Summative Assessment and Evaluation of the ERDF funded

South Yorkshire Business Productivity Programme

Project Reference: 28R18P02880

April 2023

European Union
European Regional Development Fund

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1 Executive Summary

1.1 Every European Regional Development Fund (ERDF) grant funding agreement places a requirement on recipients to undertake a Summative Assessment. Barnsley Metropolitan Borough Council, as applicant and Accountable Body, have commissioned this evaluation and Summative Assessment of the South Yorkshire Business Productivity Programme to:

- Identify whether the project will achieve its aims and objectives
- Obtain feedback from beneficiaries on the processes/quality of support
- Understand and quantify the likely impacts of the programme/grants
- Assess the value for money of the programme
- Learn key lessons from the experiences of the programme in supporting productivity led growth across South Yorkshire

1.2 The South Yorkshire Business Productivity Programme is a part ERDF funded £9,777,908 business support and investment programme (with an ERDF contribution of up to £5,866,745), led by Barnsley Metropolitan Borough Council. Barnsley lead a consortium with the other South Yorkshire Local Authorities, Doncaster Council, Rotherham Metropolitan Borough Council and Sheffield City Council. The programme began delivery in April 2020 and has a completion date of 30th June 2023.

1.3 Businesses are supported by a team of locally based Key Account Managers who undertake a business productivity review and help to develop a Productivity Plan that identifies priority areas for development and improvement. After completing the Plan, the programme offers a 50% Productivity Grant where eligible businesses could apply for a grant of between £2,500 and £12,499 towards a minimum project of £5,000 and a maximum project of £24,999.

1.4 The Business Productivity Programme began its operational delivery during the COVID-19 pandemic, which had a major impact on the delivery of the project, the ability to engage with businesses and the presenting needs of businesses.

1.5 One the key elements of the Summative Assessment process is to understand the range of economic impacts of ERDF investment. In order to achieve this the Summative Assessment has utilised a self-reporting counterfactual impact assessment, which draws on the experiences of SMEs that have received support through the Business Productivity Programme and the impact it has subsequently had on their growth and job creation.

1.6 The logic model for the Business Productivity Programme identified the benefit in the collaboration of the four Local Authorities to develop a single programme to support businesses, but with locally available business support. Through supporting productivity in businesses, the ERDF outputs would be delivered, but supporting businesses to monitor their own productivity longer term will identify if these benefits can be sustained or even enhanced.

1.7 The Summative Assessment performance impact calculations were undertaken to the end of Claim 12 (the end of March 2023) and draws upon a business survey of beneficiaries with 117 responses. By the end of March 2023, the project had defrayed a total of £7,212,582 (or 73.8% of the budget). Final forecast expenditure is expected to be £8,671,705, which would represent 88.7% of the budget defrayed.

Table 1.1 Programme Performance Measures

Programme Outputs	Target	Achieved Mar 2023	% of target achieved	Forecast outputs	% of target
C1 Number of Enterprises Receiving Support	424	273	64.4%	386	91%
C2 Number of enterprises receiving grants	359	273	76%	334	93%
C4 Number of new enterprises receiving non-financial support	75	0	Neg	52	69.3%
C6 Private investment matching public support to enterprises	£3,824,370	£2,652,953	69.4%	£3,250,291	85%
C8 Employment increase in supported enterprises	276	239.2	86.7%	281.2	109.9%
C29 No. of enterprises supported to introduce new to firm products	52	43	82.7%	55	105.8%

1.8 The Summative Assessment calculations for the projection of outputs and outcomes for the programme and its overall impacts are based on information collated for Claim 12. As identified in Table 1.1, the Business Productivity Programme is generally performing well against its targets, with proportionate progress against outputs for the level of budget defrayed.

1.9 As of 31st March 2023, there were a total of 273 businesses that had been supported by the Business Productivity Programme – all of which had been supported by a grant. The Programme Management Team have forecast that a total of 334 grants will be awarded by the end of the programme and 52 businesses will be claimed that have been supported with a minimum of 12 hours business support (but will not have received a grant). This means in total the project will have supported 386 businesses and will be within 91% of its target C1 output.

1.10 The programme has captured the creation of 239.2 new jobs from businesses in terms of ERDF outputs, with the final target forecast to be 281.2. Using the findings of the business survey as a wider measure of employment creation, 42.7% of businesses created jobs after they engaged on the programme – but each business that supplied jobs data created an average of 3.2 positions. When this is extrapolated over the 386 businesses the project is forecast to support, it suggests a total increase of **527.4 jobs**. Using the same methodology, the programme is also expected to safeguarded **1,719.6 jobs**.

1.11 As part of the business survey process, beneficiaries were asked to identify the impact of the programme across a range of business processes and opportunities. The two clearest areas of benefit to businesses were improving **productivity** (to which **87.5% of businesses stated a positive or very positive impact**) and efficiencies (to which 86.5% of businesses cited a positive or very positive impact). Given the focus of the programme was predominately on these two areas – it has demonstrated the design of the project was very good in terms of delivering the key outcomes.

1.12 The programme had very clear positive impacts in other areas of business processes. The impact of improved productivity had let to 71% of businesses citing a positive impact on the profitability, with a further 9% stating it was too early to realise any understanding of the impacts in this area.

1.13 Within the business survey, businesses were asked to attribute their productivity and business growth impacts to the interventions on the programme to inform a counter-factual impact assessment. As total of 18% of businesses stated their involvement with the programme has transformed their productivity and a further 77% that have stated the support from the programme had improved the productivity of the business. Only 5% of businesses stated there had been no impact from their involvement in the programme.

1.14 On this basis, of the 281.2 proposed jobs created (C8 outputs) from the projected final claim, a total of 267.1 jobs are net additional to the South Yorkshire economy. Based on the programme supporting the creation of 267.1 net additional C8 jobs and with the latest Gross Value Added (GVA) per filled job in South Yorkshire being £45,351[1], it would suggest the Business Productivity Programme support an increase in **Gross Value Added (GVA) of around £12.1m per annum**.

1.15 If the benefits of the programme in South Yorkshire are felt within businesses over the next five-year period, this would result in a cumulative increase in GVA across the area of £60.5m over a five-year period. **This should create a net economic return of £6.98 for every £1 invested and £9.77 for every £1 of ERDF invested.**

1.16 The Business Productivity Programme has demonstrated it offers good value for money for the number of businesses it has engaged and the number of jobs it was created.

1.17 Businesses were asked to score the quality of the service they had received across the different elements of the programme out of 5. All elements scored in excess of 3.6 out of five, Areas of particular note includes support from the Key Account Managers, which scored an impressive 4.82 out of 5, support received in completing an application scored an impressive 4.7 out of 5 and support in measuring productivity 4.12 out of 5.

[1] 2020 Regional gross value added (balanced) per head and income components (2022 release) ONS

1.18 Overall feedback from businesses on the quality of offer of the programme has been very high and the processes involved in engaging on the programme and receiving support regarded as overwhelmingly easy or very easy. These factors show the Logic Model has remained relevant through the entirety of the programme and despite significant socio-economic changes including COVID-19 and more recently the impacts of the war in Ukraine.

1.19 From the findings of the business surveys, case studies and stakeholder interviews, it is clear that the South Yorkshire Business Productivity Programme has been a real asset to businesses across South Yorkshire to drive improvements in their productivity, improve their profitability and act as a catalyst for generating additional employment.

1.20 There have been a number of successful elements to the programme, most notably the input at an early stage of the Key Account Manager/Advisor role. The local accountability for investment has helped to develop a strong pipeline and support local decision making and the centralised grant administration team has worked efficiently and diligently to award grants and manage contracts.

2 Introduction and Project Background

2.1 Every European Regional Development Fund (ERDF) grant funding agreement places a requirement on recipients to undertake a Summative Assessment. Barnsley Metropolitan Borough Council, as applicant and Accountable Body, have commissioned this evaluation and Summative Assessment of the South Yorkshire Business Productivity Programme to:

- Identify whether the project will achieve its aims and objectives
- Obtain feedback from beneficiaries on the processes/quality of support
- Understand and quantify the likely impacts of the programme/grants
- Assess the value for money of the programme
- Learn key lessons from the experiences of the programme in supporting productivity led growth across South Yorkshire

2.2 The Summative Assessment process has been co-ordinated by S4W Ltd, drawing on a range of performance, contextual and impact data, interviews with key project staff and stakeholders and a beneficiary survey.

2.3 This evaluation report, provides the information for the Summative Assessment Summary Template (ESIF1-014) and adds a range of contextual data from a business survey, extensive consultation with stakeholders and other business support providers along with case studies to provide a more rounded programme evaluation.

About the South Yorkshire Business Productivity Programme

2.4 The South Yorkshire Business Productivity Programme is a business support and investment programme, led by Barnsley Metropolitan Borough Council, working as a consortium in partnership with the other South Yorkshire Local Authorities, Doncaster Council, Rotherham Metropolitan Borough Council and Sheffield City Council.

2.5 The pretext for the project is to help bridge the productivity gap between businesses in South Yorkshire and the rest of England, providing first support to businesses to understand how to measure productivity and identify areas where they can improve their productivity, then providing access to a capital/revenue grant support to implement these projects to drive productivity led growth.

2.6 The South Yorkshire Business Productivity Programme was initially awarded £4,730,154 of ERDF investment as part of a wider £7,883,591 revenue project over a 3-year period, with a Start Date of April 1st 2020 and a Financial Completion Date of 31st March 2023, with a Practical Completion Date of 30th June 2023.

2.7 The project will directly deliver against the ERDF Operational Programme: *Priority Axis 3 - Enhancing the Competitiveness of SMEs*, which supports the capacity of small and medium sized enterprises to grow in regional, national and international markets and to engage in innovation processes and to increase the growth capability of SMEs.

2.8 As Sheffield City Region is a 'Transitional Area' in England for EU structural funds (areas that have between 75% and 90% of EU average GDP per capita), ERDF can provide up to 60% of total project costs.

2.9 The partner Local Authorities contributed match funding of £438,437 to the project with the remaining balance comprising £2,715,000 of private matched funding by way of business contributions to their part funded projects.

2.10 In the first stage, the business expressed an interest in joining the programme via their respective Local Authority, who provide a team of locally based Key Account Managers/Specialist Business Advisors who undertake a business productivity review to develop a Productivity Plan that identifies priority areas for development and improvement, and which can then unlock the opportunity for the business to apply for a Productivity Grant.

2.11 The Productivity Grant aspect of the programme ran as an open call process, where eligible businesses could apply for a grant of between £2,500 and £12,499 towards a minimum project of £5,000 and a maximum project of £24,999.

2.12 To be eligible for a grant the business must be located within South Yorkshire, be active primarily in an eligible business to business sector, be at least 12 months old and be located within a commercial premises. Businesses also had to declare they had not exceeded De Minimis State Aid thresholds over the previous three years.

2.13 The grant aspect of the programme is managed centrally by Barnsley MBC, but the decision making process includes an Investment Panel within each Local Authority area to review their local applications and ultimately make the decision to award grants to eligible businesses. The contracting and monitoring is then completed by the team at Barnsley MBC.

2.14 The grant can support project's that will have a demonstrable improvement on the applicant's productivity, either by automating or speeding up processes via new machinery or technology, maximising the use of space, improving labour productivity and reducing down time, making more effective use of energy or materials or by investing in new technology.

2.15 On completion of the grant funded project, the business must commit to measuring its productivity and submitting regular updates to Barnsley MBC, the Accountable Body, at 6 month, 12 months and 24 month intervals (where applicable). This is to convey the ongoing impact the grant investment has had

2.16 Alongside the Key Account Manager and Grant elements of the programme, there will also be a series of events and workshops free for businesses to attend, that will help business to understand a range of issues related to productivity led growth. This element of the programme has been led by Doncaster MBC.

Project Outputs

2.17 Table 2.2 below shows the initial contracted outputs for the South Yorkshire Business Productivity Programme and the amended amounts as of the final Project Change Request submitted in February 2022.

Table 2.2 Business Productivity Programme Contracted ERDF Outputs

Programme Outputs	Full Application	PCR February 2022
C1 Number of Enterprises Receiving Support[2]	321	424
C2 No. of Enterprises Receiving Grants[3]	246	359
C4 Number of Enterprises receiving non-financial support[4]	75	75
C6 Private investment matching public support to enterprises[5]	£2,715,000	£3,824,370
C8 Employment increase in supported enterprises[6]	204	276
C29 No. of enterprises supported to introduce new to the firm products	32	52

2.18 The overall targets for the programme were to support 321 businesses, including the award of 246 Productivity Grants. The support package of the programme was then forecast to leverage £2,715,000 of private sector investment, support 32 businesses to introduce new to the firm products, services or processes and ultimately result in the creation of 204 additional jobs. These were later amended in February 2022.

