

SCRIF Stage 1A Outline Business Case

PROMOTER'S INFORMATION			
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SCHEME DETAILS			
Scheme name:	Sheffield City Centre Package		
Scheme location:	The package includes works at 15 locations across the city centre		
Lead delivery organisation:	Sheffield City Council		
Other delivery partners & roles:	University of Sheffield, Hallam University, New Retail Quarter (NRQ) – Scottish Widows (SWIP), URBO		
Scheme Type (refer to and complete Annex 1)	T1 – Highways R8 – Urban Design/Gateways E1 – Flood Defence		
Which category / code (Annex 1) does the majority of your scheme fall within:	T1 – Highways		
Total Scheme investment:	£59m		
Total Private investment:	£22.7m		
Total Other public sector investment (non-SCRIF funding):	£15.6M		
Total SCRIF funding sought (£):	£20.7M	SCRIF as % of total scheme investment:	35%

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SCHEME SUMMARY

Please provide a summary description of your scheme (approx. 300 words). Append any graphics.

[Description to include a summary of scheme purpose, required investment, location, and direct and indirect benefits that will be delivered]

Sheffield City Centre is the key driver of the City Region Economy, especially for the knowledge, creative/digital industries, retail, leisure, higher education, research, culture and knowledge-based business sectors as well as its shop window and focal point. Previous experience shows amply that in Sheffield a crucial precondition to achieving investment and job growth to date in these sectors has been the role of public realm, transport infrastructure and accessibility. The Sheffield City Centre scheme therefore involves a composite package of measures in four strategic areas comprising a number of separate but linked interventions drawn from the City Centre Master Plan 2013 and the campus masterplans of the universities', which are two of the largest employers producers of GVA for Sheffield's economy.

The proposed package seeks to improve the infrastructure and environment to stimulate economic regeneration in the following four key areas, selected from the overall City Centre Master Plan 2013, each addressing different strategic objectives:-

- The Moor/New Retail Quarter/Central Business District –consolidation of the shopping offer as a key component of the Central Business District and wider City Region offer
- Sheffield Hallam University (SHU) Campus/Sheaf Valley Business District – development of the Hallam Campus and refresh of the Cultural Industries Quarter with improved accessibility for the mainline Railway Station
- University of Sheffield (UoS) – development of the Engineering and Science capacity supported by an upgrade of the wider Campus public realm, extending the high quality Gold Route and improvements to the adjacent Inner Ring Road junctions and crossings
- Riverside Business District & Castlegate – transformation of redundant carriageway to linear green space, transforming the setting of the Riverside Business District and Hotel Area, creating attractive pedestrian/cycle routes, sustainable drainage and low maintenance high impact public spaces

Figure 1 attached illustrates the locations of the four areas of development and the infrastructure interventions proposed.

The interventions are as follows:

- **Moor/NRQ/CB**

A Moorhead/Furnival Gate/Charter Sq (closure to general traffic of a key city centre road and reallocation of road space to pedestrians and public transport);

B Moorfoot - City Gateway South (Improved crossing facilities across the Inner Ring Road at a Gateway site to the city and public realm improvement to the Steel Route to connect to Moor retail area);

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- **Hallam University/Sheaf Valley Business District**
 - C **Paternoster Row/Pond St** pedestrian priority and safety improved bus infrastructure/ public realm along key University/Cultural Industries Quarter Gateway);
 - D **Fitzalan Square** (removal of eastbound circulatory arm, buses & taxis within area for creation of new public square);
 - E **Sheffield Station Access** - improvements to taxi rank, drop-off and cycle facilities and accessibility;
- **University of Sheffield Campus/Inner Ring Road**
 - F **Hounsfield Quarter** - Public realm to accommodate new Science Building
 - G **Leavygreave Rd/ Gell St Portobello St** Pedestrian Priority and setting for new Engineering School, soon to be largest in the UK (University Gold Route extension)
 - H **Western Bank** Pedestrian crossings connecting campus and University Gold Route extension
 - I **Upper Hanover St** crossing points connecting new Engineering School via University Gold Route extrn
 - J **Broad Lane** – connectivity to North Campus
 - K **Brook Hill Roundabout** (reconfiguration & re-routing of major junction in improving pedestrian arm crossing movements and capacity at key congestion point)
- **Riverside Business District (RBD) Grey to Green corridor**
 - K **Shalesmoor to Bridge St including Snig Hill** - creating the setting for largest office site in the City, 94,000 sq floorspace at West Bar as well as for the , Spring St and the Courts sites
 - L **Ladys Bridge to Park Square** – creating the setting for further phases on new business and mixed use development by Carillion at the Square, Exchange St and in future at the Castle Hill sites
- **Pedestrian/Cycle Facilities** - improving long distance pedestrian/cycle improvements into and across the city centre

The delivery of these schemes will require a total investment of £59m, of which come £20.7M funding is sought from the SCRIF process. Other funding sources include developer funding, contributions from the two universities, SLTP, Lottery, ERDF and DEFRA funding and other sources.

The programme is expected to realise £613M of GVA benefits in terms of direct job creation, resulting in a BCR value of 10.4.

The various scheme drawings of the works proposed are included as **Appendix A** to this bid.

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Why is the Scheme needed and what it will deliver for the Sheffield City Region (approx. 300 words)

The City Centre is the key employment centre and transport hub of the region. It is an established commercial, cultural and retail centre, home to two major internationally recognised Universities, well served by excellent public transport and a key destination for workers, shoppers and students. It is therefore one of the most attractive areas for prospective developers and private sector investment.

The Sheffield Economic Strategy 2013 sets out a vision of a city with;

- Unrivalled quality of place
- Cultural assets which bring vibrancy to the whole region
- High performing home-grown Creative and Digital Industries
- Two world class Universities
- A major event programme
- Expertise in Advanced Manufacturing

Most of these assets are associated with and will largely develop from a successful and high performing metropolitan City Centre.

Market failure has brought development to a halt in key areas such as office space, retail and housing despite demand (see below). Many opportunities exist but require leadership by the City to provide an early stimulus and a restoration of confidence.

1. STRATEGIC CASE

SHEFFIELD CITY REGION STRATEGIC VISION & OBJECTIVES

Vision: Sheffield City Region will be the best place to collaborate, to invest, to innovate and grow a business, and live, work, play and study. It will be supported by an unrivalled skills base and quality of life.

Objectives: this vision to be delivered by:

- ☐ Increasing the Sheffield City Region's Gross Value Added (GVA);
- ☐ Increasing the number of jobs in the Sheffield City Region / overall employment rate;
- ☐ Rebalancing the economic base of the City Region, by: 1) increasing the proportion of the workforce employed in the private sector; and 2) helping address the economic performance gap that exists between the City Region (as with other northern city regions) and the Greater South East; and
- ☐ Capitalising and enhancing the quality of life in the Sheffield City Region and delivering sustainable economic growth.

