

Mayoral Combined Authority Board

Tuesday, 10 September 2024

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 of Key Decisions? Yes

Portfolio: N/A

Portfolio Holder: N/A

Lead Chief Executive: N/A

Director Approving Submission of the Report:

Gareth Sutton, Executive Director Resources and Investment

Report Author(s):

Charli Taylor, Head of Programme Controls and Performance

Charli.Taylor@southyorkshire-ca.gov.uk

Sue Sykes, Assistant Director – Funding, Monitoring and Reporting

Sue.Sykes@southyorkshire-ca.gov.uk

Executive Summary

This report seeks approval from the MCA board for progression of six investment schemes subject to the conditions set out in the Assurance Summaries, acceptance of four grant awards, and approval of one change control.

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

This report is seeking approval for several investments, and to enter into contracts for each investment proposal, which will support the MCA's aspirations.

Recommendations

That the Board approves:

1. Progression of **Attercliffe Waterside** to post Outline Business Case (OBC) in principle approval for up to £4.4m grant to Attercliffe Waterside Limited, subject to the conditions set out in Assurance Summary **A**.
2. Progression of **South Yorkshire Innovation Fund** Full Business Case (FBC) to full approval and award of £3m grant, subject to the conditions set out in Assurance Summary **B**;
3. Progression of **Worsbrough to Wombwell TPT Links** Business Justification Case (BJC) to full approval and award of £1.33m grant to Barnsley Metropolitan Borough Council, subject to the conditions set out in Assurance Summary **C**;
4. Delegate authority to the Head of Paid Service in consultation with Mayor Ros Jones - in her position as the Portfolio Lead for Housing & Infrastructure - for consideration of the following:
 - (a) Progression of **Snail Yard** from BJC to full approval and award of £0.35m grant to Rotherham Metropolitan Borough Council as detailed in section 1.6;
 - (b) Progression of **Templeborough Business Zone (Town Deal Fund)** from BJC to full approval and award of £1.78m grant to Rotherham Metropolitan Borough Council as detailed in section 1.7;
5. Delegate authority to the Head of Paid Service in consultation with Mayor Oliver Coppard - in his position as the Portfolio Lead for Economic Growth - for consideration of the following:
 - (c) Progression of **Sports Legacy Institute** to post OBC in principle approval for up to £2m to Westfield Health Limited as detailed in section 1.8;
6. Acceptance of up to £2m grant from Department for Transport (DfT) for the **Intelligent Traffic Management Fund** programme;
7. Acceptance of £0.02m grant from DEFRA for the **Biodiversity Net Gain** programme;
8. Acceptance of £1.96m revenue and £0.64m capital grant from Arts Council for the **Music Hub Investment** programme;
9. Acceptance of £0.07m each from the four Local Authorities and the Environment Agency, £0.05m from Yorkshire Water, and £0.4m from Yorkshire Regional Flood Coastal Committee (£0.87m in total) for the **Connected by Water** programme;
10. Change request for **Future High Streets Fund**; and
11. Delegate authority to the Head of Paid Service in consultation with the Section 73 and Monitoring Officer to enter into legal agreements for the points above.

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

Programme Board	19 June 2024
Programme Board	18 July 2024

1. **Background**

- 1.1 This report seeks approval from the MCA board for progression of six investment schemes subject to the conditions set out in the Assurance Summaries, acceptance of four grant awards, and approval of one change control.
- 1.2 Further details are provided on the proposals in the main body of the report.

Approvals

1.3 Attercliffe Waterside Limited Attercliffe Waterside Brownfield Housing Fund In Principle Approval

This project seeks £4.40m towards total project costs of £87.83m at an intervention rate of 5% (9.7% including £4.08m previously awarded for land acquisition).

The project will deliver 362-unit newbuild housing element (Phase 1) of a multi-phase mixed-use redevelopment. Phase 1 also includes a small element of refurbishment works to deliver an additional 8 residential units and commercial floorspace, but those outputs and costs sit outside of this grant application.

Attercliffe Waterside is a long standing, ambitious canal side regeneration project that was first identified as a potential housing site in the New Attercliffe Planning Brief in 1994; and was allocated in various development plans and identified as a major development project in the Darnall Attercliffe and Tinsley Neighbourhood Development Framework in 2007. However, this site has remained stalled due to a combination of complex land ownership, commercial viability, the proximity and current existence on site of industrial uses, the high cost of abnormalities and site remediation and issues of decline and poor image.

