

## Appraisal Panel Summary

### Scheme Details

<b>Project Name</b>	Sheffield Heart of the City Breathing Spaces		
<b>Grant Recipient</b>	Sheffield City Council		
<b>SCR Executive Board</b>	Transport and Environment	<b>MCA Funding</b>	£2m (This approval from TCF) £4m (already approved from GBF) £6m (Total)
<b>% SCR Allocation</b>	50% (of the total MCA funding)	<b>Total Scheme Cost</b>	£ 12,000,000

### Appraisal Summary

Project Description
<p>Since 2010, Sheffield City Centre Breathing Spaces Strategy has created award winning open spaces using S106 to match ERDF, Environment Agency and SCR funding. These spaces enrich the wellbeing of residents/ visitors, attracting investment, improve air quality, bio diversity and reduce flood risk. This project will enhance the Rockingham Street element of the City Centre TCF proposals and approved SCC capital funding within the Heart of the City budget. The project stands alone from the wider TCF scheme in the City Centre. This scheme is closely linked to the Heart of the City Breathing Spaces GBF scheme which was approved by the MCA in November 2020.</p> <p>Across the overall Breathing Spaces project, up to three new spaces will be created: a landscaped pocket park on Block G including a cycle hub; a vibrant small square on Carver Street with seating terraces for adjoining cafes and civic space and expanding the Peace Gardens between the Town Hall and proposed Radisson Blu hotel on Pinstone Street. The Pinstone Street element will be primarily delivered through the TCF City centre scheme, and as such, will be subject to a separate TCF business case.</p> <p>The transformation/renewal of Sheffield City Centre has been underpinned by high quality new public spaces and connectivity between them. This has driven demand for commercial and residential development, attracted new businesses and is a key element of Sheffield's distinctiveness. The new spaces adjoin developments within the £480m HOC2 project and will increase attractiveness to occupiers and visitors.</p> <p>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.</p> <p>Immediately adjoining the new square on Carver Street the Council will simultaneously be developing a striking new 71,421sqft office building. The building is being designed to exemplary environmental standards.</p> <p>The new pocket park on Site G is part of a larger site which will be marketed by the Council for delivery by the private sector. In addition to creating a new space for city centre residents, workers and visitors to rest and relax the works will provide an attractive setting for the future development as well as well as providing connectivity across the site and subdividing the plots. The new park replaces a previous proposal to build a multi-storey car park on the site and is a direct response by the Council to both the Climate Emergency and the need to build back better from Covid19.</p> <p>The site is currently a surface car park having previously been the headquarters and central station of South Yorkshire Fire Brigade prior to its demolition. The site of the new park therefore needs to be reclaimed and reshaped to provide fully accessible open space and routes through. The funds will also cover landscaping and, depending on budget costs, new splash and play facilities to attract families to use the park and relieve some pressure on overcrowding of the fountains in the Peace Gardens.</p>

Adjoining the new park on Block G is this TCF proposal on Rockingham St to provide new bus stops, new public realm and restrict private vehicles as a permanent solution to improve reliability of bus movements. These works require a strip of Block G to be taken and so it is proposed to seek approval of £2m TCF funding and deliver the works in a single project as this will ensure more seamless delivery of both elements.

### Strategic Case

The applicant sets out a clear strategic rationale, linking the direct contributions that will be made to the National Planning Policy Framework (NPPF) and national Plan for Growth, government aims to Rebalance the Economy<sup>1</sup> and reinvigorate high streets, the SCR Transport Strategy, the SCC Breathing Spaces Strategy, SCC Local Plan and wider plans for development of Sheffield City Centre, tackling the climate emergency and requirement for reductions in carbon emissions.

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.

### Value for Money

When initially presented to the MCA Executive only the user benefits of improved public transport journeys were included in the assessment of the benefits. This was due to the Rockingham Street scheme coming forward ahead of the wider TCF Cross City Bus scheme. The initial business case presented a transport related BCR of 2.7. However, the modelling and appraisal which had been undertaken for the SOBC was not sufficient to support a decision. The benefit for the Rockingham Street scheme had not been apportioned out nor had there been an estimate of the disbenefits to pedestrians as a result of the change to the location of bus stops. These gaps meant that the benefits would be inflated along with the associated BCR.