Impact of COVID-19 on the programme

2.19 From the start of the programme, the staff team have had to deal with the direct and indirect consequences of the COVID-19 pandemic. From the first national lockdown in March 2020, all the planning and delivery of the programme moved online. The pandemic and the restrictions imposed on social distancing had a major impact on the delivery of the project, the ability to engage with businesses in a face-to-face manner and the presenting needs of businesses on the programme.

2.20 The pandemic also changed some of the issues that businesses needed support with, as remote and hybrid working and e-commerce became much more of a focus for businesses, routes to market changes and societal and business changes meant the context for productivity was also different. The pace of change since April 2020 has been relentless and as the programme comes to an end – businesses on the programme are dealing with a cost-of-living crisis and double digit inflation.

[2] The ERDF project has provided evidence of either 2 days (12 hours) active consultancy support or Grant or Loan/Risk Finance Investment of at least £1,000 (ERDF Output Guidance – p11)
[3] The ERDF project has provided evidence of Grant Investment of at least £1,000 (ERDF Output Guidance – p17)
[4] The ERDF project has provided evidence of either 2 days (12 hours) active consultancy support (ERDF Output Guidance – p24)
[5] The sum of private contributions to the supported project (£) (ERDF Output Guidance – p25)
[6] Jobs created following an intervention with an enterprise that result in an increase in the overall number of staff employed in that enterprise. Measured as a new, permanent, paid, full-time equivalent (FTE) jobs created. (ERDF Output Guidance – p29)

Project Change Requests

2.21 In total the programme submitted three formal Project Change Request (PCR) forms, the first in March 2021. The PCR increased the overall budget from £7,883,591 to £8,883,959 and increased the amount of ERDF grant into the project to £5,330,375. It also pushed back the Financial Completion Dates to 30th June 2023. The outputs related to the programme also increased, reflecting on the increased budget.

2.22 A second Project Change Request was submitted in September 2021 that further increased the overall budget to £9,283,957 and increased the ERDF contribution to £5,570,374. The increase in budget allowed for an additional 16 grants, but beneficiaries of this additional investment were ringfenced for businesses in Doncaster only.

2.23 A third Project Change Request was submitted in February 2022 which resulted in a final increase in the budget to £9,777,908 and a final ERDF grant of £5,866,745. This was the final PCR submitted and effectively fixed the outputs to those shown in Table 2.1 overleaf and created a final budget by expenditure as shown in Table 2.2 below.

Table 2.2 Digital Innovation Grant Programme

Budget	Full Application	PCR Feb 2022	Variance
Salaries	£1,657,036	£1,609,872	-£47,164
Overheads	£248,555	£241,482	-£7,073
Consultancy	£404,000	£151,200	-£252,800
Other Revenue/Grants	£5,524,000	£7,725,426	£2,201,426
Professional Fees	£50,000	£50,000	0
Total	**£7,883,591**	**£9,777,980**	**£1,894,389**

Project Governance

2.24 At a strategic level the project has been overseen by a Project Delivery Board, which has scrutinised performance, set the objectives for the Programme Manager and ensured all delivery partners are operating on profile with regards to spend and output delivery.

2.25 The operation of the partnership in relation to ERDF compliance, scope, delivery and performance was managed through individual Service Level Agreements between each Authority and Barnsley MBC.

2.26 The day-to-day project management sits within a dedicated team at Barnsley MBC which has been supported by additional finance and administration expertise from across the Authority. This is to ensure compliance with ERDF funding requirements and to help manage any project and strategic risks.

2.27 The dedicated Programme Management Team includes a part time Group Leader position and a part-time Senior Programme Manager, two full-time Project Officers and a part-time Project Officer.

2.28 Each Local Authority has a team of Key Account Managers/Specialist Advisors that work with the businesses on a day-to-day basis and help to develop the Productivity Plan and application where required. The delivery teams consist of the following:

Barnsley: Four full time Key Account Managers.

Doncaster: A full time Key Account Manager and a 0.8 Full Time Equivalent Business Growth Advisor (in place since the last Project Change Request) along with the role of being the strategic lead for delivering the workshop programme.

Rotherham: Two full time Key Account Managers and a part-time Project Officer

Sheffield: A part-time Business Growth Manager, part-time Project Support Officer a part-time Key Account Manager and a range of procured Business Growth Advisors

2.29 Individual Authorities submitted their own monthly claims to the Programme Management Team, which were checked by the Programme Management Team and the data collated and submitted in the ERDF quarterly claims submission. A Programme Management Strategy has been agreed by partners (which is utilised on other joint ERDF projects).

2.30 The award of grants to businesses has its own structures. The application is initially submitted to a local panel by the Key Account Manager and reviewed at this early stage. If approved, the application is then sent to the Programme Management Team who check the application for compliance and eligibility – before taking on the contracting and monitoring roles centrally.

Future Programme Activity

2.31 Barnsley MBC has submitted a successful proposal to the South Yorkshire Metropolitan Combined Authority to deliver a successor programme to the Business Productivity Programme funded by UK Shared Prosperity Fund (UKSPF). The key features of the programme include:

- An incorporation of the offer of the Digital Innovation Grant into the offer
- An increase on the £24,999 cap on total project costs, although the maximum grant will remain at £12,499
- The utilisation of an online application portal system

2.32 It is anticipated that the new UKSPF programme will be operational during quarter 2 of the 2023/24 financial year.

3 Market Failure and Strategic Contexts

Market Failure Context

3.1 The South Yorkshire Business Productivity Programme was developed to address a range of productivity challenges across South Yorkshire's SME base, identified at the time of the bid submission. Something the government has consistently identified as the long tail of unproductive businesses within the UK.

> *"The Bank of England estimates that if UK firms could move along the productivity distribution into the next quartile, then this would boost aggregate UK productivity by 13%, equating to a boost to UK GDP by around £270bn in today's prices."*[7]

3.2 The transition of the South Yorkshire economy away from its manufacturing base has resulted in an economy that is more dependent than the rest of England on public sector and low paid jobs.

3.3 The result has been a number of economic challenges for the area, including a smaller than expected private sector, an enterprise deficit, less jobs in highly skilled occupations and low pay.

3.4 The business productivity gap needs addressing in SMEs to support all the areas identified above, but many small and micro businesses do not measure their success in terms of productivity, do not have a detailed understanding of how to improve their productivity and do not have the spare capital to invest in the systems, equipment, technology and training required to drive productivity led growth.

3.5 This is the arena into which the Business Productivity Programme has stepped, seeking to work with businesses that have the potential to improve productivity, grow and create quality jobs. Many businesses after the pandemic have depleted balance sheets and rising costs and need assistance to identify simple ways to improve their productivity and financial incentives linked to a clear plan to realise this.

3.6 By providing a skilled team of Key Account Managers that can undertake a diagnostic of the business and prepare a productivity plan, linked with a reasonably sized grant fund can hopefully overcome some of the challenges faced by businesses.

3.7 Since the COVID-19 pandemic and the war in Ukraine the need for businesses to adapt and innovate to changing markets and economic conditions has become more pressing. Future business growth will be driven by a different set of parameters, driven by Net Zero considerations, shorter supply chains, resource constraints and a different trading environment. Programmes like the Business Productivity Programme has worked in this space.

[7] Business Productivity Review (2019) Department for Business, Energy & Industrial Strategy

UK Economic Policy and Context

3.8 There have already been significant changes to the way economic policy and regional growth is driven and delivered, in no insignificant part due to the sweeping economic change driven by the COVID-19 pandemic and the latent effect of BREXIT and the impact this will have on regional policy after 40 years of EU investment and legislation as policy drivers.

3.9 The South Yorkshire Business Productivity Programme project was conceived under a national policy framework that centred on the UK Industrial Strategy[8] which set out a long-term plan to boost the productivity and earning power of people in all areas of the UK. The White paper (published in 2017) highlights the importance of ability to innovate – to develop new ideas and deploy them. It aimed to help industry create higher-paying jobs in every part of the UK through investment in the skills, industries and infrastructure of the future and to achieve this, the UK needs to be better at turning exciting ideas into strong commercial products and services.

3.10 Changing priorities mean much of the Business Productivity Programme has been delivered during a change in the regional growth agenda, with EU investment and policy no longer the main driver for local action. The ***Levelling Up*** agenda sets out the vision for overcoming a range of geographical imbalances and inequalities across the UK, set out in the White Paper of February 2022. The plan aspires to ensure that socio-economic opportunity is spread across all corners of the country.

3.11 The Levelling Up White Paper makes a clear link between productivity and economic growth and creating high quality jobs and driving up living standards in some of the economies of the South West, North and Midlands.

3.12 Alongside the launch of the White Paper, proposals for the UK Shared Prosperity Fund (UKSPF) have also been developed through to implementation. The £2.6bn fund is the replacement fund for European Structural and Investment Funds and a key driver for post BREXIT regional growth policy. The vision for the fund is based around the following objectives:

- Boost productivity, pay, jobs and living standards, especially in those places where they are lagging.
- Spread opportunities and improve public services, especially in those places where they are weakest.
- Restore a sense of community, local pride and belonging, especially in those places where they have been lost.
- Empower local leaders and communities, especially in those places lacking local agency

[8] Industrial Strategy: building a Britain fit for the future 27 November 2017, Department for Business, Energy & Industrial Strategy

3.13 The fund has an overarching objective of building pride in place and increasing life chances, covering three Investment Priorities, Community and Place, Supporting Local Business and People and Skills. These priorities are then linked to the 'missions' contained within the Levelling Up White Paper. South Yorkshire Metropolitan Combined Authority has been awarded £46.3m through the UKSPF programme between the financial years of 2022/23 through to 2024/25.

3.14 Alongside the allocations of UK Shared Prosperity Fund, Rural areas receive an additional Rural England Prosperity Fund top up (from DEFRA) which is in the form of a capital only grant. South Yorkshire has received an additional allocation of £1,434,307.

3.15 Some of the activities within the UKSPF Investment Plan are well developed and now have active routes to market for several investment priorities. A proposal for the continuation of the Business Productivity Programme (combined with the Digital Innovation Grant) has provisionally been approved.

3.16 The key priorities with the South Yorkshire Investment Plan are to drive up Research and Development and innovation and to stimulate enterprise and growth.

Strategic Economic Plan

3.17 The South Yorkshire Business Productivity Programme was initially developed under the strategic direction of the Sheffield City Region Strategic Economic Plan of 2015-2025. The Plan identified a productivity gap of 83% per worker between Sheffield City Region and the rest of England and proposed to increase GVA by £3bn over the period to reduce this gap. This productivity gap was prevalent and affecting all sectors of the local economy.

> *"The Sheffield City Region's economy needs radical structural change. Fundamentally, this must include significantly growing the number and productivity of business in the area[9]."*

3.18 The plan recognised an over-reliance of low skilled employment, a prevalence of public sector employment and an enterprise gap as key reasons behind this productivity gap.

3.19 The first Strategic Economic Plan, prevalent at the launch of the Business Productivity Programme, was superseded by a revised Plan covering 2021 to 2041. The revised Plan, linked to recovery from COVID-19, also placed a string emphasis on the low rates of productivity in South Yorkshire and aimed to close entirely the productivity gap between Sheffield City Region and the rest of England by 2041.

[9] Strategic Economic Plan 2015-2025 (2015) Sheffield City Region Local Enterprise Partnership, p10

3.20 The Plan highlighted a much wider range of drivers of productivity in the post COVID-19 economy including skills, health and well-being, infrastructure, clean growth and technology and innovation. There was also a recognition that productivity is intrinsically linked to prosperity within the area and one cannot be improved without the other.

3.21 The emphasis is on investing in innovation and skills to close the productivity gap and by 2041, it was forecast that inclusive growth underpinned by productivity gains will add a further £7.6bn to the area's Gross Value Added and result in 33,000 people in higher level jobs.

Sheffield City Region European Structural and Investment Funds Strategy

3.22 The European Structural and Investment Funds (ESIF) are the EU's main funding programmes for supporting growth and jobs across the EU. The Sheffield City Region ESIF covers a programming period from 2014-2020. The funds consist of European Regional Development fund (ERDF), European Social Fund (ESF), and part of the European Agricultural Fund for Rural Development (EAFRD).

