



Report to:	Finance, Resources, and Corporate Committee
Date:	2 November 2023
Subject:	Gateway Review Evaluation
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Is this a key decision?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is the decision eligible for call-in by Scrutiny?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information or appendices?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If relevant, state paragraph number of Schedule 12A, Local Government Act 1972, Part 1:	
Are there implications for equality and diversity?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

1. Purpose of this Report

- 1.1 This report provides a progress update on the 2024 Gateway Review, including information relating to governance, risks and issues, communications activity and stakeholder engagement.

2. Information

Gateway Review Progress Update

Background

2019 Gateway Review

- 2.1 Activity funded under Local Growth Fund and Gainshare is subject to a Gateway Review process every 5 years, upon which future funding is contingent (£30,000,000 per year until 2034/35 and £38,000,000 per year respectively, amounting to £68,000,000 per year).
- 2.2 The purpose of the review is to assess progress and evaluate the impact upon economic growth. This is a crucial part of the Combined Authority's accountability for public funds and provides assurance to Government that we can demonstrate a return on investment.

- 2.3 Prior to becoming a Mayoral Combined Authority, the organisation undertook this process in 2019 as a requirement of funding under the Cities and Local Growth Fund (or Growth Deal).
- 2.4 The 2019 Gateway Review evaluated interventions delivered under the West Yorkshire Plus Transport Fund (this was the part of the wider Leeds City Region Growth Deal, which drew upon gainshare funding from Government). For the purposes of this work, Leeds City Region formed part of Cohort 1 (alongside Greater Manchester, Glasgow, and Greater Cambridge).
- 2.5 The non-transport elements of the Growth Deal were/are not in scope for the Gateway Review evaluation. However, an in-house [Growth Deal Evaluation](#) was commissioned and undertake to explore the impact of this delivery.
- 2.6 For the 2019 Gateway Review, Cohort 1 commissioned consultants, SQW, to undertake the evaluation (this was a joint commission lead by GMCA).

2024 Gateway 2024

- 2.7 Now, for the 2024 Gateway Review, we are required to build on this work and join other members of Cohort 1 in preparing for Gateway Review 2. We will apply learning from this previous experience as appropriate.
- 2.8 However, since becoming an MCA and securing a further deal under Devolution (or Gainshare), we are also required to undergo a Gateway Review relating to this, for the purpose of which, we have been designated as Cohort 3a and will be preparing for Gateway Review 1.
- 2.9 These two designations (Cohort 1 and Cohort 3a) along with the parallel processes which they will navigate, reflect the distinct timelines and scope of each fund and associated delivery. However, we have secured approval from the Department for Levelling Up, Housing and Communities (DLUHC) to undertake both strands of work as part of a single process. This reflects our longstanding track record of delivering in partnership on behalf of the people of West Yorkshire, enabling us to explore and communicate the impact of this work through a single narrative.
- 2.10 SQW have been commissioned again, however, this time they have been contracted directly by DLUHC and have a different role. Rather than undertaking the evaluation directly, SQW's role is that of an Independent Evaluation Panel (IEP). They have developed a National Evaluation Framework (the NEF, launched on 19 January 2023)

and have supported Areas to develop their own Local Evaluation Frameworks (LEFs) and ensure alignment between the two.

- 2.11 As well as developing the Local Evaluation Framework, which sets out in detail the scope, stakeholders and methodologies, WYCA are also required to conduct the evaluation. This is a substantial and complex piece of work that requires input from diverse stakeholders, with WYCA leading, but with operational support from externally commissioned consultants, and guidance from the IEP (SQW). Data and evidence collected through this process will be submitted to SQW, who will use this information to write the final reports and submit them to DLUHC. A decision will then be made by DLUHC with reference to future funding.

