

## HOUSING AND INFRASTRUCTURE BOARD

7<sup>th</sup> January 2021

### GBF PROGRAMME PROJECT APPROVALS

#### Purpose of Report

The paper seeks approval for two schemes with a value of £2.08m Getting Building Fund (GBF) and seeks delegated authority to the Head of Paid Service in consultation with the S73 and Monitoring Officer to enter into legal agreements for the schemes.

#### Freedom of Information

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

#### Recommendations

The Housing and Infrastructure Executive Board consider and approve:

1. The project 'Goldthorpe Strategic Land Assembly' for award of £0.580m grant from the Getting Building Fund subject to the conditions set out in the Appraisal Panel Summary Table attached at **Appendix A**
2. The project 'Active Travel Bridge' for award of £1.5m grant from the Getting Building Fund subject to the conditions set out in the Appraisal Panel Summary Table attached at **Appendix B**
3. 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 schemes covered above.

## 1. Introduction

- 1.1 On 30th June 2020 the MCA was awarded £33.6m GBF to invest in 'shovel-ready' projects that will provide stimulus to local economies. The funds need to be defrayed by 31st March 2022 which allows an 18-month delivery window.

Guidance received from Government states that Sheffield City Region will be expected to deliver the agreed projects and any significant changes to the projects will be discussed and agreed with the Government in advance. All investment decisions must be undertaken in line with locally agreed audit and scrutiny arrangements.

This paper requests approval of two schemes subject to the conditions set out in the Appraisal Panel Summary Table. with a total value of £2.08m.

## **2. Proposal and justification**

### **2.1 Goldthorpe Strategic Land Assembly**

A grant of £0.580m is requested by Barnsley Metropolitan Borough Council for land acquisition and associated costs such as legal fees, site surveys and planning application fees for an employment site at Goldthorpe.

**2.2** The project builds on the M1 Junction 36 Phase 2: Goldthorpe scheme which has been funded through LGF to make highways improvement works towards the eastern end of the M1 Junction 36 economic growth corridor. This GBF project will deliver the first stage of a three stage land assembly strategy and will provide a catalyst for securing up to 99.31 acres through stage 2. Stage 3 for the remaining 77 acres is part of the long term strategy.

**2.3** The project is considered to have a good strategic fit with the SEP (Strategic Economic Plan) and RAP (Renewal Action Plan). The proposal aims to accelerate delivery of the wider economic development which is consistent with the aims of GBF. The project is estimated to deliver a Benefit Cost Ratio of 30:1 based on the GBF contribution. On this basis the GBF investment offers good value for money.

The project is considered able to deliver within the GBF timeframe, with some initial activity already underway. Planning permission for the new access roundabout to the site is expected to be submitted in June 2021 and acquisition of land expected to be completed in September 2021.

The project is recommended for approval with conditions of planning approval and completed procurement to satisfy before entry into contract.

### **2.4 Active Travel Bridge**

A grant of £1.5m is requested by BMBC to deliver an active travel bridge over the railway linking Penny Pie Park and Pogmoor Recreation Ground to complement and enhance the delivery of the approved A628 Dodworth Road/Broadway Junction Improvement scheme. The bridge aims to open green spaces for local residents, improve a housing sites viability and provide a safe crossing point for school children and other members of the general public. The grant will cover fees, procurement and construction costs.

**2.5** The project provides strategic fit with the RAP and SEP, planning to provide a contribution to the SEP around connecting people to jobs and offering healthy, safe, vibrant green places. The assessment has accepted that the bridge will positively contribute to marketing of the Barugh Green Road site and so will assist to unlock 73 housing units and 6,755 m<sup>2</sup> of floorspace. Overall this would represent a Benefit Cost ratio of 16.4 to 1. ON this basis the GBF investment offers good value for money.

**2.6** The assessment considers the milestones and dependencies to be realistic, with key dependencies of achieving planning permission (expected December 2020) and formal agreement of Network Rail (expected July 2021).

**2.7** The project is recommended for approval with conditions of planning approval and Network Rail agreement to satisfy before entry into contract.

## **3. Consideration of alternative approaches**

**3.1** The project considered a do minimum option of no further works and one alternative option of a smaller project within both business case. Both these options were discounted due to the lack of impact.

## 4. Implications

### 4.1 Financial

The £2.08m approved will assist with delivery against the GBF expenditure target of £33.6m. It is a requirement of the grant that funding must be fully spent by the end of the 21/22 financial year.

### 4.2 Legal

BMBC has undertaken legal advice over the wider schemes and considers that the investments are not state aid.

### 4.3 Risk Management

Delivery risks on the schemes overall costs are covered through conditions attached in the appendices. The main economic risks identified and considered around both proposals relate to low demand for the identified sites, lack of commercial space and low value. 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 Housing and Infrastructure and MCA.

### 4.4 Equality, Diversity and Social Inclusion

BMBC has a social value policy in which they commit to maximising value for money on a whole life basis. The tenders for work will encourage potential suppliers to identify social value benefits and projects will include social value outcomes within contractor agreements.

## 5. Communications

5.1 The business case for these GBF 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 time.

## 6. Appendices/Annexes

6.1 Appendix A – Goldthorpe Strategic Land Assembly Appraisal Panel Summary  
Appendix B – Active Travel Bridge 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

Other sources and references: