
An Ex Ante Appraisal of the Doncaster Urban Centre IDP Part B Priority 5 Integrated Development Plan

A Report to the South Yorkshire Objective 1 Secretariat

ECOTEC
Research & Consulting Limited

Priestley House
28-34 Albert Street
Birmingham B4 7UD
United Kingdom

Tel: +44 (0)121 616 3600
Fax: +44 (0)121 616 3699
Web: www.ecotec.com

An Ex Ante Appraisal of the Doncaster Urban Centre IDP Part B Priority 5 Integrated Development Plan

A Report to the South Yorkshire Objective 1 Secretariat

C1938

Ref: 30/05/02 Document2

ECOTEC Research and Consulting Limited

Priestley House
28-34 Albert Street
Birmingham B4 7UD
United Kingdom
Tel: +44 (0)121 616 3600
Fax: +44 (0)121 616 3699

Web: www.ecotec.com
E-mail: welcome@ecotec.co.uk

13b Avenue de Tervuren
B-1040 Brussels
Belgium
Tel: +32 (0)2 743 8949
Fax: +32 (0)2 743 7111

Modesto Lafuente 63 – 6a
E-28003 Madrid
Spain
Tel: +34 91 535 0640
Fax: +34 91 533 3663

19 Buckingham Gate
London SW1E 6LB
United Kingdom
Tel: +44 (0)20 7630 6090
Fax: +44 (0)20 7630 6339

31-32 Park Row
Leeds LS1 5JD
United Kingdom
Tel: +44 (0)113 244 9845
Fax: +44 (0)113 244 9844

Contents

1.0	Executive Summary	1
2.0	Introduction and Approach.....	2
3.0	Overall plan and Economic appraisal.....	3
3.1	General points	3
3.2	Overall Economic Assessment	4
3.2.1	Types/Contribution to Critical Mass of Economic Activity	4
3.2.2	Significance and Appropriateness of the Economic Activities Involved.....	4
3.2.3	Rationale.....	5
3.2.4	ESF/ERDF Integration	5
3.2.5	Links to Other Priorities	5
3.2.6	Objectives.....	5
3.2.7	Supply Chain Issues	5
3.2.8	Financial Appraisal	6
3.2.9	Links to Past EU Investment.....	6
3.2.10	Outputs and Impacts.....	7
3.2.11	Value for Money	8
4.0	Thematic Review.....	9
4.1	Equal Opportunities, Social Inclusion and Employability –Overall Urban Centre Comments	9
4.1.1	Doncaster Comments	9
4.2	ICT	10
4.3	Transport, Labour Mobility, Environmental Sustainability and Sustainable Development 10	
5.0	Property Comments.....	12
5.1	Property Summary	12
5.2	Part A Review	12
5.3	Supply & Demand.....	13

1.0 EXECUTIVE SUMMARY

In Strategic terms the plan is clear and coherent. The authors note that the plan is incomplete at this stage and there is further detail required in two main areas:

- The schedule of projects; and,
- Linked to the above, the need for more quantitative data on the impact and cost of the programme on PC/SPD targets at the priority and thematic level (an (estimated) full break down of project contributions to measure level targets).

This document has tried to point out where the plan could be further enhanced. Briefly these comprise of the following points.

- More detail on the requirements to draw down M30 elements and non-P5 elements of the strategy (in terms of outputs and funding).
- Linked to the above more explicit links about how the Urban Centre will contribute to P1/2 (and the cluster development plans).
- A more detailed consideration of cross-cutting thematic issues – both strategically and at the project level.
- The on-going engagement of the private sector.
- A consideration of how the proposed rates of take-up compare with recent experience.
- Linked to the above the nature of market failure and practical mechanisms to tackle this.
- A consideration of supply linkage issues.
- Further financial detail for Objective 1 and co-funding sources.
- Details on the type of floorspace.
- Further deliberation on the skills, community and P4 linkages.
- Further thought on the relative risks of each site.
- A little more reflection on the main elements of the monitoring and evaluation framework.

