

# Cabinet

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**Wednesday 21 March 2018 at 2.00 pm**

**To be held at the Town Hall,  
Pinstone Street, Sheffield, S1 2HH**

**The Press and Public are Welcome to Attend**

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## **Membership**

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Councillor Julie Dore	(Leader of the Council)
Councillor Olivia Blake	(Cabinet Member for Finance and Deputy Leader)
Councillor Ben Curran	(Cabinet Member for Planning and Development)
Councillor Jackie Drayton	(Cabinet Member for Children, Young People & Families)
Councillor Jayne Dunn	(Cabinet Member for Neighbourhoods and Community Safety)
Councillor Mazher Iqbal	(Cabinet Member for Business and Investment)
Councillor Mary Lea	(Cabinet Member for Culture, Parks and Leisure)
Councillor Bryan Lodge	(Cabinet Member for Environment and Streetscene)
Councillor Cate McDonald	(Cabinet Member for Health and Social Care)
Councillor Jack Scott	(Cabinet Member for Transport and Sustainability)

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## **PUBLIC ACCESS TO THE MEETING**

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The Cabinet discusses and takes decisions on the most significant issues facing the City Council. These include issues about the direction of the Council, its policies and strategies, as well as city-wide decisions and those which affect more than one Council service. Meetings are chaired by the Leader of the Council, Councillor Julie Dore.

A copy of the agenda and reports is available on the Council's website at [www.sheffield.gov.uk](http://www.sheffield.gov.uk). You can also see the reports to be discussed at the meeting if you call at the First Point Reception, Town Hall, Pinstone Street entrance. The Reception is open between 9.00 am and 5.00 pm, Monday to Thursday and between 9.00 am and 4.45 pm. You may not be allowed to see some reports because they contain confidential information. These items are usually marked \* on the agenda.

Members of the public have the right to ask questions or submit petitions to Cabinet meetings and recording is allowed under the direction of the Chair. Please see the website or contact Democratic Services for further information regarding public questions and petitions and details of the Council's protocol on audio/visual recording and photography at council meetings.

Cabinet meetings are normally open to the public but sometimes the Cabinet may have to discuss an item in private. If this happens, you will be asked to leave. Any private items are normally left until last. If you would like to attend the meeting please report to the First Point Reception desk where you will be directed to the meeting room.

Cabinet decisions are effective six working days after the meeting has taken place, unless called-in for scrutiny by the relevant Scrutiny Committee or referred to the City Council meeting, in which case the matter is normally resolved within the monthly cycle of meetings.

If you require any further information please contact Simon Hughes on 0114 273 4014 or email [simon.hughes@sheffield.gov.uk](mailto:simon.hughes@sheffield.gov.uk).

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## **FACILITIES**

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There are public toilets available, with wheelchair access, on the ground floor of the Town Hall. Induction loop facilities are available in meeting rooms.

Access for people with mobility difficulties can be obtained through the ramp on the side to the main Town Hall entrance.

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**CABINET AGENDA  
21 MARCH 2018**

**Order of Business**

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- 1. Welcome and Housekeeping Arrangements**
- 2. Apologies for Absence**
- 3. Exclusion of Public and Press**

Appendix 1 to Item 16 'Delivery of the Heart of the City 2' and Item 17 – 'Acquisition of Brownfield Sites' - are not available to the public and press because they contain exempt information described in Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 (as amended) relating to the financial or business affairs of any particular person.
- 4. Declarations of Interest**

Members to declare any interests they have in the business to be considered at the meeting
- 5. Minutes of Previous Meeting**

To approve the minutes of the meeting of the Cabinet held on 14 February 2018.
- 6. Public Questions and Petitions**

To receive any questions or petitions from members of the public
- 7. Items Called-In For Scrutiny**

The Director of Legal and Governance will inform the Cabinet of any items called in for scrutiny since the last meeting of the Cabinet
- 8. Retirement of Staff**

Report of the Executive Director, Resources
- 9. Acceptance of National Productivity Investment Fund Grant for the A61 London Road / Broadfield Road Junction Improvement Project**

Report of the Executive Director, Place
- 10. Green City Strategy**

Report of the Executive Director, Place
- 11. Developing a Stable Adult Social Care Market in Sheffield**

Report of the Executive Director, People Services

(Pages 1 - 4)

- 12. Promoting Independence**  
Report of the Executive Director, People Services
- 13. Food and Wellbeing in Sheffield: Strategy and Future Commissioning Model**  
Report of the Executive Director, Place
- 14. Proposed Sheffield City Council (West Bar Square Regeneration) Compulsory Purchase Order**  
Report of the Executive Director, Place
- 15. Month 10 Capital Approvals**  
Report of the Executive Director, Resources
- 16. Delivery of Heart of the City Phase 2**  
Joint Report of the Executive Directors, Resources and Place
- 17. Acquisition of Brownfield Sites**  
Report of the Executive Director, Place

**NOTE: The next meeting of Cabinet will be held on Wednesday 18 April 2018 at 2.00 pm**

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## ADVICE TO MEMBERS ON DECLARING INTERESTS AT MEETINGS

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If you are present at a meeting of the Council, of its executive or any committee of the executive, or of any committee, sub-committee, joint committee, or joint sub-committee of the authority, and you have a **Disclosable Pecuniary Interest (DPI)** relating to any business that will be considered at the meeting, you must not:

- participate in any discussion of the business at the meeting, or if you become aware of your Disclosable Pecuniary Interest during the meeting, participate further in any discussion of the business, or
- participate in any vote or further vote taken on the matter at the meeting.

These prohibitions apply to any form of participation, including speaking as a member of the public.

You **must**:

- leave the room (in accordance with the Members' Code of Conduct)
- make a verbal declaration of the existence and nature of any DPI at any meeting at which you are present at which an item of business which affects or relates to the subject matter of that interest is under consideration, at or before the consideration of the item of business or as soon as the interest becomes apparent.
- declare it to the meeting and notify the Council's Monitoring Officer within 28 days, if the DPI is not already registered.

If you have any of the following pecuniary interests, they are your **disclosable pecuniary interests** under the new national rules. You have a pecuniary interest if you, or your spouse or civil partner, have a pecuniary interest.

- Any employment, office, trade, profession or vocation carried on for profit or gain, which you, or your spouse or civil partner undertakes.
- Any payment or provision of any other financial benefit (other than from your council or authority) made or provided within the relevant period\* in respect of any expenses incurred by you in carrying out duties as a member, or towards your election expenses. This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992.

\*The relevant period is the 12 months ending on the day when you tell the Monitoring Officer about your disclosable pecuniary interests.

- Any contract which is made between you, or your spouse or your civil partner (or a body in which you, or your spouse or your civil partner, has a beneficial interest) and your council or authority –
  - under which goods or services are to be provided or works are to be executed; and
  - which has not been fully discharged.

- Any beneficial interest in land which you, or your spouse or your civil partner, have and which is within the area of your council or authority.
- Any licence (alone or jointly with others) which you, or your spouse or your civil partner, holds to occupy land in the area of your council or authority for a month or longer.
- Any tenancy where (to your knowledge) –
  - the landlord is your council or authority; and
  - the tenant is a body in which you, or your spouse or your civil partner, has a beneficial interest.
- Any beneficial interest which you, or your spouse or your civil partner has in securities of a body where -
  - (a) that body (to your knowledge) has a place of business or land in the area of your council or authority; and
  - (b) either -
    - the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body; or
    - if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which you, or your spouse or your civil partner, has a beneficial interest exceeds one hundredth of the total issued share capital of that class.

If you attend a meeting at which any item of business is to be considered and you are aware that you have a **personal interest** in the matter which does not amount to a DPI, you must make verbal declaration of the existence and nature of that interest at or before the consideration of the item of business or as soon as the interest becomes apparent. You should leave the room if your continued presence is incompatible with the 7 Principles of Public Life (selflessness; integrity; objectivity; accountability; openness; honesty; and leadership).

You have a personal interest where –

- a decision in relation to that business might reasonably be regarded as affecting the well-being or financial standing (including interests in land and easements over land) of you or a member of your family or a person or an organisation with whom you have a close association to a greater extent than it would affect the majority of the Council Tax payers, ratepayers or inhabitants of the ward or electoral area for which you have been elected or otherwise of the Authority's administrative area, or
- it relates to or is likely to affect any of the interests that are defined as DPIs but are in respect of a member of your family (other than a partner) or a person with whom you have a close association.

Guidance on declarations of interest, incorporating regulations published by the Government in relation to Disclosable Pecuniary Interests, has been circulated to you previously.

You should identify any potential interest you may have relating to business to be considered at the meeting. This will help you and anyone that you ask for advice to fully consider all the circumstances before deciding what action you should take.

In certain circumstances the Council may grant a **dispensation** to permit a Member to take part in the business of the Authority even if the member has a Disclosable Pecuniary Interest relating to that business.

To obtain a dispensation, you must write to the Monitoring Officer at least 48 hours before the meeting in question, explaining why a dispensation is sought and desirable, and specifying the period of time for which it is sought. The Monitoring Officer may consult with the Independent Person or the Council's Audit and Standards Committee in relation to a request for dispensation.

Further advice can be obtained from Gillian Duckworth, Director of Legal and Governance on 0114 2734018 or email [gillian.duckworth@sheffield.gov.uk](mailto:gillian.duckworth@sheffield.gov.uk).

