

SCR - HOUSING AND INFRASTRUCTURE BOARD

MINUTES OF THE MEETING HELD ON:

THURSDAY, 4 MARCH 2021 AT 1.00 PM

VIRTUAL MEETIN



Present:

Councillor Bob Johnson (Co-Chair)	Sheffield City Council
Gemma Smith (Co-Chair)	Private Sector LEP Board Member
Councillor Glyn Jones	Doncaster MBC
Councillor Julie Grocutt	Sheffield City Council
Councillor Tim Cheetham	Barnsley MBC
Tanwer Khan	Private Sector LEP Board Member
Damian Allen	Doncaster MBC
Mark Lynam	MCA Executive Team
Councillor Sarah Allen (Reserve)	Rotherham MBC

In Attendance:

Colin Blackburn	Assistant Director - Housing, Infrastructure and Planning	MCA Executive Team
Sue Sykes	Assistant Director - Programme and Performance Unit	MCA Executive Team
Carl Howard	Senior Programme Manager	MCA Executive Team
Becky Guthrie	Senior Programme Manager	MCA Executive Team
Daniel Wright	Head of Communications & Marketing	MCA Executive Team
Laurie Thomas	Senior Programme Manager	MCA Executive Team
Tom Hawley		Homes England
Andrew Shirt (Minute Taker)		

Apologies:

Councillor Dominic Beck Rotherham MBC

1 Welcome and Apologies

The Chair, Councillor Johnson welcomed everyone to the meeting.

Councillor Johnson introduced his colleague, Councillor Julie Grocutt to the Board.

Apologies for absence were noted as above.

2 Declarations of Interest by individual Members in relation to any item of business on the agenda

Councillor Johnson declared an interest in matters to be considered at agenda

Item 6 Programme Approvals by virtue of being the Leader of the respective sponsoring authority for the 'West Bar' and 'Porter Brook' schemes.

Councillor Grocutt declared an interest in matters to be considered at agenda Item 6 Programme Approvals by virtue of being an Elected Member of the respective sponsoring authority for the 'West Bar' and 'Porter Brook' schemes.

Councillor Cheetham declared an interest in matters to be considered at agenda Item 6 Programme Approvals by virtue of being an Elected Member of the respective sponsoring authority for the 'Barnsley Town Centre Public Realm – Peel Square' scheme.

Councillor Jones declared an interest in matters to be considered at agenda Item 6 Programme Approvals by virtue of being an Elected Member of the respective sponsoring authority for the 'Doncaster Town Centre Quality Streets' scheme.

D Allen declared an interest in matters to be considered at agenda Item 6 Programme Approvals by virtue of being the Chief Executive of the respective sponsoring authority for the 'Doncaster Town Centre Quality Streets' scheme.

Councillor Allen declared an interest in matters to be considered at agenda Item 6 Programme Approvals by virtue of being an Elected Member of the respective sponsoring authority for the Rotherham Metropolitan Borough Council 'Small Sites' scheme.

T Hawley declared an interest in matters to be considered at agenda Item 6 Programme Approvals in relation to the Rotherham Metropolitan Borough Council 'Small Sites' scheme, due to Homes England investing in the Affordable Housing Grant in the scheme.

3 Urgent items / Announcements

None.

4 Public Questions on Key Decisions

None.

5 Minutes of Previous Meeting

It was agreed that the minutes of the previous meetings of the Housing Board and Infrastructure Board held on 7th January 2021 are an accurate record and may be signed by the representative of the Head of Paid Service.

C Blackburn provided an update on the actions arising from the Board meeting held on 7th January 2021, and were noted as follows:-

- The Growth Area Economic Blueprints would be shared in due course with the MCA Thematic Boards.
- The Mayor had received a letter of reply from George Eustice MP, in

relation to his questions on flooding, negating the need for the reminder letter.

- It was confirmed that all existing schemes within the LGF programme were on schedule to deliver in 2021.

The formatting of the Housing & Infrastructure Dashboard is being amended as requested and will be reported to the next meeting of the Board in June

6 Programme Approvals

N.B. At this point in the meeting, the Co-Chair G Smith assumed the position of Chair for the meeting.

C Howard introduced a report which requested the Board's approval for six schemes with a total value of £9.794m Getting Building Fund (GBF) and Brownfield Housing Fund (BHF) and to give approval for delegated authority.

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

To date, £13.326m grant had been approved across eight projects, with a further £7.255m for consideration in two projects presented in this report. Four remaining projects were still to complete development and come forward for an approval decision.

The Board noted that the MCA had received confirmation of £40.34m BHF award on 22nd December 2020 with the aim of creating more homes by bringing more brownfield land into development.

