

INFRASTRUCTURE EXECUTIVE BOARD

Date: Friday 26 February 2016

Venue: Amp Technology Centre, Brunel Way, Rotherham

Time: 10.00 am

AGENDA

Item	Subject	Method	Lead	Page
	<u>Introduction</u>			
1	Welcome and Apologies	Verbal	Chair	
2	Declaration of Interests	Verbal	All	
3	Urgent Items/Announcements	Verbal	All	
	<u>Business Items</u>			
4	Forward Plan			
4.1	Integrated Infrastructure Plan - Endorsement Agreed late paper with the Chair.	Paper	A Harhoff	To Follow
4.2	Integrated Infrastructure Plan - Summit Events	Paper	A Harhoff	1 - 4
5	CIAT Olympic Legacy Park Stage 1B Business Case	Paper	N Byers	5 - 8
6	SCRIF Programme Update	Paper	N Byers	9 - 18
7	SCR IRB Business Plan 2016/17	Paper	A Harhoff	19 - 38
	<u>Updates</u>			
8	Infrastructure Executive Board Minutes - 15 January 2016	Paper	C Tyler	39 - 46

Item	Subject	Method	Lead	Page
<u>Actions & Forward Planning</u>				
9	Agree Actions	Verbal	Chair	
10	Agree Items for Combined Authority Meeting 14th March 2016	Verbal	Chair	
11	Any Other Business	Verbal	All	

FOR DISCUSSION

SCR COMBINED AUTHORITY INFRASTRUCTURE EXECUTIVE BOARD

26th February 2016

Integrated Infrastructure Plan (IIP) Summit Events

Summary/Purpose of paper

The Sheffield City Region Integrated Infrastructure Plan is a high profile strategic document, aimed at stimulating the conditions for growth.

The SCR will be the first area outside of London to adopt a plan of this kind and so marketing this is critical.

The Board is asked to note the proposed plans for hosting two parallel IIP Summit launch events and make any recommendations, around our high level plans.

1. Issue

1.1 To update partners on the proposed plans for hosting a Sheffield based and separate London based IIP Summit events.

2. Recommendations

2.1 Note and endorse the proposed plans for the IIP Summit events.

2.2 Discuss and make suitable recommendations to further develop the plans for both Summit events.

3. Background Information

- Following the near completion of IIP the plan is proposed to be launched at 2 separate Summit events to promote and publicise the importance of the integrated approach to infrastructure planning and delivery. This paper highlights initial thoughts in relation to the events that have been discussed at the Infrastructure Development Group.
- The Summit events will take place in June 2016, following LEP approval of the IIP, and broadly aim to:
 - Promote and publicise the SCR IIP highlighting importance of integrated approach to infrastructure planning and delivery
 - demonstrate SCR LEP / CA approach to infrastructure investment to support the SEP
 - disseminate the key findings and outcomes of the SCR IIP
 - Raise awareness of how proposed interventions will be brought forward through a commissioning process

- Gain Buy-in from key infrastructural providers and decision makers as public endorsement of the SCR IIP (London Summit in particular)
- Communicate the outcome of the IIP to make the case for receipt of funding and further devolution powers (London Summit in particular)
- Assist in positioning the SCR in the Northern Powerhouse debate
- Strengthen relationships between infrastructural providers and stakeholders (Sheffield Summit in particular)

3.2 The SCR Executive will work with an external provider to deliver the events to ensure the aims of the Summit, indicated above, are met and exceeded. The format of the Summit events will consist of presentations from the SCR LEP and external speakers, a panel discussion with a Q&A session followed by an opportunity to network. Refreshments and canapes will be provided. The speakers will cover the following areas:

- Introduction -Introduce the Summit, including purpose, overview of format and speakers
- SCR Growth Plan and the IIP's role - Context of SEP, IIP and wider ambitions, to include a short video summarising the IIP
- Provide IIP wider perspective – SCR's role in linking into the Northern Power House and the National growth agenda
- A Partnership approach to programme delivery
- Best practise examples within SCR context
- The next steps

3.3 The Sheffield Summit event will take place at a city centre venue, TBC, and will focus on bringing together Local Authority partners, relevant/ engaged businesses, Infrastructure providers, relevant/ engaged Third sector representatives and National bodies such as HS2, DFT, TfN and Environment agency. Potential guest speakers are currently being approached for both events including Lord Adonis.

3.4 Nabarro's, 125 London Wall office has been offered for the London Summit event with the focus of the event being to engage with MP's, SCR relevant/ engaged Investors, DTF and the National Infrastructure Committee members.

3.5 A budget of £30,000 will be requested from the 2016/17 budget, devolved to the SCR Exec Team Head of Paid Service to operationalise the events. This budget will include the cost of delivering both events, production of a summary 1-minute-long IIP video and glossary 4 page IIP summary document.

Next steps

- Budget approval for the event to be operationalised delegated to the Head of Paid Service.
- Appoint an external supplier to manage both events
- Approach guest speakers and confirm June availability
- Book venues and catering
- Guest list to confirm
- Online invitations to go out March 2016

4. Implications

- i. Financial – Budget approval will be required for £30,000 of spend in 2016/17 to fund the proposed summit events
- ii. Legal – Procurement of an external supplier in accordance with the procurement regulations of the SCR Combined Authority

- iii. Diversity - Ensuring literature and publicity complies with legal requirements and events are run in accordance with relevant legislation and best practice
- iv. Equality – None associated with this paper

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FOR RECOMMENDATION

SCR COMBINED AUTHORITY INFRASTRUCTURE EXECUTIVE BOARD

26th February 2016

CIAT Business Case Recommendations

Purpose

The Board is asked endorse the recommendation for the Olympic Legacy Park, noting that the full assessment will be provided separately to this paper, but in time for the meeting.

The Board is also asked to agree to receive recommendations for Bus Rapid Transit North and Worksop and Vesuvius outside of the meeting, but in time for a recommendation to be presented to the Combined Authority.

1. Issue

- 1.1. To progress and endorse business case assessments for a number of schemes and agree forward timescales to maintain momentum.