3.23 The priorities in the ESIF have been aligned with the strategic priorities of the Sheffield City Region Strategic Economic Plan. The ESIF Strategy aimed to support the objectives of creating 70,000 net additional jobs, increase sub-regional Gross Value Added by 10% (or a total of £3bn) and creating an additional 6,000 new start businesses.

3.24 Some of the main challenges for Sheffield City Region are to grow the level of private sector employment, to cut the enterprise deficit as the City Region has a low stock and start up rate of SMEs compared to its population base, to increase productivity in local businesses and to create more jobs in high skilled occupations. These are all areas that the Business Productivity Programme can add value to.

3.25 Although there was a relatively rounded view on productivity challenges in the ESIF, the emphasis was that the productivity gap was being compounded by the need for more jobs to increase employment, and an increase in the number of highly skilled positions. The view on productivity has significantly progressed from this point onwards to be much wider than a skills and labour market issue.

4 Methodology and Summative Assessment Context

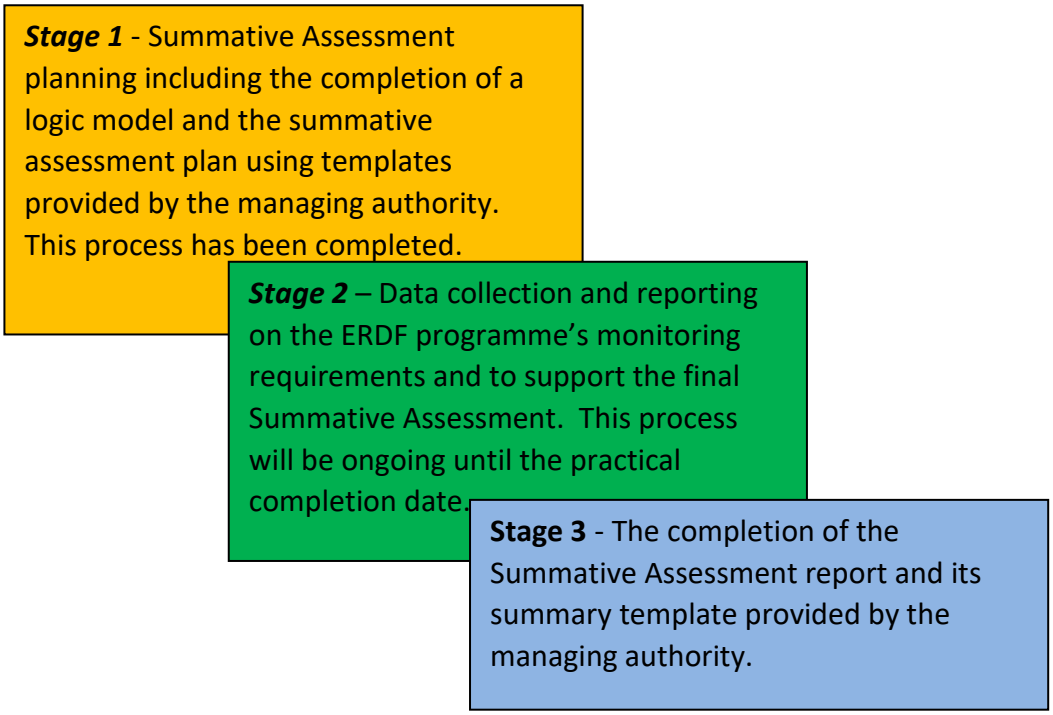
"…Summative Assessments are intended to provide insights into project performance to enhance their implementation, reliable evidence of their efficiency, effectiveness and value for money, as well as insights into what and why interventions work (or not) and lessons for the future."[10]

4.1 This Summative Assessment report is the cumulation of an ongoing process that began early in the project delivery cycle to understand the impacts and lessons learnt from the South Yorkshire Business Productivity Programme. The process has drawn heavily from the ERDF Summative Assessment Guidance, assessing the following key components:

- The continued relevance and consistency of the project;
- The progress of the project against contractual targets;
- The experience of delivering and managing the project;
- The economic impact attributable to the project; and
- The cost-effectiveness of the project and hence its value for money.

4.2 The Summative Assessment process is based around three phases, which are shown below.

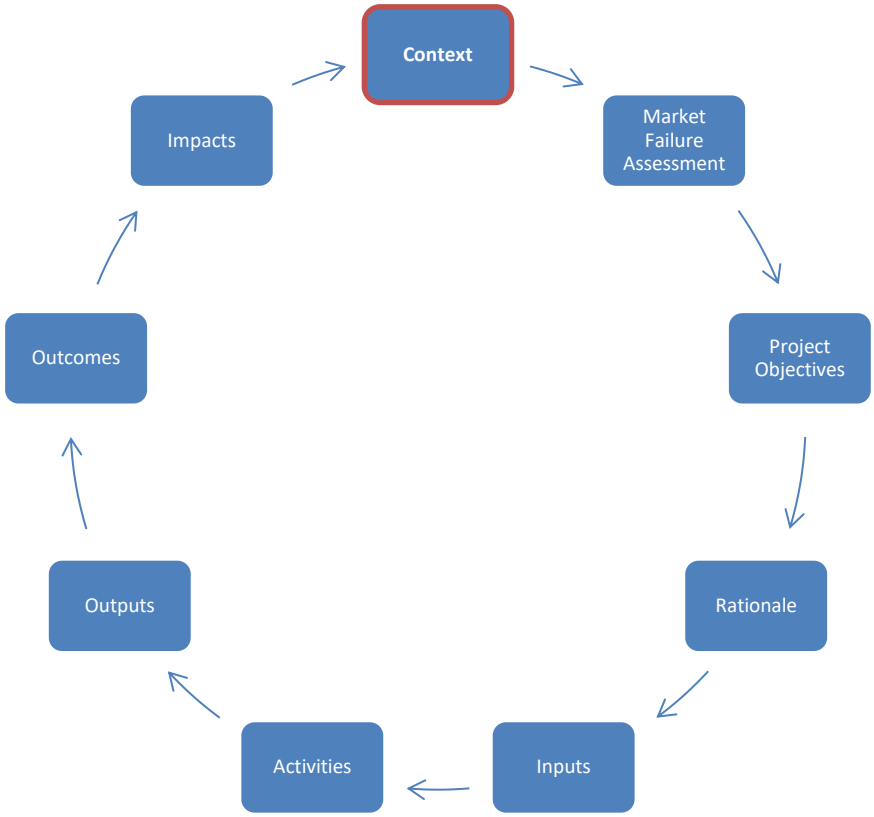
Diagram 5.1 Summative Assessment Phases



[10] Summative Assessment Guidance (August 1017) MHCLG page 3

4.3 The Summative Assessment process draws from an underpinning logic model, which encourages projects to consider in project design, delivery and implementation how activity within the project can be measured and what type of outcomes and impacts the project will deliver.

Diagram 5.2 Summative Assessment Logic Model



Source: MHCLG – Summative Assessment Logic Model

4.4 Diagram 5.2 above identifies the 'theory of change' driven logic model for the project development, delivery and final Summative Assessment process. The Logic Model involves understanding the context within which Business Productivity Programme will operate and the market failure(s) it will try and address. From these contexts, a set of objectives have been set for the Summative Assessment to identify how planning and implementation are clearly linked to achieving a set of outputs, outcomes and impacts.

4.5 The logic model is a key mechanism for ensuring learning and feedback is constantly incorporated into the delivery of the programme, how it effectively engages and supports beneficiaries, the quality of services it delivers and how it measures impact.

4.6 The logic model for the South Yorkshire Business Productivity Programme identified the benefit in the collaboration of the four Local Authorities to develop a single programme to support businesses, but with locally available business support in the form of Key Account Managers/Specialist Advisors. The programme will invest in projects within business that form part of a well-rounded Productivity Plan.

4.7 The key outcomes will be the delivery of the programme's ERDF outputs and there will also be a range of wider benefits from businesses monitoring their own productivity longer term to identify if these benefits can be sustained or even enhanced longer term and to identify whether the support from the project stimulates further activity within businesses to improve their productivity.

4.8 In order to assess challenges, this Summative Assessment draws upon a range of quantitative and qualitative evidence to understand the long-term impact the programme will have on the sub-regional economy, how it is performing against its profiled targets and how the project might ensure its resources are effectively deployed to achieve the maximum operational impact until the end of the project. This evidence includes:

- Relevant Project documentation
- Meetings with key project staff at Barnsley MBC, Doncaster Council, Rotherham MBC and Sheffield City Council
- ERDF Performance Management and Claims Data
- Management information from the Business Productivity Programme
- A beneficiary survey with 117 responses
- Case studies of businesses receiving support from the programme

4.9 It also considers the programme management structures, highlighting key learning points and making recommendations for future actions to support business led productivity growth in South Yorkshire.

4.10 The methodology has centred upon evaluating the following key issues:

- How the programme performed against its key milestones
- How the programme performed against its contracted outputs and outcomes
- How the programme supported the ERDF Horizontal Themes
- Qualitative perceptions of the project, its performance, governance and management and its contribution to sub-regional Economic Development
- Future Outputs, Outcomes and Impacts Performance
- Additionality and Value for Money
- Key lessons learned and best practice

4.11 The methodology has worked within the parameters of the General Data Protection Regulation (GDPR), recognising the study will require a direct business survey and case studies and interrogation of the management information systems of project partners. The research has been undertaken drawing on the GDPR principles of:

- Processing data in a lawful, fair and transparent manner
- Data is collected for a specific, explicit and legitimate purpose
- Is accurate and up-to-date
- Is processed in a manner that ensures security of the personal data
- Is based on consent of the data subject

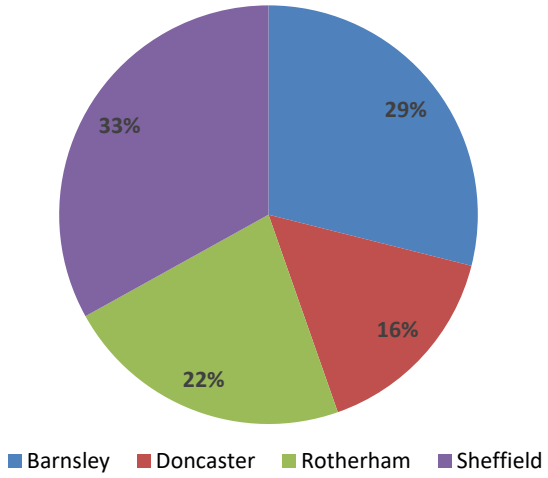
Business Engagement

4.12 The evaluation also draws from the results of a business survey distributed to all businesses engaged on the project, to which 117 responses were received. The survey covered a range of different subjects including.

- Business background, activities and location
- Referral processes, engagement on the project, quality of service received
- Experiences and impact of any support and grant received
- Impact on jobs, turnover and new products
- Attribution of the project to achieving the business impacts
- Future business and investment priorities

4.13 As shown in Chart 4.3 below, a third of all businesses that completed the survey were located in Sheffield, with just under a third being located in Barnsley. A total of 22% were from Rotherham and 16% from Doncaster.

Chart 4.3 Location of businesses completing the Business Survey



Source: Business Productivity Programme Business Survey (2023)

4.14 A total of five businesses have also been portrayed as case studies within the report, identifying some of the impacts of the programme on individual businesses and the type of support they received. Case studies have been provided by the Programme Management Team.

Impact Calculations

4.15 One the key elements of the Summative Assessment process is to understand the range of economic impacts of the ERDF investment. The impacts will be calculated based on the overall performance of the South Yorkshire Business Productivity Programme at Claim 12 (to the end of March 2023) and extrapolated to the end of the programme. At the point when the Impact Calculation has been undertaken, the programme has been closed to new grant applications.

4.16 In order to assess the likely economic impacts of the programme, the Summative Assessment will undertake a self-reporting counterfactual impact assessment – drawing on the experiences of SMEs that have received investment through the programme and the impact it had on their growth and job creation. It incorporates an assessment of deadweight based on survey responses.

4.17 No calculation for substitution has been included as the programme has worked with a relatively small number of businesses. It is not deemed that these businesses have engaged on the Business Productivity Programme at the expense of other business support activity.

