

## SCR Infrastructure Executive Board

Meeting Details: Thursday 3 September 2015, 10.00 am, Sheffield Town Hall

No	Item	Method	Speaker	Decision Required?	Page
1	Welcome and Apologies		Mayor Ros Jones		
2	SCR Infrastructure Executive Board Remit	Paper	Amy Harhoff	Yes	1 - 6
3	Devolution	Verbal	Mayor Ros Jones		
4	IEB Business Plan				7 - 18
5	SCRIF Business Case Recommendations	Paper	Neal Byers	Yes	19 - 24
6	SCRIF Programme Update	Paper	Neal Byers	Yes	25 - 42
7	IIP Update and Key Issues	Verbal	Amy Harhoff, John Mothersole		
8	EZ Recommendations - New Sites Proposal	Paper	Amy Harhoff	Yes	43 - 52
9	Minutes of the Last Meeting (24th July)	Paper			53 - 56
10	Any Other Business				
11	Date of Next Meeting				

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**SHEFFIELD CITY REGION INFRASTRUCTURE EXECUTIVE BOARD**  
**3<sup>rd</sup> SEPTEMBER 2015**  
**REVISED GOVERNANCE AND REMIT**

**Summary**

This paper updates Board Members with the outcomes of the discussion on revised governance, following the SCR CA AGM 22<sup>nd</sup> June 2015, and seeks any amendments to the high level remit, to produce more formalised terms of reference.

**1. Issue**

- 1.1. This paper provides an update to the Infrastructure Executive Board (previously advisory board) of the governance arrangements approved by the SCR CA regarding the establishment of Executive Board arrangements.

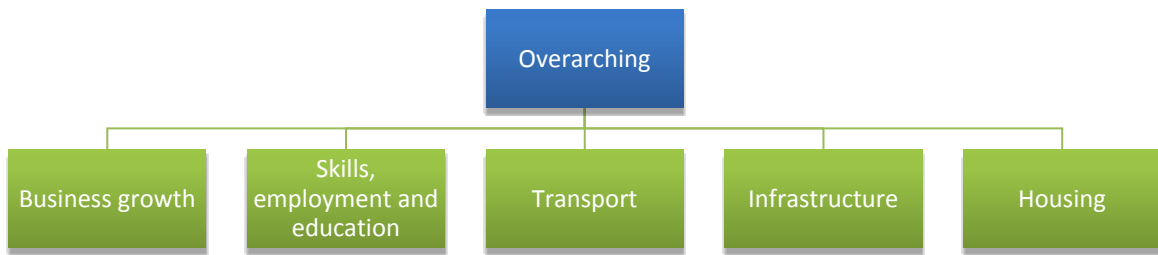
**2. Recommendations**

- 2.1. The Infrastructure Executive Board review the high level draft remit for the Board and recommend additional terms of reference.
- 2.2. The Infrastructure Executive Board consider whether advisory members adopt a specific lead role for a part of the agenda, given the scope of the Board.

**3. Background**

- 3.1. Building on the proposals to strengthen the City Region's governance arrangements discussed with the CA on the 15<sup>th</sup> May and 30<sup>th</sup> March governance arrangements have been endorsed by the SCR CA. The governance structure will include five Executive Boards. This is shown in the revised governance diagram in the figure below.

Figure 1: The outline proposal for the overarching board and five Executive Boards



Notes: In addition there will be some sub boards e.g. Access to Finance to be agreed by the Executive Board once established

3.2. The make-up of the Board must include the six designated executive board members (2 private sector LEP Board members, 2 CEX, 2 Leaders) in addition to other advisory board members. The Executive Board leads in the respect are noted below, the chair of the board is Mayor Ros Jones:

- **Leaders** – Ros Jones (Mayor of Doncaster) John Burrows (Leader Chesterfield)
- **Chief Executives** - John Mothersole (SCC) and Neil Taylor (Bassetlaw)
- **Private Sector** – Chris Scholey and Martin McKervey

3.3. In addition to the five Executive Boards there will be some sub boards that provide recommendations and advice to the respective Executive Boards. A number of sub boards are already in operation and if any of these are to be disbanded or new boards established, this will need to be approved by the CA. The IEB significant work streams are noted below:

- SCR Integrated Infrastructure Plan
- SCR Investment Fund
- JESSICA and Growing places
- Broadband
- SCR Enterprise Zone
- Business Plan
- Devolution and future growth deals

3.4. It is also proposed that the remit of the Executive Boards is expanded. Therefore in addition to being responsible for the delivery of their elements of our Growth Deal, each Executive Board would also be responsible for the **development of policy and strategy** for their respective portfolios. This includes putting forward any future proposals for our Growth or Devolution Deals. Any new policies developed by these Boards would need to be ratified by the CA and LEP.

3.5. The full list of the initial **proposed portfolios** of the different Executive Boards are shown in the table below. Based on these proposed portfolios the subsequent financial allocations to the different Executive Boards from the City Region's Growth Deals are also included for reference.

Table 1: The proposed portfolios of the different Executive Boards

Board	Business Growth	Skills, employment and education	Transport	Infrastructure	Housing
Portfolio	<ul style="list-style-type: none"> <li>• Growth Hub</li> <li>• Centres of Expertise</li> <li>• Inward investment</li> <li>• Rural</li> <li>• Enterprise Zone incentives</li> </ul>	<ul style="list-style-type: none"> <li>• Skills</li> <li>• Employment</li> <li>• Education</li> </ul>	<ul style="list-style-type: none"> <li>• Transport for the North</li> <li>• Rail North</li> <li>• HS2</li> <li>• Commissioning body for Transport Committee</li> </ul>	<ul style="list-style-type: none"> <li>• SCRIF (and other funds e.g. GPF / JESSICA)</li> <li>• IIP</li> <li>• Broadband</li> <li>• Enterprise Zone</li> </ul>	<ul style="list-style-type: none"> <li>• Housing and Residential offer</li> <li>• Joint Assets Board</li> </ul>
Growth Deal allocations	<ul style="list-style-type: none"> <li>• Growth Hub £4.5m</li> <li>• RGF £52m</li> </ul>	<ul style="list-style-type: none"> <li>• AGE £2.4m</li> <li>• Skills Bank £21.7m</li> <li>• Skills Capital £28m</li> </ul>	<ul style="list-style-type: none"> <li>• STEP and MML £24.6m</li> <li>• Supertram Renewal £1m</li> </ul>	<ul style="list-style-type: none"> <li>• SCRIF £211m</li> <li>• Enterprise Zone Accelerator £5m</li> </ul>	

- 3.6. Each of the Executive Boards will also require terms of reference to be produced that set out their roles, responsibilities and the processes by which they will operate. As a starting point for the development of these terms of reference the ***broad remit of the new Executive Boards*** is set out at Annex A. This identifies the key, overarching, principles that will apply to the activities undertaken by all Executive Boards.
- 3.7. As a result of the legislation by which the SCR CA was established the delegations made from the CA to the Executive Boards will need to reside with an officer(s) of the Combined Authority. As defined in the SCR CA's Constitution this is one of the eight local authority Chief Executives and / or the SCR's Monitoring Officer, Section 151 Officer or Head of Paid Service. For the first 12 months these delegations will sit with the lead Chief Executive(s) for the respective Thematic Board and the SCR Head of Paid Service.

## 4. Implications

### i. Financial

- 4.1. SCR CA to formally agree the level of financial delegation.
- 4.2. All financial decisions to be signed off collectively by the Skills Board lead CEX and SCR Exec Head of Paid Service.

### ii. Legal

- 4.3. SCR CA constitutional changes underway to revise the scheme to recognise the Executive Boards.

iii. Diversity

4.4. There are no diversity implications of this report.

iv. Equality

4.5. There are no equality implications of this report.

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## **Annex A: Draft Remit**

### **Annex A - Proposed remit of all Executive Boards**

#### **Strategy and Policy**

1. Design and develop the SCR strategy and policy for all aspects of the programme, in line with the ambitions of the SEP, including for future Growth and Devolution Deals.
2. Review economic intelligence and evidence of SCR economic performance and identify propositions to accelerate growth.
3. Develop and lead stakeholder management and partnership arrangements.
4. Specially to deliver the SCR IIP and associated plans for a broad range of infrastructure.
5. Specifically to Deliver policy for Enterprise Zones

#### **Programme Delivery**

1. Oversee and operationalise the delivery of programmes included in the SCR City Deal, Growth Deal settlement and devolution deals.
2. Sign off of budget for programmes, in line with the scheme of delegations approved by the SCR CA.
3. Commission activity to ensure programme delivery and implementation.
4. Specifically to deliver the SCRIF £212m
5. Specifically to deliver and recycle the JESSICA/Growing places interventions £18m GPF combined £13m EU funding (£23m accounted as JESSICA with £8M GPF all revolving)

#### **Performance and Risk Management**

1. Review programme performance.
2. Identify and recommend mitigations for any programme risks or poor performance.
3. Escalate any strategic, policy or programme risks to the LEP Board and SCR CA.

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# Sheffield City Region Business Plan: 2015/16

**Comment [a1]:** Timescale of wider business plan, subject to further discussion with the CA, Based on feedback at the previous board, we have sought to pitch this document to 2021 at the high level



# Contents

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## Executive summary - FB

1. Introduction – FB
2. Context - FB
3. Vision and Objectives – FB
4. Economic Infrastructure – AH/ NB
5. Better Skills – RA / CB
6. Business Growth – DH / AH
7. Cross-cutting themes – SC / ED

Appendix A: SCR Forward Plan

Appendix B: Project plan by theme – all theme leads

Appendix C: Investment plan by theme – all theme leads

# Economic Infrastructure

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## 1.1. Our Ambition: what are we trying to achieve?

*[What is it that we are trying to do within the theme as a whole?]*

Infrastructure investment drives economic growth. To maximise GVA, job and business creation as well as tackling some of the Sheffield City Region's underlying productivity challenges we need to:

- Deliver a set of infrastructure projects that secure real economic growth to enable 7,000-10,000 additional homes to be built and to support the creation of 70,000 (30,00 high skilled) additional jobs by 2024
- Put in place a long-term strategy that enables the City Region to commission and align infrastructure investment across transport, housing, commercial property, energy and utilities.
- Secure for the SCR the additional freedoms and flexibility, funding and powers that successful City Regions need to support economic growth.
- Position the Sheffield City Region at the heart of the pan northern agenda and Northern Powerhouse 2050 by leveraging the SCR's position as part of the Northern Transport works and wider infrastructure planning.
- Ensure that the role that infrastructure plays in job and business creation is effectively aligned, for example ensuring that SCR residents and businesses have the right skills and opportunities to access the opportunities being generated.

