

SCR HOUSING AND INFRASTRUCTURE EXECUTIVE BOARD

17th JANUARY 2019

BROAD STREET WEST, SHEFFIELD

No.	Item	Action
1	<p><u>Welcome and Apologies</u></p> <p>Present:</p> <p><u>Board Members</u> Cllr Tricia Gilby (CBC) - CHAIR John Mothersole (SCC) Neil Taylor (BaDC)</p> <p><u>Advisors</u> Paul Bedwell (Spawforths) Dilys Jones (Homes England)</p> <p><u>In Attendance</u> Paul Clifford (BMBC) Tom Bell (RMBC) Scott Cardwell (DMBC) Janet Sharpe (SCC) Mark Lynam (SCR Exec Team) Garreth Bruff (SCR Exec Team) Michael Hellewell (SCR Exec Team) Laurie Thomas (SCR Exec Team) Craig Tyler (Joint Authorities Governance Unit)</p> <p>+ Stephen Miles and Ben Pretty (Cushman and Wakefield) for item 6 and Emma Ashcroft and Paul Wedgwood (Carbon Trust) for item 7</p> <p>Apologies were received from Board Members Mayor Ros Jones (DMBC) and Huw Bowen (CBC) + Tony Stacey (SYHA), Colin Blackburn (SCR Exec Team), Peter Dale (DMBC), Matt Gladstone (BMBC) and Paul Woodcock (RMBC)</p>	
2	<p><u>Declarations of Interest</u></p> <p>JM recorded a non-pecuniary interest in the matters to be discussed at item 5 (Parkwood Springs) by virtue of being the Chief Executive of the sponsoring Authority.</p>	

	<p>Whilst not strictly required by the SCR Constitution, which only requires the declarations of voting Board Members to be recorded, officers noted non-pecuniary interests in the schemes to be considered at item 5 (Paul Clifford – M1 J36 Goldthorpe, DMC2 and Glassworks, Scott Cardwell – DSA Car Park Expansion).</p>	
3	<p><u>Minutes of the Previous Meetings</u></p> <p>The minutes of the previous meeting held on 15th November 2018 were agreed to be an accurate record.</p> <p>Regarding the Board’s request for an update on HS2, it was noted Colin Chick’s contract with the SCR has concluded. It was agreed to reschedule the HS2 update for after the government has formally responded to the SCR’s input into the draft HS2 Growth Strategy evidence base findings.</p> <p>Action: Mark Lynam to reschedule when appropriate</p> <p>All additional actions were confirmed as complete.</p>	ML
4	<p><u>Urgent Items / Announcements</u></p> <p>None.</p>	
5	<p><u>Capital Programme: Schemes for Approval</u></p> <p><u>5A M1-J36 Goldthorpe – Phase 2</u></p> <p>The report provided the Board with information regarding the scheme. It was noted the purpose of the scheme is to undertake the necessary highway improvement works towards the eastern end of the M1 J36 Economic Growth Corridor (Goldthorpe) to facilitate the delivery of 72.9 ha of proposed employment land.</p> <p>Members were advised of key points of note and informed of the specific clawback conditions.</p> <p>It was noted the scheme is estimated to generate 1,399 gross additional indirect jobs (full time equivalent) by 2028/29. The equivalent public sector (LGF) cost per gross additional indirect job is £5,235. This would yield GVA benefit of £211m over 10 years.</p> <p>RESOLVED, that the Board endorses the recommendation to progress the scheme business case to Full Approval for M1 J36 Economic Growth Corridor – Goldthorpe Phase 2 at a cost of £7.324m grant subject to the conditions set out in the Appraisal Panel Summary, noting that endorsement of this recommendation is subject to consideration and approval by the SCR MCA.</p>	

5B – Parkwood Springs

The report provided the Board with information regarding the scheme. It was noted the scheme offers the opportunity to create top class skiing, biking and other extreme sports facilities, including the UK's first luge, close to the city centre.

Members were advised of key points of note and informed of the specific clawback conditions.

It was noted that at full capacity, the ski village alone is estimated to generate 200 gross full time equivalent jobs. Phase 3, will bring further employment opportunities to the area. The Net Present Value of the GVA impact over ten years is estimated to be £24.5m. The funding requested is a loan and **once this is repaid, this investment will have secured good value for money.**

RESOLVED, that the Board endorses the recommendation to progress the scheme business case to Full Approval for Parkwood Springs Ski Village at a cost of £4.8m (LGF loan) subject to the conditions set out in the Appraisal Panel Summary, noting that endorsement of this recommendation is subject to consideration and approval by the SCR MCA.