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Cabinet

Meeting held 14 February 2018

**PRESENT:** Councillors Julie Dore (Chair), Olivia Blake, Ben Curran, Jayne Dunn, Mazher Iqbal, Mary Lea, Bryan Lodge, Cate McDonald and Jack Scott

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**1. APOLOGIES FOR ABSENCE**

1.1 An apology for absence was received from Councillor Jackie Drayton.

**2. EXCLUSION OF PUBLIC AND PRESS**

2.1 No items were identified where it was proposed to exclude the public and press.

**3. DECLARATIONS OF INTEREST**

3.1 There were no declarations of interest.

**4. MINUTES OF PREVIOUS MEETING**

4.1 The minutes of the meeting of the Cabinet held on 14 January 2018 were approved as a correct record.

**5. PUBLIC QUESTIONS AND PETITIONS**

5.1 Public Question in respect of Staff Costs

5.1.1 Nigel Slack asked how many staff were employed by the Council in Communications under the Policy, Performance and Communications Service and what was the budget for this financial year and the actual cost for the same period? He further asked had any consultants been used by the Service in respect of communications including campaigns, marketing, press and PR during the 2017/18 financial year? Who were they? What was their brief? How much has been spent on their consultants? Was any of that in the original budget?

5.1.2 Mr Slack then asked how many staff were employed by the Council in Democratic Services under the Resources Portfolio and what was the budget for this financial year and the actual cost for the same period?

5.1.3 It was agreed that a written answer to this question would be provided to Mr Slack.

5.2 Public Question in respect of University Technical Colleges

5.2.1 Nigel Slack commented that Sheffield had two University Technical Colleges. In relation to this, he asked what was the student capacity of each and what were their current enrolled student numbers?

5.2.2 As the Cabinet Member for Children, Young People and Families, Councillor Jackie Drayton, was not present at the meeting it was agreed that a written answer would be provided to Mr Slack.

5.3 Public Question in respect of Standards Complaint

5.3.1 Nigel Slack stated that, on 5 April 2017, he first raised, via a question at Full Council, an issue over, what he considered to be unreasonable behaviour by a Sheffield Councillor. Following the response to his question, he met with the whip of the relevant party and was encouraged to take the matter further. Therefore he completed a complaint form on 17 April.

5.3.2 Mr Slack added that there had still not been a determination on the complaint ten months later. The last communication Mr Slack had had from the investigator was on 20 December 2017 indicating that the complaint would be considered by a sub-committee. What was the up to date status of this complaint?

5.3.3 The Chair, Councillor Julie Dore, reported that this question had been referred to the Monitoring Officer who had responsibility for dealing with complaints against Elected Members.

5.4 Public Question on Scrutiny Committee reporting to Full Council

5.4.1 Nigel Slack referred to a recent Communities and Local Government Committee report on Overview and Scrutiny functions. The recommendations of the report highlighted a number of suggestions for protocols that were not currently part of the Council's policy and procedures. For example, in relation to Scrutiny Committees reporting to Full Council, it referred to access to financial and performance data held by an authority, and that this access should not be restricted for reasons of commercial sensitivity. Mr Slack therefore asked will the Council be taking note of these recommendations as part of the current review of Council meetings?

5.4.2 Councillor Julie Dore responded that the Council would consider the full report and its recommendations and make decisions on that basis. This would therefore go further than the remit of the Review of Council meetings group. Councillor Dore would expect the Overview and Scrutiny Management Committee to also take into account the report referred to by Mr Slack.

5.5 Public Question in respect of Mount Pleasant Development

5.5.1 Nigel Slack commented that, one of the Directors of Avenue to Zero (A2Z), a bidder for the Mount Pleasant disposal had been contacted the morning of this meeting to be informed that the bid had been won by Hermes Care Ltd. No information was given as to why the local community bid of A2Z had failed in favour of a 'for profit' company from outside the City. It was suggested that the decision was a result of extensive discussions and meetings with all involved. However, A2Z had been given only one meeting in October 2017. Information Mr Slack had heard from others suggested concerns over the A2Z bid around long

term viability but only in respect of the pricing of one small part of the projects offer. It had also become clear to Mr Slack that key information may have been missed from the officer's report.

- 5.5.2 Mr Slack further commented that, also today, A2Z had been offered a meeting with the Cabinet Member for Finance and Resources at 9:30 am tomorrow. This was very short notice to get together members of the bid team, including senior staff from Grant Thornton, Arup Bond Bryan Architects etc. Apparently there was to be an offer to support the project in another place, despite the unique aspects of the project and the location in Sharrow.
- 5.5.3 Without access to the report it was very difficult for Mr Slack to comment further on how this decision was made. A2Z were not invited to a supposed press announcement earlier today and it now appeared that this was a closed briefing for the Star newspaper only.
- 5.5.4 Mr Slack therefore asked that the Cabinet referred this decision to Scrutiny in the hope that a complete understanding of the decision could be achieved and that it was based on a full understanding of the impact of this decision on another gem of Sheffield's heritage before it was lost to the local community forever. In the meantime Mr Slack asked how far into the process of agreement are the Council with Hermes? Had there been any pre-planning meetings? Had there been any discussion on Heads of Terms? What consultation had Hermes or the Council done with local residents? Were the Council aware of the financial circumstances of this bidder? Had the Council taken into account the precarious market for Care Homes? Will the development include affordable housing? Will this be based on S7 or S11 postcode?
- 5.5.5 Councillor Julie Dore responded that the Council had policies and procedures for awarding contracts. She could not discuss issues Mr Slack had raised regarding a particular contractor due to commercial confidentiality. However, the Council would take on board what Mr Slack had said.
- 5.5.6 Councillor Olivia Blake, Cabinet Member for Finance, added that the meeting arranged with A2Z for tomorrow had been arranged as she wanted to meet A2Z as quickly as possible after the announcement but was happy to change the date if this was more suitable for A2Z. She would welcome a meeting to discuss how the Council could work together with A2Z in the future.

## **6. ITEMS CALLED-IN FOR SCRUTINY**

- 6.1 The Chair of the Overview and Scrutiny Management Committee, Councillor Chris Peace, submitted a report outlining the outcome of the Committee's consideration of the Revenue Budget and Capital Programme 2018/19 reports to be considered at today's Cabinet meeting.
- 6.2 Following consideration of the reports the Committee resolved the following:-

**RESOLVED:** That the Committee:-

(a) notes the contents of the reports of the Executive Director, Resources, on the Capital Programme 2018/19 and the Budget Report 2018/19, together with the comments made and the responses provided to the questions raised;

(b) recommends that the reports of the Executive Director, Resources on the Capital Programme 2018/19 and the Budget Report for 2018/19, be submitted to Cabinet without amendment;

(c) believes that the approach of central government to local government, one of a combination of incompetence and deliberate action, has led us to a critical point in local government finance. The Committee has concerns about the longer term financial sustainability of local government without changes in how central government chooses to fund councils;

(d) believes that the social care crisis, which is the driving force behind many of the difficult budget decisions that councils are having to make, is a national crisis borne almost entirely by local government, exacerbated by similar challenges facing the NHS;

(e) pays tribute to the Council's front line staff who, it believes, go above and beyond in terms of time, capacity and compassion in delivering services in difficult circumstances;

(f) acknowledges and thanks volunteers and community groups in the city who work tirelessly to tackle the negative effects of austerity that so many local communities are facing;

(g) agrees to include greater oversight of the budget in its Work Programme, both in terms of in-year monitoring to support the implementation of this year's budget; and being involved in the process for putting together next year's budget proposals – particularly in the approach to public consultation; and

(h) thanks the Cabinet Member for Finance, the Cabinet and all officers involved for their hard work in delivering a balanced budget for 2018/19.

6.3 It was then: **RESOLVED:** That the above recommendations of the Overview and Scrutiny Management Committee be noted.

## **7. RETIREMENT OF STAFF**

7.1 The Executive Director, Resources submitted a report on Council staff retirements.

7.2 **RESOLVED:** That this Cabinet :-

(a) places on record its appreciation of the valuable services rendered to the City Council by the following staff in the Portfolios below:-

<u>Name</u>	<u>Post</u>	<u>Years' Service</u>
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### **People Services**

Jane Taylor                      Senior Supervisory Assistant, 26  
   Ecclesall Infant School

(b) extends to them its best wishes for the future and a long and happy retirement;  
and

(c) directs that an appropriate extract of this resolution under the Common Seal of  
the Council be forwarded to them.

## **8. REVENUE BUDGET 2018/19**

8.1 The Executive Director, Resources submitted a report to recommend that the  
Cabinet request Full Council to:-

- approve the City Council's revenue budget for 2018/19, including the  
position on reserves and balances;
- approve a 2018/19 Council Tax for the City Council; and
- note the levies and precepts made on the City Council by other authorities.