Our programme of activity through SCRIF targets the strategic transformational infrastructure interventions that underpin growth in our key sectors with investments targeted to be **delivered 2015-2021**.

Building on the success of the current SCRIF (Sheffield City Region Investment Fund), Through SCR IIP we will create an integrated commissioning model for both the infrastructure and investment model and in doing so will ensure that benefits create a sum that is greater than the parts.

Our plans will not be driven by responding to problems or predict and provide, but will seek to bring forward investment that ensures that issues don't prevail, we will therefore be an the vanguard of forward planning, and ambitious plans that differentiate the SCR. We will

- **Address constraints and barriers (short-term)**
- **Provide infrastructure to stimulate growth and bring forward nationally competitive position (medium –term)**
- **Provide infrastructure that makes the SCR a globally competitive economic force**

The Infrastructure Executive Board will work collaboratively with the Housing and Transport Executive Board, to enable integration and coordination of policy and investment aspirations.

It will also be responsible for ensuring key work relation to wider spatial planning is delivered coherently with due regard for respective work streams and the outcome of the devolution deals. Ensuring the linkages and integration with the wide span of related themes is critical to generating cohesive proposals where the whole is greater than the sum of its component parts.

## 1.2. What are our key investments in 2015- 2021 to help achieve this?

*[Put simply – what are we going to do this year to help realise our vision?]*

A number of important infrastructure investments are underway, supporting the economy through access to employment and housing, improving transport capacity and access, digital connectivity, flood alleviation and public realm.

Our key fund for the delivery of capital infrastructure (including transport and housing) is SCRIF (The Sheffield City Region Investment Fund) this fund underpins the first stage of our economic transformation with 15 investments outlined to 2021 worth £600m (£212m LGF) and 9 schemes to commence in 2015/16 with a spend of £29m.

Therefore for 2015/16 we are focused on delivering both on the forward plan and securing new investments and ensuring the effective delivery and outcomes of our current programme.

Beyond 2016 we are focused on continued delivery of our SCRIF programme to 2021, with a peak spend in 2018. For new investment post 2016 we will have a focused set of significant investments to build on the current investment package and drive growth.

### **Key Investments in 2015/16**

#### **SCR IIP Delivery**

- Complete Development of SCR IIP to be a nationally recognised Integrated Plan October 2015.
- Complete the commissioning framework to support the development of the next generation of infrastructure investments October 2015.
- Commence scheme commissioning to define the next investment package November 2015
- Agree the financing framework (expanded SCRIF) to secure the schemes. February 2016
- Commission schemes and interventions October 2015- April 2016
- Assess a new appraised programme April 2016-August 2016
- Confirm new capital programme September 2016

- Move to delivery September 2016

#### **Sheffield City Region Investment Fund Delivery**

- SCRIF to deliver nine infrastructure projects by April 2016
- To manage the programme and ensure the profiled spend of £29m by 2016
- To manage the JESSICA / GPF revolving fund of £31m and contractually commit the whole fund in 2015/16
- Continued management to ensure delivery beyond 2015/16
- Deliver business cases planned 15 investment schemes 2015-2021
- Deliver capital spend £212m plus c£400m match 2021

#### **Sheffield City Region Pipeline Schemes (Mini Commission)**

- To provide a pipeline of deliverable investments (2015-18) to support the effective programme management and continued economic outcomes
- A GVA prioritised scheme list in September 2015. Schemes programmed where applicable
- Move to delivery October 2015

#### **Sheffield City Region Enterprise Zone**

- To deliver new inward investment to key EZ locations and secure associated business rate revenue
- To secure funds for infrastructure investment 2015/16
- To deliver a strong forward forecast for revenue receipts 2015-2021
- To support EZ investment through the IIP April 2015- April 2021

#### **Spatial Planning Joint Evidence**

- To deliver a joint spatial evidence underpinning the SCR IIP and wider use to scope discussions for joint spatial planning
- FLUTE evidence base August 2015
- Support CA to form a view on joint spatial options as part of a wider devolution discussion October 2015 – Onward
- Respond and drive devolution September 2015

#### **Sheffield City Region additional support research IIP**

- To deliver a supporting set of evidence for historical spends on infrastructure and the labour market to deliver future.
- Investments Skills analysis report August 2015
- Update to respond to devolution September 2015
- Funding analysis report August 2015

#### **Cross cutting narrative (Relationship to Housing and Transport)**

A number of wider works within transport and housing will need to either influence the work of the IEB or be influenced by the work within the IEB, the key matrix to articulate this is highlighted in Appendix B, the main investments for 2015/16 are:

- Development HS2 proposition Summer 2015
- Ensure SCR engaged in transport for the North and Rail North(ongoing)
- Refresh SCR transport strategy (Autumn 2015)
- Development of Bus partnerships (ongoing)
- Mou with Highway England (Autumn 2015)
- Delivery of STEP programme (£23m overall) – £3m 2015/16
- Housing Demand Assessment
- Housing Pipeline of sites
- Housing Marketing and Perceptions, engagement and communication
- Housing Infrastructure and Spatial Implications (analysed through SCR IIP)
- Housing Finance and Investment (analysed through SCR IIP)

### 1.3. What are the key milestones?

*[What do we need to do by when – these should be the big, high level milestones with a detailed action plan about how we get there included in the appendix]*

The 2015/16 Infrastructure milestones are outlined by policy and research and physical capital investments in infrastructure

Milestones (Policy and Research)	By Whom	By When
FLUTE evidence base	Amy Harhoff	August 2015
Wider scoping note on spatial planning options	Amy Harhoff	September 2015
SCR IIP strategy and commissioning model	Amy Harhoff	October 2015
SCR IIP Commence commissioning investments	Amy Harhoff	November 2015
An expanded SCRIF to include wider funding sources	Amy Harhoff	March 2016
Earn Back and wider devolution	Amy Harhoff	December 2015 (TBC CA)
A clear position on the relationship of investments with our labour market	Veena Prajapati	September 2015
A clear analysis of historical spend and benefit	Veena Prajapati	September 2015
Deliver an agreed pipeline (mini-commission)	Amy Harhoff	September 2015
Further Devolution (Earn Back, planning)	Amy Harhoff	TBC
Wider EZ investment fund linked to SCR IIP Employment Sites	Susan Mahon/Amy Harhoff	March 2016
EZ site delivery and occupation	Susan Mahon	TBC
Further EZ freedoms through Devolution??	Susan Mahon	TBC

**Comment [a2]:** Table to be updated by theme leads when new period to 2021 is agreed

Milestone (Capital Investments)	By Whom	By When
Overall programme management SCRIF	Neal Byers (SCR)	
<b>Construction commenced on the following SCRIF schemes:</b>		
M1 J36 Dearne Valley	BMBC	Dec-15
Sheffield City Centre	SCC	Apr-15*
Upper Don Valley	SCC	Jan-16
Doncaster Urban Centre	DMBC	Oct-15
Harworth Bircotes	BDC	Feb-16
Worksop Vesuvius	BDC	Feb-16
Superfast Broadband	BMBC	July-15*
Seymour Link Markham Vale	DCC	Dec-15
Chesterfield Waterside	CDC	Jan-16
<b>Development of business cases on the following schemes:</b>		
M1 J37 Claycliffe Link (Stage 1A)	BMBC	Dec-15
Chesterfield Northern Gateway (Stage 2)	CDC	Mar-16
FARRRS (Stage 1B)	DMBC	Jun-15*
DN7 – Hatfield Link (Stage 1B)	DMBC	May-15*
Westmoor Link (Stage 1A)	DMBC	Apr-16
Lower Don Valley (Stage 1B)	RMBC	Dec-15
Overall Capital Management JESSICA/GPF	Ben Morley (SCR)	
Secure first round investment deadline extension for JESSICA	Ben Morley	Sept -15
Contractually commit remaining GPF and JESSICA unallocated funds	Ben Morley	Oct -15
Review JESSICA investment strategy	Ben Morley	March -15

\*Milestone in 2015/16 business year already achieved

#### 1.4. What benefits will this ultimately deliver?

*[What are the total benefits of the proposed intervention? Must be measurable and quantified]*

- SCR IIP will deliver a new investment package worth £1bn
- SCR IIP will deliver (additional to SCRIF) investments to underpin 34,000 jobs to 2024
- SCR IIP will deliver 15,000 houses to 2024
- SCRIF will deliver 24,000 jobs and 1.9m new commercial floor space to 2024, 60% of the jobs delivered will be in higher skilled occupations.
- SCRIF will deliver 13,300 new homes to 2024
- The SCR EZ will support the delivery of 10,000 jobs by 2024

**Comment [a3]:** Numbers noted as examples only at this stage and until the outcomes of SCR IIP

- JESSICA and GPF (first round of investments in a revolving fund) will deliver 39, 700 sqm of new commercial property floor space and accommodate 16,900 jobs.

