

**INFRASTRUCTURE & HOUSING EXECUTIVE BOARD**Date: 11<sup>th</sup> December 2017

Venue: AMP, Waverley, Rotherham S60

Time: 3:30 – 5:30

**Sheffield  
City Region****COMBINED  
AUTHORITY****AGENDA**

Items	Title	Method	Speaker
<b>Introduction</b>			
1.	Welcome and Apologies	Verbal	Chair
2.	Declarations of Interest	Verbal	Chair
3.	Board Arrangements	Verbal	Colin Blackburn
4.	Minutes & Actions of the Previous Meeting & Matters Arising <ul style="list-style-type: none"> <li>• HEB</li> <li>• IEB</li> </ul>	Paper Paper	Chair
5.	Urgent items / Announcements	Verbal	All
<b>Business items</b>			
6.	SCR Infrastructure and Housing Priorities <ul style="list-style-type: none"> <li>○ Agree Work Programme</li> </ul>	Presentation	Colin Blackburn
<b>Discussion items</b>			
7.	Energy Strategy and Delivery Plan	Paper	Jo Neville
8.	Investment Propositions	Paper	Colin Blackburn
9.	SCR Estate Transformation Strategy	Paper	Nick Rousseau
10.	Autumn Budget Statement	Paper	Colin Blackburn
<b>Updates</b>			
11.	Joint Assets Board	Paper	Michael Hellewell
12.	SCRIF Pipeline	Verbal	Mel Dei Rossi
13.	National Funding Bid Updates <ul style="list-style-type: none"> <li>• OPE 6 &amp; Land Release Fund</li> <li>• Accelerated Construction Fund</li> <li>• National Housing Infrastructure Fund</li> </ul>	Paper Verbal Verbal	Michael Hellewell
14.	SCR Housing Fund	Verbal	Michael Hellewell
15.	More New Homes	Verbal	Chris Collins-McKeown
<b>Actions &amp; Forward Planning</b>			
16.	Agree actions & Summary for Resolution Log	Verbal	Chair
17.	Forward Plan	Verbal	Colin Blackburn
18.	AOB <ul style="list-style-type: none"> <li>• Feedback from the SCR House Building Seminar</li> </ul>	Verbal	All Tony Stacey
<b>DATE OF NEXT MEETING – 9<sup>th</sup> February 2018</b>			

**HOUSING AND INFRASTRUCTURE EXECUTIVE BOARD**

**11<sup>th</sup> DECEMBER 2017**

**SCR ENERGY STRATEGY AND DELIVERY PLAN - BASELINE**

**Purpose of Report**

The report seeks to update the Housing and Infrastructure Executive Board with the approach to developing an Energy Strategy and Delivery Plan for the Sheffield City Region.

**Thematic Priority**

This report relates to the following Strategic Economic Plan priorities:

- Secure investment in infrastructure where it will do most to support growth.

**Freedom of Information**

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**Recommendations**

The HIEB is asked to note the progression with the SCR Energy Strategy and Delivery Plan and endorse the recommendation for SCR to work with the North East, Yorkshire and the Humber LEPS/ Combined Authorities to secure BEIS capacity funding to deliver the outcomes of the SCR Energy Strategy and Delivery Plan.

**1. Introduction**

- 1.1** The SCR Integrated Infrastructure Plan highlighted the need for the SCR to develop an Energy Strategy and Delivery Plan. Following a bid for funding to BEIS, £40k has now been allocated to SCR to deliver this a SCR has supplemented the budget by £10k.
- 1.2** The Strategy will identify how the SCR can become a leader in low carbon, resilient energy, and position itself to deliver the Government's Industrial Strategy ambitions for 'affordable energy and clean growth' and provide a clear plan of how our economy can decarbonise, whilst increasing productivity and competitiveness. The final report will set

out the projects and programmes that need to be developed, and potential locations for their implementation, to achieve the aim by 2040.

**1.3** Direct benefits of the Strategy will be: -

- Raised profile of Energy across the SCR, assist in positioning SCR as a leader in low carbon, resilient energy.
- Identification of possible 'quick-wins', as well as mid-to-long term investment propositions that are required to ensure the SCR has a resilient energy infrastructure. – probably linked to next point
- Coherent framework for approving energy projects that will contribute to meeting the targets of the SEP/ Inclusive Industrial Strategy.
- Framework that allows the clear measurement of progress towards SEP/ Inclusive Industrial Strategy targets/ Integrated Infrastructure Plan targets
- The ability to leverage investment, public private partnerships etc

**1.4** In addition to the allocation of £40k from BEIS to deliver the SCR Energy Strategy and Delivery Plan, BEIS have also made £1.29m available to increase capacity to develop and deliver energy projects in the North.

**2. Proposal and justification**

**2.1** A project steering group for the strategy is in place involving Officers from the SCR Local Authority partners, Sheffield University and the Community Energy sector. Work on the strategy has been divided into three packages:

- Energy Baseline / Energy Consumption
- Technology Option Appraisal
- Energy Opportunity Areas/ Delivery Plan and Commissioning Framework

**2.2** The initial part of the baseline work has now been completed including the current and forecasted business as usual energy demand and current and forecasted business as usual jobs and skills within the energy sector. The West Yorkshire Combined Authority's (WYCA) Regional Economic Intelligence Unit (REIU) have completed this work for SCR alongside Leeds City Region (LCR) and York, North Yorkshire and East Riding (YNER). A presentation is attached at Appendix 1.

**2.3** The Energy consumption, demand and forecast trends headlines are:

- Total energy consumption in Sheffield City Region in 2015 was estimated at 40,500 Giga Watt Hours (Gwh) equivalent.
- The largest single Green House Gas emission type in SCR is CO<sub>2</sub> – with total CO<sub>2</sub> levels forecast to grow by some 6,400 Kt between 2017 and 2036 (emissions of CO<sub>2</sub> dropped to a historical low during the 2008-2009 recession but have since been climbing but are forecast to rise steadily).
- Based on Regional Economic Model (REM) sectoral emission estimates it is believed that SCR's total energy requirement will grow by 8,160 Gwh (2017 to 2036).
- The rate of growth in energy demand in SCR (in Gwh) is forecast to grow by 25.7% between 2017 and 2036, marginally below the regional average (26.1%).

## **2.4** The Jobs, skills and GVA headlines are:

- The energy sector makes a small but significant contribution to output in each of the three LEP areas, from 0.6 per cent in SCR to 1.5 per cent in LCR and 1.9 per cent in YNER. In comparison, the energy sector contributes 1.5 per cent of total GVA at UK level.
- Energy sector employment accounts for less than 1 per cent of the total in each of the three LEP areas, in line with the UK average. However, the sector's labour productivity is among the highest of any industry and it makes a strategic contribution to the performance of local economies.
- The energy sector is relatively highly skilled with a strong representation of employment in management, professional and associate professional / technical occupations. The core skills of the sector consist of engineering skills at professional and technician levels and a variety of skilled trades / craft skills including electricians and metal-related trades.
- The energy sector faces a significant challenge around skill shortages, with skilled trades, management, professional and operative occupations all highly susceptible to shortages. There is a high prevalence of shortages within the energy sector at national, regional and LEP area level. This demonstrates that the sector faces acute difficulties in obtaining the skills that it needs, particularly in specific areas like engineering, where it competes with a range of other sectors for the same skills.
- The sector is expected to see a modest rate of employment growth in the forecast period to 2036, as output growth driven by increased energy demand is combined with increased efficiency and productivity gains.
- Much of the employment growth is expected to be concentrated in higher skilled occupations and this has the potential to intensify shortages at this level. Restrictions to the movement of skilled labour arising out of Brexit could also have a significant effect since the evidence suggests that employers have a significant reliance on migrant workers from the European Economic Area (EEA).
- All three LEP areas host a significant level of HE provision that is directly relevant to the skills needs of the energy sector. The scale of the provision is high relative to the recruitment requirement of the sector.

**2.5** A workshop has been organised for 11th January to include a range of partners including the SCR Sustainability Partnership to discuss the findings of both the Baseline work and Technical Option Appraisals work before the third piece of work, the Strategy and Delivery Plan work is commissioned. This will enable a wide range of partners and stakeholders to help shape the requirements of the main phase of the work based on the outputs and key issues arising from the Baseline and technical work.

**2.6** The SCR has been working with BEIS regarding proposals for additional capacity funding to deliver the energy strategies. BEIS have allocated £1.29m for the Northern LEP areas (11 LEPS) and SCR is working closely with the LEPS across the North East, Yorkshire and Humber to provide a proposed approach to delivering this capacity support, utilising £704,000 of the proposed funding for Northern LEPS. It is proposed that an energy hub will be created (Tees Valley Combined Authority are willing to host) and each LEP will benefit from funding to finance a post to progress the energy agenda and the projects identified in the energy strategies. This proposal has been submitted to BEIS and SCR's input is subject to HIEB endorsement.

### 3. Consideration of alternative approaches

3.1 There are no alternative approaches to consider.

### 4. Implications

4.1 **Financial** – The majority of funds for this piece of work have been provided by BEIS with a further £10k allocated from SCR funds. It is anticipated that this total budget will be sufficient to complete all the work required. BEIS are allocating further funds for capacity support for LEPS. This will may provide an additional resource to deliver the energy agenda across SCR. It is proposed that any post would be hosted by SCR.

4.2 **Legal** - There are no legal issues arising from directly from this report, however, any conditionality attached for funding from BEIS will need to be considered and factored into downstream contractual arrangements.

4.3 **Risk Management** - None arising from this report.

4.4 **Equality, Diversity and Social Inclusion** - None arising from this report.

### 5. Communications

5.1 There will be opportunities for communications activity to take place to promote that the SCR is moving the Energy Strategy and Delivery Plan forward. Future opportunities when the final strategy is in place will also create positive communications.

### 6. Appendices/Annexes

6.1 Baseline presentation.

<b>REPORT AUTHOR</b>	<b>Joanne Neville</b>
<b>POST</b>	<b>Senior Programme Manager (Infrastructure)</b>
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Email	<b>Mark.Lynam@sheffieldcityregion.org.uk</b>
Telephone	<b>0114 2203442</b>

Background papers used in the preparation of this report are available for inspection at: 11 Broad Street West, Sheffield S1 2BQ

Other sources and references: n/a

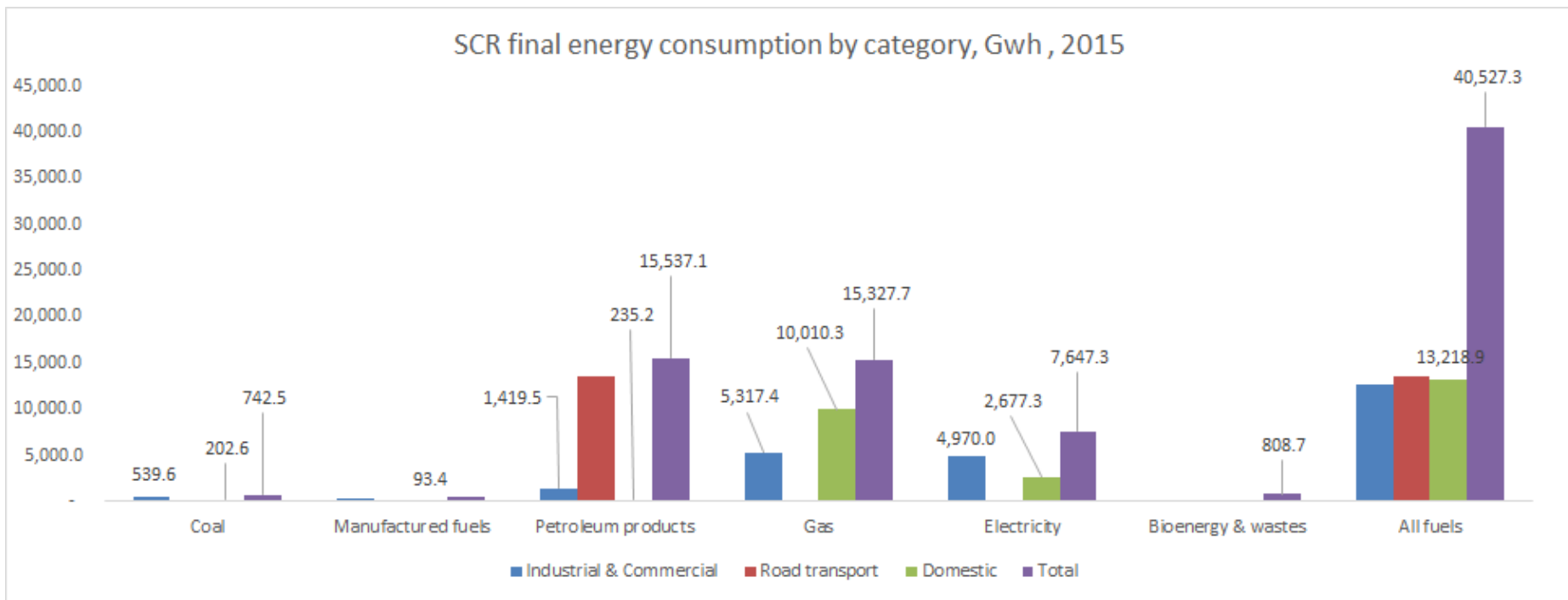
# **Sheffield City Region**

## **Energy baseline demand mapping**

# Sheffield City Region demand and consumption 2015 baseline position

## Analysis

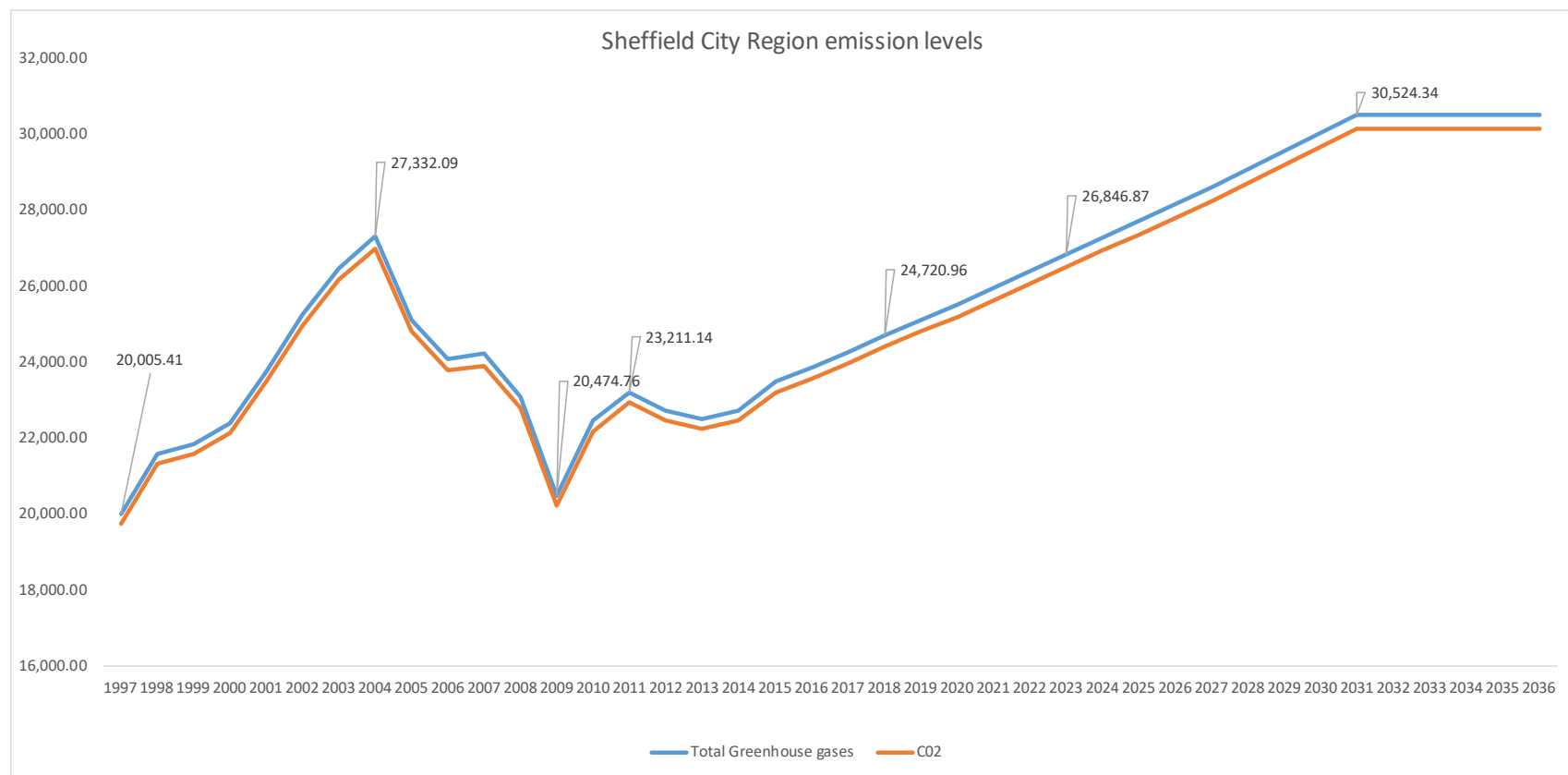
- The largest single consumption energy use category in SCR relates to energy consumption associated with road transport at some 11,500 Gwh in terms of final demand in 2015 (some 38.3 of total final energy demand in 2015).
- The domestic consumption of gas accounts for some 25% of total energy demand in SCR – taken alongside the industrial consumption of gas in SCR (which at 5,300 Gwh was significant in its own right but half the level of domestic gas consumption).
- Bio-energy and waste generation accounted for some 808 Gwh in 2015 – having risen by 191 Gwh between 2005-2015 (rising to 2% of total energy consumption from 1.1% in 2005).
- In historical terms total energy consumption fell by 13,000 Gwh between 2005 and 2015 (the main structural driver of this was the recession of 2007 and 2008 – energy consumption picked up momentum from 2012 onwards).



# Forecast SCR emission levels

## Analysis

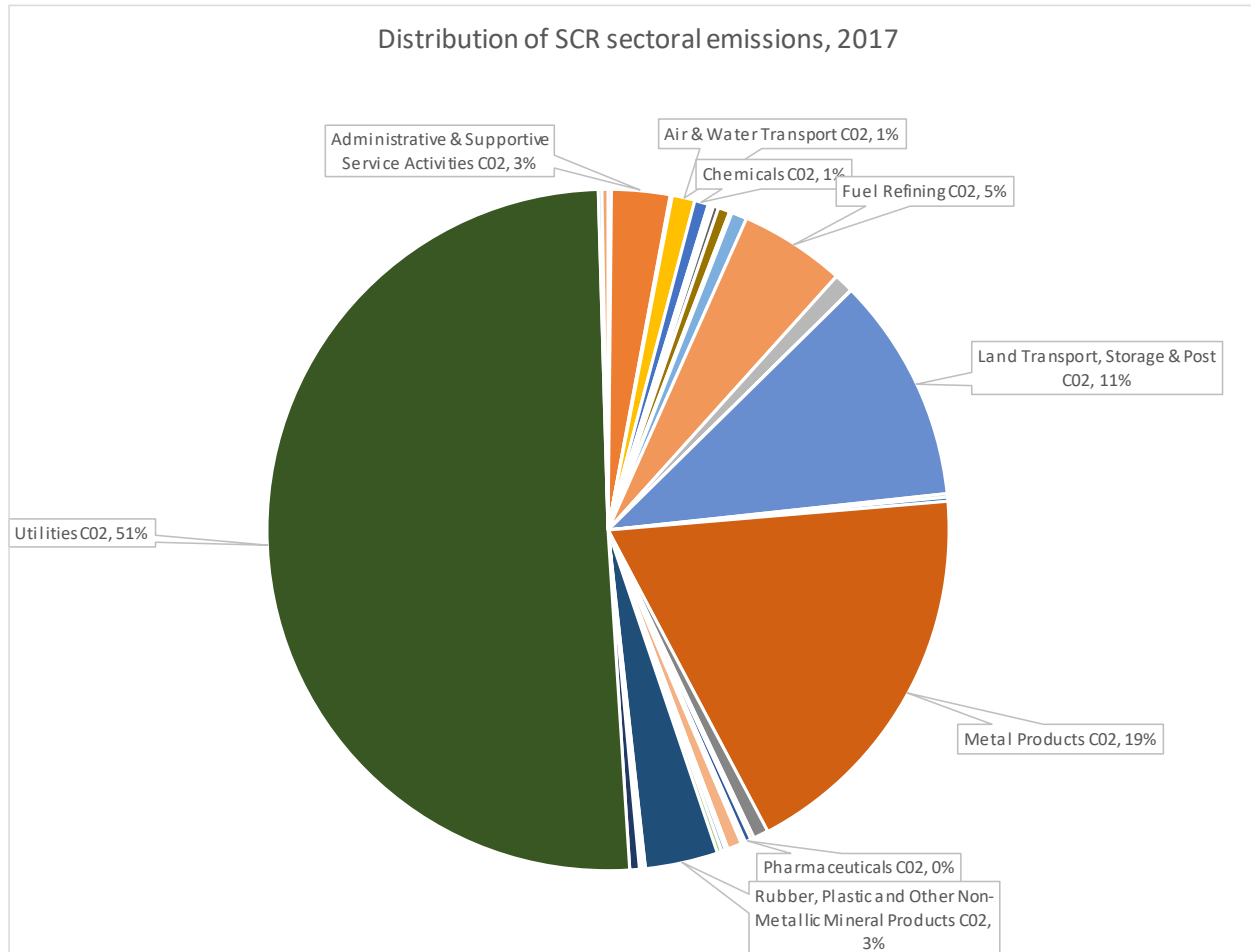
- As the graph shows the largest single GHG emission type in SCR is CO2 – with total CO2 levels forecast to grow by some 6,149 Kt between 2017 and 2036 (emissions of CO2 dropped to a historical low during the 2008-2009 recession but have since been climbing).
- N2O emissions are next largest CHG category – N2O levels are forecast to grow by some 87Kt between 2017 and 2036.





# SECTORAL PROFILE OF SCR EMISSIONS

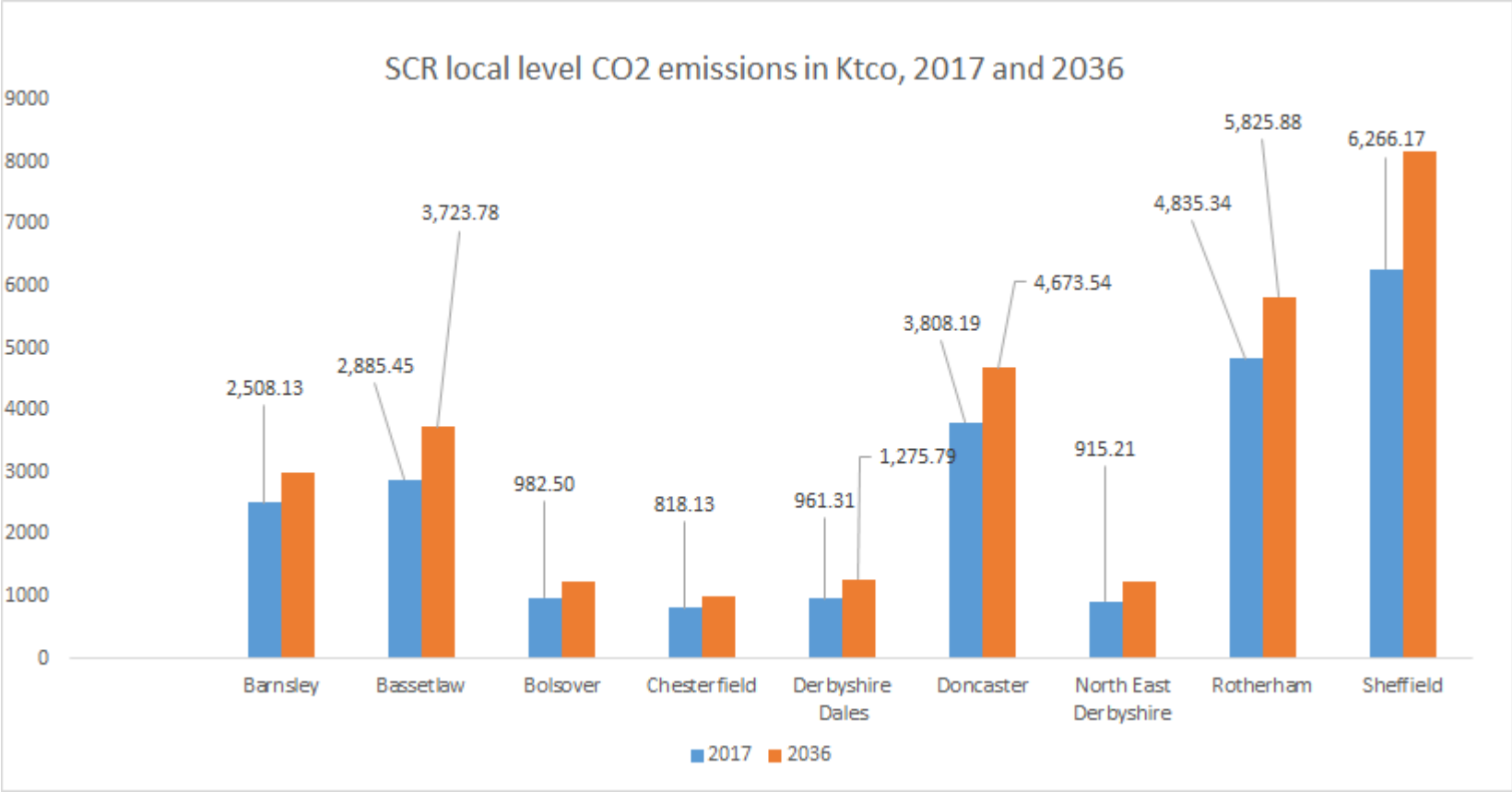
- The sectoral distribution of SCR emission levels in proportionate terms will change very little between 2017 and 2036 but several key sectors will see forecast CO<sub>2</sub> emission levels grow in absolute terms (2 industrial sectors in particular – Metals and the rubber and plastics manufacture working
- Whilst the utilities sector dominates this picture is distorted to a large extent by inclusion of electricity generation, key sectors manufacturing and transport sub sectors are clearly more important in estimating sectoral demand – 3 manufacturing sectors, 2 transport sectors and 1 commercial sector account for core elements of industrial and commercial emissions.



# SPATIAL DISTRIBUTION OF SHEFFIELD CITY REGION EMISSIONS

## Analysis

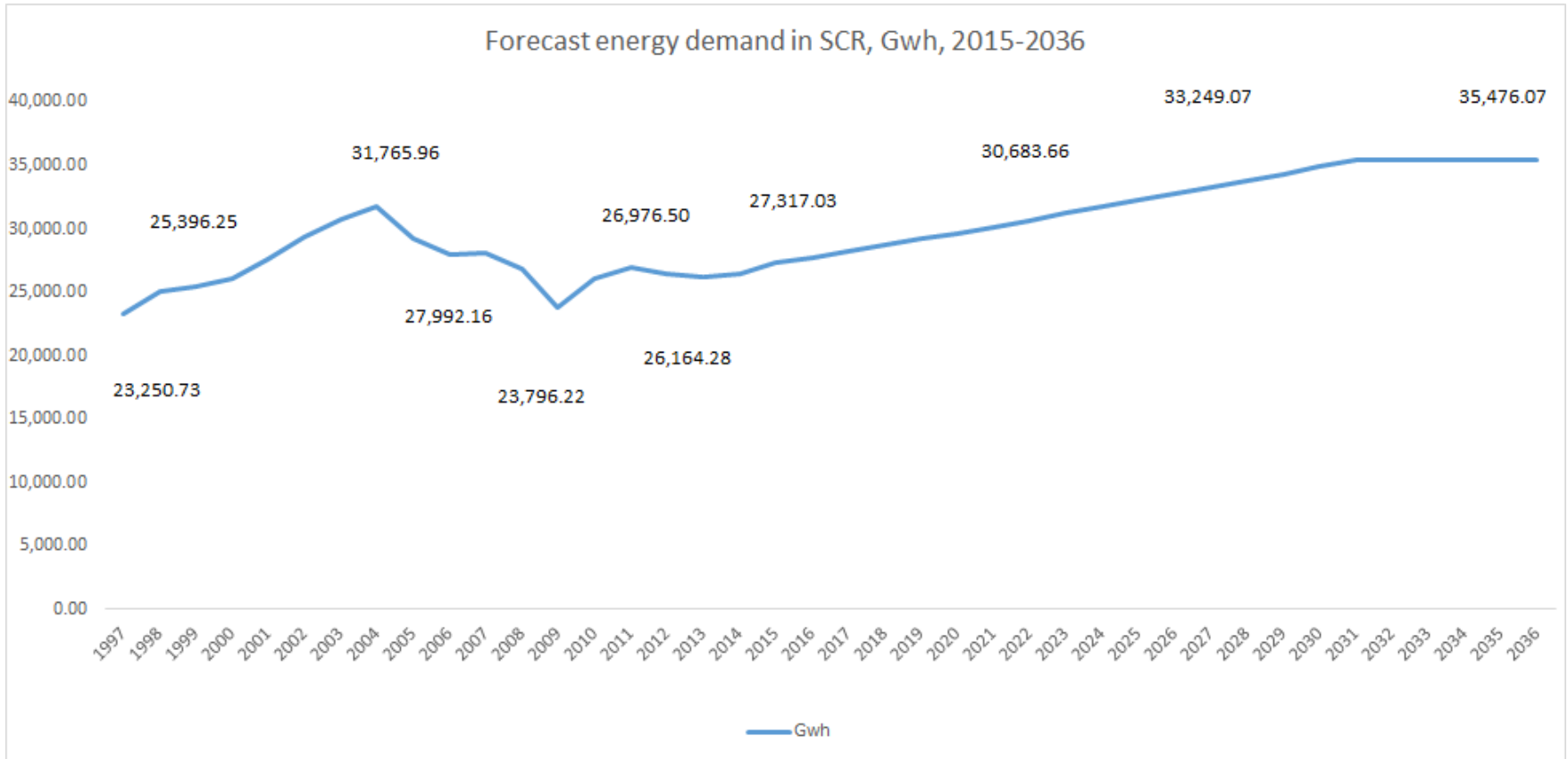
- Perhaps not unsurprisingly Sheffield CO2 emission levels are the highest in Sheffield City Region at 6,200 Ktco2 in 2017, followed by Rotherham and Doncaster.
- In percentage terms local areas in the East Midlands are forecast to see the highest rates of growth in CO2 emissions with North East Derbyshire, Derbyshire Dales and Bassetlaw showing especially strong growth (34.5%, 32.7% and 29% respectively).