8.2 **RESOLVED:** That Cabinet recommends to the meeting of the City Council on 7  
March 2018:-

- (a) to approve a net Revenue Budget for 2018/19 amounting to £401.857m;
- (b) to approve a Band D equivalent Council Tax of £1,513.92 for City Council  
services, i.e. an increase of 5.99% (2.99% City Council increase and 3%  
national arrangement for the social care precept);
- (c) to approve the savings as set out in **Appendix 2** of the report;
- (d) to approve the Revenue Budget allocations for each of the services, as set  
out in **Appendices 3a to 3d** of the report;
- (e) to note that, based on the estimated expenditure level set out in **Appendix  
3** to this report, the amounts shown in part B of **Appendix 6** of the report  
would be calculated by the City Council for the year 2018/19, in  
accordance with sections 30 to 36 of the Local Government Finance Act  
1992;
- (f) to note that the Section 151 Officer has reviewed the robustness of the  
estimates and the adequacy of the proposed financial reserves, in  
accordance with Part 2 of the Local Government Act 2003, and further  
details can be found in **Appendix 4** of the report;
- (g) to note the information on the precepts issued by the South Yorkshire  
Police & Crime Commissioner and of South Yorkshire Fire & Rescue  
Authority, together with the impact of these on the overall amount of

Council Tax to be charged in the City Council's area;

- (h) to approve the proposed amount of compensation to Parish Councils for the loss of Council Tax income in 2018/19 at the levels shown in the table below paragraph 170;
- (i) to note the latest 2017/18 budget monitoring position;
- (j) to approve the Treasury Management and Annual Investment Strategies set out in **Appendix 7** of the report and the recommendations contained therein;
- (k) to approve the Minimum Revenue Provision (MRP) Statement set out in **Appendix 7** of the report;
- (l) to agree that authority be delegated to the Executive Director, Resources to undertake Treasury Management activity, to create and amend appropriate Treasury Management Practice Statements and to report on the operation of Treasury Management activity on the terms set out in these documents;
- (m) to approve a Pay Policy for 2018/19 as set out in **Appendix 8** of the report; and
- (n) to agree that the Members' Allowances Scheme for 2017/18 and onwards, approved on 3 March 2017, be also implemented for 2018/19.

### 8.3 **Reasons for Decision**

The City Council on 7 March 2018 meets to consider the Revenue Budget for 2018/19 and to determine the Council Tax for that year. The report provides information to enable the Council to set a budget and determine the Council Tax. The proposals set out in this report provide for a balanced budget to be recommended to Council.

### 8.4 **Alternatives Considered and Rejected**

A number of alternative courses of action are considered as part of the process undertaken by Officers before decisions are recommended to Members. The recommendations made to Members represent what Officers believe to be the best options available to the Council, in line with Council priorities, given the constraints on funding and the use to which funding is put within the Revenue Budget and the Capital Programme.

(Note: This is subject to approval at Full Council at its meeting to be held on 7 March 2018 and is not subject to call-in).

## 9. **CAPITAL PROGRAMME 2018/19**

9.1 The Executive Director, Resources submitted a report setting out the proposed Capital Programme for 2018-19 onwards, describing the programmes to be undertaken and the projects to be delivered.

9.2 **RESOLVED:** That Cabinet recommends to the meeting of the City Council on 7 March 2018:-

(a) to note the specific projects included in the years 2017/18 to 2023/24 at appendices 1 and 2 of the report; that block allocations are included within the programme for noting at this stage and detailed proposals will be brought back for separate Member approval as part of the monthly monitoring procedures;

(b) note the proposed Capital Programme for the 6 years to 2023/24 as per appendices 1 and 2 of the report; and

(c) approve the Growth and Investment Fund (GIF) policy set out at appendix 3 of the report, such that the commitment from the GIF is limited to one year and no GIF supported schemes are approved beyond 2018/19 unless explicitly stated; and that further reports will be brought to Members as part of the monthly approval process should the receipts position improve.

9.3 **Reasons for Decision**

9.3.1 The proposed projects within the Capital Programme will improve the services to the people of Sheffield

9.3.2 To formally record the Capital Programme in line with the Council's annual budgetary procedures and gain Member approval for the policy on the management of the Corporate Resource Pool.

9.4 **Alternatives Considered and Rejected**

9.4.1 A number of alternative courses of action are considered as part of the capital approval process undertaken by Officers before decisions are recommended to Members. The recommendations made to Members represent what Officers believe to be the best options available to the Council, in line with Council priorities, given the constraints on funding and the use to which funding is put within the Revenue Budget and the Capital Programme.

(Note: This is subject to approval at Full Council at its meeting to be held on 7 March 2018 and is not subject to call-in).

## 10. **REVENUE BUDGET AND CAPITAL PROGRAMME MONITORING 2017/18 MONTH 9 AS AT 31/12/17**

10.1 The Executive Director, Resources submitted a report providing the Quarter 3 monitoring statement on the City Council's Revenue and Capital Budget for

2017/18.

10.2 **RESOLVED:** That Cabinet:-

- (a) notes the updated information and management actions provided by the report on the 2017/18 Revenue Budget position; and
- (b) notes the Minimum Revenue Position Policy change as approved by the Executive Director, Resources, as outlined in Appendix 7 of the report.

10.3 **Reasons for Decision**

10.3.1 To record formally changes to the Revenue Budget and the Capital Programme and, following a request from the Overview and Scrutiny Management Committee, on 22 January 2018, to include the report on the MRP policy change.

10.4 **Alternatives Considered and Rejected**

10.4.1 A number of alternative courses of action are considered as part of the process undertaken by Officers before decisions are recommended to Members. The recommendations made to Members represent what Officers believe to be the best options available to the Council, in line with Council priorities, given the constraints on funding and the use to which funding is put within the Revenue Budget and the Capital Programme.

## 11. **PROCUREMENT OF SECURITY ARRANGEMENTS TO MEET THE COUNCIL'S OPERATIONAL NEEDS**

11.1 The Executive Director, Resources submitted a report seeking authority to procure a corporate framework and subsequently enter into call off contracts against the framework for the provision of a number of security related services.

11.2 **RESOLVED:** That Cabinet:-

- (a) delegates authority to the Director of Finance & Commercial Services, in consultation with the Executive Director, Place (or her nominated Director) and the Director of Legal and Governance to:
  - (i) approve the Procurement Strategy and Contract Award for a Corporate Security Framework as set out and in line with the report;
  - (ii) thereafter to enter into contracts via a call off arrangement for the goods / services as set out and in line with the report;
  - (iii) approve the purchase of provision in accordance with service requirements; and
  - (iv) take all other necessary steps not covered by existing delegations to



achieve the outcomes outlined in the report.

### 11.3 **Reasons for Decision**

11.3.1 In the short term, the procurement will enable the Council to:

- Have a compliant mechanism in place to meet the service requirements, whilst allowing for a thorough review in the medium to long term to identify any savings/efficiencies.
- Meet Data Protection Legislation in any new installation and upkeep of CCTV systems.
- Amalgamating the different contracts and arrangements currently in place across the Council into a single contractual Framework provides the opportunity to aggregate volumes and thus potentially benefit from economies of scale and simplified contract management requirements. This will also help implement standard procedures across the Council

### 11.4 **Alternatives Considered and Rejected**

11.4.1 The Council could carry on meeting its requirements for Security with the current piecemeal arrangement; however the implications are that some of these arrangements do not comply with public procurement regulations or the Council's Standing Orders.

## 12. **MONTH 9 CAPITAL APPROVALS**

12.1 The Executive Director, Resources submitted a report providing details of proposed changes to the Capital Programme as brought forward in Month 9 2017/18.

12.2 **RESOLVED:** That Cabinet approves the proposed additions and variations to the Capital Programme listed in Appendix 1 of the report, including the procurement strategies and delegates authority to the Director of Finance and Commercial Services or nominated Officer, as appropriate, to award the necessary contracts.

### 12.3 **Reasons for Decision**

12.3.1 The proposed changes to the Capital Programme will improve the services to the people of Sheffield.

12.3.2 To formally record changes to the Capital Programme and gain Member approval for changes in line with Financial Regulations and to reset the Capital Programme in line with latest information.

12.3.3 Obtain the relevant delegations to allow projects to proceed.

### 12.4 **Alternatives Considered and Rejected**

- 12.4.1 A number of alternative courses of action are considered as part of the process undertaken by Officers before decisions are recommended to Members. The recommendations made to Members represent what Officers believe to be the best options available to the Council, in line with Council priorities, given the constraints on funding and the use to which funding is put within the Revenue Budget and the Capital Programme.

**13. DECISION BY CABINET AS TRUSTEES OF THE HILLSBOROUGH PARK CHARITY - LEASE OF HILLSBOROUGH ARENA, HILLSBOROUGH PARK, SHEFFIELD**

- 13.1 The Executive Director, Place submitted a report seeking approval of Cabinet, acting as the Trustee of the Hillsborough Park charity, to the surrender and re-grant of a lease of part of Hillsborough Park which is currently granted to Hillsborough Arena Sports Association.

- 13.2 **RESOLVED:** That Cabinet, acting as Charity Trustee of the Hillsborough Park charity (registered charity number 523913), in accordance with the powers given to the Council as Trustee under the provisions of the Charity Commission Scheme dated 22nd March 1996 as revised by the additional Scheme dated 15th October 1998 (“the Scheme”) and the provisions contained in the Charities Act 2011 (“the Act”), approves the surrender and re-grant of the existing lease to Hillsborough Arena Sports Association (“HASA”) (registered charity No. 1126206 ), with authority granted to the Chief Property Officer, in conjunction with the Director of Legal and Governance to agree the final terms of the new lease.