The report requested approval of the first four BHF projects with a total value of £2.539m schemes.

Peel Square (GBF)

The Appraisal Panel Summary Table attached at Appendix A to the report asked the Board to take a decision whether to support the proposal of a GBF grant of £1.755m requested by Barnsley Metropolitan Borough Council for renewal and diversification of the commercial and economic activity within Barnsley Town Centre. The work includes the removal of stalls and clutter to open up views of the buildings and creating a flexible event space with opportunities for pop up stalls.

The project had a clear rationale and aligned to the SEP (Strategic Economic Plan) and RAP (Renewal Action Plan). The risk around COVID both in the delivery of the capital works and the future use of the Town Square are considered. The project was designed to create flexible town centre space which should help mitigate any longer-term impact of COVID.

The project was considered able to deliver within the GBF timeframe, with

planning in place and a contractor already procured. Works were expected to be completed towards the end of 2021.

The Benefit Cost Ratio (BCR) of the project was anticipated to be up to 1.94, which represents nearly £2 of benefit for every £1 of public money invested. This was considered to represent acceptable value for money.

The project was recommended for approval with a condition of delivery being to agree to undertake a suitable evaluation on completion.

The Board considered and approved the project for award of a £1.755m grant from the GBF.

Doncaster Town Centre – Quality Street (GBF)

The Appraisal Panel Summary Table attached at Appendix B to the report asked the Board to take a decision whether to support the proposal of a GBF grant of £5.5m requested by Doncaster Metropolitan Borough Council for continued delivery of the Doncaster Quality Streets programme to support and enable new investment in the town's urban employment and residential development zones.

The scheme includes a mix of traffic management, street lighting, junction improvements, active travel provision, landscaping and environmental improvements, as well as the provision of new digital infrastructure.

The project had also applied for £3.5m from the TCF (Transforming Cities Fund) which had been considered and approved by the Transport and Environment Board prior to the full £9m request being reported to the MCA for decision on 22nd March 2021.

The project explained how it would meet Doncaster's Inclusive Growth Strategy, their Cycling strategy and Local Plan. It also aligned with the objectives of the Transforming Cities Fund and SEP (Strategic Economic Plan).

The project was deliverable, with budget approvals set for March 2021, preliminary works and procurements were due to begin immediately and the Council planning to utilise in-house suppliers where possible. The project proposed to create 400 jobs over a ten-year period. The project presents a benefit cost ratio of 1.7:1.

Independent assurance of the business case accepts that the calculation is sufficiently detailed and uses robust methodologies. Therefore, the project is considered acceptable value for money.

The project was recommended for approval to go on to the Mayoral Combined Authority meeting for a final decision at the March 22nd meeting.

A condition of delivery was recommended within the assurance panel summary to agree to undertake a suitable evaluation on completion.

The Board considered and recommended that the project be approved,

subject to a final decision being taken by the Mayoral Combined Authority on 22nd March 2021, for award of a £5.5m grant from the GBF.

West Bar (BHF)

The Appraisal Panel Summary Table attached at Appendix C to the report asked the Board to take a decision whether to support the proposal of a BHF grant of £0.655m requested by Sheffield City Council for the West Bar (Bridge Street Highways, Infrastructure and Enabling Works) project which will deliver a new highway retaining wall and road layout to facilitate 2-way traffic on Bridge Street junction with the Inner Ring Road (IRR), Openreach diversion works at Bridge Street and demolition works to clear the West Bar site to enable the construction works.

The work was part of a larger £150 million development to be delivered in partnership with the private sector. Undertaking this work would assist towards enabling the delivery of 368 new private rented housing units, 430m² of commercial floorspace and 5,500m² of associated high-quality public realm.

The project fits well with the Council's New Homes Delivery Plan and meets the objectives of the SEP. The project had identified some delivery risks regarding cost increases with mitigations already in place to minimise the impact on the project. Independent assurance had concluded that the project represents good value for money.

The assessment estimates that the uplift in land value is £2.7m. This represents a BCR of over 4. 2.9

The project was recommended for approval with a condition to monitor the adequate progression of the scheme into delivery. The project would also be asked to provide further explanation around why the national rules on subsidy control are not applicable in this project.

The Board considered and approved the project for award of a £0.655m grant from the BHF.

Malthouses (BHF)

The Appraisal Panel Summary Table attached at Appendix D to the report asked the Board to take a decision whether to support the proposal of a BHF grant of £1.097m requested by Sheffield Housing Company for the Malthouses scheme.