## 1.5. What outcomes and outputs will be generated by the end of 2015/16 – 2021

*[What outcomes and outputs will be generated over the next year i.e. what will we have done by the end of the year as a result of the money we are putting in? Again must be measurable and quantified by quarter]*

**Comment [a4]:** CA to confirm revised business plan period

Intervention	Deliverables 2015/16	Outputs 2015/16	Outcomes 2015/16
Sheffield City Region IIP	<ul style="list-style-type: none"> <li>- The SCR IIP strategy and commissioning model</li> <li>- A pipeline of future investments</li> <li>- Proposals for additional funding models</li> </ul>	A new deal with government (earn back)	National profile for the SCR as a leading deliverer and developer of infrastructure.
Sheffield City Region Investment Fund	<ul style="list-style-type: none"> <li>- Ensure 9 scheme commence construction by April 2016</li> <li>- To manage the programme and ensure the profiled spend by April 2016</li> <li>- To manage the JESSICA/GPF revolving fund (£31m)</li> <li>- Schemes programmed where applicable</li> <li>- Joint spatial evidence</li> </ul>	<ul style="list-style-type: none"> <li>- 206 gross FTE construction job years</li> <li>- 17 FTE jobs</li> <li>- GVA £9.94m</li> <li>- 538 gross FTE construction job years 2016-2020</li> <li>- 24,000 jobs, 14,000 houses and £5.3bn GVA by 2024</li> <li>- JESSICA output is 28,900 sqm commercial floor space</li> </ul>	<ul style="list-style-type: none"> <li>- 514 gross FTE construction job year</li> <li>- 414 FTE jobs</li> <li>- GVA £0.34m</li> <li>- 23,503 commercial floor space</li> <li>- 3,989 Housing Units</li> <li>- JESSICA outcome is 2,4040 jobs accommodated</li> </ul>
SCR Pipeline Schemes	<ul style="list-style-type: none"> <li>- A GVA prioritised scheme list September 2015</li> <li>- Schemes programmed where applicable</li> </ul>	TBC depending on schemes brought forward.	TBC depending on schemes brought forward.
Devolution (Current deal and potential)	<ul style="list-style-type: none"> <li>- MoU with Highways England</li> <li>- Bus QC style outcomes</li> <li>- Earn Back</li> <li>- Further investment through HCA Funds</li> <li>- Planning</li> </ul>	- A new deal for infrastructure and planning	TBC
SCR Enterprise Zone	<ul style="list-style-type: none"> <li>- We will have developed an</li> </ul>	<ul style="list-style-type: none"> <li>- Ensure there is</li> </ul>	Improved



	<p>EZ investment Fund to help fund development and encourage more investors to the SCR</p> <ul style="list-style-type: none"> <li>- Aim to increase the number of new businesses to the SCR Enterprise Zones that will support the creation of 10,000 jobs and increase business rate income</li> <li>- Aim to create indirect jobs as a result of increased productivity of existing companies redeveloping premises and making investment in plant and machinery</li> </ul>	<p>financial help available in 2016/17 to increase the number of businesses being developed</p> <ul style="list-style-type: none"> <li>- The marketing strategy will ensure the EZ is promoted to more investors and result in increased activity</li> </ul>	<p>marketing strategy will increase the interest in the EZ and result in an increase in enquires</p>
Spatial Planning Joint Evidence	<ul style="list-style-type: none"> <li>- FLUTE evidence base August 2015</li> <li>- Support CA to form a view on joint spatial options</li> </ul>	TBC	TBC
SCR additional support research IIP	<ul style="list-style-type: none"> <li>- Skills analysis report August 2015</li> <li>- Funding Analysis report August 2015</li> </ul>	<p>Report evidencing the labour market required to deliver infrastructure investments</p> <p>Report on historical infrastructure spend in the SCR between 2004-2015</p>	<p>Raise awareness of the potential gaps in labour/skills to ensure an appropriate response to the issue</p> <p>Evidence of historical spend to support future investment and devolution</p>

## 1.6. What are the risks and how will we mitigate them?

Risk (Policy and Research)	Mitigating Action	By When
Securing agreement for the IIP	Strong partner engagement, communication and governance	Oct 2015
Resource to develop and prioritise the next generation of schemes	Making the case early and investigating top slice options	Oct 2015
Partner agreement for a new funding package that includes loans and higher risk options	Strong working with DOF and early discussions with the CA	On going
Timescale for the development of the EZ fund	Establish an EZ working group and work with consultants to develop a funding model to be available early 2016/2017	March 2016
Ensuring critical links with Transport and Housing Executive Boards	IAB to meet later in the 3 <sup>rd</sup> week cycle to ensure SCRIF and SCR IIP are shaped by related boards, take cross cutting issues to CEX	Ongoing

Risk (Capital Investments)	Mitigating Action	By When
Lack of promoter resource	Ongoing engagement to monitor and examine progress	Quarterly
Lack of CIAT resource	Supplier framework in place and programme office to be established	Dec-15
Lack of Programme Management resource	Creation of the programme office	Dec-15
Significant changes to project scope	Programme management controls in place	Dec-15
Limited insight to promoter risks	Proactive engagement with promoters	On-going
Credibility with government if underspent	TBC	
JESSICA/GPF:	TBC	
Lack of appetite for commercial development	Promotion of development opportunities and improving image of SCR to invest	On-going
Market failure makes private sector investment unviable	Potential use of SCRIF and GPF and Local Authority covenants to address viability gap	On-going
Decline in property demand.	SCRInvest and LA Teams actively working with inward investors and companies wishing to relocate	On-going
Selection of poor projects to invest in.	Assurance framework for SCRIF and governance of JESSICA/GPF with oversight of the IAB	On going

### Cost of the plan to deliver in 2015/16

TBC

**Appendix 4 Cross Cutting Links and Relationships – Infrastructure, Housing and Transport.**

Output	Infrastructure	Transport	Housing
SCR Integrated Infrastructure Plan	Owner	Advisor	Advisor
SCR Joint Spatial Evidence	Owner	Advisor	Advisor
SCR Transport Strategy Refresh	Advisor	Owner	
SCR Modelling Strategy	Advisor	Owner	Advisor
HS2 Connectivity Package		Owner	

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**SHEFFIELD CITY REGION INFRASTRUCTURE EXECUTIVE BOARD**  
**3 September 2015**  
**AGENDA ITEM 3**  
**Recommendation from the CIAT for M1 J36 Phase 1 Hoyland and Seymour Link Road**  
**business cases**

**Summary**

This paper sets out the recommendation of the CIAT for: M1 J36 Phase 1 Hoyland and Seymour Link Road, both schemes are seeking to move to full approval.

**1. Issue**

1.1. This paper sets out a recommendation for **M1 J36 Phase 1 Hoyland and Seymour Link Road**.

**2. Recommendations**

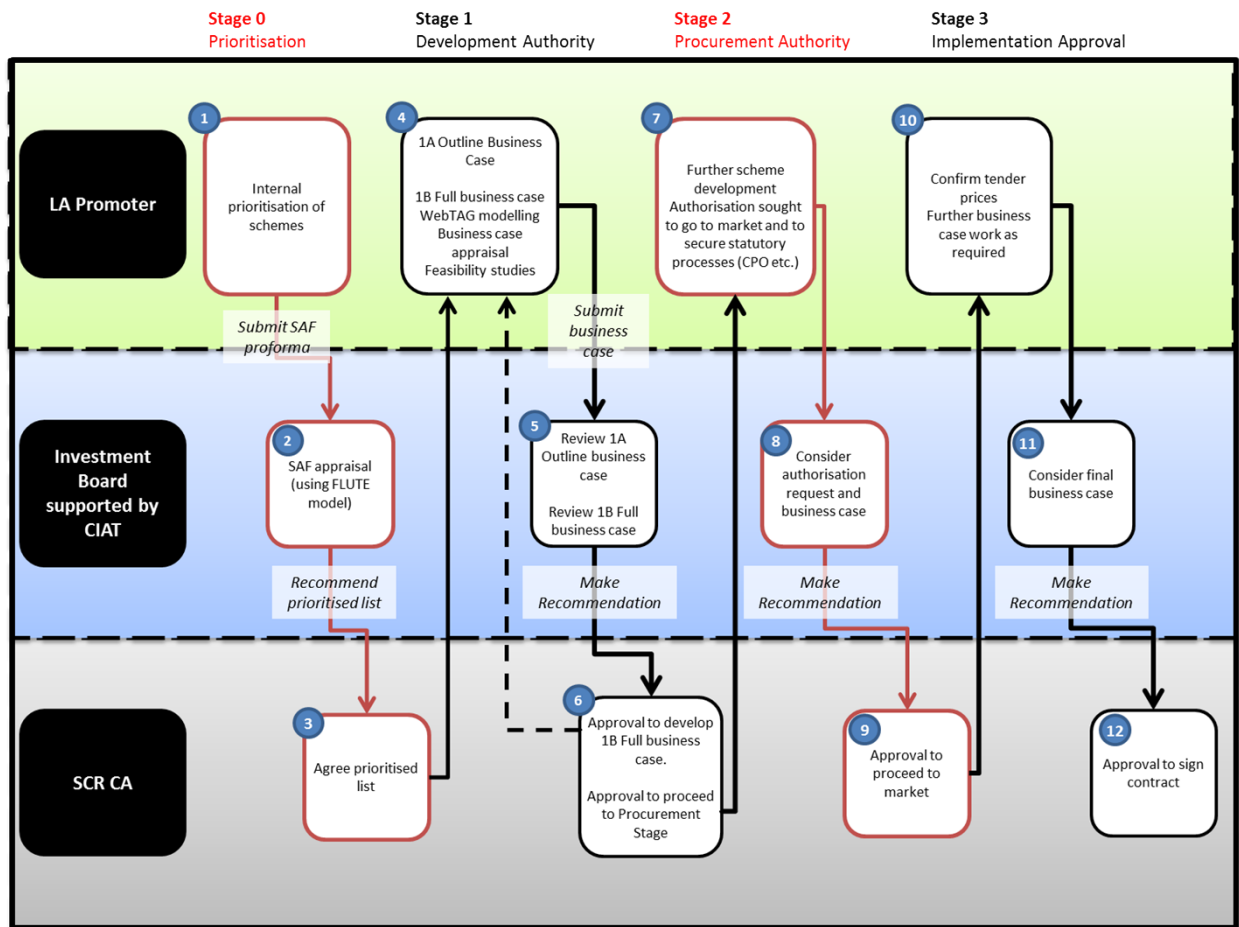
Infrastructure Advisory Board members are asked to:

- 2.1. Agree the recommendation on the **M1 J36 Phase 1 Hoyland** to progress to Full Approval. This recommendation will then be for consideration by the Combined Authority as it seeks to enter into a funding agreement.
- 2.2. Agree the recommendation on the **Seymour Link Road** to progress to Full Approval. This recommendation will then be for consideration by the Combined Authority as it seeks to enter into a funding agreement.

**3. Background Information**

- 3.1. Each of the schemes in the SCRIF programme is current being progressed through the SCR Assurance Framework. The Assurance Framework was developed in consultation with Local Authority partners, Government Departments and experts in the field of business case development and appraisal. This Framework establishes a robust, transparent and efficient process for taking investment decisions. The stages of the Assurance Framework are set out in Figure 1. The Assurance Framework Documentation is provided online <http://sheffieldcityregion.org.uk/investment-fund-assurance-framework>.