1.1 SCHEME RATIONALE

What opportunity or barrier will SCRIF investment unlock? Please make specific reference to barriers to economic growth. (approx. 500 words)

The work streams identified in the document relevant to this programme are

- ☐ "Providing the infrastructure to unlock growth" with the use of SCRIF funding

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- ☐ "Improving the quality of place" Encourage investments in City Centres to ensure their sustainability and vitality
- ☐ "Supporting business growth" Support collaboration and innovation through partnerships and collective working and
- ☐ "Developing the workforce that businesses need" To forge strong links between training and education providers and encourage higher skills in the City Region.

Sheffield City Centre has experienced a transformation over the last 20 years from industrial decline and depopulation to a growing business, university, cultural and residential centre. This has been driven by the city's exemplary public realm and access programme which has provided the setting and image for this change. But this process is far from complete with several key areas and themes still in need of urgent investment to maintain the momentum in a highly competitive international market. Whilst Sheffield has endured a relatively low economic activity rate it has built on its track record for advanced manufacturing and engineering, access to a highly skilled workforce and an influx of graduates from both Universities. With the resurgence of manufacturing now is the time to invest in the university schools which particularly drive this key advantage for the City Region, which are the schools on Engineering and Science.

The Strategic Economic Plan states that the city centre needs to provide a more significant draw from the facilities it provides including high quality retail, hotels, housing and public realm delivering the attractiveness as a regional and international destination.

The Barriers

Regeneration stalled after the 2008 crash and has yet to regain confidence. There is evidence of market failure in several key sectors ;

- Office and business space – there has been no new floorspace started since 2007 and the annual Knight Frank floorspace Survey for Sheffield 2013 indicates the city has virtually no available Grade A office space available and only one scheme – 3 St Pauls – in the pipeline.
- Retail – Sheffield's retail rating – between 19 and 32 depending on which survey is used - sits far below its size and spending power would suggest and this anomaly is now a major deterrent to all kinds of location decisions from the individual to corporate levels. A recent report by CACI for the City Council shows that the city is bleeding retail spend on a large scale which could be recovered if a suitable offer was available in the City Centre
- Vibrancy – although the city attracts significant numbers of visitors and hotel stays the spend per visit is far below other comparable cities, due to a mix of poor connectivity and offer with the main hotel locations (Vibrancy Strategy)
- University campuses – both Universities (and particularly Sheffield) have remained buoyant and highly rated but are in danger of losing students and investment due to poor quality and disconnected campus areas which affect first impressions massively.
- The Cultural Industries Quarter – one of UKs first, has now been in existence over 25 years and is shabby and stalled. It needs a refresh of its core public realm which it shares with Hallam U and new development sites to be unlocked
- Traffic congestion and poor road safety for pedestrians and cyclists particularly around the Inner Ring Road are both constraints on further investment in the City Centre
- The need to reduce carbon fuel use and to prepare for already evident climate change both particularly impact on the City Centre which suffers from the worst congestion, air quality and flood/heat island risks

The Opportunities

- A number of developers are in possession of sites and planning permissions for new office space which could be brought forward with the confidence and stimulus of improved infrastructure
- The consolidation of the CC retail offer has got under way with the relocation of the Markets in 2013 and the start of regeneration of the Moor. The Council has now taken over the lead on the

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adjoining New Retail Quarter, has a very attractive proposition to partners including full control of the land, a new Investment Fund and access to TIF borrowing

- The Castlegate regeneration project offers a new place-making role for the oldest quarter of the City Centre increasing vibrancy and offering opportunities for start-ups and innovation
- Both Universities are planning major expansion in their campuses and are keen to partner with the City to create the right setting and accessibility for this investment
- The UoS is also participating directly in the regeneration process through its Engaged University programme which is currently targeted in Castlegate and has helped to develop a number of innovative projects one of which is the Grey to Green Corridor.
- The completion of the Inner Ring Road North in 2008/9 has created an opportunity to extend the boundary of the City Centre including the Riverside Business District and the Canal Basin and to improve on its performance at key junctions.
- Walking and cycling as a means of travel are increasing at above national rates in Sheffield
- The city and its partners are developing new and innovative ways to create a more sustainable and climate change resilient city centre environment
- The City Centre has developed a reputation for world class public spaces and their management which inspires confidence from individuals and organisations
- The case for locating Sheffield CR's HS2 Station in the City Centre is gaining ground and will provide a very significant long-term stimulus to the whole centre and particularly to the Riverside Business District
- The City Centre housing stock has increased sevenfold to over 20,000 over the past 15 years with a large percentage of rented student and one bed units but now shows signs of restarting with a wider mix of sizes and tenures adding to its appeal to skilled workers

The programme tackles these barriers and embraces the opportunities based on extensive work on the City Centre Master plan 2013, as well as in the two University Campus Master plans and the draft NRQ Master Plan (BDP 2014)

Both Universities play a crucial role in the economic, social and cultural attractiveness of the City and particularly in the development of the knowledge-driven economy of the City Region as a whole and both are largely located in and around the City Centre so their ability to attract and retain students, researchers and investors is bound up with its quality and distinctiveness.

Sheffield does not have a long history of major office employment but has made significant progress in establishing three new Business Districts since 2000. But it still lacks a sufficient supply of new Grade A office space. The programme seeks to address key issues of access and environment which will support and stimulate further investment.

How will your scheme contribute to the achievement of the City Region's Strategic vision and growth objectives? (approx. 300 words)

Sheffield City Centre is a major employment centre for the wider City Region. Around 60,000 people work in the City Centre and a workforce of over 1 million people live within one hour's drive. The benefits that the scheme will generate will be shared by the entire region's population.

By definition Sheffield City Centre is at the forefront of its City Region, in terms of developing this brand and building on existing infrastructure, improving the core and heart of the region will not only realise most benefits to the whole region's population but also have the greatest impact on promoting this brand.

It also contains the main clusters of a significant number of key growth sectors for the region.

- It is home to the region's only Universities and their research establishments
- as well as a large number of knowledge based business service providers,
- its major creative/digital clusters,

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- the leading cultural assets such as galleries and theatres
- an established and growing cosmopolitan city centre population.

The City Centre also presents some of the best opportunities for sustainable and low energy living and for countering the effects of climate change such as flooding and heat islands.

Whilst the significant progress made over the last 20 years has created a strong base for the development of these sectors the transformation remains partial and there are still significant gaps and failures in the urban infrastructure which are holding it back have been identified through consultation and research.

Outline how the scheme fits with national, sub-regional and local investment plan policies. Also outline whether there are any conflicts, and whether any stakeholder consultation has been undertaken/received. (approx. 600 words)

National

The National Planning Policy Framework (NPPF) states that its overall aim is "to help achieve sustainable development" and this is based on three dimensions – an economic, a social and an environmental role. The NPPF also considers that developments that generate significant movement should be located where the need to travel will be minimised and the use of sustainable transport modes can be maximised.

Fundamentally the scheme seeks to improve connects and the environment for sustainable modes of travel. This includes the provision of new crossings, reallocated road space and urban realm improvements. This is consistently highly consistent with the NPPF and also the suite of national and regional transport and planning policies, in respect to promoting these modes of travel and the road user hierarchy.