5 Performance Review

Financial Performance

5.1 The Business Productivity Programme has been operational since April 2020 and has cumulatively spent £7,212,582 to the end of March 2023 (Claim 12). This represents a total of 73.8% of the overall profiled expenditure (£9,777,980). The financial claim from 1st January to the end of March 2023 was for a total of £1,165,359.

5.2 The Project Management Team have forecast a final expenditure for the last quarter of £1,459,123 which would give the project a final expenditure total of £8,671,705. This would represent a total of 88.7% of the budget defrayed.

5.3 The issues relating to low levels of defrayal earlier in has been related to staff capacity and recruitment during the COVID-19 pandemic. The pandemic also delayed the launch of the grant programme to August 2021, which in turn has had an impact on rates of defrayal.

5.4 There have also been issues related to the rate that businesses have been completing their projects and defraying their expenditure. COVID-19 caused a number of supply chain issues which meant businesses had much longer lead times when ordering equipment. This has, to some extent, also persisted after COVID-19.

5.5 Some businesses during the pandemic and in its aftermath have been preserving cashflow and protecting their balance sheets. A small minority of businesses could not commit to either paying in advance to cashflow the purchase or commit their half of the capital. Pervading economic conditions meant this remained an issue over the duration of the programme and caused some delays to individual projects.

> *"We did get the grant but the timing was not good. When we received the offer the Company experienced a slow down in orders and a problem with our cash flow and so had to refuse the grant help"*

> *"The support we received during the application process was excellent, the project did not end up going ahead due to external factors so we did not claim the approved grant funds in the end but I would not hesitate to apply again for similar schemes in future."*

Project Outputs

5.6 The Summative Assessment calculations for the projection of outputs and outcomes for the programme and its overall impacts are based on information collated for Claim 12 (to the end of March 2023). As identified in Table 5.1 overleaf, the Business Productivity Programme is generally performing well against its targets, with proportionate progress against outputs for the level of budget defrayed.

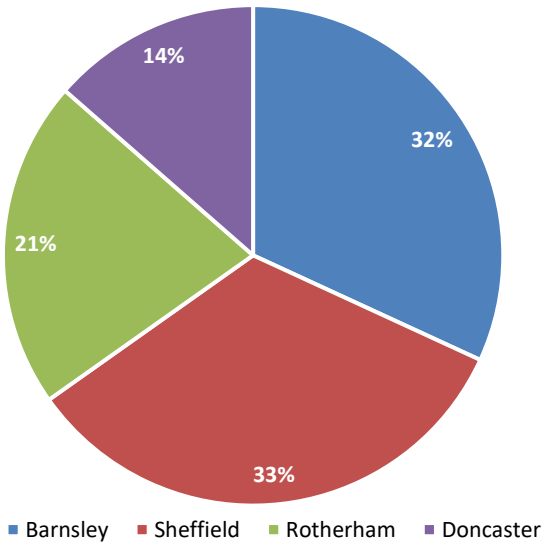
Table 5.1 Programme Performance Measures

Programme Outputs	Target	Achieved Mar 2023	% of target achieved	Forecast outputs	% of target
C1 Number of Enterprises Receiving Support	424	273	64.4%	386	91%
C2 Number of enterprises receiving grants	359	273	76%	334	93%
C4 Number of new enterprises receiving non-financial support	75	0	Neg	52	69.3%
C6 Private investment matching public support to enterprises	£3,824,370	£2,652,953	69.4%	£3,250,291	85%
C8 Employment increase in supported enterprises	276	239.2	86.7%	281.2	109.9%
C29 No. of enterprises supported to introduce new to firm products	52	43	82.7%	55	105.8%

5.7 As of 31st March 2023, there were a total of 273 businesses that had been supported by the Business Productivity Programme – all of which had been supported by a grant. The Programme Management Team have forecast that a total of 334 grants will be awarded by the end of the programme and 52 businesses will be claimed that have been supported with a minimum of 12 hours business support (but will not have received a grant).

5.8 This means in total the project will have supported 386 businesses and will be within 91% of its target C1 output. Overall, the project should reach 93% of its grants target and reach 85% of the private sector contributions to business projects.

Chart 5.1 Grant awards (volume) by Local Authority area



Source: South Yorkshire Business Productivity Programme: Claim 13

5.9 In terms of grants as of March 2023, as shown in Chart 5.1 overleaf, there has been a relatively even spread of awards across the programme. Barnsley and Sheffield businesses have both received around a third of all grants each, with 21% from Rotherham and 14% from Doncaster.

5.10 The delivery teams have stated they found it hard to engage businesses with 12 hours of support when there is also a grant on offer, which is the businesses preferred outcome of their engagement on the project. There are likely to be a total of 52 outputs claimed in this regard (69.3% of the target), but all will be from Sheffield.

Potential Employment Impacts

5.11 According to Claim 13, the South Yorkshire Business Productivity Programme has captured the creation of 239.2 new jobs from businesses in terms of ERDF outputs. The final target is forecast to be 281.2. However, in terms of the overall increase in 'employment' in supported enterprises, the actual impact when measured by wider criteria than the ERDF outputs is likely to be in excess of this.

5.12 The C8 job outputs reported as part of the Business Productivity Programme monitoring processes have occurred where businesses have stated they would create a job and have supplied the programme with sufficient evidence to report this job as a qualified output. The 'job' has to meet stringent ERDF criteria (as identified in section 2). Many additional 'employment opportunities' do not meet this criteria so are not claimed.

5.13 Many businesses create jobs after the initial intervention and after their final engagement on the project, some do not create sufficient evidence to report a job as an output, other businesses for a range of reasons never report job creation to the Programme Management Team.

5.14 We have used the answers within the business survey as a wider measure of job creation as a result of the programme. In terms of ERDF outputs – there was an assumption that overall a job would be generated for every 1.37 businesses supported. Based on the responses to the business survey, 42.7% of businesses created jobs after they engaged on the programme – but each business that supplied jobs data created an average of 3.2 positions.

5.15 When this is extrapolated over the 386 businesses the project is forecast to support, it suggests a total increase of **527.4 jobs**. This is clearly in excess of the ERDF C8 output and covers a range of wider jobs including freelance roles, temporary to permanent roles, increased hours for existing staff, apprenticeships and more traditional 'jobs'.

5.16 A significant number of businesses that had not created employment stated they would be doing so in the future and some businesses completing the survey had only just been awarded their grant. Overleaf are some of the examples of where businesses have said they will create employment in the future.

"Recruitment is in progress, but has been constrained by availability of suitable candidates."

"We have not created a job yet, but we are looking for on candidate for a new post at the moment."

"Not as yet but we are now recruiting."

"We are currently reviewing our workforce and have a number of vacancies not yet filled."

"The project only completed very recently so none as of yet but we hope to build a night shift, a new of team of circa 4 people."

5.17 Businesses that received support from the Business Productivity Programme were also asked about the impact of the support on jobs safeguarded that would previously have been as risk.

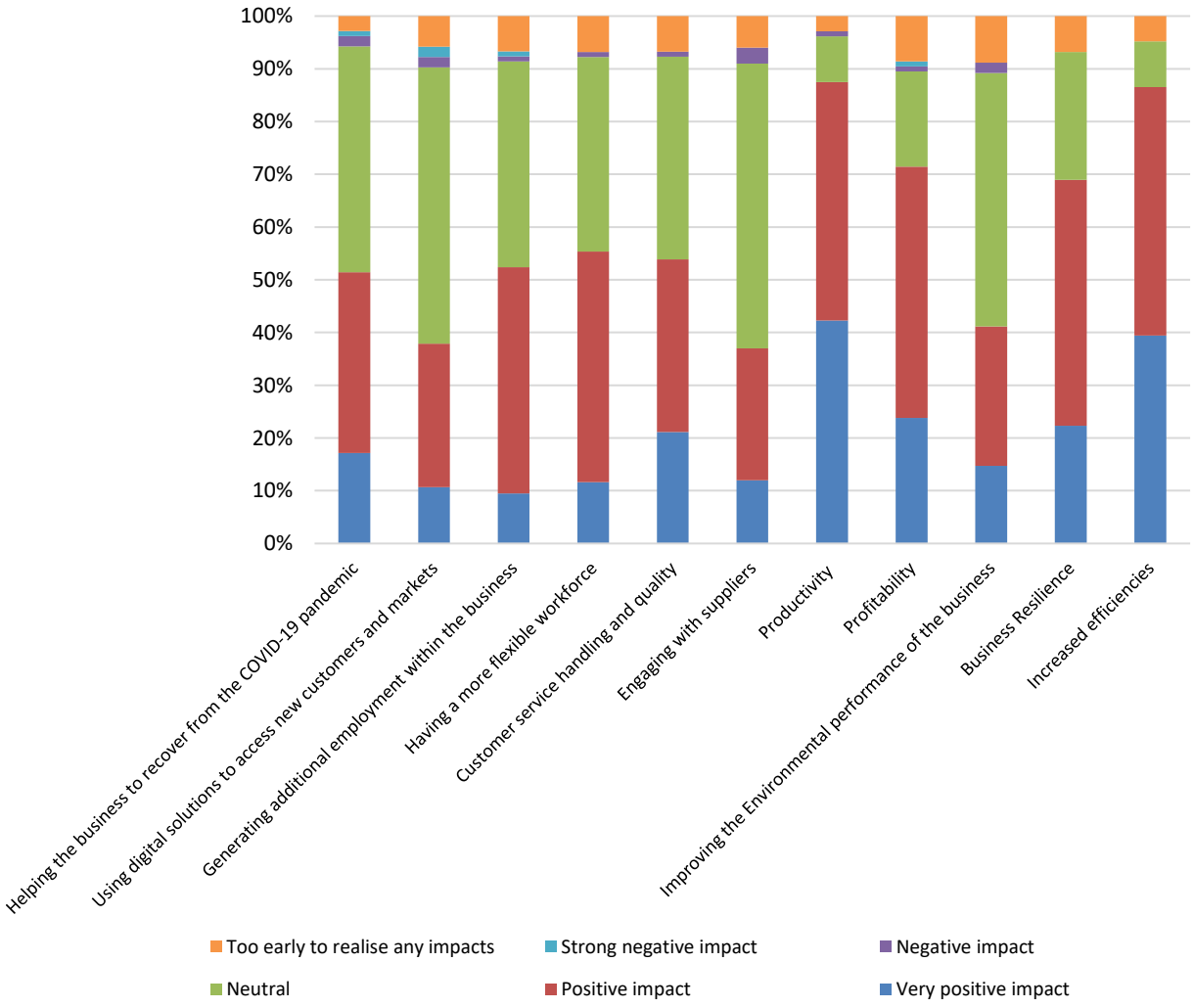
5.18 Overall 47.8% of businesses supported stated they had safeguarded jobs, with each business safeguarding on average 9.32 jobs. Again when this is extrapolated over the 386 businesses the project is forecast to support, the proposed level of jobs safeguarded is ease of **1,719.6 jobs**.

5.19 Clearly this is a very high number of jobs and as this has been self-reported by businesses there is no formal way of assessing whether these jobs would have been at risk or not. It does however represent the size of workforce that are likely to be affected by the grant.

6 Additional Impacts of the Business Productivity Programme

6.1 As part of the business survey process, beneficiaries were asked to identify the impact of the programme across a range of business processes and opportunities (highlighted in Chart 6.1 below). The two clearest areas of benefit to businesses were improving **productivity** (to which **87.5% of businesses stated a positive or very positive impact**) and efficiencies (to which 86.5% of businesses cited a positive or very positive impact). Given the focus of the programme was predominately on these two areas – it has demonstrated the design of the project was very good in terms of delivering the key outcomes.

Chart 6.2 Impacts across a range of business processes and outcomes



Source: Business Productivity Programme Business Survey (2023)

6.2 The programme had very clear positive impacts in other areas of business processes. The impact of improved productivity had let to 71% of businesses citing a positive impact on the profitability, with a further 9% stating it was too early to realise any understanding of the impacts in this area.

6.3 There was also a positive impact across a range of business resilience measures. Firstly, 70% of businesses stated the programme had a positive or very positive impact on their resilience. A total of 50% stated it had had a positive impact on helping them to recover from COVID-19 and, linked to resilience, 55% stated a positive or positive impact on developing a more flexible workforce.

6.4 Within the survey, a total of 52% of businesses stated the support from the programme had had a positive or very positive impact on their ability to increase employment opportunities (with a further 7% stating it was too early to know). This figure is higher than the 42.7% of businesses that stated they had now generated additional employment which is further evidence to suggest there may be more latent employment impacts to come from the project.