**13.3 Reasons for Decision**

- 13.3.1 The proposal to surrender the existing lease to HASA and to grant a new lease for a term of 25 years at a peppercorn rent:

- enables HASA to secure further funding from suitable grant funders for capital investment in order to sustain and improve properties and recreational facilities
- enhances the attractiveness of the park as a valuable asset for use by the community
- enables the demised property to be occupied for the purposes of the charitable objects of the Charity
- Complies with the provisos contained within the power granted to the Trustee by the Scheme and with the statutory provisions contained within the Act and further with the requirements of the Charity Commission.

**13.4 Alternatives Considered and Rejected**

- 13.4.1 The only alternative option is to do nothing as the Charity (and the City Council) has very limited funding, none of which is currently allocated for the works required to maintain and improve the existing HASA facilities.



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**Author/Lead Officer of Report:**  
Simon Hughes/Principal Committee Secretary

**Tel:** 27 34014

**Report of:** *Executive Director, Resources*

**Report to:** *Cabinet*

**Date of Decision:** *21<sup>st</sup> March 2018*

**Subject:** *Staff Retirements*

Is this a Key Decision? If Yes, reason Key Decision:-	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
- Expenditure and/or savings over £500,000	<input type="checkbox"/>	
- Affects 2 or more Wards	<input type="checkbox"/>	
Which Cabinet Member Portfolio does this relate to? <i>N/A</i>		
Which Scrutiny and Policy Development Committee does this relate to? <i>N/A</i>		
Has an Equality Impact Assessment (EIA) been undertaken?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
If YES, what EIA reference number has it been given? <i>(Insert reference number)</i>		
Does the report contain confidential or exempt information?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below:-		

**Purpose of Report:**

To report the retirement of the following staff from the Council's Service and to convey the Council's thanks for their work.

**Recommendations:**

To recommend that Cabinet:-

- (a) place on record its appreciation of the valuable services rendered to the City Council by the above-mentioned members of staff in the Portfolios stated;
- (b) extend to them its best wishes for the future and a long and happy retirement; and
- (c) direct that an appropriate extract of the resolution now made under the Common Seal of the Council be forwarded to those staff above with over 20 years' service.

**Background Papers: None**

*(Insert details of any background papers used in the compilation of the report.)*

**1. PROPOSAL**

- 1.1 To report the retirement of the following staff from the Council's Service and to convey the Council's thanks for their work:-

<b><u>People Services</u></b>		<b><u>Years' Service</u></b>
Susan O'Connor	Assistant Headteacher, High Storrs School	39

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**Author/Lead Officer of Report:** Nigel Robson  
Principal Transport Planner

**Tel:** 0114 273 6692

**Report of:** Executive Director of Place  
**Report to:** Cabinet  
**Date of Decision:** 21 March 2018  
**Subject:** Acceptance of National Productivity Investment Fund Grant

Is this a Key Decision? If Yes, reason Key Decision:-	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
- Expenditure and/or savings over £500,000		<input checked="" type="checkbox"/>		
- Affects 2 or more Wards		<input type="checkbox"/>		
Which Cabinet Member Portfolio does this relate to? <i>Place</i>				
Which Scrutiny and Policy Development Committee does this relate to? Economic and Environmental Wellbeing				
Has an Equality Impact Assessment (EIA) been undertaken?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
EIA reference number : 227				
Does the report contain confidential or exempt information?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>

**Purpose of Report:**

This report is to approve acceptance of the Department for Transport's National Productivity Investment Fund (NPIF) capital grant of £3,356,000 for the years 2018/19 and 2019/20.

The grant will come from the Department for Transport to the Council via a grant agreement.

The Council will provide match funding in the sum of £1,459,000.

This report also seeks Cabinet authority to purchase land and/or property by agreement for the Highway Improvement but in the absence of agreement to use if necessary as a last resort the Council's Compulsory Purchase Powers in order to complete the acquisition of the whole of the Highway Improvement

**Recommendations:**

Cabinet are asked to:

1. Accept the Department for Transport's National Productivity Investment Fund (NPIF) capital grant of £3,356,000 and authorise match funding of £1,459,000; and that the Council will be the Accountable Body
2. Delegate authority to the Director of Financial and Commercial Services in consultation with the Chief Property Officer and the Director of Legal and Governance to enter into such grant agreement with the Department for Transport (DfT).
3. Authorise the Council to act as a delivery partner for projects totalling £4,815,000 (DfT grant of up to £3,356,000+ £1,459,000 of match funding) as set out within this report.
4. Delegate authority to the Director of Finance and Commercial Services in consultation with the Director of Legal and Governance to take such steps as they deem appropriate to achieve the outcomes set out in this report.
5. Delegate authority to the Chief Property Officer in consultation with the Director of Finance and Commercial Services and the Director of Legal and Governance to enter into negotiations and if possible acquire by agreement the land and property required for the Highway Improvement
6. Confirm in principle that the Council will be prepared to use Compulsory Purchase Powers as a last resort if terms cannot be reached by agreement to acquire the land and/or property required to complete the Highway Improvement. The use of such powers if needed will be subject to a further detailed report to Cabinet or if appropriate to the Leader.

**Background Papers:** N/A

Lead Officer to complete:-		
1	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms	Finance: Sarah Uttley
		Legal: Henry Watmough-Cownie

	completed / EIA completed, where required.	Equalities: Annemarie Johnston
	<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>	
2	<b>EMT member who approved submission:</b>	Laraine Manley
3	<b>Cabinet Member consulted:</b>	Cllr Jack Scott Cabinet Member for Transport and Sustainability
4	I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Decision Maker by the EMT member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.	
	<b>Lead Officer Name:</b> Nigel Robson	<b>Job Title:</b> Principal Transport Planner
	<b>Date:</b> 16 <sup>th</sup> January 2018	

## 1. PROPOSAL

- 1.1 To approve the acceptance of the Department for Transport's National Productivity Investment Fund (NPIF) capital grant of £3,356,000 for a junction improvement and short length of road widening on the A61 London Road corridor. Sheffield City Council will act as delivery partner for this project totalling £4,815,000 (DfT grant of up to £3,356,000+ £1,459,000 of match funding).

## 2. BACKGROUND

- 2.1 In April 2017, the Department for Transport announced a new competition for the National Productivity Investment Fund capital grant for 2018/19 to 2019/20 financial years. In June 2017, the Council submitted a bid for a highway improvement scheme on London Road at Broadfield Road. A plan of the project is attached to this report as Appendix A.
- 2.2 In October 2017, the Department for Transport wrote to the Council to confirm that their bid for £3.356m NPIF funding for 2018/19 to 2019/20 had been successful. A copy of this document, together with the Terms and Conditions is attached as Appendix B.
- 2.3 The scheme introduces an extra lane for traffic along Broadfield Road and London Road as well as improvements to this signalised junction. The scheme will help relieve congestion and improve journey times along this stretch of road. The greatest benefit will be for drivers travelling into the city centre during the morning peak. This has been quantified

through modelling with an anticipated 2 minute journey time improvement for car drivers and a 30 second improvement for buses. There will also be improvements during the evening peak, but to a lesser extent.

- 2.4 A secondary benefit will be the unlocking of a potential mixed use development site that is currently 'masked' by redundant buildings.
- 2.5 With respect to air quality, the project will make a small but positive contribution to air quality standards in the locale of the road corridor through reduced congestion and smoother traffic flow.
- 2.6 The projected financial benefits using the DfT Transport Analysis Guidance known as WebTAG, suggest that the benefit to cost ratio is 4.61, resulting in £15.5m benefit based on a scheme cost of £3.356m.
- 2.7 The scheme will improve the into-city route for confident cyclists who are comfortable riding on busy roads by increasing the amount of road space available for all users. The needs of less confident cyclists will be accommodated on quieter routes that run parallel to London Road such as the Saxon Road/Little London Road route to the west.
- 2.8 Land acquisition is a key issue as the scheme requires purchase of the existing frontage properties and a corner of the development site behind. The intention is to acquire, by agreement, all affected land and rights necessary to deliver the scheme. Informal, early discussions have informed this process and negotiations are now under-way. If it is not possible to acquire the land and rights necessary by agreement it is intended to use, if necessary as a last resort the Council's Compulsory Purchase Powers in order to complete the delivery of the Highway Improvement.
- 2.9 Subject to successful acquisition of the necessary land and rights by agreement the timescale for construction is to start on-site no later than March 2019 with practical completion by March 2020.
- 2.10 The match funding of £1.459m is provided by highways maintenance PFI works under the Streets Ahead contract, which is jointly funded by the Council and PFI grant. This improves the certainty of match funding and programming. The Streets Ahead works comprise major highway and junction renewal elements plus the replacement of the time-expired tidal flow system on this and a longer section of the A61 corridor.
- 2.11 The use of the Streets Ahead PFI funding as match was agreed by the DfT at the bidding stage and clarification of the level of detail needed to support the financial claims to draw down the grant was provided in January 2018. The mechanism will be to provide evidence of actual spend by an extract from the monthly bill submitted from the Streets Ahead contractor.