2.0 INTRODUCTION AND APPROACH

ECOTEC Research and Consulting Limited in association with Weatherall, Green and Smith were appointed to conduct an independent appraisal of the Objective 1 IDPs. This report involves an appraisal of the quality of the key elements outlined in the IDP template for Part B (Part A was reviewed in February 2001) for Doncaster Urban Centre. Briefly the two parts comprise of:

- An assessment of the strategic context, objectives, impacts and links to other parts of the programme (Part A)
- A more detailed appraisal of delivery aspects (Part B).

The report contains the following:

- An economic appraisal of delivery aspects, funding and outputs (Section 3);
- A thematic review covering, equality and inclusion, ICT and sustainability and transport issues (Section 4); and,
- Comments on property aspects (Section 5.0).

We have set out our key recommendations in italics throughout the text. Appendix 1 sets out the minimum requirements for Part B plans. Broadly speaking the plan provide some detail about the actions required to deliver the objectives of the IDP, but does not contain a detailed schedule of projects (though we understand this is being compiled). Other requirements have not been provided at this stage including a plan of the IDP area, and project site plans. Sketch schemes and illustrations, photographs and publicity material have also not been provided.

3.0 OVERALL PLAN AND ECONOMIC APPRAISAL

This part of the appraisal will focus upon the economic (employment and business creation) impact of the programme. It will also assess how financial and output estimates for the IDPs correspond to Priority targets highlighting any variances or areas of concern.

3.1 General points

The plan provides a clear, coherent strategy but raises a range of issues.

- The focus is very much on the delivery of the property, public facilities and public realm aspects :
 - more detail is needed on the details and delivery of the Measure 30 elements, which clearly fall within the ambit of the Plan;
 - the project level coverage of the transport aspects, other than the interchanges, is somewhat limited;
 - the Plan does not really take forward what needs to be done in relation to the delivery of the non-Priority 5 aspects of the strategy – though there is room for debate about how far it should be expected to do so.
- Some key aspects of the strategy itself have become rather lost :
 - how is the link to be developed to the P1/2 target sectors (a key issue so far as the SPD is concerned)?
 - the taking forward/delivery of the sustainability, equal opportunities and community linkage element, etc.
- The Plan presents a rounded approach to the development of the urban centre. However, this means that a substantial part of the spend is related to aspects which – though clearly relevant to the urban renaissance agenda - are not necessarily central to the delivery of the main thrust of the Programme Complement targets (land reclaimed, floorspace and jobs accommodated). This is not necessarily a problem but it clearly warrants discussion.
- The significance to the strategy objectives, value for money – and in some cases eligibility of some of the projects will need to be demonstrated. Examples include the Waterdale Area proposals, the Interchange, the Markets Area proposals and the Town Moor proposals. Whilst the major testing of projects will come at application stage, there is too little information in the Plan at present to provide a basis for more than very general comments. It is impossible to comment on issues of feasibility or the reasonableness of many of the cost estimates at present. A summary sheet on key projects would help (the text indicates that these are being prepared).
- The division of the P5 resources between the three urban centres is clearly largely a matter for debate within the partnership. However, the Plan represents a ‘pitch’ for over

half of the resources earmarked for the Measure as a whole. Particularly bearing in mind the scale of the bid within the M18 SEZ Plan, this seems unrealistic.

- We commented in the context of the Part A strategy on the importance of the effective engagement of the private sector. It is therefore a matter of some concern that implementation is presented as so heavily DMBC focussed.
- An extensive planning process - including the drawing up of master plans and extensive feasibility work - is yet to be undertaken. As a result, much of the information in Part B is tentative in nature and this has limited the appraisal work we are able to do.
- Certainly Part B has a straightforward structure, which is helpful, represented by the same vision/mission as in Part A and the 13 strategic aims set out across pages 6 and 7 of Part B.

3.2 Overall Economic Assessment

3.2.1 Types/Contribution to Critical Mass of Economic Activity

The plan promises to deliver over a quarter of a million square metres of floorspace and nearly 8,500 (presumably gross) jobs. It will clearly reinforce a range of aspects of the retail entertainment and cultural/educational roles of the urban centre. Much of the floorspace will also contribute to the wider objectives of job creation and diversification. *However, traditional town centre functions aside, as argued above, it is doubtful if the Plan as it stands will do much specifically to advance cluster development or the development of the P1/P2 sectors. Links with the cluster development plans could be made here.*

It would be helpful to consider how the actions proposed under the Plan will link to and complement the proposals under the M18 SEZ Plan. A key issue here is how far the target markets for the floorspace are reasonably distinct.

