

Leeds City Region Growth Deal - Impact Sites

Discussion Paper - DRAFT

Introduction

This report identifies the proposed approach and progress to date in determining the impact sites associated with WYCA's Growth Deal projects and programmes.

The Leeds City Region is currently delivering the Growth Deal that it entered into with the UK Government in 2014. The programme is in operation for six years from 2015/16 to 2020/21.

The objective of the programme is to facilitate economic growth through the delivery of a range of projects and programmes, the achievement of this objective is monitored and measured. Whilst monitoring of direct and indirect outputs of the programme is ongoing it is important to measure the wider impact of the initiatives undertaken.

The Growth Deal states that to this end each Growth Deal area will identify the impact site for the different projects supported. The aim of this paper is to:

- set out the methodology used to identify these areas; and
- provide an insight into the impact sites for different types of projects.

Purpose

This discussion paper will:

1. Consider how best to develop the impact sites for Growth Deal projects.
2. Explore the role that GIS can play in terms of presenting, managing and gathering relevant information.
3. Consider how the process of determining and attributing impacts to projects can be consistent.
4. Identify any areas where further clarification or decisions are required.

Context

The Growth Deal involves the delivery of a series of projects and programmes. Funding is received from Government to support these schemes through the Local Growth Fund which provides a total of £513.35 million for the six year period.

The projects and programmes included in the Growth Deal support the delivery of the Leeds City Region Strategic Economic Plan and are grouped into the four priority areas of the plan, these are:

- **Priority 1 Businesses, Economic Output and Productivity** – projects include business grant schemes and support to universities to help the development of business innovation.
- **Priority 2 Employment Skills and Inclusion** – involves support for colleges to develop the training facilities.

- **Priority 3 Environment and Low Carbon** – includes support to help businesses reduce waste, energy reduction projects aimed at assisting households and developing district heat networks and other new and innovative technologies.
- **Priority 4 Place and Infrastructure** – covers housing and regeneration, transport, enterprise zone development and flood resilience.

There are currently over 100 individual projects within the programme. Numbers of projects continue to increase as individual projects within programmes of activity come forward and as projects are phased to allow early delivery.

Measuring the Benefits

Leeds City Region undertakes the measurement of the benefits achieved by delivering Growth Deal projects in three ways, these are:

1. **Direct outputs** - arise directly from the project activity and do not require further investment or activity to be achieved. These are directly reported and evidenced by the project sponsor. This may include floor-space developed, direct jobs created, length of road built.
2. **Indirect outputs** - do not result directly but are unlocked or facilitated by the delivery of the project but require further investment or activity for them to be achieved. Once again these are directly reported and evidenced by the project sponsor. An example would be homes built following creation of a new road, these would be evidenced through planning permissions and reported new builds.
3. **Wider impacts** - are the catalytic impacts that the project may deliver. They are likely to be realised in the longer term and by their nature less directly linked to the project being undertaken. These can only be evidenced through evaluation of the project and may require modelling. Identification of impact sites will allow consistent evaluation of these benefits across the programme and will take into consideration wider levels of activity rather than single projects.

Data Collection and Monitoring

The use of GIS data needs to **take account of the existing monitoring data** that is gathered for projects. This will be used within the GIS application but it is important that clarity is maintained as to how impacts are calculated and attributed to projects, that a consistent approach is used in terms of identification and reporting.

The Portfolio Information Management System (PIMS) is used to monitor the progress of projects including the achievement of planned outputs and outcomes and will be used to provide source data for the GIS tool. For some projects this will be supplemented with additional data to provide a more detailed picture of the impacts of the Growth Deal.

Impact Sites

The impact site for a project or scheme is effectively the location of where the associated outputs and impacts (listed above) would be expected to materialise. The

size of each impact site will reflect the scope and nature of the scheme being undertaken.

The development of individual impact sites will be underpinned by a clear rationale that incorporates aspects of the respective projects business case and logic model. These will be agreed with project sponsors.

Whilst impact sites will be considered individually for each scheme the type and scale of the project will be a key determinant of the scale of impact site identified. Hence, support to an individual business is likely to impact at the location where the investment is made whilst large-scale transport schemes would be expected to register impacts over a much larger impact area.