The grant is to be used to bridge the viability gap on Phase 1 caused by the significant abnormal costs to clear and remediate the site for development and provide infrastructure (including a new footbridge over the canal) and podium construction.

The development of the 2.169 ha site aims to:

- Deliver 362 innovative, high quality, ultra-low carbon and energy efficient 'eco homes'.
- Create 11,852 sqm (1.1852 ha) of new and improved public realm/open space together.

The Brownfield Housing Fund programme is due to complete in March 2025, therefore the recommendation to approve is subject to funding being available beyond this date.

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

1.4 South Yorkshire Innovation Programme (SYIP)
Sheffield Hallam University
Gainshare
Full Approval

This project seeks £3m revenue grant towards total project costs of £4.13m at an intervention rate of 72.5%.

The purpose of the programme is to increase the number of innovation active businesses and encourage development of the regional innovation eco-system through access to high quality innovation support.

Building upon 7+ years' and 550 clients delivered to whilst delivering the Sheffield Innovation Programme (SIP) and Digital Innovation for Growth (DifG) (ERDF funded). South Yorkshire Innovation Programme (SYIP) brings together a consortium consisting of University of Sheffield, Barnsley Council and SYMCA, who share a joint interest in further innovation-led growth.

This will be achieved through three key elements:

- Strategic /operational alignment and co-ordination of the region's innovation support and wider business support offer to create one integrated support system.
- Delivers direct to business innovation support by providing capacity and capability to support the development of bespoke packages of innovation support aligned to business need.
- Additional referrals of clients to other business support / skills development offers as required in ways that maximise take up of provision and ensures business access the right support at the right time.

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

1.5 Barnsley Metropolitan Borough Council
Worsbrough to Wombwell TPT Links (CRSTS05)
City Region Sustainable Transport Settlement
Full Approval

This project seeks £1.33m capital grant, inclusive of development grant previously awarded, at an intervention rate of 100%.

The project will deliver active travel infrastructure improvements to 3.4 km of a 4.6km section of the Trans Pennine Trail between Worsbrough and the principal town of Wombwell. The scheme will also connect to the proposed improved active travel route from Oakwell to Stairfoot and the Stairfoot Bus Rapid Transit scheme.

The key outputs and outcomes are:

- 3.4km of improved walking and cycling infrastructure amongst 4.6km route
- 4 new and improved pedestrian and cycle crossings

The BCR is considered medium value for money, with risks considered reasonable for the nature of the project.

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

Delegated Approval

1.6 Rotherham Metropolitan Borough Council

Snail Yard (D0023)

Gainshare

This project seeks £0.35m towards total project costs of £0.92m at an intervention rate of 38%.

The Snail Yard project forms part of the Council's ongoing transformational strategy for Rotherham town centre. The project will deliver public realm works on brownfield land created following the demolition and acquisition of a former retail unit which has been vacant since 2017. Planning permission has been secured for use of the front of the site as a "pocket park".

Long term plans are currently being explored and include such schemes as a residential led redevelopment of the entire site.

The key outputs and outcomes are:

- 0.06ha public realm greenspace
- Additional trees planted within an urban environment.
- 245sqm of additional landscaping and planting

1.7 Rotherham Metropolitan Borough Council

Templeborough Business Zone (Town Deal Fund)

Gainshare

This project seeks £1.78m grant towards total project costs of £8.41m at an intervention rate of 21.15%.

The project will deliver 6 new managed workspaces units to encourage small-medium enterprises and business growth at the new heart of Templeborough, located at the gateway between Rotherham and Sheffield.

The units will be built on the Sheffield Road side of the Magna Science Adventure Centre site and be connected to a new tram/train stop. These will be set within improved green space, opened-up to the public.

Supporting the surrounding businesses, the scheme provides the local community with a natural outdoor social and meeting space to promote health and wellbeing, creating a focal point with 2 new food outlets that will front Sheffield Road.

New pedestrian routes will be created linking the new tram/train stop to Sheffield Road, local business units and beyond.

The key outputs and outcomes are:

- 6 new industrial and 2 F&B units.
- 34 Jobs created.
- Biodiversity net gain of 80% to the site by 2026.

