

Mayoral Combined Authority Board

31 July 2023

Programme Approvals

Is the paper exempt from the press and public?	No
Reason why exempt:	Not applicable
Purpose of this report:	Funding Decision
Is this a Key Decision?	Yes
Has it been included on the Forward Plan?	Yes

Director Approving Submission of the Report:

Gareth Sutton, Executive Director Resources & Investment/s73 Officer

Report Author(s):

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Executive Summary

This report requests the progression of three schemes subject to conditions set out in the Assurance Summaries and 1 change request.

The report also requests acceptance of two Department of Transport Grants and onward award.

What does this mean for businesses, people and places in South Yorkshire?

This report is seeking approval to progress business cases and enter into contract for a number of investment proposals which will support the MCA's aspirations.

Recommendations

This report recommends that the Board approves:
Brownfield Housing Programme schemes:

- a. Progression of “Skyhouse Waverley Central” from FBC to full approval and award of £1.3m grant to Sky-House Co. (White Rose) Limited subject to the conditions set out in Assurance Summary A1
- b. Progression of “Goldthorpe Housing Project” from OBC to FBC and approval for award of £2.53m grant to Barnsley Metropolitan Borough Council subject to the conditions set out in Assurance Summary attached at Appendix A2
Transport Programme Schemes:
- c. Progression of “West of Doncaster Balby” from Full Business Case (FBC) to full approval and award of £3.44m grant to City of Doncaster Council (CDC) subject to the conditions set out in Assurance Summary A3
- d. Approval of change request “Barnsley Civic/Market Gate Bridge” detailed in 1.10
Grant Acceptance:
- e. Acceptance of £2.49m “Local Authority Capital Allocations 2023/24” grant from the Department of Transport (DfT) and onward award.
- f. Acceptance of £3.1m “Bus Funding and Cost of Living Support for Bus Users” grant
Delegated Authority:
- g. Delegate authority to the Head of Paid Service in consultation with the Section 73 and Monitoring Officer to enter into legal agreements for the schemes above.
- h. Delegate authority to the Head of Paid Service in consultation with the Section 73 and Monitoring Officer to approve the release of development cost funding in line with the Assurance Framework.

Consideration by any other Board, Committee, Assurance or Advisory Panel

Assurance Panel

28 June 2021

Assurance Panel

17 July 2021

1. Background

- 1.1 This report seeks approval from the MCA Board for the:
 1. Progression of three schemes and one change request;
 2. Acceptance of two Department of Transport grants and allocation of the Local Authority capital allowances 23/24; and,
 3. Requests delegation to the Head of Paid Service in consultation with the Section 73 and Monitoring Officer for the approval of release of development cost funding.
- 1.2 The report provides details on each project and outlines how schemes would be funded.

Brownfield Housing Programme Approvals

- 1.3 **Sky-House Co. (White Rose) Limited**
Skyhouse Waverley Central
Progression to Full Award

 Sky House Co (White Rose) Ltd are seeking £1.30m of Brownfield Housing Fund capital grant to contribute towards a total scheme cost of £20.46m at an intervention rate of 6% to support the provision of affordable housing.

 This project will form the central part of the Waverley redevelopment area that has been ongoing for several years and now forms an emerging new settlement

comprising of a mix of new residential homes, leisure, commercial and community uses. The site is located off Mitchell Way and Highfield Spring and neighbours the Advanced Manufacturing Park and the site for the proposed Olive Lane local centre.



The proposed project aims to develop a 2.24ha brownfield site to accelerate delivery of new high quality residential housing comprising of 106 residential units comprising a mix of 1,2,3 and 4 bed homes, delivered by the end of March 2025.

Benefits and Outcomes:

- 2.24 hectares of Brownfield Land Remediation
- 106 housing units delivered

Appendix A1 provides a summary of the project assurance and any suggested conditions of award.

1.5 **Barnsley Metropolitan Borough Council Goldthorpe Housing Project Progression to in Principle Full Award**

Barnsley Metropolitan Borough Council are seeking £2.53m capital grant to contribute towards a total scheme cost of £7.07m at an intervention rate of 26%.

The project aims to transform a residential area in the heart of Goldthorpe which is made up of traditional pre-1919 terraced housing.

