



Assurance Panel Summary

Scheme Details

Project Name	Sheffield Future High Streets Fund – New Front Door Scheme	Type of funding	Capital Grant
Grant Recipient	Sheffield City Council	Total Scheme Cost	£31.1m
MCA Executive Board	Infrastructure	MCA Funding	£3m
Programme name	Gainshare	% MCA Allocation	9.5%

Part A - Appraisal Summary

Strategic Case			
<i>Project rationale</i>	<p>The MCA will contribute £3m of the match funding required to deliver the “New Front Doors” element of the programme. The funding will be used for access and refurbishment works to buildings on Fargate and High Street. The other £2m will come from funding secured under the MHCLG Future High Streets Fund. SCC will not be investing any of their own funds in the New Front Doors project but will be investing £2m in total in the rest of the programme.</p> <p>The £26.1m of private sector funding at this stage is not committed or secured . This reflects the total amount the business owners intend to spend on their buildings upon receipt of public sector funds. Each building is still being reviewed to establish if there are any changes in costs/assumptions/design and assessed by SCC.</p> <p>The Front Door Scheme will operate by allocation of capital grants. The prioritised list is being reviewed to see if the outcomes are still achievable and if there is any change in the viability gap. Building owners are being engaged to establish the status of their proposition and understanding of the anticipated timescales.</p>		
<i>Strategic fit</i>	See Annex 1 at the end of this form.		
<i>Proposed outcomes</i>	<p>Under the “Stronger” Strategic Outcomes of the SEP, the Front Door Scheme will deliver against “Enterprise” and “Employment”, by bringing back into use 7,893m2 of vacant/underused commercial floorspace and 398 gross jobs.</p> <p>Under “Fairer”, construction tenderers will be required to submit Employment & Skills Plans. However, more detail is needed on what social outcomes this commits the contractor to.</p> <p>Contribution to ‘Greener’ objectives of the SEP claimed in the business case are currently unquantified (air quality/net zero) and will require further clarification at the next stage of business case development.</p>		
Value for Money			
<i>Core monetised Benefits</i>	£25,379 per net additional job £3.87m of GVA over 10 years Return of £1.64 per £1 of MCA investment	<i>Non-monetised and wider economic benefits</i>	22 gross additional housing units
Value for Money Statement			

Based on the information provided in Appendix A.4 and the 'note on outputs', the project is estimated to create 118 net additional jobs, at a cost of £25,379, per job to the MCA. The project is also estimated to generate £3.87m of GVA over 10 years. This equates to a return of £1.64 per £1 of MCA investment. Based on MCA investment VfM is acceptable.

The project is also estimated to deliver an additional 22 gross residential units with MCA investment. However, more detail is required at OBC stage to estimate the land value uplift. This would result in an additional improvement to the VFM position.

More detail is required at OBC stage to quantify and monetise the social and environmental impacts and benefits as part of the wider value for money assessment.

Risk

The top 5 risks as presented in the business case:

1. Capital Costs of delivering interventions are higher than budgeted for (Likelihood: Med / Impact: High)
2. Front Door Scheme dependent on private sector finance/timescales (Likelihood: Med/ Impact: High)
3. Co funding not secured (Likelihood: Low / Impact: High)
4. Construction disturbance (Likelihood: Med / Impact: Med)
5. Reputational risk associated with delays or non-delivery (Likelihood: Med / Impact: High)

Reasonable mitigation measures appear to be in place; however, risk impact for most items is high with a medium probability. This should be reviewed at OBC stage.

Delivery

Timescales need to be established. Most of the key milestones are to be confirmed.

Legal

A final 'Subsidy Control' opinion is awaited from the SCC Legal team. This will be shared with SCR when completed.

Annex 1 – Strategic Policy Fit

To what extent does the project meet the MCA's strategic objectives as set out in the of the MCA Corporate Plan 2021-22?

Outcome	Strategic Objective	R/A/G Rating	Comments
Stronger Achieve sustained good growth, underpinned by productivity gains that	Leading an economic transformation by: 1. creating not just a bigger economy but a better one: higher-tech, higher skill, and higher-value - backing wealth and job creators	R	
	2. enabling businesses to survive, adapt and thrive and be more innovative and resilient as we come out of the pandemic and resulting economic downturn	G	

exceed the UK average	3. stimulating local economies by investing in the infrastructure, transport and digital capabilities to create jobs and transform places	G	
Greener Drive forward environmental sustainability to achieve our net-zero carbon target by 2040	Leading a green transformation by: 4. decarbonising our economy, regenerating the natural environment and accelerating Net Zero Carbon transition	A	
	5. capitalising on technological and scientific capabilities to improve the resilience and quantum of clean energy supply, storage, distribution and usage	A	
	6. revolutionising transport, getting South Yorkshire moving by foot, bike, bus, tram and train	A	
Fairer Unlock prosperity by eliminating the wage gap and health inequalities between South Yorkshire and the national average	Leading a wellbeing and inclusion transformation by: 7. raising quality of life, reducing inequality, and widening opportunity for South Yorkshire people	A	
	8. equipping people to contribute to and benefit from economic prosperity	A	
	9. supporting people to improve their skills, get back to work, remain in or progress in work, or set up in business and thereby accelerate social mobility	A	

Part B - Recommendation and Conditions

Recommendation	Proceed to OBC
Payment Basis	
Conditions of Award (including clawback clauses)	
None	