5C – DSA Car Park Expansion

The report provided the Board with information regarding the scheme. It was noted Doncaster Sheffield Airport (DSA) has recently secured an additional 10 passenger routes which are expected to increase passenger numbers by 200,000 per annum from Summer 2019. In order to support this growth in passenger numbers DSA are investing in immediately necessary improvements to the airport terminal to deal with the additional throughput.

Members were advised of key points of note and informed of the specific clawback conditions.

It was confirmed the intention is for the loan to be paid back through the additional car parking receipts. However, there will be a requirement for the loan to be paid back in full irrespective of whether this revenue meets actual forecasts,

It was noted the value for money case is based on the accelerated delivery of 88 net new jobs through this first phase of investment with the prospect of significant further growth as a result of the Airport's expansion ambitions in the short to medium term. The LGF loan will deliver an estimated GVA benefit of £11.98m over 10 years. This is equivalent to £3.42 per every £1 of LGF. This means the project will return good value for money for SCR investment.

RESOLVED, that the Board endorses the recommendation to progress the scheme business case to Full Approval (without prejudice to the ongoing grant request) for Doncaster Sheffield Airport Ltd (DSAL): Car Parking Capacity Expansion at a cost of

£3.5m loan subject to the conditions set out in the Appraisal Panel Summary, noting that endorsement of this recommendation is subject to consideration and approval by the SCR MCA.

5D – Digital Media Centre 2

The report provided the Board with information regarding the scheme. It was noted the DMC2 scheme is seeking LGF investment to acquire and refurbish The Core, an existing underutilised building within the boundary of the Digital Campus redevelopment area in Barnsley town centre.

It was noted the project will deliver 99 gross and 94 net additional full time equivalent jobs. This equates to a cost per job of £22,720 which is within nationally accepted parameters for jobs of this nature. Furthermore, the net jobs will yield additional GVA of circa £30.8m (present value) over a 10 year period this equates to GVA per £1 LGF spent of £15.82. The investment therefore has the potential to generate a considerable economic return.

Members were advised of key points of note and informed of the specific clawback conditions.

RESOLVED, that the Board endorses the recommendation to progress the scheme business case to Full Approval for Digital Media Centre 2 (DMC2) at a cost of £2,213,749 LGF grant subject to the conditions set out in the Appraisal Panel Summary, noting that endorsement of this recommendation is subject to consideration and approval by the SCR MCA.

5E – Glassworks

The report provided the Board with information regarding the scheme. It was noted LGF funding of £7.43m is being requested to enhance shell and core specification of the first phase of new retail and restaurant units, public realm works, shell and core fit out of the market kitchen food court, shell and core fit out of the Glassworks management suite, explosive demolition of the existing Multi Storey car park, £2.14m loan to grant conversion and an unexpected sewer diversion

The Board noted the scheme is currently in receipt of a £2.14m LGF loan through the Better Barnsley scheme which was awarded in March 2017 and that the application seeks to convert that loan into a grant.

Members considered whether a more robust approach should be taken to schemes which have already received LGF funding and are requesting subsequent funding.

Action: Laurie Thomas to ensure that reports on all capital programme schemes requesting further LGF funding provide full explanations for all increases.

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	<p>It was noted the scheme is expected to support the delivery of 634 gross new direct operational FTE jobs (148 net additional FTE's). This is equivalent to an LGF cost of £23,438 per gross job and £50,082 per net job which is in line with nationally recognised cost per job parameters. In addition, the scheme is estimated to generate £35.5m in Net Present Value GVA for the Sheffield City Region over a 10-year period this equates to GVA per £1 LGF spent of £4.8.</p> <p>RESOLVED, that the Board endorses the recommendation to progress the scheme business case to Full Approval for Glassworks at a cost of £7.43m LGF grant subject to the conditions set out in the Appraisal Panel Summary, noting that endorsement of this recommendation is subject to consideration and approval by the SCR MCA.</p>	
6	<p><u>Identifying Investable Propositions Study</u></p> <p>A report and presentation were provided to detail the work carried out to date to identify investable propositions across the Sheffield City Region (SCR), and to determine what is needed to attract investment and unlock / accelerate future delivery to support SCR's economic growth ambitions.</p> <p>The presentation covered the project brief and objectives, key spatial areas of focus, stakeholder, market and developer fact finding engagements undertaken to date and feedback provided, the proposed approach being taken to shortlisting the (c.84) potential projects, next steps and recommendations.</p> <p>It was noted that this work builds on past studies including the SCR Integrated Infrastructure Plan (SCRiIP).</p> <p>The Board discussed the need to quantify whether these investments are being made in search of profit or societal gain.</p> <p>It was noted the scope of this study should extend beyond the known lifespan of the LGF programme.</p> <p>The Board discussed the SCR's requirement for a stronger (MIPIM+) 'shop window' as a means of bringing in further investment to the city region.</p> <p>In considering the information provided, the Board discussed various means to address the inherent complexities and in doing so potentially realise the investment opportunities coming to fruition.</p> <p>RESOLVED, that the Board notes the key outputs and outcomes from the Identifying Investable Propositions Study and notes the prioritisation methodology used and the recommendations for future strategic infrastructure investment.</p>	