In reality the impact site for the majority of project types will effectively be the premises where the intervention is taking place. The major exceptions to this, where buffer zones are likely to apply around the location of the project intervention are:

- Transport projects
- Enterprise Zones
- Large scale housing and regeneration projects
- Flood Alleviation schemes

A key consideration in terms of determining the size of a projects impact site will be the ability to be able to attribute the impacts identified with the activity taking that has taken place. In general the larger the impact site then the greater the level of complexity in terms of attributing the identified impacts within an area to an intervention.

The Growth Deal has a focus on transport with eight transport projects already underway and a pipeline of projects being developed.

Table 1: Proposed impact areas by policy area and project

Growth Deal/SEP Policy Area	Project Examples	Proposed Impact Area
P1 – Business Support	Business Growth Programme	Location of supported facility
P1: Innovation/R&D	Nexus - University of Leeds & University of Huddersfield Innovation Project	Location of facility or building receiving investment
P2: Employment Skills & Inclusion	Skills Capital	Location of college facility
P3 – Environment & Low Carbon	Resource Efficiency Fund Energy Accelerator Programme	Location of supported facility
P4: Housing / Regeneration	Housing Enabling Programmes Site Development Enterprise Zones	Location of site / development buffer where catalytic impacts would be anticipated.
P4: Transport	WT+ Transport Scheme	Buffer areas of 250m / 500m / 1km / 1.5km
P4: Flood Resilience	Flood Alleviation Schemes Natural Flood Management	Buffer reflecting effect on likely flood impacts

The Approach

The use of Geographic Information Systems (GIS) will be a key tool in terms of supporting the identification of impact sites and in the planned monitoring and analysis that will follow. The approach to employing GIS will include:

- Where impacts occur at a specific location e.g. a supported business or skills capital college, to identify the postcode and to map the location to higher geographies as appropriate;
- The same where there is development of a specific site or transport intervention at a location;
- Drawing boundaries around specific spatial priority areas, including housing growth areas and Enterprise Zones;
- Identifying all postcodes touched by transport interventions, then identifying buffers at 250m/500m/1km and 1.5 km; and
- Identifying all employment and housing sites in close proximity to each of the impact sites that interventions help to unlock.

To capture all of these, two key tools have been developed. The first is a GIS tool that identifies all of the impact sites on a single GIS map and allows this to be interrogated and overlaid on areas as required. Geographical information, including postcode data for all Growth Deal funded projects has been collected and then mapped to a point, a specific boundary or a route (line).

The second (partly produced by the first) is a set of Excel based lookups that match postcodes and other small area geographies to investments and interventions. A spreadsheet has also been developed which explains the data we have for each project.

Currently, these tools cover direct impact sites and buffers drawn around transport interventions. The maps and Excel files also identify locations that might be influenced by more than one investment or intervention. This element will be crucial in terms of understanding the location and extent of Growth Deal projects and will inform any approach to the identification of impacts and the attribution of these to projects.

Issues

The **double counting of impacts** by either attributing them to more than one funding source or project can be a significant problem which ultimately impacts on determining the performance and value for money of a project. The process and the use of GIS will help in terms of attribution as it provides an opportunity to better understand the spatial relationship between projects and outputs and impacts.

Where projects are in receipt of more than one source of public sector funding it may be appropriate to flag these and show where outputs may be attributable to more than one funding source.

Crucial to the process of attributing impacts will remain the need for the appropriate rigour to be used in terms of attributing impacts to projects and key to this will be an

informed understanding of individual projects and the respective logic model that underpins them.

It would obviously not be appropriate to attribute all changes identified within a buffer zone and attributing impacts to projects. Transport projects and other large-scale capital projects are likely to generate their full impact in the much longer-term and so requires a long-term approach to monitoring and evaluation and brings with it additional challenges regarding attribution.

For many benefits identified it is likely to be the case that we would claim that interventions have 'contributed to' or 'enabled' the generation of impacts rather than being solely the result of a single programme or project.

There are likely to be similar issues where the **impact sites for different projects overlap** and this could be a particular issue the greater the size of the projects buffer zone. Where projects are located relatively close to each there is also the potential that further or additional outputs and impacts maybe generated through the potential interaction between them and their associated outputs and impacts.

The application of GIS will include **the existing monitoring data** that is gathered for projects. This will be used within the GIS application but it is important that clarity is maintained as to how impacts are calculated and attributed to projects and that a consistent approach is used in terms of identification and reporting.