As in the case of all of the SEZs, there are clearly issues about the extent of the element for the floorspace involved. It would be helpful to explore how the proposed rates of development compare with recent experience.

3.2.2 Significance and Appropriateness of the Economic Activities Involved

The activities proposed seem appropriate to the eight Economic Opportunity Areas identified. In effect, what is proposed is a major re-design of the urban form of Doncaster, including the provision of extensive new sites and premises for business. The core of the Plan is the development of nine economic opportunity areas, supplemented by action against nine thematic strategies. Subject to the comments of property development colleagues, what is

proposed seems a reasonable attempt to address the economic needs of Doncaster's urban core. In that sense, we endorse this Plan.

3.2.3 Rationale

The rationale for intervention is discussed and is clear at a general level. However, particularly in relation to property developments, *it would be helpful to have a much clearer presentation of :*

- *The nature, sources and extent of the market failure which arises for different types of property;*
- *The mechanisms (gap funding – with 'clawback' provision, direct development, joint ventures, etc) proposed to address the problem.*

3.2.4 ESF/ERDF Integration

As noted, the non-P5 aspects of the strategy from the Part A proposals have not really been developed further.

3.2.5 Links to Other Priorities

An unquantified amount of funding is sought from Objective One Priorities 1, 2, 3, 4 and 6, as well as the basic requirement from Priority Five.

3.2.6 Objectives

Output targets are set but these relate only to sq m of floorspace (presumably new) and jobs (presumably gross). *It would be helpful to confirm whether any contributions to other Programme Complement targets are envisaged. There is also a need to assess likely contribution to the Measure 30 targets.*

3.2.7 Supply Chain Issues

As noted above, *the whole issue of supply linkages and Measure 30 requires further development.* The Businesses and Investment thematic strategy outlines a set of reasonable actions but does not really develop these. In practice taking forward this aspect will require further consideration of:

- *The nature of the new activities to be developed/attracted and their likely supply needs;*
- *The potentials and weaknesses of the indigenous SME base to meet these needs;*

- *How this might be enhanced and linkages developed.*

3.2.8 Financial Appraisal

In general, there is insufficient detail to assess whether the prospects for match funding are good. It is, however, possible to say that in a general sense the schemes seem fundamentally sound, so there is, on that simple basis, no reason why they should not attract private and public investment on broadly the scale outlined.

Details of projects are sketchy at this stage. Some projects do not have profiles and the grouping of sets of projects makes detailed comments or assessment difficult (the text indicates that further work is being undertaken). However:

- Total costs and ERDF requirements are provided for most projects, along with indicative timings – though, as mentioned, it would also be helpful to know likely funding requirements under other priorities;
- It is indicated where funding is envisaged from the private sector, the lottery and other sources – ie it is identified but not quantified. *However, the detail needs to be filled in before the profile can be related back to the SPD Financial Table. It also needs to be confirmed that the expenditure all falls within the programme period.*

Nevertheless, at this stage it is clear that very high level of leverage is envisaged(1:16), with £25.1m of ERDF spend under P5 (and unspecified amounts under other priorities) supporting total spend of some £428.7m. However, closer inspection reveals that this arises essentially because of the very substantial levels of private sector spend on a number of development projects (in the Waterfront, Lakeside, Waterdale, Retail Core and Town Moor Areas). This will inevitably raise some questions about how far some of the private investment is really dependent on the public sector funding.

The cost of the programme is not fully determined but may have increased substantially since Part A. The total identified in Part B is £429m, including £25m from Objective One Priority Five (Part B, Page 26) compared with £221m (£20m ERDF; £55m other public; £146m private) in Part A. The Part B total includes, however, major projects that do not require Objective One funding and excludes projects that have not so far been costed. Several large elements require no Priority Five expenditure and are simply described as ‘commercial development’. Moreover the costings in Part B are indicative. It is not therefore possible to make direct comparisons between the figures quoted in the two parts of the IDP.