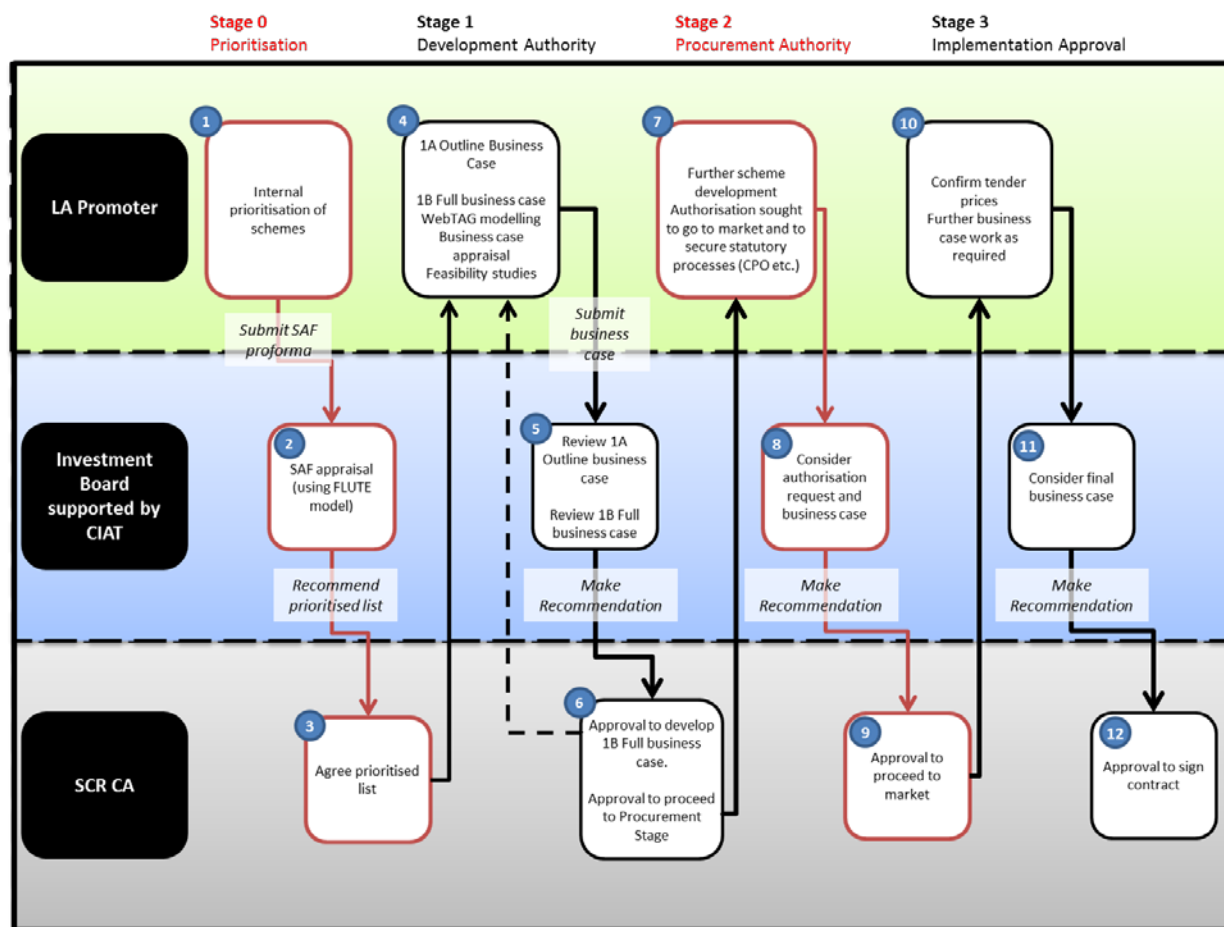
2. Recommendations

- 2.1. Endorse the recommendation for Olympic Legacy Park
- 2.2. Agree to receive and respond to recommendations on Worksop and Vesuvius and Bus Rapid Transit North outside of the meeting by written procedures.

3. Background Information

- 3.1. Each of the schemes in the SCRIF programme is current being progressed through the SCR approved 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 **Olympic Legacy Park** and the proposed timescales for recommendations on **Workshop and Vesuvius** and **Bus Rapid Transit North**.

Olympic Legacy Park

- 3.3. Sheffield City Council is seeking £4.9m funding contribution to create a 9.6Ha serviced site with infrastructure and utilities that will facilitate the delivery of the £107.45m Olympic Legacy Park.
- 3.4. The Olympic Legacy Park (OLP) will contribute to an Innovation Zone in the Sheffield-Rotherham Economic Corridor sited at the heart of the manufacturing and bio-science technology clusters. The OLP will be anchored by the Advanced Wellbeing Research Centre (AWRC) and will create development and investment opportunities for private sector partners working collaboratively with Sheffield Hallam University. The AWRC will create a world-leading research centre to design, develop and implement physical activity interventions to improve health and wellbeing of local and national populations. AWRC will work with private sector partners to exploit the new intellectual property, products and services that are created to improve competitiveness and export opportunities
- 3.5. The OLP is based upon the successful Advanced Manufacturing Park (AMP) and Advanced Manufacturing Research Centre (AMRC) model.
- 3.6. Floor Space; The OLP will create 39,234m² of mixed use development (excluding pitch and associated works) Including 18,450m² of private sector business space

- 3.7. Location; OLP is located off Attercliffe Common. It is well served by public transport; Supertram, Bus Rapid Transit and the number 69 bus route. It will also be a stopping point for the Train-Tram when this becomes operational

Outputs and Economic benefits

1. Exploit IP generated by the AWRC and attract £3m pa funding from the private sector.
2. Attract 20 new private sector businesses: 10 at Tier 1 and 10 at Tier 2 level
3. Create 1,419 (gross) new FTE jobs
4. Increased exports – Sheffield Chamber of Commerce and Industry is predicting 80 business support interventions, 40 research and development projects completed, a minimum of 10 new companies and £10m increase in business sales;
5. Improved productivity in the work place – Estimated savings to Sheffield City Region employees of £14m on reduced absenteeism (using NICE ROI Tool data¹).
6. GVA of £287m (NPV over a 15 year period) equating to £58.64 GVA per £1 SCRIF

3.8. Appraisal information is due Wednesday 17/02/16 this is expected to recommend moving to full approval, possibly with some caveats.

Workshop and Vesuvius

- 3.9. Bassetlaw District Council is seeking £500k as part of a wider package of improvement to the highway network surrounding Worksop town centre. This is the first phase of a two phased project. Phase one includes delivering one of the six road improvements (which make up the total project). The road improvement being delivered is A60/A57/B6024 St Anne's Drive Roundabout.
- 3.10. At the meeting in January the board considered the full business case, which was approved, subject to clarification on the elements of the economic case of the business case. While the assessment team is confident that the changes are minor, we need to have this finalised before recommending to the SCR CA that a funding agreement is entered into. The key issue relates the presentation of gross jobs as net jobs.

Bus Rapid Transit (BRT) North

- 3.11. The BRT North Project will provide a 12km Bus Rapid Transit link between the urban centres of Sheffield and Rotherham via the Lower Don Valley corridor. The proposed scheme offers high quality services and passenger experience to an estimated 7,541 passenger journeys per day between Sheffield City Centre, Rotherham Town Centre and serving some 73 potential employment sites and 80 potential housing sites.
- 3.12. The business case for Bus Rapid Transit North was presented to the team after the deadline for submission, but we are keen to progress the assessment to allow the scheme to progress. As one of the mini commission schemes if we are able to move through the business case process rapidly then investment can be made.

¹ NICE (2014) Physical Activity Return on Investment Tool.

Timescales for approvals outside of the board

- 3.13. For Worksop and BRT North we propose to provide recommendations outside of the board cycle, seeking endorsement by written procedures, to enable a recommendation to be made to the Combined Authority so that a funding agreement can be entered into and works can commence. The following sets out the proposed timescales:

Task	Deadline
Circulation of recommendation and supporting evidence to all board members	29 March
Executive board members to provide comment and endorse the recommendation	3 March
Paper for the SCR CA to be signed off by SCR S151, Legal and Head of Service	4 March
Combined Authority Paper deadline, where approval to proceed is provided	4 March
Combined Authority consider recommendations	14 March

- 3.14. It will be assumed that a non-response to the request for approval endorsement of the recommendation by Executive Board Members will be agreement to proceed.

- 3.15. The approach will help to maintain momentum of the programme.

4. Implications

i. Financial

The 15/16 Capital programme includes funding for the schemes included in this recommendation and those to follow. Separately to this paper, spend profiles will be update to reflect current forecasts.

ii. Legal

Subject to approval, funding agreements will be prepared for these schemes by BMBC Legal on behalf of SCR CA.

iii. Diversity - None as a result of this report

iv. Equality – None as a result of this report

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Background papers used in the preparation of this report are available for inspection at

Other sources and references:

SCR COMBINED AUTHORITY INFRASTRUCTURE EXECUTIVE BOARD

26th February 2016

SCRIF Programme Update

Purpose

The Board is asked to note the programme update to agree the change control recommendations to inform the further development of the SCR Programme Management approach and agree the approach for scheme review to be undertaken by the SCR Executive Board on behalf of the LEP / CA.

1. Issue – Topic & Timescale

- 1.1. To update partners on the SCRIF programme and identify programme actions to improve performance.

2. Recommendations

- 2.1. Note the programme update
- 2.2. Agree the changes to the programme as set out in section 3.3-3.9
- 2.3. Discuss and agree the proposal for scheme reviews to be undertaken by the SCR Infrastructure Executive Board.

3. Background Information

Programme summary

- 3.1. This section of the paper sets out the progress report for SCRIF. SCR are continuing to develop the programme management systems to improve the management of the Strategic Economic Plan and SCRIF.

Programme overview

- 3.2. The SCRIF programme is maturing well with 4 Schemes having achieved Award of Contract so far and 5 schemes expected to achieve Award of Contract this quarter. A process review has also been undertaken to identify opportunities to speed up the business case process. The main conclusion from this review was to undertake contract negotiations as early as possible to ensure once approval is given the contract can be signed. This recommendation has been implemented. Figure 1 presents the current status of all SCRIF projects and the forecast delivery milestones.