6.5 Finally, only 37% of businesses stated they had seen a positive impact on accessing new customers and markets through using digital solutions. This demonstrates there is some clear blue water between the ERDF funded Digital Innovation Grant programme (also ERDF funded). The same question was asked of businesses that received a Digital Innovation Grant within their Summative Assessment and the response was 80% positive or very positive.

6.6 Finally, businesses were asked whether participating in the Business Productivity Programme had helped them to undertsand how they can improve their productivity. A total of 95% of the programme stated that it had, which considering this is the focus of the programme demonstrates a considerable level of success.

6.7 One of the key strategic objectives of the programme has been to support the long tail of businesses that have relatively low levels of productivity (which is a core focus of the National Industrial Strategy and the Levelling Up white paper). The survey results demonstrate clear impacts on these business's productivity and efficiency through providing support and investment against their Productivity Plans.

6.8 The business survey, interviews and case studies have provided a range of evidence as to a range of wider business impacts that may not be captured within the confines of the relatively colourless ERDF monitoring processes. As a consequence, there have been a number of unexpected or unintended benefits.

"The business productivity grant allowed us to become more efficient and we have ended up employing more people."

"We are in a strong position once the economy settles and customer confidence returns to benefit from this investment."

"The programme really helped us to develop our business and actually move forward at a difficult time for trading due to COVID."

"Totally worthwhile and helpful project for our business. It has changed working processes and employee thought processes for the better."

"As a whole, since beginning this journey, we have reviewed every aspect of our business. Taken corrective actions and improved prcesses. ***It is without doubt the single most positive action for growth of the business that we have taken over 23 years of business.****"*

"The grant has reduced the time taken to update systems giving us extra time to work on business development."

7 Cross Cutting Themes

7.1 Within the European Structural and Investment Funds programme are two Horizontal or Cross Cutting Themes that all projects across the European Union have to incorporate in their project development, delivery, monitoring and evaluation. These two Horizontal themes are:

- Sustainable Development
- Equalities and Diversity

7.2 Both have featured prominently within the current England ERDF programme and have been passed on to the South Yorkshire Business Productivity Programme, both in the way it engages businesses, the way the project has delivered its services and the way the project has monitored its outcomes and impacts.

Equalities

7.3 Equalities and Diversity has featured prominently in the current England ERDF programme. The requirement to embed equalities and diversity in projects has been passed on to the South Yorkshire Business Productivity Programme in the way it engages businesses, the way the project has delivered its services and the way the project has monitored its outcomes and impacts.

7.4 Within the Grant Funding Agreement, Barnsley MBC stated the programme would ensure no beneficiaries would be excluded on the basis of their characteristics and a range of needs will be considered during the design of the programme.

7.5 The beneficiaries that completed the business survey cited a range of positive outcomes with relation to equalities and diversity, notably through the creation of Apprenticeships and significant improvements in staff morale and the physical working environment. The investment opened up opportunities to join the workforce for additional part-time and home based or flexible working jobs. Businesses had stated that the support from the programme had a 55% positive or very positive impact on developing a flexible workforce.

> *"The benefits have created a more positive work environment as our systems and processes have improved."*

Sustainable Development

7.6 Promoting sustainable economic development is a key priority for the Sheffield City Region EU Structural and Investment Funds programme and the Strategic Economic Plan, which aims to make South Yorkshire a carbon neutral economy by 2041.

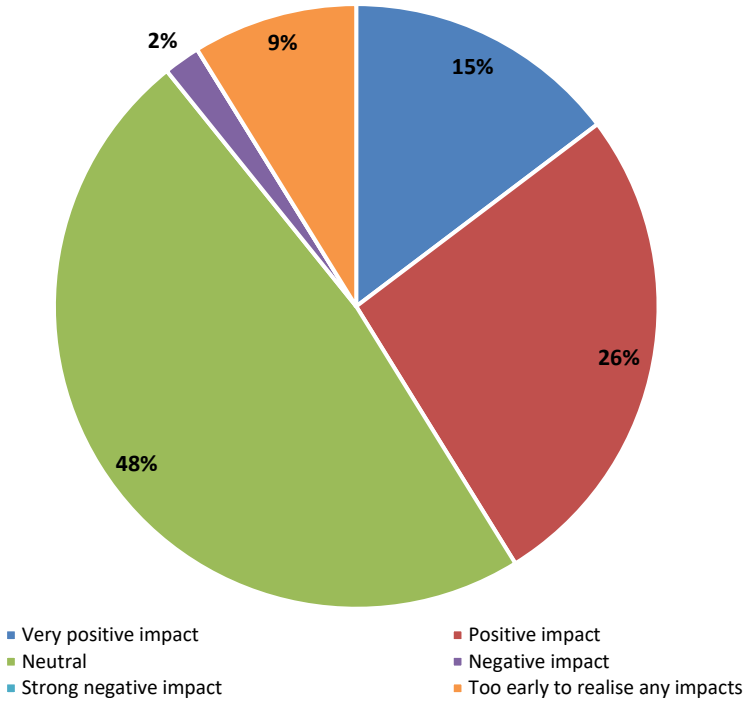
7.7 As part of the survey, businesses were asked what their objectives were for joining the programme. A total of 12% of businesses stated they had joined the programme specifically to look at reducing their carbon footprint and energy consumption.

> *"We want to further enhance our impact on the environment, which due to the measuring we can now do easier."*

7.8 The programme has generally enabled activity within businesses that have encouraged more sustainable business practices. This has included waste minimisation, travel reduction (linked to working from home during COVID-19), reduced energy use and businesses implementing a range of more efficient processes.

7.9 Within the business survey, businesses were asked about the impact the support and any grant had on the environmental performance of the business. A total of 15% of businesses stated the programme had a very positive impact in this area and 26% a positive impact (41% combined). A further 6% stated it was still too early to tell if there had been any impact. For almost half of all businesses the outcome was a neutral impact.

Chart 7.1 Impact of the programme on environmental performance in the business



Source: Business Productivity Programme Business Survey (2023)

7.10 The business case studies provided in Chapter 10 give a detailed profile of some of the ways that Business Productivity Programme has delivered environmental improvements in businesses

7.11 The delivery of the programme itself had a positive approach to sustainability as a significant number of business engagements took place online, involving no travel. The Key Account Managers were also able to refer businesses to a range of other business support, including the Low Carbon Business Support Project, available across South Yorkshire and led by Sheffield City Council.

7.12 Businesses were also asked about their future growth plans and many had a link to sustainability, including moving into developing environmental products, sourcing more environmentally friendly textiles, engaging in renewable energy and some of the changes to markets and products that decarbonisation has been driving.

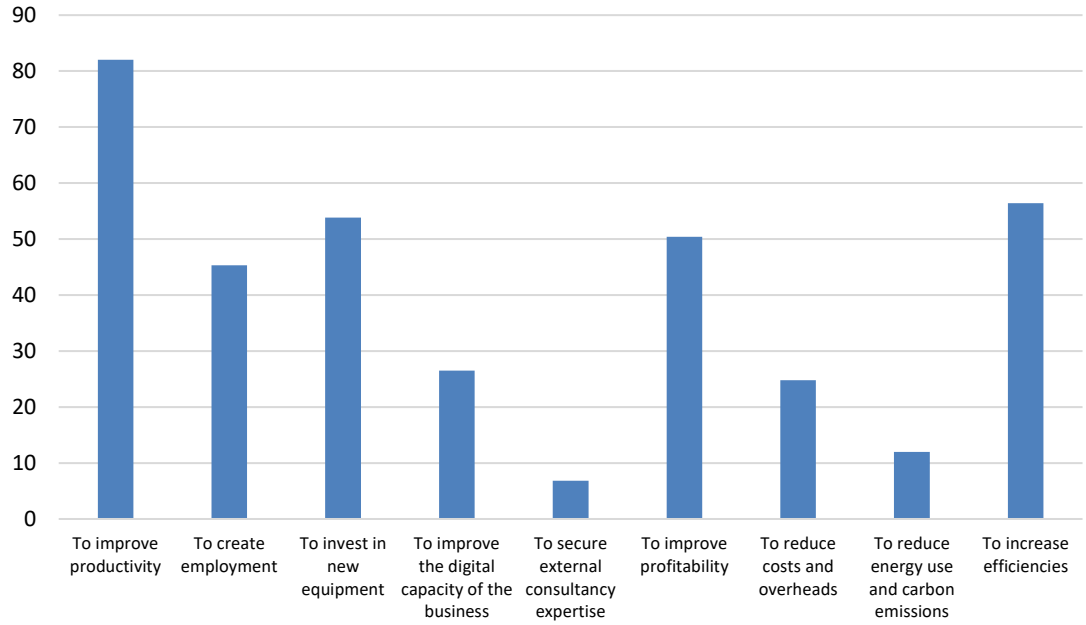
8 Beneficiary and Stakeholder Qualitative Review

8.1 The business survey asked some qualitative questions about business' views on the quality of service they received, future support needs and their input into designing future digital business support activity and investment. These findings have been cross referenced against discussions with some of the key project delivery staff and stakeholders.

Referrals Processes

8.2 As part of the survey, businesses were asked what their objectives were for joining the Business Productivity Programme (Chart 8.1). Unsurprisingly most businesses (over 80%) joined to increase their productivity and almost 60% to improve their efficiency. However, there were other reasons that businesses engaged on the programme. Half of businesses wanted to improve their profitability and 45% wanted to create additional employment.

Chart 8.1 Referral sources onto the Business Productivity Programme

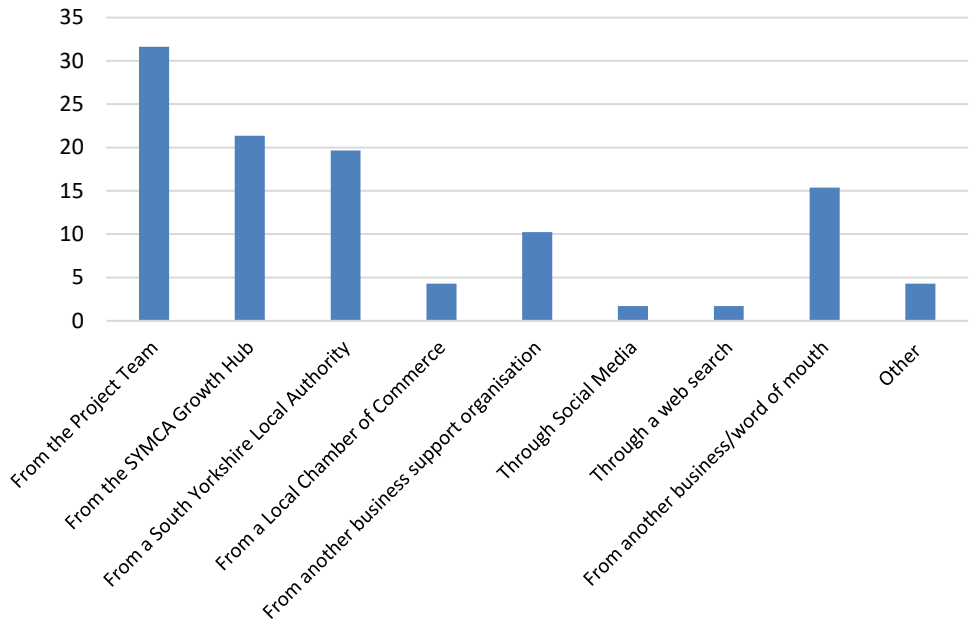


Source: Business Productivity Programme Business Survey (2023)

8.2 As shown in Chart 8.2 overleaf, most of the market sources/referrals to the programme came directly from the project team (including the business facing elements) at just under a third. Other key referral sources were the South Yorkshire Metropolitan Combined Authority Growth Hub (at 21%) and from a Local Authority (at 20%). The other key sources were word or mouth of from another business at 15% and from another business support organization at 10%.

8.3 Very few businesses stated they heard about the programme from direct web search or social media which demonstrates the importance of utilising direct marketing and intermediaries to engage with businesses in any future programme.

