

16th July 2020

GatewayEast Economic Blueprint

Purpose of Report

This report presents the GatewayEast Economic Blueprint for discussion.

Thematic Priority

This report relates to the following Strategic Economic Plan priorities:

- Secure investment in infrastructure where it will do most to support growth.
- Facilitate and proactively support growth amongst existing firms.

Freedom of Information

The paper will be available under the Combined Authority Publication Scheme.

Recommendations

The Board is asked to:

- Note and comment on the content of the Blueprint.
- Agree the proposed next steps for implementation of the Blueprint.

1. Introduction

- 1.1** The Sheffield City Region LEP and MCA recognise the strategic importance of Doncaster Sheffield Airport (DSA) to the future economic and social growth of the region. This is captured in the draft Strategic Economic Plan (SEP) which identified the airport, and the surrounding GatewayEast site, as a key growth area which has the potential for over 2,000 new homes and over 50ha of employment space.
- 1.2** The importance of DSA is reflected in the investments which SCR has made in unlocking its potential over several years. Following the investment made in the Great Yorkshire Way, over the past 18 months SCR has approved investment at DSA in the form of two Local Growth Fund loans. The first loan of £3.5m was awarded in 2019 to invest in car park capacity expansion, and the second loan of £5m was awarded earlier in 2020 towards a £10m extension and reconfiguration of the terminal building. The investments support DSA in its passenger growth ambitions
- 1.3** When the second loan was approved, it was agreed that there was a need to work with Peel Group, as the owners of the airport, to begin to set out a high-level statement of intention for how we achieve the next stage of growth. This report, and the accompanying draft GatewayEast Blueprint, is the first step in that process and is also intended to be the first of a series of similar Blueprints for other SEP Growth Areas.

2. Proposal and Justification

- 2.1 The 2018 DSA Masterplan sets out a diverse proposition for a circa. 1m sqm sustainable mixed-use community, as part of the submission into the development of the Doncaster Local Plan. The surrounding site, now called GatewayEast, provides an opportunity which extends to c.543,000 sqm (c.5.85m sqft) of commercial development over and above what already exists, together with up to 3,000 new market and affordable homes, the first 1,200 of which are expected to be delivered during the Local Plan Period up to 2035.
- 2.2 In line with the proposals set out in the SEP, the core ambition is for GatewayEast to develop as an innovation-led growth cluster, linked to the development of a more sustainable aviation industry.
- 2.3 The SEP refers to packages of infrastructure investment to unlock the opportunities of growth areas and this Blueprint will be the first of many setting out the ambition for each identified in the SEP. These Blueprints set out a high-level ambition for each growth area, setting out their economic purpose and what role they will play in supporting City Region wide growth. They set a framework, which once agreed with the LEP and MCA, can form the basis for a programme level business case for the packages of infrastructure interventions required to unlock the opportunity identified.
- 2.4 In addition to GatewayEast's importance in delivering the objectives of the SCR SEP, national aviation policy and the Independent International Connectivity commission both encourage development of airports and ports as economic clusters to improve the productivity of the wider UK economy. In March 2020 the Government reaffirmed that 'Airport expansion is a core part of boosting our global connectivity and levelling up across the UK'.
- 2.5 A Government consultation is also underway, due to close on 13th July, seeking views on the establishment of a number of Freeports across the country. The consultation references regional airports as potential locations. A joint response is being prepared alongside a prospectus outlining the benefits of locating a Freeport at GatewayEast.
- 2.6 The GatewayEast Economic Blueprint sets out a roadmap for developing the innovation cluster opportunity structured around the 5 themes below. In addition to the ambitions outlined below it sets out what Peel, SCR and Doncaster Council will collaborate on over the coming years to bring forward the growth cluster
 1. **Developing a high value innovation cluster** – the ambition is for a fully integrated and collaborative research, development and training offer at GatewayEast, built on the core capabilities of SCR Universities and wider northern and midland region research strengths. This will not only bring innovation to existing already high value activities at GatewayEast, but it will also enable start-up and scale up companies to thrive and act as magnets for talent.
 2. **Sustainability** – Sustainability lies at the heart of SCR and Peel Group's policies and a 'land based' mitigation strategy will deliver a range of on the ground measures designed to ensure sustainable outcomes.
 3. **Connectivity** – Partners are committed to ensuring a financially sustainable and successful airport achieved through a modal shift in travel to and from the airport and GatewayEast, with a specific focus on new rail connectivity.
 4. **Land and development** – Given the significant land at GatewayEast, there is a need to identify the best delivery model to support the package of infrastructure required to unlock the proposed mixed use development of the Masterplan.
 5. **Airside growth**- The airside ambition is to ensure that DSA functions as an efficient and financially sustainable airport that not only attracts a high number of

airlines and passengers, but also provides an even stronger economic anchor for attracting, securing and catalysing growth of the aviation cluster.

- 2.7** The draft GatewayEast Economic Blueprint is attached at Appendix 1. Subject to the discussion at the LEP Board, it will then be finalised and agreed at the MCA in due course. Further detailed work will then be undertaken to take forward the five workstreams identified, including the infrastructure package required to achieve the shared objectives outlined in the Blueprint.

3. Consideration of alternative approaches

- 3.1** The Blueprint sets out a shared ambition for GatewayEast which supports the delivery of the SEP. In isolation none of the parties would be able to bring forward the transformational development necessary to achieve growth at GatewayEast and thereby maximise the opportunity for the wider SCR economy. This draft Blueprint is unique to GatewayEast, and it is expected that subsequent Blueprints for the other growth areas may follow a different format depending on the needs of that particular area.

4. Implications

4.1 Financial

There are no financial implications arising as a result of this report, however, the delivery of the GatewayEast Economic Blueprint may require future investment decisions that will be progressed in line with the SCR Assurance Framework.

4.2 Legal

There are no legal implications arising from this report.

4.3 Risk Management

Taking forward any specific actions from the Economic Blueprint will require a separate risk analysis.

4.4 Equality, Diversity and Social Inclusion

None arising from this report. The delivery of the GatewayEast Economic Blueprint will stimulate economic growth in SCR and therefore contribute to improving social inclusion.

5. Communication

- 5.1** It is not proposed to communicate the Economic Blueprint more widely at this stage, but as individual outcomes are achieved, and actions come forward for delivery there will be positive communication opportunities

6. Appendices/Annexes

Appendix 1 –Draft GatewayEast Economic Blueprint

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Background papers used in the preparation of this report are available for inspection at: 11 Broad Street West, Sheffield S1 2BQ. Other sources and references: N/A.