Figure 1 Programme time line update

Scheme	1A OBC	1B FBC	Full Approval	Construction Start Date	Construction Complete
M1 Junction 36 TOTAL	COMP				
M1 Junction 36 - Hoyland Phase 1	COMP	COMP	COMP	Apr-16	20/21
M1 Junction 36 - Goldthorpe Phase 2	COMP	Mar-17	Jul-18	Aug-19	Sep-20
Superfast Broadband	COMP	COMP	COMP	COMP	18/19
Sheffield City Centre TOTAL	COMP				
Central Business District/Moor/NRQ	COMP	Mar-16	Jan-17	Apr-17	Apr-18
Sheaf Business District/SHU Knowledge Gateway	COMP	Apr-16	Jul-16	Mar-17	Aug-18
UoS Campus/Inner Ring Road - Phase 1	COMP	COMP	COMP	COMP	Aug-16
UoS Campus/Inner Ring Road - Phase 2	COMP	Mar-16	Jan-17	Apr-17	Apr-18
Riverside Business District - Grey to Green Phase 1	COMP	COMP	COMP	COMP	Jan-16
Upper Don Valley TOTAL					
Parkwood Springs	COMP	Mar-16	Jun-16	Aug-16	Nov-18
Claywheels Lane	COMP	COMP	Apr-16	Aug-16	Jul-17
Upper Don Valley Flood Elevation	COMP	Sep-16	Mar-17	Jan-18	Jan-20
Chesterfield Waterside	COMP	COMP	COMP	Mar-16	Dec-18
DN7 (Hatfield Link)	COMP	COMP	Oct-16	Mar-17	Jul-18
Seymour Link	COMP	COMP	COMP	COMP	Sep-16
FARRRS Phase 2	COMP	COMP	Sep-16	Oct-16	Sep-17
Chesterfield Northern Gateway	COMP	May-16	Jul-16	Sep-16	Mar-20
M1 Junction 37 Claycliffe Link	May-16	Nov-17	Mar-18	19/20	20/21
West Moor Link	Apr-16	Sep-16	Mar-19	Jul-19	Jul-21
Doncaster Urban Centre TOTAL					
Civic and Cultural Quarter	COMP	COMP	Apr-16	Jun-16	Dec-18
Colonnades	COMP	COMP	Mar-16	Jan-16	Dec-17
Doncaster Market	COMP	Jun-16	Jun-16	Oct-16	Sep-17
Quality Streets	COMP	Nov-16	Jan-17	Apr-17	Dec-18
St Sepulchre West	COMP	Apr-16	Nov-16	Jan-17	Mar-19
Waterfront - East	COMP	COMP	Mar-16	Mar-16	Mar-19
Waterfront - West	COMP	Mar-16	TBC	TBC	TBC
Lakeside	COMP	Mar-16	Oct-16	Feb-17	Mar-20
Waverley Lower Don Valley TOTAL					
Waverley Lower Don Valley A630	COMP	Feb-17	Apr-19	Aug-19	Aug-21
Waverley Lower Don Valley Link Road	COMP	Jun-16	Sep-18	Jan-19	Jun-20
Harworth Bircotes	COMP	COMP	Mar-16	Mar-16	Mar-17
Worksop Vesuvius	COMP	COMP	Apr-16	16/17	17/18
Peak Resorts	COMP	Mar-16	Apr-16	Oct-16	Mar-16
Olympic Legacy Park	COMP	COMP	Apr-16	Sep-16	Nov-17
BRT North	COMP	COMP	Apr-16	Apr-16	Sep-16
Urban Development fund loan	COMP	Mar-16	Apr-16	Apr-16	Mar-19

Exception reports

M1 J36 Hoyland

- 3.3. As a result of contract negotiations between SCR and BMBC, and BMBC and Developer partners the already reduced spend in 15/16 is now at risk. The current reported value is £1m, and while the contract is expected to be finalised in February it is not clear if delivery will commence in 15/16. This position will be clarified following completion of the contracting for the scheme and reported to a future board.

Chesterfield Waterside

- 3.4. Spend in 15/16 has been put back until 16/17, this reflects the need for Chesterfield Borough Council and their developer partners to agree the terms through which to deal with the clawback conditions. The change does not affect the value for money of the scheme and we expect works to commence early in 16/17.

Note on Clawback

- 3.5. The use of Clawback on outcomes is a previously agreed policy position to enable the Combined Authority invest in to projects that are likely to deliver value for money, but present higher risk. As discussed at the time this policy was introduced, the implication is that contract negotiation takes longer to finalise. We have experienced this implication of delay on delivery in the schemes above, but it is considered that by having Clawback the Combined Authority is incentivising the delivery of outcomes and managing the risk. Without this policy higher risk scheme may not be invested in at all.

Chesterfield Northern Gateway

- 3.6. Chesterfield Borough Council are seeking to revise their scheme to reflect changes to the commercial market in the centre. The proposed scheme is a revised version of the outline business case approved in February 2015 that would bring in an opportunity presented by the development of the Co-op Building and incorporates the Chesterfield Town Centre Scheme that was assessed a viable scheme at Sheffield City Region in a mini-commission in October 2015.
- 3.7. Although a smaller scheme, it will provide a link to the town centre and through public realm works deliver connectivity from the Town Centre, through the Elder Way Development and on to the Do-nut roundabout which will home a new 2350 sq m managed office space. Reflecting the reduced scale of the scheme the amount of funding required from SCRIF, the private and the public sector has been reduced to £5.83m, £10.55 and 3.57m, respectively.
- 3.8. As set out above because the scheme Chesterfield is now proposing is on a smaller scale than that set out in the outline business case, the outputs and outcomes have declined accordingly too. Details are set out in Appendix A:
- 3.9. Despite the funding, outputs and outcomes declining, the proposed scheme could still offer a favourable value per job at for the amount of SCRIF required and remains strategically important for Chesterfield and SCR. The commercial viability and economic contribution will be tested and confirmed through the business case process.

Proposed scheme review

- 3.10. Following positive conversations with Chesterfield as scheme promoter for the Northern Gateway and the evidence of schemes being delayed in 15/16 the project

team have identified an opportunity to improve delivery. We feel promoters could be unwilling to risk losing their entire funding allocation where changes are needed to schemes so propose that the board creates an opportunity where the funding is protected with an agreed set of principles. The principles for discussion are:

- ☐ The approach will be consistent for all
- ☐ It is about refinement and focus – not fragmentation and starting again from scratch
- ☐ Eligible cost for scheme development can be increased to include some reasonable investment from SCRIF to develop the scheme, but could only be claimed back at full approval. This is consistent with the existing approach as the claims must be capitalisable.
- ☐ It is proposed that up to 25% of costs to develop a scheme to Stage 1B can be claimed. This is in addition to the 100% of eligible costs that can be claimed after approval at Stage 1B.
- ☐ Schemes cannot increase in cost, there is no more money. Any increase in eligible cost must be found within the agreed maximum contribution for the scheme. Schemes that need more to be delivered could be considered to be removed from the programme if this is a delivery constraint.
- ☐ This only applies to schemes that we have not yet seen a full business case unless there are exceptional circumstances – for example changes to a scheme as a result of planning
- ☐ This does not allow wholly new schemes to be included in the programme – there must be a clear link between the existing scheme and the revised scheme
- ☐ We expect some of the funding allocation to be released to SCRIF – ie any savings made cannot just be used to cover business case costs.

3.11. We have identified the following risks and opportunities which have brought about the proposal to call for a scheme review:

- ☐ At our next annual conversation with Government there is a risk that we lose credibility if we continue to under-deliver.
- ☐ Some scheme promoters have already asked for this opportunity, so widening the approach could encourage others to follow.
- ☐ We have identified an opportunity to improve the deliverability of the SCRIF programme and draw out schemes that have low certainty
- ☐ This process will lead to greater certainty, but perhaps lower value for money as some of the funding is used towards business case development, rather than scheme delivery.

3.12. Changes from here will be put under greater scrutiny in terms of what the Executive Board might want to see as evidence. This could include a presentation by the scheme promoters to the Board and more detailed discussion to understand whether further changes can be supported. The approach will be developed and discussed with the Board.

- 3.13. The Executive Board is asked to consider the principles and discuss the proposed approach, highlighting any best practice from elsewhere that could be incorporated.

Next Steps

- 3.14. Scheme promoters given opportunity to re-scope an existing project with the same local geographical context and clear strategic link to the economic plan. A template will be circulated for completion so that there is consistency in the information provided.
- 3.15. Part of this approach is designed to prepare SCR for future Devolution and SCRIIP, by making sure that we can demonstrate delivery.
- 3.16. A paper to be brought to the next Executive Board setting out any proposed revisions to the schemes in the programme.

4. Implications

i. Financial

The capital programme for 15/16 and forecast for 16/17 will need to be revised to reflect the current scheme inputs. This data will be considered across the programme to review performance and plan for 16/17.

Further review will be required which will impact on the 16/17 programme following the scheme review. Any changes will be confirmed and updates provided to the board and Combined Authority as required.

ii. Legal

None as a result of this report

iii. Diversity

None as a result of this report

iv. Equality

None as a result of this report

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Background papers used in the preparation of this report are available for inspection at

Other sources and references:

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Northern Gateway Highlight Report - Annex 1

Revised Scheme – Northern Gateway

Background

The Northern Gateway is located to the north of Chesterfield Town Centre's existing retail core and is bounded by arterial roads as well as Chesterfield College to the North. It is on the fringe of the existing retail core and is characterised by a variety of surrounding land uses. The Council owns a significant proportion of the site with the remaining land within three separate third party ownerships.