Governance

- 2.12 Work towards the 2024 Gateway Review is governed by a Project Board chaired by the Combined Authority's Chief Operating Officer (shortly to move to the incoming Director of Strategy, Communications and Intelligence). This reflects the strategic importance of this work in securing future funding and its cross-cutting relevance across the Combined Authority, including the crucial role of the Strategic Portfolio Office (SPO).
- 2.13 The Board membership includes representatives from the SPO, reflecting the centrality of progress monitoring and financial data to the process. Representatives from each of the Investment Priorities are also important in providing steer across their respective areas of policy and delivery and feeding back key messages to wider colleagues. Strategic leads for Gainshare and West Yorkshire Plus Transport Fund respectively also provide key insights relating to the management of the two funds. Given the wide range of internal and external stakeholders whose feed in is required to ensure the success of the Gateway Review evaluation, representation from Communications and Engagement is also crucial. The membership also includes external partner representation.
- 2.14 The Project team (Gateway Review Project Manager and Project Officer), with support from the Evaluation Manager, report to the Board on a monthly basis to provide progress updates and seek strategic steer and operational guidance as required. As noted above, this is necessary, given the scale, importance, and cross-cutting nature of the project, which requires feed in from diverse stakeholders.

Project Management

- 2.15 The Project Team have made good progress at setting up the project and moving immediately into delivery. Key tasks delivered to date include finalisation of the Local Evaluation Framework, supplier engagement and development of tender documentation, communications and engagement activity, and data collection for the Mid-term Review

(this includes the development of an online stakeholder survey, as well as the coordination of around 70 Project Manager consultations).

Communications and Engagement

2.16 Awareness-raising activity is currently underway to engage internal and external stakeholders as we begin the collection of data needed for the mid-term review. For instance:

- dedicated intranet page with information for internal colleagues
- VLOG shared with internal and external colleagues
- Targeted email correspondence to consultees involved in the Mid-Term Review data collection
- Presentation to Chief Highway Officers

Local Evaluation Framework

2.17 The Local Evaluation Framework (LEF) was submitted to DLUHC appointed consultants, SQW (the Independent Evaluation Panel) on Friday 22nd September. The framework covers both funds under review (Growth Deal/West Yorkshire Plus Transport Fund and Devolution/Gainshare), after it was agreed with DLUHC that we could bring the two funds within a single process. This is the culmination of significant and detailed work undertaken by members of the Evaluation Team in conjunction with externally commissioned consultants. This is reflected in the extended time taken to develop the necessary detail (the original deadline was 30th June, but an extension was agreed with DLUHC). The finalised LEF will be RAG rated by SQW before being submitted to Government.

2.18 The RAG rating is scored against criteria set out in the National Evaluation Framework. SQW have made clear that, due to the local nature of the evaluation being scored against a national framework that some Red and Amber ratings may be achieved and that this is acceptable and in line with other CA's currently going through this process. All ratings will be contextualised and narrative will be provided to explain the scoring.

2.19 The LEF sets out the scope of the evaluation work to be undertaken, in line with each of the strands set out in the National Evaluation Framework (NEF) and its requirements: Progress, Progress Plus, Impact, and Complementary Workstreams (details of all schemes in scope for each strand are provided in Appendix 1). It also details the methodologies that will be utilised under each type of evaluation, and the data requirements.

2.20 The availability of data is a key risk to the deliverability of this work and was a significant factor in the delay to which the finalisation of the LEF was subject. This is due to specific

factors relating to each of the respective funds. For example, challenges arose in relation to some of the historical projects in scope for the Growth Deal/West Yorkshire Plus Transport Fund, whereby it was not clear whether the evaluation and monitoring had been carried out in line with the original business case documentation. This lack of clarity arose from several factors including changes to plans, budget, staff-turnover and I issues with data management. Significant additional work was needed to consult with internal and external colleagues to ascertain what existing data could be drawn upon to support the Gateway Review evaluation.

- 2.21 Conversely, for Devolution/Gainshare projects, which are much more recent, challenges arose around the collation of business case documentation, because PIMS has not been consistently used for gainshare project, resulting in the need for manual collation. Whilst data has now been collected for the Mid-term Review, the activity has been recorded in the project's lessons learned log to improve data collection at the Final-term of the project and for subsequent Gateway Reviews. In addition, a PIMS working group is underway within the Combined Authority to improve future record management in the system, and to enable PIMS to be used support more active portfolio management.
- 2.23 Nonetheless, the intensive work required to develop the LEF to this level of detail places us in a strong position as we move forward to the procurement of consultancy support to undertake the work required for the final evaluation. The LEF is essentially a plan and will serve as a core document in addition to the Statement of Requirements, providing potential bidders with a detailed account of the work to be undertaken.