# Estimating energy demand based on emission levels in SCR

## Analysis

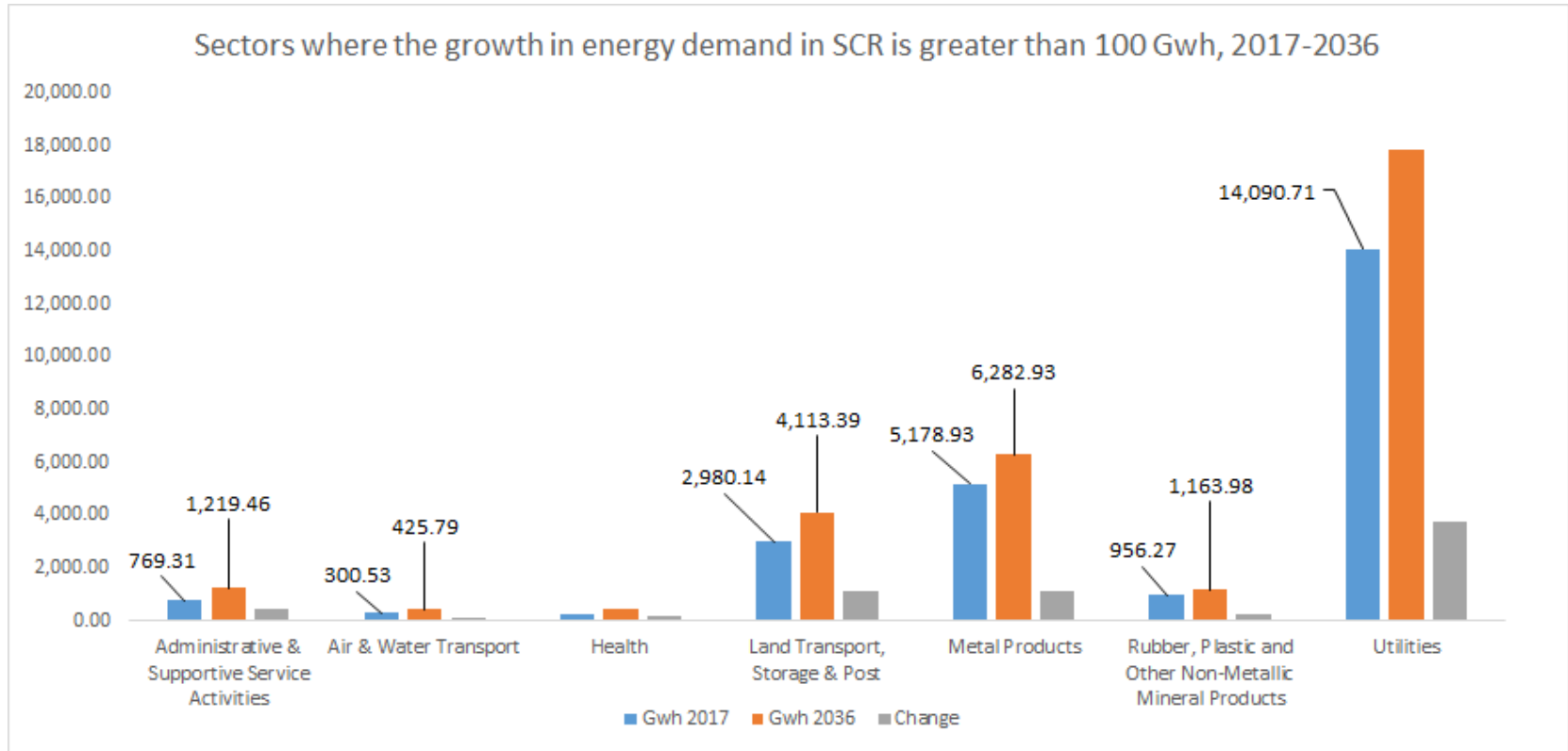
- Based on REM sectoral emission estimates we believe that SCR total energy requirement will grow by 8,150 Gwh between 2017 to 2036.
- Key sectors driving future energy demand are



# KEY SECTORS DRIVING FORECAST FUTURE ENERGY DEMAND IN SCR

## Analysis:

- The largest sector in demand terms is the utilities sector (this includes energy generation) – where forecast energy demand will rise by 3,700 Gwh between 2017 and 2036.
- The energy demand associated with the transport, metals manufacture and rubber and plastics manufacturing are the most specific industrial sectoral drivers of energy demand where forecast energy demand across these 3 sectors will rise by 2,444 Gwh between 2017 and 2036.



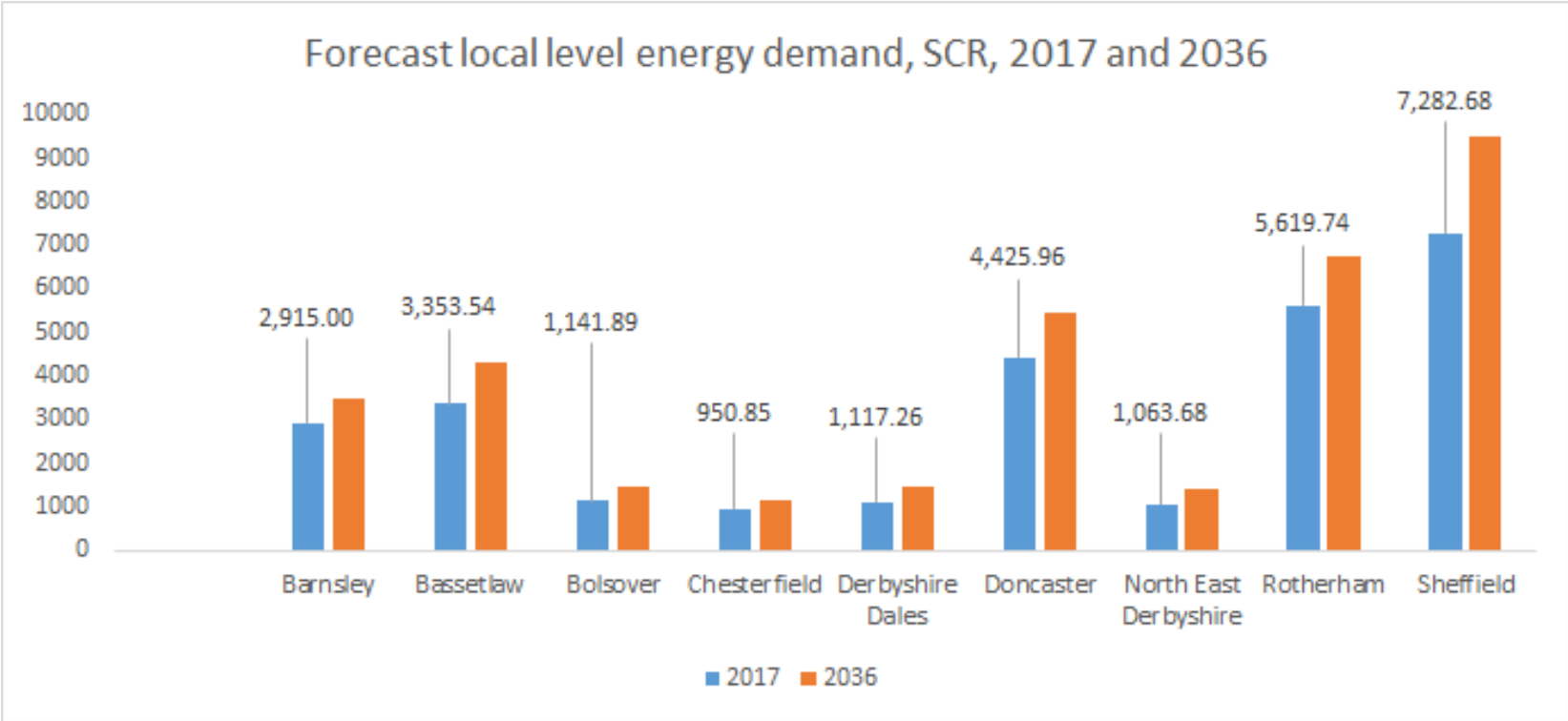
A note on the REM forecasting methodology:

The estimates of emissions (and derived associated energy requirement) are territorial estimates – they are essentially supply side estimates which capture the city regions emissions where they are generated and include exports to other parts of the UK (such as through electricity generation).

# Local level energy demand requirement in SCR 2017-2036

## Analysis

- As the graph shows Sheffield accounts for a significant amount of SCR’s energy requirement – some 26.1% in 2017 (with this rising in proportionate terms by 2036 – to some 27.1% - the largest proportionate rise in SCR).
- North East Derbyshire is forecast to see the fastest growth in energy requirement in SCT at 34% between 2017 and 2036 – this equates to 560 Gwh of demand (this is dwarfed by absolute change in total consumption in SCR in same period estimated at 2,20 Gwh).



# BRIEF: JOBS, SKILLS AND GVA

- Form an understanding of energy sector in Sheffield City Region from point of view of job, skills and GVA
  - Assessment of current employment and GVA
  - Forecast development of employment and GVA to 2036
  - Current skills position
  - Skills position in 2036
  - Supply of skills
- Caveats:
  - Limited data available at sub-regional level
  - Energy sector is volatile – projections assume continuation of past patterns
  - Rely on inferences from regional and national data in some cases

# DEFINITION OF ENERGY SECTOR

## **Electric power generation, transmission and distribution**

- Production of electricity
- Transmission of electricity
- Distribution of electricity
- Trade of electricity

## **Manufacture of gas; distribution of gaseous fuels through mains**

- Manufacture of gas
- Distribution of gas through mains
- Trade of gas through mains

## **Steam and air-conditioning supply**

# ENERGY SECTOR CONTRIBUTES AROUND £200m TO SCR ECONOMY

## Estimated output (GVA) of the energy sector in 2015 (£2012m)

LEP area	Energy	Total economy	Energy as % of total economy
Leeds City Region	918	60,563	1.5%
Sheffield City Region	211	32,660	0.6%
York, North Yorkshire and East Riding	449	23,330	1.9%



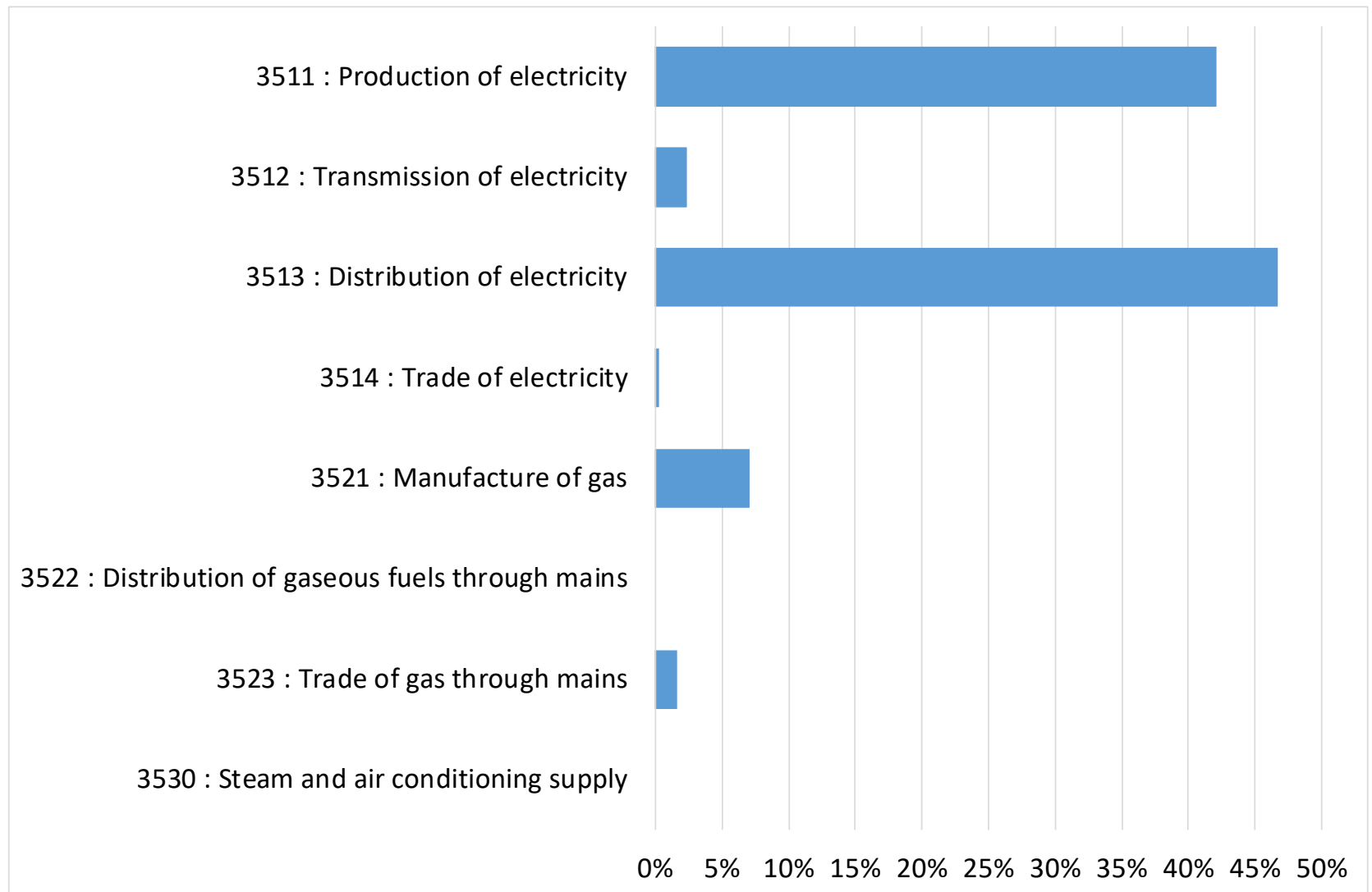
# ENERGY SECTOR EMPLOYS AROUND 2,500 IN SCR

## Estimated employment in the energy sector in 2015 (000s)

LEP area	Energy	Total economy	Energy as % of total economy
Leeds City Region	7.9	1,525	0.5%
Sheffield City Region	2.5	840	0.3%
York, North Yorkshire and East Riding	2.0	581	0.3%

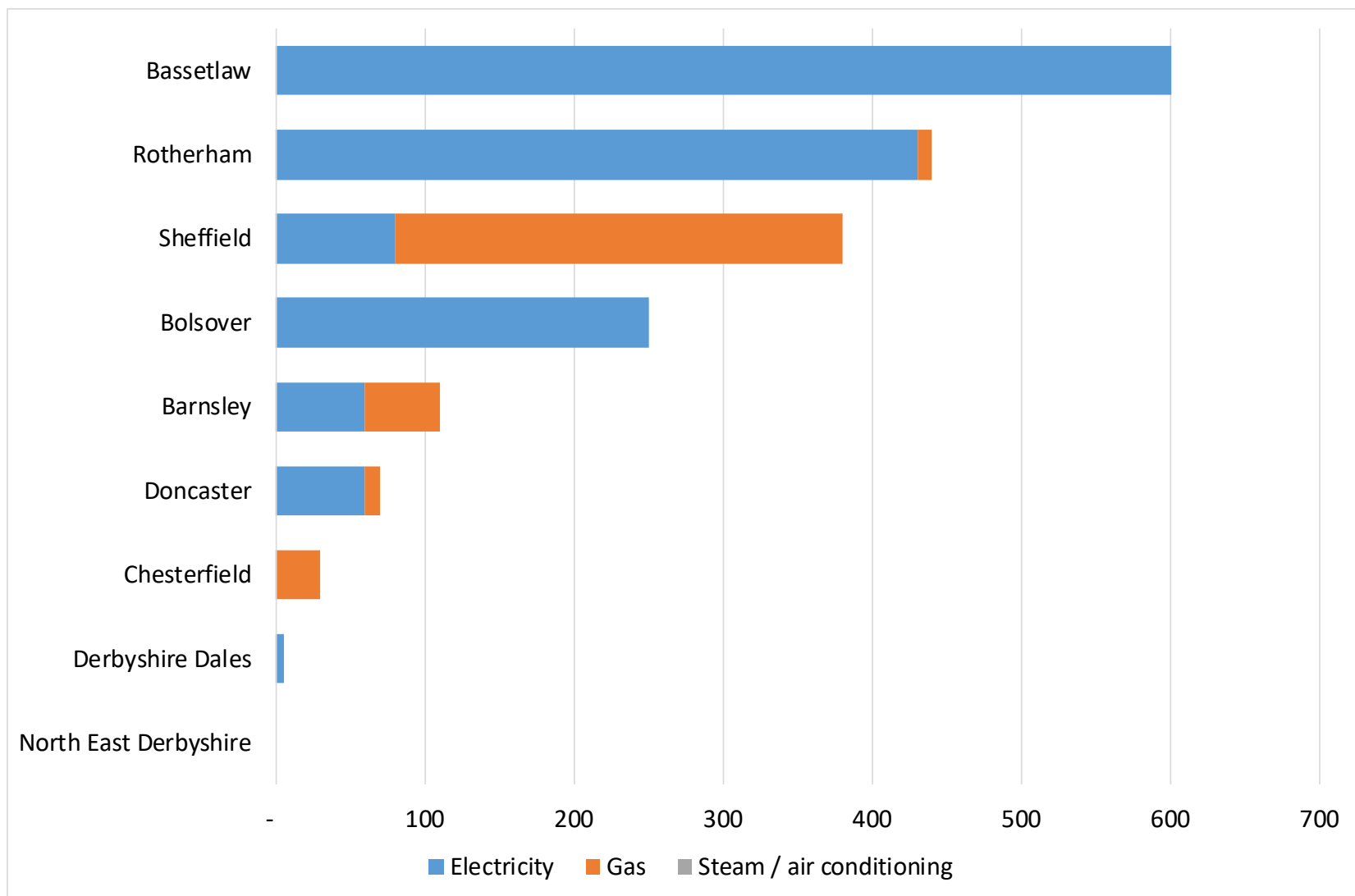
# EMPLOYMENT CONCENTRATED IN TWO DETAILED INDUSTRIES

## Profile of employment by industry class – Sheffield City Region, 2015



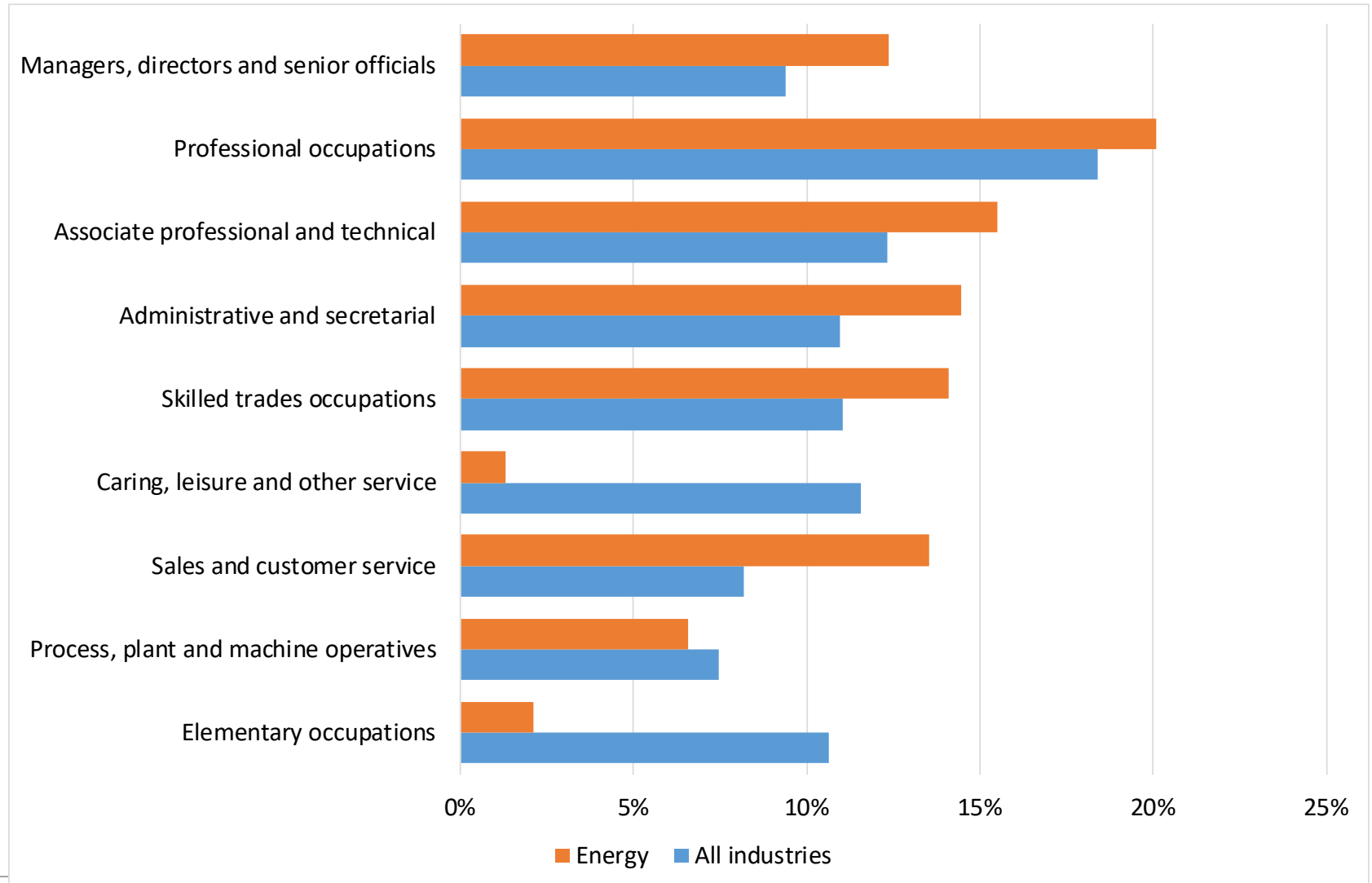
# BULK OF EMPLOYMENT CONCENTRATED IN FOUR DISTRICTS

## Profile of employee jobs by industry group and district, 2015



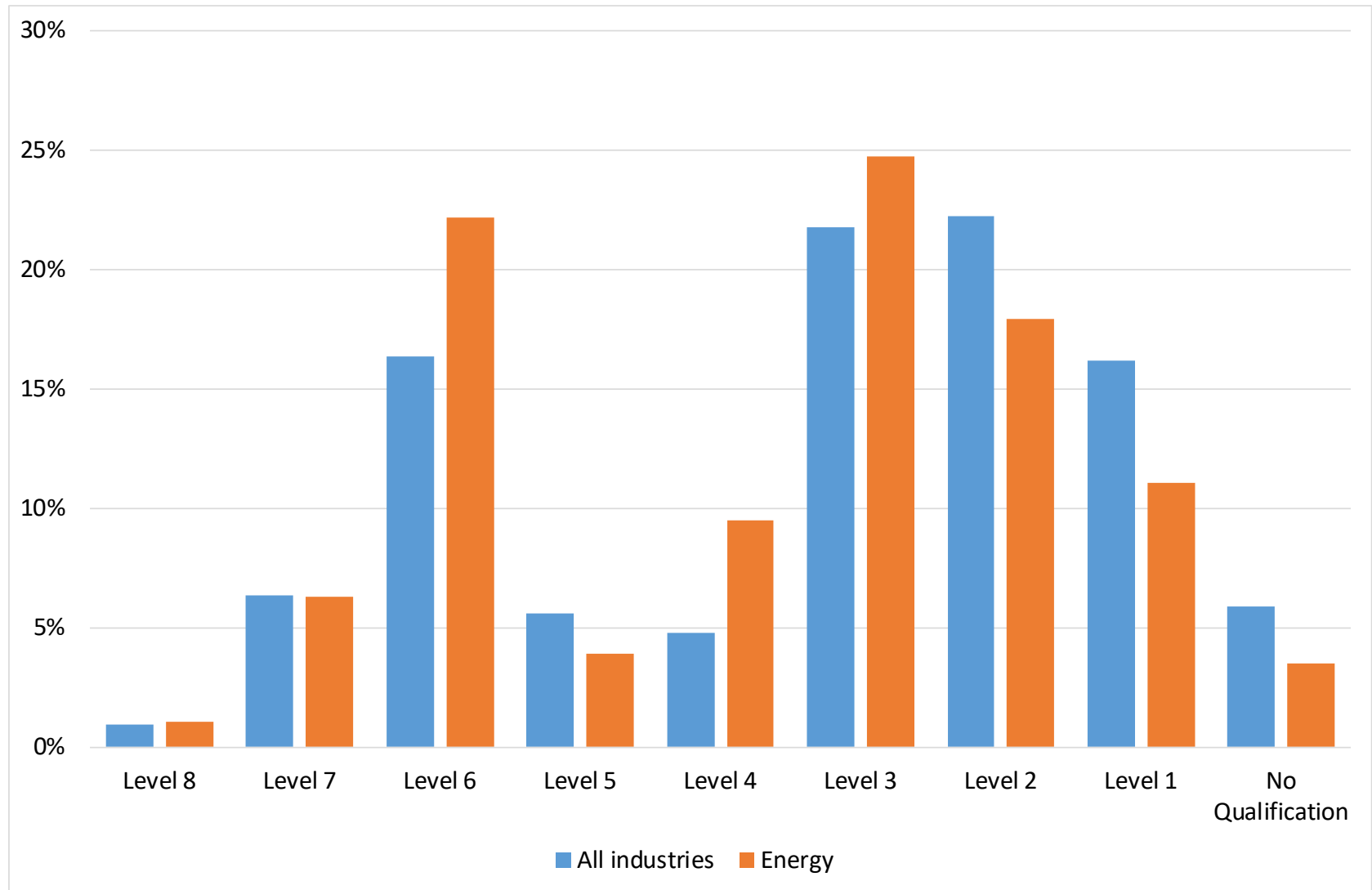
# EMPLOYMENT PROFILE WEIGHTED TOWARDS HIGHER SKILLED OCCUPATIONS

## Occupational profile of energy sector employment – Sheffield City Region, 2015



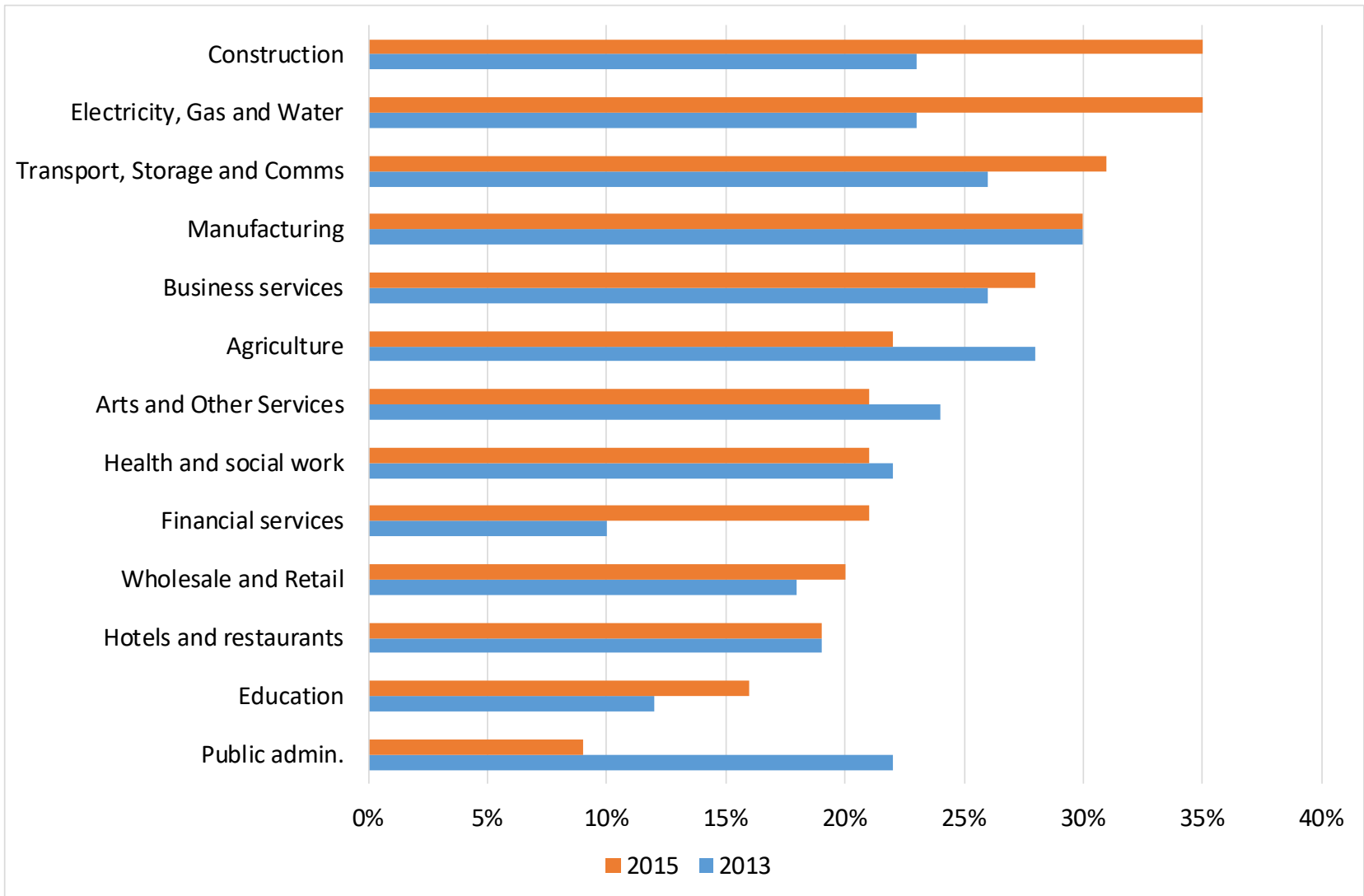
# EMPLOYMENT PROFILE WEIGHTED TOWARDS HIGHER QUALIFIED

## Qualification profile of energy sector employment – Sheffield City Region, 2015



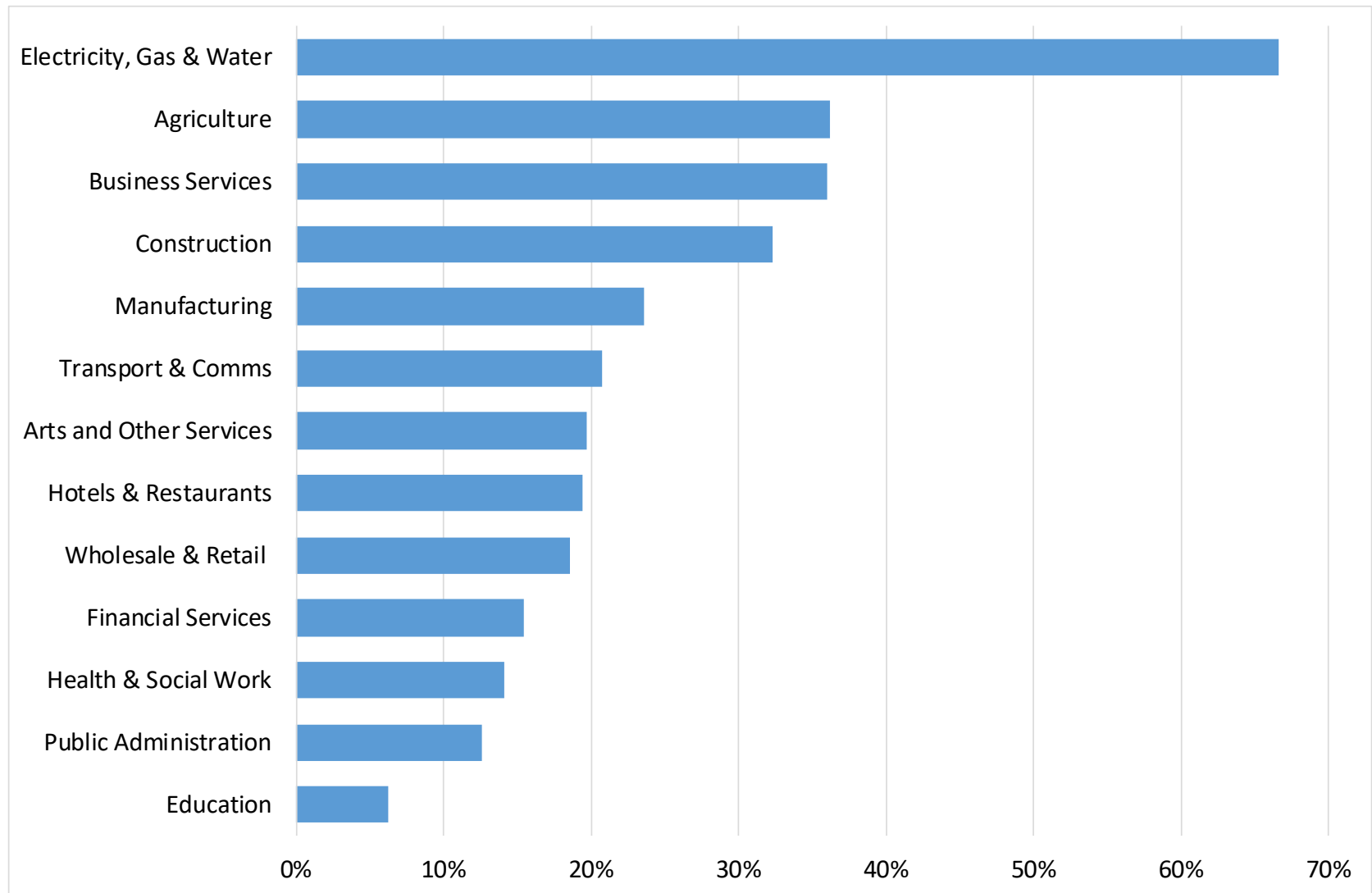
# SKILL SHORTAGES ARE ACUTE IN ENERGY SECTOR

## Density of skill-shortage vacancies (SSVs), by sector - UK



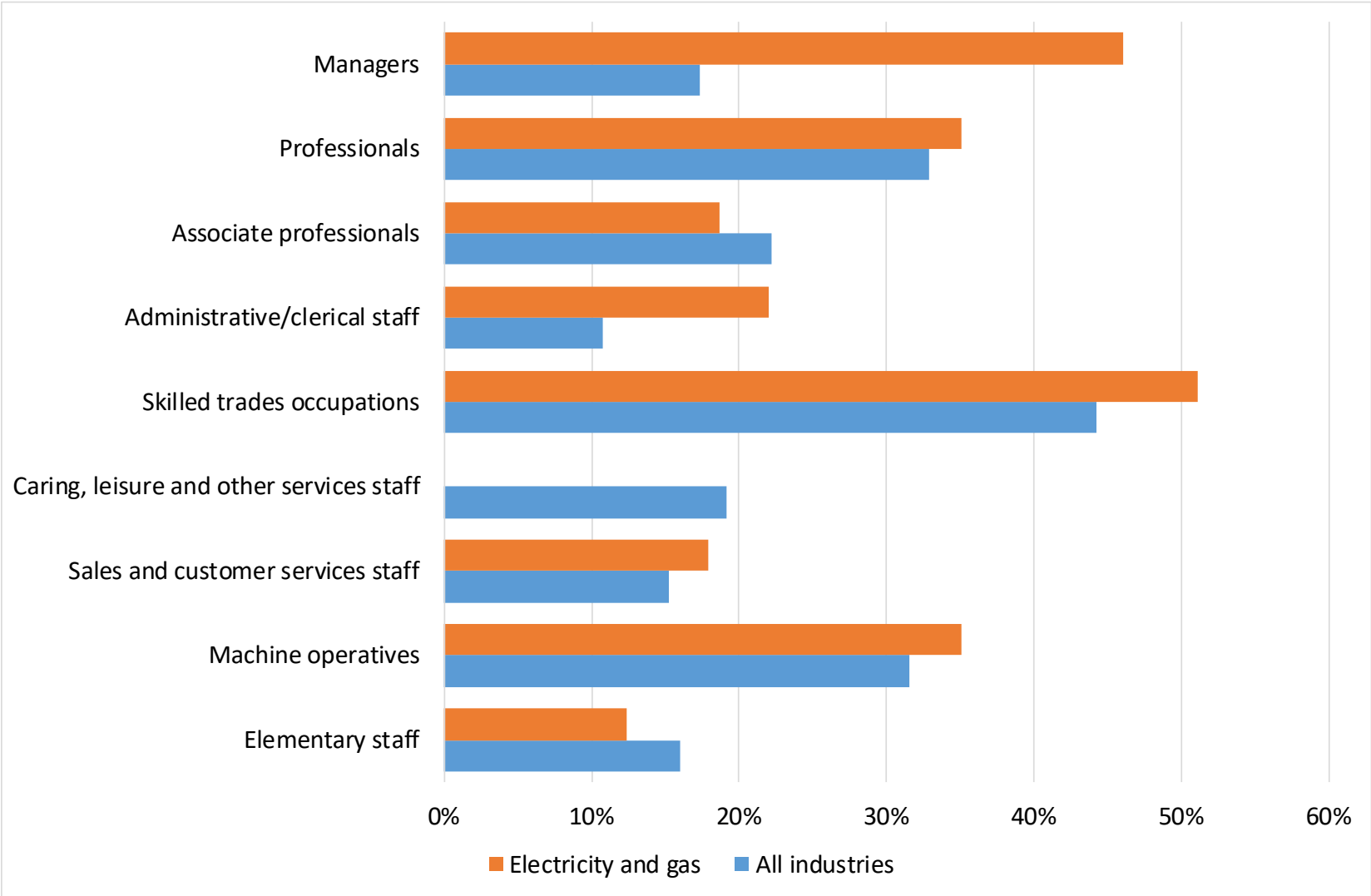
# SKILL SHORTAGES ARE ACUTE IN ENERGY SECTOR

## Density of skill-shortage vacancies (SSVs), by sector – Yorkshire and Humber, 2015



# SKILL SHORTAGES MOST ACUTE FOR SKILLED TRADES

## Density of skill-shortage vacancies (SSVs), by occupation – England, 2015





# EMPLOYERS' VIEWS ON CAUSES OF SHORTAGES

- Strong competition for key skills between sub-sectors, other sectors and countries
- A general under-supply of entrants to the labour market with relevant STEM skills and significant lead-in time for development of skills
- Poor visibility of (and interest in) the energy sector as a career prospect among young people and potential new entrants from other industries
- Difficulty of attracting women into engineering roles
- The seasonal nature of some jobs, such as overhead linesman operative
- An ageing workforce
- Reliance on migrant workers for key roles may intensify shortages.