As presented in the outline business case, it has been established that a food retail led site is no longer commercially feasible due to significant changes in the retail market pointing to a need for a refreshed approach to the site. Proposals were set out in the outline business case that was approved in February 2015, for a scheme that would be a high quality mixed use development, providing a leisure led destination that addresses Chesterfield's lack of family orientated leisure facilities and re-enforces the town centre as a location for office based employment. Reflecting the changes to the retail market, the Muse scheme still proposed to deliver a retail element but at 800sqm, it would be significantly scaled down compared to a scheme anchored by large retailer. Utilising £8.6m SCRIF, the scheme proposed to deliver £33.2m GVA and 848 jobs.

The Muse scheme was parked to allow Chelverton, the developers who own the former petrol filling station site on the Northern Gateway to explore the option of bringing forward a comprehensive retail scheme. However, efforts to secure a high value retailer have been unsuccessful resulting in the need for the Council to explore other options for the site.

To allow the council and other partners to understand the viability of different options, consultants, Cushman and Wakefield, were commissioned in September 2015 to prepare an options appraisal of the Northern Gateway site. The final report was presented to the Council in December 2015.

The options appraisal affirmed the demand for leisure with strong interest from hotel operators such as Travelodge and Best Western and national restaurant chains including Prezzo and Bella Italia. However, the appraisal pointed to consideration needing to be given competing leisure led schemes such as the Elder Way development. With regards to retail, the appraisal showed that demand was low with only limited interest being shown by low value retailers which may prejudice retail frontage for major schemes coming forward in the future.

In September 2015 the Council received a planning application to bring forward a leisure led scheme as part of the redevelopment of the former Co-op building which had been vacant since the store closed in 2013. Full planning permission was granted to Jomast developments on 16th December 2015 to bring forward a scheme that will involve the refurbishment of the building to deliver a multi-occupied leisure scheme consisting of six restaurants, a hotel and gym. Deals are advancing between the developers a national hotel chain, gym operator and a number of national restaurant occupiers.

In October 2015 the results were received for a proposal that was submitted through the mini commissioning process seeking SCRIF funding to support the re-development of the Co-op building which argued additional public realm works would maximise occupier interest, provide wider regeneration benefits for the town centre and facilitate the setting for leisure based development. The public realm improvements will ensure through good design of the street scene that the scheme is embedded into the wider town centre. The commissioning process showed that the re-development

of the Co-op scheme generated net additional funding at Sheffield City Region Scale of £16m. The scheme came 5th in the commissioning process but unfortunately there was only enough funding to support the top 3.

Proposed Scheme Following Options Appraisal

Following a review of the externally commissioned options analysis by Cushman and Wakefield and taking into consideration planning approval being granted for the Elder Way Development we propose a scheme that incorporates the redevelopment of the Co-op building, the refurbishment of Saltergate MSCP, 2350sqm of managed office space and public realm works that consolidates all three elements providing enhanced connectivity from the Northern Gateway to the Town Centre. The revised scheme has been costed at £19.9m and it is proposed that this will be funded through SCRIF, CBC and the Private Sector. The revised scheme is seeking SCRIF allocation of £5.83m which will support the creation of 489 jobs at value of £11,900 per job (gross).

Since current SCRIF allocation is £8.6m for the delivery of the Northern Gateway scheme, this revised proposal will see the return of the balance of £2.77m to the SCRIF funding pot.

Scheme Component	Estimated cost (£m)	Jobs direct	Jobs Indirect
Re-development of Co-op Building (private sector led)	£10.55	174	129*
Elder way/Knightsmithgate/Do-nut public realm works	£1.2		*as above
Saltergate MSCP Refurbishment	£3.5		*as above
2350 sqm Managed Office Space (Do-nut)	£4.7	186	
Total	£19.95m	489	

Funding

Chesterfield Borough Council	£3.57m
SCRIF	£5.83m
Private Sector	£10.55m

The Elder Way Development which incorporates 6 restaurants, a hotel and a gym, is an important scheme for the Town and one that will not only significantly strengthen the town's leisure offer but generate 174 jobs directly and 129 indirect jobs through increased footfall and dwell time across the wider town centre. The scheme will offer natural connectivity between the Northern Gateway and the Town Centre and bring a new vibrancy to the area, regenerating a part of the town centre which has steadily declined since the closure of the Co-op store in 2013.

In a recent interview Jomast's Development Director, Adam Herald said,

"This is a hugely important and exciting opportunity to revitalise a significant landmark building and create a vibrant leisure destination in the heart of Chesterfield Town Centre"

As outlined in the mini commission submission, additional public realm works are required to facilitate this leisure based development by providing an appropriate setting, maximising occupier interest and bringing regeneration benefits for the wider town centre.

Our proposal is to extend the public realm works from Elder Way/Knightsmithgate to Saltergate, increasing the connectivity between surface and multi storey car parking and the proposed managed office space on the Northern edge of the Holywell Cross Carpark. To support this additional connectivity work, the cost of the public realm work is expected to increase from £810,000 as originally estimated to £1.2m.

The refurbishment of the MSCP carpark is essential, not only to ensure a continuation of public car parking on the site but also provide additional secure parking to support the hotel on Elder Way and to support increased footfall for visitors taking advantage of the restaurants that form part of the leisure scheme. The refurbishment of the car park is expected to cost £3.5m (Makers report 2015)

The Muse Development presented in the outline business case in 2015, included a significant office component of 7,500 sqm, incorporating 3,500 sqm innovation centres. The options appraisal presented by Cushman and Wakefield supports office space as part of the any scheme but considers a reduced office component of 50,000sqft. With this recommendation in mind and together with limited funding, we propose to build upon the success and popularity of the Council's Innovation Centres by constructing a managed office space of 2350sqm on the northern edge of the Holywell Cross car park which would have the potential to support a further 186 jobs.

The construction of additional office space supports Sheffield City Region's strategic priorities to increase the proportion of the workforce employed in the private sector and supports the growth in business and financial services which is a priority sector for the region.

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SCR COMBINED AUTHORITY INFRASTRUCTURE EXECUTIVE BOARD

26th FEBRUARY 2016

IEB BUSINESS PLAN 2016/17

Summary/Purpose

- **The Board is asked to finalise the key activity and resourcing requirements. The Board is asked to recommend the plan to the SCR CA for inclusion in the composite SCR Delivery Plan 16/17.**
- **This paper provides an update on the Business Plan for 2016/17. More specifically, it will discuss headline investments and the key programme of activity.**

1. Issue

1.1 This paper presents the final draft of the Infrastructure Executive Board Business Plan 16/17 for discussion and recommendation for inclusion in the composite SCR CA/ LEP 16/17 Delivery Plan.

2. Recommendations

2.1. The Board is asked to recommend the updated activity and resourcing as set out in the Full Business Plan Annex A.

3. Background Information

3.1 The Infrastructure Executive Board has two key functions:

- 3.1.1.** To recommend to the CA the forward plan of the integrated pipeline of new strategic investments covering transport to property investments
- 3.1.2.** To undertake detailed analysis of schemes, making considered recommendations to the SCR CA to enable effective decision making on the programme of infrastructure – currently circa £600m/£215m LGF

At the January IEB the Board endorsed the 2016/17 Infrastructure Business plan, subject to a final update at its February 2016 meeting.

Infrastructure is one of three key pillars within the SEP, and as such covers a number of thematic areas including, housing, transport and enterprise zones as well as a broader commitment to key plans such as the IIP. Infrastructure is a key part of a broader economic eco system to deliver 70-100,000 new homes, £3.1bn GVA and 70,000 jobs, without strong infrastructure supporting viability and better connectivity our plans will not be realised. The Board to ensure links to the policy and investment aspirations within Housing and Transport Executive Boards as well as ownership of key works related to spatial planning and devolution are delivered cohesively.

A significant proportion of the current £300m Growth Deal investment (over £230m) is allocated to the range of projects covered within this theme. With the Executive Board responsible for overseeing delivery and performance of schemes.