Project Timetable

- 2.24 A project timetable can be found in Appendix 2
- 2.25. The project has been split into two tranches: Tranche 1 (Mid-term) and Tranche 2 (Final-term). A project timetable has been created to highlight the critical path up until to January 2023, when Tranche 1 will be complete. Due to delays in finalising the LEF document, Mid-term delivery was subsequently delayed against the initial deadlines. This is highlighted in Appendix 2 within the Mid-term delivery timetable. Red milestone diamonds represent the initial evidence and mid-term report deadlines, and blue milestone diamonds represent project delivery milestones. Overall, at the Mid-term, the project is working to a 10-12 week delay on the initial timelines, as required by the process. These delays have been raised with the SQW and with DLUHC, alongside the current timetable, with which they are comfortable.
- 2.26. Whilst the Mid-term delivery is operating under this delay, the project plan and effective risk management provides confidence in our ability to deliver within the 10-12 week delay. Issues are being managed and overcome effectively, with Evaluation Team and wider resources being assigned as necessary to complete the work required at the Mid-term.



- 2.27. As mentioned above, in addition to the Mid-term delivery, evaluation framework finalisation and procurement planning for the Final-term have been delivered concurrently to ensure there are no delays in Final-term delivery.
- 2.28. Final-term delivery is on track to start in January, and procurement to appoint an external evaluation company to undertake this work is running to time.
- 2.29. High level timetables have been produced for the Final-term. A Final-term integrated plan and critical path will be produced in conjunction with the successful appointed company that will undertake the Final-term evaluation.

Budget

- 2.30. A budget of £800k has been allocated to the project and has been equally funded by the WYTF and Gainshare Funds.
- 2.31. A project budget has been produced and the project currently forecasts to spend £780k of the allocated funds. This is to cover salary costs of the Project Manager and Project Officer (including on costs) to October 2024 and all costs associated with Evaluation activity for the Mid and Final-term reports.

3. Tackling the Climate Emergency Implications

- 3.1. Although this is not a key objective of the Gateway Review process from the perspective of DLUHC, where possible and appropriate, climate-related impacts will be explored through the evaluation (this is particularly apposite to the Transport Fund interventions in scope and activity under Investment Priority 4).

4. Inclusive Growth Implications

- 4.1. As the evaluation of impacts on productivity and growth are the primary objective of the Gateway Review, it is expected that the work will develop key insights in this area, which can be applied to future policy and delivery.

5. Equality and Diversity Implications

- 5.1. Although not a primary focus of this work, where possible and appropriate, the evaluation will draw upon sociodemographic data to enable enhanced understanding of impacts on specific groups.
- 5.2. More widely, the Gateway Review has equality and diversity implications insofar as future funding, and thereby the CA's ability to continue deliver the best outcomes for all the people of West Yorkshire, depends upon its success.

6. Financial Implications

- 6.1. There are no financial implications directly arising from this report. However, as noted above, there are significant financial implications of the Gateway Review process due to its role in unlocking future funding via the two Investment Funds under consideration.

7. Legal Implications

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

8. Staffing Implications

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

9. External Consultees

- 9.1. No external consultations have been undertaken.

10. Recommendations

- 10.1. That FRCC notes the progress made in delivering the Local Evaluation Framework document.
- 10.2. That FRCC notes the detailed project timetable, key dependencies and risk mitigations as set out in the report.
- 10.3. That FRCC notes the next stages of the Gateway Evaluation process and process of RAG assessment from DHLUC's Independent Panel.

11. Background Documents

There are no background documents referenced in this report.

12. Appendices

Appendix 1 – Schemes in Scope
Appendix 2 - Project Timetable