**Figure 1 Assurance Framework Process**



3.2. The following section summarises the recommendation for the **M1 J36 Phase 1 Hoyland and Seymour Link Road**.

**M1 J36 Phase 1 Hoyland**

3.3. Barnsley MBC is seeking £17.1 SCRIF investment to support four work packages of activity at M1 Junction 36 in Hoyland – Work package 1 will address major infrastructure requirements around M1 J36 whilst work packages 2,3 and 4 will address viability requirements for key employment sites. SCRIF funding is sought as part of a total scheme cost of £57m and is linked to a second phase of improvements at Goldthorpe that will be assessed via a separate 1B submission. The scheme is forecast to create 4,744 new jobs on the sites brought forward directly as a result of this specific project in Hoyland, 1545 of which by 2024.

3.4. The scheme is of local, regional and national significance given the forecast employment impacts. It is recognised as one of seven spatial priorities by the Sheffield City Region in its Strategic Economic Plan. The business case demonstrates the fit between the scheme and policy at all spatial levels. The fit with national policy is strong given the focus on growth and connectivity. The fit with local policy is strong given the scheme forecast employment impacts. It will therefore help to deliver the aspirations within the Sheffield City Region’s Strategic Economic Plan and the Barnsley Jobs and Business Plan.

3.5. The market failure argument for the development of employment land is clearly identified and evidenced. A range of evidence has been used to identify constraining issues with the current supply of employment land and floor space that acts as a brake on employment and economic growth. Similarly the short term demand case is well made

with a range of evidence provided to demonstrate demand be it within a context of market failure where project viability is only achieved with public subsidy.

- 3.6. Realising the scheme outcomes carries a high level of risk and is reliant on future development outside of the scheme remit. This is heightened due to changes to the Local Plan timescales means that the point at which development of sites can commence is delayed. To manage this risk SCR is proposing to implement a performance based clawback mechanism as part of the funding agreement. This will incentivise both the scheme promotor and developer partners to deliver not only the outputs, but also the outcomes. BMBC has prepared a comprehensive Developer Agreement which has been agreed with all developer partners to share the risks.
- 3.7. The Combined Authority has previously considered the full business case for the scheme. The recommendation to progress the scheme identified a number of areas for improvement which need to be addressed before the scheme could be given full approval. The following highlights the areas for improvement previously identified and the extent to which these have now been satisfied:
1. In order to protect and ensure that the SCRIF funding is used effectively and for consistency with previous recommendations on other schemes we would suggest that any investment by SCRIF in the scheme is structured to include a clawback mechanism.
    - A performance-based clawback arrangement has been agreed with BMBC that will incentivise the scheme promoter to ensure delivery of the outcomes. This has been reinforced by the scheme promoter who has entered into a Developer Agreement with the relevant partners to share the risk.
  2. Further work to improve the transport economic case
    - A revised transport economic case has been provided and at the time of writing this is being scrutinised. The evidence indicates a Benefit Cost Ratio of 2.94, this represents good value for money in transport terms and supports the overall economic contribution that scheme can make. The extent to which the CIAT accept this revised evidence will be set out at the meeting.
- 3.8. Subject to confirmation of the transport economic case, the scheme promoter has now satisfied the CIAT that the scheme is likely to provide value for money, has a strong strategic case and is deliverable. **It is recommended to the SCR Infrastructure Executive Board to provide full approval for the scheme up to £17.1m.**

### **Seymour Link Road**

- 3.9. The project is to construct the Seymour Link Road between junction 29A of the M1 and development plots at Markham Vale North, part of the Sheffield City Region's Markham Vale Enterprise Zone. The Seymour Link Road will access 33 ha of 'oven-ready' serviced plots being supported with a £14.2m Capital Grant Fund (CGF) award from DCLG. Derbyshire County Council (DCC) is leading the project and is seeking £3.78m from SCRIF matching another 50% from D2N2 £2.52m and £1.26m from DCC. D2N2 has already approved their share of the link road investment at the August meeting of their Infrastructure Investment Board.
- 3.10. The strategic rationale for SCRIF investment is embedded in Enterprise Zone policy and the delivery of Markham Vale as a key strategic spatial priorities in the Strategic Economic Plan, providing a major inward investment location targeting the manufacturing, technology, environmental and logistics sectors. Markham Vale as a strategic initiative however long pre-dates its Enterprise Zone designation in 2012. Total job potential is estimated at 1,234 net additional jobs related to the SCRIF application for a seven year period from 2015/16.

- 3.11. The investment in Seymour Link Road will support the unlocking of a strategically important development site at Markham Vale North, which has a good strategic rationale for public sector investment and which is being supported by a £14.2m investment from DCLG through the Enterprise Zone Capital Grant Fund. The scale of the commercial development proposed and the potential employment and GVA benefits of over £300m by 2024 are significant and could make a considerable contribution to economic growth in the City Region. If these benefits are realised in the timescales proposed within this business case, then the SCRIF investment as part of the wider public sector funding package will represent very good value for money.
- 3.12. The Combined Authority has previously considered the full business case for the scheme. The recommendation to progress the scheme identified a number of areas for improvement which need to be addressed before the scheme could be given full approval. The following highlights the areas for improvement previously identified and the extent to which these have now been satisfied:
1. A revised set of project objectives is produced which are appropriate for measuring the progress and success of SCR's investment;
    - The business case has been revised and improved to set out clear objectives, importantly separating out the objectives that relate to SCRIF investment and those that relate to the EZ Accelerator activity. The business case now provides a clear set of outputs and outcomes that will be reflected in the funding agreement and used to monitor the success of the investment.
  2. Up-dated market commentary outlining what enquiries / interest / agreements have been reached with occupiers during 2014 up-dating the market analysis dated October/November 2013) presented within the business case;
    - An updated market assessment has now been provided which demonstrates an immediate demand for the plots that are unlocked by the link road. The evidence provides a high level of confidence that once the public sector investment is complete that above ground development will commence. The promoter will need to ensure consistent effort to market the site to achieve full take-up, a new brochure for the Northern part of the site has been produced and supplied as part of the evidence.
    - Terms have now been agreed for the construction of a 220,000 sq. ft building on Seymour. This development will be the first plot to be taken on the northern phase of Markham Vale and shows a continuing level of interest. However, this development is critical on completing the Seymour Link Road. The Earthworks contractor is currently on site creating the development plots (financed by the EZ CGF).
    - Evidence provided by the promoter indicates that in addition to information provided in the schedule, enquiries continue to come in and currently are in the range of 25,000 sq. ft. to 50,000 sq.ft and also 200,000 sq ft to 250,000 sq. ft.
  3. Adequately detailed cost plans are provided including tendered prices for the work, cost breakdowns and timed cost plans demonstrating that the Seymour Link Road can be delivered within the £7.56m estimated budget cost;
    - The Target cost Price from the delivery partner is being prepared and will be issued to DCC on Friday 28th August. Evidence has been provided that the scheme has a detailed cost plan and the outcome of communication between the scheme promoter and delivery partner will be provided at the meeting.
  4. Written details are provided of the other match funding agreements and commitments and clarification of whether they have any conditions that have to be satisfied before funding can be drawn-down, to include details / clarification of the interdependency with SCRIF investment;
    - D2N2 has already approved their share of the link road investment at the August meeting of their Infrastructure Investment Board, details are provided within the minutes of the D2N2 board. DCC has confirmed their contribution and that none of the funding provided for the road has conditions that could impinge on the delivery of the scheme.



5. A project management plan is produced to include the roles and responsibilities of individuals and partner organisations;
  - A full project management plan has been produced and provided to support the scheme. This sets this investment within the wider Markham Vale programme. The plan is clear and robust, providing a high level of confidence that the scheme is deliverable and that foreseeable risks can be mitigated.
6. A project timetable is produced to include procurement timetable, itemised key tasks and delivery milestones;
  - A full task list has been provided which builds on the project management plan. This provides further confidence that the scheme is deliverable. The scheme promoter has also committed to provide updated project timetables as required.
7. A full risk register is produced identifying individual risks, likelihood, impact, mitigating / management measures, and individual responsibilities
  - A full and updated risk register has been provided to support the business case. This identifies a total foreseeable risk value of 632,450 and a clear set of mitigation actions and risk owners. As with the task list the scheme promoter has committed to provide an updated register if required.

3.13. The scheme promoter has now satisfied the CIAT that the scheme is likely to provide value for money, has a strong strategic case and is deliverable. **It is recommended to the SCR Infrastructure Executive Board to provide full approval for the scheme up to £3.78m.**

#### 4. Implications

##### Financial

- 1.1. Barnsley Metropolitan Borough Council will be seeking to enter into a funding agreement with SCR CA for the M1 J36 scheme and Derbyshire County Council for the Seymour Link scheme. The SCR Finance Manager has programmed this spend within the SCR capital programme and funding is available if the scheme is given approval.

##### Legal

- 1.2. The funding agreement for both schemes will be prepared by SCR CA lawyers. The promoters will be consulted on the terms of the agreement such that if approved all parties are clear on the basis of the funding agreement.

##### Diversity

- 1.3. There are no diversity implications arising from this report.

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**Other sources and references:**

**None**

**ANNEX / APPENDIX:**

**Appendix A Comparison of business case evidence and FLUTE testing**

## Appendix A Comparison of business case evidence and FLUTE testing

1. As more of the schemes in the programme are approved and partners look to develop the next set of proposals it will be important to look back at how the Assurance Framework has helped to support decision making.
2. The first step of the process is prioritisation through FLUTE. A full comparison cannot not yet be made across the programme, however the following provides some information about the scheme set out in this paper and how the forecast GVA for these schemes in FLUTE compares to the assessments made by the scheme promoter in the business case.

Scheme name	GVA contribution to SCR (£m)	
	Stage 0 (FLUTE)	Stage 1B Full business case
M1 Junction 36 TOTAL	3664	
M1 Junction 36 - Hoyland Phase 1		3380
M1 Junction 36 - Goldthorpe Phase 2		to be developed
Seymour Link	70	344.4

3. The table shows that FLUTE is estimating a lower level of GVA compared to the business cases provided by the scheme promoter. It is suggested that this is likely to be due to the following element.
  - As a business case moves from Stage 0 to Stage 1B a significant amount of work is done by the scheme promoter to examine the commercial case for investment and to confirm commitment from developers. This evidence is not available at Stage 0.
  - Some of the benefits claims are in the longer term (post 2024). Further analysis is needed to understand the extent to which benefits are in the very longer-term. Changes to the business case template are being considered to support this understanding.
  - Scheme promoters tend to overestimate the benefit of their scheme, particularly in terms of take-up and timing.
  - FLUTE has a more comprehensive (geographic) model for assessing competition for demand so will tend to consider sites from a wider catchment than a scheme promoter.
4. Further analysis will be required across a wider number of project to draw more robust conclusions on any improvements that can be made to the Assurance Framework.