Chart 8.2 Referral sources onto the Business Productivity Programme

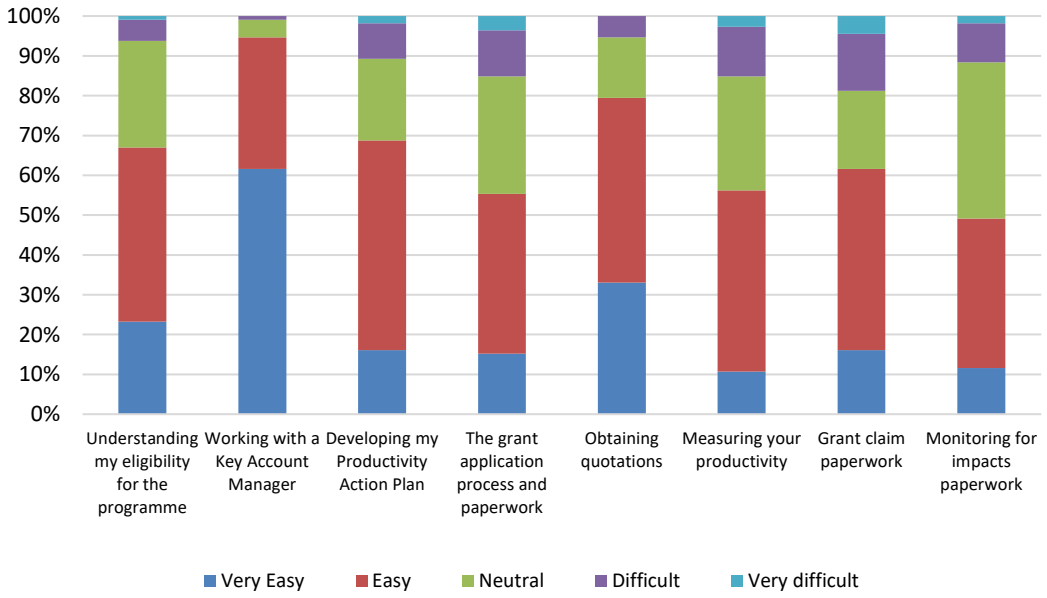


Source: Business Productivity Programme Business Survey (2023)

Business Productivity Programme Processes

8.4 As shown in chart 8.3 below, businesses generally found the processes involved with the Business Productivity Programme relatively easy to engage with. A total of 95% of businesses found working with their Key Account Manager/Advisor easy or very easy (with 62% easy). Over 65% of businesses found understanding their eligibility for a grant easy or very easy, almost 80% found obtaining quotations easy and almost 70% developing their Action Plan.

Chart 8.3 Ease of process for the Business Productivity Programme



Source: Business Productivity Programme Business Survey (2023)

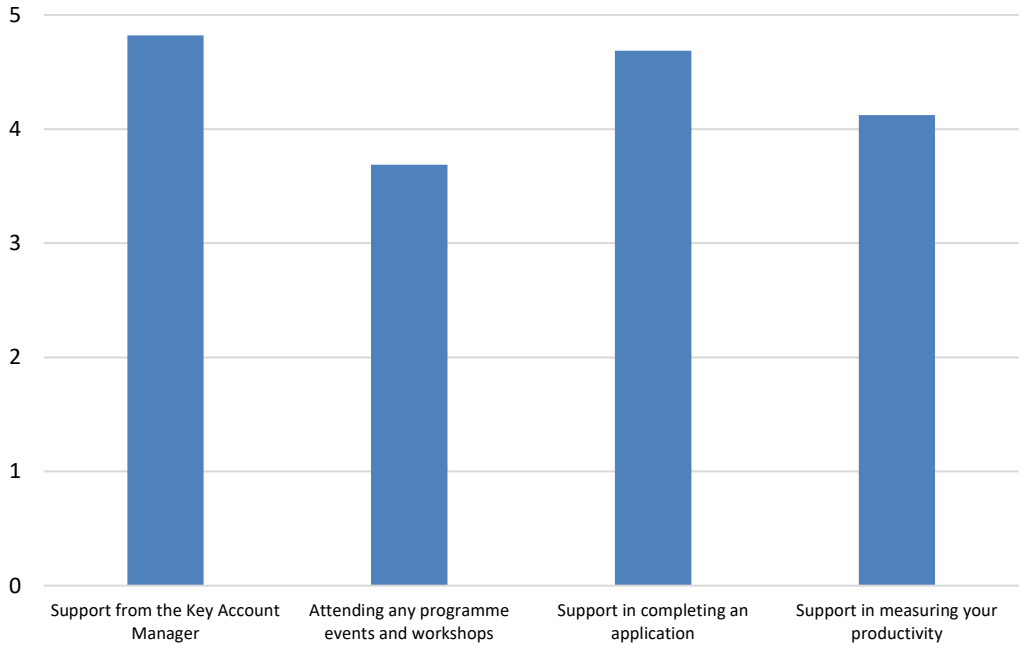
8.5 There were some areas of the programme that businesses found slightly less easy to engage with. Just over half of businesses found the application process and associated paperwork easy or very easy (and over 15% found the process difficult or very difficult) and a similar amount was reported for measuring productivity.

8.6 Less than half of all businesses found the paperwork involved in monitoring the ongoing impacts of the project as easy or very easy – with almost half of businesses stating they found it neutral – but most businesses will not have had to complete this paperwork as of yet.

8.7 There were some wider comments and feedback from businesses relating to the process that could assist with the design and development of future schemes. These include:

- The paperwork did seem considerable
- The level of evidence required
- The certification process for documentation including printing, signing and scanning documents was time consuming
- The focus on job creation made some businesses reluctant to apply
- There is some repetition as the same information is requested on different forms
- There could be a technology solution to the monitoring and grant management processes
- The administration associated with the changing prices of quotes created additional administration
- Businesses should be able to purchase their equipment 'at risk', especially where lead times are long

Chart 8.4 Quality of service across each element of the programme



Source: Business Productivity Programme Business Survey (2023)

8.8 Businesses were asked to score the quality of the service they had received across the different elements of the programme out of 5, demonstrated in chart 8.4 overleaf. All elements scored in excess of 3.6 out of five, highlighting the overall high quality and bespoke offer of delivery across the programme. Areas of particular note includes support from the Key Account Managers, which scored an impressive 4.82 out of 5. Any support received in completing an application scored an impressive 4.7 out of 5 and support in measuring productivity 4.12 out of 5.

8.9 Attending programme events and workshops scored 3.7 out of 5, but a significant number of businesses left this section blank, suggesting many businesses did not attend any events.

"*Well run project, very proud to have been accepted and gained from it - looking forward to building on the investment.*" Sheffield based business.

"Excellent programme, supportive team and would recommend. Please run again." Doncaster based business

"*It was very helpful to have someone to support us during the process and probably made us more likely to apply for the grant. Our Key Account Manager was brilliant*." Sheffield based business

"The people at Barnsley were very helpful from start to finish." Barnsley based business

"*The Sheffield support team who helped us apply have been amazing*." Sheffield based business

"Business Doncaster have been very helpful in explaining the purpose of the available funding, and how this could benefit our business." Doncaster based business

"*Quite a simple process that opened opportunities that without it, wouldn't have been possible.*" Rotherham and Sheffield based business.

"The whole process was made simple and effective. We have met all of our targets we set out to achieve - great service and success all round." Doncaster based business

"*Please run again, excellent programme to support SMEs in Doncaster. Would highly recommend and apply again if possible*." Doncaster based business.

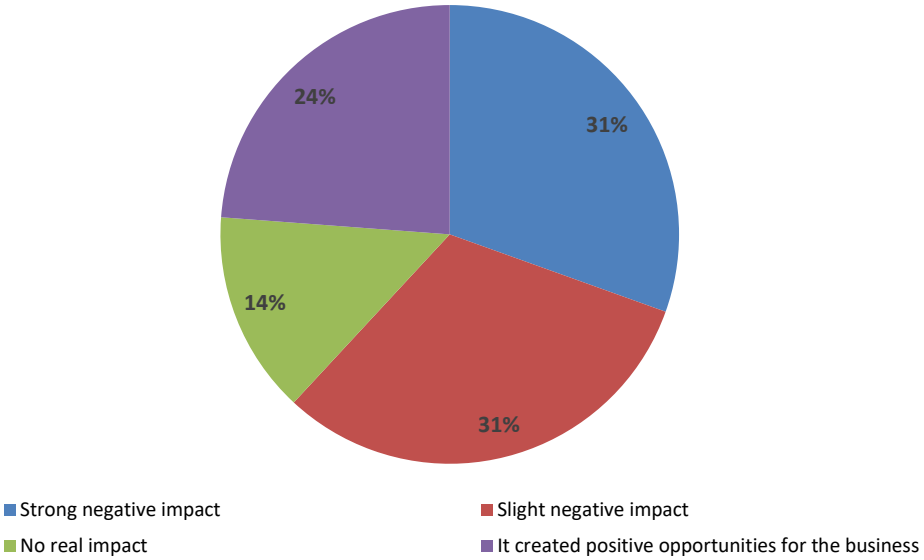
"We are delighted to have had the funds to develop our business. As a small family brand it is invaluable to have access to such grants." Sheffield based business

Future Support Needs of Business

8.10 The economic context and change within which the Business Productivity Programme had to operate has had a significant bearing on both the offer of the programme and also what businesses are likely to require in the productivity space going forwards.

8.11 As part of the survey process, businesses were asked what the impact of COVID-19 had been on the business. As shown in Chart 8.5 below, the impacts of the pandemic on businesses that the Business Productivity Programme has been working with have been considerable. A combined total of 62% of businesses cited a strong or slight negative impact – although a quarter of businesses felt the pandemic had created positive opportunities.

Chart 8.5 Quality of service across each element of the programme



Source: Business Productivity Programme Business Survey (2023)

8.12 As part of the businesses survey, businesses were asked to identify what they see as common growth opportunities and barriers to achieving growth. Many businesses stated they wanted to establish themselves (or expand) into overseas markets and saw opportunities from increasing digitisation and e-commerce and the changes driven by decarbonisation. However, as much as digitisation and decarbonisation were seen as opportunities, many businesses saw keeping up with technology, carbon reduction and legislation as a challenge.

8.13 Many businesses were looking to innovate and develop new products and services and there was growing interest in generating recurring and passive income.

8.14 There were a number of common barriers being faced by businesses. Current high energy costs were especially a challenge, linked to increasing inflation and running costs. This was putting pressure on margins across most sectors. It was proving particularly challenging where businesses were quoting for future work within long lead times or were committing to undertake contract work over an extended period of time.

8.15 The tight labour market was also of concern, and again was linked to increasing firm level inflation. It was particularly hard to recruit skilled staff. Although recruitment was a challenge at all skills levels, it was especially difficult for staff with manufacturing and engineering experience and with digital skills.

8.16 Premises availability was also seen as an issue – especially for growing businesses. There was some acknowledgement that some of the productivity improvements had meant the business could grow more effectively in-situ or had delayed the need to physically expand – but finding suitable premises was still seen as a challenge.

8.17 Businesses that operated within the public sector were largely concerned about a slowdown in demand and changing regulations, procurement requirements and specifications.

8.18 Many businesses stated that their customers were expecting pre-COVID lead times for fulfilment whilst still in a challenging supply environment. This was forcing some businesses to increase their stock holding which was having an impact on their liquidity.

8.19 Finally, cashflow and access to business finance was stated as a major challenge, with many businesses still having impaired balance sheets after COVID-19. This was going to have a significant impact on their ability to keep investing in their growth. Businesses had noted that the appetite for lending amongst institutions, linked to businesses ability to cover higher interest costs, was making it harder to access commercial finance.

Stakeholder and Staff Perceptions

8.20 Alongside the feedback from businesses through the survey, a range of qualitative feedback was obtained by businesses (via interviews) and project partners providing an overview of governance and management processes, the quality of offer, strategic fit and lessons learnt. Interviews took place over March and April 2023.

Partnership and Governance

8.21 There was high praise for the team at Barnsley MBC who worked flexibly and diligently to process a considerable number of grants in a relatively short period of time. Communication with the team was deemed to be very good and open and transparent ethos to the running of the programme and the written and verbal guidance when needed was also good. This is despite the impacts of COVID-19 on holding face-to-face meetings.

8.22 The Project Delivery Board was an effective structure for overseeing the strategic management of the programme and allowed for quick decision making when required, particularly approving the submission of formal changes to the programme through DLUHC.

8.23 It was felt that there was more scope to bring together the frontline Key Account Manager/Advisor staff team across the wider geography as a South Yorkshire programme team to share best practice and provide intelligence on wider pipelines as this very rarely happened.

