, the environment has degraded and this has discouraged investment and developments in the vicinity, including both housing and hotel developments. Anti-social behaviour, boarded-up sites and a lack of investment saw the area decline. Anecdotal evidence suggests that hotel owners and business owners in the area were growing dissatisfied with Sheffield Council for an absence of any activity that might improve the area.

Private sector confidence to invest was hindered by a low-quality, road dominated environment particularly along the former Inner Ring Road and Civic Circle (Blonk St, Exchange St, Exchange Place and Snig Hill). Yet Castlegate remained a main gateway into the city centre forming the setting of, or route to, most central hotels. Although the area was underperforming as an arrival point and as a jobs and business rate driver for the city, it had enormous potential for reinvention and economic growth.

Impact: Key areas of impact for the project are:

- Reclaiming 2.4ha of redundant highway
- Dramatically improving the setting of 14 key development plots/buildings and prevent further loss of occupation, giving the area a completely new look and feel.
- Improving connectivity for pedestrians, cyclists and public transport and reconnecting the riverside hotel and business district to the core city centre
- Reduce flood risk and extend climate change resilience by: reducing vehicle emissions, using innovative landscape solutions, removing considerable areas of impermeable highway, and introducing surface water storage and water sensitive design.

- Establish a place for people, outdoor events and vitality by: reallocating surplus road space to create public event space, reducing congestion and improving accessibility, and by increasing wildlife habitat by 1 ha, including additional trees and meadow planting leading to increased biodiversity and lowering of the heat island affect.

Economic Impact - A key output of the project was the transformation of key public spaces which drive the new function of Castlegate/Victoria Quays as a major location for new investment, particularly for cutting edge technology and creative businesses. As a result of both the project's predecessor – Phase 1 – and the continued investment – Phase 2 – a number of businesses have relocated to previously-vacant office buildings in the area. Both Social Work England and XLN are now counted as tenants as a result. With regards to jobs created, the project has already reached target numbers, enticing tenants to empty office blocks, employing 40 people in now opened-up warehouses, as well as the regeneration of Castle House – an empty, listed building, which saw nearly 200 jobs created. The overall project has created at least 540 jobs.

Moreover, the project is strengthening and growing the established hotel cluster in the immediate vicinity. The hotels now benefit from clear, delineated, pedestrianised routes into the city centre. The wider site is now benefitting from new and sustained interest from developers as a result of the project.

Environmental and Social Impact - The project will also improve resilience to climate change, providing large porous planted areas to soak up and hold back surface water in heavy rainfall in an area which suffered badly in the 2007 floods. Along with Phase 1 at West Bar this is believed to be the largest 'retro-fit' scheme of its kind in the UK and has drawn much interest from both other cities in the UK and nationally. The project provides innovative climate change resilience whilst promoting sustainable travel.

An important aspect of the scheme is its ecological impact on a previously hard 'grey' environment. Fifty-seven new trees have been planted as part of the scheme, along with a multitude of low maintenance perennial meadow plants and bulbs which will provide a year-long succession of colour and natural habitat for insects, birds and mammals. There will be a total of over 350 shrubs planted as part of the project. In November 2020, over 30,000 bulbs will be planted. Overall, the project reports to have achieved a reduction of 230 tonnes of CO₂ from the environment.

The scheme includes specially designed bug hotels within the four public art 'totems' as well as an additional six more naturalistic looking 'bug hotels'. They provide habitats specially designed for bees, birds and other insects to thrive, along with nature and heritage information boards. Phase 2 comprises flood risk alleviation work, overall protecting 25 businesses from the risk of flooding.

Process - The project conferred that their success, in terms of delivering outputs and milestones on time, can be attributed to fact that the complex scheme was fully designed before going to procurement. The project has also benefitted from a useful contact within the MCA Executive.

Business Investment Fund

Location: Across the Region

Applicant: Various – see tables

Total Cost: To date, over £276 million

LGF Grant: £41.9 million committed of a £52 million budget

Timescale for Delivery: Ongoing.

Background - The SCR Business Investment Fund has £52million to invest in grants to businesses that demonstrated growth or the potential to grow. Funding commitments of £41.9 million have been made to date to help businesses unlock investment in activity that helps their business to grow, become more productive and recruit new employees. This can be seen in the table below. Project level detail is included over the page.