4. Headline Investments 2016/17

- 4.1. The SCR will establish a total Fund worth £5m over 16/17 and 17/18 to stimulate development in the Enterprise Zones. £2.5m during 16/17 and £2.5m during 17/18
- 4.2. The SCR will develop new supplementary plans for Flood, Energy and Placemaking based on SCR IIP findings and recommendations - this will be contingent on agreed funding
- 4.3. Ensure a profiled spend of up to £53.5m by 2016 and enter into funding agreements for 20 infrastructure projects by April 2017
- 4.4. To complete five projects (30%) by April 2017
- 4.5. **Sheffield City Region Integrated Infrastructure Plan Delivery:** SCR will undertake a significant piece of work to develop the next programme of infrastructure investments through the IIP and by autumn 2016 will have newly prioritised investments:
 - 4.5.1. Endorsement of and delivery of major promotional activity around the SCR IIP from January 2016
 - 4.5.2. Commence commissioning to define infrastructure schemes by February - April 2016 date
 - 4.5.3. Appraise and Prioritise Investment Schemes April - June 2016
 - 4.5.4. Agree new programme June – September 2016
 - 4.5.5. Agree new finance package and commission programme end 2016
 - 4.5.6. To be the first area outside of London to host an integrated investment plan and commissioning framework.

5. Implications

- i. Financial
The Business Plan includes a programme of funded and unfunded asks. This is made clear in the content of the Plan which states which areas are contingent on agreed funding. Where new funding proposals are brought forward the SCR Assurance Framework outlining the programme management and due diligence required will be adhered to.
- ii. Legal
None resulting from the recommendations set out in this report.
- iii. Diversity
None resulting from the recommendations set out in this report.
- iv. Equality
None resulting from the recommendations set out in this report.

REPORT AUTHOR Veena Prajapati, Sheffield City Region Executive

Officer responsible: **Amy Harhoff, Head of Service, Sheffield City Region Executive**

Other sources and Reference: The SCR Infrastructure Business Plan 2016/17 see Annex A

Sheffield City Region Infrastructure Executive Board Business Plan: 2016/17

Contents

1. Key investments in 2016/17
2. What are the key milestones in 2016/17
3. What outputs and outcomes will be delivered in 2016/17?
4. What are the risks and how will we mitigate them?
5. What are the resource requirements?

1. What are our key investments in 2016/17?

This section outlines key investments in 2016/17.

The Infrastructure Executive Board is strategically focused to a strong integrated plan and the delivery of an effective integrated programme.

Therefore, it has two key functions, firstly the forward plan of the integrated pipeline of new strategic investments covering the spectrum from Transport to property investments. Secondly the effective decision making on the programme of infrastructure (currently C£600m/£215m LGF). To support this endeavour at the headline level on 2016/17:

- The SCR will establish a total Fund worth £5m over 16/17 and 17/18 to stimulate development in the Enterprise Zones. £2.5m during 16/17 and £2.5m during 17/18
- The SCR will develop the next programme of infrastructure investments through the IIP and by autumn 2016 will have newly prioritised investments, current bench marking assesses a potential value of £1.5bn.
- The SCR will develop new supplementary strategies for Flood and Energy- this will be contingent on agreed funding

The Infrastructure Executive Board will ensure that links to the policy and investment aspirations within the Housing and Transport Executive Boards as well as ownership of key works related to wider spatial planning and devolution are delivered cohesively.

Key investments over the next year will be:

Sheffield City Region Investment Fund

The SCR Investment Fund (SCRIF) and associated programme management provides a clear example of how infrastructure investment can be prioritised and effectively delivered to enable and accelerate employment and economic growth.

The programme of investment is a strong sign of the City Regions commitment to invest in the critical infrastructure scheme that can maximise growth across the whole region. We have a well-defined programme and the tools to support delivery of the programme. The Infrastructure Board will be focused on:

- Ensuring a profiled spend of £53.5m by 2016
- To enter into funding agreements for twenty infrastructure projects by April 2017
- To complete five projects (30%) by April 2017

Sheffield City Region Integrated Infrastructure Plan Delivery

- Endorsement of and delivery of major promotional activity around the SCR IIP from January 2016
- Commence commissioning to define infrastructure schemes by February - April 2016 date
- Appraise and Prioritise Investment Schemes April - June 2016
- Agree new programme June – September 2016

- Agree new finance package and commission infrastructure programme end 2016

SCR Property Fund

- Develop a £5m EZ fund to stimulate development within the Enterprise Zone as outlined within the SCR Devolution Deal. The EZ Fund will sit alongside the existing SCR JESSICA/GPF which itself will benefit from an additional £10m generated through SCRIF. The combined SCR JESSICA/GPF and EZ fund will have a total capital value of circa £45m
- The SCRIF will make a £10m loan to the SCR JESSICA to be invested over 3-year period prior to being repaid with interest. The SCRIF funding will then be used to support the existing SCRIF Programme.
- Deliver the SCR JESSICA Investment Strategy for agreement with the IEB Jan 2016
- Continuation of JESSICA and EZ funds to support commercial development

Cross Cutting

- The Infrastructure theme is part of three inextricably linked boards which are; Infrastructure, Housing and Transport.
- The plans and investments through the IIP and SCRIF are often related to the delivery of objectives for the transport network as well as significant numbers of houses. For example, the current SCRIF programme underpins the delivery of 13,000 homes and the SCR IIP will seek to achieve even more.
- More broadly proposals for the housing investment funds and single pot need to be considered alongside the infrastructure investment programmes.

1.1 Supporting strategic objectives

Infrastructure is one of the most cross cutting and also enabling themes of both the SEP and Devolution Deal.

Infrastructure is one of three key pillars within the SEP, and as such covers a number of thematic areas including, housing, transport and enterprise zones as well as a broader commitment to key plans such as the IIP.

Infrastructure has necessitated a significant proportion of the current £300m Growth Deal investment with over £230m allocated to the range of projects covered within this theme.

Infrastructure is a key part of a broader economic eco system to deliver 70-100,000 new homes, £3.1bn GVA and 70,000 jobs, without strong infrastructure supporting viability and better connectivity our plans will not be realised.

As well as strategic infrastructure the SCR will continue to support commercial development where this contributes to the economy development of the City Region. This entails:

- Continued support of the SCR JESSICA - supporting the SEP and IIP (draft) through the provision of finance to commercial developments across the SCR.

- The development of a £5m EZ fund supports paras 47 and 48 ¹ of the devolution deal that acknowledges the role of the EZs to the SCR economy.

Over the period 2016/2017 our key activity and investments to manage both our challenges and opportunities for infrastructure supporting operational objectives will be as follows:

The SCR Revolving Property (JESSICA/GPF/EZ Development Funds)

- The additional funding to SCR JESSICA and the EZ Fund address the need to ensure a continuation of funds to support commercial development whilst initial investments are completed and repay their finance in the order of £30m. When combined a property fund of circa £45m has been established.

Sheffield City Region Investment Fund Delivery (SCRIF)

- SCRIF to enter into funding agreements for 20 infrastructure projects by April 2017, with five projects complete.
- To manage the programme and ensure the profiled spend of £53.5m by 2016
- Continued management to ensure delivery beyond 2016/17

The Sheffield City Region IIP

- To be the first area outside London to host an integrated investment plan and commissioning framework valued up to £1.5bn
- Develop the next generation of schemes under the IIP framework
- Launch the IIP at high calibre high profiled events²
- To deliver the 2050 Energy Strategy³
- Fund the commissioning of the following:
 - Review of appraisal
 - Agree metrics
 - Accessing EOI (CIAT recommendations on impact)
 - Programme testing
 - Scheme development

¹ Sheffield City Region Devolution Deal

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/466616/Sheffield_devolution_deal_October_2015_with_signatures.pdf

² The IIP Summit is an unfunded pressure should we not get funding through devolution. We will need to work with the finance team to find ways to meet the cost of the activity.