By applying the apportionment of the Public Transport benefits with the disbenefits to pedestrians the BCR for the scheme falls from 2.7 to 1.3. Compared to the initial approach adopted by the promoter, this assessment now provides a clearer indication of the impact of the scheme on existing users.

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 consider alongside the wider Breathing Places scheme approved through GBF, overall representing Good value for money.

### Risk

<sup>1</sup> BIS (2016). 'Rebalancing the Economy'

The risks for overall Breathing Spaces project, which includes GBF, TCF and SCC funding, are relevant to this business case. There is however greater emphasis on the transport related outcomes and costs for the specific intervention on Rockingham Street. The key risks to the project in terms of the economic case are:

- User benefits from public transport and active modes are not realised as the number of people traveling to the city centre by these modes are reduced as a result of COVID-19
- That active mode and public transport routes/services facilitated through the scheme do not link with the wider transport network and that residents do not engage in mode shift. This appears to be mitigated through the scheme design, which join important pedestrian, cycling and public transport routes.
- Cost overruns: SCC has committed to funding any cost overrun and so the risk to the SCRMCA are minimised.

The promoter also identifies that COVID-19 has brought a new degree of risk to secure a contractor to undertake the works. The business case highlights that SCC are engaging with several major contractors to reduce this risk and secure a provider.

There will be some disruption to city centre transport routes, along Rockingham and Carver Street, while the project is delivered. As stated above this is seen as necessary to deliver the benefits associated with the scheme. The applicant has listed mitigating actions under the Management Dimension, highlighting “good quality stakeholder engagement with highways department and neighbours to properly plan and communicate work”.

## **Delivery**

With this part of the TCF scheme separated from the wider TCF City Centre Project there is clarity on the deliverability of this investment. The milestones to achieve planning and Traffic Regulation Orders can be achieved in tandem with the wider GBF investment to deliver a coherent scheme. The timescales and milestones are clear and reasonable for the scale of works to be undertaken. The promoter does however need to update these dates to reflect the time for decision making and confirm the final programme once the contractor is appointed. This final programme would be captured in the contract for the scheme.

The Governance, control and management of the project is clearly described as part of the wider Heart of the City Programme. The arrangement is already established, and key individuals are named. This existing structure and governance provide confidence that the scheme will be effectively managed as part of a package of works in this part of the city.

The benefit of delivering the TCF and GBF schemes as one programme of works is also acknowledged. This join-up approach will be more efficient and be less disruptive for people and businesses in this part of the city.

## **Legal**

The proposed scheme will invest in public goods on publicly owned land. Although it will complement wider Heart of the City 2 commercial developments, it will not support them directly. As such the scheme is in line with State aid requirements.

## Recommendation and Conditions

<b>Recommendation</b>	Progress to Full Business Case subject to conditions
<b>Payment Basis</b>	Payment on defrayal
<b>Conditions of Award (including clawback clauses)</b>	
<p><b><i>The following conditions must be satisfied before contract execution.</i></b></p> <p>Following the procurement of a contractor, SCC to confirm the final tender price is in line with the FBC Financial Case.</p> <p><b><i>The following conditions must be satisfied before drawdown of funding.</i></b></p> <p><b>The following conditions must be included in the contract</b></p> <p><i>SCC to work with the MCA to ensure suitable Monitoring and Evaluation is undertaken.</i></p>	

**Record of Recommendation, Endorsement and Approval**

**Heart of the City Breathing Spaces**

<b>Appraisal Panel Recommendation</b>		<b>Board Endorsement</b>		<b>MCA Approval</b>	
<b>Date of Meeting</b>		<b>Date of Meeting</b>		<b>Date of Meeting</b>	
<b>Head of Paid Service or Delegate</b>	Ruth Adams Deputy CEX	<b>Endorsing Officer (Board Chair)</b>		<b>Approving Officer (Chair)</b>	
<b>Signature</b>		<b>Signature</b>		<b>Signature</b>	
<b>Date</b>		<b>Date</b>		<b>Date</b>	
<b>S73 Officer or Delegate</b>	Simon Tompkins Finance Manager	<b>Statutory Finance Officer Approval</b>  <b>Name:</b>  <b>Signature:</b>  <b>Date:</b>			
<b>Signature</b>					
<b>Date</b>					
<b>Monitoring Officer or Delegate</b>	Steve Davenport SCR CA Solicitor				
<b>Signature</b>					
<b>Date</b>					