Business Investment Fund Spend Per Area			
Spend by Area	BIF Applied For	Total Project Cost	Jobs Forecast
Barnsley	£1,662,500	£5,107,322	33
Bassetlaw	£400,000	£2,255,000	40
Chesterfield	£689,372	£3,986,546	97
Doncaster	£8,210,000	£67,526,532	649
Rotherham	£18,437,480	£81,418,979	731
Sheffield	£12,477,168	£115,933,811	2,577
Overall Total to Date	£41,876,520	£276,228,189	4,127

Note: The above figures exclude projects that are in the 'pipeline'. They only consider schemes that are approved, contracted or completed.

Projects Funded Through the BIF - A more detailed breakdown of the projects funded through the RGF programme is included over the page.

Projects Funded Through the BIF Fund						
	Company Name	BIF Applied For	Total Project Cost	Jobs Forecast	Status	Project description
Barnsley	Finance Yorkshire	£1,017,500		-	Contract Issued	Risk capital to support FY "Interim Fund"
	Kostal	£395,000	£1,577,334	21	Contract Issued	R&D project to develop sensoric steering wheel
	William Rowland Ltd	£250,000	£3,529,988	12	Contract Issued	Construction, plant & equipment to relocate operations & diversify activity
	Barnsley Total	£1,662,500	£5,107,322	33		
Bassetlaw	Harry Needle Rail	£400,000	£2,255,000	40	Approved	Refurbishment and fit out of a railway maintenance and storage facility
	Bassetlaw Total	£400,000	£2,255,000	40		
Chesterfield	AAG Systems Ltd	£34,000	£120,000	12	Project Complete	Funding to support the refurbishment of the new premises
	Altek Europe Ltd	£110,000	£1,530,084	11	Project Complete	Construction of a workshop and alterations to existing building to consolidate operations
	Central Technology	£100,000	£394,000	25	Contract Issued	Premises refurbishment
	Original Recipes Ltd	£25,000	£83,800	11	Contract Issued	Purchase and fit out of a modular food production unit
	Palamatic Ltd	£51,372	£226,372	8	Project Complete	Capital investment to support factory fit out and equipment.
	R Wilson & Co	£120,000	£400,500	10	Project Complete	Capital investment in new chrome plating line.
	Superior Spas	£249,000	£1,231,790	20	Approved	Construction and fit out of a new warehouse, offices & showroom
	Chesterfield Total	£689,372	£3,986,546	97		
Doncaster	360 Media	£4,100,000	£36,000,000	265	Approved	Creation of a film and television studio and VFX Academy
	Abbey Glen	£100,000	£4,011,437	45	Approved	Cap ex investment to relocate and expand operation
	Aeros Global	£30,000	£182,000	3	Approved	Investment in a Flight simulator to establish commercial pilot training facility
	DSA	£1,240,000	£1,653,000	4	Contract Issued	Significant investment in infrastructure to support increased cargo capacity
	FFE	£1,000,000		48	Contract Issued	Loan at market rate to support Microloan fund to invest in around 20 SMEs across the City Region
	Hallam Castings Ltd	£65,000	£245,000	6	Project Complete	Capital investment to support investment by aluminium casting business
	Highfield	£280,000	£2,305,000	60	Project Complete	Capital investment to support growth and job creation linked to the new apprenticeship levy and related programmes
	Industrial Pallet & Transport Services Limited	£100,000	£570,595	9	Approved	Investment in manufacturing pallet line
	Kingsbury Press	£300,000	£2,760,000	30	Approved	Premises fit out and equipment to increase and enhance capacity and efficiencies
	Kustom Labels	£100,000	£615,000	10	Project Complete	Cap ex investment in Xeikon printing press and Digilase cutter
	Mobile Installation Solutions Project 1	£60,000	£355,000	12	Project Complete	Cap ex investment to expand manufacturing capacity
	Mobile Installation Solutions Project 2	£50,000	£263,000	8	Approved	Cap ex investment to expand manufacturing capacity
	Omega	£750,000	£18,411,000	145	Contract Issued	Capital Investment to construct a raw material facility and office block
	Yorkshire Precision Gauges	£35,000	£155,500	4	Project Complete	Purchase and installation of 3 machines to improve production capacity and capability
	Doncaster Total	£8,210,000	£67,526,532	649		
Rotherham	BA Clic Components	£440,000	£3,046,714	40	Project Complete	Capital investment to support factory fit-out and new machinery
	Coptrz	£110,000	£550,000	10	Project Complete	Capital investment to support development of drone set - (drones, laser sensors, transponders etc.) and an integrated software platform
	ENS Precision Engineering	£62,000	£248,000	8	Project Complete	Capital grant to support purchase of CNC machines and crane
	Gen Fab	£116,000	£590,000	10	Contract Issued	Purchase and installation of a 10kw laser cutting machine
	Granville Oils	£100,000	£1,545,000	8	Project Complete	Capital investment to support expansion of premises
	Health Imaging Solutions Limited	£40,000	£170,000	6	Contract Issued	Capital investment to support expansion of premises
	ITM Power (Trading) Ltd	£400,000	£4,175,800	50	Approved	Premises relocation and installation of an 5MVA power supply
	MAL	£12,000,000	£24,000,000	200	Contract Issued	Support for research and development programme and capital investment
	Meadowbank Shotblasting	£69,000	£340,000	13	Project Complete	Support for investment in equipment and facilities for large item shot-blasting and coating
	ND2016 / Kiveton Park Steel	£100,000	£1,000,000	70	Project Complete	Acquisition of KPS assets to support job creation and safeguarding
	Newburgh Precision	£90,000	£704,541	13	Project Complete	Purchase and installation of a High Capacity Machining Centre, to increase and enhance production capacity
	Nikken	£250,000	£2,500,000	15	Project Complete	Building construction and cap ex investment to develop in-house manufacturing capability
	Oracle Precision Limited	£82,000	£410,000	8	Contract Issued	Relocation to new premises and investment in new machinery
	Parseq Limited	£178,296	£3,126,000	38	Approved	Building construction and fit out
	PCM	£329,184	£6,229,600	81	Contract Issued	Capital investment by US IT reseller to establish European HQ in Sheffield
	Ricardo	£1,980,000	£10,858,924	53	Approved	R&D and capex investment to establish high voltage battery R&D and production facility
	TKL Excavations	£469,000	£2,349,400	51	Contract Issued	Capital investment in site clearance plant and recycling equipment
	United Caps UK Ltd	£1,500,000	£19,000,000	40	Contract Issued	Construction and fit out of a production plant
	Watflo Systems Limited	£46,000	£200,000	5	Contract Issued	Cap ex investment in tooling to create an assembly line for an innovative rainwater capture device
	Wolf Components	£76,000	£375,000	12	Project Complete	Purchase of 2 Mini Spring machines
	Rotherham Total	£18,437,480	£81,418,979	731		
Sheffield	AET	£49,489	£284,000	4	Project Complete	Purchase of a Panasonic gantry robot welder and overhead crane
	AF ChemPharm Project 1	£25,000	£90,988	2	Project Complete	Capital investment to support in-house chromatography
	AF ChemPharm Project 2	£25,000	£91,655	1	Approved	Investment in scientific equipment to expand services and product offer
	Arthurs Skips	£150,000	£1,740,000	20	Project Complete	Capital investment to support waste recycling plant
	Bag it Don't Bin It	£50,000	£273,360	6	Project Complete	Premises refurbishment and cap ex to expand operations
	Biovation Orthopaedic Ltd P1	£50,000	£207,470	6	Project Complete	Investment in tooling and validations for disposable osteoarthritis instrument
	Biovation Orthopaedic s Ltd P2	£90,000	£467,049	8	Contract Issued	Investment in tooling and validations for disposable osteoarthritis instrument
	Boeing	£5,750,000	£43,900,000	55	Contract Issued	Capital investment to support inward investment in research project and fabrication facility.
	BPH Engineering	£27,000	£92,000	4	Project Complete	Capital investment to support diversification away from oil & gas industry

