



Report to: Leeds City Region Enterprise Partnership Board (LEP Board)

Date: 18 July 2019

Subject: **Capital Programme (Investment Committee)**

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1. Purpose of this report

- 1.1 To update the LEP Board on the independent review of the Growth Deal programme currently ongoing in 2019.

2 Information

Growth Deal Programme

Independent Evaluation of Growth Deal Interventions

- 2.1 As was reported to LEP Board previously, as part of the terms of the Growth Deal award to the Leeds City Region, an independent review of the impact of locally appraised interventions is to be undertaken at the first five year gateway (also known as the Gateway Review 2019). Leeds City Region is one of four areas subject to this evaluation in 2019 – the other areas are Glasgow, Manchester and Cambridge.
- 2.2 Economic consultants SQW Limited are leading the National Evaluation Panel responsible for the monitoring and evaluation of investment funds across the UK. SQW have been commissioned to evaluate the Transport Fund, and will be present at the LEP Board meeting to present a summary of their work.
- 2.3 The key milestones of the work are delivery of the following:
 - A Baseline report – February 2019
 - A One Year Out report – March 2019
 - A Final report – November 2019 (tbc)
- 2.4 Several strands of activity fed into the completed baseline report, including survey work and strategic interviews to establish a local capacity and partnership working baseline, work to look at how the economy was expected to develop since the launch of the Transport Fund in 2014, and progress to date on the delivery of transport funded schemes. The executive summary for the Baseline report is provided as **Appendix 1**.

- 2.5 The purpose of the one year out report was to:
- provide an update on the progress in delivery of the Investment Fund around a year in advance of the Gateway Review (February 2020 tbc)
 - identify any issues that need to be addressed in advance of the final evaluation
 - confirm the approach and timing of the research for the final evaluation, which will take place between April and November 2019.
- 2.6 The One Year Out Report draws on monitoring data on expenditure, outputs and outcomes provided by the Combined Authority, consultations with 10 project managers of all 19 interventions in scope of the evaluation¹ and the Combined Authority's programme management team during December 2018 and January 2019. The executive summary for the One Year Out report is provided as **Appendix 2**.
- 2.7 The headline findings are as follows:
- Overall, good progress has been reported for many of the interventions
 - Several factors have also facilitated or accelerated the progress of projects towards their intended outputs/outcomes, including close communication with external stakeholders and contractors, strong alignment with local masterplans, local drive and leadership, dedicated management functions, and effective programme management
 - There have also been benefits associated with delivering the projects under one programme, particularly around sharing lessons, which is already enabling other projects to be delivered more effectively
 - The two main challenges faced by some promoting authorities have been land acquisition and experience/capacity constraints
 - The Combined Authority has observed a sharp increase in the number of project business cases being submitted for appraisal, meaning further acceleration in spend as the programme moves through to the Gateway Review 1
- 2.8 The overall sense of the report is that the findings point in the direction of a positive outcome in terms of the final report. Further interviews with strategic stakeholders will take place over the coming weeks to validate the findings and explore themes around progress and partnership working further. Senior representation at these meetings is advised to ensure that key messages are conveyed from decision-makers.
- 2.9 The first gateway review will be completed by Government in early 2020. Combined Authority officers continue to attend quarterly national progress meetings with officers from BEIS and MHCLG, where it is expected that greater clarity should emerge around how the final gateway report will form a part of the overall assessment of performance, together with other evidence such as the annual conversations.

¹ 19 of all 54 projects covered by the Investment Fund

- 2.10 A further seven areas, whose growth deals were awarded in 2015, are subject to evaluation in 2020. This includes Liverpool City Region, Tees Valley, Cambridge and Peterborough, Cardiff Capital Region, Sheffield City Region, West Midlands and West of England.

3. Financial Implications

- 3.1 There are no financial implications directly arising from this report. However, future growth deal funding availability may be subject to the outcome of the first gateway review in early 2020.

4. Legal Implications

- 4.1 There are no legal implications directly arising from this report.

5. Staffing Implications

- 5.1 There are no staffing implications directly arising from this report.

6. External Consultees

- 6.1 No external consultations have been undertaken.

7. Recommendations

- 7.1 It is recommended that the LEP Board notes the progress made with the independent evaluation of the Growth Deal programme and the expected completion of the review in early 2020.

8. Background Documents

- 8.1 None.

9. Appendices

Appendix 1 Independent Evaluation of Local Growth Interventions – Baseline Report for Leeds City Region Executive Summary

Appendix 2 Independent Evaluation of Local Growth Interventions – One Year Out report for Leeds City Region Executive Summary