Sub-regional

The Sheffield City Region Economic Overview (March 2013) identifies the key priorities for economic growth in the Sheffield City Region. This project addresses its four central objectives, two in particular: capitalising on the quality of life in the Sheffield City Region to deliver sustainable growth and secondly, to increase the number of jobs in the Sheffield City Region.

The five work streams identified in the document are relevant to this project but in particular:

- "Providing the infrastructure to unlock growth"
- "Improving the quality of place" - Encourage investments in City Centres to ensure their sustainability and vitality
- "Supporting business growth" - Support collaboration and innovation through partnerships and collective working and
- "Developing the workforce that businesses need" - To forge strong links between training and education providers and encourage higher skills in the City Region.

Local

In overall SCC policy terms the City Centre programme will help to achieve the City's Corporate Plan outcome – 'A Great Place to Live', by improving transport infrastructure and contributing to regeneration both in terms of new employment and supporting housing growth. It will also meet the 'A Strong and Competitive Economy' priority by creating the right environment for business and enterprise to develop.

The schemes will support the key objectives/priorities of the following material policy documents:-

- Sheffield Development Framework – Core Strategy (2009)
- Sheffield City Region Economic Overview (2013)
- Sheffield City Centre Masterplan (2013)

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- Sheffield Economic Strategy – “Bigger Economy, Better Business, Faster Growth” (2013)
- EDRF 2007/2013 – South Yorkshire Operational Programme / Prospectus

Policy CS 5 of the Core Strategy promotes the growth of innovative and expanding businesses (especially knowledge based and high technology manufacturing) near to the universities, which is one of the key themes in the scheme.

Support for the strategy comes from the following studies and Council-approved guidance

- Creating a Setting for Investment (University of Sheffield 2008) & Heart of the City Impact Study (Genecon 2011)
- Sheffield City Centre Urban Design Compendium(2004)
- Sheffield City Centre Breathing Spaces Strategy(2011)

What are the implications if the scheme does not secure SCRIF investment? (approx. 300 words)

The infrastructure projects described in this document will not happen without SCRIF. Also, some of the dependent projects identified by other partners, such as Urbo, Carillion, SWIP the universities may not happen or will be less successful without the key infrastructure improvements identified in this application.

The Council is working with a number of key partners and funding agencies which will all bring funding from numerous different sources, reflecting the scale of investment required to address the delivery of the desired benefits. These include private investment, University Funding, Sustainable Local Transport Programmes, ERDF, Lottery etc

This will form the bulk of the £613m investment projected over the next ten years.

However the SCRIF is the main pump-priming resource to provide physical infrastructure across highway, transport, public realm which stitches these initiatives together and creates the confidence at the start of the economic cycle.

SCRIF provides a degree of certainty over a ten year delivery programme.

Are the economic outcomes of the scheme dependent upon any other project or investment? (approx. 300 words).

[An example - SCRIF investment helps provide funding for access to a development site, but additional funding (either private or other public) is needed to develop out the site and therefore deliver the economic outcomes].

As noted, the overall scheme also depends on funding and investment from the following sources:

- Sheffield University
- Sheffield Hallam University
- Developer partners (including SWIP, Carillion, Urbo and the soon to be selected New Retail Quarter partners)
- East Midland Trains/Network Rail (Station)
- S106/CIL contributions (Public Open Space etc)
- ERDF (Riverside)
- Amey/Streets Ahead (the Authorities PFI provider)
- Lottery Funding (Castlegate)
- TIF borrowing/Sheffield Investment Fund (New Retail Quarter)

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Appendix B to this bid includes letters of support from the following key stakeholders: Sheffield University, Sheffield Hallam University, Carillion (key land owner for the Riverside Business District),

Appendix C to this bid includes a full breakdown of the funding by scheme and by contributor.

Appendix D provides a 10 year outline programme of investment and outputs

STRATEGIC CASE ASSESSMENT (TO BE COMPLETED BY THE ASSESSOR)

Does the scheme have a clear strategic rationale and align to SCR Growth Plan objectives?

Sheffield City Council is seeking £20.7m SCRIF investment into a series of 14 public realm and highways improvement projects across the City Centre. This is a large scale investment – the total cost of the projects is estimated at £59m – and should therefore have the potential to deliver economic benefits on a sub-regional scale.

The proposed projects are grouped into four key spatial areas of intervention: 1) The Moor, New Retail Quarter and CBD; 2) Sheffield Hallam University / Sheaf Valley Business District; 3) University of Sheffield; and 4) the Riverside Business District.

The strategic rationale on a City Region scale for SCRIF investment is based upon Sheffield City Centre's role as the main focus of economic activity and transport connections across the sub-region. Development and regeneration has stalled in the City since the 2008 recession, particularly through the inability to deliver new business, office and retail space. This has meant that the city centre has been unable to deliver the levels of investment and jobs growth needed to help stimulate the sub-regional economy.

The rationale for investment in public realm and highways improvements is that these interventions will stimulate economic regeneration by providing attractive physical conditions for new development and boosting private sector investor confidence through demonstrable public sector commitment to the City. This rationale can be drawn from the evidence in the bid, although the case would benefit from more specific evidence of the link between environmental improvements and future investment.

Good analysis of the barriers and opportunities for development in the City Centre has been provided, for example the shortage of Grade A office space highlighted in the 2013 Knight Frank Floorspace survey.

The project has a strong basis in sub-regional and local policy. At the City Region level, particular alignments are highlighted with the ambition in the SEP to generate a more attractive offer from the City; and the link drawn in the Economic Overview (2013) between quality of life and jobs growth. The basis of the projects in local economic and planning policy appears strong, particularly in the 2013 City Centre Masterplan – although this could be outlined better with specific examples of objectives from the documents listed. The strategic case would be strengthened by reference to the Government's growth strategy and cities policy, to complement references to the National Planning Policy Framework.

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2. COMMERCIAL CASE

2.1 DEMAND CASE

Please set out the demand justification for SCRIF investment in this scheme, in relation to the anticipated private sector investment and associated jobs and GVA outcomes. Draw on and set out the evidence that you have to support this (approx. 500 words)

Demand

Demand for office space is supported by the annual Office Market Review by Knight Frank 2013 which has shown that take-up has remained steady during the last two years and that the City Centre is now running out of available space and has no supply pipeline.

Retail demand is supported by a recent survey by CACI for the City Council (2014).

Public and Stakeholder support for the wider programme has been tested by extensive consultation on the City Centre Master Plan during 2013 which registered approval levels of between 80 and 95% for all propositions (SCC Report of Consultation)

Partner support is substantiated by a number of letters of support attached at **Appendix B**

Employment and GVA Outcomes

The Authority has taken a cautious approach in forecasting immediate job creation but recognising the potential for far wider ranging and extensive benefits that can be delivered by a composite programme such as this. Standard job/floorspace multipliers have been discounted using local knowledge of the type of occupant where known (eg many University Buildings will house mainly students who are not classed as jobs created).