# MODERATE OUTPUT GROWTH FORECAST FOR SECTOR

## Forecast output growth in the energy sector by LEP area, 2015-2036

LEP area	Energy			Total economy		
	2015	2036	Average annual growth rate	2015	2036	Average annual growth rate
Leeds City Region	918	1,237	1.5%	60,563	90,231	2.0%
Sheffield City Region	211	271	1.3%	32,660	47,993	1.9%
York, North Yorkshire and East Riding	449	562	1.1%	23,330	32,715	1.7%

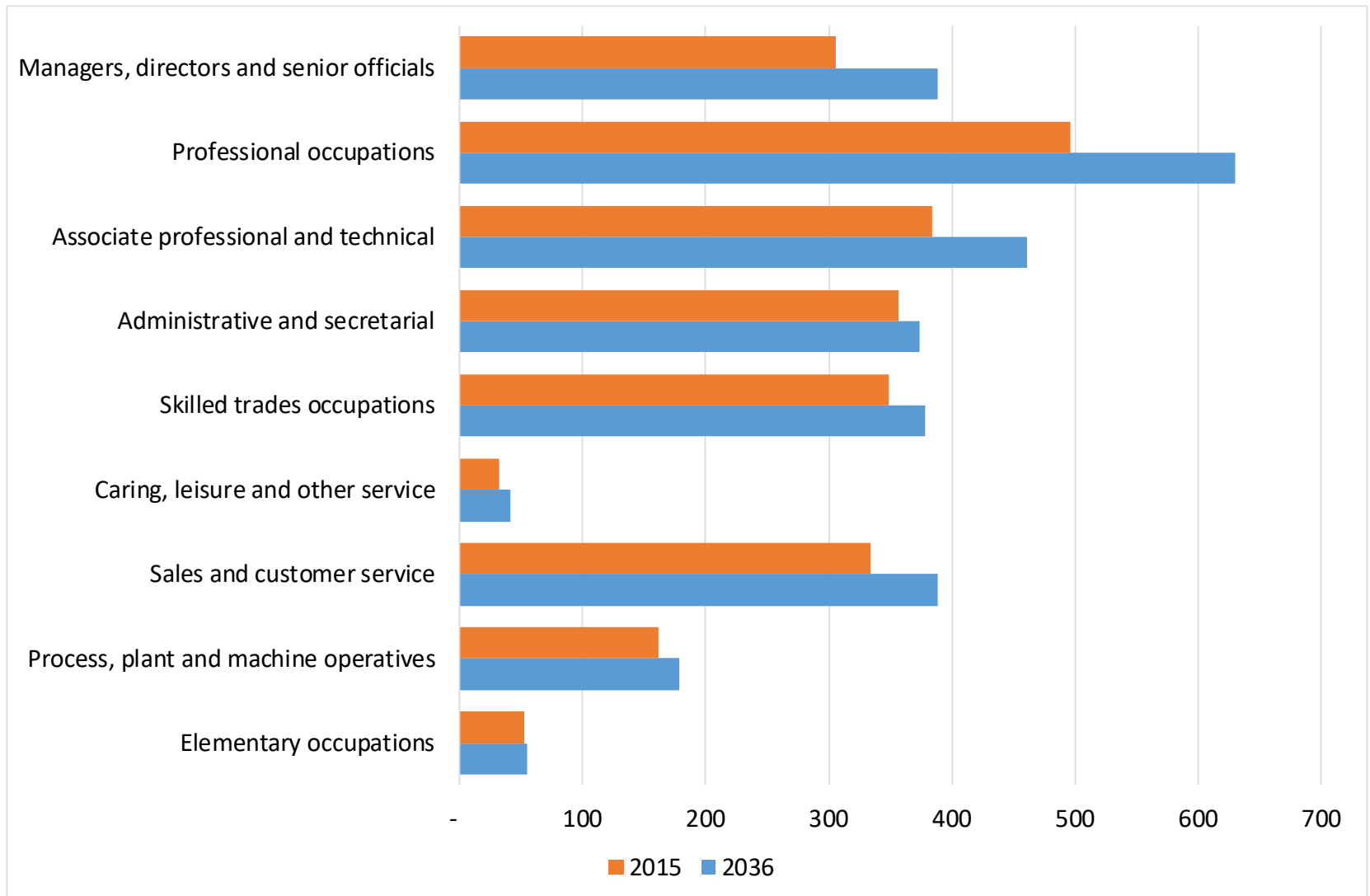
# MODEST RATE OF EMPLOYMENT GROWTH EXPECTED

## Forecast output growth in the energy sector by LEP area, 2015-2036

LEP area	Energy			Total economy		
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Leeds City Region	7.9	10.2	1.3%	1,525	1,739	0.7%
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York, North Yorkshire and East Riding	2.0	2.3	0.8%	581	633	0.4%

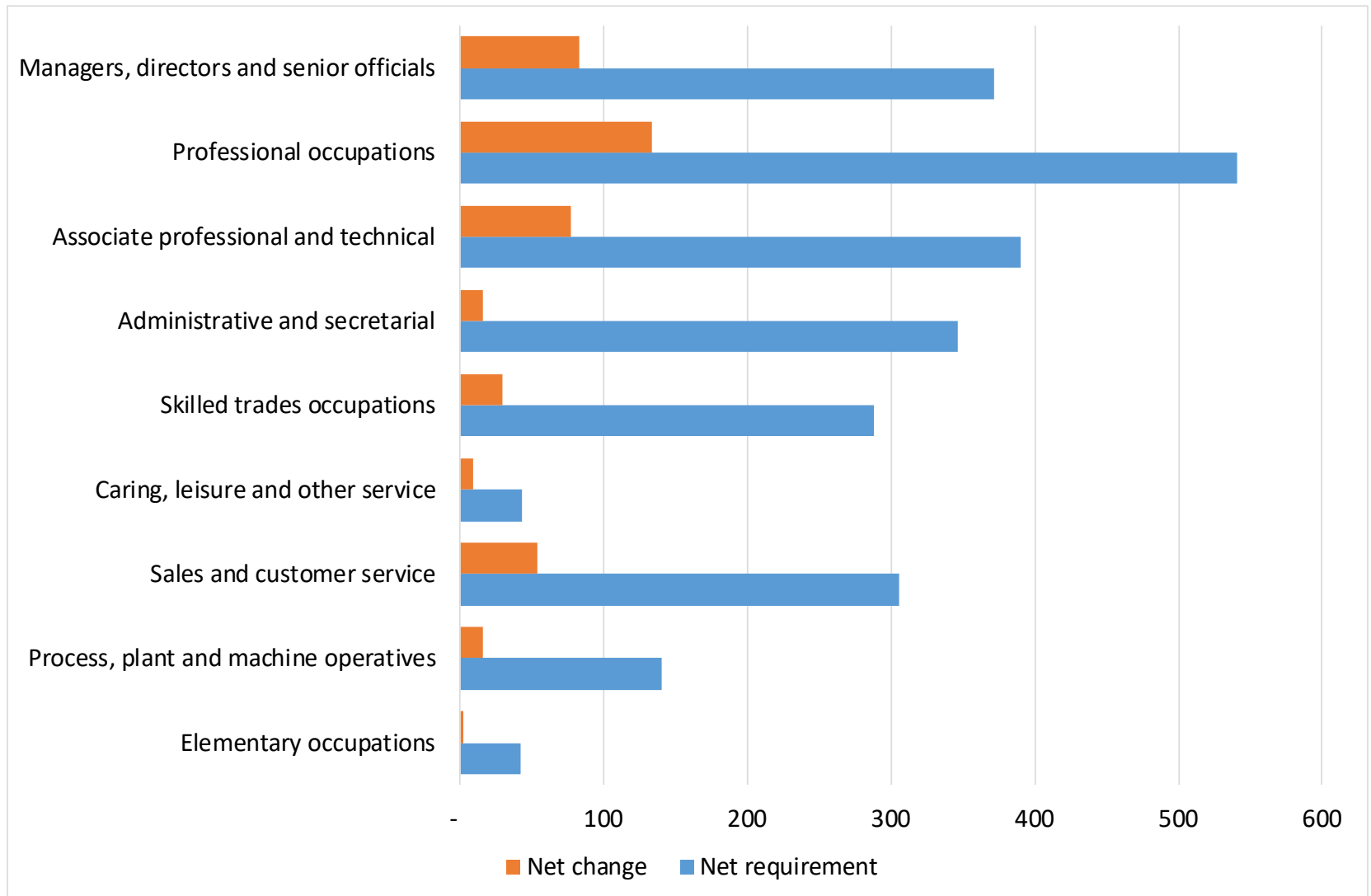
# STRONG GROWTH FOR HIGH SKILLED OCCUPATIONS

## Projected change in employment by occupational major group – Sheffield City Region



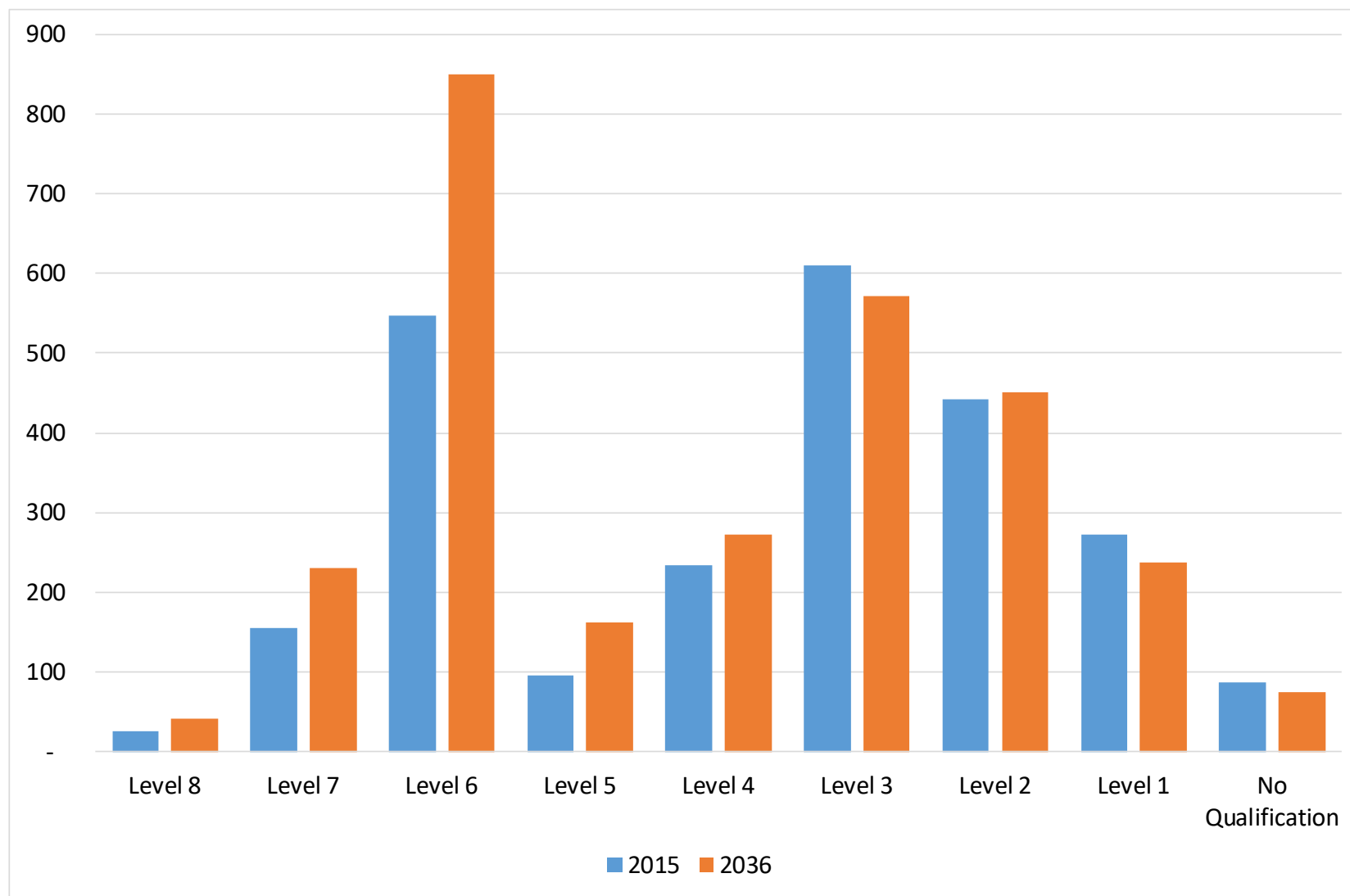
# RECRUITMENT NEED STRONGEST FOR PROFESSIONAL ROLES

Projected net change, net requirement by occupational major group – Sheffield City Region, 2015-2036



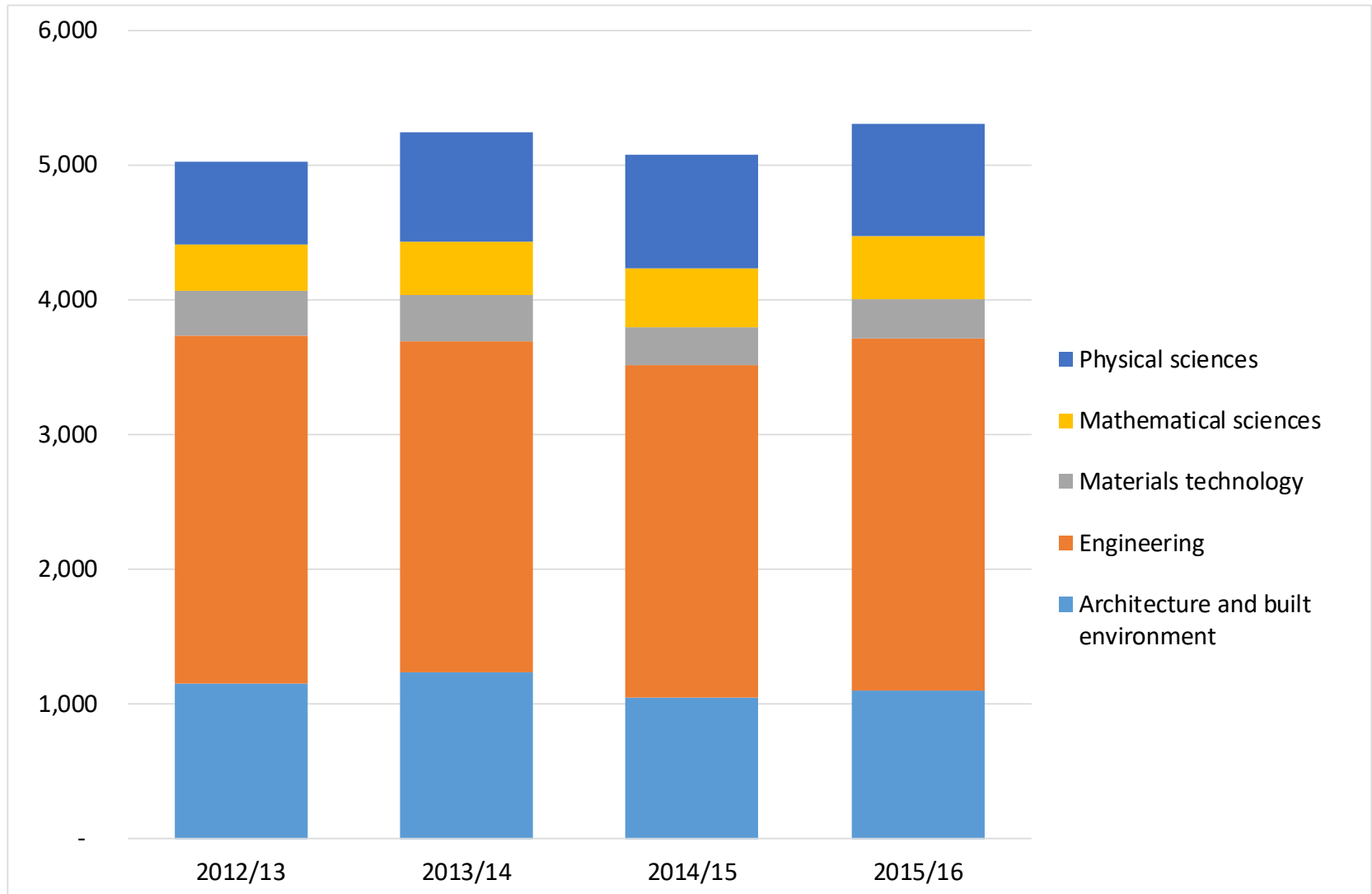
# STRONG GROWTH IN DEMAND FOR DEGREE LEVEL QUALIFICATIONS

## Projected change in profile of employment by qualification level – Sheffield City Region



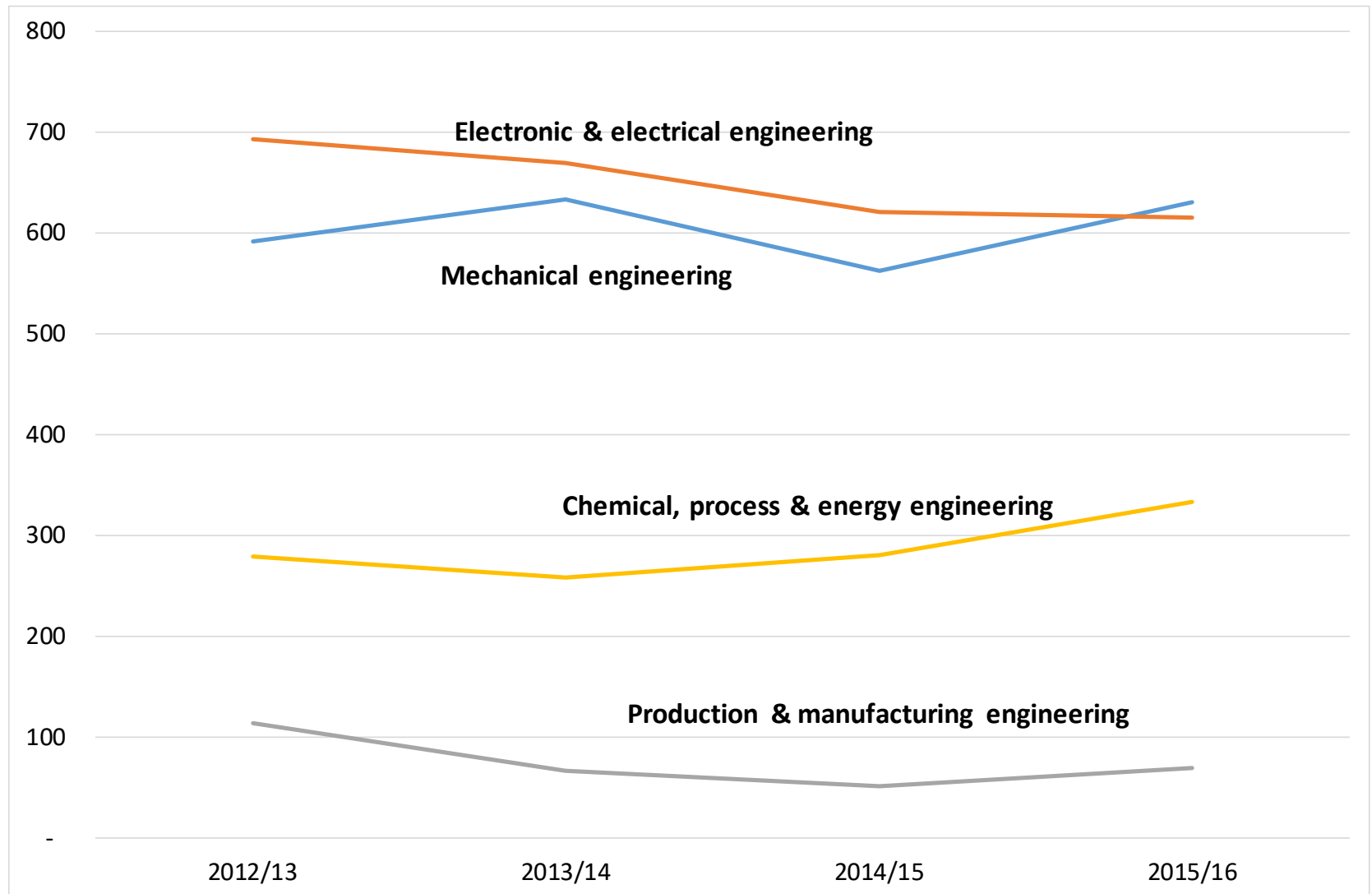
# EXTENSIVE PROVISION IN TECHNICAL DISCIPLINES IN CITY REGION

## First year enrolments in selected broad subjects – Sheffield City Region HE institutions



# ALSO STRONG PROVISION IN ENGINEERING

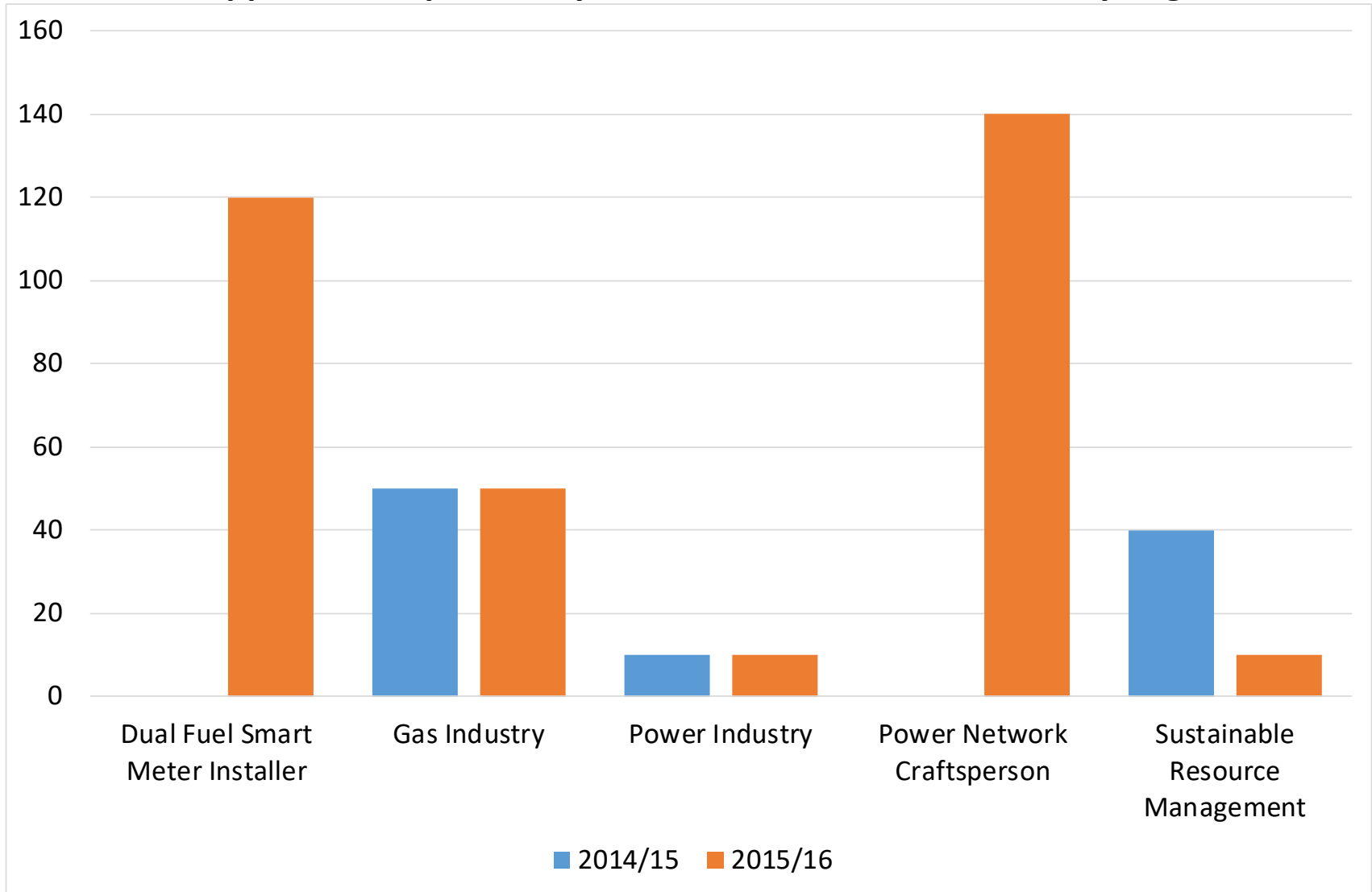
## First year enrolments in selected engineering subjects – Sheffield City Region HE institutions





# INCREASE IN APPRENTICESHIP TAKE-UP IN CITY REGION

## Apprenticeship starts by selected framework – Leeds City Region



# CONCLUSIONS

- Relatively high skilled sector with core skills linked to technical disciplines but project management and commercial skills also important
- Sector faces acute skill shortages, particularly for skilled trades and higher level roles
- Moderate rate of growth expected for energy sector output and employment in period to 2036
- Much of employment growth expected to be for higher skilled occupations with potential for shortages to intensify
- Strong supply of relevant skills from local HEIs but challenge is to attract these skills into energy sector
- Positive level of apprenticeship take-up in 2015/16 but need a clearer apprenticeship route into higher level skills

**HOUSING AND INFRASTRUCTURE EXECUTIVE BOARD**

**11<sup>th</sup> DECEMBER 2017**

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## 2.4 The Jobs, skills and GVA headlines are:

- The energy sector makes a small but significant contribution to output in each of the three LEP areas, from 0.6 per cent in SCR to 1.5 per cent in LCR and 1.9 per cent in YNER. In comparison, the energy sector contributes 1.5 per cent of total GVA at UK level.
- Energy sector employment accounts for less than 1 per cent of the total in each of the three LEP areas, in line with the UK average. However, the sector's labour productivity is among the highest of any industry and it makes a strategic contribution to the performance of local economies.
- The energy sector is relatively highly skilled with a strong representation of employment in management, professional and associate professional / technical occupations. The core skills of the sector consist of engineering skills at professional and technician levels and a variety of skilled trades / craft skills including electricians and metal-related trades.
- The energy sector faces a significant challenge around skill shortages, with skilled trades, management, professional and operative occupations all highly susceptible to shortages. There is a high prevalence of shortages within the energy sector at national, regional and LEP area level. This demonstrates that the sector faces acute difficulties in obtaining the skills that it needs, particularly in specific areas like engineering, where it competes with a range of other sectors for the same skills.
- The sector is expected to see a modest rate of employment growth in the forecast period to 2036, as output growth driven by increased energy demand is combined with increased efficiency and productivity gains.
- Much of the employment growth is expected to be concentrated in higher skilled occupations and this has the potential to intensify shortages at this level. Restrictions to the movement of skilled labour arising out of Brexit could also have a significant effect since the evidence suggests that employers have a significant reliance on migrant workers from the European Economic Area (EEA).
- All three LEP areas host a significant level of HE provision that is directly relevant to the skills needs of the energy sector. The scale of the provision is high relative to the recruitment requirement of the sector.

**2.5** A workshop has been organised for 11th January to include a range of partners including the SCR Sustainability Partnership to discuss the findings of both the Baseline work and Technical Option Appraisals work before the third piece of work, the Strategy and Delivery Plan work is commissioned. This will enable a wide range of partners and stakeholders to help shape the requirements of the main phase of the work based on the outputs and key issues arising from the Baseline and technical work.

**2.6** The SCR has been working with BEIS regarding proposals for additional capacity funding to deliver the energy strategies. BEIS have allocated £1.29m for the Northern LEP areas (11 LEPS) and SCR is working closely with the LEPS across the North East, Yorkshire and Humber to provide a proposed approach to delivering this capacity support, utilising £704,000 of the proposed funding for Northern LEPS. It is proposed that an energy hub will be created (Tees Valley Combined Authority are willing to host) and each LEP will benefit from funding to finance a post to progress the energy agenda and the projects identified in the energy strategies. This proposal has been submitted to BEIS and SCR's input is subject to HIEB endorsement.