8.24 There had been a slower start to the programme than anticipated, partly due to COVID-19 and the implications for engaging businesses. This slow start ultimately meant there was more pressure towards the end as demand picked up and most grants were committed in the last 18 months of the programme.

8.25 The initial delivery of the programme revolved around an open call process, which closed in November 2022. There were however some late applications accepted up until January 2023 where partners were confident that the business could complete their project before the end of the programme.

8.26 The delegation of grant awards to local investment panels (although working with the team at Barnsley to ensure eligibility) was a real positive – even though it created an extra tier of decision making. It ensured locally accountable decision making and brought the decision making closer to the advisors that had worked with the businesses. It also helped to manage local pipelines.

8.27 A lack of a local (and even centralised) marketing budget did limit avenues to engage with business, which has been identified in the ways that businesses initially were referred to or engaged with the project.

Quality and Relevance of Offer

8.28 Businesses themselves had identified the relevance of the programme to their needs, with 82% of businesses engaging on the programme seeking to improve their efficiency and productivity and over 85% of businesses coming away with a positive or very positive impact on these two areas.

8.29 The Key Account Managers/Advisors across all the geographies of South Yorkshire cited the Business Productivity Programme was a key tool to engaging with businesses and it was important to have a product to speak to businesses about. Many businesses that had been supported through the programme were now working with an advisor on other aspects of growth and productivity and from engaging with good quality, growing businesses outside the normal pool of contacts, the programme had been hugely valuable.

8.30 More and more businesses were needing to consider their productivity since COVID-19 and especially due to increasing energy costs and higher costs of living. For many businesses, the programme has opened their eyes to what productivity is and what it means for their business as many SMEs did not consider this to be relevant to them and therefore had little understanding of how to improve productivity.

8.31 The fact that businesses had to complete a programme of support with an Advisor before submitting a grant application meant projects were of a better quality and were more relevant to improving productivity in the business – rather than the business applying for an item off a wish list. However, as a caveat, some businesses paid more attention to the diagnostic processes than others and not all businesses benefitted equally from the process – some ultimately just wanted the grant.

8.32 The role of the Key Account Manager/Advisor role was deemed critical to the success of the programme, both in terms of providing support for businesses to navigate through the processes associated with the programme, but also being able to provide some up-front one-to-one support to help businesses understand their productivity issues, develop a clear Productivity Plan and identify clear solutions to overcoming these challenges.

8.33 Partners also said the offer had proven very relevant to business needs, mainly because of its flexibility. There was a gap in the local business support offer for a flexible grant fund as programmes such as the Low Carbon Business Support Project and the Digital Innovation Grant were specific as to what they would invest in. The Business Productivity Grant was utilised to support anything that meant the business could improve their productivity – which is a broad series of potential interventions.

8.34 The most similar activity to the Business Productivity Programme across South Yorkshire has been the Digital Innovation Grant (an ERDF programme also led by Barnsley MBC) and the Made Smarter programme. The Business Productivity Programme has offered a larger grant amount than the Digital Innovation Grant and Key Account Managers would refer to this programme if it was more appropriate to avoid a plethora of digital projects bring funded by Business Productivity.

8.35 The Made Smarter Grants are a larger amount and, as a national programme, more competitive to secure. They are also more focussed on manufacturing whereas the Business Productivity Programme has a wider remit. There have been referrals across both of these programmes where appropriate and beneficial for the business.

8.36 The inclusion of targets to provide 12 hours of assistance to businesses was not consistent with a programme that ultimately revolved around a grant fund. All businesses that engaged on the programme ultimately had the ambition to secure a grant and the systems of the programme were geared up to process this rather than document a significant interaction with businesses. The Key Account Managers had a broad case load and could not devote significant time to individual businesses.

8.37 There were some mixed views on the processes from the perspective of working with businesses. There was a bureaucratic process associated with awarding and delivering a grant and there was frequently some backwards and forwards between the Programme Management Team and the business to get the right level of information, which could lead to delays in awarding the grant. Ultimately, the issues identified are not unique to the Business Productivity Programme and are certainly no worse than other similar programmes.

8.38 Turnaround for businesses submitting an application was generally a month from submitting the application to award, which is not an onerous time to process a grant. The next programme will feature an online application portal, which received mixed views from partners. It was deemed critical that businesses had the opportunity to work with an advisor in developing their projects and applications. It was sometimes difficult to convey in a simple form what some of the more complex projects were aiming to achieve.

8.39 It was felt that inflation in the last 18 months of the programme had ultimately erode the value of the grant and any provision funded by UKSPF needed to reflect on increasing costs. The cap on total project costs of £24,999 (so that businesses did not need to undertake a formal tender process) could also be removed. Many businesses had larger items of equipment they wanted to purchase – but couldn't, even though they accepted the maximum grant was £12,499.

Legacy and Lessons Learnt

8.40 There was a consensus amongst partners that there is still a strong need for activity in South Yorkshire to support both additional businesses in the early stages of improving their productivity, but also providing support for some of the businesses already supported by the programme. Many Local Authorities had stated demand remained strong and they had an active pipeline for the second phase of the project.

8.41 Productivity remains a major challenge for the South Yorkshire economy and the current cash position of many businesses meant co-investment was needed to stimulate and encourage investment in activity that will enhance productivity. Blending productivity and digital technology should be positive as businesses can integrate digital and non-digital approaches to improving productivity.

8.42 Some partners felt the programme took a while to identify the right type of projects that were worthy of support, especially as investment began to get tighter later in the programme. It was felt that some of the earlier businesses that were supported would probably not make the grade later on in the programme. Overall, the quality of applications increased later on in the programme. Future programmes need to be focussed on the businesses where the investment will have the most impact, even if that means increasing the average grant award.

8.43 The challenge for business support going forward, in an age of online support, social media and instantly available information on a range of topics is to provide detailed and bespoke diagnostics and then to provide the expertise and knowledge that a business cannot just 'Google'. Most business support projects were struggling with this concept – especially as EU programmes that promoted face-to-face, 12 hours support packages are winding down and the methodology of 'what comes next' is still being developed.

9 Business Case Studies

Case Study: Vanshades

www.vanshades.co.uk

Vanshades, based in Barnsley, was founded in 2016 by Pete Staniforth, a former plumber who developed a unique system for installing contemporary thermal blackout blinds into motorhomes.

Pete secured a grant through the Business Productivity Programme to invest in a new CNC machine, which helped to bring all elements of production in-house which in turn reduced production times from six weeks to three.

The business now manufactures a premium range of campervan blinds for VW and Ford alongside a range of vehicle renovators across Europe. There are plans to design bespoke blinds for other vehicle manufacturers.

Paul has seen orders boom and recently expanded into an 11,500ft^2 facility to meet the rising demand since COVID-19. Vanshades now employ 17 members of staff.

Paul said of the Business Productivity Programme.

> *"I realised that if I expanded our premises, we could bring the whole manufacturing process in-house. Securing the Business Productivity Grant has been instrumental in helping us to grow the business beyond my wildest imagination. It's also given us the capacity and technical know-how to expand our product range further in the future."*

Case Study: Assentech

www.oldltd.net

Based in Doncaster, OLS Limited provides a wide range of access control, CCTV systems and bespoke security integrations, helping its customers to embrace cloud-based technology to keep their physical sites secure.

When Covid-19 forced many businesses to encourage members of staff to work from home, company founder Ollie Law saw demand for the company's services boom as businesses sought to keep their unoccupied premises secure.

Working with their Key Account Manager, the company decided to implement a number of new measures to improve its sales processes. Ollie identified that the company's website required significant investment and decided to apply for a Business Productivity Grant.

OLS engaged with the services of a local marketing company, which redesigned the company's website, whilst the senior management team began implementing new measures to track the sales journey of its customers.

Since successfully completing the work, OLS has seen orders boom. It has achieved record growth in the UK, as well as expanding its client base in Germany, Belgium, Spain and the Republic of Ireland. The measures have been such a success that the company has recently seen its turnover hit the million-pound milestone, and the company is already planning for further growth and expansion.

Ollie Law, Managing Director, OLS Limited said:

"The funding we've received has transformed our business. It's only been a few weeks since we launched our new website, but it's already generated more orders in the time it's been live than our previous site did in a decade."

Case Study: Blake UK

www.blake-uk.com

Blake UK designs, supplies and manufactures a wide range of aerials, CCTV systems, Wi-Fi signal boosting equipment and networking products for domestic and commercial use. Founded in 1971 as Blake Aerials, the company employs 24 people in its Sheffield headquarters and supplies its products throughout the UK.

Many of Blake's products are manufactured in Sheffield; but faced with increasing competition, notably from overseas manufacturers, the senior management team realised that a strategic review of its operations was required.

Paul Blake, Managing Director, approached Business Sheffield for support and worked with a Business Advisor, to scrutinise the way the business operated. They identified the systems and processes that needed improvement, and developed an application for a Business Productivity Grant.

Paul said: "*I was delighted to find out that our application had been accepted and since securing the grant, we've also been able to implement software that allows all aspects of the business to be viewed holistically*.

Moving to paperless systems has helped us to reduce the amount of waste we generate. We've seen demand for our products rise. We also expanded our workforce as a result, creating two new apprenticeships within the business.

The net result has been an increase in orders secured, and new jobs have been created, but perhaps most importantly of all, the technology embraced by the company has helped it to successfully prepare for future growth and cement its position as one of the UK's leading operators within a highly competitive marketplace."

Case Study: Pyro Fire Services

www.pyrofire.co.uk

Pyro Fire Services are a team of fire safety consultants based in Doncaster. The business worked with Business Doncaster to develop a plan to digitise the process of completing fire risk assessments.

Erik Hudson, Managing Director, stated

"It was the first grant we had ever applied for and we had never been through a process like this previously. The support we had from our Key Account Manager was great and we were talked through the criteria and the form."

The Business Productivity Programme provided investment to fund the first year of a specialist software package, with the aim that subsequent years can be funded solely by the business out of future profits.

The digitisation of the inspection process has significantly improved the productivity of the business and made the entire process paperless.

The improved process helped the business to win a significant contract with a Government Department that has subsequently been extended.

Erik said:

> *"The support from the grant was great. Utilising the new digital solution as a platform to standardise our processes will enable growth and allow us to employ new staff and subcontractors, and engage new customer bases."*

Case Study: Creative Outdoor Living

www.creativeoutdoorliving.co.uk

Rotherham based Creative Outdoor Living Ltd are located in a converted Chapel in Rotherham, South Yorkshire and manufacture and resell a range of outdoor quality cooking equipment.

Business owner Rob Beavers approached RIDO who helped him to put together an application to the Business Productivity Programme.

The investment helped Rob to set up the workshop with quality tools and equipment to manufacture outdoor barbeques as a new venture.

> Rob stated *"The Key Account Manager was a great help with the forms and helped us understand how we could move into e-commerce and better utilise social media. The Key Account Manager is a contact we will maintain to help with our longer term growth."*

The grant has helped the business to start manufacturing its own model barbeques and operate at an efficient speed with high accuracy.

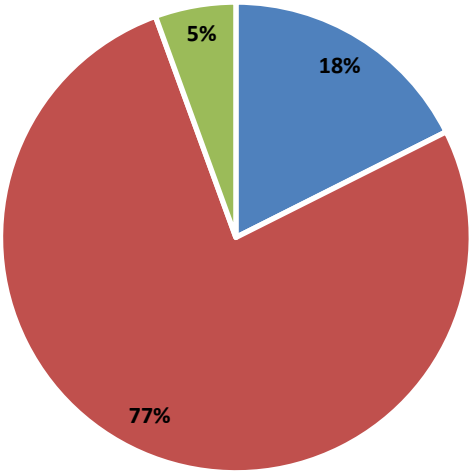
Since receiving the grant, the business has begun supplying a number of retailers, an arm of the business Rob is looking to expand.

> *"The grant has been a big success and the future of this new arm of the business is looking very promising. Early orders for the new products are really good."*

10 Net Impacts and Value for Money

10.1 Within the business survey, businesses were asked to attribute their productivity and business growth impacts to the interventions on the programme. This was undertaken to inform a counter-factual impact assessment. As identified in Chart 11.1 below, 18% of businesses stated their involvement with the programme has transformed their productivity and a further 77% that have stated the support from the programme had improved the productivity of the business. Only 5% of businesses stated there had been no impact from their involvement in the programme.