**SHEFFIELD CITY REGION INFRASTRUCTURE EXECUTIVE BOARD**  
**3 September 2015**  
**AGENDA ITEM**  
**SCRIF Programme Management**

**Summary**

This paper provides an update on the current SCRIF programme and sets out a number of options to manage the programme.

**1. Issue**

- 1.1. To update partners on the SCRIF programme and risk assessment.

**2. Recommendations**

The Infrastructure Executive Board is asked to:

- 2.1. Note the current programme update, risks and exception reports
- 2.2. Agree to require all scheme promoters to provide regular highlight reports, with the first deadline for this being 18 September 2015
- 2.3. Agree the next steps set out in Table 3 for managing programme slippage

**3. Background**

**Programme summary**

- 3.1. SCR partners are currently progressing with the business case development of 15 transformational infrastructure schemes. The emphasis is now on progressing each of the schemes through the agreed business case appraisal process, to delivery. Some of the schemes have been split into their component projects to enable early delivery of those parts that are most certain.
- 3.2. This section of the paper sets out the progress report for SCRIF. SCR are currently developing the programme management systems to improve the management of the Strategic Economic Plan and SCRIF. The reports presented to IEB will evolve overtime to adopt the agreed system.

**Table 1 Programme highlight report**

Project	Next Milestone	Status	Completion Date	Status	Next Month's Key Actions
<b>M1 Junction 36 to Dearne Valley</b>	Commence delivery	<b>G</b>	Sep-15	Full approval presented for consideration of the Board	Delivery and reporting
<b>South Yorkshire Superfast Broadband</b>	Commence delivery	<b>G</b>	Sep-15	Mobilisation	Delivery and reporting
<b>Seymour Link – Markham Vale</b>	Commence delivery	<b>G</b>	Sep-15	Full approval presented for consideration of the Board	Delivery and reporting
<b>Sheffield City Centre</b>	Grey to Green – In Construction	<b>G</b>	Dec-15	First claim made	Delivery and reporting
	University of Sheffield - Stage 2 – confirm tender price	<b>A</b>	Sep-15	Progress internal to promoter	Confirmation of tender prices and funding agreement – carried over
	New Retail Quarter - Stage 1B – Full business case	<b>A</b>	Dec-15	Full business case to be developed	Promoter to present full business case for review
	Knowledge Gateway - Stage 1B – Full business case	<b>R</b>	Under review	At risk as milestone under review	Meeting with CIAT
<b>Chesterfield Waterside</b>	Stage 2 – Statutory processes	<b>A</b>	Oct-15	Progress internal to promoter	Promoter to confirm clawback proposition.
<b>Doncaster Urban Centre</b>	Stage 1B – Full business case	<b>A</b>	Oct-15	Revised Highlight report provided	Development of full business case
<b>Worksop and Vesuvius Works</b>	Stage 1B – Full business case	<b>G</b>	Nov-15	Progress internal to promoter	CIAT engagement to monitor progress
<b>Harworth Bircotes</b>	Stage 1B – Full business case	<b>G</b>	Nov-15	Progress internal to promoter	CIAT engagement to monitor progress
Upper Don Valley	Stage 1B – Full business case	<b>R</b>	Aug-15	Scheme to be de-scoped	Submission of 1B business case
FARRRS Phase 2	Stage 2 – Statutory processes	<b>G</b>	May-15	Submission of 1B business case	Begin statutory processes
Doncaster DN7	Stage 2 – Statutory processes	<b>G</b>	Oct-16	1B Business case approved	Begin statutory processes
Chesterfield Northern Gateway	Stage 1B – Full business case	<b>G</b>	Sep-15	Progress internal to promoter	CIAT engagement to monitor progress
M1 Junction 37 Claycliffe	Stage 1A – Outline business case	<b>A</b>	May-15	Submission of 1A Business case delayed	Development of full business case
West Moor Link Dualling	Stage 1A – Outline business case	<b>G</b>	Apr-16	Progress internal to promoter	CIAT engagement to monitor progress
Lower Don Valley	Stage 1A – Outline business case	<b>A</b>	Aug-15	1A business case to be submitted	Meeting with DfT on retained scheme

Table 2 Spend profile

Scheme	2015/16	2016/17	2017/18	2018/19	2019/2020	2020/2021	2021 onwards	Total SCRIF
<b>Barnsley M1 Junction 36</b>	£ 988	£ 10,212	£ 163	£ 5,708	£ 3,338	£ 4,015	£ -	£ 24,424
<i>M1 Junction 36 - Hoyland Phase 1</i>	£ 968	£ 10,086	£ -	£ 5,708	£ 338			£ 17,100
<i>M1 Junction 36 - Goldthorpe Phase 2</i>	£ 20	£ 126	£ 163	£ -	£ 3,000	£ 4,015		£ 7,324
<b>Barnsley M1 Junction 37</b>	£ -	£ 20	£ -	£ -	£ 700	£ 11,088	£ -	£ 11,808
<b>Superfast Broadband</b>	£ 215	£ 2,009	£ 5,991	£ -	£ -	£ -	£ -	£ 8,215
<b>Sheffield City Centre</b>	£ 6,550	£ 8,298	£ 4,932	£ 415	£ -	£ -	-£ 7,000	£ 20,195
<b>Sheffield - UpperDon Valley</b>	£ 3,000	£ 8,847	£ 6,757	£ 500	£ 2,000	£ 1,500		£ 22,604
<b>Doncaster Urban Centre</b>	£ 1,807	£ 6,240	£ 7,933	£ 6,900	£ 1,000			£ 23,880
<b>Doncaster - DN7</b>		£ 1,627	£ 7,600	£ 3,000			-£ 3,500	£ 8,727
<b>Doncaster - FARRRS</b>		£ 7,100	£ 2,000					£ 9,100
<b>Doncaster - West Moor Link</b>				£ 300	£ 9,000			£ 9,300
<b>Bassetlaw</b>	£ 195	£ 1,145	£ 295	£ 730	£ 358	£ 1,125	£ -	£ 3,848
<i>Harworth Bircotes</i>	£ 150	£ 690	£ 110					£ 950
<i>Worksop - Vesuvius works</i>	£ 45	£ 455	£ 185	£ 730	£ 358	£ 1,125		£ 2,898
<b>Derbyshire- Seymour Link</b>	£ 3,780	£ -	£ -	£ -	£ -	£ -	£ -	£ 3,780
<b>Chesterfield</b>	£ 1,500	£ 6,200	£ 3,000	£ 600	£ -	£ -	£ -	£ 11,300
<i>Chesterfield Northern Gateway</i>		£ 5,000	£ 3,000	£ 600				£ 8,600
<i>Chesterfield Waterside</i>	£ 1,500	£ 1,200						£ 2,700
<b>Rotherham - Lower Don Valley</b>				£ 5,500	£ 19,960			£ 51,060
<b>Total</b>	£ 18,035	£ 42,851	£ 31,914	£ 22,853	£ 25,355	£ 16,228	-£ 10,500	£ 208,240

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## **Exception reporting commentary**

- 3.1. The following summarises the schemes marked red in Table 1 to explain the reasons for the rating and proposed mitigation or action.

### Sheffield City Centre – Knowledge Gateway

- 3.2. The Knowledge Gateway will deliver development of the Hallam Campus and refresh of the Cultural Industries Quarter with improved accessibility for the mainline Railway Station in Sheffield City Centre. This is part of the Sheffield City Centre Masterplan supports the role of Sheffield Hallam University within the city centre.
- 3.3. This scheme is currently being developed to a full business case for consideration of the board. The project has encountered delay due to issues outside if the teams control. This principally relate to the external project partners delaying their decision to financially commit to the overall investment. The scheme promoter is working through these issues to ensure that the full business case is robust.
- 3.4. The status of this scheme will be reviewed and the progress in delivering future milestones highlighted for consideration of the Board.

### Upper Don Valley – More Hall, Deepcar

- 3.5. In June 2015 partners agreed the recommendation for the Upper Don Valley scheme to progress from Stage 1A outline business case to Stage 1B full business case. This recommendation included the need to separate out the scheme into four projects so that each could be considered individually, this reflected concerns that not all parts of the scheme had evidenced a strong alignment with SCRIF objectives. The board agreed that scrutiny of each project would help to provide clarity on the alignment.
- 3.6. Sheffield City Council (SCC) progressed a full business case for the More Hall project (as the first project within the Upper Don Valley scheme) which would see the relocation of a waste water sewerage works, unlocking a key strategic development site for housing. As SCC developed the business case it became clear that the jobs and GVA outcomes of the scheme where a challenge to evidence. SCC has considered the resource implications of progressing the project against the overall requirements to develop business cases for other schemes in Sheffield. On balance SCC has decided to refocus its resource on other schemes that have a more direct fit with SCRIF. This decision by SCC has resulted in the removal of the More Hall project from the wider Upper Don Valley scheme, creating £4m of headroom in the programme. SCC remain committed to this important housing project and it is suggested that the work to date is shared with the housing board for their consideration as part of any housing fund development.
- 3.7. In the view of the CIAT the removal of the More Hall element does not have an impact on the remaining Upper Don Valley scheme and that SCC should continue to progress the remaining three elements for future consideration by the board.

## Overall Programme Summary

- 3.8. The allocation for SCRIF in 15/16 is £30.5m, based upon 9 schemes coming forward through the full business case process to spend. There is currently two schemes on the ground (Grey to Green and Superfast Broadband) and spending, with two due to enter into a funding agreement in September, six at full business case and one at outline business case. Two schemes have been withdrawn from the programme (More Hall and Grey to Green Phase 2) by the scheme promoter. Based on information provided by the scheme promoters the estimates are that SCRIF schemes will deliver at 50% of growth deal spend in 2015/16.
- 3.9. The difference in the forecast spend profile is a mixture of slippage and positive decisions to remove scheme from the programme. The two schemes removed from the programme totalled £5.8m, with £3.2m of this forecast for spend in 2015/16. This positive decision has created headroom for other schemes to come forward. The most significant slippage is as a result of a change from a forecast spend £9.2m to £0.9m for the M1 J36 scheme. This slippage is forecast to be recovered by 2016/17 and the scheme is still expected to have a significant economic impact.
- 3.10. At the July Board meeting it was agreed that more scheme information is required to help inform programme decisions, consisting of the following information:
- Gross FTE construction jobs years
  - Direct Commercial floorspace (sqm)
  - Potential commercial floorspace unlocked (sqm)
  - Housing Units
  - FTE jobs
  - GVA (£m)
- 3.11. Based on existing project information a consistent picture cannot be provided therefore it is recommended that all schemes are required to provide a highlight report, rather than just those identified as being at risk. If agreed scheme promoters will be given until the 18 September to complete and return highlight report. This data will then be compiled and summarised to ensure that the board has a more comprehensive baseline from which to monitor progress and benefits. The template is proved in Appendix A and has been slightly revised to reflect the focus on improved clarity for outputs and outcomes.