### 3. Consideration of alternative approaches

3.1 There are no alternative approaches to consider.

### 4. Implications

4.1 **Financial** – The majority of funds for this piece of work have been provided by BEIS with a further £10k allocated from SCR funds. It is anticipated that this total budget will be sufficient to complete all the work required. BEIS are allocating further funds for capacity support for LEPS. This will may provide an additional resource to deliver the energy agenda across SCR. It is proposed that any post would be hosted by SCR.

4.2 **Legal** - There are no legal issues arising from directly from this report, however, any conditionality attached for funding from BEIS will need to be considered and factored into downstream contractual arrangements.

4.3 **Risk Management** - None arising from this report.

4.4 **Equality, Diversity and Social Inclusion** - None arising from this report.

### 5. Communications

5.1 There will be opportunities for communications activity to take place to promote that the SCR is moving the Energy Strategy and Delivery Plan forward. Future opportunities when the final strategy is in place will also create positive communications.

### 6. Appendices/Annexes

6.1 Baseline presentation.

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Background papers used in the preparation of this report are available for inspection at: 11 Broad Street West, Sheffield S1 2BQ

Other sources and references: n/a

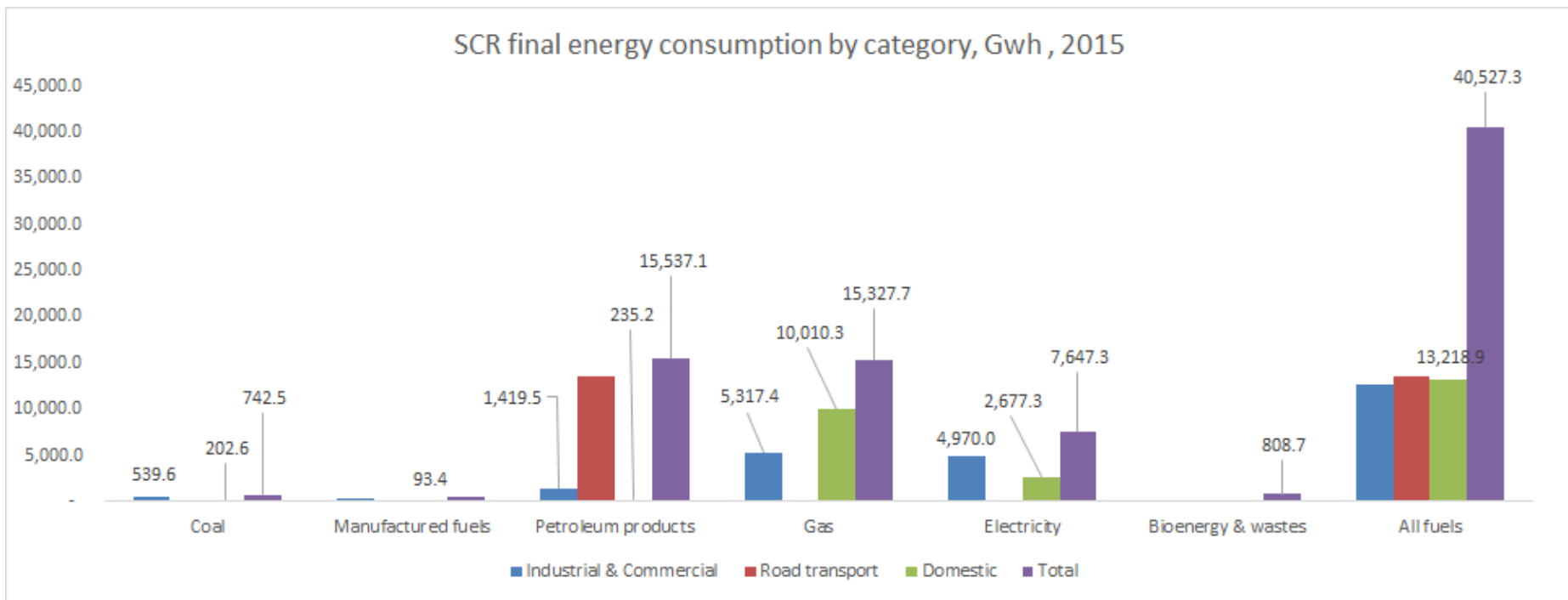
# **Sheffield City Region**

## **Energy baseline demand mapping**

# Sheffield City Region demand and consumption 2015 baseline position

## Analysis

- The largest single consumption energy use category in SCR relates to energy consumption associated with road transport at some 11,500 Gwh in terms of final demand in 2015 (some 38.3 of total final energy demand in 2015).
- The domestic consumption of gas accounts for some 25% of total energy demand in SCR – taken alongside the industrial consumption of gas in SCR (which at 5,300 Gwh was significant in its own right but half the level of domestic gas consumption).
- Bio-energy and waste generation accounted for some 808 Gwh in 2015 – having risen by 191 Gwh between 2005-2015 (rising to 2% of total energy consumption from 1.1% in 2005).
- In historical terms total energy consumption fell by 13,000 Gwh between 2005 and 2015 (the main structural driver of this was the recession of 2007 and 2008 – energy consumption picked up momentum from 2012 onwards).

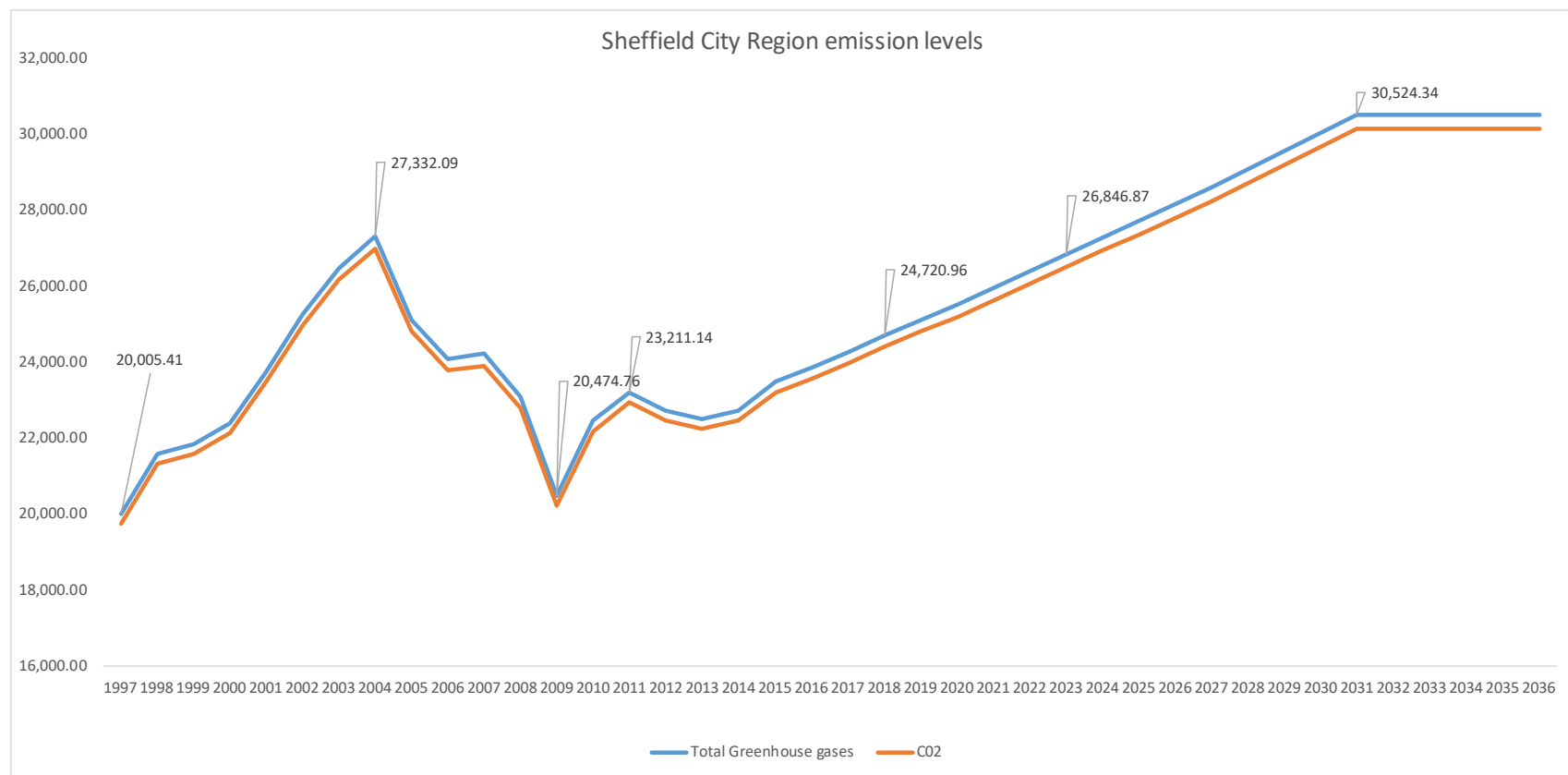




# Forecast SCR emission levels

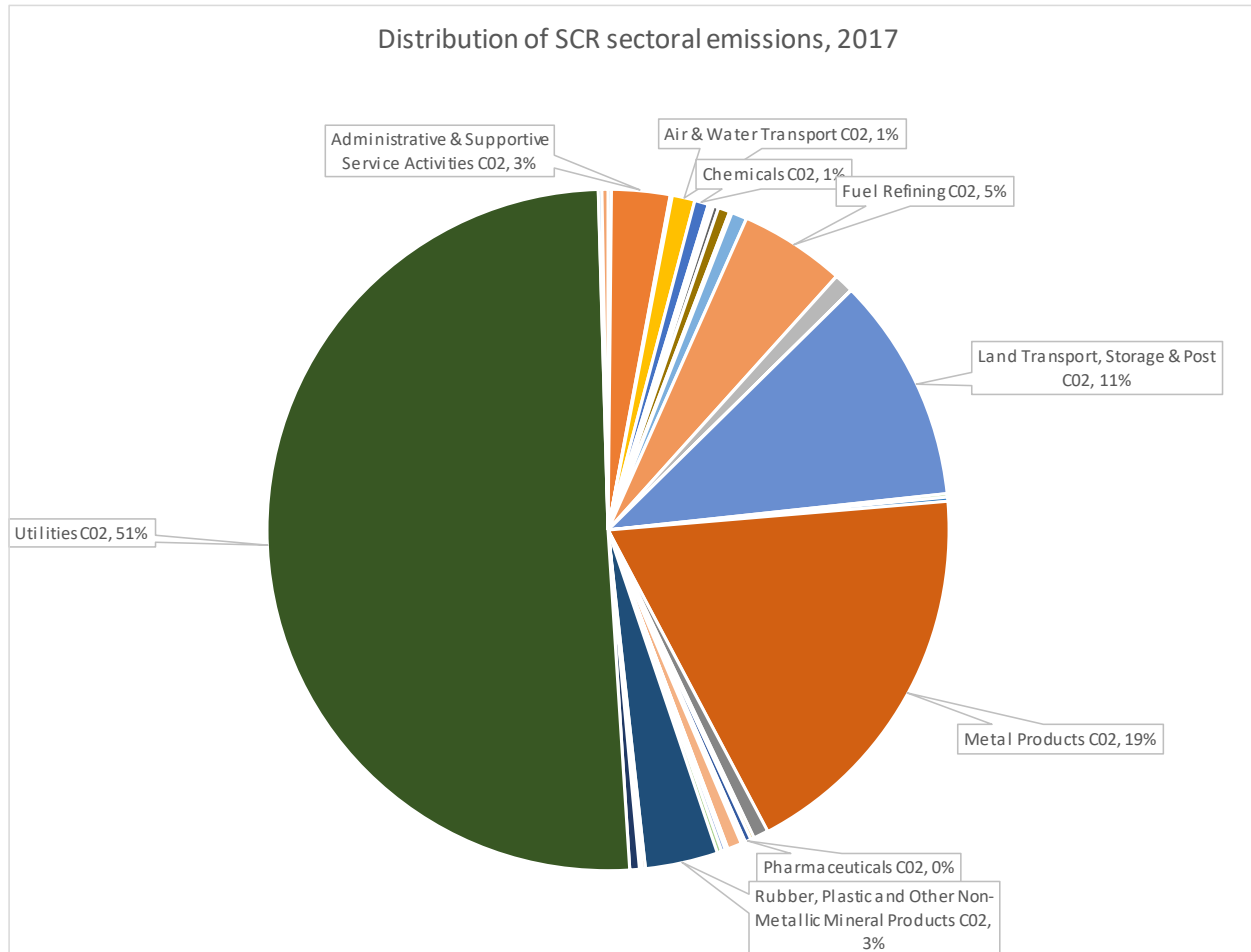
## Analysis

- As the graph shows the largest single GHG emission type in SCR is CO2 – with total CO2 levels forecast to grow by some 6,149 Kt between 2017 and 2036 (emissions of CO2 dropped to a historical low during the 2008-2009 recession but have since been climbing).
- N2O emissions are next largest CHG category – N2O levels are forecast to grow by some 87Kt between 2017 and 2036.



# SECTORAL PROFILE OF SCR EMISSIONS

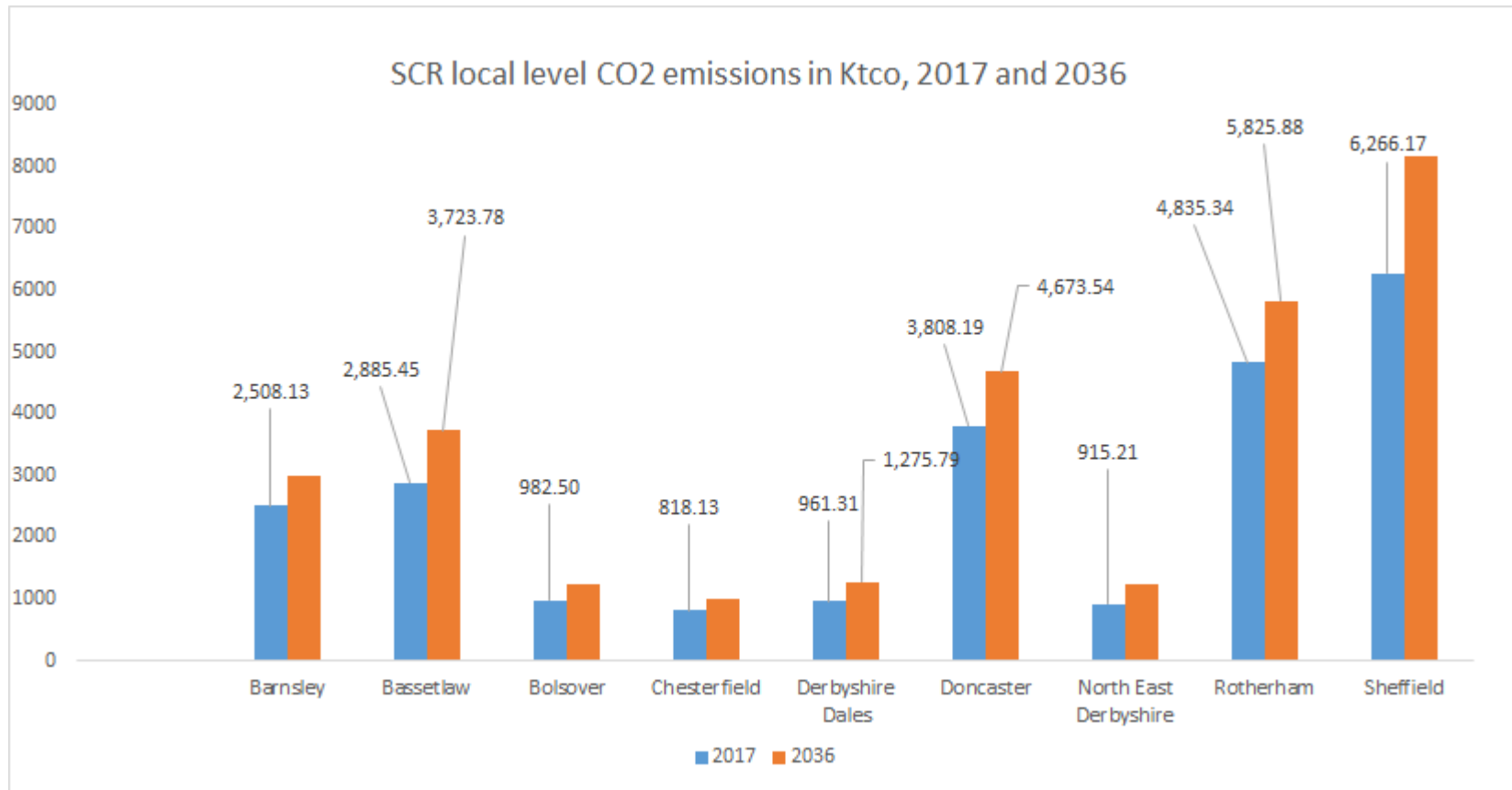
- The sectoral distribution of SCR emission levels in proportionate terms will change very little between 2017 and 2036 but several key sectors will see forecast CO<sub>2</sub> emission levels grow in absolute terms (2 industrial sectors in particular – Metals and the rubber and plastics manufacture working
- Whilst the utilities sector dominates this picture is distorted to a large extent by inclusion of electricity generation, key sectors manufacturing and transport sub sectors are clearly more important in estimating sectoral demand – 3 manufacturing sectors, 2 transport sectors and 1 commercial sector account for core elements of industrial and commercial emissions.



# SPATIAL DISTRIBUTION OF SHEFFIELD CITY REGION EMISSIONS

## Analysis

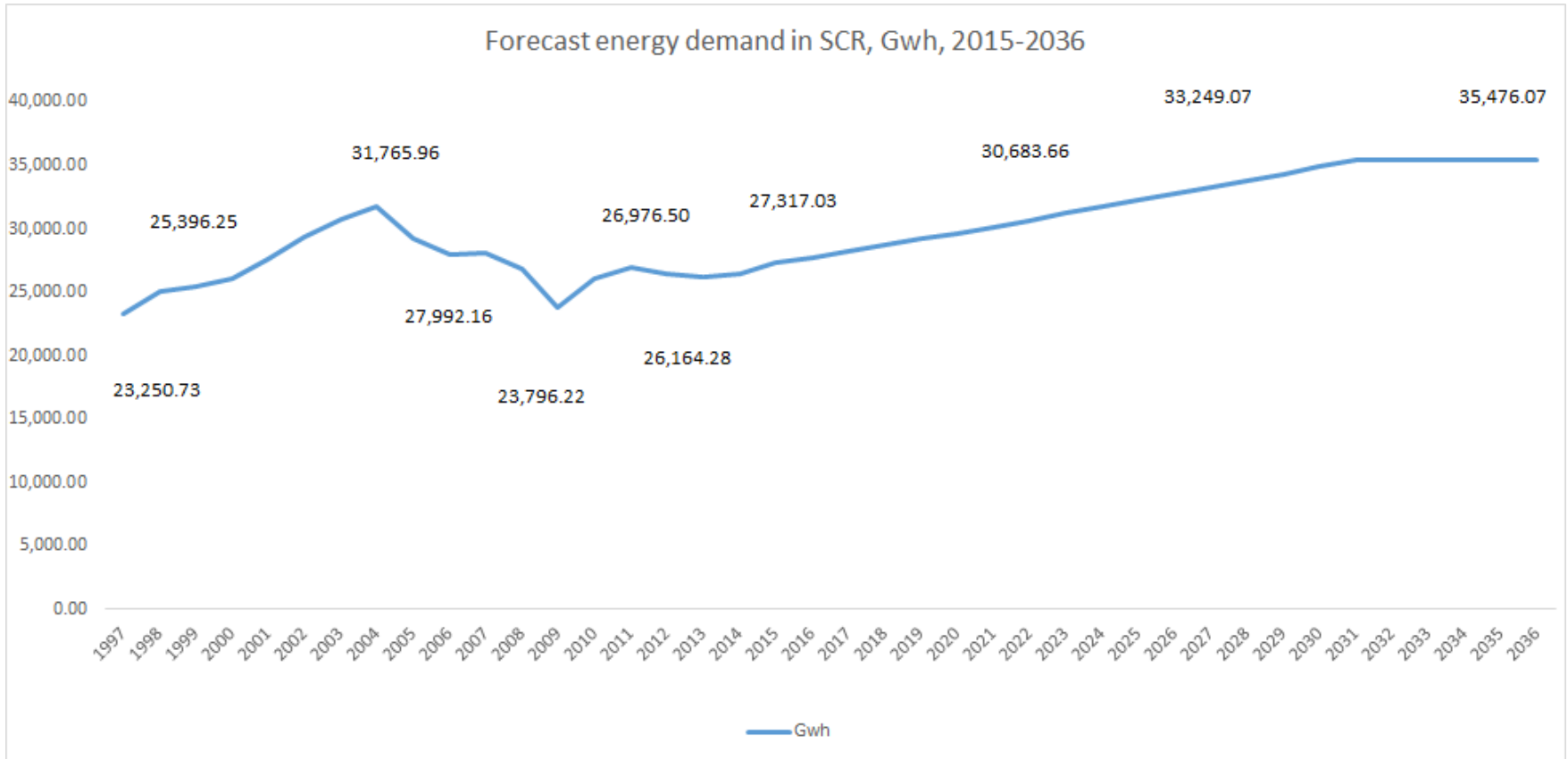
- Perhaps not unsurprisingly Sheffield CO2 emission levels are the highest in Sheffield City Region at 6,200 Ktco2 in 2017, followed by Rotherham and Doncaster.
- In percentage terms local areas in the East Midlands are forecast to see the highest rates of growth in CO2 emissions with North East Derbyshire, Derbyshire Dales and Bassetlaw showing especially strong growth (34.5%, 32.7% and 29% respectively).



# Estimating energy demand based on emission levels in SCR

## Analysis

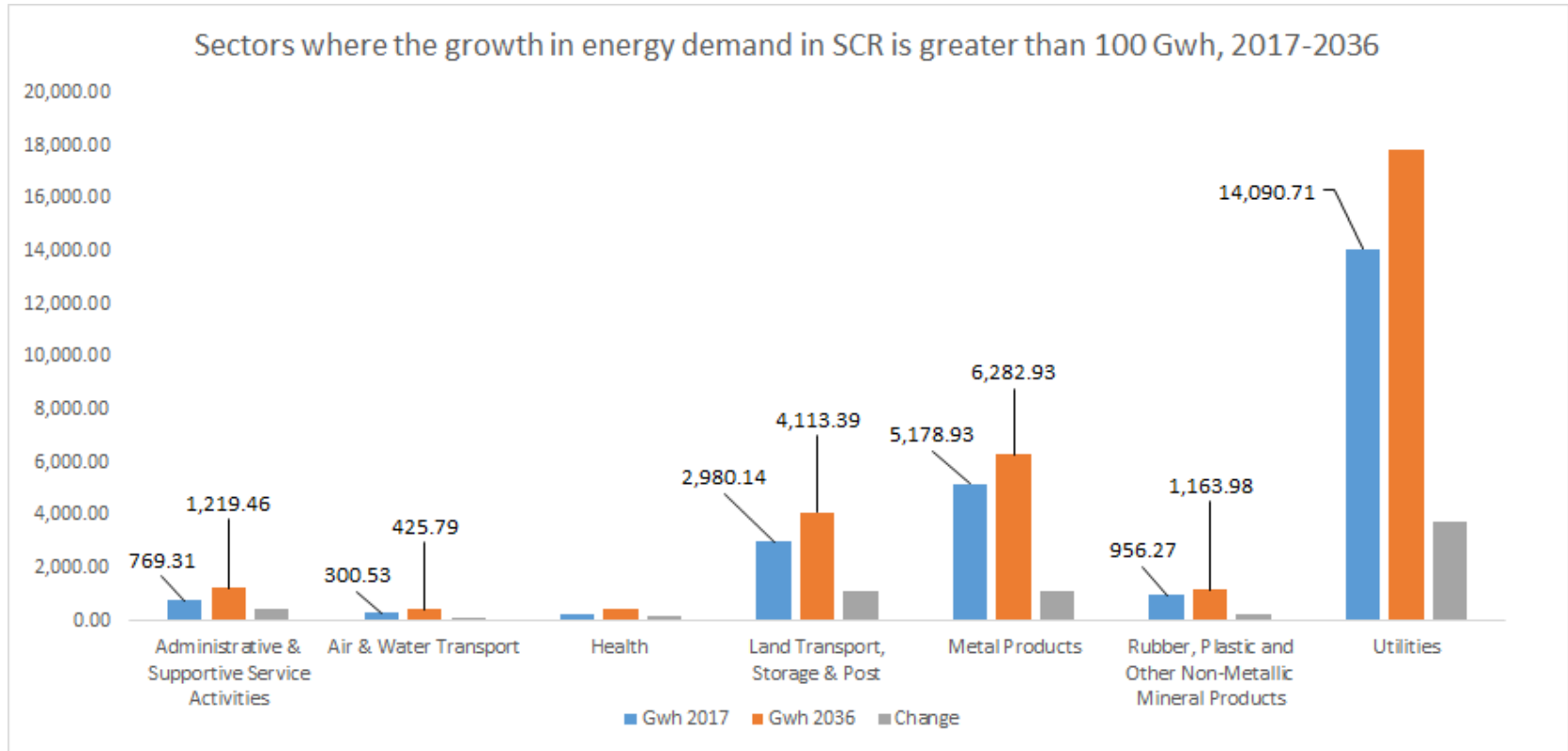
- Based on REM sectoral emission estimates we believe that SCR total energy requirement will grow by 8,150 Gwh between 2017 to 2036.
- Key sectors driving future energy demand are



# KEY SECTORS DRIVING FORECAST FUTURE ENERGY DEMAND IN SCR

## Analysis:

- The largest sector in demand terms is the utilities sector (this includes energy generation) – where forecast energy demand will rise by 3,700 Gwh between 2017 and 2036.
- The energy demand associated with the transport, metals manufacture and rubber and plastics manufacturing are the most specific industrial sectoral drivers of energy demand where forecast energy demand across these 3 sectors will rise by 2,444 Gwh between 2017 and 2036.



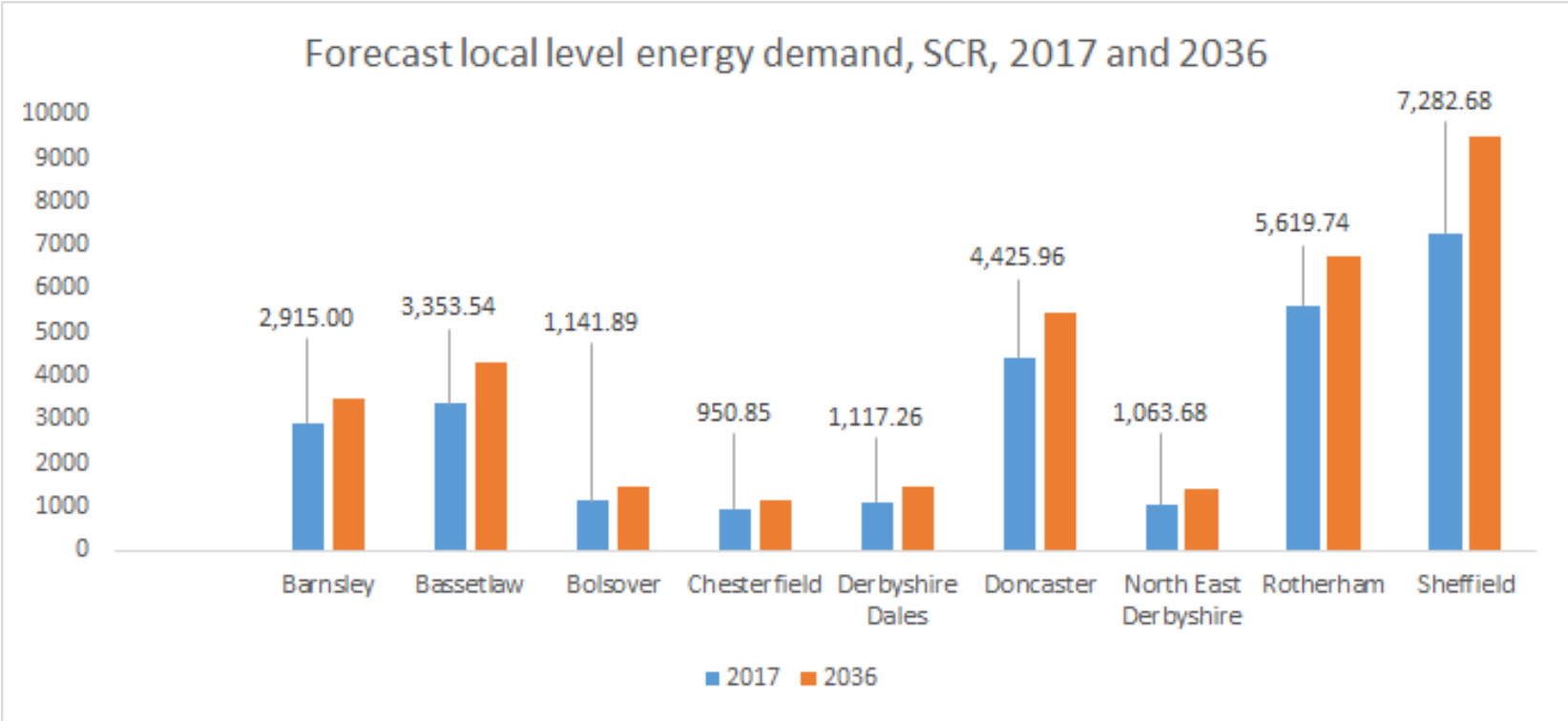
A note on the REM forecasting methodology:

The estimates of emissions (and derived associated energy requirement) are territorial estimates – they are essentially supply side estimates which capture the city regions emissions where they are generated and include exports to other parts of the UK (such as through electricity generation).

# Local level energy demand requirement in SCR 2017-2036

## Analysis

- As the graph shows Sheffield accounts for a significant amount of SCR’s energy requirement – some 26.1% in 2017 (with this rising in proportionate terms by 2036 – to some 27.1% - the largest proportionate rise in SCR).
- North East Derbyshire is forecast to see the fastest growth in energy requirement in SCT at 34% between 2017 and 2036 – this equates to 560 Gwh of demand (this is dwarfed by absolute change in total consumption in SCR in same period estimated at 2,20 Gwh).