The scheme aimed to deliver 73 new two, three and four bed homes on brownfield ex-housing land in Parson Cross, Sheffield. The funding being sought is to fund the difference between the anticipated Gross Development Value and the higher Gross Development Cost of the scheme.

The project would deliver 3.65% of the local housing annual target and meets the objectives of the SEP.

The project had identified key delivery risks of changes in costs or sales which

may affect overall profitability. These risks are mitigated by the applicant's local experience and having a strong sales strategy in place.

The timeline of project delivery was considered to be realistic, with construction works anticipated to begin in June 2022. Independent assurance had concluded that the project represents acceptable value for money. The assessment estimates that the uplift in land value is £1.298m. This represents a BCR of 1.18.

The project was recommended for approval with a condition to monitor any excess profits, which if realised should be partly used to repay grant. The project was also being asked to provide further explanation around why the national rules on subsidy control are not applicable in this project.

The Board considered and approved the project for award of a £1.097m grant from the BHF.

Porter Brook (BHF)

The Appraisal Panel Summary Table attached at Appendix E to the report asked the Board to take a decision whether to support the proposal of a BHF grant of £0.350m requested by Sheffield City Council for site clearance of the Porter Brook site within the Cultural Industries Quarter of the Sheffield City Centre.

The project focuses on the demolition of a two-storey building on the Porter Brook site which is currently used for car parking, to provide a cleared site that is ready for development. The applicant owns the freehold to the site and has secured vacant possession of premises. Once the site is cleared, Sheffield City Council will seek developer interest for housing targeted at young professional workers, potentially via a build-to-rent development. The site is estimated to have the potential to accommodate up to 200 one- and two-bedroom apartments.

The project had been assessed to have a clear rationale with previous attempts at private sector development unsuccessful. With the Council undertaking the preparatory work this will bring the scheme forward in delivery by an estimated two years. Risks are considered in relation to the wider development of the site.

The scheme was estimated to deliver a BCR of 1.4 and was therefore considered acceptable value for money. Other indirect outcomes such as improving the local labour pool or increasing the visual benefits from the area being enhanced may also add additional value to the scheme.

The project was recommended for approval with conditions to adequately monitor the progression of the scheme. Further risk register information had been requested which deals with risks related to the demolition and site clearance.

The Board considered and approved the project for award of a £0.350m grant from the BHF.

Rotherham Metropolitan Borough Council (RMBC) Small Sites (BHF)

The Appraisal Panel Summary Table attached at Appendix E to the report asked the Board to take a decision whether to support the proposal of a BHF grant of £0.434m requested by Rotherham Metropolitan Borough Council to enable the development of affordable housing on existing brownfield sites.

As part of the Council's Housing Development Programme, 32 homes for rent would be delivered across three schemes, comprising nine Housing Revenue Account (HRA) owned sites.

Scheme 1 focuses on delivering 14 bungalows across two sites, scheme 2 is in East Herringthorpe with plans to deliver 13 houses across 5 sites and scheme 3 is in Thrybergh, delivering 5 houses across 2 sites.

MCA funds are requested to contribute towards land remediation and preparation prior to housing development to help address the viability gap for the sites in question.

The project meets Rotherham Metropolitan Borough Council's local policies and will assist towards meeting annual Council targets. It also contributes towards the themes within the SEP aiming to improve the quality of existing and new housing stock.

The project was estimated to have a BCR of 1.3 which was considered acceptable value for money. Additional national guidance to value the benefits of regeneration indicate that more than £1.5m of indirect benefits may arise from the investment.

Scheme 1 was considered delivery ready, with future schemes planned to take place at a slightly later date.

The project was recommended for approval with conditions to adequately monitor the progression, particularly the delivery of schemes 2 and 3.

T Hawley highlighted that Homes England would be looking to invest in some of the homes in the scheme through the Affordable Housing Programme. Following examination of Government's guidance, Homes England would be responsible for claiming the outputs for the completion of these homes, where they had utilised an Affordable Housing Grant on a property.

The Board considered and approved the project for award of a £0.434m grant from the BHF.