## Programme change control

- 3.12. A full range of options is being developed for consideration by the Infrastructure Executive Board. These options are split into two main categories 1) Options to deal with slippage 2) Options to take-up headroom.
- 1) Slippage
- 3.13. The anticipated underspend in the first year of delivery (2015/16) is due to a number of the schemes set for early deliver experiencing slippage. The total value of this underspend is now expected to be c£15m.

3.14. The board has previously identified the following options for consideration:

- Accelerate spend within existing schemes in the programme
- Accelerate spend in the Sustainable Transport programme
- Accelerate spend from elsewhere in the SEP programme

3.15. In addition to the previously agreed options, there is an opportunity to loan some of the funding to an SCR Urban Development Fund (known as JESSICA) which would be recycled into SCRIF or to remove projects that have experienced slippage and bring in other schemes from the mini commission. The following sets out each of the options and the extent to which they can resolve the current slippage.

**Table 3 Options to manage slippage**

<i>Option</i>	<i>Weakness</i>	<i>Strengths</i>	<i>Potential value</i>	<i>Next step</i>
Existing schemes in the programme	Limited capacity given existing capacity already stretched	Retains control of timing and funding within the programme Two schemes already identified	£2-£4m	Confirm value that can be accelerated from Superfast Broadband, Sheffield City Centre projects and explore other options
Sustainable Transport programme	Recent reporting on the progress highlighted delivery is behind schedule therefore is unlikely to resolve slippage in this programme.	These schemes tend to be smaller in scale and deliverable No impact on the availability of funding across the programmes	£0	Do not progress, but maintain communication with the Transport Executive Board to reassess the opportunity
Elsewhere in the SEP programme	Delivery across the LGF programme is currently being assessed. There is no clear demand for early spend in other programmes	Would demonstrate to Government the ability of the CA and Executive Board to work across the theme areas.	£0	Do not progress, but maintain communication with the each Executive Board to reassess the opportunity
Loan to the SCR Urban Development Fund	The terms of the loan would need to ensure the funding is guaranteed to be returned	The board would set the investment strategy It would ensure the defrayal of the funds The vehicle is already established and successful	£10-15m	Board to consider whether to commission a full proposition for consideration at the next meeting Some initial information is provided later in the report
Mini commission	Would require a scheme to be removed from the programme Places existing schemes at risk	Would incentivise the existing scheme promoters to resolve issues	£4-8m	This is more suitable for dealing with headroom Board to consider mini commission report at the next meeting



### *Provide a loan to the Urban Development Fund*

- 3.16. The SCR Urban Development Fund provides development finance (loans, equity, guarantee) to private sector developers looking to develop sites within Sheffield City Region. The funding vehicle is known as JESSICA and directly funds 'above ground' development according to an agreed investment strategy. The potential exists for the fund to support other development including housing and retail but it is expected that other funds will address the lack of access to finance in these areas. However it might be expected that the fund does get involved in mixed use schemes that produce economic outputs.
- 3.17. This option builds on the successful first round of the SCR JESSICA that is expecting to fully invest its £23m funding. Returns from these investments will not be paid back for, on average, three years leaving a gap in this facility over this period. It is proposed that an amount (suggested to be £10m) LGF is provided to be used as loan funding. As funding becomes recycled through the existing programme this will be made available for SCRIF to invest in the existing projects.
- 3.18. When projects repay their funding there is an option to either recycle the funds or return them to the Infrastructure Fund. The existing JESSICA fund is expected to recycle between £18m to £23m over the next 3 years.

### *SCRUDF Investment Strategy*

- 3.19. The current investment Strategy is constrained by the funding to South Yorkshire and is focused on office and industrial development. The IEB has the option to consider alternative investment strategies. A draft investment strategy is provided in Appendix A. This document has been prepared for a separate purpose, but provides a good starting point for this board to consider. If the board want to progress this option for further consideration a proposition will be prepared for the next meeting. Some of the issues are set out below for initial discussion.

### *Geography*

- 3.20. Widen to all SCR – the European funding in JESSICA at present is constrained to investments in South Yorkshire. In all cases it is proposed the strategy should consider all of SCR.

### *Timing*

- 3.21. The board needs to consider the principle of the management of cash flow between SCRUDF and SCRIF. Is it acceptable for SCRIF schemes to incur delay (or the risk of delay) until the investment through SCRUDF is repaid?
- 3.22. Should existing funds in JESSICA that have recycled come back to SCRIF first (ie SCRIF is not waiting for the same pound that it put in to come out). This would be subject to a programme review to assess the cash flow position of SCRIF.

### *Fund management*

- 3.23. It is proposed that the IEB commission the existing JESSICA Investment Board to undertake the oversight of this funding, using the established mechanisms. This will help to ensure investment can be progressed expediently.
- 3.24. The Fund would be managed by CBRE, the existing SCR JESSICA Fund Managers, and investments will be overseen by the JESSICA Investment Board currently made up by representatives from the 4 South Yorkshire Local Authorities and 4 LEP nominated members. With the Fund expanding to invest beyond South Yorkshire it is suggested that the membership could be reviewed.

2) Headroom

- 3.25. For the headroom the Executive Board has already begun a mini commission process which will identify a pipeline of schemes that can be delivered in the short term. The testing is currently underway and will be reported in full at the October meeting.

#### 4. **Implications**

##### **Financial**

- 1.1. The SCR Finance Manager and S151 Officer will be consulted on the proposed changes once the financial value and timing of any changes to the capital programme are agreed.

##### **Legal**

- 1.2. None as a result of this report.

##### **Diversity**

- 1.3. There are no diversity implications arising from this report.

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**Other sources and references:**

**None**


**ANNEX / APPENDIX:**

**A Highlight report template**

**B SCR Urban Development Fund DRAFT Investment Strategy**

# Appendix A

<b>Project Highlight Report</b>		<b>Report Date:</b>	
<p><i>This highlight report updates the Board about the project's progress to date. It also provides an opportunity to raise concerns and issues with the Board, and alert them to any changes that may affect the project. Complete all fields <b>where applicable</b> and state 'nil return' where there is nothing to report in this period.</i></p>			
<b>Project Name:</b>			
<b>Project Manager:</b>		<b>Current Project Stage:</b>	
<b>Project Outputs:</b> <i>(road, no of houses, direct commercial floor space etc)</i>			
<b>Project Outcomes</b> <i>(forecast Jobs, GVA)</i>			

<b>1. Current Status</b>	
<b>Status trend:</b>	 <i>(delete as appropriate)</i>
<b>Outcomes:</b>	Red / Amber / Green (delete as appropriate)
<b>Time:</b>	Red / Amber / Green (delete as appropriate)
<b>Cost:</b>	Red / Amber / Green (delete as appropriate)

<b>2. Description of Progress</b> <i>(output-focussed) eg consultant procured, business case submitted:</i>
<p><b>Achievements:</b></p> <ul style="list-style-type: none"> <li>•</li> </ul> <p><b>Slippage</b> <i>(give reasons):</i></p> <ul style="list-style-type: none"> <li>•</li> </ul>

<b>3. Key milestones and deliverables</b> <i>(as per your project plan; noting any slippage - anything significant that has an impact on key actions/outputs):</i>		
<b>Milestone</b>	<b>Planned Completion Date</b>	<b>Baseline date</b>
Stage 1A		
Stage 1B		

Stage 2 statutory process		
Stage 2 completion		
Full approval		
Award		
Mobilisation		
Construction start date		
Construction complete		

#### 4. Actions and outputs for the next quarter:

- 

#### 5. Most significant current risk/s:

*Include a short description of your mitigation plans.*

- 

#### 6. Most significant current issue/s:

*Include a short description of your mitigation.*

- 

#### 7. Variances:

**Give details of any variances to your project finances** *(where applicable e.g. expenditure, funding, planned savings):*

- 

**Give details of any other changes to your project** *(where applicable e.g. to the benefits, assumptions, timescales, quality or scope):*

-

**Spend profile:**

£000k	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/2020	2020/2025	total (actual amount)
Prep costs									
Construction costs									
Contingency (all types)	Please state percentage applied -								
Optimism Bias	Please state percentage applied -								
<b>Total</b>									
<b>Funding Source</b>									
SCRIF									
Local authority contribution									
3 <sup>rd</sup> Party (eg developer)									
Other (eg LTP)									

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## Sheffield City Region Urban Development Fund (SCRUDF):

### General Principles of the SCRUDF Investment Strategy

1. The Investment Strategy will be set by Sheffield City Council (acting through its Limited Partner) in consultation with the Investment Board and will be subject to a minimum annual review. This review is intended to maintain the Investment Strategy's compliance with changing policy and market conditions in the region.
2. SCRUDF investments must comply with the terms and conditions attached to any funding invested in SCRUDF.
3. Using the expertise within the Investment Board, the SCRUDF Fund Manager (FM) will be asked to make recommendations for the initial Investment Strategy and will be consulted during the annual review process. Outside these processes, the FM is expected to seek out and deliver investments into projects that are compliant with the Investment Strategy.
4. The Investment Strategy will evolve to reflect the lifecycle of the SCRUDF and the investment finance available to the SCRUDF at differing point in that lifecycle.
5. The Investment Board and SCC via the Limited Partnership will have the ability to provide comment on the FM's proposed investments highlighting strategic and policy issues such as the priority of projects and their contribution to the objectives of the SCRUDF.
6. Investments may be made by way of loan, equity (loan stock investments) or rental guarantees at the recommendation of the FM and all investments must be subject to state aid compliance.
7. Output and other targets will be included in the Investment Strategy to reflect conditions made by the Partners as funds become available.
8. The Partners expect SCRUDF will remain focused on financing physical urban economic development projects. It is expected that investments will:
  - a) Be primarily focused on the following key clusters and significant growth sectors and look to create new jobs to the Sheffield City Region (SCR) region as set out in paragraph 9 below:
    - Advanced manufacturing activities such as research and development, product design, bespoke manufacturing, and the provision of related services;
    - Low carbon industries (particularly the opportunities for our manufacturing sector);
    - Creative and Digital; and
    - Healthcare (including medical technologies).
    - Aviation
    - Tourism
    - Retail
    - Construction
    - Culture, leisure and sport
    - Professional, financial and business services

- Food and Drink,
- Chemicals
- Logistics and Distribution
- Retail

b) Consist of the following uses:

- Commercial Office Buildings (both for SMEs and single occupier premises)
- Industrial (B1 and B2)
- Site infrastructure (such as access roads, site preparation and services provision) and infrastructure with an economic benefit to the SCR (including major tourism projects).
- Distribution (B8)
- Mixed Use Schemes
- Refurbishment of older industrial and historic buildings for the use of the target sectors outlined in a) above.
- R&D Facilities
- Innovation Centres and Business Incubators
- Promotion of the Fund and key projects.
- Environmental and Energy schemes with an economic benefit including:
  - Addressing the economic risks of environmental degradation and climate change that will impact on employment sites and business areas.
  - Activities that provide integrated energy, water and waste systems, services and facilities as part of physical sustainable regeneration activity.