Outputs are shown in relation to years 1-3 (2015-17) 4-6 (2018-21) and 7-10 (2022-5) **Appendix D**

Using the anticipated employment ranges described above, adjustments have been made to reflect leakage (jobs taken up by local residents - assumed 90% of forecast), substitution (jobs completely new to the area and note relocated from existing area - assumed 50% of forecasts) and multiple factors (an allowance for support to the core jobs, i.e. 100 new jobs are supported by 10 ancillary). The adjusted job creation forecasts are then multiplied by the Yorkshire and Humber GVA per hard value (source: table 1: NUTS1: regional GVA1,2, 2011) and discounted accordingly to give a combined GVA value of £613.4M.

A breakdown of the GVA calculations is included as **Appendix D**.

It is noted the following general benefits are also expected but not captured in an economic sense given the complexity and scale of the scheme proposed, the above GVA figures are thus considered conservative:

- More demand for university places
- Better educational output
- Better connectivity to and through the city centre
- Enhanced public realm
- Greater retail demand and outputs
- Promotion of sustainable modes of travel
- Improved pedestrian priority
- Road safety benefits and accident reduction
- A reduction in congestion and travel times

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- Improved accessibility to development land.
- Lower Carbon Footprint

Please outline any market testing which has been undertaken to evidence the demand case, and provide any evidence that demonstrates that the private sector will respond to this opportunity (approx. 300 words).

There is already considerable private sector support for the scheme and demand for suitable land/premises in the city centre. Letters of support from both Universities and two major land owners are attached as **Appendix B** to this bid for reference.

If private developers will be required to deliver scheme outputs, at what stage are discussions/negotiations? (approx 200 words).

The overall package of proposals for the City Centre has significant support from the private sector including several commitments to partnership funding. This includes:

- **New Retail Quarter.** The City Council is now nearing the selection of an alternative development vehicle and will be taking the investment proposition to the market in the summer. It has also established an Investment Fund of its own which may take an equity stake in the development. It should be noted that the SCRIF ask for the Retail Core is independent of the eventual developer but will increase the attractiveness of any investment by providing key infrastructure necessary to unlock the development and integrate it with the wider city centre. Following the termination of development agreements with Hammerson the City Council is in process of acquiring all their land interests leaving it and the Homes and Communities Agency in control of the site.
- **Moor/ Scottish Widows Investment Partnership (SWIP)** have been working with the Council for some time, including via the City Centre Masterplan, and are fully supportive of the New Retail Quarter and Moor Regeneration proposals, of which the Citygate South enhancements are part. Discussions are at an advanced stage, and they have contributed detailed design work on a number of economic infrastructure proposals. SWIP hold all the development sites in the Moor Estate on long lease from the City Council
- **Riverside Business District.** The City Council has development agreements in place for major regeneration schemes on adjacent sites with Carillion and Urbo and both companies are fully supportive of these proposals (see also Letters of Support attached). Urbo have a majority land holding in the West Bar site and have taken over a development agreement from the previous developers by which the Council has in principle committed to use CPO powers to acquire the outstanding interests if required. Carillion has a development agreement with the City Council as landowner to purchase and develop the remaining sites within the Square development. The Council owns the entire Castle Hill site.
- **The Universities** have both recently produced their own campus Master Plans and accompanying Investment Programmes which include the proposals to be supported by SCRIF and which will be firmed up as part of the Full Business Case process. They are fully aware of the SCRIF proposals and the SCRIF funding is an integral part of their investment. Further investment decisions will be finalised during the period of Full Business Case development. The University of Sheffield owns all the development sites within its Campus Master Plan. Hallam University owns the Science Park and Charles St sites and will conclude negotiations with the owners of the former GPO by June 14. They are also in negotiation with the HCA to acquire the Sheaf St site as soon as possible. Fitzalan Square student housing and teaching facility in the former GPO will result in significant investment to enhance the public square under as Section 106 Agreement and will create a much better setting regeneration of the old Post Office site, a significant development scheme that is being carried out in

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partnership with Sheffield Hallam University.

COMMERCIAL CASE ASSESSMENT (TO BE COMPLETED BY THE ASSESSOR)

Has market potential / demand been adequately assessed / evidenced in relation to GVA and job outcomes?

The market demand case relies upon the assumption that SCRIF investment will facilitate new development, particularly of new office and retail property.

Strong evidence is provided of the potential occupier demand for new Grade A office space in the City Centre from the recent Knight Frank report. Evidence of demand for new retail development appears to be based on retail spending analysis from the 2014 CACI report.

GVA calculations are based upon the commercial floorspace which would be created if all Local Plan allocations in the City Centre are realised. Whilst the employment calculations using this figure are conservative, the total GVA figure should be considered with a degree of caution, particularly given the difficulty in proving the direct link between environmental improvements and investments. All jobs and GVA figures should be regarded as *indirect* economic benefits of this investment.

The case highlights that the project has the potential to deliver a range of social and environmental benefits which are wider than simply the economic analysis of potential office and retail floorspace and jobs.

How robust is the evidence that the private sector will respond to the opportunity?

Private sector commitment to developing sites at the Moor (Scottish Widows) and Riverside Business District (Urbo and Carillion) appears as strong as may be expected at this stage in the respective development programmes and given the economic climate. Likewise the Council is pursuing partnership arrangements with the two universities to develop a range of sites across the City Centre. Letters of support have been provided from Carillion, Urbo and Sheffield Hallam University.

The greatest risk of failing to secure private sector investment appears to relate to the New Retail Quarter, given the history of the terminated development agreement with Hammerson and the difficulty in securing a new private sector investment/developer partner, although the City Council is actively seeking a new partner.

Other sources of funding have been identified including contributions from developers, East Midlands Trains, the two universities, plus public sector match funding from the Sheffield TIF and CIL, Lottery, ERDF and DEFRA. It is not clear from the application what the status and level of commitment of any of these funding sources is.

Given the nature of the proposed SCRIF funded projects (public realm and highways), it is difficult to fully evaluate how the investment directly correlates to private sector development and investment prospects. Where private sector partners have been engaged, the Stage 1B Full Business Case would benefit from the demonstration and evidence of any of the particular projects would enhance the likelihood and / or speed of private sector-led development. The case may also be strengthened by a considering and outlining the priority of the 4 areas (in strategic terms) and comparing this with the projects and development prospects which should be prioritised from a delivery point of view.

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3A. ECONOMIC CASE – ALL SCHEMES TO COMPLETE

3A.1 PREFERRED OPTION OUTPUTS ANALYSIS

Please complete the following table as a summary of the direct and indirect gross outputs delivered by the Scheme. For Transport Schemes, also see section 3B.