# BRIEF: JOBS, SKILLS AND GVA

- Form an understanding of energy sector in Sheffield City Region from point of view of job, skills and GVA
  - Assessment of current employment and GVA
  - Forecast development of employment and GVA to 2036
  - Current skills position
  - Skills position in 2036
  - Supply of skills
- Caveats:
  - Limited data available at sub-regional level
  - Energy sector is volatile – projections assume continuation of past patterns
  - Rely on inferences from regional and national data in some cases

# DEFINITION OF ENERGY SECTOR

## **Electric power generation, transmission and distribution**

- Production of electricity
- Transmission of electricity
- Distribution of electricity
- Trade of electricity

## **Manufacture of gas; distribution of gaseous fuels through mains**

- Manufacture of gas
- Distribution of gas through mains
- Trade of gas through mains

## **Steam and air-conditioning supply**



# ENERGY SECTOR CONTRIBUTES AROUND £200m TO SCR ECONOMY

## Estimated output (GVA) of the energy sector in 2015 (£2012m)

LEP area	Energy	Total economy	Energy as % of total economy
Leeds City Region	918	60,563	1.5%
Sheffield City Region	211	32,660	0.6%
York, North Yorkshire and East Riding	449	23,330	1.9%

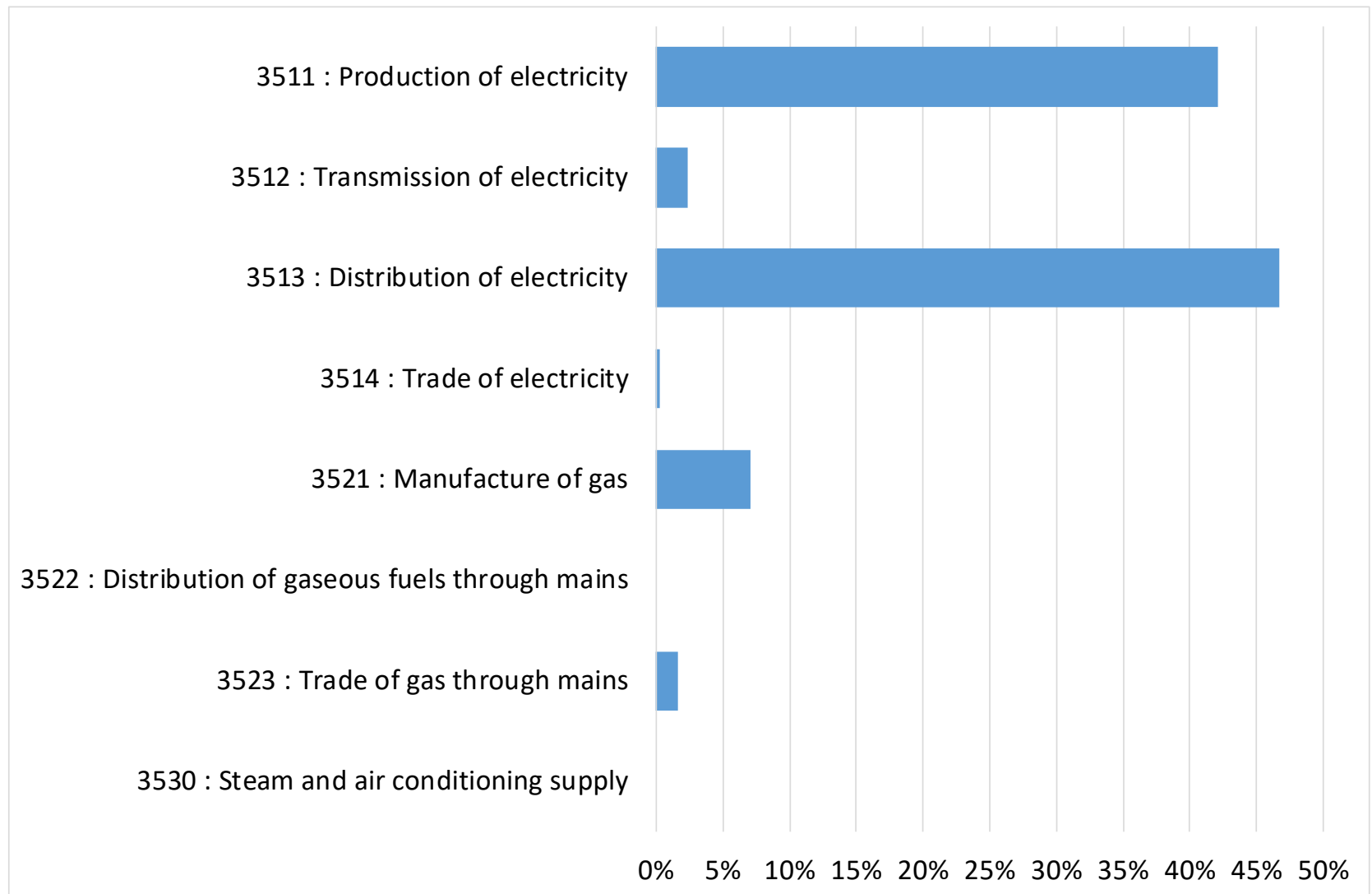
# ENERGY SECTOR EMPLOYS AROUND 2,500 IN SCR

## Estimated employment in the energy sector in 2015 (000s)

LEP area	Energy	Total economy	Energy as % of total economy
Leeds City Region	7.9	1,525	0.5%
Sheffield City Region	2.5	840	0.3%
York, North Yorkshire and East Riding	2.0	581	0.3%

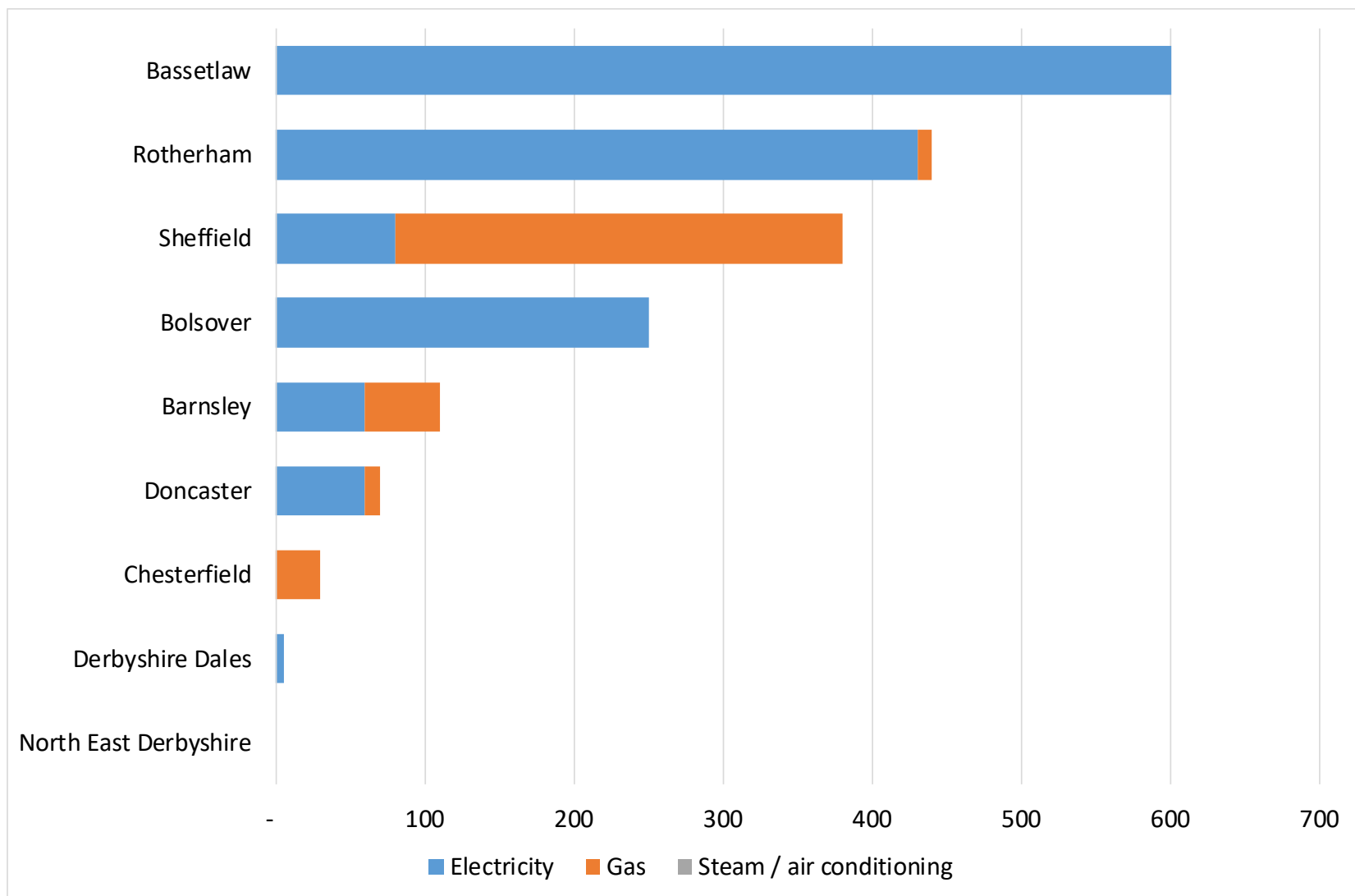
# EMPLOYMENT CONCENTRATED IN TWO DETAILED INDUSTRIES

## Profile of employment by industry class – Sheffield City Region, 2015



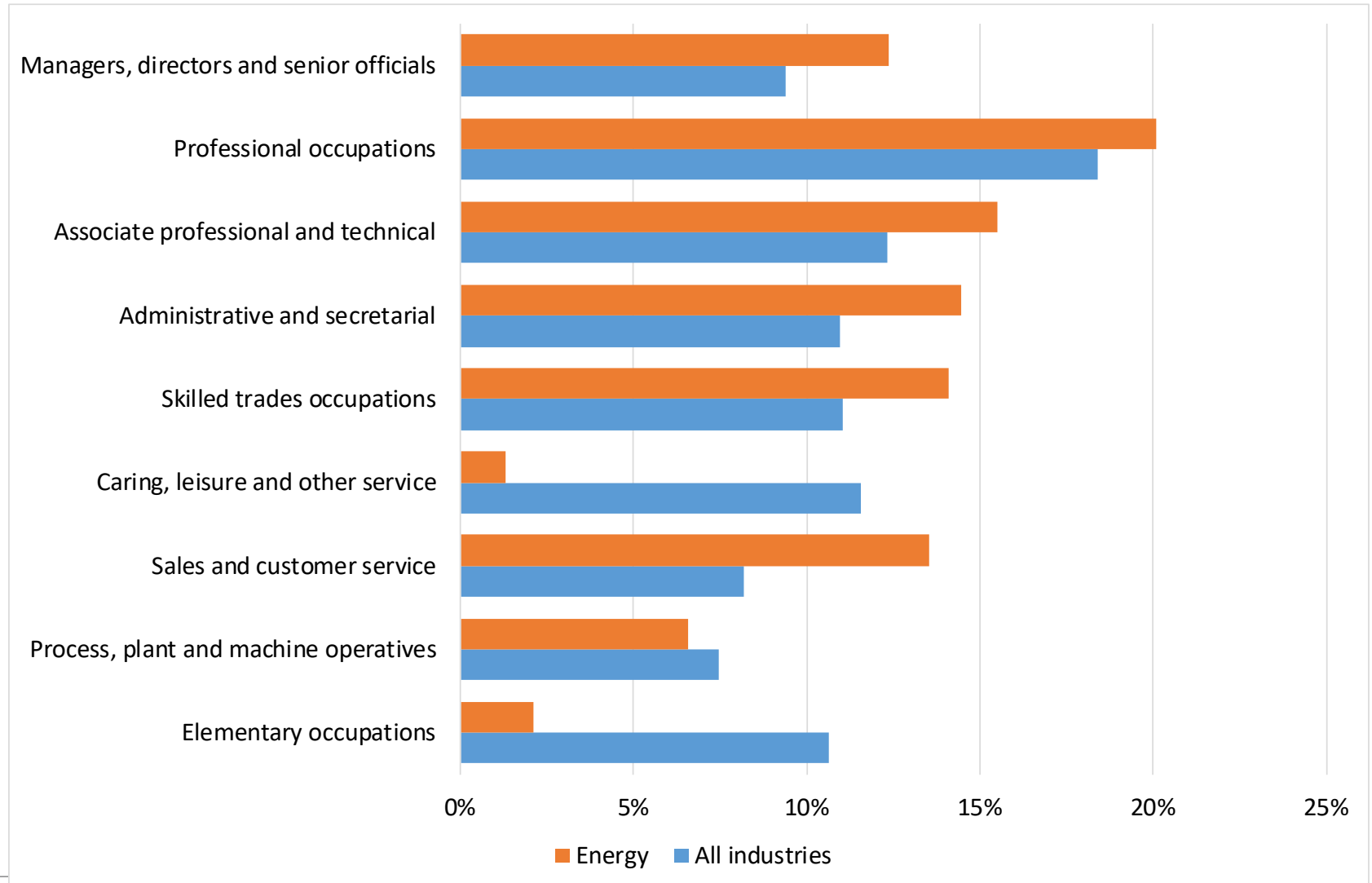
# BULK OF EMPLOYMENT CONCENTRATED IN FOUR DISTRICTS

## Profile of employee jobs by industry group and district, 2015



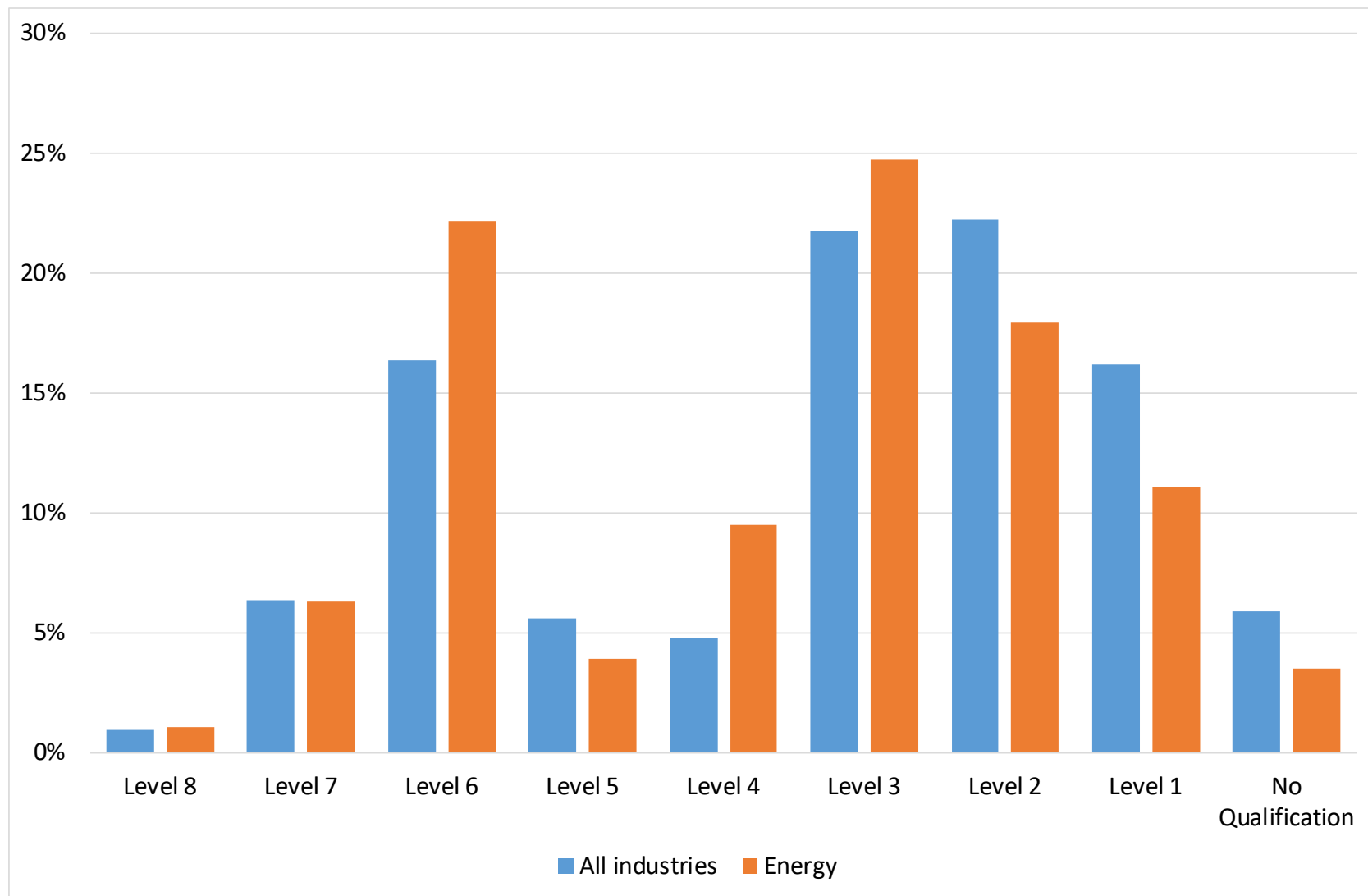
# EMPLOYMENT PROFILE WEIGHTED TOWARDS HIGHER SKILLED OCCUPATIONS

## Occupational profile of energy sector employment – Sheffield City Region, 2015



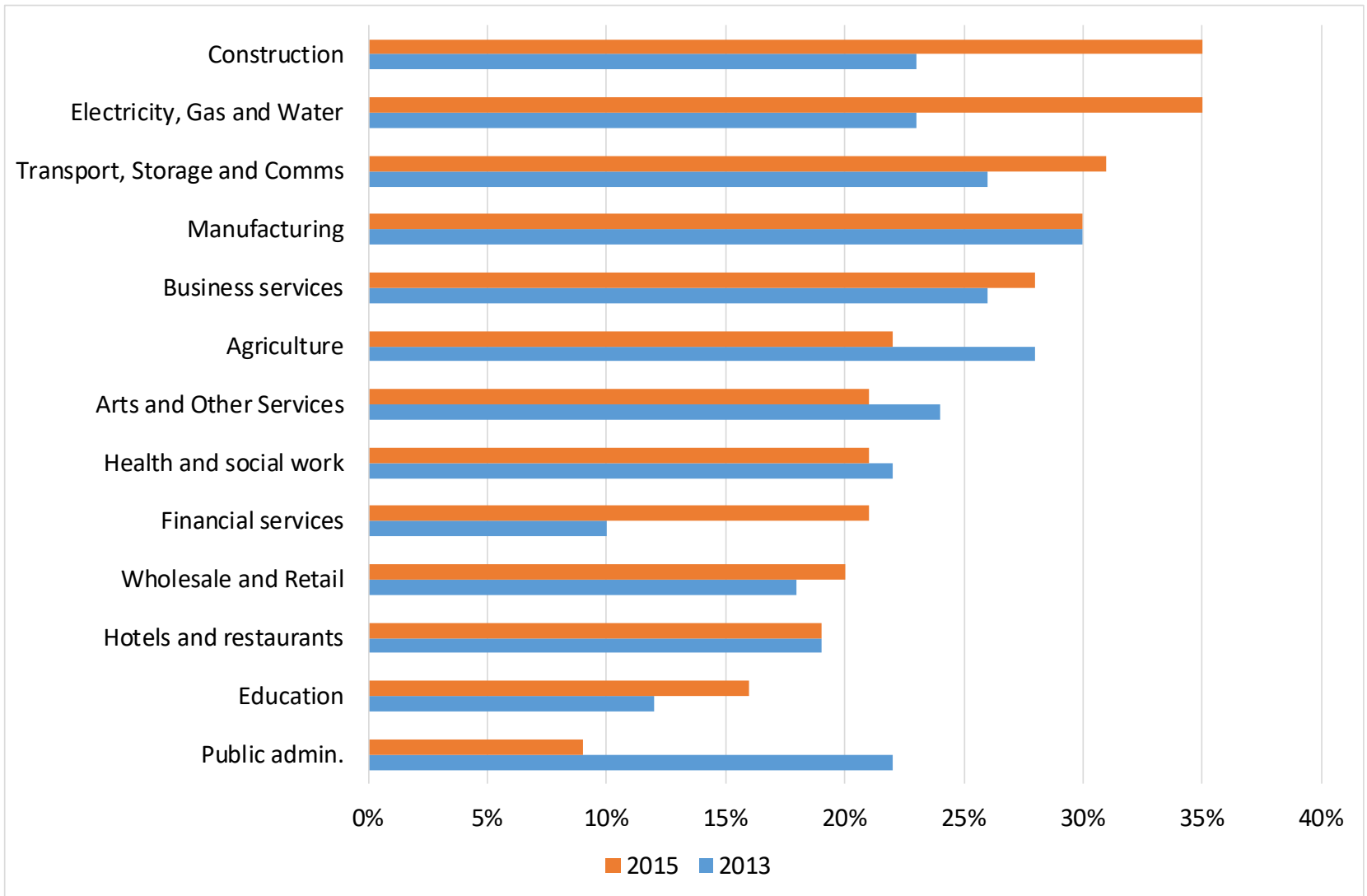
# EMPLOYMENT PROFILE WEIGHTED TOWARDS HIGHER QUALIFIED

## Qualification profile of energy sector employment – Sheffield City Region, 2015



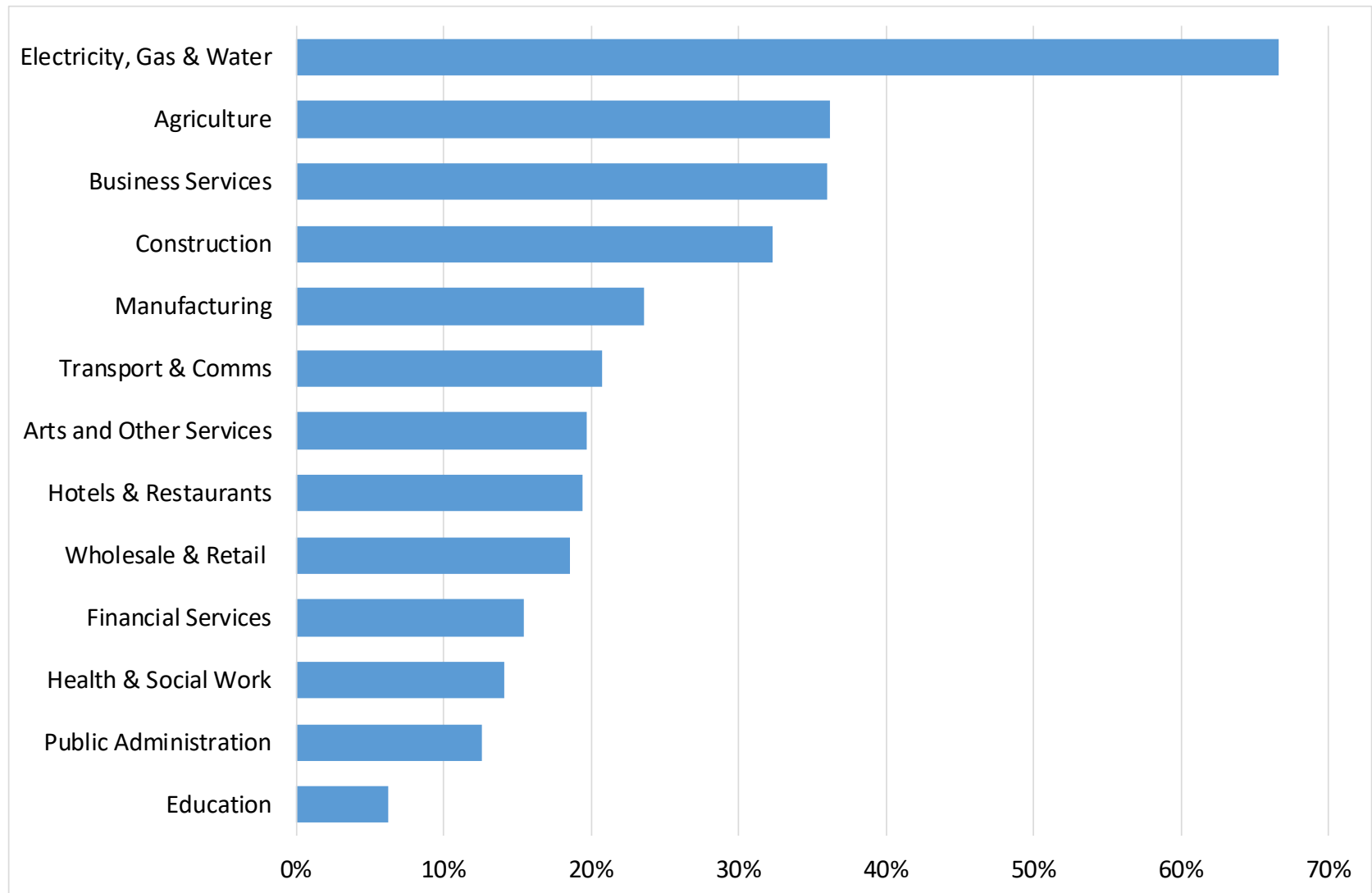
# SKILL SHORTAGES ARE ACUTE IN ENERGY SECTOR

## Density of skill-shortage vacancies (SSVs), by sector - UK



# SKILL SHORTAGES ARE ACUTE IN ENERGY SECTOR

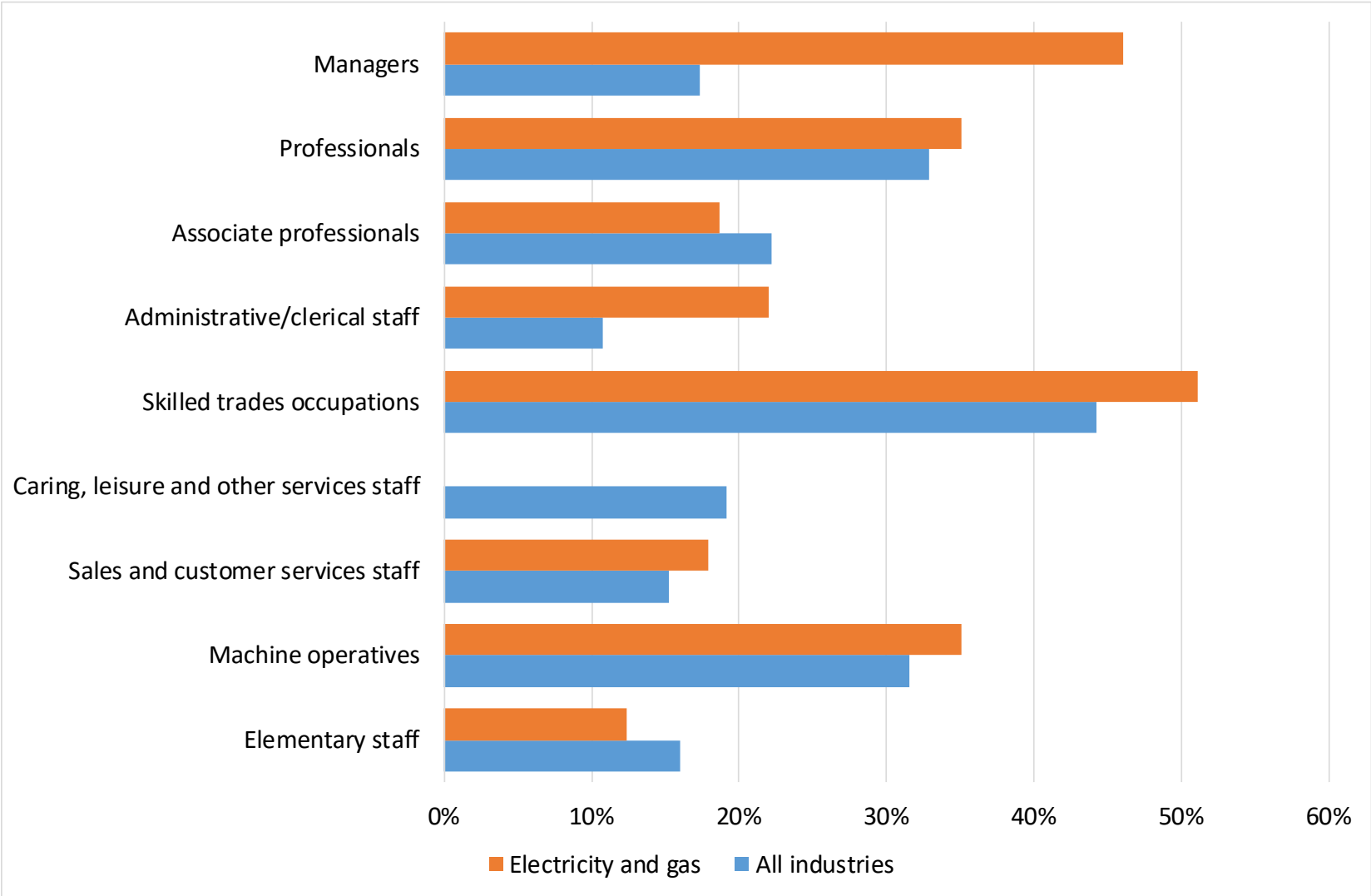
## Density of skill-shortage vacancies (SSVs), by sector – Yorkshire and Humber, 2015





# SKILL SHORTAGES MOST ACUTE FOR SKILLED TRADES

## Density of skill-shortage vacancies (SSVs), by occupation – England, 2015



# EMPLOYERS' VIEWS ON CAUSES OF SHORTAGES

- Strong competition for key skills between sub-sectors, other sectors and countries
- A general under-supply of entrants to the labour market with relevant STEM skills and significant lead-in time for development of skills
- Poor visibility of (and interest in) the energy sector as a career prospect among young people and potential new entrants from other industries
- Difficulty of attracting women into engineering roles
- The seasonal nature of some jobs, such as overhead linesman operative
- An ageing workforce
- Reliance on migrant workers for key roles may intensify shortages.