The development of impact sites and use of GIS is anticipated to play an important role within project and **programme evaluation**. One key area will be the identification and use of comparator areas which can be used to explore the counterfactual around projects and better understand the net additionality that is attributable to projects.

Indicators and Monitoring

There are a total of 23 output types against which GD projects should report these are in seven different categories:

- Employment
- Housing
- Transport
- Skills and Education
- Commercial
- Flood Alleviation
- Business and Enterprise

For many projects the specified outputs are likely to be sufficient to demonstrate the impact of projects. However, for some projects there will be 'additional outcomes' and this approach should help to both identify and quantify these.

These indicators will form the basis for the monitoring work but discussions with local partners will help to determine the full indicator set that will be used. This will build upon local data already collected by partners and incorporate data from WYCA's economic impact assessment models - the Regional Econometric Model (REM) and

Urban Dynamic Model (UDM)). Once developed this indicator set will be shared with BEIS.

Many projects are likely to deliver a number of different outputs and outcomes and so a range of indicators will be considered against projects, examples include:

- Commercial floor space constructed (site development);
- Employment on occupied commercial premises (site development);
- Employment in supported enterprises (business or innovation support such as the Business Grants Programme);
- Increased learner numbers and Improved learner outcomes (Skills Capital);
- Number of new homes built (site development).

To capture all of these, two key tools have been developed. The first is a GIS tool that identifies all of the impact sites on a single GIS map and allows this to be interrogated and overlaid on areas as required. Geographical information, including postcode data for all Growth Deal funded projects has been collected and then mapped to a point, a specific boundary or a route (line).

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Currently, these tools cover direct impact sites and buffers drawn around transport interventions. The maps and Excel files also identify locations that might be influenced by more than one investment or intervention.

Reporting and Access to Information

The information gathered through project monitoring and reporting will be available electronically through an ESRI software application. This has already been constructed by the LCR LEP and the Combined Authority and will support the spatial and temporal reporting of GD outputs. This package will be made available as part of our reporting to Cities and Local Growth Unit (CLOG) and to partners engaged in the delivery of the Growth Deal.

This will be complemented by an annual report that will provide the detail of the outputs and impacts attributable to the GD projects. This will incorporate the approach to the establishment of the buffer zones (where they are applicable) to projects. As already stated these zones will vary in size according to the nature and scale of the project.

Incorporated within this annual report will be an annual assessment of the socio-economic conditions in the communities and areas near to the impact sites designated for projects. It is currently proposed that these assessments would be based on the location of the project boundary - with a 5km buffer around it. This can then be contrasted with the wider LCR geography and will also enable the comparison with similar communities where no intervention has taken place.

In terms of partners being able to access the information:

- Key partners will be provided secure access to the ESRI ArcGIS Online application. This will allow users to view the outputs resulting from the Growth Deal mapped on to the impact sites. Users will be able to view all of the relevant impact boundaries and be able to filter the different sites and buffers. Data can then be exported in the shape of a map or in an excel spreadsheet.
- This application would be maintained by Research and Intelligence function of the Combined Authority and it is proposed that this would be updated on a quarterly basis. There is also potential to incorporate analytical reporting into the application (beyond just spatial mapping) but further work will be required. A separate quarterly outputs summary will also be produced.
- The Combined Authority proposes that the monitoring of Growth Deal outputs would sit within an Annual Impact and Outcome Assessment Report at the LCR, LA and local level where the wider benefits (and their trend) would be quantified across a broader range of indicators (putting the growth deal delivery outputs in their wider local and city region context).
- This approach would allow LCR partners to clearly specify to government how the Growth Deal sites will be identified, direct outputs monitored (and analysed) within a wider local and city region monitoring and evaluation framework. This would consider these within the context of wider local and city region socio-economic change and look to incorporate aspects of inclusive growth, deprivation and wider environmental and social impacts.

Next Steps:

1. Need to agree and finalise the approach to impact sites and the associated monitoring.
2. Ensure that the approach takes account of the current SQW evaluation work and does not duplicate activity.
3. Consider how the information gathered through impact site analysis will be used to evaluate projects and programmes.
4. What role will a qualitative analysis play in the evaluation of projects and the wider Growth Deal programme?
5. Test the approach in terms of specific projects and the monitoring information that will be gathered.
6. Agree whether buffer zones of between 250m to 1.5km are the appropriate size to fully take account of the impacts of the different interventions.