In addition to the above investment in wholly residential will be considered acceptable where wider economic benefits can be demonstrated to the Investment Board.

9. The specific geography of the SCR and the SCRUDF is defined by the boundaries of the following Local Authorities and reference to Partners within this strategy is a reference to these Local Authorities:
- Sheffield City Council
  - Rotherham Borough Council
  - Doncaster Borough Council
  - Barnsley Metropolitan Borough Council
  - Chesterfield Borough Council
  - Bolsover District Council
  - Bassetlaw District Council
  - North East Derbyshire District Council
  - Derbyshire Dales
9. Subject to agreement with SCC (acting as Limited Partner) in consultation with the Investment Board recycled funds will be used to support additional urban projects with economic and regeneration benefits in line with the Investment Strategy.
10. The Investment Strategy is expected to be initiated in a form that also supports existing Local Authority and Sheffield City Region spatial strategies and priorities.



11. It is expected that SCRUDF will initially be restricted to investing a maximum of 25% of the value of the fund in any one project. This will be determined at the time when Partners make funds available to the SCRUDF and made be varied in exceptional circumstances with the agreement of the Limited Partner.
12. Investment will only be made in to projects in a manner that is compliant with the prevailing FSA and State-aid conditions.
13. It is required that the SCRUDF is a sustainable, long term fund for the region and therefore the Investment Strategy will require investment activity that aims to recycle investment resources and make several rounds of project investment.
14. The Investment Board aspires for the fund to increase the amount of investment resource available to SCRUDF and the Investment Strategy will aim to encourage private and institutional investment into the SCRUDF.
15. The targeted deployment of funds into projects will be determined as funds are made available to the SCRUDF by the Partners together with their specific investment criteria.
16. 'Sub-funds of the SCRUDF will have their Investment Criteria provided as a series of Appendices to the SCRUDF Investment Strategy.

#### **Appendices: Sub Fund Investment Criteria**

#### **Appendix 1: South Yorkshire Development Fund (SYDF) - JESSICA**

## APPENDIX 1: SOUTH YORKSHIRE DEVELOPMENT FUND (SYDF) - JESSICA

### Principles of the SYDF Investment Criteria (JESSICA FUNDS ONLY)

1. The South Yorkshire Development Fund (SYDF) represents a sub-fund Sheffield City Region Urban Development Fund (SCRUDF) limited partnership (number LP15239). The principles of the SCRUDF Investment Strategy will remain in their entirety except in respect of the following:
2. The SCRUDF will invest JESSICA Funds (as defined in the Fund Manager and Operator Agreement between the SCRUDF and CBRE Ltd and CBREISL dated 20<sup>th</sup> December 2012 in accordance with the agreement between the Department for Communities and Local Government and SCRUDF (acting through its general partner) (the "CLG Funding Agreement").
2. The targeted cumulative deployment of ERDF and the Growing Places match funding funds into projects, as defined in the detailed funding application to CLG is as follows:
  - £8 million by 31<sup>st</sup> December 2013
  - £16 million by 31<sup>st</sup> December 2014
  - £23,142,857 by 31<sup>st</sup> December 2015
3. Output and other targets are required to be achieved to reflect conditions made by Department for Communities and Local Government in allocating ERDF funds to SYDF. The targeted outputs, as defined in the detailed funding application for first round investments, are:

European Indicators Project Total refer to guidance	2015	2017	Total All Years
New or upgraded floorspace (m2)	1,333	1,751	3,084
Brownfield land reclaimed and/or redeveloped (ha)	0.5	0.5	1.0
Low or zero carbon employment sites developed (ha)	0.6	0.8	1.4
New or upgraded floorspace to BREEAM rating of Excellent or equivalent m2	100	134	234
Gross New Jobs Created	72	95	167
Gross Jobs Safeguarded	48	63	111
Cross Cutting Theme Targets			
Gross New Jobs - Women			28
Gross New Jobs – BAME			5
Gross Jobs Safeguarded – Women			37
Gross Jobs Safeguarded - BAME			7

4. The Partners expect SYDF will remain focused on financing physical urban economic development projects. First round investments will be ERDF and EU Structural Funds Regulations compliant and will:

a) Be primarily focused on the following key clusters and significant growth sectors:

- Creative & Digital New Media Industries,
- Advanced Manufacturing, Engineering & Materials,
- Chemicals
- Bioscience
- Food and Drink
- Environmental Technologies
- Healthcare Technologies
- Financial and Business Services
- Construction
- Sports Technologies

b) Consist of the following uses:

- Commercial Office Buildings (both for SMEs and single occupier premises)
- Site infrastructure such as access roads, site preparation and services provision (on the basis of future job impact and scale).
- Industrial (B1 and B2)
- Mixed Use Schemes (ERDF eligible items only)
- Refurbishment of older industrial and historic buildings for the use of the target sectors outlined in a) above.
- R&D Facilities
- Innovation Centres and Business Incubators
- **The provision of new, or improved, infrastructure with the ability to deliver broadband access.**

In addition the following uses will be considered subject to the written agreement of SCC (acting as Limited Partner) in consultation with the Investment Board and SCRAIG:

- Environmental and Energy schemes with an economic benefit which might include:
  - Addressing the economic risks of environmental degradation and climate change that will impact on employment sites and business areas.
  - Activities that provide integrated energy, water and waste systems, services and facilities as part of physical sustainable regeneration activity
- Energy efficiency improvements and renewable energy in existing housing.

c) The following activities and sectors are expressly ineligible for first round investments as they are excluded from support by ERDF:

- dismantling of nuclear power stations;

- housing construction;
  - synthetic fibres;
  - shipbuilding;
  - coal;
  - steel;
  - primary production, processing and marketing of agricultural products;
  - banks and insurance companies;
  - primary production, processing or marketing of products in the fisheries and aquaculture sectors;
  - large scale transport companies;
  - retail;
  - establishments providing generalised (school age) education;
  - provision of local social welfare facilities where these are not directly linked to activities of an economic nature relating to the objectives of the Operational Programme.
5. First round investments will exclusively target South Yorkshire to reflect the ERDF monies coming from the South Yorkshire allocation to Priority 2 of the Yorkshire and Humber Operational Programme. The specific geography is defined by the boundaries of the following Local Authorities and reference to Partners within this sub-fund investment criteria refers to these Local Authorities only:
- Sheffield City Council
  - Rotherham Borough Council
  - Doncaster Borough Council
  - Barnsley Metropolitan Borough Council
6. Subject to agreement with SCC (acting as Limited Partner) in consultation with the Investment Board and SCRAIG recycled ERDF funds will be used to support additional urban projects with economic and regeneration benefits.

## Enterprise Zone Report: 1 Sept 2015

### Summary of key issues currently being considered:

1. Progress on the SCR EZ sites.
2. New Round of Enterprise Zones
3. Next Steps

### Summary of progress made:

#### 1. Progress on SCR EZ Sites

Since 2012

Employment Jobs Created	Construction Jobs	Total number of businesses/enterprises	New floorspace created (GIA) sqm
854	245	34	42009

There has been £24.9m of public sector investment in the SCR over the last 3 years and over £80m of private sector funds invested over the same time period. Further information is in the monitoring return at Annex 1.

There are positive signs that development is picking up on our EZ's, development on site at Vantage Park Sheffield due for completion in September and Phase 2 due to start in Spring 2016.

There is activity on site at Markham Vale with the Great Bear site due for completion late 2015 and 2 other developments due for completion June 2016.

New industrial units in development at Junc. 36 and grow-on space for the AMPTC due for completion in November 2015.

Through conversations with landowners they are other developments in the pipeline with some developers not adverse to speculative development.

#### 2. New Round of Enterprise Zones

The government is inviting applications for a further round of EZ's or extension to EZ's. The preference in this round is for smaller towns, districts and rural areas.

The bidding is competitive and our bids will have to be commercially viable and demonstrate strong value for money.

We have submitted an expression of interest on August 14th for the following activity:

- Resolve the business rates retention issue on the 60ha of the new HS2 sites - seeking a permanent expansion of the EZ to allow us to invest in these sites and obtain confirmation that they have Business Rates Retention.

- Apply for an extension of the Markham Vale EZ to incorporate 31ha of the ex Coalite coking works located adjacent to the existing EZ at Buttermilk Lane Bolsover. The new EZ will focus on smaller start-up units and incubator units to larger manufacturing and distribution facilities building on the existing logistics industry existing at Markham Vale.
- A new EZ at Red House Business Park, Doncaster where the sector focus will be low carbon and manufacturing.

As part of the application process if an LEP is submitting more than one bid they are required rank the bids to show their preferred bid.

To ensure we do this in a clear and transparent way we have developed a Bidding Prioritisation form (Annex 2) to enable us to score the bids.

The form is based on the key areas DCLG/BIS/HMT will assess to ensure consistency.

The assessment of the bids will focus on

- The ability to deliver sustainable economic growth
- Value for money
- Implementation

### **Timescales**

To ensure bids go through our governance structure and are submitted to DCLG on **18<sup>th</sup> September**.