# MODERATE OUTPUT GROWTH FORECAST FOR SECTOR

## Forecast output growth in the energy sector by LEP area, 2015-2036

LEP area	Energy			Total economy		
	2015	2036	Average annual growth rate	2015	2036	Average annual growth rate
Leeds City Region	918	1,237	1.5%	60,563	90,231	2.0%
Sheffield City Region	211	271	1.3%	32,660	47,993	1.9%
York, North Yorkshire and East Riding	449	562	1.1%	23,330	32,715	1.7%

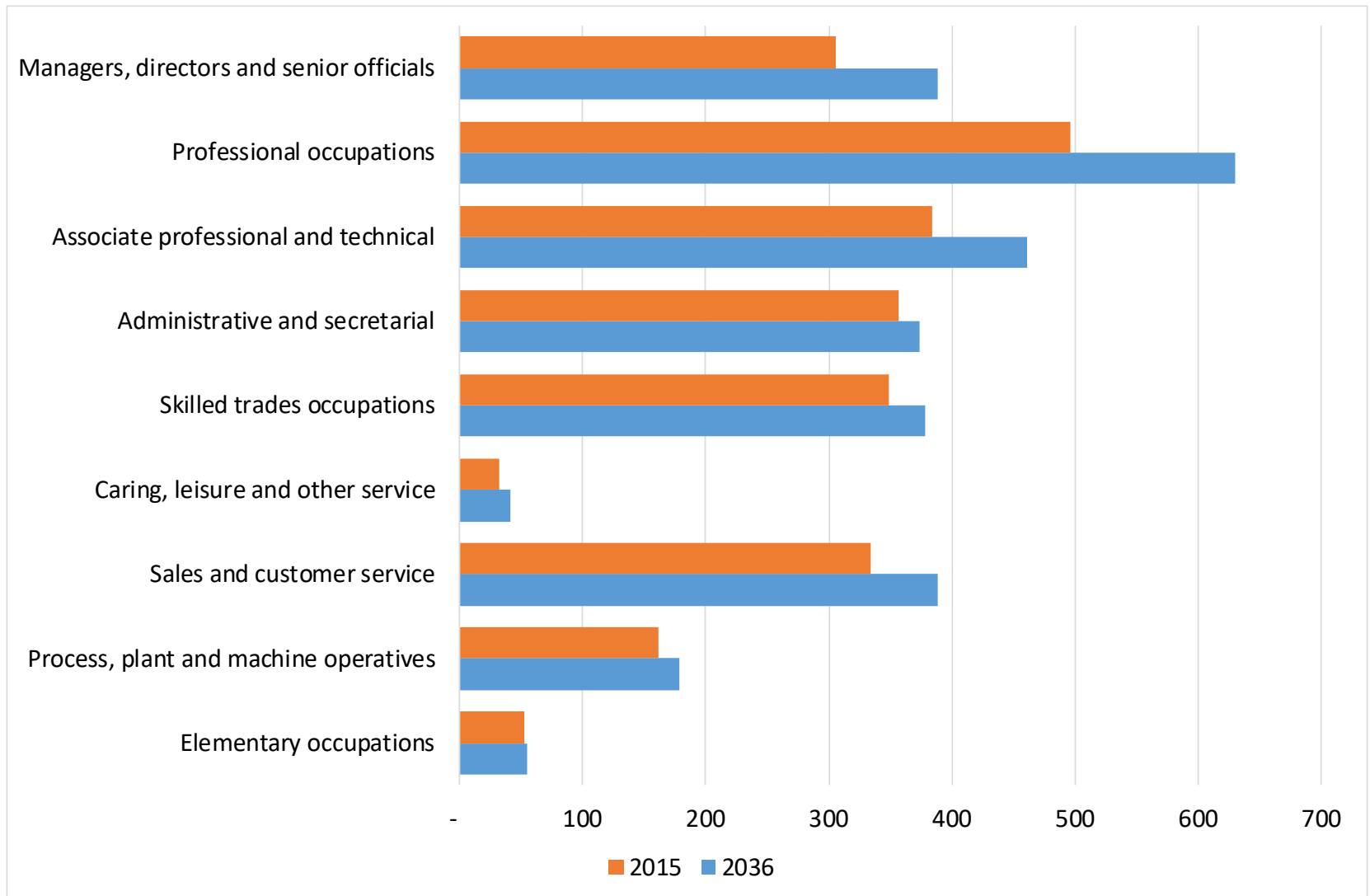
# MODEST RATE OF EMPLOYMENT GROWTH EXPECTED

## Forecast output growth in the energy sector by LEP area, 2015-2036

LEP area	Energy			Total economy		
	2015	2036	Average annual growth rate	2015	2036	Average annual growth rate
Leeds City Region	7.9	10.2	1.3%	1,525	1,739	0.7%
Sheffield City Region	2.5	2.9	0.8%	840	938	0.6%
York, North Yorkshire and East Riding	2.0	2.3	0.8%	581	633	0.4%

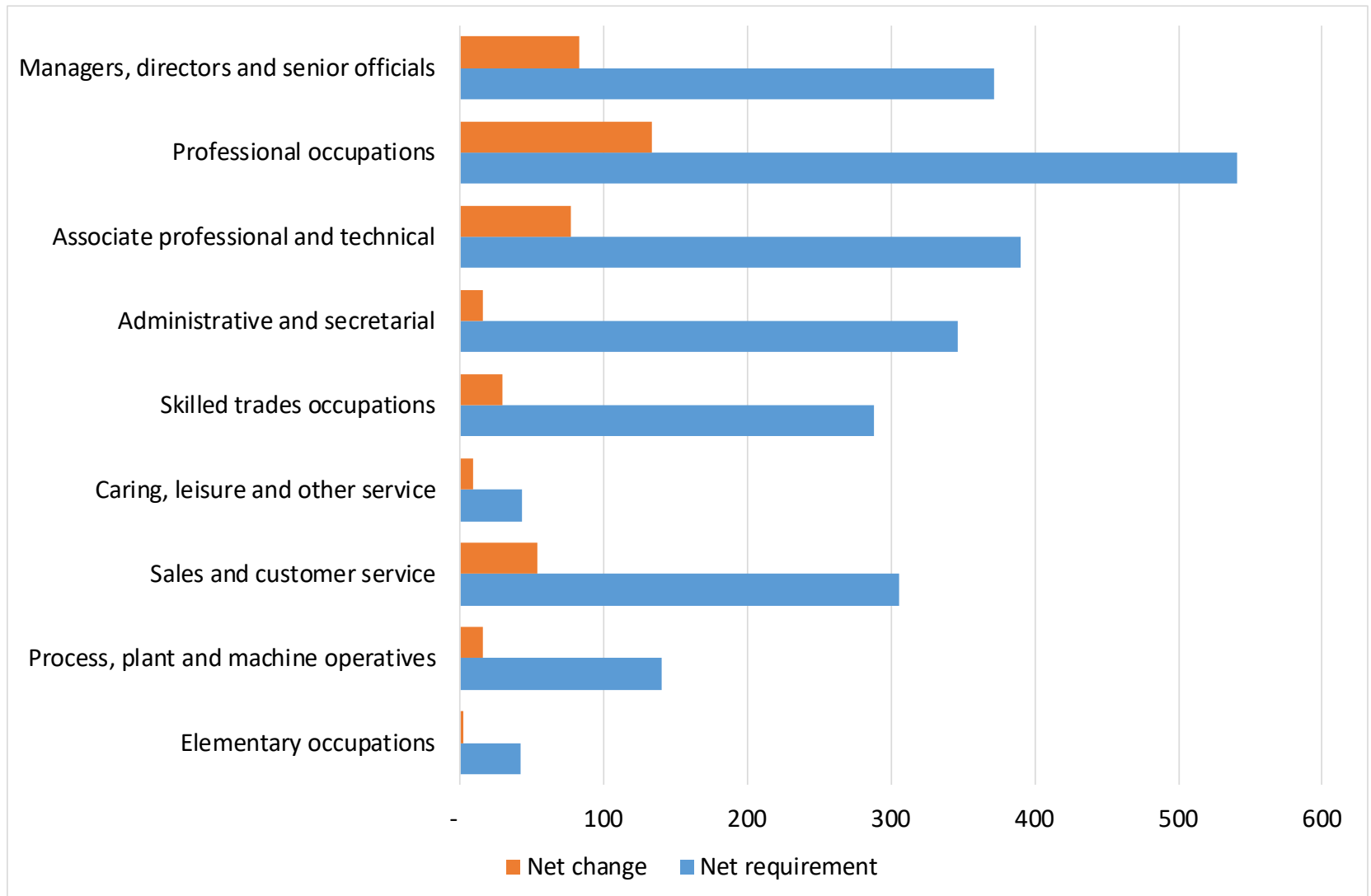
# STRONG GROWTH FOR HIGH SKILLED OCCUPATIONS

## Projected change in employment by occupational major group – Sheffield City Region



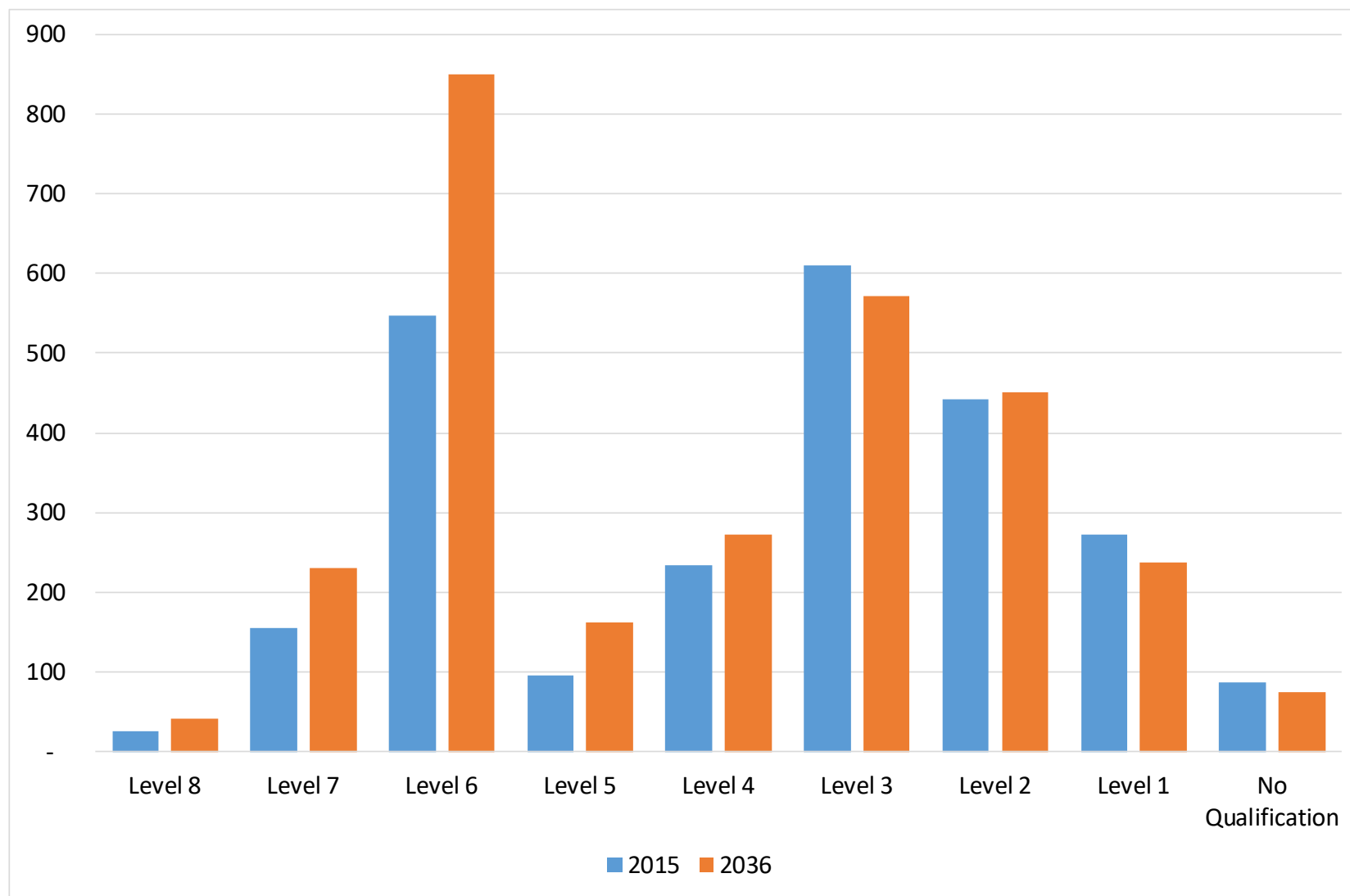
# RECRUITMENT NEED STRONGEST FOR PROFESSIONAL ROLES

Projected net change, net requirement by occupational major group – Sheffield City Region, 2015-2036



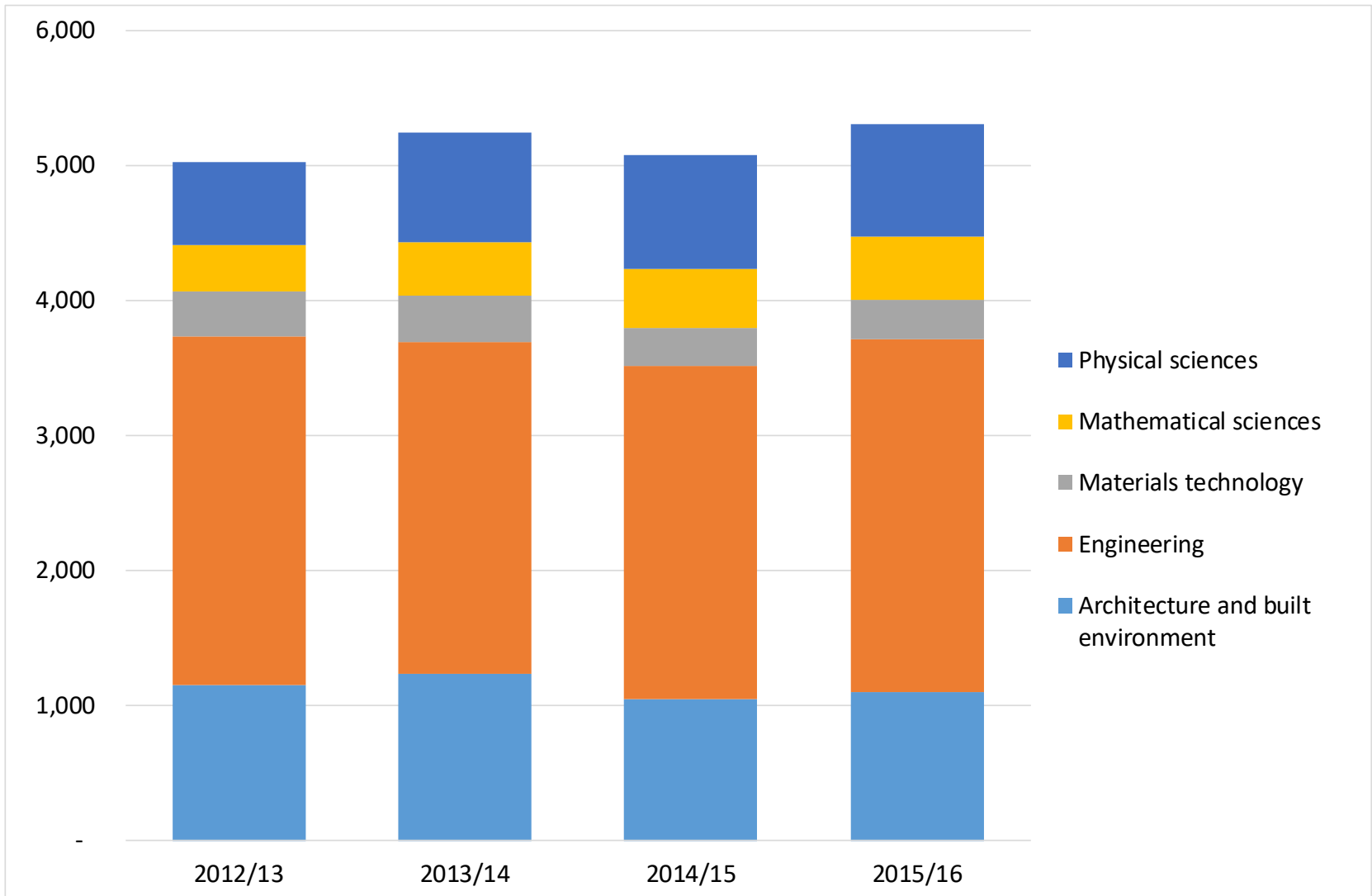
# STRONG GROWTH IN DEMAND FOR DEGREE LEVEL QUALIFICATIONS

## Projected change in profile of employment by qualification level – Sheffield City Region



# EXTENSIVE PROVISION IN TECHNICAL DISCIPLINES IN CITY REGION

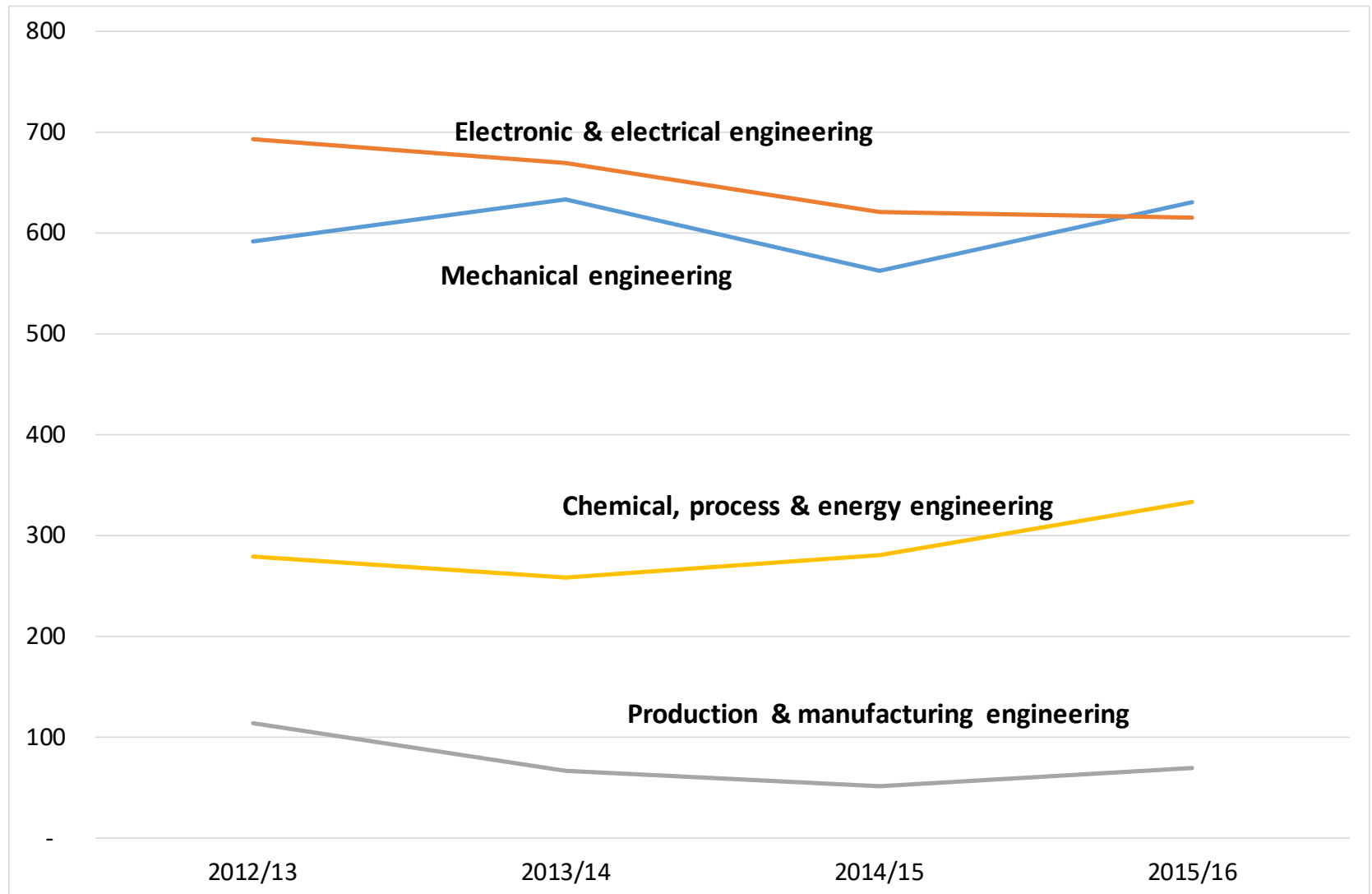
## First year enrolments in selected broad subjects – Sheffield City Region HE institutions





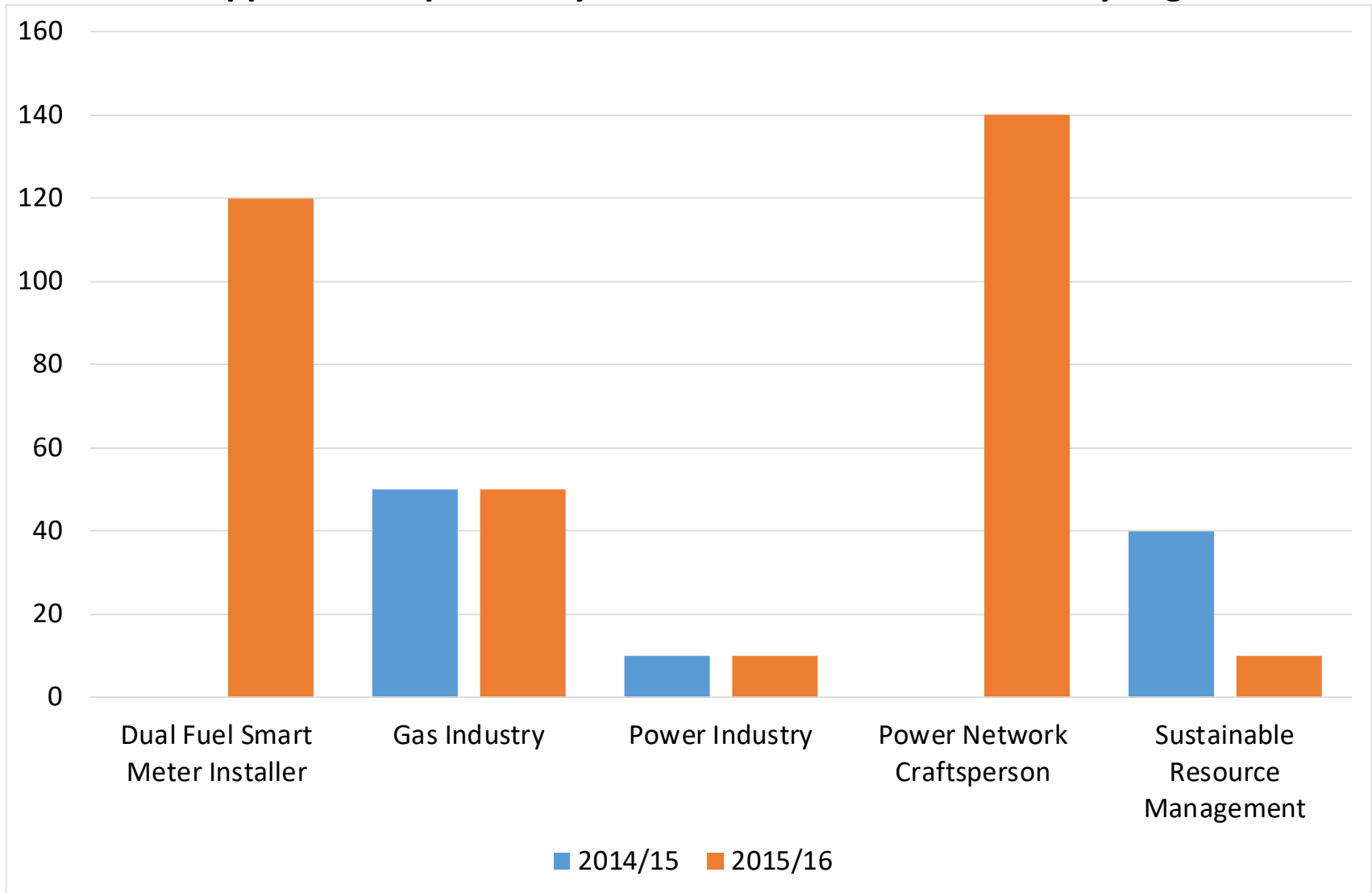
# ALSO STRONG PROVISION IN ENGINEERING

## First year enrolments in selected engineering subjects – Sheffield City Region HE institutions



# INCREASE IN APPRENTICESHIP TAKE-UP IN CITY REGION

## Apprenticeship starts by selected framework – Leeds City Region



# CONCLUSIONS

- Relatively high skilled sector with core skills linked to technical disciplines but project management and commercial skills also important
- Sector faces acute skill shortages, particularly for skilled trades and higher level roles
- Moderate rate of growth expected for energy sector output and employment in period to 2036
- Much of employment growth expected to be for higher skilled occupations with potential for shortages to intensify
- Strong supply of relevant skills from local HEIs but challenge is to attract these skills into energy sector
- Positive level of apprenticeship take-up in 2015/16 but need a clearer apprenticeship route into higher level skills

**HOUSING AND INFRASTRUCTURE EXECUTIVE BOARD**

**11<sup>th</sup> DECEMBER 2017**

**INVESTABLE PROPOSITIONS – INTEGRATED INFRASTRUCTURE PLAN**

**Purpose of Report**

The report seeks to update the Housing and Infrastructure Executive Board with the progress being made in taking forward the Integrated Infrastructure Plan, which is to identify the next Investable Propositions within the SCR Growth Areas; particularly within Urban Centres, noting the overlap with the Trade and Investment Plan work and preparations for MIPIM 2018.

**Thematic Priority**

This report relates to the following Strategic Economic Plan priorities:

- Secure investment in infrastructure where it will do most to support growth.

**Freedom of Information**

Executive Boards do not make decisions on behalf of the CA therefore reports to this Boards are not made available under the Combined Authority Publication Scheme. This report is not exempt under Part II of the Freedom of Information Act 2000.

**Recommendations**

The HIEB is asked to note the progress with the delivery of the Investable Propositions.

**1. Introduction**

- 1.1** This report sets out SCR's progress with moving forward the next phase of the Integrated Infrastructure Plan (IIP). The IEB have previously agreed the approach of exploring investment options linked to identify the SCR's most investable propositions.
- 1.2** It is proposed that this commission will identify potential investable propositions from within the SCR's Key Urban Centres and Major Growth Areas which could be brought forward through a package of infrastructure investment to support development and growth. These will be used to help identify the SCR's investment offer to attract additional private sector investment into Sheffield City Region.

**1.3** The Integrated Infrastructure Plan (IIP) started the process of identifying the spatial priority areas across the SCR where integrated packages of infrastructure were required in order to unlock the growth potential of the land assets in those locations. Since then, SCR has begun the work of focussing attention on specific strategic assets within those spatial areas which offer the greatest potential for attracting future investment. These are identified in the recent SCR Trade and Investment Plan as follows, and these Priority Growth Areas will be the focus of this project:

- Urban Centres
- Doncaster Sheffield Airport
- Advanced Manufacturing Innovation District (AMID)
- Logistics Corridor including iPort & National College for High Speed Rail
- Olympic Legacy Park / Advanced Wellbeing Research Centre
- Housing

**1.4** Housing is a cross cutting theme included due to the enhanced importance being given through the Inclusive Industrial Strategy and LEP activity in needing to build more homes.

## **2. Proposal and justification**

**2.1** The purpose of this commission is to provide an enhanced understanding of infrastructure needs and associated financial and delivery requirements that both align with existing/emerging Local Plans, and also provide a strategic rationale for long term investment by both the public and private sectors. Clarifying both the unique and complementary roles and investable opportunities of key Urban Centres will also be important in demonstrating a more attractive collective 'offer,' which could also be marketed collectively.

**2.2** It will provide the SCR with a clear understanding of where public investment could be most effectively deployed in order to address barriers preventing development taking place in our key Urban Centres and other Major Growth Areas, and therefore, better position the SCR to attract additional private investment in the form of development capital or end user investors. These could include viable development sites and/or public-backed projects where investors could become partners or new innovative funding and financing arrangements could be developed; as well as for example, pooled asset packages. Furthermore, it will help SCR and its partners to identify a more robust investment pipeline to speed up delivery in our Key Urban Centres and Major Growth Areas.

**2.3** These spatial packages will then be used as an investment portfolio of investable propositions to take to the Market (including the international market) with the aim to attract and lever in additional private sector investment, including institutional investment, to help deliver the key growth and regeneration priorities across the SCR. These will initially be used to help showcase the SCR's investment offer at MIPIM 2018.

**2.4** The spatial packages will assist the SCR in remaining competitive with other areas and provide an updated evidence base for future investment decisions and support further devolution of powers from Central Government. They will also help join up policy, evidence and investment at a strategic level in support of the Duty to Cooperate.

2.5 Consultation on the draft brief is currently being undertaken with Partners, with an intention to begin the procurement in early December. The initial outline outputs are required for March 2018 to inform the SCR MIPIM offer.

### 3. Consideration of alternative approaches

3.1 In discussions with Local Authority Directors, this commission is considered the most appropriate way to provide the next level of detail on spatial packages of infrastructure required to support and deliver growth in our Urban Centres and Major Growth Areas.

### 4. Implications

4.1 **Financial** – At the time of writing, consideration was being given to the required budget, in liaison with partners. A budget has been set aside within SCR for the work.

4.2 **Legal** - None arising from this report.

4.3 **Risk Management** - None arising from this report.

4.4 **Equality, Diversity and Social Inclusion** - None arising from this report.

### 5. Communications

5.1 There will be opportunities for communications activity to take place to promote that the SCR in moving the Integrated Infrastructure Plan forward. Future opportunities when the Investable Propositions are known will also create positive communications, including showcasing the Sheffield City Region's investment offer at MIPIM 2018.

### 6. Appendices/Annexes

6.1 None.

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Background papers used in the preparation of this report are available for inspection at: 11 Broad Street West, Sheffield S1 2BQ

Other sources and references:

**HOUSING AND INFRASTRUCTURE EXECUTIVE BOARD**

**11th December 2017**

**Developing a Sheffield City Region Estate Transformation Strategy**

**Purpose of Report**

This report advises the Housing and Infrastructure Executive Board (HIEB) of the plan to develop an Estate Transformation Strategy (referred to as 'the strategy' or the ETS throughout this document) to cover the SCR region. This report sets out what we aim to achieve through the ETS (and supporting activity) and the nature of the work underway to develop this. Opportunities for the potential involvement of HIEB members are also set out.

**Thematic Priority**

With reference to the Strategic Economic Plan, the course of action proposed in this paper will help 'secure investment in infrastructure where it will do most to support growth'. It is also central to supporting housing growth which is critical to achieving the Sheffield City Region's economic ambitions. Supporting housing growth is an identified priority for the Combined Authority and Local Enterprise Partnership.

**Freedom of Information and Schedule 12A of the Local Government Act 1972**

Under the Freedom of Information Act this report and any appendices will be made available under the Combined Authority Publication Scheme. This scheme commits the Authority to make information about how decisions are made available to the public as part of its normal business activities.

**Recommendations**

The Board is invited to comment on the proposals regarding the scope of this work, as well as the initial ideas on who should be consulted as the Estate Transformation Strategy is developed.

Note that this work is central to ensuring that the land and property assets of all public sector partners (local and national) are used in the most efficient and effective way – maximising, identifying and driving forward economic and housing growth opportunities.

**1. Introduction**

- 1.1** Sheffield City Region (SCR) sought resource in the fifth phase of the national One Public Estate (OPE) programme to undertake a detailed analysis of data and information about the public sector estate across the city region. This built on funds secured by the SCR for strategic support/ enabling activity through previous rounds of OPE.

- 1.2 The stated aim of this activity included building a comprehensive picture of specific sites, capital value, revenue cost, leasehold/freehold and ownership arrangements; service delivery arrangements – and populations served.
- 1.3 This would enable the SCR to develop **a radical assets strategy for SCR** – focused on improving public services through co-location, integration and simplification while unlocking development land, capital receipts and securing savings. The strategy is intended to align our investments (for example in enabling infrastructure) with the key, transformational land opportunities that emerge, optimising delivery and market potential, and achieving enhanced value for money
- 1.4 At the last SCR Joint Assets Board (JAB) meeting, the broad basis for this was agreed and the SCR Executive Team were tasked with developing the specification for this work (in consultation with the Heads of Property Group and a range of SCR partner organisations).
- 1.5 The development of the Estate Transformation Strategy is key to ensuring that the land and property assets of all public sector partners (local and national) are used in the most efficient and effective way. From a SCR perspective; the primary focus is on supporting the delivery of the Strategic Economic Plan (and emerging Inclusive Industrial Strategy) by maximising, identifying and driving forward economic and housing growth opportunities.
- 1.6 Through the work of the SCR Heads of Property Group and Local Estate Forums, SCR partners have a good understanding of the local constraints and opportunities which exist in a number of our localities. The Strategy development work will start with the SCR level growth ambitions, building a City Region picture of strategic opportunities and constraints.
- 1.7 One of the high level outcomes of the strategy development work will be to identify the constraints and opportunities in our identified spatial priority/ growth areas. The strategy will also provide a clear framework for:
- Engagement with Government Departments and Agencies on significant strategic opportunities (e.g. Government disposals and acquisitions, engagement with HS2 Ltd on acquisitions and disposal linked to the development of the HS2 network etc...).
  - Future investment decisions by SCR partners – supported by financial approaches, tools and models which seek to deliver a ‘return on investment’ which can be used to support future activity in line with SCR’s economic ambitions.
- 1.8 The strategy is to identify a pipeline of projects that have the potential to deliver a range of outcomes:
- **Improve services** through co-location, co-delivery and simplification for people living in Sheffield City Region and accessing public services;
  - Release **land for economic growth** – for **housing development** and for **business premises** and associated **job development opportunities**;
  - Reduce **annual running costs** and generate much needed **capital receipts for reinvestment**.



- 1.9** The key outcomes to be achieved from this include:
- An asset management strategy that Sheffield City Region partners can sign up to.
  - Common principles of working especially in terms of disposal of land.
  - Better working relations across Sheffield City Region partners leading to joint project working/ co location.
- 1.10** SCR held a workshop which took place within the Joint Assets Board meeting on 16<sup>th</sup> May 2017. The workshop focused on the geography, priorities, data collection and stakeholder engagement. The findings from this have been key in drawing up the following proposals.
- 1.11** The Strategy will cover the SCR geography, but with a focus on major opportunities or cross boundary issues which affect the entire city region, which may not be identified within localities, or joint activity with adjoining geographies/City Regions.

## **2. Proposal and Justification**

- 2.1** Our approach to the development to the strategy will involve the following strands:
- Working with the SCR Local Authorities to **improve quality and consistency of the data** they load onto the Government ePIMS database and procure Land Registry data on public assets – to provide a strong starting point for identifying the land and properties that could be of interest.
  - **Development of a comprehensive and consistent information base** accessed through a supporting software platform – the aim of which is to support collaboration and decision making around public assets in SCR. This will build on the ePIMS information, as well as range of wider local and national datasets. This information is a pre-requisite for the development of the SCR Estate Transformation Strategy.
  - **Consult widely** with key individuals responsible for estate, regeneration, housing and economic growth across public sector bodies within SCR, plus those involved in key initiative such as HS2.
  - **Investigate barriers to collaboration and financing** that could impact on the feasibility of potential projects and gather lessons from other regions about how these might be overcome.
  - **Workshops and further discussions** to flesh out potential projects and identify gaps and barriers and solutions to these – leading to agreement of an Estates Transformation Strategy by summer 2018.
- 2.2** The consultation will consist primarily of meetings/interviews with the key senior managers of the public sector bodies across and operating within the SCR with responsibility for:
- Public estate management
  - Regeneration and Growth
  - Housing
  - Service delivery improvement and innovation
  - Infrastructure
- 2.3** There are a wide range of individuals who should be consulted to build a comprehensive picture of projects, initiatives and ideas that exist across the SCR that could form the basis for joint working. This will include all SCR Joint Asset Board (JAB) member organisations representing Local Authorities, Health Partners (via Community Health Partnerships and the Accountable Care Services (ACS) structures), blue light services, South Yorkshire Passenger Transport Executive and national Government Departments

and Agencies (e.g. the Homes & Communities Agency, Government Property Unit). There will also be a need to engage with partners who are not currently engaged with the JAB – examples include Network Rail, HS2 Ltd and bodies representing private sector developers.