Table 3A.1: Preferred option – gross outputs

	Direct outputs dependent on or delivered by the Scheme	Indirect outputs associated with the Scheme	Total Gross Outputs
FTE construction job years			
Commercial Floorspace created (record use class)	13,610		
Potential Commercial Floorspace unlocked	448,000 sq.m of employment		448,000 sq.m of employment
Housing units			
FTE Jobs	13,650		13,650
GVA	821M		821M
Private sector investment leveraged	£11.45m		
Other public sector investment leveraged	TIF £4m EA £.5m CIL £1.25m ERDF £3.4m Streets Ahead £3m Total £19.65		
Other (specify)			

For the outputs presented in Table 3A.1, set out below the assumptions from which these have been assessed:

Table 3A.2: Preferred option – gross outputs – Key assumptions

	Direct outputs dependent on or delivered by the Scheme	Indirect outputs associated with the Scheme
FTE construction job years		
Commercial Floorspace (record use class)	Based on local plan allocations	
Potential Commercial Floorspace unlocked		
Housing units		
FTE Jobs	Based on standard employment rates for type of land use proposed modified by local knowledge	

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GVA		
Private sector investment leveraged		
Other public sector investment leveraged		
Other (specify)		

ECONOMIC CASE ASSESSMENT (TO BE COMPLETED BY THE ASSESSOR)

Does the scheme appear to offer reasonable value for money in gross terms (making reference to benchmarks)

The potential number of gross jobs which may be indirectly generated following SCRIF investment has been calculated at 13,650 over a ten year period. This has been calculated based on an assessment of 616,991 sqm of potential additional commercial floorspace if all sites allocated in the Local Plan are developed. After discounts have been applied this represents one job for every 45sqm, which is a conservative estimate when compared to standard floorspace to jobs ratios. Nonetheless, the total floorspace in the Local Plan allocations may represent a significant over-estimate of the development which SCRIF will facilitate.

Jobs estimates are also provided for the first three years following SCRIF investment. It has been confirmed with Sheffield City Council that this estimate is 2,850 although this is not completely clear from the calculations provided. There are a number of calculation inconsistencies within Appendix D which should be resolved.

However, using the 2,850 jobs figure (Years 1-3) the cost per gross indirect job of SCRIF funding is £7,263; and of total public sector investment is £12,737 per job. Using the 13,650 jobs figure (over Years 1-10) the cost per gross job of SCRIF funding would fall to £1,506; and for total public sector investment, to £2,659. If realised, this would represent very good value for money as compared to the PWC/BERR (2009) assessment of RDA investment:

- Public realm investment: cost per **net** job £118,945 (2002-7); cost per **gross** job £30,028 (future potential output).
- Cross cutting regeneration: cost per **net** job £79,514 (2002-7); cost per **gross** job £11,487 (future potential output).
- All regeneration through physical intervention: cost per **net** job £63,721 (2002-7); cost per **gross** job £14,914 (future potential output).

These ratios suggest that the full level of public funding needed to deliver all of the outputs of the projects is unlikely to be accounted for in the figures supporting the SCRIF investment, and that potential job creation (even as indirect jobs) may well be overestimated.

It is recognised that jobs and GVA calculations can be a blunt instrument for measuring the economic benefits of this type of intervention. However, further consideration should be given at Stage 1B as to how the economic benefits of this investment can be properly accounted for.

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3B. ECONOMIC CASE – TRANSPORT SCHEMES ONLY TO COMPLETE

NOTE: COMPLETION IS NOT MANDATORY AT STAGE 1A, ALTHOUGH PROMOTERS HAVE THE OPTION TO COMPLETE IF THEIR SCHEME IS SUFFICIENTLY ADVANCED TO BE ABLE TO DO SO

At Stage 1A it is not mandatory to complete the Transport Value for Money Case but if promoters do have evidence that they want to be taken into account, they can report it below.

If not, promoters are asked to provide an estimate of the anticipated BCR position for their scheme, perhaps based upon comparator evidence.

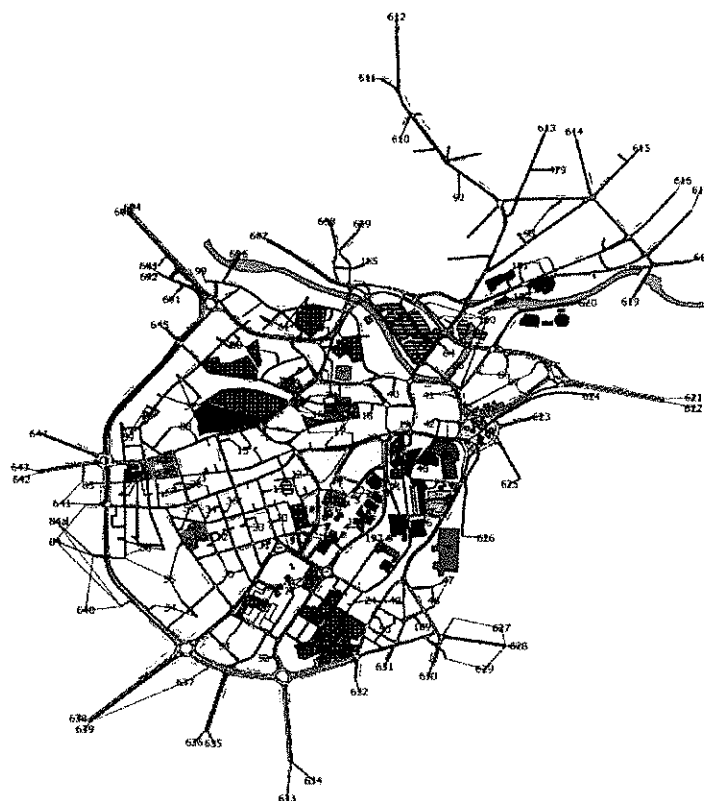
3B.1 APPRAISAL SPECIFICATION REPORT

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Please outline whether an Appraisal Specification Report (ASR) has been completed setting out your proposal for transport modelling, or whether it is your intention to complete the ASR between Stage 1A and Stage 1B.

It is the Authority's intention to prepare an ASP between Stages 1a and 1b for those elements of actual Transport Investment, principally the alterations to the Inner Ring Road at Brook Hill junction. Most of the other investments are mainly either pedestrian/cycle priority measures, reduction of redundant carriageways or pedestrianisation and as such would not benefit from Webtag or similar modelling.

The Authority has over the last decade developed an AIMSUN micro simulation model of the City centre corridor which has been used to test and develop the proposals put forward historically and test alternative options. Specific elements of the proposal have also been assessed and tested using a combination of standard junction modelling programs such as TRANSYT, ARCADY, and LINSIG in combination with data from Sheffield City Councils City Centre AIMSUN micro-simulation model. The figure below indicates the extent of the City Centre AIMSUN model



The City Council has over the last decade developed an AIMSUN micro simulation model of the City Centre which has been used to test and develop proposals and options. Specific elements of this programme have been assessed using standard junction modelling programmes such as TRANSYT, ARCADY and LINSING in combination with data from the Council's City Centre AIMSUN model. The figure above indicates the extent of the model coverage.

The City Centre AIMSUN model was calibrated and validated to 2008 traffic flows and queue length data. Changes that have been made to the Sheffield road network since 2008 (for example signal timings updates,

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and minor highway works) have been incorporated into this base model. The model is currently being re-validated. However due to very low traffic growth in the past few years, SCC expects the model to still be good representation of the current traffic conditions.