3.2.9 Links to Past EU Investment

These are not drawn out – this could be done relatively easily within the text.

3.2.10 Outputs and Impacts

Part B envisages very large outputs indeed, notably 266,000 square metres of property and 8,460 jobs: roughly equal, or exceed, to the SPD output requirements from the whole of Measure 29. However, there is no such comparability, for the following reasons: (a) not all projects are included (b) some projects that are included are purely commercial and do not require Objective One support (c) the figures are tentative (d) there is no indication of the proportion that is additional.

We have had to assume that the outputs table presented in Part A for Measure 29 remains valid. The lack of any detailed account of how outputs are to be achieved has inhibited the extent to which we have been able to undertake this assessment.

At this stage the targets are partial. However it is noteworthy that:

- As noted above, in crude terms the floorspace target of some 266,000 sq m substantially exceeds the floorspace constructed and refurbished (55,942 sq m + 122,374 sq m) targets for the measure as a whole. *It would be helpful for future analysis to separate out in the Plan office, industrial, retail and other floorspace*, not least, since it is far from clear that floorspace in retail or other ‘ineligible’ projects should be counted against the PC target;
- The jobs figure of 8,460 is very close to the PC target of jobs accommodated of 8,566 for the measure as a whole. *Again it would be helpful to separate this by type of floorspace* to facilitate a more detailed comparison;
- No figures are currently provided for jobs safeguarded or for most of the PC impact targets and *this needs to be covered in the final document*.

Where funding is also coming under other priorities there will be issues of how far outputs should be attributed to the P5 spend. *In short it is difficult to attribute outputs to expenditure given the incomplete information submitted within Part B*.

As noted, it is difficult to identify how far the actions will contribute to the growth of new or other specific sectors.

The issue of deliverability is likely to depend largely on factors such as the economic climate and the attitudes of owners e.g. of the main retail centre.

Reflecting the points made above about the balance of spend, the Plan will deliver a range of outputs – public realm, cultural, educational - which are not presently reflected in the PC targets.

One further point is in relation to phasing – where there is insufficient information to say which developments will occur within the programming period. The later stages of various commercial developments suggested in Part B *seem* likely to occur outside the Objective One timeframe.

3.2.11 Value for Money

Much of the information needed to assess the reasonableness of what is proposed, or the value for money offered, is lacking. Whilst no really detailed analysis is possible the essentials of the position are described below.

Superficially at least, the Plan represents very good value for money in terms of P5 ERDF spend at a cost per job of only £2,971. However, it is not possible from the information provided at this stage to calculate either a total public sector cost per gross job or costs per net job.

The crude apparent P5 ERDF cost per m² of floorspace amounts to only around £95.

It is difficult to make comparisons with other P5 target ranges from the summary information available. Some of the cost per m² floorspace figures (for example, Lakeside) appear reasonable; others (for example, Waterfront) do not (presumably because of time cut-offs – should post 2008 outputs be identified in parentheses ?, or because of the inclusion of other elements in the costs).

4.0 THEMATIC REVIEW

We take each of the three main thematic areas in turn.

4.1 Equal Opportunities, Social Inclusion and Employability –Overall Urban Centre Comments

The Part Bs for the Urban Centres, in the main, take a ‘pepper potting’ approach towards equal opportunities, social inclusion and employability. All the plans mention communities, highlighting the need for involvement and specific projects that will benefit local residents, particularly in relation to accessing jobs and training. However, the majority of the plans could do more to demonstrate an integrated approach to ensuring that equal opportunities, gender mainstreaming and employability are considered in all Urban Centre activities, whether project or management related.

Integrated Implementation Plans (IIPs) for sites, as suggested for the SEZs, and sustainability profiling as mentioned in the Barnsley plan, could be usefully developed for the Urban Centres, particularly in relation to cross cutting themes. Provided that projects are required to develop and provide IIP type documents, this would seem to be an effective way to ensure that sustainability issues are taken forward. The piloting of community access plans for some areas in the SEZs would also appear to be an appropriate way to ensure community involvement. It could be useful to explore the capacity of communities to get involved in ‘planning for real’ activities to ensure projects reflect issues of sustainability as suggested in the Rotherham plan. The Rotherham IDP provides a useful approach to communities and equal opportunities through specific activities within the sites such as advertising jobs in local newspapers. The Plan also considers cross cutting themes within a matrix and identifies measure indicators. This approach could be usefully replicated.