**2.4** The meetings will focus on (Annex I gives a longer list of the topics):

- Strategic aims, drivers, targets relevant to the public estate
- Existing plans for the public estate (your land and assets)
- Future plans, expectations and opportunities
- Challenges to future delivery
- Areas where a SCR approach could add the greatest value

**2.5** We would welcome suggestions for how to target this work, the topics on which to focus and key individuals to include.

### **3. Exploration of Alternatives**

**3.1** We have explored a number of alternatives to delivery of this work including the sources of data, platforms for viewing and analysis and models of consultancy delivery. We have agreed the approach with the Joint Asset Board.

### **4. Implications**

#### **4.1 Financial**

SCR has £100k allocated for strategy development plus other funds awarded previously to create capacity to build the OPE programme in the city region. We are proposing to use £110k for this work.

#### **4.2 Legal**

We will be required to commission the different elements of this work through competitive processes with advice already taken from relevant Officers in order to ensure the proposed timetable in Annex II is realistic and achievable.

#### **4.3 Risk Management**

We will build a risk register for this initiative – the main risks we anticipate are contractual, financial and that the work has reduced impact if key stakeholders or sets of data are not included.

#### **4.4 Equality, Diversity and Social Inclusion**

None resulting from the recommendations of this report

### **5. Communications**

**5.1** Stakeholder engagement is a key strand of this initiative and we will develop a plan for this with the consultancy Contractor, setting out clearly what we expect of them and what will be managed and delivered by SCR members/partners.

### **6. Appendices/Annexes**

**6.1** Annex I: Topics to be covered in the consultation

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Other sources and references:

## **Annex I: topics and themes for the data collection**

We will be exploring the following key topics (as appropriate to the individual being interviewed):

- What are their strategic priorities and aims/targets? How do these relate to SCR priorities and strategies?
- What are the main properties and land assets within their ownership?
- What properties are up for review or development, in the relatively near future
- What plans or intentions are there for a wider review of the estate over the next 5-10 years and what will be driving this?
- What existing initiatives are underway to drive public estate release or transformation that could be brought together across the SCR? Or that need to be taken into account within this Strategy?
- What is their knowledge of the issues, challenges and opportunities around making better use of their estate – do they have up to date information about their condition, usage patterns, etc.?
- To what extent have they been able to work with other public and private sector partners to rationalise their estate and/or bring together services to achieve greater coherence for service users and reduce estate costs?
- To what extent are they aware of publicly owned properties that could open up opportunities for joint development or rationalisation?
- What wider changes or initiatives are likely to impact on the estates requirement and how might they manifest themselves in terms of drivers of change, or projects that could affect the estate requirement?
- What opportunities or ideas do they have for shifts in public service delivery, citizen demand, pressures on public sector bodies that could be relevant to the estates requirement, going forward?
- What are the enablers/constraints on better use of the public estate and how could these be addressed?

There are a number of themes or concepts around which valuable SCR-wide initiatives could be developed and that could have transformational value. The interviews will explore the potential for these as part of the consultation:

- Archive stores and other depots
- HS2 development
- Shared service hubs
- Health and care hubs
- Community spokes

**INFRASTRUCTURE & HOUSING EXECUTIVE BOARD**

**11<sup>th</sup> December 2017**

**Autumn Budget Statement**

**Purpose of Report**

To provide a briefing on the Autumn budget 2017.

**Thematic Priority**

Cross cutting.

**Freedom of Information**

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This paper is not exempt under [Part II of the Freedom of Information Act 2000](#)

**Recommendations**

The Board is asked to note the briefing and to identify any further issues.

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Other sources and references: n/a

## **Sheffield City Region Budget Briefing 2017**

### **Key themes**

Autumn Budget 2017 focussed on productivity, skills, housing, innovation and technology. The Industrial Strategy White Paper due to be published on Monday, will be the foundation of building the "dynamic infrastructure economy" which he referred to. It will also set out the first group of sector deals focussing on the new technologies that have been agreed between the government and some of the UK's leading sectors.

In terms of the wider economic outlook, the Office for Budget Responsibility has downgraded its growth expectations. In March, the UK economy was expected to grow by 2% in 2017, it is now forecast to grow by 1.5%. Productivity remains flat.

### **Devolution**

- Capacity funding for Mayoral Combined Authorities – The government will make available to Mayoral Combined Authorities with elected mayors a £12 million fund for 2018-19 and 2019-20, to boost the new mayors' capacity and resources.
- Through the Industrial Strategy Government is seeking areas to develop their own local Industrial Strategies and will develop a demo with Greater Manchester.
- Second devolution deal, in principle, in development with the West Midlands Mayoral Combined Authority to address local productivity barriers. This includes £6 million for a housing delivery taskforce, £5 million for a construction skills training scheme and a £250 million allocation from the Transforming Cities fund to be spent on local intra-city transport priorities.
- New devolution deal, in principle, in development North of the Tyne. This will see £600 million of investment in the region over 30 years and create a new mayor elected in 2019 with powers over economic levers including planning and skills.
- The Government is in discussions with Liverpool City Region and Tees Valley to discuss further devolution to these areas.

### **Infrastructure**

- New £1.7bn Transforming Cities Fund – half will be allocated via competition for transport projects in cities and the other half will be allocated on a per capita basis to the 6 combined authorities with elected metro mayors.
- As announced in October 2017, £300m will go towards ensuring HS2 infrastructure can accommodate future Midland and Northern Powerhouse Rail services.
- £35m to trial new solutions to improve mobile communications for rail passengers. This will include installing trackside infrastructure along the Trans-Pennine route (between Manchester, Leeds and York) and support the rollout of full-fibre and 5G networks.

- Over £1bn of discounted lending available to local authorities to support “high value infrastructure projects”.

## Housing

- A big theme of the Budget. In-particular, a focus around promoting densification around transport hubs and opening up of Brownfield sites in urban areas.
- First time buyers will no longer pay stamp duty on properties worth up to £300,000
- Commit £44bn of new financial support - in capital funding, loans, and guarantees - over next 5 years. This will deliver c.300,000 homes a year on average by the 2020s.
- £630m for a ‘small sites fund’ to unstick a further 40,000 homes (funded via NPIF)
- £2.7bn to more than double the Housing Infrastructure Fund (funded via NPIF)
- £400m of loan funding for estate regeneration.
- £1.1bn fund to unlock ‘strategic sites’ (funded via NPIF)

## Education & Skills

- Focus on lifelong learning and retraining working people – Chancellor & Education Secretary launched a partnership between Government, CBI and TUC to set strategic direction for a “National Retraining Scheme”.
- First priority will be to boost digital skills and support expansion of construction sector

## Innovation/R&D

- The National Productivity Investment Fund was £23bn over five years; has been extended for a year and goes up to £31bn.
- Allocating £2.3bn investment in Research and Development.
- £500m to be invested in a range of initiatives including Artificial Intelligence, 5G and Broadband.
- To secure the UK’s world-leading position in digital innovation, the government will invest £21m over the next 4 years to expand Tech City UK’s reach – to become ‘Tech Nation’ – and support regional tech companies and start-ups. Tech Nation will roll out a dedicated sector programme for leading UK tech specialisms, including AI and FinTech. Regional hubs will be located in Cambridge, Bristol and Bath, Manchester, Newcastle, Leeds and Sheffield, Reading, Birmingham, Edinburgh and Glasgow, Belfast, and Cardiff.
- An ‘action plan’ to unlock £20bn of new investment in UK knowledge intensive scale-up businesses to be developed through a review of “patient capital”. In particular, establishing a new £2.5 billion Investment Fund incubated in the British Business Bank.

**INFRASTRUCTURE & HOUSING EXECUTIVE BOARD**

**11<sup>th</sup> December 2017**

**Autumn Budget Statement**

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**Thematic Priority**

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**INFRASTRUCTURE & HOUSING EXECUTIVE BOARD**

**11<sup>th</sup> December 2017**

**Report on the SCR Joint Assets Board**

**Purpose of Report**

The Chair/Lead Chief Executive for the HEB requested that the most recent minutes from the JAB be reported to the HEB, as well as any other relevant updates.

The JAB report for the IHEB in December consists of the minutes of the JAB meeting which took place in 26<sup>th</sup> October 2017.

**Thematic Priority**

With reference to the Strategic Economic Plan the work of the JAB supports the thematic priority 'Secure investment in infrastructure where it will do most to support growth'.

**Freedom of Information**

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This paper is not exempt under [Part II of the Freedom of Information Act 2000](#)

**Recommendations**

The Board is asked to note the report and to identify any further issues.

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Other sources and references: n/a

**SCR JOINT ASSETS BOARD**

**Thursday 26<sup>th</sup> October 2017**

**BROAD STREET WEST, SHEFFIELD**

No.	Item	Action
1	<p><b><u>Welcome, Introductions and Apologies</u></b></p> <p><u>In Attendance</u>            Sharon Kemp, Rotherham MBC (Chair)            Susan Betts, Cabinet Office - GPU            Michelle Buttery, Office of SY PCC            Paul Smith, Rotherham MBC            David Stimpson, Doncaster MBC            David Shepherd, Barnsley MBC            Tammy Whitaker, Sheffield CC            Colin Blackburn, SCR Executive Team            Michael Hellewell, SCR Executive Team            Nick Rousseau, SCR Executive Team</p> <p><u>Apologies</u>            Michael Rich, Chesterfield BC            Chris Edwards, Rotherham CCG/ STP Lead            Jude Wildgoose, Community Health Partnerships            Rob Pearson, HCA            Martin Wood, Sheffield CC            Tim Hartley, Barnsley MBC            Paul Woodcock, Rotherham MBC            Grant Galloway, Bolsover DC/ NE Derbyshire DC            Michael O'Doherty, Local Government Association            Colin Packman, GPU            John Millar, BEIS            David Armiger, Bassetlaw DC            Jo Davies, Bassetlaw DC            Dave Wilkinson, Doncaster MBC</p>	
2	<p><b><u>Minutes and Actions of the Previous Meeting/ Matters Arising</u></b></p> <p>It was agreed that SCR should create a matrix showing relationships between OPE projects and key strategic SCR initiatives such as urban centres, housing growth, etc. This could help select priority projects and be useful when communicating success.</p>	NR/MH

	<p>Regarding who to contact in dealings with DWP – it was agreed that Susan Betts would remain the initial point of contact for SCR partners.</p> <p>It was noted that the work on updating the SCR Land Disposal and Development Plan was underway – with inputs from the Heads of Planning expected in the coming weeks.</p> <p>It was agreed that as part of the work on communicating the benefits/ outcomes linked to the SCR OPE programme – strong links should be made to the wider priorities of the SCR (e.g. Urban Centres, economic growth etc...). An early example of this is the work at Forge Island in Rotherham which could form an early case study.</p>	<p><b>SK/ CB</b></p> <p><b>DSt</b></p> <p><b>PS to provide details to the SCR Team</b></p>
<p><b>3</b></p>	<p><b><u>Declarations of Interest</u></b> None</p>	
<p><b>4</b></p>	<p><b><u>Urgent Items/ Announcements</u></b> None</p>	
<p><b>5</b></p>	<p><b><u>SCR OPE Programme Review</u></b></p> <p>Michael introduced the review discussion with representatives from SCR, LGA and GPU. Key headlines that were reported were that £72k has now been spent from OPE3 with firm plans to spend £285k by end march 2018. On the basis of this, it was agreed that the payment of the final £305k could be released to SCR Exec.</p> <p>In discussion:</p> <ul style="list-style-type: none"> <li>Sharon requested that those responsible for projects report on any concerns early on so that JAB can help to unblock any potential issues</li> <li>• As we get into delivery stages when we will be commissioning work, it would be useful to share procurement frameworks that all SCR partners can use.</li> <li>• We are planning similar review sessions twice a year and will invite representatives along to speak about their projects.</li> <li>• It will be helpful to know in advance the dates of reporting requirements in advance. SCR to circulate these</li> <li>• Need to focus on the outcomes from these projects and to develop basis for promoting them in a coherent and joined up way. (picked up on Communications item later)</li> </ul>	<p><b>All</b></p> <p><b>NR/MH</b></p> <p><b>NR</b></p>

<p><b>6</b></p>	<p><b><u>SCR Bid to OPE 6 and the Land Release Fund</u></b></p> <p>Nick summarised and there was discussion about the potential SCR projects going forward for support from the current round of OPE/ LRF. All three with a focus on Rotherham but two including resources to enable exploring wider SCR potential. The SCR Exec is seeking delegated approval from the CA for sign off of the final bid</p> <p>As a result of the discussion the following points were noted:</p> <ul style="list-style-type: none"> <li>• Archive and storage – the Government Property Agency are currently reviewing central government buildings and storage requirements. It was agreed that SCR should engage on this in support of its local bid/ project.</li> <li>• Place based transformation – it needs to be made clear that this is SCR-wide project, with the funding bid supporting projects/ capacity/ best practice across the SCR.</li> <li>• The importance with engaging with the right team/ individuals in relation to the Police estate and building a better understanding at a JAB-level of the property implications of new ways of working.</li> </ul> <p>The draft SCR OPE6/ LRF bids will be circulated with a view to organisations reviewing if they have any projects they wish to see included under the three emerging themes of housing, place based transformation and storage/ archives – noting that a response will be needed by Friday 27<sup>th</sup> October as the bid deadline is Friday 3<sup>rd</sup> November.</p> <p>The final SCR bid will be shared with members of the JAB after it has been submitted on the 3<sup>rd</sup> November.</p>	<p><b>MH</b></p> <p><b>Paul/NR</b></p> <p><b>MH</b></p> <p><b>MB/ SK</b></p> <p><b>MH</b></p> <p><b>MH</b></p>
<p><b>7</b></p>	<p><b><u>National OPE Programme Update (LGA/GPU)</u></b></p> <p>Susan Betts provided an update which focused on:</p> <ul style="list-style-type: none"> <li>• OPE pool of experts. GPU is recruiting specialist individuals who understand the programme to be available to work on projects. They will hold back some of the OPE6 funding (for successful projects), ahead of assessing if support from the pool of experts could be helpful, then if the bidding partnership is interested, GPU will use the funds to pay the expert (subject to partnership assessing them as suitable). If anyone knows someone who would be suitable to join the pool of experts there was a request to let Susan know. This will enable the sharing of learning across regions.</li> <li>• ePIMS. There is a new head of ePIMS analysis who is very keen to improve the quality of data in ePIMS. Will come out and talk to LAs to find out the issues and what people want from ePIMS.</li> </ul>	<p><b>All</b></p> <p><b>Heads of Property to</b></p>

	<ul style="list-style-type: none"> <li>The current Director of the GPU is leaving with the replacement, Mike Parsons, starting mid-November. The new post will be at Director General level.</li> </ul> <p>In discussion:</p> <ul style="list-style-type: none"> <li>The main skills deficits for which someone on the panel could be useful would be in areas such as future financial models. It would be very useful to know what approach other regions are taking. GPU has a project to look at approaches to sustainability and share best practice.</li> <li>It will be really important to get better engagement with DWP and earlier notification of potential changes/land releases. Examples of recent missed opportunities, as well as future potential opportunities, to be provided to the Cabinet Office for consideration/ wider internal discussion. The 'engagement with the DWP' point to be picked up in the SCR OPE6/ LRF bid as a wider ask of Government.</li> </ul>	<p><b>consider</b></p> <p><b>SB to feedback to the JAB</b></p> <p><b>SB</b></p> <p><b>DSh</b></p> <p><b>MH</b></p>
<p><b>8</b></p>	<p><b><u>Update from the STP Estates Board (now ACS)</u></b></p> <p>No one from Health present but group discussed some important developments.</p> <ul style="list-style-type: none"> <li>A recent press release confirmed that there are no plans to close any District General Hospitals.</li> <li>Jude, following her promotion, is recruiting a strategic estates officers reporting to Jude covering the SY&amp;B estate programme.</li> <li>ACS board are keen to strengthen contacts with JAB and OPE. We should start to share minutes and provide info on OPE programme.</li> <li>There are a number of common challenges mentioned in relation to local service reviews involving healthcare: <ul style="list-style-type: none"> <li>Generally, the estates teams are waiting for the clinical services review to determine how clinical services will be run, which will have implications for locations.</li> <li>There is a lot of focus at the moment on acute provision - we would encourage a consideration of community provision given the large number of people who benefit from the latter.</li> <li>Engaging with LIFT buildings – can have lots of space that is not well used.</li> <li>Getting better connectivity between potential partners. ACS boards can be useful but may need those operational connections. Sharon and Chris to discuss what can be done.</li> </ul> </li> <li>If SCR is successful with its current OPE bid on localities – this</li> </ul>	<p><b>NR/MH/JW</b></p> <p><b>Sharon/Chris</b></p>

	can then be looked at in more detail.	
9	<p><b><u>Update from the SCR Heads of Property Group</u></b></p> <p>Paul and David fed back on a useful recent meeting. Key areas of discussion included:</p> <ul style="list-style-type: none"> <li>• Status of OPE projects;</li> <li>• Storage and archiving;</li> <li>• Developing viability assessments;</li> <li>• Sharing Auctioneering services;</li> <li>• Investment strategies;</li> <li>• Presentation of a tool that provides access to Land Registry and other data;</li> <li>• Disposals. Gathering data to provide meaningful information on disposals is a big piece of work. Needs to pick up on outcomes achieved and how these fit with strategic priorities. This information would be useful for various purposes including dispelling myths about land owned by LAs.</li> </ul> <p>A new subgroup on data management met for the first time on 25<sup>th</sup> October.</p>	
10	<p><b><u>Update from the HCA (including land/ property offered to HCA via the transfer model from other government departments)</u></b></p> <p>No one from the HCA present at the meeting.</p> <p>Michael reported on National HIF bids from the SCR. Should get feedback in December.</p>	
11	<p><b><u>Development of the SCR Estate Transformation Strategy</u></b></p> <p>Nick presented the paper, and updated this following the Data Managers meeting on 25<sup>th</sup> October. The recommendation is that the work is divided into a number of packages:</p> <ul style="list-style-type: none"> <li>• Secure specialist resource to raise quality and coverage of SCR data in ePIMS;</li> <li>• Procure Land Registry data for the SCR;</li> <li>• Commission consultancy to identify potential transformation opportunities. This would be in two phases, initially a trawl until we have a SCR-wide platform and data set, and then a more detailed and focused piece of work once we have that;</li> <li>• Procure a software platform through which to view ePIMS. And Land Registry data plus further data sets a required by the specific opportunity types identified.</li> </ul> <p>In discussion the following points were made:</p> <ul style="list-style-type: none"> <li>• We need a platform that is fit for purpose and avoid creating</li> </ul>	NR



	<p>something more complex than is needed – could it be built in-house? Suited for scaling up if needed?</p> <ul style="list-style-type: none"> <li>• Need to be clear about ownership and licence restrictions regarding Land Registry data purchase to ensure we get maximum value from this;</li> <li>• The trawl for transformational opportunities will need to range widely and build on key themes such as urban centres, housing, etc. – mix of top down and bottom up;</li> <li>• It will be good to make progress on the initial work using tools we already have ASAP.</li> </ul> <p>Nick to share the specification for comment – with the Heads of Planning Group and Strategic Directors for Regeneration.</p>	<p>NR</p> <p>NR</p>
<p>12</p>	<p><b><u>Communicating current successes and future achievements of the SCR OPE Programme</u></b></p> <p>Communication of this programme is becoming increasingly important with potential audiences both within and outside of the JAB organisations and with members of the public.</p> <p>There is capacity to work up communications products within the different organisations but we need to be clear on what we are communicating and to who.</p> <p>This should include ‘wrapping communications’ (at a site/ project level) to help the public understand the changes that are underway and see their value.</p> <p>Nick to develop a communications strategy that sets out what will happen and the role of different partners.</p>	<p>NR</p>
<p>13</p>	<p><b><u>Proposed JAB Forward Plan</u></b></p> <p>The following items for future meetings were discussed and agreed:</p> <p><b>Standing Items:</b></p> <ul style="list-style-type: none"> <li>• Progress on the development of the SCR Estates Transformation Strategy;</li> <li>• SCR OPE Project Monitoring Reports (including project delivery and spend);</li> <li>• SCR OPE Programme (including quarterly updates to the LGA/ GPU);</li> <li>• National OPE Programme;</li> <li>• STP Estates Board;</li> <li>• SCR Heads of Property Group;</li> <li>• SCR Housing Executive Board;</li> <li>• Homes and Communities Agency.</li> </ul>	<p>MH/ NR</p>

	<p><b>Agreed items (to be assigned to future meetings following discussion with Chair):</b></p> <ul style="list-style-type: none"> <li>• SCR Land Development and Disposal Plan: proposed outcomes and measures of success;</li> <li>• Development of the joint SCR-HCA Housing Growth Programme/ Investment Plan;</li> <li>• Review of Local Authority delivery vehicles and the use of public land to support housing/ economic growth;</li> <li>• Comprehensive presentation on the work of the STP Estates Board and supporting workstreams;</li> <li>• Early discussions with Government Departments re sales, acquisitions and future opportunities, specifically: <ul style="list-style-type: none"> <li>○ DWP and future opportunities for early engagement on future disposal, use of land and potential co-location of services;</li> <li>○ Network Rail – approach and relationships with local partners.</li> </ul> </li> </ul>	
14	<p><b><u>Any Other Business</u></b></p> <p>None</p>	
-	<p style="text-align: center;"><b>Date of Next Meeting: 7<sup>th</sup> December: 1000 – 1200 Meeting Room 2, 1<sup>st</sup> Floor, Broad Street West, Sheffield</b></p>	

**INFRASTRUCTURE & HOUSING EXECUTIVE BOARD**

**11<sup>th</sup> December 2017**

**Report on the SCR Joint Assets Board**

**Purpose of Report**

The Chair/Lead Chief Executive for the HEB requested that the most recent minutes from the JAB be reported to the HEB, as well as any other relevant updates.

The JAB report for the IHEB in December consists of the minutes of the JAB meeting which took place in 26<sup>th</sup> October 2017.

**Thematic Priority**

With reference to the Strategic Economic Plan the work of the JAB supports the thematic priority 'Secure investment in infrastructure where it will do most to support growth'.

**Freedom of Information**

Executive Board papers are not made available under the Combined Authority Publication Scheme.

This paper is not exempt under [Part II of the Freedom of Information Act 2000](#)

**Recommendations**

The Board is asked to note the report and to identify any further issues.

**REPORT AUTHOR**

**Michael Hellewell**

**POST**

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Background papers used in the preparation of this report are available for inspection at: 11 Broad Street West, Sheffield S1 2BQ.

Other sources and references: n/a

**SCR JOINT ASSETS BOARD**

**Thursday 26<sup>th</sup> October 2017**

**BROAD STREET WEST, SHEFFIELD**

<b>No.</b>	<b>Item</b>	<b>Action</b>
1	<p><b><u>Welcome, Introductions and Apologies</u></b></p> <p><u>In Attendance</u>            Sharon Kemp, Rotherham MBC (Chair)            Susan Betts, Cabinet Office - GPU            Michelle Buttery, Office of SY PCC            Paul Smith, Rotherham MBC            David Stimpson, Doncaster MBC            David Shepherd, Barnsley MBC            Tammy Whitaker, Sheffield CC            Colin Blackburn, SCR Executive Team            Michael Hellewell, SCR Executive Team            Nick Rousseau, SCR Executive Team</p> <p><u>Apologies</u>            Michael Rich, Chesterfield BC            Chris Edwards, Rotherham CCG/ STP Lead            Jude Wildgoose, Community Health Partnerships            Rob Pearson, HCA            Martin Wood, Sheffield CC            Tim Hartley, Barnsley MBC            Paul Woodcock, Rotherham MBC            Grant Galloway, Bolsover DC/ NE Derbyshire DC            Michael O'Doherty, Local Government Association            Colin Packman, GPU            John Millar, BEIS            David Armiger, Bassetlaw DC            Jo Davies, Bassetlaw DC            Dave Wilkinson, Doncaster MBC</p>	
2	<p><b><u>Minutes and Actions of the Previous Meeting/ Matters Arising</u></b></p> <p>It was agreed that SCR should create a matrix showing relationships between OPE projects and key strategic SCR initiatives such as urban centres, housing growth, etc. This could help select priority projects and be useful when communicating success.</p>	NR/MH

	<p>Regarding who to contact in dealings with DWP – it was agreed that Susan Betts would remain the initial point of contact for SCR partners.</p> <p>It was noted that the work on updating the SCR Land Disposal and Development Plan was underway – with inputs from the Heads of Planning expected in the coming weeks.</p> <p>It was agreed that as part of the work on communicating the benefits/ outcomes linked to the SCR OPE programme – strong links should be made to the wider priorities of the SCR (e.g. Urban Centres, economic growth etc...). An early example of this is the work at Forge Island in Rotherham which could form an early case study.</p>	<p><b>SK/ CB</b></p> <p><b>DSt</b></p> <p><b>PS to provide details to the SCR Team</b></p>
<p><b>3</b></p>	<p><b><u>Declarations of Interest</u></b> None</p>	
<p><b>4</b></p>	<p><b><u>Urgent Items/ Announcements</u></b> None</p>	
<p><b>5</b></p>	<p><b><u>SCR OPE Programme Review</u></b></p> <p>Michael introduced the review discussion with representatives from SCR, LGA and GPU. Key headlines that were reported were that £72k has now been spent from OPE3 with firm plans to spend £285k by end march 2018. On the basis of this, it was agreed that the payment of the final £305k could be released to SCR Exec.</p> <p>In discussion:</p> <ul style="list-style-type: none"> <li>Sharon requested that those responsible for projects report on any concerns early on so that JAB can help to unblock any potential issues</li> <li>• As we get into delivery stages when we will be commissioning work, it would be useful to share procurement frameworks that all SCR partners can use.</li> <li>• We are planning similar review sessions twice a year and will invite representatives along to speak about their projects.</li> <li>• It will be helpful to know in advance the dates of reporting requirements in advance. SCR to circulate these</li> <li>• Need to focus on the outcomes from these projects and to develop basis for promoting them in a coherent and joined up way. (picked up on Communications item later)</li> </ul>	<p><b>All</b></p> <p><b>NR/MH</b></p> <p><b>NR</b></p>

<p><b>6</b></p>	<p><b><u>SCR Bid to OPE 6 and the Land Release Fund</u></b></p> <p>Nick summarised and there was discussion about the potential SCR projects going forward for support from the current round of OPE/ LRF. All three with a focus on Rotherham but two including resources to enable exploring wider SCR potential. The SCR Exec is seeking delegated approval from the CA for sign off of the final bid</p> <p>As a result of the discussion the following points were noted:</p> <ul style="list-style-type: none"> <li>• Archive and storage – the Government Property Agency are currently reviewing central government buildings and storage requirements. It was agreed that SCR should engage on this in support of its local bid/ project.</li> <li>• Place based transformation – it needs to be made clear that this is SCR-wide project, with the funding bid supporting projects/ capacity/ best practice across the SCR.</li> <li>• The importance with engaging with the right team/ individuals in relation to the Police estate and building a better understanding at a JAB-level of the property implications of new ways of working.</li> </ul> <p>The draft SCR OPE6/ LRF bids will be circulated with a view to organisations reviewing if they have any projects they wish to see included under the three emerging themes of housing, place based transformation and storage/ archives – noting that a response will be needed by Friday 27<sup>th</sup> October as the bid deadline is Friday 3<sup>rd</sup> November.</p> <p>The final SCR bid will be shared with members of the JAB after it has been submitted on the 3<sup>rd</sup> November.</p>	<p><b>MH</b></p> <p><b>Paul/NR</b></p> <p><b>MH</b></p> <p><b>MB/ SK</b></p> <p><b>MH</b></p> <p><b>MH</b></p>
<p><b>7</b></p>	<p><b><u>National OPE Programme Update (LGA/GPU)</u></b></p> <p>Susan Betts provided an update which focused on:</p> <ul style="list-style-type: none"> <li>• OPE pool of experts. GPU is recruiting specialist individuals who understand the programme to be available to work on projects. They will hold back some of the OPE6 funding (for successful projects), ahead of assessing if support from the pool of experts could be helpful, then if the bidding partnership is interested, GPU will use the funds to pay the expert (subject to partnership assessing them as suitable). If anyone knows someone who would be suitable to join the pool of experts there was a request to let Susan know. This will enable the sharing of learning across regions.</li> <li>• ePIMS. There is a new head of ePIMS analysis who is very keen to improve the quality of data in ePIMS. Will come out and talk to LAs to find out the issues and what people want from ePIMS.</li> </ul>	<p><b>All</b></p> <p><b>Heads of Property to</b></p>

	<ul style="list-style-type: none"> <li>The current Director of the GPU is leaving with the replacement, Mike Parsons, starting mid-November. The new post will be at Director General level.</li> </ul> <p>In discussion:</p> <ul style="list-style-type: none"> <li>The main skills deficits for which someone on the panel could be useful would be in areas such as future financial models. It would be very useful to know what approach other regions are taking. GPU has a project to look at approaches to sustainability and share best practice.</li> <li>It will be really important to get better engagement with DWP and earlier notification of potential changes/land releases. Examples of recent missed opportunities, as well as future potential opportunities, to be provided to the Cabinet Office for consideration/ wider internal discussion. The 'engagement with the DWP' point to be picked up in the SCR OPE6/ LRF bid as a wider ask of Government.</li> </ul>	<p><b>consider</b></p> <p><b>SB to feedback to the JAB</b></p> <p><b>SB</b></p> <p><b>DSh</b></p> <p><b>MH</b></p>
<p><b>8</b></p>	<p><b><u>Update from the STP Estates Board (now ACS)</u></b></p> <p>No one from Health present but group discussed some important developments.</p> <ul style="list-style-type: none"> <li>A recent press release confirmed that there are no plans to close any District General Hospitals.</li> <li>Jude, following her promotion, is recruiting a strategic estates officers reporting to Jude covering the SY&amp;B estate programme.</li> <li>ACS board are keen to strengthen contacts with JAB and OPE. We should start to share minutes and provide info on OPE programme.</li> <li>There are a number of common challenges mentioned in relation to local service reviews involving healthcare: <ul style="list-style-type: none"> <li>Generally, the estates teams are waiting for the clinical services review to determine how clinical services will be run, which will have implications for locations.</li> <li>There is a lot of focus at the moment on acute provision - we would encourage a consideration of community provision given the large number of people who benefit from the latter.</li> <li>Engaging with LIFT buildings – can have lots of space that is not well used.</li> <li>Getting better connectivity between potential partners. ACS boards can be useful but may need those operational connections. Sharon and Chris to discuss what can be done.</li> </ul> </li> <li>If SCR is successful with its current OPE bid on localities – this</li> </ul>	<p><b>NR/MH/JW</b></p> <p><b>Sharon/Chris</b></p>

	can then be looked at in more detail.	
9	<p><b><u>Update from the SCR Heads of Property Group</u></b></p> <p>Paul and David fed back on a useful recent meeting. Key areas of discussion included:</p> <ul style="list-style-type: none"> <li>• Status of OPE projects;</li> <li>• Storage and archiving;</li> <li>• Developing viability assessments;</li> <li>• Sharing Auctioneering services;</li> <li>• Investment strategies;</li> <li>• Presentation of a tool that provides access to Land Registry and other data;</li> <li>• Disposals. Gathering data to provide meaningful information on disposals is a big piece of work. Needs to pick up on outcomes achieved and how these fit with strategic priorities. This information would be useful for various purposes including dispelling myths about land owned by LAs.</li> </ul> <p>A new subgroup on data management met for the first time on 25<sup>th</sup> October.</p>	
10	<p><b><u>Update from the HCA (including land/ property offered to HCA via the transfer model from other government departments)</u></b></p> <p>No one from the HCA present at the meeting.</p> <p>Michael reported on National HIF bids from the SCR. Should get feedback in December.</p>	
11	<p><b><u>Development of the SCR Estate Transformation Strategy</u></b></p> <p>Nick presented the paper, and updated this following the Data Managers meeting on 25<sup>th</sup> October. The recommendation is that the work is divided into a number of packages:</p> <ul style="list-style-type: none"> <li>• Secure specialist resource to raise quality and coverage of SCR data in ePIMS;</li> <li>• Procure Land Registry data for the SCR;</li> <li>• Commission consultancy to identify potential transformation opportunities. This would be in two phases, initially a trawl until we have a SCR-wide platform and data set, and then a more detailed and focused piece of work once we have that;</li> <li>• Procure a software platform through which to view ePIMS. And Land Registry data plus further data sets a required by the specific opportunity types identified.</li> </ul> <p>In discussion the following points were made:</p> <ul style="list-style-type: none"> <li>• We need a platform that is fit for purpose and avoid creating</li> </ul>	NR



	<p>something more complex than is needed – could it be built in-house? Suited for scaling up if needed?</p> <ul style="list-style-type: none"> <li>• Need to be clear about ownership and licence restrictions regarding Land Registry data purchase to ensure we get maximum value from this;</li> <li>• The trawl for transformational opportunities will need to range widely and build on key themes such as urban centres, housing, etc. – mix of top down and bottom up;</li> <li>• It will be good to make progress on the initial work using tools we already have ASAP.</li> </ul> <p>Nick to share the specification for comment – with the Heads of Planning Group and Strategic Directors for Regeneration.</p>	<p>NR</p> <p>NR</p>
<p>12</p>	<p><b><u>Communicating current successes and future achievements of the SCR OPE Programme</u></b></p> <p>Communication of this programme is becoming increasingly important with potential audiences both within and outside of the JAB organisations and with members of the public.</p> <p>There is capacity to work up communications products within the different organisations but we need to be clear on what we are communicating and to who.</p> <p>This should include ‘wrapping communications’ (at a site/ project level) to help the public understand the changes that are underway and see their value.</p> <p>Nick to develop a communications strategy that sets out what will happen and the role of different partners.</p>	<p>NR</p>
<p>13</p>	<p><b><u>Proposed JAB Forward Plan</u></b></p> <p>The following items for future meetings were discussed and agreed:</p> <p><b>Standing Items:</b></p> <ul style="list-style-type: none"> <li>• Progress on the development of the SCR Estates Transformation Strategy;</li> <li>• SCR OPE Project Monitoring Reports (including project delivery and spend);</li> <li>• SCR OPE Programme (including quarterly updates to the LGA/ GPU);</li> <li>• National OPE Programme;</li> <li>• STP Estates Board;</li> <li>• SCR Heads of Property Group;</li> <li>• SCR Housing Executive Board;</li> <li>• Homes and Communities Agency.</li> </ul>	<p>MH/ NR</p>

	<p><b>Agreed items (to be assigned to future meetings following discussion with Chair):</b></p> <ul style="list-style-type: none"> <li>• SCR Land Development and Disposal Plan: proposed outcomes and measures of success;</li> <li>• Development of the joint SCR-HCA Housing Growth Programme/ Investment Plan;</li> <li>• Review of Local Authority delivery vehicles and the use of public land to support housing/ economic growth;</li> <li>• Comprehensive presentation on the work of the STP Estates Board and supporting workstreams;</li> <li>• Early discussions with Government Departments re sales, acquisitions and future opportunities, specifically: <ul style="list-style-type: none"> <li>○ DWP and future opportunities for early engagement on future disposal, use of land and potential co-location of services;</li> <li>○ Network Rail – approach and relationships with local partners.</li> </ul> </li> </ul>	
14	<p><b><u>Any Other Business</u></b></p> <p>None</p>	
-	<p style="text-align: center;"><b>Date of Next Meeting: 7<sup>th</sup> December: 1000 – 1200 Meeting Room 2, 1<sup>st</sup> Floor, Broad Street West, Sheffield</b></p>	

**INFRASTRUCTURE & HOUSING EXECUTIVE BOARD**

**11<sup>th</sup> December 2017**

**OPE 6 & Land Release Fund**

**Purpose of Report**

At the Combined Authority 30<sup>th</sup> October delegated authority was given to the Managing Director and Chair of the JAB to sign off the OPE Round 6 and Land Release Fund Bid. The bid was submitted 3<sup>rd</sup> November. This report provides a copy of the bid.