### 3. HOW DOES THIS DECISION CONTRIBUTE?

3.1

Corporate Objective	Corporate Key Aim(s)	How Achieved
Strong Economy	To achieve economic potential and be well-connected.  Supporting businesses to start and grow.  Attract more visitors to Sheffield.	The scheme will unlock a site designated for mixed use development.  The removal of the bottleneck on this key route will provide better transport links to NE Derbyshire.
Better Health & Wellbeing	Promoting good health.	The project will make a small but positive contribution to air quality standards in the immediate area.
Thriving Neighbourhoods	Improved access to schools and local amenities. Community safety.	The scheme will create the potential for local amenities in the mixed use development and will provide improved access along this congested corridor.
Tackling Inequalities	Support individuals to access education, employment and training	The project will improve bus reliability along the corridor helping residents to access work.

### 4. HAS THERE BEEN ANY CONSULTATION?

4.1 Consultation has taken place with the principal stakeholders including Sheffield City Region (SCR), Local Enterprise Partnership (LEP), South Yorkshire Passenger Transport Executive (SYLTE), First Bus and Stagecoach.

4.2 Informal discussions have already been held with the affected land owners but in order to achieve the construction timescales a formal approach now needs to be made.

### 5. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

#### 5.1 Equality of Opportunity Implications

5.1.1 An EIA has been conducted and concluded that the scheme delivered through the grant would have a positive impact on the residents of Sheffield; however the impact would be low due to the relatively small

number of people involved.

## 5.2 Financial and Commercial Implications

5.2.1 In order to achieve the current programme, and to meet the timescales for the Department for Transport's, the expenditure is to be incurred in 2018/19 and 2019/20.

5.2.2 The Council will be the Accountable Body for the grant from the DfT, it follows that the Council will be responsible for the obligations and liabilities of the grant agreement.

5.2.3 Key features of SCR's grant terms and conditions (not exclusive) are summarised as follows:

- Sheffield City Council accepts liability for all terms and conditions placed upon it by the Department of Transport.
- The grant is subject to claw back if it is not spent correctly.
- All activity has to be delivered by March 31st 2020 and all claims submitted by mid-April 2020. Any costs not claimed by this date cannot be paid by the grant and will have to be funded by the Council.
- Claims may be audited by External Auditors and Sheffield City Council will be held liable for any actions that cause financial or reputation loss as a result of their mismanagement or misappropriation of funds.
- The Project Manager will need to read, understand and comply with all of the grant terms and conditions including any procurement requirements.

## 5.3 Legal Implications

5.3.1 The Director of Legal and Governance may form the view that a CPO is required, in order to ensure the delivery of the scheme; the granting of the CPO is dependent on SCC being able to demonstrate that all possible avenues and negotiations have failed and that SCC is left with no alternative but to seek a CPO.

5.3.2 The Transport Act 2000, as amended, places a duty on the City Council to develop policies which will create safe, integrated and economic transport within Sheffield which meets the needs of persons living or

working within the City.

5.3.3 Legal Services have been provided with correspondence from the Department of Transport (27.02.18) setting out confirmation of the Grant Funding, this includes the conditions under which the Grant is paid (Annex B) including a requirement that SCC first report on progress of the scheme in Spring 2018. Specifically, SCC can only use such Grant in accordance with regulations made under Section 11 (Use of Capital Receipts) of the Local Government Act 2003 and SCC are required to sign and return to the Local Transport Funding Team a declaration later than 30 September 2019;

5.3.5 “To the best of our knowledge and belief, and having carried out appropriate investigations and checks, in our opinion, in all significant respects, the conditions attached to Local Transport Capital Block Funding (National Productivity Investment Fund) Specific Grant Determination 2018/19 No 31/3222 have been complied with”.

If SCC fail to comply with such conditions (above) the grant can be reduced, suspended, be withheld or is repayable.

Legal Services are advised that the grant allocation and works must be delivered and spent by the end of March 2020. Any costs not claimed by this date will need to be met by the Council. The delivery partner must deliver the objectives it agreed to, failure to do so or should the programme cease to represent what was purported may result in claw back, withholding or suspension of the grant monies paid and due. The Council will be held liable for any actions that cause financial or reputational loss as a result of their mismanagement or misappropriation of funds.

Legal Services are advised that the Council will be tied into the obligations of this agreement and the obligations placed on it by the DfT grant award letter terms and conditions. The Council will provide match funding on this project of £1,459,000.

Any procurement under this Agreement will be subject to EU Procurement Rules and the Council will need to comply with these. The Council will also have to ensure it is State Aid law compliant throughout the grant allocation and project. Procurement of the works must also comply with the Council's own standing orders.

#### 5.4 Other Implications

##### 5.4.1 HR Implications

5.4.2 The project will support the employment of a number of staff across Sheffield City Council and other agencies, which will be managed in

accordance with the policies of the relevant agencies.

#### 5.4.3 Equalities Implications

5.4.4 Overall there are no significant equality impacts, positive or negative, from this proposal. There will be a slight improvement in air quality due to less standing traffic at this junction and the resulting improvement in bus reliability and punctuality on this key route will support unemployed people looking for work.

### **6. ALTERNATIVE OPTIONS CONSIDERED**

6.1 The Council employed the Arup Consultancy to test six options for an improved highway layout at this location using the AIMSUN microsimulation tool to model journey time savings along the broader corridor. From this analysis, the preferred option identified shows best value for money.

6.2 An alternative option would be to reject the National Productivity Investment Fund grant. If this was the case, the scheme would have to be deferred until other funding options were identified. Also the opportunity would be lost to combine with a major Streets Ahead highway maintenance project to be undertaken in the vicinity and programmed for construction within the next 18 months.

6.3 Where it is known that the City Council requires land for the delivery of a scheme, an owner or occupier may be prepared to sell their interest, and consequently the Council can, in some cases, pursue an acquisition by agreement, without the requirement for a CPO.

6.4 An attempt to acquire, by agreement, the land and rights affected by the proposed scheme, prior to making a CPO has been considered as an alternative option. Negotiations continue and are encouraging.

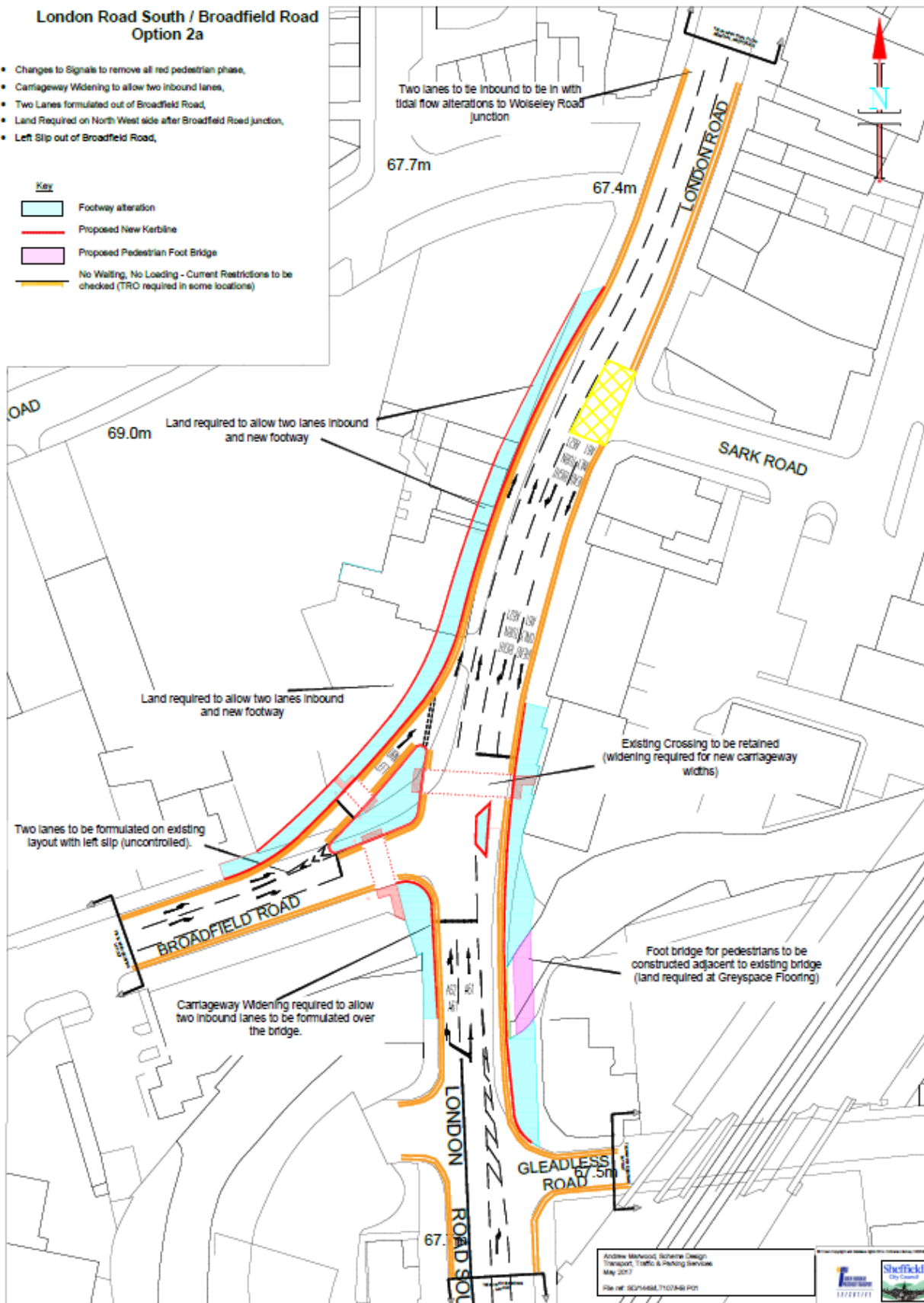
### **7. REASONS FOR RECOMMENDATIONS**

7.1 Acceptance of the grant would enable the construction of the junction improvement scheme to widen the narrowest section of the A61 corridor and improve traffic flows significantly. Also the scheme takes advantage of the opportunity presented by programmed adjacent Streets Ahead highways maintenance works and links in with local "Better Bus" improvement schemes nearby. In addition, the proposals will unlock a mixed use development site. The implementation of this scheme will reduce congestion and delays around this busy section of the network, improving service reliability for buses, conditions for economic inward investment and contributing to reduced vehicle emissions.





