

## Assurance Panel Summary



### Scheme Details

<b>Project Name</b>	Sheaf catchment flood alleviation scheme	<b>Type of funding</b>	Capital Grant
<b>Grant Recipient</b>	Sheffield City Council	<b>Total Scheme Cost</b>	£25m
<b>MCA Executive Board</b>	Housing and Infrastructure	<b>MCA Funding</b>	£0.8m for development costs.
<b>Programme name</b>	Gainshare	<b>% MCA Allocation</b>	3.2%

### Part A - Appraisal Summary

Project Description			
<p>The project aims to reduce flood risk and deliver a range of benefits in Sheffield's Sheaf and Porter valleys which contains a significant proportion of Sheffield's employment and residential areas. This project is at a very early stage and all of the existing funding request relates to pre-construction work. The MCA is asked to contribute towards pre-construction activities that will require undertaking. Further detail about what these activities entail and whether funding from the other partners could be forthcoming should be explored as the project develops.</p>			
Strategic Case			
<i>Scheme Rationale</i>	Funding and investment will not be forthcoming without public sector intervention, and value can be created through intervention. There is a clear role for public sector intervention here, since realising the value potential will not be forthcoming from the private sector.		
<i>Strategic policy fit</i>	See Annex 1.		
<i>Options assessment</i>	The difference between the Viable alternative and Preferred option appears to come down to level of ambition; the preference being for infrastructure built to a higher standard. This doesn't have any bearing on the MCA contribution.		
<i>Statutory requirements and adverse consequences</i>	N/A		
Value for Money			
Core monetised Benefits	N/A	Non-monetised and wider economic benefits	<ul style="list-style-type: none"> <li>- 370 homes better protected from flooding</li> <li>- 253 businesses better protected from flooding</li> <li>- 05.km2 land better protected from flooding</li> <li>- 7,250 new jobs</li> </ul>
Benefits have not been monetised at this very early stage. The funds requested would go towards developing this kind of detail. Currently there		These figures are likely very elementary estimates based on the potential <i>scale</i> rather than deliverable benefits.	

is a sense of the potential scale, along with an estimate for number of businesses and jobs supported through intervention.
<b>Value for Money Statement</b>
Further information on the full scheme costs and benefits will be required as the project develops.
<b>Risk</b>
<p>Top 5 risks as presented in the business case are:</p> <ol style="list-style-type: none"> <li>1. Unable to secure the necessary funding to deliver the project (Likelihood: Med / Impact: High)</li> <li>2. Time constraints attached to different funding sources conflict (Likelihood: Med / Impact: High)</li> <li>3. Stakeholder objections to elements of the proposed scope (Likelihood: High / Impact: High)</li> <li>4. “overheating” in the construction sector (Likelihood: Med / Impact: Med)</li> <li>5. Future mutation of Covid 19 causes severe impacts (Likelihood: Med / Impact: Med)</li> </ol> <p>All risks appear to have appropriate mitigation measures in place.</p>
<b>Delivery</b>
The project is at an early stage of development. Preliminary timescales for delivery of the key milestones appear reasonable, but likely to change as the project develops.
<b>Legal</b>
The applicant makes the case that, as a public realm infrastructure project, the investment is not likely to be classed as a subsidy.

## 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
<b>Stronger</b> Achieve sustained good growth, underpinned by productivity gains that	<b>Leading an economic transformation by:</b>  1. creating not just a bigger economy but a better one: higher-tech, higher skill, and higher-value - backing wealth and job creators	<b>A</b>	Flood resilience doesn’t specifically translate into high value activity
	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	<b>G</b>	Higher land values and corresponding economic potential will be created through better flood protection

exceed the UK average	3. stimulating local economies by investing in the infrastructure, transport and digital capabilities to create jobs and transform places	<b>G</b>	Higher land values and corresponding economic potential will be created through better flood protection
<b>Greener</b> Drive forward environmental sustainability to achieve our net-zero carbon target by 2040	<b>Leading a green transformation by:</b> 4. decarbonising our economy, regenerating the natural environment and accelerating Net Zero Carbon transition	<b>A</b>	Depending on the scheme design this could contribute hugely to natural environment value – there is currently too little detail.
	5. capitalising on technological and scientific capabilities to improve the resilience and quantum of clean energy supply, storage, distribution and usage	<b>A</b>	Depending on the scheme design this could contribute to this element.
	6. revolutionising transport, getting South Yorkshire moving by foot, bike, bus, tram and train	<b>A</b>	Depending on the scheme design this could contribute to green transport ‘corridor’
<b>Fairer</b> Unlock prosperity by eliminating the wage gap and health inequalities between South Yorkshire and the national average	<b>Leading a wellbeing and inclusion transformation by:</b> 7. raising quality of life, reducing inequality, and widening opportunity for South Yorkshire people	<b>G</b>	Scheme likely to contribute to ‘placemaking’ for communities around the Sheaf catchment
	8. equipping people to contribute to and benefit from economic prosperity	<b>A</b>	Value will be created through better flood protection – but this alone will not target people not currently benefitting from economic prosperity
	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	<b>A</b>	Value will be created through better flood protection – but this alone will not target people not currently benefitting from economic prosperity

## Part B - Recommendation and Conditions

<b>Recommendation</b>	Proceed to OBC
<b>Payment Basis</b>	
<b>Conditions of Award (including clawback clauses)</b>	
The applicant needs to assure themselves that the £800,000 development costs can be claimed as capital expenditure for eligibility through the Gainshare capital funding.	