The funding will contribute to:

- Demolition costs
- Improvements in the quality of the public realm including block paving, street trees, pedestrian crossing points, seating, planting and bins.
- New lighting to improve security, deter fly-tipping, reduce ASB/Crime.
- Works to secure the rear boundaries of properties, creating defensible private gardens/yards for residents.
- Acquisition of up to six terraced properties

MCA funding for this scheme is available through the Brownfield Housing Programme and other allocations available to BMBC. The final mix of funding will be determined during development of the FBC.

Benefits and Outcomes:

- 9 new build low-carbon affordable properties to include air source heat pumps solar PV, EV charging point and PV battery.
- Acquisition of up to six terraced properties into the HRA for affordable housing to address local housing need
- 0.2km of resurfaced road including a raised table crossing
- 811sqm of enhanced public realm, including a new strategic pedestrian link, greenspace, tree planting and urban greening
- Secured rear boundary treatment including repair and replacement of fencing and boundary walls, new secure gates, garage doors, and improvements to rear alleyway
- Replacement of wooden fences to the front of properties with metal fences
- 34 Secured by Design external cycle storage units for residents

Appendix A2 provides a summary of the project assurance and any suggested conditions of award

Transport Programme Approvals

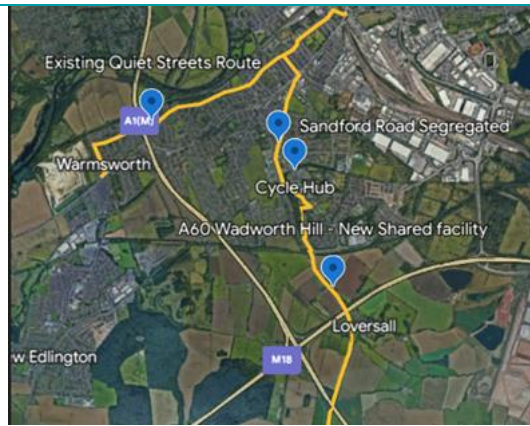
1.6

City of Doncaster Council West of Doncaster Balby Progression to Full Award

City of Doncaster Council are seeking £3.44m of Transforming Cities Fund grant.

The scheme aims to enhance accessibility within the Doncaster urban area so that active travel can become a viable alternative to the private car for those taking advantage of the significant economic growth opportunities across South Yorkshire. The proposed improvements consist of one off-road cycle routes (A60 Wadworth Hill), one on-road segregated cycle route (A60 Sandford Road) and a 'quiet streets' route which aim to fill existing gaps in the network in Balby.

The Balby scheme comprises cycle improvements to provide more accessible and safe routes through the centre of Balby to both Warmsworth and Wadworth. This includes a 'quiet streets' cycle route between the Active Travel Funded A630 Conisbrough to Warmsworth scheme along Mill Lane / Tenter Lane and Balby Road / Cleveland Street / Roberts Road junctions. An off-road cycle route will be provided on the A60 between Wadworth and the A60 / Woodfield Way roundabout, with on-road cycle lanes provided on A60 Sandford Road between the A60 Tickhill Road / Plumtree School access road and A60 Sandford Road / Sunningdale Road junctions.



Benefits and Outcomes:

- 8.7km of new or improved walking and cycling connections
- Improved secure cycle parking provision for key employment sites to accommodate 40 cycles

Appendix A3 provides a summary of the project assurance and any suggested conditions of award.

Change Request

1.7 **Barnsley Metropolitan Borough Council Barnsley Civic - Market Gate Bridge Change Request**

The Barnsley Market Gate Bridge scheme was approved by the MCA Board in July 21 for funding from the Transforming Cities Fund and Getting Building Fund programmes.

Because of extensive delays caused by the main contractor going into administration and diversion of uncharted gas mains, the scheme encountered increased costs and as a result requested additional Gainshare funding of £2.5m which was approved by the MCA in February '23.

However, due to the nature of the construction contract there were a number of outstanding areas of work for which a fixed price was yet to be agreed. These works, now priced together with additional fees have resulted in a further increase of £1.14m

To meet this gap BMBC request £0.6m from their allocation of the Gainshare 'delivery ready' project fund and a redeployment of £0.6m of Gainshare funding from the existing Barnsley Civic project. This redeployment is made possible as Levelling Up Fund money has now been secured for the scheme.