Chart 11.1 Impact of Business Productivity Programme on productivity and growth



- Support/investment from the Business Productivity Programme has transformed the productivity of the business
- Support/investment from the Business Productivity Programme has improved the productivity of the business
- The Business Productivity Grant has not changed the way the business uses or will use digital solutions

Source: Business Productivity Programme Business Survey (2023)

10.2 On this basis, of the 281.2 proposed jobs created (C8 outputs) from the projected final claim, a total of 267.1 jobs are net additional to the South Yorkshire economy based the 95% of businesses that had seen some positive impact form their support from intervention. Within the business survey, a suggested total of 527.4 employment opportunities would be created from the support of the programme – which in net terms would be a net increase of 501 employment opportunities.

10.3 Based on the programme supporting the creation of 267.1 net additional C8 jobs and with the latest Gross Value Added (GVA) per filled job in South Yorkshire being £45,351[11], it would suggest the Business Productivity Programme support an increase in **Gross Value Added (GVA) of around £12.1m per annum**.

10.4 If the benefits of the programme in South Yorkshire are felt within businesses over the next five-year period, this would result in a cumulative increase in GVA across the area of £60.5m over a five-year period. **This should create a net economic return of £6.98 for every £1 invested and £9.77 for every £1 of ERDF invested.**

[11] 2020 Regional gross value added (balanced) per head and income components (2022 release) ONS

Value for Money

10.5 Ensuring value for money for European Union Structural Funds investment is a key component of the current ESIF programme and of the Summative Assessment guidance and process.

10.6 The projected expenditure for the project is £8,671,705 is anticipated to create 281.2 gross additional jobs (C8 output) in South Yorkshire at a cost of £30,838 per claimed job output. When the unit cost of the wider 501 net employment opportunities the project is forecast to create is assessed, the unit cost is considerably lower at £17,309.

10.7 The forecast cost per business supported (386 in total) by the end of the project is anticipated to be £22,465. This figure includes all grant investments made. Based on actual expenditure as of Claim 13 (£7,212,582) and the actual number of businesses supported in this claim (273) the unit cost is £26,420.

Benchmarked Costs

10.8 According to a report by Regeneris on the anticipated unit costs per output across the 2014-20 ERDF programme, the median benchmark for jobs created across ERDF projects should be £26,000, although this was based on research undertaken in 2013 and the mean cost per job created was £71,000 as a result of capital intensive projects[12]. The gross cost per ERDF output job created in section 11.6 is therefore above the Regeneris recommended median cost but below the mean. However, although not a like for like comparison, the cost per employment opportunity created at around £19,000 would come in under both benchmark costs.

10.9 With regards to businesses supported, the mean benchmark unit cost for a medium intensity business supported output is £34,000, with a median unit cost of £10,400. This suggests the cost of businesses supported output for Business Productivity Programme in section 11.7 sits between the mean and median for value for money.

10.10 On this basis, the Business Productivity Programme offers good value for money for the number of businesses it has engaged. This is despite offering grants of up to £12,499, which has clearly had a bearing on the average cost of C1 outputs. The programme had a strong focus on job creation, so the good value for money for each job created is also a positive aspect of the programme.

10.11 It has demonstrated that investment in improving businesses productivity and efficiency is not mutually exclusive from creating employment.

[12] Regeneris Consulting (2013) England ERDF Programme 2014-20 Output Unit Cost and Definitions

11 Conclusions and Key Lessons Learnt

11.1 From the findings of the business surveys, case studies and stakeholder interviews, it is clear that the South Yorkshire Business Productivity Programme has been a real asset to businesses across South Yorkshire to drive improvements in their productivity, improve their profitability and act as a catalyst for generating additional employment.

11.2 The programme had a clear focus on productivity, with over 80% of businesses specifically joining the programme to improve their productivity and almost 90% of businesses subsequently recording a positive or very positive impact on their productivity. On this measure alone, the project has clearly been a success.

11.3 Although the Summative Assessment is being completed prior to the conclusion of the programme, the Business Productivity Programme should be on course to deliver somewhere near its contracted outputs and has particularly excelled in supporting employment creation – a process which the Summative Assessment has identified is far from over and the legacy of the programme is likely to continue generating jobs going forwards.

11.4 There have been a number of successful elements to the programme, most notably the input at an early stage of the Key Account Manager/Advisor role. The local accountability for investment has helped to develop a strong pipeline and support local decision making and the centralised grant administration team has worked efficiently and diligently to award grants and manage contracts.

11.5 Businesses that have been supported through the programme have reported a broad range of outcomes on their business processes, with improved profitability and ultimately increasing employment opportunities.

11.6 Feedback from businesses on the quality of offer of the programme has been very high and the processes involved in engaging on the programme and receiving support regarded as overwhelmingly easy or very easy. These factors show the Logic Model has remained relevant through the entirety of the programme and despite significant socio-economic changes including COVID-19 and more recently the impacts of the war in Ukraine.

11.7 The project has offered good value for money, especially when considering that the programme has included a relatively large grant scheme and has provided a quality offer to businesses that has been predominately driven by one-to-one interaction.

11.8 Businesses across South Yorkshire still have productivity and growth challenges, but the support on offer from the Business Productivity Programme has helped businesses improve their capacity to be more productive through investment and has also changed their attitudes and understanding of their own productivity. This clearly demonstrates the need for continuation of this type of activity and this has also been accepted by the South Yorkshire Mayoral Combined Authority by the award of UKSPF investment.

11.9 The added value of the programme has been very strong, demonstrated by the findings of the businesses survey. Based on the programme supporting the creation of 267.1 net additional C8 jobs and with the latest Gross Value Added (GVA) per filled job in South Yorkshire being £45,351[13], it would suggest the Business Productivity Programme support an increase in Gross Value Added (GVA) of around £12.1m per annum.

11.10 If the benefits of the programme in South Yorkshire are felt within businesses over the next five-year period, this would result in a cumulative increase in GVA across the area of £60.5m over a five-year period. This should create a net economic return of £6.98 for every £1 invested and £9.77 for every £1 of ERDF invested.

11.11 Most of the lessons learnt related to the Business Productivity Programme are positive lessons due to the success of the programme, its achievements in nearing its targets and the impact it had on businesses.

11.12 Most of the lessons learnt have been incorporated into the UK Shared Prosperity Fund programme, including lifting the cap on the maximum project costs which meant many businesses were deemed ineligible even though they did not require more than the maximum grant.

11.13 The introduction of an online application portal needs to be blended with the input of the Key Account Managers/Advisors as this has over the duration of the programme resulted in higher quality applications and better projects.

11.14 If there is scope to reduce duplication and bureaucracy as part of the follow on programme it should be explored. Many businesses understand the need for process to allocate public money, but for some businesses the time involved in applying for, managing and monitoring their project makes the financial benefits more marginal.

11.15 Finally, although the programme has been successful in generating additional employment, this may need to be a less important element of future activity as many businesses have struggled to recruit and the emphasis on future productivity may need to be based around making the most out of the current workforce. In order to achieve this – there may need to be a more pro-active link to employment, skills and workforce development activity.

11.16 The links between productivity and energy costs/decarbonisation have also come much more to the fore and the programme, whist having a positive impact on the environmental performance of businesses, could do more and could work effectively with schemes to promote energy efficiency and carbon reduction.

[13] 2020 Regional gross value added (balanced) per head and income components (2022 release) ONS

Appendix A – ERDF Summative Assessment Table

Indicator	Targets		Performance at Time of Evaluation		Projected Performance at Project Closure		Overall Assessment
	Original	Adjusted (if relevant)	No.	% of Target	No.	% of Target	
Revenue Expenditure (£m)	£7.884m	£9.778m	£7.213m	73.8%	£8.672	88.7%	
C1: Number of Enterprises Receiving Support	321	424	273	64.4%	386	91%	
C2 Number of enterprises receiving grants	246	359	273	76%	334	93%	
C4 Number of new enterprises receiving non-financial support	75	75	0	Neg	52	69.3%	
C6 Private investment matching public support to enterprises	£2.715m	£3.824m	£2.653m	69.4%	£3.25m	85%	
C8 Employment increase in supported enterprises	204	276	239.2	86.7%	281.2	109.9%	
C29 No. of enterprises supported to introduce new to the firm products	32	52	43	82.7%	55	105.8%	

Appendix B – Logic Model

Business Productivity Programme

Click on the arrows to navigate around the model. Tables can be edited directly in the model. To edit free text, click Edit under each title

Context

Edit

The project will directly contribute towards the operational programme priority axis and relevant investment priorities. By focusing support upon the following key activities for Priority 3 by
• Facilitate and proactively support growth amongst existing firms (including those that are foreign owned), by promoting skills, innovation and creativity, providing appropriate business support and access to finance for businesses with high growth potential;
• Attract investment from other parts of the UK and overseas and improve our brand to increase the levels of investment and businesses coming into the City Region, both foreign and domestic. This will require a competitive and flexible offer that meets investor needs and which is clearly articulated and promoted to capitalises on our strengths.
• Increase sales of goods and services to other parts of the UK and abroad, by promoting opportunities for global trade for businesses in the City Region.
• Supporting the creation and the extension of advanced capacities for products, services and development

Priority 1 of the LEP Area ESIF strategy stipulates that to reach SCR's economic ambitions set out in the Growth Plan, we need to increase the growth, competitiveness and productivity of the

Market Failure Assessment

Edit

The Sheffield City Region Strategic Economic Plan 2015 – 2025 provides relevant evidence and research that helps support the case as well as need for the interventions proposed in this project.

The LEP commissioned Independent Economic Review (IER)5 of the SCR produced in summer 2013 used some of the best economic advisors in the country and highlighted the stark nature of these challenges. The report said SCR need to transform the inherent structural and fundamental weaknesses in the local economy. These can be seen to directly link to the SCR industrial legacy and the area's on-going transition from an economic base dominated by coal and steel to a competitive 21st century, high value manufacturing, knowledge and service led, economy.
The IER produced a suite of baseline indicators that help highlight the current challenges that need to be addressed via the SCR SEP.
The 'productivity challenge'
• GVA growth between 1998 and 2008 lagged behind the national average (57% compared to 63%).
• GVA per FTE was only 83% of the national average in 2011.
• To meet the national average (excluding London) the SCR would need to increase GVA by £3 billion or 11%.
• This productivity challenge is affecting all sectors in the SCR and

Project Objectives

Edit

The aim of this Programme is to create a single, coherent business support system to deliver sustainable and inclusive growth for the SCR economy, using a partner-based approach alongside the other support products being delivered under the Growth Hub 'umbrella' including the Launchpad, Sheffield Innovation Project, SFSY Innovation Vouchers, the Skills Bank and Access to Finance.
The project will act as a stimulus to drive businesses to existing SCR business support products whilst filling in the current gaps in provision,
The proposal addresses the need to close its productivity gap with the rest of the region and the UK and ensure that all parts of the borough can contribute to, and

Rationale

Edit

The specific objective of Investment Priority 3c is supporting the creation and the extension of advanced capacities for products, services and development whilst provising advice and support for businesses to implement productivity improvements.
To close the productivity gap and ensure that all sectins of scoiety can benefit from economic growth in the region, a collective effort is required across the SCR bringing together partners with the correct experience, skills and expertise to help businesses become more productive whilst helping to deliver Local Authority Inclusive Growth aspirations.
The business support delivery model which has been developed is a hybrid of two previous successful ESIF projects i.e. The Launchpad and the Superfast South Yorkshire Innovation Voucher projects. The project will provide Productivity vouchers using a similar process to the SFSY projects

Inputs

What	Value
ERDf	1,935,581
Public match	1,161,442
Private match	144,966
ESIF rate	60%
Delivery partners	4
Staff FTE	10
Staff PTE	9

Activities

What
Provide dedicated business support, 1:1 and 1 to many
Host workshops and events
Productivity grant

Outputs

What	Value
C1 + C2 + C4	321+246+75
C6	2,715,000
C8	204
C29	31

Outcomes

ID	Intended Outcome	How is it Measured?	Level	Baseline	Actual
1	Increased GVA	Data Capture form			
2	New Jobs created	Data Capture form			
3	Increase business survival rate	ONS			
4	Changes in company turnover and employment	Data Capture form			
5	Changes in company strategy and growth plans	Data Capture form			

Intended Impacts

What
Businesses become more productive and produce more output with less input
Increase sales of goods and services and provide opprtunities for global trade
Create and extend capacity for products, services and development
create new job opprtunities in higher growth sectors
close the productivity SCR productivity gap against the UK average

Appendix B – List of Contributors