³ Delivery of the Energy Strategy, Flood Review and Placemaking Plan will be contingent on funding being agreed

2. What are our key milestones in 2016/17?

Theme	Project /scheme	Milestones 2016/17											
		Apr 16	May 16	June 16	July 16	Aug 16	Sept 16	Oct 16	Nov 16	Dec 16	Jan 17	Feb 17	March 17
SCRIF	M1 Junction 36 - Hoyland Phase 1	In construction											
	Superfast South Yorkshire Broadband	In construction											
	Sheffield City Centre												
	Central Business District/Moor/NRQ					Award							
	Sheaf Business District/SHU Knowledge Gateway			Award		Construction commence							
	Uni of Sheffield Campus/Inner Ring Road - Phase 1					Construction complete							
	UoS Campus/Inner Ring Road - Phase 2 (Brook Hill)					FBC							Award
	Riverside Business District - Grey to Green Phase 1	Evaluation planning											
	Upper Don Valley												
	Parkwood Springs												
	Claywheels Lane		Award					Construction commence					
	Upper Don Valley Flood Elevation						FBC						Award
	Chesterfield Waterside	In construction											
	DN7 (Hatfield Link)									Award			
	Seymour Link	In construction						Construction complete					Evaluation planning
	FARRRS Phase 2						Award	Construction commence					

								e					
	Chesterfield Northern Gateway			FBC		Award			Constructio n commence				
	M1 Junction 37 Claycliffe Link		OBC										
	West Moor Link				OBC		FBC						
	Doncaster Urban Centre												
Page 26	Civic and Cultural Quarter	Award			Construction commence								
	Colonnades	In construction											
	Doncaster Market			FBC	Construction commence								
	Quality Streets									FBC			Award
	St Sepulchre West	FBC								Award	Construction commence		
	Waterfront EAST	In construction											
	Lakeside												
	Waverley Lower Don Valley A630	FBC											
	Waverley Lower Don Valley Link Road				FBC								
	Harworth Bircotes	In construction											
	Worksop - Vesuvius works	In construction											
	Peak Resort							Constructi on commenc e					
	BRT						Constructio n complete						
	Olympic Legacy Park		Award		Construction commence								

Theme	Project /scheme	Milestones 2016/17											
		Apr 16	May 16	June 16	July 16	Aug 16	Sept 16	Oct 16	Nov 16	Dec 16	Jan 17	Feb 17	March 17
JESSICA	£5m EZ Fund	Launch of EZ Fund					Funding Proposal submitted to IEB		First Investment				
	SCR JESSICA	SCRIF Loan payment to SCR JESSICA					Funding proposal submitted to JESSICA Investment Board		First SCRIF Loan Investment		Funding Proposal submitted to JESSICA Investment Board		Second SCRIF Loan Investment

NOTE Milestones include bringing forward scheme mandates, OBC, FBC, contract, procurement, go live etc. These need to be well defined and planned as these will form the basis of the programme management reporting and if incorrectly assessed could lead to change control reports / performance issues raised. Please speak to Mel for further info on milestones which require recording.

3. What outcomes and outputs will be generated by the end of 2016/17?

The table below outlines the proposed outputs and outcomes to be achieved within each operational project within 2015/16.

		Q1 Apr-Jun 2016	Q2 Jul-Sept 2016	Q3 Oct-Dec 2016	Q4 Jan-Mar 2017
SCR Property Investment Funds	Joint EZ and JESSICA Fund (I.e. the Property investment)	Establish Fund as part of a holistic property fund		1 EZ investment made ⁴ 1 SCR JESSICA investment made	EZ Fund defrayal £1m SCR JESSICA defrayal £1.5m
	Existing SCR JESSICA	9,295 sqm employment floorspace completed. 925 jobs accommodated		1 investment made 13,875 sqm employment floorspace completed 475 jobs accommodated	1 investment made
The SCR IIP and Commission of new schemes	Design Commission for Schemes and Launch	Call completing end April with submissions from Partners and Promoters			
	Appraise and derive prioritised list		Undertake scheme appraisal and prioritisation		
	Agree Prioritised List and future capital programme			Prioritised schemes	Capital Programme

⁴ The fund does not operate with specific projects in mind, it will need to promote the fact that it has resources available and work with developers to find viable investment opportunities

		Scheme outputs <i>Commitments</i> during 2016 / 2017 but not delivered in year	Delivered in 2016 / 2017
SCRIF	Gross FTE construction jobs years	137 direct jobs 1,392 indirect jobs	58 direct 1840 indirect
	Commercial floorspace	10,395 direct commercial floorspace 24,805 indirect commercial floorspace	
	Potential commercial floorspace unlocked (sqm)	14,280 indirect potential floorspace	14,280 indirect
	Housing Units	35 indirect housing units	35 indirect
	FTE jobs	42 direct jobs 1,384 indirect jobs	100 indirect
	GVA (£m)	£1.75m direct £48.61m indirect	£3.30m direct £5.80m indirect
	Private sector investment leveraged (£m)	£88.40m indirect	£27.80m direct £76.80 indirect
	Other public sector investment leveraged (£m)		£1.7m

the colour coding –is to illustrate that different business plans may cover a breadth of areas e.g. a theme may be Access to Finance and the schemes may be BIF, RGF, new investment fund or Skills theme – may include Skills Bank and also Skills Made Easy as two schemes, SCRIF as a theme will have numerous schemes etc.

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

This section outlines the key risks in relation to strategic and operational programmes. This is not at the level of individual schemes, but is at a broader programme level.

A full programme level risk register, identifies risks against the categories of:

- Policy
- Operational
- Financial
- Reputational, and
- Delivery

The SCR is currently developing a comprehensive risk register for the TEB. This will be presented at the January TEB for discussion and will form the basis of this section of the plan. Indicative risks are as follows:

The impact, likelihood and severity of risks have then been scored using the following indicators:

Impact

1. Very Low/Insignificant
2. Low
3. Medium
4. High
5. Very High/Catastrophic

Likelihood

1. Rare Remote
2. Unlikely
3. Possible
4. Likely
5. Almost Certain

Severity Score

Very High	20-25	Unacceptable level of risk -requires corrective action & constant monitoring
High	12-16	A high level - requires corrective action and active monitoring
Medium	5-10	Acceptable level - requires active monitoring
Low	1-4	Acceptable level - requires passive monitoring

Category	Risk	Impact	Likelihood	Severity	Total Impact	Mitigating Action	By When
	SCRIF						
Policy	Vacancy Programme and BC policy and forward plan management	2	4	12	18	See Resource Plan	Jun-16
Operational	Vacancy of Head of Appraisal not filled	4	5	16	25	Consultancy support to manage business case process	Apr - 16
Financial	Forecast allocations change	2	4	10	16	Proactive engagement with scheme promoters	Jul - 17
Reputational	Underspend and under delivery	4	4	10	18	Development of pipelines and over-programming	Sept - 16
Delivery	Non-realisation of outcomes and benefits	3	3	10	16	Review of appraisal approach to ensure rigor	Mar - 17
	SCR Property Investment Fund						By when to be done
Policy	Agreement of the proposed Investment Strategy	4	1	4	9	A strong coherent plan linked to the IIP and SEP, partner engagement on development	
Operational	Sufficient resource to manage the Fund	3	2	6	11	The Fund is self-sustaining with the use of interest and investment returns to finance the Fund Manager and Accountable Body costs	
Financial	Investments fail to realise returns	3	3	15	21	Due diligence and charges over assets where appropriate	
Reputational	Investment in inappropriate activity	4	2	12	18	Investment strategy clearly sets out the sectors that are suitable for support	
Delivery	Funds are not invested.	2	3	15	20	Fund Manager appointed to seek investment opportunities.	
	Property						

	market deterioration makes investments non-viable					Consideration of Gainshare funding as grant to sit alongside JESSICA loan investments.	
	SCR IIP						
Operational	Vacancy of Head of Appraisal not filled	To be done				Consultancy support to manage business case process	
Financial	Forecast allocations change					Proactive engagement with scheme promoters	
Reputational	Underspend and under delivery					Development of pipelines and over-programming	
Delivery	Non-realisation of outcomes and benefits					Review of appraisal approach to ensure rigor	

DRAFT

5. What are the resource requirements?

- Budget for schemes which are live and subject to forward funding commitments
- Budget to deliver the identified scheme pipeline
- Budget requests to develop new activity, subject to approval of the scheme at OBC and FBC.
- Budget to commission schemes that emerge from the IIP, specifically a review of appraisal; agree metrics; accessing EOI (CIAT recommendations on impact); programme testing; and scheme development.
- Budget to review appraisal model to deliver IIP

Revenue Consultancy

- SCR IIP Pipeline Schemes
- SCR IIP Business Case Development
- SCR 2050 Energy Strategy⁵
- SCR Flood Review
- SCR IIP Summit

Revenue Team

3 x FTE

Capital

SCRIF

The resource requirements to manage SCRIF are captured within the wider corporate business plan as part of the Performance component of the SCR business plan. They are not duplicated here to avoid double counting.

The 16/17 SCRIF programme is forecast to require £53.5m. This figure is subject to review and will be updated as part of the programme management process.

Property Funds

The Fund Manager for the SCR JESSICA is funded through investment arrangement fees and returns from Investments. The SCR costs are supported through existing revenue budgets associated the funding and returns made from investments.