1.8 Westfield Health Limited Sports Legacy Institute (IZ001) Investment Zone

This project seeks up-to £2m towards total project costs of £22.5m at an intervention rate of 9%.

The grant requested covers year 1 of activity. Further funding may be considered at a future date, based on key success metrics and milestones achieved.

Westfield Health, working with a strategic consulting firm in the field of innovation and design in the health and human performance industry, is launching a new joint venture called Sport Legacy Institute. It will be an inclusive innovation and design led firm with a specialised focus on leveraging the power of sport to enhance proactive health, wellbeing, and human performance. It seeks to make South Yorkshire a globally recognised leader in proactive health and innovation, amplifying its ability to attract and retain talent and catalyse investment across the region.

The venture is dedicated to designing innovative solutions that address the key challenges across communities, schools, and workplaces, and is structured around three key strategic pillars:

- Building a centre of excellence;
- Connecting the network; and,
- Sparking an investment catalyst.

The interventions will range from implementing community health programs that are accessible and effective, creating adaptive learning tools for diverse educational needs, to designing workplace wellness initiatives that cater to a broad spectrum of employees.

The key outputs and outcomes are:

- 1 renovation/new build in the Olympic Legacy Park
- 40 new ventures (companies)
- £15m cumulative GVA over first 10 years

- 360+ gross FTEs

Grant Acceptance

1.9 Department for Transport Intelligent Traffic Management Fund (ITMF) Acceptance of up to £2m

In December 2023 SYMCA were notified of funding opportunities which had come from the Governments Plan for Drivers and Network North announcements, this included ITMF.

ITMF is intended to support the introduction of next generation traffic management technologies for corridor and area-wide optimisation to a small number of English authorities. It is more research and development focused than the other Plan for Drivers funds and is aimed at showcasing and promoting a wide range of new and emerging solutions to area-wide traffic management.

In April 2024 programme guidance was launched by DfT, with an original submission deadline of July 31st 2024, this was postponed due to the General Election and a revised submission date is awaited from DfT. The bid is being developed with the consortia partners with an expected value of up to £2m and the work is continuing to ensure it is ready for submission once the new date is provided.

This paper is to provide the MCA with notification of the intended bid, and a request to accept any future grant award.

1.10 Department for Environment, Food and Rural Affairs (DEFRA) Biodiversity Net Gain (BNG) Acceptance of £27k

DEFRA is providing funding to help local planning authorities in England implement mandatory Biodiversity Net Gain (BNG) in the planning system. SYMCA has been allocated a grant of £27k to assist with the delivery of BNG implementation work carried out in 2024/25.

Biodiversity Net Gain is an approach to development that ensures habitat for wildlife is left in a measurably better state than it was in prior to the development. This became mandatory under Schedule 7A of the Town and Country Planning Act 1990 (as inserted by Schedule 14 of the Environment Act 2021 in February 2024).

The intention is to use the grant for:

- SYMCA seeking legal advice on behalf of the four Local Authorities (and SYMCA itself) to develop a common approach to entering either Section 106 agreements or Conservation Covenants with private landowners for the

purpose of legally securing offsite biodiversity gain sites in South Yorkshire. This is a specialist area of law that Local Authorities are particularly keen to secure a common approach on

- To assess how SYMCA can use the funding to help deliver environmental priorities, such as tree planting, whilst meeting the legal requirement of BNG. It is proposed to issue a small tender to review SYMCA's pipeline to enable a planning of how to maximise the benefits of habitat creation or enhancement work in a cost-effective manner rather making decisions on a project-by-project basis.

Grant acceptance was required by 28th June, resulting in the acceptance of the grant award on behalf of the MCA Board.

1.11

Arts Council

Music Hub Investment Programme

Acceptance of £1.96m revenue and £0.64m capital

SYMCA applied to the Arts Council Music Hub Investment programme in October 2023 to become a lead Music Hub for South Yorkshire. In June 2024 SYMCA were offered the role of Hub Lead Organisation for the South Yorkshire Music Hub area. Core revenue grant of £1.96m has been awarded to coordinate and support the delivery of music education provision for children and young people across our four local authority partners, along with an allocation of £0.64m capital grant for musical instruments from the 1st September 2024.