**Thematic Priority**

This report relates to the following Strategic Economic Plan priorities:

- Secure investment in infrastructure where it will do most to support growth.

**Freedom of Information**

Executive Board papers are not made available under the Combined Authority Publication Scheme.

This paper is not exempt under [Part II of the Freedom of Information Act 2000](#)

**Recommendations**

The Board is asked to note the content of the bid. A verbal update will be provided at the meeting following an expected announcement on 8<sup>th</sup> December.

**REPORT AUTHOR**

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**POST**

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Background papers used in the preparation of this report are available for inspection at: 11 Broad Street West, Sheffield S1 2BQ.

Other sources and references: n/a



## Supporting Transformation through Collaboration: Accelerating activity in support of the Sheffield City Region Estate Transformation Strategy



### A bid from Sheffield City Region for support from One Public Estate Round 6 and the Land Release Fund

#### 1. Introduction

Sheffield City Region's (SCR's) One Public Estate (OPE) programme is going from strength to strength. There is continued recognition across our public sector partners – including at a Combined Authority (CA) level - that the effective use of public sector land and assets is key to delivering SCR's growth ambitions, as well as ensuring that vital public services meet the needs of our diverse communities.

Our governance arrangements are increasingly effective and our Joint Assets Board (JAB) – which is developing in to a mature partnership – is consistently well attended, bringing together the main partners with an interest in the public estate across the City Region.

Support from OPE to date has been central to supporting SCR's collaborative and transformational approach – an approach which is beginning to deliver results across the City Region.

We are seeking funds and wider support from the current round of OPE/ the Land Release Fund (LRF) to accelerate a number of early projects which will be central to the delivery of our emerging Estate Transformation Strategy and will:

- Release approx. 8 hectares of land for housing delivery, from which over 350 new homes will be delivered;
- Support the creation of 480 jobs and generate almost £13m of inward investment;
- Deliver capital receipts across central and local government of almost £4m;
- Contribute to reduced running cost across central and local government in excess of £807,000.

In addition, our bid supports our housing and economic growth ambitions at both a Local Authority and a SCR level, with the individual projects located in or close to a number of our key Urban Centres.

The projects which form our bid are drawn from our wider pipeline of projects, representing those schemes which are most developed at this point in time. There is also a focus on activity where there are clear opportunities and early commitment from partner organisations (across a range of public sector organisations) to roll out projects across the SCR.

**Sections one to five** of this document set out the background to our bid, details of progress to date, and our governance arrangements.

**Sections six to ten** of this document focus on our current bid and wider requests for support, as well as the headline outcomes support from OPE/ the LRF will help us deliver. It also sets out the SCR 'offer'.

**Section eleven** provides details on the additional documents which support our bid.

## 2. About Sheffield City Region

The SCR is growing. We are a £33 billion economy, home to over 1.8 million residents, and 751,000 jobs, with good connectivity and a strong sense of place. We have seen strong private sector growth since 2013, adding approximately £1.34bn in GVA to the economy between 2013 and 2015 with key service sectors and manufacturing both adding large number of jobs marking an acceleration of previous trends and a rebalancing of the economy towards the private sector.

We have achieved this by working together and by recognising that through collaboration we can be stronger than the sum of our parts: our businesses, people and environment which together make the City Region an attractive place. As a City Region we are incredibly proud of what we are doing, but we want to go beyond this and ensure that all of our communities benefit from economic growth, that more of the City Region is attractive as a place to live and work

We have reflected on both the growth and challenges which we face, and as a result have decided it is time to refresh our economic strategy. The context of our first Strategic Economic Plan (SEP) in 2014 was the national call for Growth Plans. Since then we have seen a change in Government, a vote to leave the European Union, a national approach to industrial strategy and a growing momentum behind consideration of inclusive growth. Working within this context, we believe we have an opportunity to demonstrate how growth can be both accelerated but also broad based to ensure the widest range of communities and places can contribute and benefit.

The SCR Inclusive Industrial Strategy (IIS), which is currently being finalised prior to wider consultation (as such it is referred to as the emerging IIS throughout this document), will replace the SEP as the key strategic document guiding the work of the SCR CA and Local Enterprise Partnership (LEP).

## 3. The Sheffield City Region approach to One Public Estate

As a City Region we have been engaged with the National OPE Programme since round three, with a number of our partner organisations involved with OPE activity in earlier rounds.

The SCR approach to OPE is focussed on 'supporting transformation through collaboration'. We know, through success across a range of activity at a SCR-level, that a collaborative approach really delivers. This is a view held across local and national government agencies

working in the SCR, as well as an approach that has delivered real results across a range of activity at a CA level.

Across the five themes<sup>1</sup> of the emerging Inclusive Industrial Strategy, the SCR OPE Programme is strongly aligned to the 'place' theme.

#### Place

An integrated package of infrastructure to unlock local employment opportunities, as well as creating attractive places to live, work and socialise, with a focus on urban centres, to attract and retain talent.

The current OPE/ LRF bid from SCR is aligned to addressing two of the key challenges and opportunities which are detailed in our emerging IIS (detailed below). As such there is real potential for activity which is initially supported through OPE to be scaled up and form a central part of our wider 'place based' approach.

#### Urban centres

Within the SCR the majority of economic growth is expected in a small number of Growth Areas, as well as our core Urban Centres. If we are to unlock the potential of these Urban Centres, we need infrastructure delivered as a package and not as standalone interventions, underpinned with a recognition that the public sector will need to share risk in order to create the conditions for private investment.

**Support from this round of OPE/ the LRF will play a critical role in early activity which will underpin the development of an integrated package of investment which will unlock local employment opportunities, as well as creating attractive places to live, work and socialise.**

#### Delivering more and better homes

Our SEP set a target to deliver 70,000 new houses by 2024 (c7,000 pa).

At the current rate, we will reach 39,000 new homes in the ten-year period to 2024.

Currently we are building houses faster than any point in the last 5 years, and have managed to increase the rate of completion every year since 2012. But we must do more to meet our ambitious target.

**Access to land is one of the barriers to the accelerated delivery of the new homes. Our bid to the LRF will increase the availability of sustainable and market attractive housing land at key locations in the SCR.**

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<sup>1</sup> The five themes of SCR's emerging IIS are: 'research and innovation', 'business and investment', 'place', 'skills and employment' and 'transport'.

However, it is important to recognise that public sector organisations have a central role to play in delivering services and supporting communities across the City Region.

As public sector organisations change and transform - focussed on delivering more integrated, customer-focussed services - there are undoubtedly land and property implications and opportunities that arise.

The SCR JAB (see Section 5) provides a forum for these type of issues to be considered and addressed – with our Estate Transformation Strategy<sup>2</sup> (the development of which is currently underway, due for completion in Summer 2018) supporting our intention to ensure that the land and property assets of all public sector partners (local and national) are used in the most efficient and effective way – importantly aligned to our economic and housing growth ambitions, as well as the needs of local communities.

The Strategy development work will start with the agreed SCR level growth ambitions, building a City Region picture of strategic opportunities and constraints. One of the high level outcomes of the strategy development work will be to identify the constraints and opportunities in our identified spatial priority/ growth areas. The strategy will also provide a clear framework for:

- Engagement with Government Departments and Agencies on significant strategic opportunities;
- Future investment decisions by SCR partners – supported by financial approaches, tools and models which seek to deliver a ‘return on investment’ which can be used to support future activity in line with SCR-level priorities.

#### **4. Progress on projects already receiving support from One Public Estate**

Through funding awarded to the SCR from previous rounds of OPE, we have built a strong track record of delivery

SCR has been allocated a total of £662k through the OPE programme. Spend to date has reached £72k, with commitments and firm plans in place to spend a further £285k by the end of this Financial year.

All the locality-focused projects within the SCR OPE portfolio are making positive progress with no major challenges. The majority of the funds allocated to them will be spent by the end of December 2017.

We have worked up clear plans for making full use of the remaining c£305k, in summary, these focus on:

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<sup>2</sup> SCR sought resource in the fifth phase of the OPE programme to undertake a detailed analysis of data and information about the public sector estate across the city region which would support the development of SCR Estate Transformation Strategy. This built on funds secured by the SCR for strategic support/ enabling activity through previous rounds of OPE.



- Deliver the final stages of delivery of the Keresforth Project;
- Core project/ programme resource in the SCR Team for two years;
- Development of the Estate Transformation Strategy, including developing a consistent and comprehensive baseline to support this work;
- Project support for a number of our existing locality-focused projects – ensuring that we can scale-up existing OPE activity to the wider SCR and complement the activity detailed in this bid.

## 5. Governance through the Sheffield City Region Joint Asset Board

The establishment of the SCR JAB<sup>3</sup> formed an important element of the devolution agreements between Government and the SCR.

The aim of the JAB is to accelerate the disposal of surplus public sector sites, bringing public sector land (including from central Government) to a single place in order to maximise opportunities for housing and economic growth. Through this activity the SCR JAB has a role in supporting the most efficient use of the public sector estate.

The agreed model for the JAB is that key decisions (e.g. disposals) remain with the landowner, be that local or central government. However, such decisions are taken after consideration at the JAB in order to provide a structured opportunity for influence and the maximising of opportunities.

The JAB continues to meet regularly and is beginning to work more closely with a range of government departments to understand department's rationalisation strategies and how they relate to local priorities. Local partners now have improved intelligence about central government's plans for their estates in the SCR upstream of disposal decisions. This level of engagement was not the case prior to the introduction of the JAB.

In the short to medium term, there remains an aspiration to expand membership of the JAB, this will be particularly important as we develop work on our Estate Transformation Strategy. The aim is to ensure that the majority of public sector organisations with land and property assets in the SCR are represented at this strategic level board.

At a SCR-level the JAB is now attended by a number of senior Local Authority Officers with responsibility for housing, economic growth and regeneration. This is an important development, ensuring that the work of the JAB aligns to the wider ambitions of the City Region. In addition, the JAB continues to be supported by the SCR Heads of Property Group. This has representation from all nine of SCR's Local Authority areas, ensuring alignment of City Region-level work with that of local Estate Forums.

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<sup>3</sup> See the Basic Details Form which provides full details of the membership of the SCR JAB

## 6. Our portfolio of projects for the current bidding round

To date the JAB has had a central role in developing the pipeline of OPE projects. This is in recognition of the close relationship between the work of the JAB and the focus of the OPE programme on 'getting more from collective assets'. In addition, there is a cross-over in terms of partner engagement/ involvement with both JAB and OPE activity.

The JAB will continue to provide governance and oversight of the SCR OPE Programme on behalf of the SCR CA.

In support of the current SCR bid for support from OPE/ the LRF, the JAB has played a central role in actively stimulated and encouraged SCR partners<sup>4</sup> to consider putting forward projects while emphasising the competitive nature of this round and the criteria against which bids will be assessed.

From a long list of projects reflecting an extensive pipeline of opportunities for public sector estate transformation and housing/ economic development, our current bid focuses on activity across the three themes of '**housing delivery**', '**place based transformation**' and '**shared storage and archive facilities**'.

We have focused on three projects that offer the best prospect of delivering both strong, concrete outcomes (typically on projects within a particular Local Authority, all of which span more than one public sector partner), whilst providing the potential to drive a wider set of new opportunities through extending the learning and approaches across the wider SCR partnership.

## 7. What will support from the current bidding round deliver in Sheffield City Region?

At a headline level, and through the projects detailed in our current bid, support from OPE/ the LRF will:

- Release approx. 8 hectares of land for housing delivery, from which over **350 new homes** will be delivered;
- Support the creation of **480 jobs** and generate almost **£13m of inward investment**;
- Deliver **capital receipts** across central and local government of **almost £4m**;
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<sup>4</sup> Discussion around the current funding opportunities have taken place at JAB meetings in September and October 2017, alongside discussions with Local Authority Directors and senior managers in wider partner organisations. The approach recommended by the JAB was endorsed by the SCR CA at its meeting on Monday 30th October 2017.

In addition, our bid:

- Supports SCR’s housing and economic growth ambitions as set out in the emerging IIS, with the individual projects located in or close to a number of our key Urban Centres and central to unlocking new housing supply;
- Complements the range of activity which is currently underway and supported by funds received from earlier rounds of the national OPE programme;
- Supports the acceleration of some of the early activity detailed in our emerging Estate Transformation, with a particular focus on the activity in our pipeline of projects which is most developed at this point in time;
- Focuses on activity where there are clear opportunities (as well as early commitment from partner organisations across a range of public sector organisations) to roll out projects across the SCR based on lessons learnt and the success of early activity.

A summary of headline outcomes linked to the individual projects which form the SCR bid are detailed below:

Theme/ Project	OPE/ LRF funds will support the following activity...	Delivering the following headline outcomes...	Funding Sought
<b>Project One: Housing Delivery – Rothwell Grange and Copewell Lodge</b>  <i>(a Rotherham project with benefits for other public sector partners)</i>	Dedicated Project Manager to deliver an integrated housing solution for adults with support needs and first time buyers, with associated savings for other public sector partners (i.e. NHS, Police Service, Fire Service)  The development of future housing projects across the SCR in conjunction with other public sector partners	Acceleration of activity by two years  Demolition of both sites by February 2019  New homes (start on site) by June 2019	<b>OPE Revenue</b> £80,000  <b>LRF Capital</b> £300,000
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## 8. The Sheffield City Region Offer

In support of our bid, SCR partners are committed to:

- Continued and accelerated delivery of the existing OPE funded activity in line with the spend and delivery profile agreed at as part of our recent SCR OPE Programme Review<sup>5</sup>;
- Ensuring that all local partners continue to meet the pre-selection criteria for engagement with and support from the national OPE Programme (as set out in the prospectus document) - noting that as an existing member of the Programme, SCR partners already meet the majority of the criteria;
- The development of a comprehensive evidence base which will be available to all public sector partner members of the SCR JAB and which will underpin the development of our Estate Transformation Strategy;
- Continued governance and oversight of the SCR OPE Programme through our JAB – ensuring CA visibility and accountability for the Programme, as well as assurance that activity is aligned to our housing and economic growth ambitions;
- The development of a SCR OPE Communications Plan, aligned to the delivery of key project milestones and the delivery of outputs/ outcomes which can be used by central Government to highlight best practice and support national OPE communications activity.
- Match funding in terms of Officer time/ support at a Local Authority and SCR-level in order to support the range of project management, technical, governance, contracting/ performance and financial work required to administer the SCR OPE Programme and ensure that it delivers the outputs and outcomes agreed with Government.

<sup>5</sup> In October 2017, and in line with the timescales for the quarterly OPE monitoring return to Government, SCR undertook a comprehensive review of its current OPE Programme. This was supported by the regional OPE leads from both the LGA and GPU.

## 9. What funding and support is Sheffield City Region seeking?

In addition to our financial bid for **£400,000 of OPE revenue funding** and **£450, 000 from DCLGs LRF** (see Section 7), SCR is requesting the following support from Government:

- Access to the ‘pool of experts’ in order to provide additional professional capacity to support the development of the SCR Estate Transformation Strategy, as well as to progress work on the ‘Storage and Archiving’ elements of this bid;
- In support of the SCR HS2 Growth Strategy - early engagement with the Department for Transport and High Speed Two Ltd, specifically around the potential land acquisitions and disposals along the line of the route, as well as at station location(s). In addition, there is an opportunity for SCR to learn from the approaches taken in HS2 Phase One locations and we are keen to do this jointly with colleagues across Government;
- In support of our Urban Centres (a key theme in the emerging SCR IIS), as well as in recognition of the wider role of our Local Authority partners; we are seeking early engagement with the Department for Work and Pensions in order to ensure that the land and property implications of any future changes in delivery arrangements are worked through in partnership with local partners.

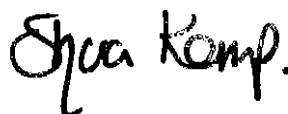
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In line with the delegated authority received from the SCR CA at its meeting on Monday 30<sup>th</sup> October 2017<sup>6</sup>, this bid is submitted with the strong endorsement of the CA. This sign off also confirms that the bid is submitted with the relevant financial approvals at both a CA and Local Authority level.

In addition, this also acts as confirmation that the SCR Executive Team and JAB are able to fulfil the roles and functions set out in the bid documentation and that appropriate assurances have been sought from the delivery/ partner organisations in line with the content set out in the SCR submission.



**Dr Dave Smith**  
Managing Director  
Sheffield City Region



**Sharon Kemp**  
Chair of the SCR Joint Assets Board and  
Chief Executive, Rotherham MBC

<sup>6</sup> See: <http://meetings.southyorks.gov.uk/ieListDocuments.aspx?CId=366&MId=3656&Ver=4&zTS=B>

## 11. Supporting Documentation and Information

In addition to this document, and as detailed in the guidance, the SCR bid for support from OPE/ the LRF is supported by the following documents:

- A completed **Basic Details Form** which sets out details of the SCR JAB ('our partnership'), forecast benefits, a funding request breakdown and further details in support of the LRF element of our bid;
- A detailed **Project Description document for each of the three elements of the SCR bid**. This provides headline information for each project in line with the criteria set out in OPE/ LRF prospectus document (mirroring the key headline project information which SCR requests from Project Applicants, in line with our Government approved Single Pot Assurance Framework);
- For the two LRF projects, three **completed Technical Annexes** are included – one for each of the two projects, and a combined version which provides the 'ready reckoner' outputs at a SCR programme level.

**INFRASTRUCTURE & HOUSING EXECUTIVE BOARD**

**11<sup>th</sup> December 2017**

**OPE 6 & Land Release Fund**

**Purpose of Report**

At the Combined Authority 30<sup>th</sup> October delegated authority was given to the Managing Director and Chair of the JAB to sign off the OPE Round 6 and Land Release Fund Bid. The bid was submitted 3<sup>rd</sup> November. This report provides a copy of the bid.

**Thematic Priority**

This report relates to the following Strategic Economic Plan priorities:

- Secure investment in infrastructure where it will do most to support growth.

**Freedom of Information**

Executive Board papers are not made available under the Combined Authority Publication Scheme.

This paper is not exempt under [Part II of the Freedom of Information Act 2000](#)

**Recommendations**

The Board is asked to note the content of the bid. A verbal update will be provided at the meeting following an expected announcement on 8<sup>th</sup> December.

**REPORT AUTHOR**

**Michael Hellewell**

**POST**

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0114 220 3442

Background papers used in the preparation of this report are available for inspection at: 11 Broad Street West, Sheffield S1 2BQ.

Other sources and references: n/a

## Supporting Transformation through Collaboration: Accelerating activity in support of the Sheffield City Region Estate Transformation Strategy



### A bid from Sheffield City Region for support from One Public Estate Round 6 and the Land Release Fund

#### 1. Introduction

Sheffield City Region's (SCR's) One Public Estate (OPE) programme is going from strength to strength. There is continued recognition across our public sector partners – including at a Combined Authority (CA) level - that the effective use of public sector land and assets is key to delivering SCR's growth ambitions, as well as ensuring that vital public services meet the needs of our diverse communities.

Our governance arrangements are increasingly effective and our Joint Assets Board (JAB) – which is developing in to a mature partnership – is consistently well attended, bringing together the main partners with an interest in the public estate across the City Region.

Support from OPE to date has been central to supporting SCR's collaborative and transformational approach – an approach which is beginning to deliver results across the City Region.

We are seeking funds and wider support from the current round of OPE/ the Land Release Fund (LRF) to accelerate a number of early projects which will be central to the delivery of our emerging Estate Transformation Strategy and will:

- Release approx. 8 hectares of land for housing delivery, from which over 350 new homes will be delivered;
- Support the creation of 480 jobs and generate almost £13m of inward investment;
- Deliver capital receipts across central and local government of almost £4m;
- Contribute to reduced running cost across central and local government in excess of £807,000.

In addition, our bid supports our housing and economic growth ambitions at both a Local Authority and a SCR level, with the individual projects located in or close to a number of our key Urban Centres.

The projects which form our bid are drawn from our wider pipeline of projects, representing those schemes which are most developed at this point in time. There is also a focus on activity where there are clear opportunities and early commitment from partner organisations (across a range of public sector organisations) to roll out projects across the SCR.

**Sections one to five** of this document set out the background to our bid, details of progress to date, and our governance arrangements.



**Sections six to ten** of this document focus on our current bid and wider requests for support, as well as the headline outcomes support from OPE/ the LRF will help us deliver. It also sets out the SCR 'offer'.

**Section eleven** provides details on the additional documents which support our bid.

## 2. About Sheffield City Region

The SCR is growing. We are a £33 billion economy, home to over 1.8 million residents, and 751,000 jobs, with good connectivity and a strong sense of place. We have seen strong private sector growth since 2013, adding approximately £1.34bn in GVA to the economy between 2013 and 2015 with key service sectors and manufacturing both adding large number of jobs marking an acceleration of previous trends and a rebalancing of the economy towards the private sector.

We have achieved this by working together and by recognising that through collaboration we can be stronger than the sum of our parts: our businesses, people and environment which together make the City Region an attractive place. As a City Region we are incredibly proud of what we are doing, but we want to go beyond this and ensure that all of our communities benefit from economic growth, that more of the City Region is attractive as a place to live and work

We have reflected on both the growth and challenges which we face, and as a result have decided it is time to refresh our economic strategy. The context of our first Strategic Economic Plan (SEP) in 2014 was the national call for Growth Plans. Since then we have seen a change in Government, a vote to leave the European Union, a national approach to industrial strategy and a growing momentum behind consideration of inclusive growth. Working within this context, we believe we have an opportunity to demonstrate how growth can be both accelerated but also broad based to ensure the widest range of communities and places can contribute and benefit.

The SCR Inclusive Industrial Strategy (IIS), which is currently being finalised prior to wider consultation (as such it is referred to as the emerging IIS throughout this document), will replace the SEP as the key strategic document guiding the work of the SCR CA and Local Enterprise Partnership (LEP).

## 3. The Sheffield City Region approach to One Public Estate

As a City Region we have been engaged with the National OPE Programme since round three, with a number of our partner organisations involved with OPE activity in earlier rounds.

The SCR approach to OPE is focussed on 'supporting transformation through collaboration'. We know, through success across a range of activity at a SCR-level, that a collaborative approach really delivers. This is a view held across local and national government agencies

working in the SCR, as well as an approach that has delivered real results across a range of activity at a CA level.

Across the five themes<sup>1</sup> of the emerging Inclusive Industrial Strategy, the SCR OPE Programme is strongly aligned to the ‘place’ theme.

#### Place

An integrated package of infrastructure to unlock local employment opportunities, as well as creating attractive places to live, work and socialise, with a focus on urban centres, to attract and retain talent.

The current OPE/ LRF bid from SCR is aligned to addressing two of the key challenges and opportunities which are detailed in our emerging IIS (detailed below). As such there is real potential for activity which is initially supported through OPE to be scaled up and form a central part of our wider ‘place based’ approach.

#### Urban centres

Within the SCR the majority of economic growth is expected in a small number of Growth Areas, as well as our core Urban Centres. If we are to unlock the potential of these Urban Centres, we need infrastructure delivered as a package and not as standalone interventions, underpinned with a recognition that the public sector will need to share risk in order to create the conditions for private investment.

**Support from this round of OPE/ the LRF will play a critical role in early activity which will underpin the development of an integrated package of investment which will unlock local employment opportunities, as well as creating attractive places to live, work and socialise.**

#### Delivering more and better homes

Our SEP set a target to deliver 70,000 new houses by 2024 (c7,000 pa).

At the current rate, we will reach 39,000 new homes in the ten-year period to 2024.

Currently we are building houses faster than any point in the last 5 years, and have managed to increase the rate of completion every year since 2012. But we must do more to meet our ambitious target.

**Access to land is one of the barriers to the accelerated delivery of the new homes. Our bid to the LRF will increase the availability of sustainable and market attractive housing land at key locations in the SCR.**

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<sup>1</sup> The five themes of SCR’s emerging IIS are: ‘research and innovation’, ‘business and investment’, ‘place’, ‘skills and employment’ and ‘transport’.

However, it is important to recognise that public sector organisations have a central role to play in delivering services and supporting communities across the City Region.

As public sector organisations change and transform - focussed on delivering more integrated, customer-focussed services - there are undoubtedly land and property implications and opportunities that arise.

The SCR JAB (see Section 5) provides a forum for these type of issues to be considered and addressed – with our Estate Transformation Strategy<sup>2</sup> (the development of which is currently underway, due for completion in Summer 2018) supporting our intention to ensure that the land and property assets of all public sector partners (local and national) are used in the most efficient and effective way – importantly aligned to our economic and housing growth ambitions, as well as the needs of local communities.

The Strategy development work will start with the agreed SCR level growth ambitions, building a City Region picture of strategic opportunities and constraints. One of the high level outcomes of the strategy development work will be to identify the constraints and opportunities in our identified spatial priority/ growth areas. The strategy will also provide a clear framework for:

- Engagement with Government Departments and Agencies on significant strategic opportunities;
- Future investment decisions by SCR partners – supported by financial approaches, tools and models which seek to deliver a ‘return on investment’ which can be used to support future activity in line with SCR-level priorities.

#### **4. Progress on projects already receiving support from One Public Estate**

Through funding awarded to the SCR from previous rounds of OPE, we have built a strong track record of delivery

SCR has been allocated a total of £662k through the OPE programme. Spend to date has reached £72k, with commitments and firm plans in place to spend a further £285k by the end of this Financial year.

All the locality-focused projects within the SCR OPE portfolio are making positive progress with no major challenges. The majority of the funds allocated to them will be spent by the end of December 2017.

We have worked up clear plans for making full use of the remaining c£305k, in summary, these focus on:

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<sup>2</sup> SCR sought resource in the fifth phase of the OPE programme to undertake a detailed analysis of data and information about the public sector estate across the city region which would support the development of SCR Estate Transformation Strategy. This built on funds secured by the SCR for strategic support/ enabling activity through previous rounds of OPE.

- Deliver the final stages of delivery of the Keresforth Project;
- Core project/ programme resource in the SCR Team for two years;
- Development of the Estate Transformation Strategy, including developing a consistent and comprehensive baseline to support this work;
- Project support for a number of our existing locality-focussed projects – ensuring that we can scale-up existing OPE activity to the wider SCR and complement the activity detailed in this bid.

## 5. Governance through the Sheffield City Region Joint Asset Board

The establishment of the SCR JAB<sup>3</sup> formed an important element of the devolution agreements between Government and the SCR.

The aim of the JAB is to accelerate the disposal of surplus public sector sites, bringing public sector land (including from central Government) to a single place in order to maximise opportunities for housing and economic growth. Through this activity the SCR JAB has a role in supporting the most efficient use of the public sector estate.

The agreed model for the JAB is that key decisions (e.g. disposals) remain with the landowner, be that local or central government. However, such decisions are taken after consideration at the JAB in order to provide a structured opportunity for influence and the maximising of opportunities.

The JAB continues to meet regularly and is beginning to work more closely with a range of government departments to understand department's rationalisation strategies and how they relate to local priorities. Local partners now have improved intelligence about central government's plans for their estates in the SCR upstream of disposal decisions. This level of engagement was not the case prior to the introduction of the JAB.

In the short to medium term, there remains an aspiration to expand membership of the JAB, this will be particularly important as we develop work on our Estate Transformation Strategy. The aim is to ensure that the majority of public sector organisations with land and property assets in the SCR are represented at this strategic level board.

At a SCR-level the JAB is now attended by a number of senior Local Authority Officers with responsibility for housing, economic growth and regeneration. This is an important development, ensuring that the work of the JAB aligns to the wider ambitions of the City Region. In addition, the JAB continues to be supported by the SCR Heads of Property Group. This has representation from all nine of SCR's Local Authority areas, ensuring alignment of City Region-level work with that of local Estate Forums.

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<sup>3</sup> See the Basic Details Form which provides full details of the membership of the SCR JAB

## 6. Our portfolio of projects for the current bidding round

To date the JAB has had a central role in developing the pipeline of OPE projects. This is in recognition of the close relationship between the work of the JAB and the focus of the OPE programme on 'getting more from collective assets'. In addition, there is a cross-over in terms of partner engagement/ involvement with both JAB and OPE activity.

The JAB will continue to provide governance and oversight of the SCR OPE Programme on behalf of the SCR CA.

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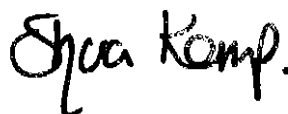
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