Emerging Draft SCR Energy Strategy

A report and presentation were received to update the Board on work to prepare the Sheffield City Region Energy Strategy and Delivery Plan.

It was noted the strategy is still a 'work in progress' and views are sought on the emerging key issues and principles before the initial draft Strategy document work is completed.

The supporting presentation provided a commentary on the work undertaken to date, including data collation and analysis and stakeholder consultation, the key principles underpinning the strategy, emerging 'headlines' from the evidence base, both nationally and specifically in relation to the SCR, the draft 2040 energy 'vision' and priorities for the city region, and 56 potential projects in the emerging delivery plan, with actions categorised by timeframe (short to long term).

It was suggested it would be useful to evaluate the potential projects to assess their impact and value, for example this would assess whether:

- A project is transformational or a continuation of existing work;
- The SCR and local authorities are enabling a project or a direct deliverer of a project; and
- How far a project will contribute to a specific carbon reduction target.

It was also suggested the SCR may wish to use the strategy to set a carbon reduction target in line with the Paris Agreement in order to maintain the city region's challenging ambitions. The pros and cons of different target regimes were also considered as a basis for further development in future stages.

The Board considered the network of private and public sector players and forums that will be required to realise the action plan and potential projects.

It was noted the intention is to present the draft Energy Strategy to the March HIEB meeting.

RESOLVED, that the Board:

- 1. Notes the emerging issues and principles informing the preparation of the Draft SCR Energy Strategy and Delivery Plan**
- 2. Supports the proposals for wider consultation on the emerging strategy as set out in Section 2.5, prior to reporting the Draft Strategy document to the next HIEB meeting.**

8	<p><u>SCR Statement of Common Ground</u></p> <p>A report was received to update the Board members on work by the Heads of Planning Group to prepare a SCR wide Statement of Common Ground.</p> <p>It was noted there is a requirement to agree the scope for the Statement and the range of strategic matters that will be included, prior to preparing a full draft for consideration at a future meeting.</p> <p>The report noted the recently updated National Planning Policy Framework (NPPF 2018) introduced a new requirement for strategic policy-making authorities to prepare, maintain and update a “statement of common ground” during the process of planning for strategic matters across administrative boundaries.</p> <p>In relation to new housing provision, it was suggested the Statement should be a strategic means to bring together the ambitions of the SCR, with the practicalities and realities of the district’s local plans, and perhaps a mechanism to lift standards to those of the best performing authority.</p> <p>It was agreed the Statement would be best taken forward as a joint piece of work between the Heads of Planning and the Economic Development Directors to ensure it develops alongside the strategic ambitions of the SCR, linked to the review of the SEP.</p> <p>Action: Gareth Bruff to convene engagements to address the request of the Board.</p> <p>RESOLVED, that the Board notes the work to date by the SCR Heads of Planning Group to prepare an SCR wide Statement of Common Ground, approves the scope for the SCR Statement of Common and request a full draft is prepared (with the Economic Development Directors) in line with national guidance.</p>	GB
9	<p><u>Housing Fund: Programme Update</u></p> <p>Provided for information.</p>	
10	<p><u>Place Delivery Plan: Dashboard</u></p> <p>Provided for information.</p>	
11	<p><u>Joint Assets Board Meeting Notes</u></p> <p>Provided for information.</p>	
12	<p><u>Forward Plan</u></p> <p>The Forward Plan was provided for information.</p>	

13	<u>Any Other Business</u> It was noted the next meeting may be the last in the current HIEB format, pending the introduction of the governance changes identified by the Mayor's review of governance.	
14	<u>Date of the Next Meeting</u> March 2019 - TBC, Broad Street West, Sheffield.	