The Aimsun model utilises 2008 AM and PM peak hour Origin Destination (OD) matrices and uses Dynamic traffic assignment based on stochastic route choice for a given network. The OD matrices consist of cars, light goods vehicles and other goods vehicles. Public transport in the form of trams railways and buses runs on a fixed time plan and network.

It is therefore the intention to complete the above process and use the micro simulation model to appraise the scheme fully in due course. The network model exists to undertake a full appraisal of the combined city centre schemes and conducted a Webtag compliant economic appraisal of the benefits in due course. To that end the Council is recalibrating and validating the model to those standards to ensure the next stage of modelling is undertaken on an appropriate base.

The model has however been used as a tool to develop and test the measures put forward as part of this package, along with detailed junction modelling software to refine and identify suitable solutions. A note summarising the modelling of the Furnival Gate scheme which involves the partial closure of a city centre route is included as **Appendix E** to this bid.

3B.2 DESCRIPTION OF FORMAL NETWORK MODEL

If a formal network model has been used please describe it using the headings in the table below

<i>How is the scheme represented in the model</i>	<i>Information regarding the transport modelling to follow</i>
<i>Calibration and Validation of the Base Year Model in the area around the scheme</i>	
<i>Data Collection Relevant to the Scheme In Question</i>	
<i>How does it model demand responses – route choice, mode choice, destination choice, and time of day?</i>	
<i>How has future year demand been forecast?</i>	

3B.3 ECONOMIC APPRAISAL

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If a formal network model has been used there is no need to repeat the information from Section 3.1, but any off-line adjustments to the model outputs should be discussed here.

Estimates of PVB etc should be presented as they would appear in the Analysis of Monetised Costs and Benefits in the units defined in the version of WebTAG prevailing at the time this form is submitted.

How have the unit benefits of the scheme been estimated	
How has the base demand been estimated?	
How has the forecast demand been estimated in the without the scheme case?	
How has the forecast demand been estimated in the with the scheme case?	
What time periods have been modelled	
What annualisation factors have been used	
What is the Present Value of Benefits (£'000 discounted to 2010 in 2020 prices) – this should exclude wider economic impacts	
Present Value of Costs (£'000 discounted to 2010 in 2020 prices)	
Benefit to Cost Ratio	
Please describe any sensitivity testing that has been undertaken and provide a table showing PVB, PVC and BCR	

3B.4 ENVIRONMENTAL APPRAISAL

Describe the expected impacts and rate them on the standard 7 point scale from the WebTAG Appraisal Summary Table.

Impact	Summary of Key Impacts	7 Point Scale
1. Noise		
2. Air quality		
3. Greenhouse gases		
4. Landscape		
5. Townscape		
6. Heritage of historic resources		

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7. Biodiversity		
8. Water environment		

3B.5 SOCIAL AND DISTRIBUTIONAL

At this stage it is necessary to complete only the screening Stage from WebTAG 3.17

Social and Distributional Analysis

Item	Expected Impacts positive or negative
User Benefits	Positive
Noise	Positive
Air Quality	Neutral
Accidents	Positive
Security	Positive
Severance	Positive
Accessibility	Positive
Personal Affordability	Positive

ECONOMIC CASE ASSESSMENT (TO BE COMPLETED BY THE ASSESSOR)

If an Appraisal Specification Report has been prepared, is it appropriate to the scale of the Scheme proposed and therefore suitable to enable a robust business case appraisal at Full Business Case Stage 1B

What Value for Money Category have you ascribed to this scheme?

Have any adjustments been made to the analysis provided by the bidder and why?

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What are the key risks, sensitivities and uncertainties relating to the analysis?

Are there any significant environmental disbenefits or missing analyses?

Are there any significant social and distributional impacts or missing analyses?

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4. MANAGEMENT CASE

4.1 DELIVERABILITY

What is the current position of the scheme? (please tick one option)

Concept i.e. specified in outline form, but no detailed assessment has been undertaken	Varies from concept for parts to design stage for others
Feasibility i.e. the scheme's feasibility has been assessed in engineering terms and an initial economic appraisal undertaken (if applicable)	
Business case i.e. outline or full business case has been produced including preliminary engineering design and economic appraisal (if applicable)	

Assuming approval is given for the scheme to proceed to Stage 1B, Full Business Case, if the promoter is aware that their scheme is likely to require Webtag appraisal and the agreement of an Appraisal Specification Report, then they should present their best judgment on how much modelling and data collection work they think will need to be undertaken based on what they know is already available (i.e. existing models and/or age of input data), and how long they think this will take to assemble and therefore impact on deliverability.

As noted the scheme promoter is aware a Webtag appraisal for the Brookhill Junction project is required in due course, the tool to undertake that appraisal from a traffic perspective exists in the form of an AIMSUN model of the City centre area, including all the areas of interest.

The model is currently being recalibrated and revalidated to reflect changes to the network since 2008 and to ensure it meets the requirements of an appropriate exercise. It is also being combined with some other corridor models that exist. Hence it has not been possible to undertake a full stage 1b appraisal at this juncture given the status of the modelling update.

This exercise is however ongoing but nearing completion and the necessary data to do so has already been collected and used to appraise the suitability of the model.

Within the timescales of the Stage 1A appraisal the model has been used as a tool to develop the current proposal, refine them and appraise their costs with a view to continuing their development as the scheme progresses. The Authority has been confident to do so, as their ongoing monitoring of traffic levels in the City Centre show little change from the models 2008 development year to the present day, given the intermittent recession.

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Assuming the SCRIF investment sought is approved, give a realistic indication of when the scheme would commence. Please justify your response taking into account factors such as the time required to secure statutory powers, secure match funding, procure contracts etc.

The anticipated overall programme is as follows:

Construction start date – February 2015

Construction completion (overall works) – March 2018

Anticipated start dates for the main elements are listed below, these dates will be refined and firmed during the Full Business Case Stage:

2014/18

- Hallam /Sheaf/Station
 - Hub Sq
 - Start on site Sept 2014
 - Complete Spring 2015
 - Paternoster Row
 - Start TBC
 - Complete
 - Fitzalan Sq
 - Start TBC
 - Complete
 - Station Access Improvements Phase 1
 - Start April 2014
 - Complete Sept 2014
 - Station Access Phase 2
 - Start TBC
 - Complete
- RBD G2G Corridor
 - Phase 1 - Start 1st October 2014
 - Complete Sept 2015
- The Moor /NRQ/CBD
 - Moor City Gateway South
 - Start Feb 2015
 - Complete Sept 2015
 - South Lane & St Mary's Gate
 - Start TBC
 - Complete
 - Moorhead Pedestrian Priority/Bus Gate
 - Start TBC
 - Complete
 - Charter Sq
 - Start 2015
 - Complete 2016
- Sheffield University/Inner Ring Rd
 - Phase 1 Upper Hanover St Crossings/Western Bank Crossings/Leavygreave West pedestrianisation/Broad La Crossing and Redhill Link
 - Start 2015

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- Complete 2016
- Phase 2 Leavygreave/Regent St/St Georges Terr Pedestrianisation
Start 2017
Complete 2018
- Phase 3 St Georges Green
Start TBC
Complete
- University Sq/Arts Tower Court
Start
Complete
- Brookhill Junction improvements
Start 2016
Complete 2018

Delivery Constraint/Risk

Scheme Position

Planning consents Much of the work will take place in the Highway and may not require Planning Permission but will require Highway Authority approval

CPOs

CPO for New Retail Qtr has been confirmed and land acquisitions are almost complete. A CPO Resolution is in place for West Bar and may be considered subject to landowners' intentions.