One plan requests that the Programme Executive provides advice about how cross cutting themes could be integrated into Part B. Guidance about what the plans are expected to produce, and to what level of detail, is important here. It would also be useful to have within the Part Bs information about how specific equal opportunities targets will be met, and monitored, through the projects and how sustainability issues will be/have been integrated into project selection criteria. Some plan areas such as Barnsley and Rotherham are more advanced in relation to these issues. However, the above remain the main challenges facing plan teams attempting to integrate equal opportunities.

4.1.1 Doncaster Comments

There are several points we would wish to add in relation to Doncaster:

- *It would be helpful if the skills' implications of the plan could be drawn out in more detail.*
- *Projects to ensure that local people benefit from the implementation of the strategy have not yet been specified.*
- *At this stage it is not really clear, other than in a broad sense who will benefit from the plan and what mechanisms will be used to engage with disadvantaged communities. Links with P4 could be drawn out here.*

4.2 ICT

ICT is integrated more fully than equal opportunities into the Part Bs and is frequently mentioned in relation to specific sites within the plans, for example in relation to ICT infrastructure provision and strategies. As with equal opportunities, ICT could usefully be developed within IIPs. The SEZ Part Bs state that connectivity is not an issue. The Urban Centres could usefully explore whether or not this is the case. The plans could also be enhanced with further details about how advanced the sites are in relation to ICT and specific ICT activities to be developed within the site profiles.

Doncaster's ICT strategy could usefully link into the thematic ICT element of the PC/SPD.

4.3 Transport, Labour Mobility, Environmental Sustainability and Sustainable Development

The appraisal of Part A highlighted several issues in relation to Transport, Labour Mobility, Environmental Sustainability and Sustainable Development – these areas are summarised in Annex Two.

General Coverage of Sustainable Development in Part B

Many of the aspects of sustainable development would appear to be well covered by the Thematic Strategies. These are complementary to the physical development actions taken under the headings Economic Opportunity Areas and Gateways and Strategic Corridors, and will influence the sustainability of the IDP as a whole. (e.g. through the provision of advice on urban design and support for targeted communities in accessing training and employment).

However the bulk of the Objective One resources will be harnessed for the physical development opportunities and these projects in themselves should also be seeking to promote environmental sustainability, not simply relying on the thematic strategies in this respect.

Promoters for projects supported under the Economic Opportunity Areas and Gateways & Strategic Corridors should be provided with specific guidance on actions they should be seeking to incorporate into physical developments to enhance their environmental performance. (e.g. incorporation of sustainable design principles, use of recycled materials, waste and water recycling, use of renewable energy etc.). The focus should be on seeking to minimise or reduce the use of environmental resources through the adoption of good practice or innovative design. The specification of the type of actions which are considered appropriate would enable the IDP to specify a set of specific output indicators in this respect.

5.0 PROPERTY COMMENTS

5.1 Property Summary

The plan would be enhanced through:

- *Most importantly a schedule of project profiles, at this stage, has not been provided and will need to be submitted in the revised version.*
- Some further basic facts about each site (some of these are listed in the delivery plan template in the Annex) for instance ownership, constraints, deliverability criteria, remedial costs, phasing – *would give the reader more insight into the relative risks of each one.* The SEZs provide a good model in this sense setting out estimated take-up rates, the main areas of risk¹, the positive and negative features in relation to planning policies, environmental and social criteria, value for money and a summary analysis.
- An overall indication of how demand has been assessed to address market failure would be useful e.g. take-up rates etc.
- Floorspace details are currently patchy – the plan could be enhanced with a consideration what balance/portfolio of property types (incubator space, offices etc) will come forward and when. *Further outputs – in relation to job creation – could then be calculated through standard density assumptions.*

5.2 Part A Review

In our review of the Doncaster Urban Centre IDP Part A, we suggested the following detail be addressed:

- Further statistical/empirical evidence was required to confirm that the identification of selected target sites/areas and the uses proposed for them were reasonable. There was limited information on (floorspace) values but a study was being undertaken as to the take up of floorspace and demand for new accommodation
- Private sector engagement needed to be identified
- Further information was needed to determine whether these projects brought about something unlikely to occur without intervention.