**Appendix A : NPIF Outline Scheme Layout**



## **Appendix B : NPIF Grant Award Letter with Terms and Conditions**



### Department for Transport

John Mothersole  
Sheffield City Council  
By email to:  
john.mothersole@sheffield.gov.uk

Copy to bid co-ordinator:

chloe.shepherd@sheffieldcityregion.org.uk

Paul O'Hara  
Local Infrastructure Division  
Zone 2/14  
Great Minster House  
33 Horseferry Road  
London  
SW1P 4DR

Direct Line: 020 7944 2291  
Paul.O'Hara@dft.gsi.gov.uk

Web Site: [www.dft.gov.uk](http://www.dft.gov.uk)  
Our ref: Bid 97

25 October 2017

Dear Mr Mothersole,

#### **National Productivity Investment Fund A61 London Road / Broadfield Road improvement**

Following receipt of your bid for the National Productivity Investment Fund, I am pleased to inform you have been successful, as shown above. This letter confirms that Ministers have given formal Approval to the proposal submitted by your Authority so you may now wish to proceed with planning and any other statutory powers that are required.

The successful projects were published on GOV.UK on 19 October at the link below –

<https://www.gov.uk/government/news/government-invests-350-million-improving-local-roads>

The National Productivity Investment Fund aims to ease congestion and provide upgrades on important national, regional or local routes to help unlock economic and job opportunities or enable the delivery of vital new housing developments. There is £244 million of funding for 76 projects.

For your project the Department will provide a maximum funding contribution as follows - £3.356 million in the years 2018-19 and 2019-20 towards an estimated total scheme cost of £4.815 million.

Your Authority is solely responsible for meeting any expenditure over and above this maximum amount and any spend beyond 31 March 2020 as the Department's grant is only available in those two years.

Funding will be paid as grant under Section 31 of the Local Government Act 2003. I will write to you again to notify you of the initial payment of grant, which will be in spring 2018, along with the funding terms and conditions.

The Government's contribution to the scheme should be advertised in any publicity information that you produce. For grant funded schemes Ministers want to ensure that the Department for Transport's corporate logo is displayed at the site.

The Department will monitor progress of the scheme at regular intervals. An Excel form will be issued following the first grant payment, for your Authority to report the progress of your scheme.

The email address for any questions about the grant or returning the completed monitoring forms is [LT.PLANS@dft.gsi.gov.uk](mailto:LT.PLANS@dft.gsi.gov.uk)

Yours sincerely,

*Paul O'Hara*

Paul O'Hara  
Local Infrastructure

**LOCAL TRANSPORT CAPITAL BLOCK FUNDING (NATIONAL PRODUCTIVITY INVESTMENT FUND) SPECIFIC GRANT DETERMINATION (2018/19): No 31/XXXX**

The Minister for Local Transport ("the Minister"), in exercise of the powers conferred by section 31 of the Local Government Act 2003, makes the following determination:

**Citation**

1) This determination may be cited as the Local Transport Capital Block Funding (National Productivity Investment Fund) Specific Grant Determination (2018/19) No.31/XXXX.

**Purpose of the grant**

2) The purpose of the grant is to provide support to local authorities in England towards expenditure lawfully incurred or to be incurred by them.

**Determination**

3) The Minister determines:

(a) that the authorities listed in Annex A are the authorities to which grant under this determination is to be paid;

(b) that the maximum amount of grant payable to each authority shall be the amount shown against the name of the authority in the accompanying spreadsheet at Annex A.

**Grant conditions**

4) Pursuant to section 31(3) and 31(4) of the Local Government Act 2003, the Minister determines that the grant will be paid subject to the conditions in Annex B.

**Treasury consent**

5) Before making this determination in relation to local authorities in England, the Minister obtained the consent of the Treasury.

Signed by authority of the Minister for Local Transport

Anthony Boucher  
A senior civil servant within the Department for Transport

[ March ] 2018

## **ANNEX A**

### **LOCAL TRANSPORT CAPITAL BLOCK FUNDING (NATIONAL PRODUCTIVITY INVESTMENT FUND) SPECIFIC GRANT DETERMINATION (2018/19): No 31/XXXX**

List of local authorities to follow

## **ANNEX B - GRANT CONDITIONS**

1. Grant paid to a local authority under this determination may be used only for the purposes that a capital receipt may be used for in accordance with regulations made under section 11 of the Local Government Act 2003.

2. The Chief Executive and Chief Internal Auditor of each of the recipient authorities are required to sign and return to the team leader of the Local Transport Funding team<sup>1</sup> in the Department for Transport a declaration, to be received no later than 30 September 2019, in the following terms:

"To the best of our knowledge and belief, and having carried out appropriate investigations and checks, in our opinion, in all significant respects, the conditions attached to Local Transport Capital Block Funding (National Productivity Investment Fund) Specific Grant Determination 2018/19 No 31/XXXX have been complied with".

3. If an authority fails to comply with any of the conditions and requirements of paragraphs 1 and 2, the Minister may-

- a) reduce, suspend or withhold grant; or
- b) by notification in writing to the authority, require the repayment of the whole or any part of the grant.

4. Any sum notified by the Minister under paragraph 3(b) shall immediately become repayable to the Minister.



**Author/Lead Officer of Report:**

Mark Whitworth

Interim Head of Sustainability

**Tel:** 0114 2736494

**Report of:** Laraine Manley  
Executive Director of Place

**Report to:** Councillor Jack Scott

**Date of Decision:** 21<sup>st</sup> March 2018

**Subject:** Green City Strategy

Is this a Key Decision? If Yes, reason Key Decision:-	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
- Expenditure and/or savings over £500,000		<input type="checkbox"/>		
- Affects 2 or more Wards		<input type="checkbox"/>		
Which Cabinet Member Portfolio does this relate to? <i>Infrastructure and Transport</i>				
Which Scrutiny and Policy Development Committee does this relate to? <i>Economic and Environmental Wellbeing</i>				
Has an Equality Impact Assessment (EIA) been undertaken?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
If YES, what EIA reference number has it been given? EIA 1238				
Does the report contain confidential or exempt information?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below:-				
<p><i>"The (report/appendix) is not for publication because it contains exempt information under Paragraph (insert relevant paragraph number) of Schedule 12A of the Local Government Act 1972 (as amended)."</i></p>				

**Purpose of Report:**

The report describes the development of a Green City Strategy for Sheffield. This strategy takes forward the five Objectives approved at Cabinet last March, in the document *Growing Sustainably: a bold plan for a sustainable Sheffield*. The Green City Strategy will enable the Council and its partners to adopt approaches which promote and support a lower carbon economy, greater resilience to climate change and cleaner growth.

We will be engaging with people from across our city, recognising that we need the support of residents, businesses and organisations across the city in order to successfully deliver the proposed measures set out in the Strategy.

We will establish a new Green City Partnership board. This Partnership Board will explore how our objectives and actions can be delivered, and how through working together we can ensure that Sheffield becomes a resilient city, and a city which is working to reduce levels of greenhouse gas emissions and its impacts on the wider environment. The report seeks approval for the Green City Strategy (attached as appendix 1).

**Recommendations:**

That Cabinet;

1. Approves the **Green City Strategy** attached to this report as a statement of the Council's strategic approach to achieving the themes identified in *Growing Sustainably: a bold plan for a sustainable Sheffield* approved by Cabinet in March 2017.
2. Notes that the Objectives relating to Air Quality and Transport and Mobility are the subject of separate Cabinet reports, approved at Cabinet in December 2017 and that the sections in the Green City Strategy which relate to these two objectives reflect the approved reports.