Public consultation

Extensive consultation was accrued out in 2013 on the City Centre Master Plan containing most of the proposals included in this programme. This demonstrated very high levels of approval of the proposals at a level of principle. Further more detailed consultation will be carried out as part of the Planning and Delivery Framework

Public Inquiry

Not anticipated

Traffic Restraint Orders

To be dealt with on a scheme by scheme basis

Transport and Works Act

Not applicable

Public sector match funding

To be agreed

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Private sector match funding

To be secured through planning framework

Procurement contracts

1st quarter 2015

Please indicate whether the following have been secured/agreed fully or in part, or provide an estimation of when they are likely to be secured. Please provide any detail which will support your business case. Insert N/A if not applicable to the scheme.

Delivery Constraint/Risk	Scheme Position
<i>Planning consents</i>	
<i>CPOs</i>	
<i>Public consultation</i>	
<i>Public Inquiry</i>	
<i>Traffic Restraint Orders</i>	
<i>Transport and Works Act</i>	
<i>Public sector match funding</i>	
<i>Private sector match funding</i>	
<i>Procurement contracts</i>	

Please provide your anticipated timetable for delivery including the key milestones you anticipate at Stage 1B, Stage 2 and Stage 3

The anticipated programme is as follows:

Stage 1A – complete by end of April 2014
 Stage 1B – complete by September 2014
 Stage 2 Statutory process – complete by September 2014
 Stage 2 – complete November 2014
 Full approval – March 2015
 Award–Jan 2015
 Mobilisation – Jan 2015
 Construction start date – February 2015
 Construction completion (overall works) – March 2018

Please confirm whether the lead partner currently has the resource/expertise and structures in place to

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manage and deliver the scheme? If not, outline what would need to be undertaken to be 'delivery ready' (e.g. project management arrangements, recruitment, governance structures etc).

Sheffield City Council has the project management systems, skills and track record to be able to deliver this. Sheffield CC has all the project management skills, experience and management systems in place to deliver this programme successfully. The Council has strong financial monitoring systems and also delivery and procurement credentials as demonstrated by many years of delivering, externally funded award-winning and popular public spaces, projects and many highway schemes,

The existing SCC SCRIF Steering Group, with membership from all appropriate Divisions within the Council, will continue, under the leadership of David Caulfield, Director of Regeneration and Development Services. This proven arrangement will oversee the delivery of SCRIF Projects and coordinate internal resources. Additional resources will also be required, and will be procured via the existing Yorconsult Framework, with its proven legal and corporate oversight.

Strong, existing Partnerships with the two Universities in Sheffield, working together on the Development of Masterplans, will continue. As will the existing partnerships with the private sector, delivering for example, Sheffield's New Retail Quarter. Evidence of this joint working – and support for the SCRIF submissions – is provided by the Letters of Support attached.

The Council has dedicated resource to deliver its major projects using PRINCE2 project management at both the programme and individual project level. Value Management and engineering supports the Authorities ISO 9001:2008 Quality Management system. The Council's structure for delivering major highway and transportation projects is in line with the OGC and PRINCE2 methodologies. One of the key principles governing the project is to manage by exception.

The council has a proven track record in delivering highways and transport proposals in the local community, whilst providing careful management of the LTP funding and the delivery of schemes within that plan. SCC has a long-established record delivering,;

- Award-winning public realm schemes, such as the Peace Gardens, and the "Gold Route"
- Public-Private Partnership schemes, such as The Heart of the City.
- Major publicly funded partnership projects such as the Sheffield Midland Station Gateway
- Major Infrastructure projects such as the Sheffield Inner Relief Road

As well as a history of successful delivery of;

- LTP, LSTF ERDF, Better Bus Area and Pinch point funded programmes, for example.

The key officer responsible for the scheme will be: Nick Silvani (Transport Planning Manager) and Simon Ogden (Head of City Regeneration) who will share Project Sponsorship for the delivery of the programme and will report to the respective project boards.

4.2 MONITORING & EVALUATION

Set out in broad terms what you anticipate will need to be monitored and evaluated in order to assess whether the project has met its objectives.

The general approach to monitoring will be in line with the DfT's document "Monitoring and Evaluation Framework for Local Authority Major Schemes". The project manager will have overall responsibility for monitoring and evaluating the scheme post completion. The benefits created by the scheme will be reported annually.

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Job Creation/Floorspace:

The new jobs created by the proposed scheme will be monitored through regular contact with the development control and planning teams at SCC As well as the collation of data from the ultimate developers of the sites in question through direct returns from the major partners such as SWIP, Carillion, Urbo, the Universities etc.

Transport:

The transport benefits of the scheme will be captured by before and after traffic surveys at areas of interest, with measures made of vehicular delay and queuing.

Public Realm

The Public Realm outputs will be monitored through footfall measurement and achievement of the Council's City Centre maintenance standards

Targets for Jobs and Floorspace are summarised in Appendix D.

MANAGEMENT CASE ASSESSMENT (TO BE COMPLETED BY THE ASSESSOR)

How 'delivery ready' is the scheme and what scope is there for significant delays were funding to be approved?

The scheme represents an ambitious programme to deliver 14 public realm and highways improvements projects over a three year period 2015-18. The projects will be delivered by Sheffield City Council who have indicated that they have the necessary experience and resources to deliver this type of programme. A robust project management process is in place and project sponsors have been identified.

An indicative timetable has been provided, although the timing of a number of the projects is not stated. This makes a full assessment of the realistic delivery of the projects difficult. At Stage 1B the applicant should provide a complete timetable which demonstrates that issues of traffic management and resource capacity have been considered, in order to manage and deliver all projects between February 2015 and March 2018.

The applicant recognises that a full WebTAG assessment will be needed for the Brookhill Junction project, but has not indicated how long this would be expected to take. Again, this should be given proper consideration at Stage 1B Full Business Case.

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ASSESSMENT SUMMARY (TO BE COMPLETED BY THE ASSESSOR)

Please summarise your assessment of the scheme's strategic fit and set out any recommendations

The strategic rationale on a City Region scale for SCRIF investment is based upon Sheffield City Centre's role as the main focus of economic activity and transport connections across the sub-region. The project proposal has a strong basis for support in terms of City Region investment policy.

The rationale for investment in public realm and highways improvements is that these interventions will stimulate economic regeneration by providing attractive physical conditions for new development and boosting private sector investor confidence through demonstrable public sector commitment to the City. The strategic rationale for investment is strong, assuming that the proposed economic benefits can be realised.

