

08<sup>th</sup> January 2021

**TRANSFORMING CITIES FUND (TCF) CAPITAL PROGRAMME APPROVALS**

**Purpose of Report**

This paper seeks:

1. Approval of progression of one Transforming Cities Fund Tranche 2 (TCF2) Outline Business Case to Full Business Case and early release of up to £1.24m business case development cost funding and,
2. Progression of one Transforming Cities Fund Tranche 2 (TCF2) scheme to MCA for approval with a total value of £2m
3. Approval of one change request for an existing Transforming Cities Tranche 1 (TCF1) project
4. Delegated authority be given to the Head of Paid Service in consultation with the Section 73 and Monitoring Officer to enter into legal agreements for the scheme covered at point 1 above.

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

The paper will be available under the Combined Authority Publication Scheme.

**Recommendations**

The Board consider and approve:

1. Progression of Rotherham Town Centre Active Travel Project Outline Business Case to Full Business Case and release of up to £1,240,690 business case development cost funding to Rotherham Metropolitan Borough Council subject to the conditions set out in the Appraisal Panel Summary Table attached at **Appendix A**
2. Progression of Project 'Sheffield Heart of the City Breathing Spaces' to MCA for award of £2m grant from the Transforming Cities Fund subject to the conditions set out in the Appraisal Panel Summary Table attached at **Appendix B**
3. Project change request from "Sheffield Package of Cycling Infrastructure" to agree an extension to the completion date,
4. Delegated authority be given to the Head of Paid Service in consultation with the Section 73 and Monitoring Officer to enter into a legal agreement for the early release of business case development funding for the Rotherham Town Centre scheme and the Sheffield Package of Cycling Infrastructure change request covered above.

**1. Introduction**

- 1.1 In March 2020 the MCA was awarded £166.3m funding for the MCA's TCF aspirations. This grant was allocated from April 2019 to March 2023 resourcing a programme of transformational public transport, active travel and rail initiatives.
- 1.2 In March 2020 the MCA approved the early release of scheme development costs:
  - release up to 2% of the total scheme cost (as included in the bid/SOBC) to facilitate the development of the OBC.

- release costs (based on a costed fee plan) following approval of the OBC to enable the schemes to progress to FBC

This paper requests approval of progression of one scheme to Full Business Case (FBC) and early release of up to £1.24m development costs subject to any conditions to be set out in the Appraisal Panel Summary Table, with a total scheme value of £10.9m and progression to the MCA for full approval for one scheme subject to any conditions to be set out in the Appraisal Panel Summary Table with a value of £2m.

- 1.3** In recognition of unforeseen circumstances that can arise during the project delivery phase, the approved Assurance Framework establishes a formal process for the acceptance of change requests. These change requests could be financial requiring reprofiling of funds or could be to amend deliverables or timescales.

The Assurance Framework established that some change requests will be presented for approval to the relevant Executive Board, in line with their agreed delegation levels whilst others will require the approval of the MCA Board. In line with the agreed Assurance Framework there is one change requests proposed through this report which require Executive approval. This are detailed in sections 2.7 below.

## **2. Proposal and justification**

### **2.1 Rotherham Town Centre Active Travel**

**Appendix A** provides a summary of the scheme appraisal and the suggested conditions of award.

- 2.2 The Project** - This investment is for £9.3m from TCF towards a total scheme cost of £10.9m

Rotherham Town Centre Active Travel is a package of measures to facilitate walking and cycling to, from and within Rotherham Town Centre, comprising three schemes:

#### **Contribution to Fredrick Street walking and cycling route**

Public realm improvements on Frederick Street incorporating cycling infrastructure in the core town centre with amendments to the traffic regulation order to allow cycling (currently prohibited) along this street. Currently the layout of the street and public realm is unattractive and would not adequately accommodate cyclists. The improvements will in particular improve the environment for pedestrians accessing Rotherham Bus Interchange.

#### **Contribution to Forge Island Footbridge**

Replacing the existing footbridge across the River Don between the core town centre and Forge Island with a high-quality pedestrian bridge. This is part of the works to regenerate Forge Island and will provide an improved environment for pedestrian movements between the town centre, Forge Island and Rotherham Central Station. Should the private sector funds not come forward within the TCF programme delivery dates, there will be an additional £290k ask from the TCF programme. Either way, the intention is to deliver the bridge by March 2023.

#### **Sheffield Road Walking and Cycling improvements**

Comprising walking and cycling routes, supporting housing delivery in the Westgate Riverside area. Pedestrian improvements are to be focused on enabling journeys to the town centre and onward via public transport and making this more attractive so as to support both housing delivery and the vitality of the town centre. The scheme on Westgate will also reduce traffic volumes and so improve the local environment for existing and

future residents. For cyclists, the scheme will include cycle lanes designed with reference to LTN 1/20 to support onward connectivity by bicycle. Additional cycle tracks will be constructed along the remainder of Sheffield Road to the Borough boundary, to provide access to employment areas in Ickles and Templeborough, and with proposals in development by Sheffield City Council and SYPTTE providing further connectivity to Meadowhall and to tram-train services respectively.

Parts of this scheme in the Templeborough area are proposed to be co-delivered with highways and drainage maintenance works delivered through the Department for Transport's Local Highways Maintenance Challenge Fund.