Grant Acceptance

1.8 **Department of Transport Local Authority capital allocations 2023/24 grant Allocation - £2.49m**

In 2023/24 the Government is providing capital funding in addition to the City Region Sustainable Transport Settlement (CRSTS) allocation from the £200 million fund announced at Budget 2023 for highways maintenance and pothole repair.

South Yorkshire has been awarded £2.49m for highway maintenance in Barnsley, Doncaster and Rotherham. Sheffield City Council is not eligible for this funding due to its city-wide PFI scheme.

This report is seeking approval to accept the grant and disburse the funding using the previously accepted allocation basis:

District	Amount
BMBC	£0.84m
CDC	£1.12m
RMBC	£0.84m

1.9 **Department of Transport Bus Service Improvement Plan Allocation - £3.1m**

Government have recently announced a new two-year funding package to support bus services across the country.

For the first-year, Government have offered the MCA £3.1m in revenue funding. This funding was not known at the time of budget setting and therefore the acceptance of the grant requires Board approval.

A report included within this agenda pack proposes how this funding be deployed.

Release of Development Cost Funding

1.10 In March 2023 the MCA board approved the revised Assurance Framework. The Framework allows for schemes that are accepted into the programme to access development funding. Development funding is a key component in supporting the development of quality schemes at pace.

Distribution of development funding is currently an MCA decision through a formal Board taken on conclusion of the Strategic Business Case.

The revised Assurance Framework provides for a one-stop governance process. This change was designed to improve the pace at which schemes can be developed and delivered. Strategic Business Cases are undertaken within authorities with Outline Business Cases undertaken at MCA Board level.

Accordingly, there is an unintended discrepancy now where the intention for a one-stop process is undercut by the need to seek separate approvals for development funding release and OBC approvals.

This report is seeking approval to delegate authority to the Head of Paid Service in consultation with Portfolio Leaders and the Section 73 and Monitoring Officer to

approve the release of development cost funding in line with the Assurance Framework to enable schemes to progress as efficiently as possible.

2. Options Considered and Recommended Proposal

2.1 Option 1

Approve all recommendations.

2.2 Option 1 Risks and Mitigations

Approval of the progression of the investment propositions will result in a commitment being made against existing programme budgets.

2.3 Option 2

Reject some, or all, of the recommendations.

2.4 Option 2 Risks and Mitigations

Rejection of the recommendations in this report would mean the region foregoing the forecast benefits arising from the investment and the delivery of the projects at risk.

2.5 Recommended Option

Option 1

3. Consultation on Proposal

3.1 Discussions for these projects has continued with the thematic board during project development.

4. Timetable and Accountability for Implementing this Decision

4.1 Subject to the approval of the recommendations and approval by the MCA, the Head of Paid Service in consultation with the Section 73 Officer and Monitoring Officer will progress to enter into a legal agreement with the promoters.

The promoter is responsible for the further development of projects that have gateway approval to the next stage of the MCA Assurance process.

5. Financial and Procurement Implications and Advice

5.1 A number of capital investment projects are recommended for approval or progression in this report. All projects are presented with a proposed funding source.

6. Legal Implications and Advice

6.1 The legal implications of the projects have been fully considered by a representative of the Monitoring Officer and included in the recommendations agreed within the Assurance Summaries as presented in the Appendices.

7. Human Resources Implications and Advice

7.1 None.

8. Equality and Diversity Implications and Advice

8.1 Equality and diversity implications are taken into account as part of the assurance of the project business cases.

9. Climate Change Implications and Advice

9.1 Climate change implications are considered as part of the assurance of the project application process.

9.2 Some of the projects detailed in this report include new and/or enhanced active travel initiatives thereby shifting private vehicle use to more sustainable modes of transport. This aims to deliver health benefits and positively contribute to the SYMCA's climate change aspirations.

10. Information and Communication Technology Implications and Advice

10.1 None

11. Communications and Marketing Implications and Advice

11.1 The approvals provide positive opportunities to highlight the difference the MCA's investments will make to people and passengers, businesses and places across South Yorkshire and how Members are taking action to support the region's recovery from COVID.

List of Appendices Included

- A Assurance Summary - Skyhouse Waverley Central
- B Assurance Summary - Goldthorpe Housing Project
- C West of Doncaster - Balby Active Travel

Background Papers

None.