SCRIF made a £10m loan to the SCR JESSICA Fund in 15/16 to be invested over 3-year period prior to being repaid with interest to be used to fund the tail of the existing SCRIF Programme. Activity, outputs and outcomes delivered via JESSICA will all be captured however the financial reporting will be based on the SCRIF allocations, receipts and reallocations therefore the £10m JESSICA investment is not separately shown in the funding tables to avoid potential double counting.

⁵ Delivery of the Energy Strategy, Flood Review and Place-making Plan will be contingent on funding being agreed

Infrastructure Executive Board Budget Proposal							
Programme	Project / Scheme	Funding Source	Status	Funding Type	16/17	17/18	18/19
SCRIF (£m)	Overall Programme	LGF	Live	Capital	£53,552	£37,005	£24,872
SCR IIP and New Pipeline	1 X FTE to Manage new pipeline of investments, support business case development and policy recommendations relating to the broader programme	Devolution Revenue (capitalised if delivered in programme)	In principle approval	Revenue	£50,000	£50,000	£50,000
SCR IIP and New Pipeline	Programme Prioritisation Consultancy Budget	Devolution	In principle approval	Revenue	£75,000		
Client Role and Support	1 X FTE This is the supporting policy interface between CIAT, the promoters and the board as well as wider support to policy.	Devolution	In principle approval	Revenue	£50,000	£50,000	£50,000
IIP Scheme Development	The IIP will set out the priorities for investment and will require further funds to develop a programme of scheme specific interventions which define the next programme of investments for 2016. This fund is to support scheme development with promoters.	Devolution Revenue (capitalised if delivered in programme)	In principle approval	Revenue	£250,000	£250,000	£250,000
Marketing IIP (Summit)	This will cover a high profile major event, with 2 paralleled session, in the Sheffield City Region and London. Subsequent events will publish schemes and include supplier events.	Devolution Revenue	In principle approval	Revenue	£40,000	£15,000	£15,000

Flood Resilience Study	A high level analysis to summarise recent flooding events and identify the SCR’s current position on flood – this is a consultancy contract, taking a quick synthesis of current plans in the context of recent events.	Devolution Revenue	In principle approval	Revenue	£25,000		
SCR 2050 Energy Strategy	A key recommendation of the IIP to develop a long term sustainable energy strategy and pipeline of potential schemes.	Devolution Revenue	In principle approval	Revenue	£100,000		
	EZ Fund	Growth Deal 2 (LGF)	In principle approval	Grant / Loan (capital)	£2.5m	£2.5m	
	SCR Fund Development continued work on existing SCRIF	Devolution Revenue	In principle approval	Single Pot (revenue)	£0.05m		
Budget Request					£56,692,000	£39,870,000	£25,237,000
Total Revenue					£64,000	£365,000	£365,000
Total Capital					£56,052,000	£39,505,000	£24,872,000

Funding source is LGF, City Deal, GPF other BIS, Youth Contract etc.

Status is scheme live – pipeline or does it have other arrangements e.g. many skills SCC or CA claim funding from BIS

Info is crucial for 16/17 but useful to show if schemes have multiyear funding requirements

This table should highlight any activity that is a priority and for which there is no current identified funding source

- The additional resource request is for JESSICA based on the Mini-Commission submission where funding in the programme to grant (or other forms of public intervention) projects that also benefit from a JESSICA loan will stimulate development.

Infrastructure Executive Board additional resource request

Programme	Project	Funding Source	Status	Funding Type	15/16	16/17	17/18
JESSICA	Grant fund for property development	30x30	Unresourced SEP priority	Grant		£5m	£5m
			Unresourced SEP priority				

The above table details proposals for programmes the Executive Board would seek funding for, subject to compliance with the SCR Assurance and Accountability Framework should SCR receive £30m additional funding per annum.

ANNEX 1

SCRIF OUTPUTS AND OUTCOMES

Timing of gross outputs and outcomes			
		2015/16	2016/17
Gross FTE construction jobs years	Output	206 - direct	137
	Outcome	514 - indirect	1,392
Commercial floorspace	Output	-	10,395
	Outcome	23,503	24,805
Potential commercial floorspace unlocked (sqm)	Output	-	-
	Outcome	-	14,280
Housing Units	Output	-	-
	Outcome	-	35
FTE jobs	Output	17	42
	Outcome	414	1,384
GVA (£m)	Output	9.94	1.75
	Outcome	0.34	48.61
Private sector investment leveraged (£m)	Input	9.85	8.41
	Outcome	43.60	88.40
Other public sector investment leveraged (£m)	Input	7.52	5.56
	Outcome	-	-
Other (£m)	Input	6.57	2.88
	Outcome	-	-

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SCR INFRASTRUCTURE EXECUTIVE BOARD

25 JANUARY 2016

AMP, WAVERLEY, ROTHERHAM

No.	Item	Action
1	<p><u>Welcome and Apologies</u></p> <p>Present:</p> <p><u>Board Members</u> Mayor Ros Jones - Doncaster MBC, CHAIR Martin McKervey - Nabarro (LEP) Chris Scholey – Doncaster Bassetlaw NHS Foundation Trust (LEP) John Mothersole – SCC</p> <p>Apologies were received from Board Members: Neil Taylor (BaDC) and Cllr John Burrows, Chesterfield BC</p> <p><u>In Attendance</u> Amy Harhoff - SCR Executive Team Neal Byers - SCR Executive Team Julian Cosgrove – NEDDC Neil Johnson - Chesterfield Rob Pearson - HCA Ben Morley - SCC Tom Finnegan-Smith - RMBC Peter Dale – DMBC Paul Wilson - DDDC Ed Highfield – SCC Matt Gladstone - BMBC Craig Tyler - Joint Authorities Governance Unit</p> <p>+ Eleanor Dearle (BMBC) for item 10</p>	
2	<p><u>Declarations of Interest</u></p> <p>As Leader of the sponsoring Authority, Mayor Jones declared an interest in the Doncaster schemes to be discussed at item 8a.</p>	
3	<p><u>Urgent Items / Announcements</u></p> <p>The Board was advised of plans to feed into the Lord Adonis Infrastructure Commission consultation, to inform debate and ensure the Commission is well sighted in respect of the SCR's key projects.</p>	

	<p>It was noted that Lord Adonis is hosting a roundtable discussion on the Commission in Sheffield next Monday. It was confirmed SCR representatives have been invited and will be attending.</p> <p>Action: John / Amy to confirm who from SCR is attending</p> <p>The Board was informed that the TEB have resolved to meet with John Cridland, the newly appointed TfN Chair. It was suggested that the IEB might also benefit from representation at the meeting.</p> <p>Action: Amy to discuss with Julie Hurley</p>	
4	<p><u>Gainshare Priority Setting</u></p> <p>A presentation was provided introducing the Board to the concept of Gainshare, this being the £30m x 30 year additional funding allocation which is being negotiated with Government.</p> <p>It was noted that Gainshare is a substantive element of what is now termed 'the single pot' that being the aggregation of Gainshare, previously agreed local growth deals and a 'share of national programmes (totalling c. £1.25bn for the SCR).</p> <p>Members were informed that each Board is being invited to assess its priorities and consider how it wants to work up its own proposals for what schemes might be funded from Gainshare. This is in addition to a number of other stakeholder exercises which will inform the investment programme. It was noted that overarching conditions of eligibility have been determined to be:</p> <ul style="list-style-type: none"> • Overall fit with the ambition and objectives of the SEP • Deliverability • Scalability <p>This information will be collated and presented to a Leaders workshop to be scheduled for late February / early March, at which the potential priorities being proposed by the Executive Boards will be given formal consideration.</p> <p>It was noted that the size of the 'share of national funding streams' is still to be quantified but is expected to be significant subject to the ratification of the deal and further discussions with government departments.</p> <p>It was agreed that the key objective for each Board is therefore to secure its share of the devolution deal for programmes to deliver key thematic objectives through the development of a deliverable, scalable, realistic programme of investments that can start delivering from 1st April 2016.</p> <p>Consideration was given to what the Infrastructure theme's 'pitch' to the Leaders might include.</p> <p>It was noted that there is a substantial outstanding requirement to</p>	