The intention is to use the grant to:

- Develop the ambition for every school in South Yorkshire to have a Music Development Plan that will build upon local needs whilst exploring new collaborative opportunities.
- Carry out an annual South Yorkshire regional needs analysis building upon and encompassing localised analysis, currently carried out in each of the four regions.
- Analyse partnership arrangements in each of the four hubs and look to strengthen good practice.
- Explore new ways to improve progression from GSCE music.

This paper seeks acceptance of the grant.

1.12

Connected By Water Partnership

Connected By Water (CBW)

Up to £0.87m

Following the 2019 flooding event the CBW Partnership was established, bringing SYMCA, the four local authorities, the Environment Agency and Yorkshire Water together to take an innovative partnership-led, catchment-based approach to flood alleviation and investment in South Yorkshire. It provides a clear framework to

generate, support and enable investment across the South Yorkshire economy, linking in wider investment across the region.

SYMCA were recently appointed host of the CBW Partnership. We are now working to put in place the resourcing to take this partnership work forward, to look more holistically at water management, drive flood resilience, influence investment decisions and ultimately improve the effectiveness of flood investments.

Up to £0.87m has been allocated from the following organisations, to enhance the CBW Partnership for the next 2 years:

Organisation	Funding for 2 years activity (2023/24 – 2025/26)
Yorkshire Regional Flood Coastal Committee	£0.40m
Barnsley Metropolitan Borough Council	£0.07m
City of Doncaster Council	£0.07m
Rotherham Metropolitan Borough Council	£0.07m
Sheffield City Council	£0.07m
SYMCA	£0.07m
Yorkshire Water	£0.05m
Environment Agency	£0.07m
Total	Up to £0.87m

The funding will support the equivalent of 6 x FTE posts framed around five key areas of activity, to achieve the Partnership’s short-term ambitions:

1. Strategy and Programme Development
2. Management and Support
3. Partnership Development & Stakeholder Relations
4. Project Delivery
5. Communications and Engagement

The resource proposal will significantly increase the capacity and capability of the CBW Partnership.

This paper seeks acceptance of the grants from the four Local Authorities, the Environment Agency, Yorkshire Water, and Yorkshire Regional Flood Coastal Committee.

Change Control

1.14

Sheffield City Council

Future High Streets Fund – Sheffield Fargate (D0014)

Gainshare

The project was originally approved and granted £6.8m by the MCA Board in November 2023, to contribute towards a total scheme cost of £28.1m.

The project includes capital works for the New Front Door programme and the operation of an electric shuttle bus service for a 5-year period. It is estimated that this commitment from SCC will secure a 7 day a week operation for 5 years, at a 7–8 minute frequency, between 7am and 7pm. The shuttle bus project is being designed to allow some flexibility, so that there could be an evening variation to the shuttle bus route in the future, which could serve the night-time economy.

Good progress has been made on the project however there is a delay on site and ongoing cost inflation has reduced the contingency allowance.

To manage these issues a change control request is sought to slip £0.7m funding into 2024/25 and allocate an additional £1.5m Gainshare. The additional grant will be managed within SCC's existing Gainshare programme envelope and has no impact on forecast outputs and outcomes.

With the additional funding request, the project is estimated to still have a BCR of above 2, and therefore represents high value for money.

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 the programme budgets and continuation of activity.

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 investments and the delivery of the activity at risk.

2.5 Recommended Option

Option 1.

3. Consultation on Proposal

3.1 Discussions for these proposals has continued with the Portfolio Leads and SYMCA business partners.

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 and Monitoring Officer will progress to enter into legal agreements for the schemes.

5. Financial and Procurement Implications and Advice

- 5.1 All proposals presented within this report can be fully funded from available resource.
6. **Legal Implications and Advice**
6.1 The legal implications of the proposals have been fully considered by a representative of the Monitoring Officer.
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 proposals considerations.
9. **Climate Change Implications and Advice**
9.1 Climate change implications are considered as part of the proposals considerations.
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 places across South Yorkshire and how Members are taking action to support the regions recovery from COVID.

List of Appendices Included:

- A. Assurance Summary – Attercliffe Waterside
- B. Assurance Summary – SY Innovation Programme
- C. Assurance Summary – Worsborough to Wombwell TPT