The MCA funds will be used to fund:

- the preparation of costs associated with the design development of the preferred options. This will include both preliminary design, detailed design and associated scheme promotion and consultation material; and,
- the construction of the package of schemes (including proof of concept on the Sheffield Road cycle scheme).

### **2.3 The Benefits and Outcomes**

The output of the schemes amounts to 2.9km of route for non-motorised users. The Strategic Case sets out the need for a scheme, and the strategic rationale for the delivery of the preferred option which can be accepted based on this being a high quality scheme that will improve local permeability, with subsequent impacts on generating new pedestrian and cycle trips with wider positive traffic, environment and economic outcomes

### **2.4 Sheffield Heart of the City Breathing Spaces Project**

**Appendix B** provides a summary of the scheme appraisal and the suggested conditions of award.

### **2.5 The Project** – This investment is for a £2m grant.

The scheme is to enhance the city centre by creating three new spaces including a pocket park, a vibrant small square on Carver Street and expansion of the Peace Gardens between the Town Hall and the proposed new hotel on Pinstone Street.

The new spaces adjoin developments in the £480m Heart of the City2 (HoC2) project which aims to increase attractiveness to occupiers and visitors

Total costs are £12m with £2m TCF grant alongside Sheffield City Council investing £6m and a further £4m has been approved through the Getting Better Building Fund (GBF).

The TCF proposal will provide a permanent solution on Rockingham Street to improve the reliability of public transport and provide safer routes to promote active travel but provide limited green infrastructure. This project will make walking and cycling more enjoyment attractive and help boost public transport use. The pocket park is adjacent to a proposed new bus mini-interchange on Rockingham Street and a recently installed cycle route into/out of the city centre to western suburbs.

Works will improve accessibility around the town centre and address existing DDA compliance issues.

## 2.6 The Benefits and Outcomes

Based on the assessment of the business case the scheme would provide Low value for money. The value for money of the scheme is enhanced when considered alongside the wider Breathing Places scheme approved through GBF, overall representing Good value for money.

The project aligns closely to SCRMCA SEP and Renewal Action Plan objectives and the scheme objectives are directly aligned to the need to respond to the impacts of COVID-19. The project seeks to achieve four main objectives:

- Recovery from Covid19 by providing safe outdoor spaces for play, events and leisure (footfall counts etc.)
- Addressing climate change through investment in new green infrastructure, including cycling and pedestrian routes (space m2 and length of new routes; cycle counts)
- Catalysing economic growth and investment with a high-quality environment and place making (measure investment £; floor space built/let; job numbers)
- Place Making, attracting more people to live/work in the City Centre (residential units built and occupied; area m2 of adjoining plots sold for development)

The business case describes the complementary nature of the office development, public realm investment and improvement to the transport network as part of a holistic approach to support regeneration in the city centre and increase footfall.

## 2.7 Sheffield Package of Cycling Infrastructure – TCF1 Change Request

The TCF1 programme was due to complete in Mar-20, 2 extensions have since been agreed. Since the last change control in July 2020 Sheffield City Council have encountered additional issues and delays with Portobello, Mappin Street. This impacted the ability to commence works on Broomspring Lane.

A change is therefore requested to extend the programme end date from Jan-21 to Mar-21.

Claims paid to date and forecast spend to the current end date of Jan-21 is £1.6m, an underspend of £370k. Forecast spend to the requested end date of Mar-21 is full grant value.

5 change requests have been considered from SCC in 12 months; this includes Broomspring Lane as additional activity to the original bid. Written assurance has been provided to confirm works will be complete by Mar-21, overruns covered by SCC and that mobilisation has commenced on Broomspring Lane.

The recommendation is to approve subject to all costs defrayed by Mar-21 with all overruns being met by SCC and any underspend returned to DfT.

## Consideration of alternative approaches

- 3.1 Do nothing TCF2:** – The report proposes the TCF2 projects presented today are recommended for approval subject to the conditions set out in the Appraisal Panel Summary Table. To be eligible for grant, expenditure will have to have been defrayed by 31 March 2023.

**Do nothing TCF1 Change Request** - If the scheme change request is not approved, then the scheme would become undeliverable and underspend of £370k returned to DfT.

## 4. Implications

### 4.1 Financial

The projects presented for approval today are profiled to drawdown £11.3m from the TCF allocation of £166.3m.

### 4.2 Legal

The legal implications of the projects have been fully considered by a representative of the Monitoring Officer and included in the recommendations agreed by the Appraisal Panel as presented in the supporting information.

### 4.3 Risk Management

Risk management is a key requirement for each of the submissions and is incorporated into the FBC submissions. Where weaknesses have been identified in the OBCs and FBCs in terms of risk management, further work to capture and mitigate these risks is included as a condition of award in the appraisal panel summary sheets. Risks and Issues management is reported quarterly to the MCA Executive as part of contract monitoring.

High risk schemes will continue to be monitored and any changes will be reported back to the Transport and Environment Board and MCA.

### 4.4 Equality, Diversity and Social Inclusion

Appropriate equality and diversity considerations are taken into account as part of the assessment of the project business case.

## 5. Communications

- 5.1 The business cases for all schemes presents opportunities for positive communications; officers from the MCA Executive Team will work with the relevant officers on joint communications activity at the appropriate.

## 6. Appendices/Annexes

- 6.1 Appendix A: Rotherham Town Centre Active Travel Appraisal Panel Summary  
Appendix B: Sheffield Heart of the City Breathing Spaces Appraisal Panel Summary

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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