	<p>agree how all the collated ideas will be compared and assessed in an open and systematic manner. It was noted that a range of pan-thematic metrics will be required. It was suggested that the ability to lever in additional private sector investment should be a key assessment criteria.</p> <p>Noting the ambition to spend and commence delivery with immediate effect, the Board urged recognition of realistic lead in times. It was noted that the Housing Board had a similar discussion and suggested the 2016/17 targets were not deliverable.</p> <p>It was noted that some bids might be forthcoming for funding for preparatory works on schemes, to ease pipeline constraints.</p> <p>It was agreed that the SCRIP needs to be the infrastructure theme's primary vehicle for determining the programme of activity.</p> <p>The Board acknowledged the magnitude of the task at hand and the significant amount of work required to ensure Gainshare is invested on the right schemes and against the right thematic proportions required to deliver the ambitions of the SEP.</p> <p>It was noted that the Gainshare infrastructure programme needs to be capable of inviting private sector investment.</p> <p>The Board discussed whether a Mayoral Development Corporation model might be a means of delivering some elements of the programme. It is expected such opportunities will be considered as the preferred mayoral model becomes known.</p> <p>Action: ALL to continue providing comments and ideas to Neal</p> <p>The group discussed whether the SEP is now out of date and whether the SCRIP is out to be read as a better guide to current market conditions and the policy landscape. It was agreed to undertake a quick comparison between the 2 documents to identify areas of divergence.</p> <p>Action: Matt to undertake the SCRIP / SEP comparison exercise</p> <p>The Board acknowledged the need to not lose sight of the requirement to deliver existing programmes whilst planning for Gainshare, noting that some programmes were already underspending.</p>	
5	<p><u>SCRIP Key Messages</u></p> <p>The Board was provided with an update in respect of each SCRIP delivery area.</p> <p>Regarding the development of the final draft SCRIP, it was noted that this work will be led by IDG (next meeting 29th January). A semi-</p>	

	<p>final draft will be overseen by a panel of IEB, HEB and TEB reps mid-February and further refined ahead of the final draft being presented to the Board in March for board-ratification. It is intended that the SCRIP funding programme will then be agreed by October 2016.</p> <p>Action: Amy to circulate the presentation.</p>	
6	<p><u>Infrastructure Business Plan – Updated Draft</u></p> <p>The Board was presented with the draft 2016/17 Business Plan, setting out intended key investments, milestones, outputs and outcomes, risks and resource requirements for the forthcoming year.</p> <p>The Board agreed the plan was well set out and the information actually highlights areas of under-development in the other themes e.g. housing.</p> <p>It was noted that the CEX were mindful to the discrepancy between the rate the themes are developing, potentially as a consequence to varying levels of centralised policy development support, and were due to address this matter at the next CEX meeting.</p>	
7	<p><u>CIAT Recommendations</u></p> <p>A paper was tabled to present the recommendations of the Central Independent Appraisal Team for five business cases.</p> <ul style="list-style-type: none"> • Doncaster Urban Centre: <ul style="list-style-type: none"> ○ Cultural and Civic Quarter ○ Colonnades ○ Waterfront East • Upper Don Valley <ul style="list-style-type: none"> ○ Claywheels Lane • Worksop Site Delivery and Vesuvius – PHASE 1 <p>John Mothersole took the Chair for the discussion on the Doncaster schemes. Mayor Jones did not participate in the debate on these schemes.</p> <p>It was noted that each recommendation relates to a Stage 1B full business case. The report therefore set out each recommendation and any associated conditions.</p> <p>It was confirmed that SCR officers are progressing the Worksop scheme in conjunction with D2N2 colleagues. This will help avoid any double counting of outputs.</p> <p>RESOLVED, that the Board Members:</p> <ul style="list-style-type: none"> • Agree the recommendation for Doncaster Urban Centre – Cultural and Civic Quarter to progress to Stage 2, noting the conditions. • Agree the recommendation for Doncaster Urban Centre – Colonnades to progress to Stage 2, noting 	

	<p>the conditions.</p> <ul style="list-style-type: none"> • Agree the recommendation for Doncaster Urban Centre – Waterfront East to progress to Stage 2, noting the conditions. • Agree the recommendation for Upper Don Valley – Claywheels Lane to progress to Stage 2, noting the conditions. • Agree the recommendation for Worksop Site Delivery and Vesuvius – PHASE 1 to progress to Stage 2, noting the conditions. 	
8	<p><u>Programme Management Update</u></p> <p>The group was informed of organisational changes in the SCR Executive Team.</p> <p>It was confirmed that scheme promoters will experience 'business as usual' although will have spare contacts for policy and programme management matters.</p> <p>It was also reported that Mel dei Rossi will lead on the provision of performance data. The 2015/16 Q3 update will be reported to the next IEB.</p> <p>Action: Amy to provide all districts with an updated list of contact points</p>	
9	<p><u>Property Fund Investment</u></p> <p>A paper was presented to provide the Board with further details in respect of the proposed £10m loan from SCRIF to the SCR JESSICA and an update with regard to the development of a £5m EZ property fund.</p> <p>Members were reminded that at the last meeting, the Board considered two proposals for the development of property investment funds across the SCR with a £10m loan from SCRIF 'slippage' being made available to the JESSICA and a further £5m LGF to support development in the Enterprise Zone.</p> <p>The Board was advised that in respect of the membership of the JIB, it is proposed to request Neil Taylor; Chief Executive of Bassetlaw District Council becomes a member of the JIB and to represent the 5 'District' Authorities. In addition a further private sector nomination from the LEP will be sought to maintain the balance of public and private sector.</p> <p>It was reported that further discussion has taken place with the SCR Executive Team to develop the SCRIF proposal to the point where the Investment Strategy and terms of the loan can now be agreed by the Board.</p>	

	<p>It was noted that this work presents an opportunity to keep the SCR's ambition for new Enterprise Zones on the agenda.</p> <p>RESOLVED, that the Board members:</p> <ul style="list-style-type: none"> • Approve the Investment Strategy subject to any material amendments suggested by the JESSICA Investment Board (JIB) and the JESSICA Limited Partner (SCC), and agree the Heads of Terms for the £10m SCRIF loan. • Endorse the proposed amendment to the membership structure of the JESSICA Investment Board. • Note the resourcing implications for the management and delivery of the Property Investment Funds. • Note progress in respect of the Enterprise Zone Fund. 	
10	<p><u>Social Inclusion Key Messages – Infrastructure</u></p> <p>The group was introduced to work being led by the Social Inclusion and Equalities Board to devise a Social Inclusion Framework for the SCR and the SEP.</p> <p>It was noted that this work has commenced in respect of the CA's intention to not lose sight of the underpinning need to increase social inclusion whilst progressing ambitions for economic growth.</p> <p>It was noted that Executive Boards are currently being asked to comment on the proposed key objectives:</p> <ul style="list-style-type: none"> • More people in employment and paid a living wage, • More people in work taking up training opportunities and progressing in work • More people living in affordable and decent quality homes <p>The Social Inclusion and Equality Board's ambition to see its work embedded in the delivery activities and programmes under all thematic areas was noted.</p> <p>The Board were therefore asked to consider how the infrastructure theme might accord with this ambition and how that might equate into additional objectives. It was suggested that each district should nominate an officer to engage with this initiative. It was also suggested that contact be made with some private sector firms engaged with social inclusion activity.</p> <p>Action: ALL to confirm nominations to Eleanor</p> <p>Action: Eleanor / Martin to discuss private sector engagements</p> <p>From a purely regenerative perspective it was suggested that without</p>	

	<p>growth, there would be no growth to distribute. The Board's focus on social inclusion might therefore take the form of acknowledging that growth will not be spread evenly geographically and the challenge is therefore to ensure all SCR residents have the means to access those growth areas and employment opportunities. It was suggested that investment conditions might be levelled at funding recipients to ensure required social inclusion relevant standards are upheld.</p>	
11	<p><u>Infrastructure Executive Board Minutes</u></p> <p>The minutes of the previous Infrastructure Executive Board meeting held on 20th November were agreed to be an accurate record.</p> <p>All actions were noted as complete.</p>	
12	<p><u>Any Other Business</u></p> <p>i. <u>Provision of Reports</u> The Chair reiterated the importance of circulating reports for meetings at least 5 clear days in advance to ensure members have had the opportunity to digest the information to be considered.</p> <p>ii. <u>Superfast Broadband</u> The Board was asked to endorse the notion that broadband provision for new housing developments should be a legal requirement and support officers lobbying of Government on this matter. It was also suggested that locally, the Superfast Broadband team should be a statutory planning consultee.</p> <p>RESOLVED, that the Board endorse the actions being taken by officers in respect of increasing Superfast Broadband provision</p> <p>Action: Amy to raise this matter with planning leads</p>	
13	<p><u>Date of the Next Meeting</u></p> <p>26th February – AMP, Waverley Rotherham, 10.00am</p>	

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