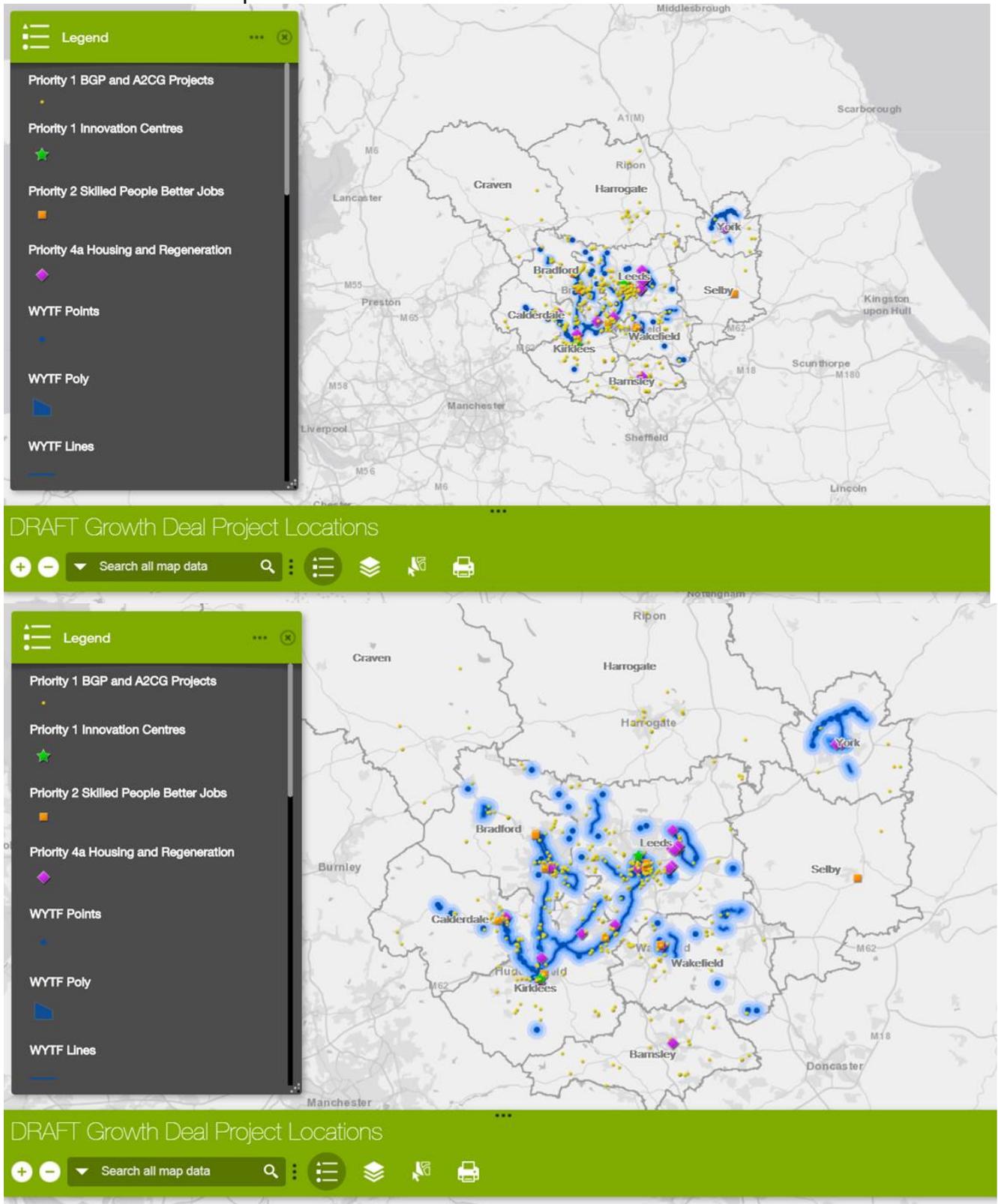
7. Determine how the different size of buffer zone will be applied to different project types.
8. Determine whether the approach enables a measure of the total impact of the Growth Deal?
9. There remains a need to better understand the cost and resource implications of the approach and determine how best value can be derived from the process.
10. Need to better understand how best changes in land values could and should be incorporated within the process and analysis.
11. Need to consider how best the process could and should be embedded within the project monitoring and evaluation plans.