Please summarise your assessment of the scheme's market potential in relation to the delivery of jobs and GVA outcomes, and set out any recommendations

Given the nature of the proposed SCRIF funded projects (public realm and highways), the challenge is to show how the proposed investment will leverage private sector development and investment prospects. It is understood that it should be possible to strengthen this with evidence for example of Sheffield Hallam University and Sheffield University's investments intentions at the Stage 1B full business case stage. Letters of support have been provided at this Stage, however at full business case stage they will need to be much more explicit about the impact of SCRIF investment and the influence on the private sector investment decision.

The Commercial Case also needs to be strengthened by considering and outlining project priority based upon an assessment of the level of commitment / confidence in which development / private sector investment is capable of being brought forward quickest.

There is reasonable evidence of demand for the types of development being proposed on the development sites, and private sector partners appear committed to develop sites at the Moor (Scottish Widows) and Riverside Business District (Urbo and Carillion), although timescales and proposals need to be clarified. The greatest risk of failing to secure private sector investment appears to relate to the New Retail Quarter, given the history of the terminated development agreement with Hammerson and the difficulty in securing new private investment.

It is recommended that at Stage 1B the Commercial Case should be supported by evidence from development appraisals for the sites which can come through fastest, with priority given to those projects which are most likely to secure development and the economic benefits which will result.

Please summarise your assessment of the scheme's value for money and set out any recommendations

Cost per job calculations suggest that the SCRIF investment would represent very good value for money should the projected economic benefits be realised.

The Stage 1A case outlines that the total scale of the potential if all the city centre development projects within the 4 areas linked to the proposed SCRIF investment projects would be more than 13,500 jobs, over a 10 year period.

The business case has however been presented on the 2,850 jobs that are expected to come forward in the first three years. Even at this level, the cost per gross indirect job of SCRIF funding would be c. £7,250; and of total public sector investment is £12,700 per job. Even at this level, cost per job would be below ratios applied for Regional Growth Fund and significantly below the ratios established by the PWC/BERR (2009) assessment of RDA investment. With the 10 year job projection, the cost per job ratios fall to a very low level and would suggest that the full level of public funding needed to deliver all of the outputs of the projects

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is unlikely to be accounted for.

The Stage 1B full business case should draw an even tighter relationship between the development projects, job outputs, and the relationship with the proposed SCRIF investment.

Please summarise your assessment of the scheme's deliverability (in terms of the risks to scheme commencement) and set out any recommendations

The scheme is ambitious, given the desire to complete 14 highways and public realm projects in a little over three years. In principle, the scheme is deliverable within the period February 2015 – March 2018 given Sheffield City Council's experience of other similar projects. Consideration has already been given to project management issues.

However, without a complete and accurate timetable of works it is difficult to properly assess deliverability, especially since projects will have to run concurrently throughout the period. This would be expected at Stage 1B Full Business Case.

The applicant recognises that a full WebTAG assessment will be needed for the Brookhill Junction project.

More detail on the expected delivery, critically timing of the associated development projects will be needed at Stage 1B.

Summarise your overall assessment of the scheme and recommendations for SCR

It is recommended that this proposal moves forward to Stage 1B full business case preparation. There is a clear strategic case for SCRIF investment supporting the delivery of key Sheffield city centre projects at the heart of the Sheffield City Region. The proposed SCRIF projects have been grouped into four key spatial areas of intervention: 1) The Moor, New Retail Quarter and CBD; 2) Sheffield Hallam University / Sheaf Valley Business District; 3) University of Sheffield; and 4) the Riverside Business District. There also appear to be some good private sector partners (assuming the two universities are considered private sector) associated with these four spatial areas.

The strategic rationale for the SCRIF investment is based upon Sheffield City Centre's role as the main focus of economic activity and transport connections across the sub-region. Development and regeneration has stalled in the City since the 2008 recession, particularly through the inability to deliver new business, office and retail space. The SCRIF investment is being argued as catalytic with the potential to leverage a number of investments of city region-wide economic importance. The full business case Stage 1B will need to strengthen the evidence that SCRIF investment once provided will be able to lever at least initial stage of private sector investment.

Sheffield City Council is proposing that just the investment associated with the Brookhill junction will be taken forward for WebTag appraisal. This appears a pragmatic proposal given that this is the main direct transport project, but SCR will need to confirm that it accepts this proposal given the scale of the SCRIF investment proposed. Further work/analysis will also need to be undertaken to assess how the SCRIF investment can be released in stages, related to the delivery of individual investments.

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Annex 1: Schemes Types

Code	Scheme Type	Description/example	Proportion of Total Scheme (%)
Transport			
T1	Highways	New roads, widening, junction improvements etc.	
T2	Rail	New lines, station improvements, rolling stock, changes in time table, electrification	
T3	Tram	New lines, rolling stock, changes in time table	
T4	Bus (including BRT)	Bus priority, vehicle investment, smart ticketing, park & ride	
T5	Active modes (on a grand scale)	Large scale infrastructure investment eg segregated routes	
T6	Traffic management	SYITS type investment	
Regeneration			
R1	Housing	New development, refurbishment & retrofit (links to Green Deal etc and energy efficiency)	
R2	Commercial development	New development, refurbishment	
R3	Site remediation and preparation	Site demolished and prepared for redevelopment	
R4	Investment in the rural economy	New development, refurbishment	
R5	Development service infrastructure	Provision of water, gas, electric, and drainage (surface water and foul) services	
R6	Site development access roads	Construction of spine roads linking to the highway network	
R7	IT infrastructure including Broadband	Homes and businesses given access to high-speed internet	
R8	Urban design / gateways	Improvement to commercial/residential space. High quality public realm	

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Code	Scheme Type	Description/example	Proportion of Total Scheme (%)
Energy and water			71
E&W1	Energy generation (e.g. sub stations)	High Voltage Cabling, Gas network investment, New substation / upgrade, smart metering	
E&W2	Energy generation (biofuel stations, wind farms)	Production of alternative forms of energy such as biomethane, biogas, wind, energy from waste, geothermal, hydro.	
E&W3	Efficiency (e.g. lighting, insulation)	Replacement of bulbs to low-energy. Retrofit of buildings (commercial, industrial and residential) to improve the fabric of buildings and the lighting, heating, ventilation and cooling systems. Links to investment in housing in particular.	
E&W4	Energy distribution (e.g. Combined Heat and Power network)	Energy efficient processes, extensions to the network – pipework and heat stores.	
E&W5	Water Storage and distribution	New water stores for the supply of water	
Environmental			29
E1	Flood defence	Improved and sustainable drainage/new defences/upstream storage	
E2	Land decontamination	Removal of waste	
E3	Green infrastructure (parks and open spaces)	Creation of green space, corridors, wetlands and habitats	
E4	Sewerage	Improved sewerage capacity	
TOTAL			100%

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Annex 2: Employment Sectors

Sector Description	% of total jobs created
Agriculture, forestry and fishing	
Production	
Construction	
Distribution; transport; accommodation and food	
Information and communication	
Financial and insurance activities	
Real estate activities	
Business service activities	
Public administration; education; health	
Other services and household activities	
TOTAL	100%