RESOLVED – That the Housing and Infrastructure Board considered and approved:-

1. The project 'Barnsley Town Centre Public Realm – Peel Square' for award of £1.755m grant from the Getting Building Fund subject to the conditions set out in the Assurance Panel Summary Table attached at Appendix A.
2. The project 'Doncaster Town Centre Quality Streets' for consideration at the

- MCA (Mayoral Combined Authority) for award of £5.5m grant from the Getting Building Fund subject to the conditions set out in the Assurance Panel Summary Table attached at Appendix B.
3. The project 'West Bar' for award of £0.655m grant from the Brownfield Housing Fund subject to the conditions set out in the Assurance Panel Summary Table attached at Appendix C.
 4. The project 'Malthouses' for award of £1.097m grant from the Brownfield Housing Fund subject to the conditions set out in the Assurance Panel Summary Table attached at Appendix D.
 5. The project 'Porterbrook' for award of £0.350m grant from the Brownfield Housing Fund subject to the conditions set out in the Assurance Panel Summary Table attached at Appendix E.
 6. The project 'RMBC – Small Sites' for award of £0.434m grant from the Brownfield Housing Fund subject to the conditions set out in the Appraisal Panel Summary Table attached at Appendix F.
 7. 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 schemes 1, 3, 4, 5 and 6 covered above.

N.B. At this point in the meeting, the Co-Chair Councillor Johnson re-assumed the position of Chair for the meeting.

7

Emerging South Yorkshire Digital Infrastructure Strategy

C Blackburn introduced a report to inform the Board of the key elements of the emerging South Yorkshire Digital Infrastructure Strategy.

The Board was reminded that the consultant Arcadis had been commissioned in June 2020 to support the MCA and partners to prepare the South Yorkshire Digital Infrastructure Strategy.

Initial findings from Phase 1 of the commission which involved obtaining the views and requirements of a range of public and private stakeholders was reported to the Board in October 2020.

The Board received a detailed presentation from M Harrop, Senior Strategic Opportunities Director at Arcadis which provided details of the vision and emerging strategic proposals for the Strategy. A copy of the presentation was set out in Appendix A to the report.

The views of the Board were invited on the emerging proposals for the Strategy.

The Board supported the proposed draft vision and the following five key goals/objectives:

1. Ensure South Yorkshire's superfast broadband and 4G success is repeated for Gigabit broadband and 5G;
2. Support the social and economic priorities set out in the Strategic Economic Plan;
3. Form an inclusive platform that enables better outcomes for all sections of society;

4. Be supported by the Governance and data-driven approach needed to maximise the digital potential of South Yorkshire; and
5. Position South Yorkshire as a centre of applied digital innovation.

The Board asked that a timeframe be developed when the Board would receive further details on the final Strategy and detailed Action Plans.

M Harrop replied that the aim of today's meeting was to help inform the Policy Framework and that there were further detailed specific actions which sit behind the framework, which Arcadis would be working up with the MCA Executive Team and Steering Group.

The Board noted that 96%+ of 30Mbps 'Fibre to the Cabinet' broadband was available in the region and asked if this could be increased to 100% coverage.

M Harrop replied that the remaining 4% of broadband availability was in relation to coverage in rural areas. Good progress was being made to extend this coverage across South Yorkshire through the Superfast South Yorkshire programme, and work was taking place to consider an option to deliver fixed wireless broadband in rural areas.

The Board asked if Cyber Security had been considered as part of the Strategy.

In response, M Harrop said that the Strategy did not specifically contain details on Cyber Security. He suggested that further work would need to be undertaken around educating children and small businesses about how to protect their systems, networks, devices and data from cyber-attacks.

The Board requested that the Strategy includes details in relation to digital poverty, to examine how to address the current inequalities.

In relation to the reliability of the network, the Board requested that the Strategy needed to be clear about technical broadband specifications. They also asked that investment be prioritised in the SEP Growth Areas.

The Board commented that there was a need within the communications element of the Strategy to articulate what cannot be achieved without better information technology. Furthermore, the Strategy should clarify what the impact is upon families and businesses due to the high dependency on technology in light of the Covid-19 pandemic.

The Board also requested that work be prioritised to address the lack of data centre capacity within the region.

The Board noted that the Strategy and further details on its implementation would be presented for consideration at the Board's next meeting in June.

The Board thanked M Harrop for his interesting and informative presentation.

RESOLVED – That the Housing and Infrastructure Board:-

1. Supported the emerging evidence base and the proposed draft Vision and key objectives to inform the Draft South Yorkshire Digital Infrastructure Strategy; and
2. Noted the proposed next steps in preparing the Strategy.

8 Forward Plan

C Blackburn presented the Board's Forward Plan for Members' information.

RESOLVED – That the Housing and Infrastructure Board noted the contents of the Board's Forward Plan.

9 Any Other Business

None.

In accordance with Combined Authority's Constitution/Terms of Reference for the Board, Board decisions need to be ratified by the Head of Paid Services (or their nominee) in consultation with the Chair of the Board. Accordingly, the undersigned has consulted with the Chair and hereby ratifies the decisions set out in the above minutes.

Signed

Name

Position

Date