Most of the above points remain unanswered and could usefully be provided.

¹ Indicating the probability of the site and premises being developed within the programme period.

5.3 Supply & Demand

Property related Supply & Demand statistics have not been presented, nor has any increased demand resulting from Objective 1 activities been predicted, from which we might be able to comment on selected projects and their viability.

Values in terms of current rentals, yields and land prices could be referred to with a more detailed justification for intervention been detailed.

There could be more reference to linkage with the adjoining M18 SEZ programme e.g. overlapping/adjacent sites (Lakeside/Carr-Railport) and the possibility of complementary or conflicting issues – in terms of the overall objectives of Priority 5 and Objective 1 in general.

We have not been requested to comment on the financial viability of the specific projects put forward for Objective One funding, - *further data on the proposed floor space by type, balance of floor space mix or (as previously referred to) analysis of recent take up or predicted take up during the IDP programme constitutes would be extremely helpful however.* This will require to be addressed by the Driver Partnership when considering site-specific proposals for Objective One support – whether from private or public sector partners.

Where private sector schemes are directly or partly involved in the proposed IDP, market confidence in the suitability; deliverability; and sustainability of the appropriate scheme is essential to generate the early support and leverage suggested within the IDP document. Again, market analysis of rentals, recent uptake, shifts in market trends, advantages in relocation, social issues, transportation etc, will all be necessary factors in the successful delivery and marketing such schemes.

Whilst it is important to ensure that marketing of selected projects is undertaken in the most effective ways possible, there is a danger that the overall effect of Objective One supported projects will lead to an over supply of opportunities – particularly where urban centres and SEZ's are in close proximity. Doncaster MBC should therefore ensure that master planning of sites, deliverability and marketing within the overall Objective One programme is co-ordinated at least as well as within the urban centre IDP itself.

As a general comment, we have feel the plan would be enhanced by highlighting existing and predicted market issues such as recent uptake of floorspace by user-type, market (development) failure, anticipated future demand, rental/capital values, or private sector development viability. This data would be helpful in our further assessment of the site-specific IDP proposals.

ANNEX 1:

PART B DELIVERY PLAN TEMPLATE

Part B – Delivery Plan

Actions to deliver the objectives of the IDP

Early public sector improvements/actions required

Identification of projects with key characteristics set out

Schedule of projects containing the following:

- Methodology and delivery vehicles
- Public sector partners
- Private sector partners
- Collaborative partners
- Activities
- Site identification
- Ownership issues
- Constraints
- ERDF funding required
- Public funding
- Private funding
- Phasing
- Relevant deliverability criteria e.g. requirement for planning consent
- Linkages for other priorities for grant
- Sustainability profile – economic and environmental
- Risk analysis

Other Requirements

Plan of IDP area

Project site plans

Sketch schemes and illustrations

Photographs

Publicity material e.g. posters

Capability to utilise software and electronic facilities

ANNEX 2:

**TRANSPORT, LABOUR MOBILITY,
ENVIRONMENTAL SUSTAINABILITY AND
SUSTAINABLE DEVELOPMENT – INITIAL PART A
CONCERNS**

Transport, Labour Mobility, Environmental Sustainability and Sustainable Development – initial Part A Concerns

a) Transport and Labour Mobility

1. Poor analysis of transport issues
2. No explicit encouragement for modal shift
3. No reference to capacity constraints on rail and air modes
4. Inadequate consideration of cycling and walking as sustainable modes for internal movements.

b) Environmental Sustainability

- 1 Does not address issues of resource efficiency and pollution
- 2 Implication that there is no need to improve environmental performance rather ‘monitor and maintain’.
- 3 No consideration of use of environmental technologies/practices and how they could be integrated into project delivery (e.g. waste and water recycling, renewable energy, sustainable building design, etc.)

c) Sustainable Development

1. The Part A document including no framework for monitoring its impact upon sustainability objectives.