Projects Funded Through the BIF Fund						
	Company Name	BIF Applied For	Total Project Cost	Jobs Forecast	Status	Project description
	Bratrim UK	£123,707	£883,693	42	Approved	Automation project involving purchase and installation of equipment
	Clipper	£1,150,000	£20,085,680	817	Contract Issued	Inward investment to establish an SCR Fulfilment Centre.
	Cosmarida 2010 Limited	£96,000	£482,000	39	Contract Issued	Relocation project involving investment in building works and equipment
	Cossack Cuisine	£30,000	£125,000	5	Approved	Automation project involving purchase and installation of equipment
	Davy Markham	£500,000		-	Project Complete	Loan, at market rate, to support DM as they service a number of new contracts.
	Diamond Specialist Seating	£184,200	£1,837,000	25	Approved	Consolidation project involving purchase of land and building, building construction and purchase of plant & equipment
	Eurosafe Solutions Ltd	£85,000	£350,000	25	Contract Issued	To support the fit-out of newly acquired premises. Leading to growth and jobs
	Exhausts UK Limited	£50,636	£125,636	6	Contract Issued	R&D project to develop R&D capability
	Fernite	£135,000	£492,816	21	Approved	Investment in premises and machinery to create world class manufacturing facility
	First Customer Contact	£1,500,000	£19,053,000	447	Approved	Salaries project to establish customer contact centre in SCR
	Forgemasters	£650,000	£6,500,000	639	Project Complete	Capital investment in plant and machinery to enable access to new markets.
	Green Estates	£84,000	£195,537	7	Contract Issued	Construction, premises conversion and equipment
	GSK Holdings	£123,944	£413,148	30	Project Complete	Capital investment to support expansion of premises
	Imoves	£19,519	£77,692	3	Project Complete	Capital investment to support development of digital educational activity resources.
	Nprime	£95,000	£500,000	10	Approved	Premises construction and fit out to create military grade secure facility
	PCT	£50,000	£524,705	10	Project Complete	Capital investment to support purchase of new laser cutting machinery.
	Plusnet	£700,000	£12,936,000	265	Project Complete	Capital investment to support acquisition of mobile telecoms customer
	Pro Roll	£400,000	£2,531,500	25	Project Complete	Support for investment in integral melt plant in order to consolidate hand rolling and metal processing services and re-start the Melt facility
	Russell Richardson & Sons Ltd	£107,996	£767,966	8	Contract Issued	Premises fit out and equipment to increase and enhance capacity and efficiencies
	Schuberts	£60,000	£285,000	8	Project Complete	Capital investment to support a new equipment to be housed in the new Customer Testing, Demonstration and Training Facility
	Sentinel Brewing Company	£61,500	£350,036	12	Project Complete	Capital investment to support start-up brewery
	Zoo Digital	£54,176	£270,880	28	Project Complete	Capital investment to support expansion of premises
	Sheffield Total	£12,477,168	£115,933,811	2,577		
	Overall RGF Total	£41,876,520	£276,228,189	4,127		

