

Assurance Summary

VERSION 1 24.11.2021

Appendix B1



1 – SCHEME DETAILS

Project Name	O0048 – SCC Nether Edge and Crookes (Experimental) Active Neighbourhood	Type of funding	Grant
Grant Recipient	Sheffield City Council	Total Scheme Cost	£589,701
MCA Executive Board	TEB	MCA Funding	£589,701
Programme name	ATF/Gainshare	% MCA Allocation	100%
Current Gateway Stage	FBC	MCA Development costs	N/A for this stage
		% of total MCA allocation	N/A for this stage

2 – PROJECT DESCRIPTION

Is it clear what the MCA is being asked to fund?

Following public consultation and detailed design, costs for two Active Travel Neighbourhoods are estimated as shown in the last two columns below. The costs as submitted at OBC are shown for comparison.

	OBC	FBC		Total
	2021/22	2021/22	2022/23	
Preparatory Cost	£50,900			
Professional Fees (Consultation)	£16,333	£99,900	£28,000	£127,900
Acquisition of Land/ Buildings				

Delivery Cost construction materials construction costs, including traffic management costs etc. (A detailed Bill of quantities will be appended to the FBC)*	£561,921	£434,710		£434,710
Vehicles, Plant, Equipment				
Risk Allowance/ Contingency	£166,000	£27,091		£27,091
Inflation				
Other				
Total	£795,154	£561,701	£28,000	£589,701

Public consultation has resulted in a clearer definition of the project and costings based on engineering estimates of requirements (and Bills of Quantities). Some elements of the scheme may not proceed if opposition to them is strong.

3. STRATEGIC CASE

<i>Scheme Rationale</i>	<i>Does the scheme have a clearly stated rationale and provide a strong justification for public funding?</i> Yes – unchanged from OBC.
<i>Strategic policy fit</i>	<i>How well does the scheme align with the strategic objectives of the SEP and RAP?</i> Adequately – unchanged from OBC
<i>Contribution to Carbon Net Zero</i>	<i>Does this scheme align with the strategic objective to achieve Carbon Net Zero?</i> Yes – unchanged from OBC
<i>SMART scheme objectives</i>	<i>State the SMART scheme objective as presented in the business case.</i> Unchanged from OBC <i>Is there a ‘golden thread’ between the strategic objectives (see 3.2) and the scheme objectives (see 3.8)?</i> Yes – unchanged from OBC
<i>Options assessment</i>	<i>Is there a genuine Options assessment and is there a clear rationale for the selection of short-listed options and the choice of the Preferred Way Forward?</i> Progress has been made since OBC in defining the preferred “way forward” – versus doing nothing or doing minimum. The preferred do something option may not eventuate exactly as planned as it has been decided to involve the local residents in a feedback process post construction to ensure “buy-in” and maximise chances for success.
<i>Statutory requirements and adverse consequences</i>	<i>Does the scheme have any Statutory Requirements?</i> Yes – TROs for waiting and parking restrictions but planning approval not required.

	<p><i>Are there any adverse consequences that are unresolved by the scheme promoter?</i> Yes – as flagged at OBC – traffic diversion should put traffic on more suitable roads but could lead to queues and delays at traffic lights. This will be monitored. Parking spaces will probably need to be relocated within the area. Possible diversion from bus for short trips switched to AT</p>				
<p><i>FBC stage only – Confirmation of alignment with agreed MCA outcomes (Stronger, Greener, Fairer).</i></p>	<p><i>Does the scheme still align with strategic objectives?</i> Yes <i>Have the conditions of approval granted at OBC been complied with?</i> No conditions were specified</p>				
4. VALUE FOR MONEY					
Monetised Benefits:					
VFM Indicator	Value		R/A/G		
Net Present Social Value (£)	£2,377,850				
Benefit Cost Ratio / GVA per £1 of SYMCA Investment	5.41				
Cost per Job	n/a				
Non-Monetised Benefits:					
Non-Quantified Benefits	None				
Value for Money Statement					
<p><i>Taking into consideration the monetised and non-monetised benefits and costs, does the scheme represent good value for money?</i> The scheme has the potential for achieving very high value for money.</p>					
5. RISK					
<p><i>What are the most significant risks and is there evidence that these risks are being mitigated?</i> These are the top 5 risks in the QRA in terms of expected value:</p>					
Ref No.	Risk	Likelihood (High, Med, Low)	Impact (High, Med, Low)	Mitigation	Mean risk cost

2	Unable to meet approvals timetable (SCR & SCC)	med	med	Monitor and assess impact on programme ensure resources are available to meet programme deadlines etc.	£10,000
1	Insufficient access to materials and resources.	low	low	Early discussions with contractor	£3,666
4	Covid restrictions introduced / Contractors workforce need to self-isolate	high	high	Ensure contractor understands programme delivery priorities	£3,333
6	Bad weather restricts delivery	low	high	Ensure contractor understands programme delivery priorities	£3,333
5	Cost exceed budget.	med	high	Ensure cost estimates are robust and reflect latest data re market rates.	£3,000

Do the significant risks require any contract conditions? (e.g. clawback on outcomes)

No

Are there any significant risks associated with securing the full funding of the scheme?

No

Are there any key risks that need to be highlighted in relation to the procurement strategy?

No – Amey, already procured.

6. DELIVERY

Is the timetable for delivery reasonable and has the promoter identified opportunities for acceleration?

Yes, Yes – via involvement of current FW contractor in detailed design

Is the procurement strategy clear with defined milestones?

Yes, N/A

What is the level of cost certainty and is this sufficient at this stage of the assurance process?

95% (for the ideal scope of work). Unknown.

Has the promoter confirmed they will cover any cost overruns without reducing the benefits of the scheme?

Yes, although only if resources allow (Section 5.7)

Has the promoter demonstrated clear project governance and identified the SRO?

Yes.

Has the SRO or other appropriate Officer signed of this business case?

Yes.

Has public consultation taken place and if so, is there public support for the scheme?

Yes. Yes.

Are monitoring and evaluation procedures in place?

Yes

7. LEGAL

Has the scheme considered Subsidy Control compliance or does the promotor still need to seek legal advice?

Yes

8. RECOMMENDATION AND CONDITIONS

Recommendation	Proceed to Contract
Payment Basis	Defrayal
Conditions of Award (including clawback clauses)	

The following conditions must be satisfied before contract execution.

1. Submission of MCA Appendices B to agree detailed schedule of inclusive growth indicators and targets (e.g. % of [previously unemployed] locals offered permanent contracts and apprenticeships, mentoring and school engagement and engagement with the local supply chain) to ensure the project delivers wider socio-economic benefits and that these can be captured, monitored and reported.

The conditions above should be fully satisfied by 10/03/2022. Failure to do so could lead to the withdrawal of approval.

The following condition must be satisfied before drawdown of funding.

2. Formal confirmation of commitment to address any cost overruns without unduly compromising project outputs and outcomes.

The following condition must be included in the contract

3. Clawback will be applied on outputs