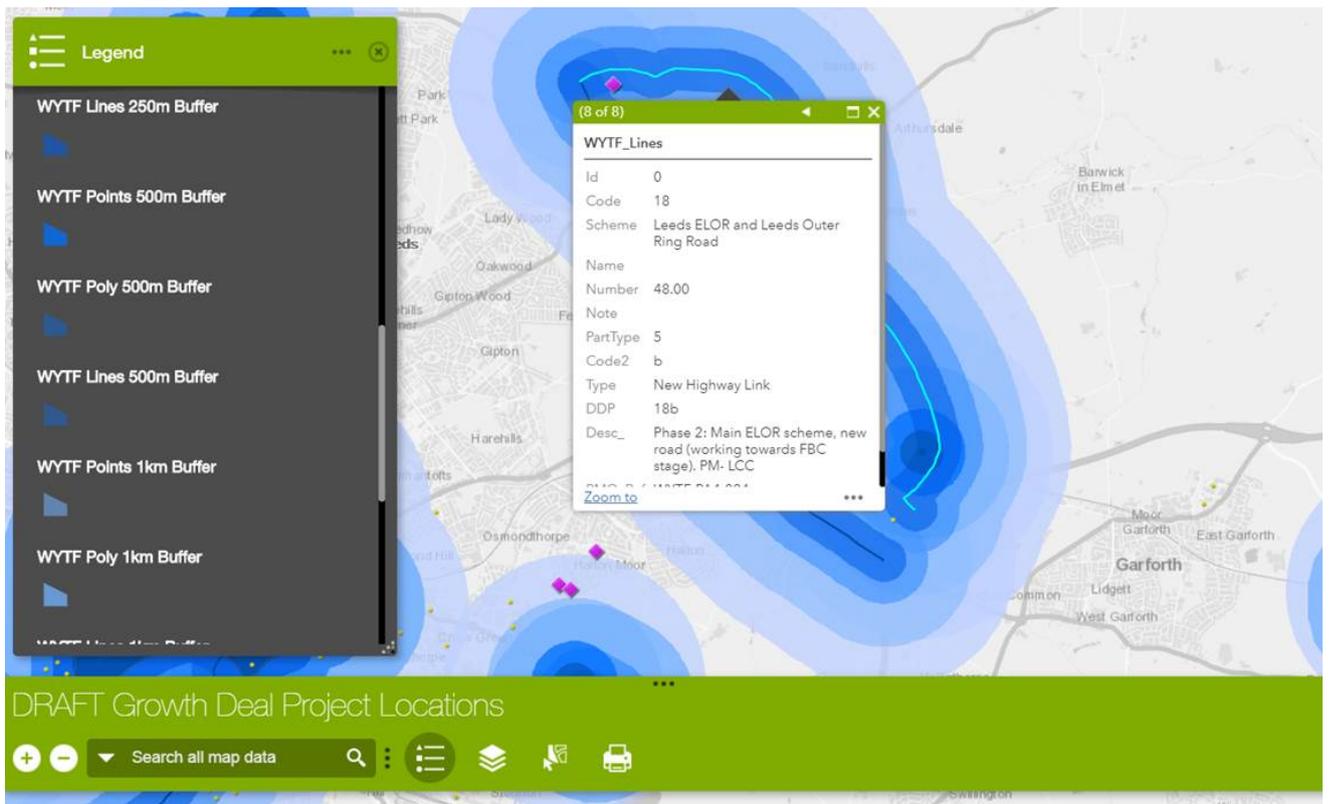
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Appendices

Appendix 1: Examples of the GIS mapping tool

The images below provide an example of the mapping tool with increasing levels of detail for the same map.





GIS layers have been prepared which present the following information:

- Enterprise Zone locations
- Spatial Priority Areas
- Priority 1 – LCR Business Grants projects
- Priority 1 – Innovation Centres
- Priority 2 – Skilled People Better Jobs
- Priority 4a – Housing and Regeneration
- Priority 4b – WY Transport Fund Projects

These have been developed into a web map and formatted into a presentation which provides the functionality to zoom, pan and click points to see further information. Access to this functionality will be made available to partners.

Appendices (to be included in the final document):

- List of Projects
- Growth Deal outputs
- Transport Fund outputs