**1<sup>st</sup> Sept** - deadline for draft bids to be submitted to the EZ board for review

**11<sup>th</sup> September** - deadline for full bids being submitted to the SCR team to be completed and assessed.

**16<sup>th</sup> September** - bids scored for the applications to be finalised and signed off for submission.

### **Summary of key actions before the Board**

Note the progress on EZ sites

Note the EZ application prioritisation criteria.

Delegate the decision to prioritise EZ applications to the EZ board

Provide comments on the draft EZ applications (applications will be emailed on 1<sup>st</sup> September)

## Sheffield City Region Public Sector Funding Since 2012

<b>Public Sector Funding Source</b>	<b>Amount Funding</b>	<b>Fiscal Year Allocated/Spent</b>	<b>Purpose</b>
GPF –	£4,000,000	£1,000,010 allocated 15/16	Benall Investments looking to build 40,000 sq ft of industrial units in Doncaster
RGF 4	£25,000,000	£2m spent 13/14 £750,000 13/14	Firth Rixson (now Aloca) Tinsley Bridge Holdings for new industrial & office space
LIF	£12,761,132	£1.8m spent 15/16	Loan to Sheffield Business Park
EZ Grant Fund (BFG)	£14,200,000	£14,200,000 spent 14/15	£2.2m towards speculative build of 100,000 sq ft building £12m towards preparing Markham Vale for development including refurbishing Erin Road, Earthworks on MV North to create development plots, provision of new utilities (off-site reinforcement) and diversion of services.
LA Funding		£65,000 £4,500,000	Derbyshire County Council – Design works and surveys @ Markham Vale Rotherham Council - Speculative build at the AMP
<b>Future Funding</b>			
Growth Deal 15/16	£4,100,000		
Future Growth Deal	£8,100,000		
<b>TOTAL</b>	<b>£68,161,132</b>	<b>£24,900,010</b>	

ANNEX 1

Private Sector Investment

To date the SCR has received over £80,000,000 in private sector investment since 2012

Markham Vale has attracted approximately £24.75m on 3 plots for building, land, fit out, plant and equipment and design fees

Sheffield has attracted approximately £38.53m buildings plant/machinery on 3 sites across the Sheffield EZ's

Rotherham has attracted approximately £8m on the AMP EZ

Barnsley has attracted £14.90m at Shotwood Business Park and Ashroyd Business Park.



## Enterprise Zones - Monitoring Sheet ANNEX 1

**Enterprise Zone Name: Sheffield City Region**

No	Measurement	Example 2013	April - June 2015	Sept 2015	Notes/Requirements
01	Number of new employment positions filled within the EZ from 1st April - 30 June 2015	c.60	219		Please provide the total number of new jobs that have been added in the zone from 1st April - 30 June 2015 that are expected to last 26 weeks or more. This is not a measure of potential or expected jobs, but those that are actually present at the time of reporting. If actual figures are not available then best estimates should be provided based on conversations with occupiers/new enterprises who are known to have created employment in the zone.
02	Number of construction jobs filled within the EZ from 1st April - 30 June 2015	45	125		Please provide the total of construction jobs that are working on the Zone from 1st April - 30 June 2015 that are expected to last 26 weeks or more.
03	Number of new enterprises on the EZ from 1st April - 30 June 2015	5	2		Please provide the number of new operational businesses on the EZ from 1st April - 30 June 2015, or best estimate.
04	Size of new enterprises on the EZ since 1st April - 30 June 2015 by employee numbers	<a href="#">Please provide details on list (a)</a>	<a href="#">Please provide details on list (a)</a>	<a href="#">Please provide details on list (a)</a>	Please provide details of the size of new operational enterprises on the EZs from 1st April - 30 June 2015 (i.e. those reported in line 3) using the size of business table (a).
05	Source of new enterprises on EZ from 1st April - 30 June 2015 [new start up; LEP area; UK; or non-UK]	Start-ups: 2 LEP area: 1 UK: 1 Overseas: 1	Start Ups 1 Overseas 2 UK 1 Overseas 1		Please provide details of the origin of the new enterprises reported in line 3 using the following categories - new start-ups, LEP area, UK, non-UK.
06	Amount of land developed or redeveloped in the EZ from 1st April - 30 June 2015(ha)	1.5	2.51 Ha		Please record here the amount of land developed/redeveloped in hectares in the EZ from 1st April - 30 June 2015.
07	New floorspace created in the EZs from 1st April - 30 June 2015 (gross internal area in sqm)	0	13921 m <sup>2</sup>		Please provide the gross internal area of new floorspace created in the EZ in square meters from 1st April - 30 June 2015
08	Refurbished floorspace in the EZ from 1st April - 30 June 2015 (gross internal area in sqm)	2000	0		Please provide here the gross internal area of floorspace in the EZ that has been refurbished from 1st April - 30 June 2015(in sqm).
09	New and refurbished floorspace in the EZ from 1st April - 30 June 2015 by type (gross internal area in sqm by use class order)	B1: 1500 B2: 500	4366 m <sup>2</sup> B1, B2 & B8 9555 m <sup>2</sup> B2		Please provide a breakdown of the new floorspace created from 1st April - 30 June 2015 (i.e. that reported in line 09) by use class order eg B1(Business), B2(General Industrial) or B8(Storage or distribution).
10	Public sector capital investment into the EZ since from 1st April - 30 June 2015 (gross, in £s)	£2.1m (GPF)	c£4.2 m HCA £0.1mDCC		Please provide details of any public sector capital investment in £ from 1st April - 30 June 2015 e.g. monies invested through GPF, RGF, HCA or other local investment streams

### Enterprise Zones - Monitoring Sheet ANNEX 1

No	Measurement	Example 2013	April - June 2015	Sept 2015	Notes/Requirements
11	Private sector capital investment into the EZ 1st April - 30 June 2015 (gross, in £s)	c.£2m	c£8m		Please provide actuals or estimates of private sector capital investment into the EZ in £ from 1st April - 30 June 2015. This can include investment by private landowners, developers or occupiers.
12	Simplified Planning put in place in the EZ since <b>1st April 2011</b>	LDOs: 2 PPAs: 0 Other: 4	4 LDOs 3 expired March 2015 PPA 22 Planning Permissions granted since April, 2011		Please provide total numbers for simplified planning (eg LDOs or Planning Performance Agreements adopted) or planning permissions granted for the zone since <b>April 2011</b> .

## Enterprise Zones - Monitoring Sheet

<b>Enterprise Zone: Sheffield City Region</b>			
Size of businesses by employees	Sept 2014	Dec 2014	Mar 2015
1-10			
11-20			
21-50			
51-100			
100+			
Totals	0	0	0

Number of New Employees

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Sheffield City Region EZ Scoring Form	Name of Enterprise Zone Proposal:-	
Marked by:-	Marks	Comments
<b>15 marks:-</b> for demonstrating how the proposal supports the LEPs top economic priorities and key economic assets, aligns with the SEP and the emerging SCR devolution deal.		
<b>10 marks:-</b> to demonstrate a clear commercial proposition and demonstrates value for money through increases on land values.		
<b>10 marks:-</b> for demonstrating the other wider economic, social, environmental benefits the EZ will deliver.		
<b>10 marks:-</b> for demonstrating how the EZ will deliver new growth and minimises deadweight or displacement from adjoining areas and other parts of the countries.		
<b>10 marks:-</b> for demonstrating a compelling plan to implement and deliver the EZ, identifying how you plan to bring sites to the market.		
<b>5 marks:-</b> for demonstrating how data will be gathered to allow the LEP to monitor progress.		
Total (maximum 60)		

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No	Item	Discussion	Action
Minutes			
2.	<p>SCR Infrastructure Executives Board New Governance Arrangements</p> <p><b>(a)</b> The themes Business Plan for 2015/16;</p> <p><b>(b)</b> The new meeting cycle</p> <p><b>(c)</b> The sub-structures needed in the governance structure</p> <p><b>(d) (d)</b> Wider advisory board membership.</p>	<p>The business plan provides a good first draft, in addition to a general read across, the two key elements to consider are looking at the wording of the relationship between the housing and transport boards, as well as taking a more long term (5 year view) of programme delivery.</p> <p>Members were made aware that a new meeting cycle will come forward from October and will be circulated in due course via the Joint Secretariat, who in addition would also be the secretariat for the meeting going forward.</p> <p>The current sub structures were noted with a view to reviewing the sub-board requirements at a future executive board meeting</p> <p>The membership of the current board was discussed and it was considered a good public private sector blend.</p> <p>A ToR will be discussed at the next meeting.</p>	AH

3	SCRIF programme Update	<p>Emerging issues for spend and outcome within the 2015/16 programme were discussed. This highlighted that while many schemes are making good progress the risk of slippage is crystallising. It was agreed to engage with the Superfast Broadband scheme promoter to explore an opportunity to accelerate spend and to accelerate spend on Rail Replacement, which would be overseen by the Transport Executive Board.</p> <p>It was agreed that a paper would come to the 3<sup>rd</sup> September meeting to look at options for smoothing and re-profiling where necessary the current SCRIF programme.</p>	NB
4.	<p>CIAT Recommendations</p> <p>(A) Superfast Broadband</p> <p>(B) Doncaster Urban Centre</p>	<p>The board agreed to recommend full approval to the Combined Authority for Superfast Broadband and agreed to approve the 1A business case for Doncaster Urban Centre. The board noted that the approval for Superfast broadband reflected the full £10.6 funding for the scheme</p>	NB
5	SCR Integrated Infrastructure Plan Progress Update	<p>The board were given an overview of the process and progress for the IIP to date.</p> <p>The main item was a presentation from ARUP to outline the early findings from the evidence gathering work to identify infrastructure gaps.</p> <p>The next stage is a series of reports and workshop with stakeholders due to take place on</p>	AH
6	Un-tabled Item Devolution	Partners were updated on the proposal to submit an outline	AH



		<p>Devolution document for 4<sup>th</sup> September; the elements of particular relevance to the IEB are within housing, transport and fiscal tools. The Combined Authority are leading the approach with support from officers across the SCR.</p> <p>An updated will be provided at the next meeting and partners will be engaged through the various shaping activities during the time between the board meetings</p>	
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Date of next meeting: 3<sup>rd</sup> September 10-11.30am Sheffield Town Hall

**\*Note subject to change for the new Executive Board meeting cycles**

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