**Background Papers:**

Sheffield's Green Commitment; Sheffield Green Commission Final Report 2016

[https://www.sheffield.gov.uk/content/dam/sheffield/docs/planning-and-development/city-wide-plans-and-reports/Sheffield%20Green%20Commitment%20Report\\_FINAL.pdf](https://www.sheffield.gov.uk/content/dam/sheffield/docs/planning-and-development/city-wide-plans-and-reports/Sheffield%20Green%20Commitment%20Report_FINAL.pdf)

Growing Sustainably; A bold plan for a Sustainable Sheffield. March 2017

<http://democracy.sheffield.gov.uk/documents/s25838/Growing%20Sustainably%20Green%20Commission%20Report%201.pdf>

Transport Vision document and consultation:

<https://sheffield.citizenspace.com/place-business-strategy/transport-vision-questionnaire/>

Cabinet report – Item 10 of Cabinet meeting 13 December 2017:

<http://democracy.sheffield.gov.uk/ieListDocuments.aspx?CId=123&MId=6624&Ver=4>

Full Clean Air Strategy – Item 9 of Cabinet meeting 13 December 2017:

<http://democracy.sheffield.gov.uk/ieListDocuments.aspx?CId=123&MId=6624&Ver=4>



Lead Officer to complete:-		
1	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.	Finance: <i>Paul Schofield</i>
		Legal: <i>Louise Bate</i>
		Equalities: <i>Annemarie Johnson</i>
<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>		
2	<b>EMT member who approved submission:</b>	<i>Laraine Manley</i>
3	<b>Cabinet Member consulted:</b>	<i>Cllr Jack Scott</i>
4	I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Decision Maker by the EMT member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.	
	<b>Lead Officer Name:</b> <i>Mark Whitworth</i>	<b>Job Title:</b> <i>Interim Head of Sustainability</i>
<b>Date:</b> 9 <sup>th</sup> March 2018		

## 1 PROPOSAL

- 1.1 This report presents our **Green City Strategy**. A set of key priorities and associated actions are proposed which will enable the Council and its partners to adopt approaches which promote and support a lower carbon economy, greater resilience to climate change and cleaner growth.
- 1.2 This strategy will enable the Council and its partners to progress the five objectives established last year, in the Report *Growing Sustainably*<sup>1</sup>, approved at Cabinet in March 2017.
- 1.3 Sheffield, like other large and diverse cities is a significant driver of regional economic growth. This growth can help bring major social, financial and cultural opportunities for our residents, communities and businesses. However, as we know from evidence discussed in the annual State of Sheffield Report<sup>2</sup> this growth has so far not resulted in a less polluted or more equal city. A move towards a lower carbon and cleaner economy would enable our city to grow and evolve whilst at the same time improving our environment and the quality of life of our citizens.
- 1.4 Across the world, cities from Curitiba<sup>3</sup> to Pittsburgh<sup>4</sup> are recognising the benefits that such an approach can deliver. Understanding how such cities are embracing and leading the change towards lower carbon economies, greater social and environmental equity and resilience will allow Sheffield to fully develop such an approach.
- 1.5 The solutions these cities are adopting are helping to reduce pollution and ensure greater equality for their residents, communities and businesses through cleaner air, warmer and more energy efficient homes and buildings, lower cost low carbon energy and places which have greater resilience to climate change and the subsequent impact on their communities and businesses.
- 1.6 Sheffield is already on this path; it was one of the first cities in the UK to introduce district heating and develop a decentralised energy network in the 1970's that provides energy from waste. Recently the city won a number of environmental awards for its 'Grey to Green' scheme - the largest planned retrofit sustainable urban drainage scheme in the UK which converted former dual carriageway into an urban greenspace, including seating, a cycle route and generous foot ways whilst also improving the area's resilience to flooding.
- 1.7 As a city we are fortunate to have a significant number of organisations, institutions and private businesses that are also engaged in delivering services and products that embody sustainable thinking or are seeking solutions to the challenges we face. Many of our communities are already involved in delivering projects and the current and potential future action of the 570,000 residents in our city should not be underestimated.
- 1.8 The solutions these cities are adopting are helping to create less pollution and greater equality for their residents, communities and businesses – cleaner air, warmer, more energy efficient homes and buildings, lower cost and low carbon energy and places which have greater resilience to changing weather patterns and the subsequent impact on their communities and businesses.

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<sup>1</sup> <http://democracy.sheffield.gov.uk/documents/s25838/Growing%20Sustainably%20Green%20Commission%20Report%201.pdf>

<sup>2</sup> <http://www.welcometosheffield.co.uk/business/news/2017/feb/21/state-of-sheffield-2017-a-real-picture-of-life-in-the-city>

<sup>3</sup> <http://www.c40.org/cities/curitiba>

<sup>4</sup> [http://www.100resilientcities.org/wp-content/uploads/2017/07/Pittsburgh\\_-\\_Resilience\\_Strategy.pdf](http://www.100resilientcities.org/wp-content/uploads/2017/07/Pittsburgh_-_Resilience_Strategy.pdf)

- 1.9 As the Sheffield Green Commission<sup>5</sup> demonstrated, Sheffield is already on this path, however there is more to do across this critical agenda and this can bring significant opportunities and benefits to our city.
- 1.10 Building on the previous work of the Sheffield Green Commission which established a comprehensive evidence base, augmented with recent developments and thinking, the Green City Strategy has been developed proposing an additional key objective and associated actions intended to take forward the original five objectives approved at Cabinet in March 2017.
- 1.11 The six proposed objectives are as follows;
- **Reducing our impact on the climate**
  - **A climate resilient city**
  - **Sustainable and affordable energy, for homes and businesses**
  - **Modern, reliable and clean journeys for everyone**
  - **Clean air for all**
  - **A Green and innovative economy**
- 1.12 There is no one-size-fits-all approach to succeeding in delivering this vision and it will require our entire City to evolve over time –the way we live, work and play – this transition to a low carbon economy will require the support of all our residents and communities, businesses and city institutions. We will therefore engage with stakeholders in the City to ensure our approach to delivery is optimal.
- 1.13 We will also need the support of national government, to create the policy needed to go beyond our initial plan, and support the delivery of a plan to achieve national 2050 targets.
- 1.14 As a City we are fortunate to have a significant number of organisations, institutions and private businesses that are also engaged in delivering services and products that embody sustainable thinking or are seeking solutions to some of these challenges we face. Many of our communities are already delivering projects and the action of every resident in our city should not be underestimated.
- 1.15 We will need to galvanise these strengths. The strategy proposes that we establish a **Green City Partnership Board**. This board will have representation from across the city, its stakeholders and partners, its communities and businesses. The first task of this Partnership board will be to review the actions in the strategy and make further recommendations on how it can be improve how we can work together as a City to address these six objectives, and deliver the actions set out.
- 1.16 This Partnership Board will provide an independent voice for the City on sustainability, and will help to develop the City's approach across the five Objectives and monitor and report back on progress.

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<sup>5</sup> [https://www.sheffield.gov.uk/content/dam/sheffield/docs/planning-and-development/city-wide-plans-and-reports/Sheffield%20Green%20Commitment%20Report\\_FINAL.pdf](https://www.sheffield.gov.uk/content/dam/sheffield/docs/planning-and-development/city-wide-plans-and-reports/Sheffield%20Green%20Commitment%20Report_FINAL.pdf)

## **2 HOW DOES THIS DECISION CONTRIBUTE?**

- 2.1 This Green City Strategy contributes to the Sheffield City Council Corporate Plan ambitions for a strong economy, thriving neighbourhoods and communities and better health and wellbeing.

## **3 HAS THERE BEEN ANY CONSULTATION?**

- 3.1 The development of the Green City Strategy has drawn heavily on the evidence base which was established by the Sheffield Green Commission<sup>6</sup>. Throughout this process there was considerable consultation and engagement with stakeholders and members of the public.
- 3.2 In addition, the development of the Strategy has also been influenced by the development of other related strategies and visions, including transport and clean air, as well as being sensed-checked internally to ensure alignment with the Council's aspirations for economic growth, health communities, new homes and the development of the new Sheffield Local Plan.
- 3.3 A report setting out the six 'Green City Strategy' objectives and draft priorities and action was presented to the Economic and Environmental Wellbeing Scrutiny and Policy Development Committee on 31st January 2018. The Final Strategy has been revised to reflect the debate, including reference to food production and consumption (following a question from a representative of the Sheffield Climate Alliance) and governance and membership of the Green City Partnership Board.

## **4 RISK ANALYSIS AND IMPLICATIONS OF THE DECISION**

### Equality of Opportunity Implications

- 4.1 Overall the Green City Strategy is expected to have a positive impact on the economic and health outcomes of everyone in the city. However it should have a particularly positive impact on financial inclusion, people with disabilities and their carers', young and old people and pregnant women.

### Financial and Commercial Implications

- 4.2.1 There are no immediate direct financial or commercial implications arising out of this report as it presents a strategic approach and does not seek authorisation for specific projects.
- 4.2.2 As detailed plans are developed for implementation under the Priorities in the Strategy following stakeholder engagement and the establishment of the Green City Partnership Board, specific actions will be required and the expenditure associated with these will be brought forward for approval under the Council's existing Revenue and Capital Budget procedures. This may require the reprioritisation of expenditure as there is currently no budgetary provision for these activities.

### Legal Implications

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<sup>6</sup> [https://www.sheffield.gov.uk/content/dam/sheffield/docs/planning-and-development/city-wide-plans-and-reports/Sheffield%20Green%20Commitment%20Report\\_FINAL.pdf](https://www.sheffield.gov.uk/content/dam/sheffield/docs/planning-and-development/city-wide-plans-and-reports/Sheffield%20Green%20Commitment%20Report_FINAL.pdf)

4.3.1 The Council does not have a duty to develop a strategic approach to sustainability but the “general power of competence” under the Localism Act 2011 enables the production of the Strategy and for it to inform the Council’s exercise of its functions.

4.3.2 *Air Quality*

Under Part IV of the Environment Act 1995, Local Authorities are required to have regard to any national strategy on clean air which is published by the Secretary of State; and to review and assess air quality in their areas and to report against objectives for specified pollutants of concern, to the Department for Environment, Food and Rural Affairs (DEFRA).