Examples of Projects Supported Through the BIF:

McLaren Automotive - A partnership between luxury sports car producer McLaren Automotive and the University of Sheffield's Advanced Manufacturing Research Centre (AMRC) has led to the development of a significant new manufacturing facility, bringing a £100 million boost to the economy. Supported by the SCR LGF programme, the high-performance supercar manufacturer has created a new purpose-built Composites Technology Centre in the Advanced Manufacturing Innovation District, a world-class centre of manufacturing excellence within the Sheffield City Region. This investment – and the innovation, jobs, training and opportunities it offers – is hugely significant for Sheffield City Region, the North of England and the UK's global, industrial ambitions.

The Composites Technology Centre is responsible for the development and manufacturing of advanced carbon fibre chassis for McLaren Automotive's supercars, creating more than 200 jobs through a combined investment of nearly £50 million. Based in the UK's first Advanced Manufacturing Innovation District, the site of the new centre offers world-class research, skills and partnerships.

McLaren Automotive and the University of Sheffield are delivering a two-year research and development programme, which will lead to the development of a production facility to build its lightweight carbon fibre chassis for its new models from 2020.

Boeing - in 2018, Boeing opened its new Fabrication factory in Sheffield, with the support of Sheffield City Region. The new factory, the company's first manufacturing site in Europe, makes actuation system components for the 737 and 767 passenger jets from raw materials sourced in the UK. At full capacity, Boeing Sheffield produces thousands of parts each month, which are shipped for assembly in Boeing's Portland plant in Oregon, United States.

Boeing Sheffield manufactures more than 100 different high-tech actuation components for the 737 and 767 wing trailing edge. Actuation systems move the flaps at the back of the wing to provide extra lift at low speeds during take-off and landing. The 6,200-square-metre facility represents a Boeing investment of more than £40 million, placing the world's largest aerospace company at the heart of Sheffield City Region's growing Global Innovation Corridor. A total of 52 employees, including experienced mechanics, engineers and more than 20 apprentices, make up the current Boeing Sheffield team.

The Boeing factory is based at the Advanced Manufacturing Research Centre in Rotherham and forms a key part of the region's Advanced Manufacturing Innovation District. Boeing established a presence in South Yorkshire in 2001 when the company co-founded the Advanced Manufacturing Research Centre (AMRC) with the University of Sheffield in Rotherham. Boeing Sheffield is a direct result of this longstanding and successful relationship with the AMRC and its world-class research and development. The company has initiated a major new research programme with the AMRC to develop new manufacturing techniques that can be applied to the new Boeing Sheffield facility.