Action to manage and improve air quality is required by European Union (EU) legislation. The risk to the council of failing to comply with EU law in relation to clean air was both considered and addressed by Cabinet during the process of giving approval to the Clean Air Strategy in December 2017.

4.3.3 *Climate Change / flood and water management*

The Climate Change Act 2008 sets up a framework for the UK to achieve its long-term goals of reducing greenhouse gas emissions and to ensure steps are taken towards adapting to the impact of climate change.

The 2008 Act requires central Government to prepare a policy that will enable the carbon budgets set under the Act to be met; and to report on the impact of climate change every 5 years, publishing an adaptation programme to address those risks and deliver resilience to climate change on the ground.

The National Adaptation Programme 2013 identifies flooding as one of a number of risks to UK climate change. Under the Flood and Water Management Act 2010 the Council has lead responsibility to manage the risk of local flooding in the City and a legal duty to implement the Sheffield Local Flood Risk Management Strategy approved by Cabinet in November 2013.

The National Adaptation Programme (NAP) is due to be updated in 2018 following consideration of the UK Climate Change Risk Assessment 2017. Flooding remains an identified UK climate change risk in the 2017 assessment and is likely to be featured in the updated NAP.

4.3.4 *Planning*

The Council is required to have regard to the National Planning Policy Framework (NPPF) as a material consideration in the exercise of its planning functions. The NPPF sets out the government’s expectations for sustainable development, or growth, and so a Sustainability Strategy will assist the Council in complying with this duty.

The implementation under any of the Priorities in the Strategy may be subject to further decision making in accordance with the Leader’s Scheme of Delegation, and any further legal implications will be considered fully at that time.

**5 ALTERNATIVE OPTIONS CONSIDERED**

5.1 The ‘As-is’ option: no new Green City Strategy

Much of the valuable work which already takes place in the city supporting sustainability outcomes would continue. However, the new opportunities for co-ordinated approach, working together to deliver greater benefits would be lost, as would the potential to embed low carbon approaches, greater environmental responsibility and climate resilience more

strongly within our city and our activities.

## **6 REASONS FOR RECOMMENDATIONS**

- 6.1 It is widely accepted that climate change is already occurring, driven by the continued accumulation of greenhouse gases in the atmosphere. Fortunately it is also widely recognised that if we take action now we can avoid the worse impacts of a changing climate.
- 6.2 Sheffield City Council has a pivotal role in providing civic leadership; supporting, inspiring and facilitating change across all sectors and parts of our city to help to create a low carbon future. This is a major opportunity to help our communities and businesses become more resilient to the effects of climate change; be part of a growing economy that can fully exploit its innovative capacity to help us transition towards the goal of becoming a zero carbon city by 2050, and be a city where our decisions and behaviour, collectively and as individuals are more sustainable.
- 6.3 The Green City Strategy will provide the city with the opportunity to direct, co-ordinate and focus all our efforts.
- 6.4 City sustainability and the transition to a low-carbon economy is not something which one organisation can achieve in isolation, and will require the support and contribution of all organisations, businesses and residents across the city. Creating a clear vision and strategy will help to crystallise and re-affirm our ambitions and enable other partners to also contribute.
- 6.5 We understand that we have a unique role in facilitating and enabling, working alongside business and our communities to create collective approaches to the opportunities and challenges we face as a city.
- 6.6 The Green City Strategy enables us to be clear to Government and our other partners in the Sheffield City Region of our intentions and strategy, which will support any request for investment or funding.

# GREEN CITY Strategy

Our strategy for a low carbon,  
resilient and sustainable Sheffield



Sheffield





Cllr. Jack Scott  
Cabinet Member for Transport  
and Sustainability



Cllr. Craig Gamble Pugh  
Cabinet Advisor  
'Green City'

# Foreword

# Objectives

We have great pleasure in introducing our Green City Strategy. This sets out Sheffield's approach to be a 'Green City', a city which is more resilient to climate change, is taking action to reduce its impact on the climate and helping the city to make the transition towards a clean, low carbon economy.

Climate and sustainability are amongst the biggest social justice issues of the 21st century. Our Green City strategy begins to forge an approach focussing on the twin priorities of green sustainability and social justice, in order that our city can grow and provide for all its citizens in a sustainable way.

The signing of the Paris Climate Agreement in 2015 marked a significant turning-point for the world, demonstrating universal consensus that climate change is taking place and that we have to take action now. The sheer scale of the challenge - a global one - can often make it feel like it's either someone else's problem or that the impact we can make as an individual, a community or city is minuscule compared to what governments or global institutions can do. The reality however is that the solutions, as well as the opportunities to tackling climate change lie in the hands of cities.

And whilst the Paris agreement was signed by national Governments, it is widely recognised cities are critical to delivering these objectives. Around the world, cities like Sheffield are delivering rapid, practical changes and getting things done. Cities now hold the key to solving

these challenges and to create resilient, low carbon places to live and work. Cities, and more importantly the people, communities, businesses and institutions that reside within them can make the difference, implementing solutions which work at the local level, improve local quality of life and also reduce greenhouse gas emissions.

That is not to say that cities do not require Government support. Clearly some of the challenges will require us to work closely with Government, and in some instances there is will be a need for investment or national policy to support our ambitions.

At a local level however the our Green City Strategy will help us to address some of the City's challenges and promote a city which grows and evolves in a 'clean and green' way - clean air for all our communities, opportunities for clean energy or jobs in a rapidly growing clean growth sector.

It is an ambitious strategy, and has implications for how we live and work in the Sheffield. It sets out the changes we need to make to be prepared for challenges like more extreme weather, as well as the investments and opportunities that will help to improve our health, clear our air, make our city easier to get around and make our energy more affordable and resilient for everyone.

The good news is that we already have assets that help us on this journey. Sheffield was one of the first cities in the UK to introduce district heating and implement clean air powers in the

1970s', private sector investment has created a further two biomass-powered decentralised energy plants in the city, and our educational establishments are world-leaders in research and development of low carbon and energy innovation and the city is home to companies who are already reaping the benefits of developing products and services that address these challenges.

We recognise that the transition to a low carbon economy will not always be easy, and will involve difficult choices at times. But this is about doing the right thing for people across our city, in order to create a fairer city, as the effects of climate change are not just environmental or economic ones. Climate change is also a social justice issue adversely affecting our less-well-off residents.

We want to enable all Sheffields, businesses, institutions and organisations to play a role developing and delivering the solutions that will take Sheffield towards a zero carbon future. Success will be determined by how well we can all work together, to develop and implement the actions which are proposed in this strategy.

We will build on the radicalism that the city has shown in the past to ensure that everyone in Sheffield breathes clean air, can access reliable, clean transport, can feel safe and secure from the threats posed by climate change and has access to affordable, sustainable energy to heat and power their homes and businesses.

## 1. REDUCING OUR IMPACT ON THE CLIMATE

### PRIORITY 1

Leading by example, we will put in place a plan which enables the Council to reduce its carbon emissions

### PRIORITY 2

Establishing a city-wide carbon reduction programme

## 2. A CLIMATE RESILIENT CITY

### PRIORITY 3

Working together to help our communities, residents, public sector and businesses to become more resilient to climate change

### PRIORITY 4

Designing, planning and developing our city in ways which enable it to adapt and provide greater resilience to climate change

## 3. SUSTAINABLE AND AFFORDABLE ENERGY, FOR HOMES AND BUSINESSES

### PRIORITY 5

Ensuring that our city's homes are energy efficient and can access low cost, low carbon energy

### PRIORITY 6

Collaborating to expand our city's energy networks and to increase the level of renewable and low-carbon energy generation

## 4. MODERN, RELIABLE AND CLEAN JOURNEYS FOR EVERYONE

### PRIORITY 7

Ensuring that everyone can access opportunities without transport or movement constraints. Residents, businesses and visitors in our thriving city can safely move themselves and their goods or products with confidence and without delay. The negative impacts of transport including air quality and noise are minimised, and safety and quality of life is improved in the city as a result.

Reliable and clean journeys for everyone in a flourishing Sheffield.

## 5. CLEAN AIR FOR ALL

### PRIORITY 8

Ensuring that the air in Sheffield to be safe to breathe, regardless of where people live, work or visit.

We will work together to tackle the sources of air pollution and we will create

a healthy, thriving city where many more journeys are made using active travel and low emission public transport.

## 6. A GREEN AND INNOVATIVE ECONOMY

### PRIORITY 9

Working with local businesses to improve their environmental performance and ensure they are 'climate-resilient' and transitioning to a low carbon economy

### PRIORITY 10

Supporting Sheffield's businesses to become more energy efficient, to harness low carbon, locally generated energy sources, potentially unlocking competitive advantage and reliable, sustainable energy to support their growth

### PRIORITY 11

Supporting with the development and growth of our low carbon economy, enabling cleaner and sustainable growth. Developing and growing our 'low carbon and clean growth' sector

### PRIORITY 12

Delivering new low carbon jobs with local people



# Background

Page 45

Sheffield, like other large and diverse cities is a significant driver of regional economic growth. This growth can help bring major social, financial and cultural opportunities for our residents, communities and businesses. However, as we know from evidence discussed in the annual State of Sheffield Report<sup>1</sup> this growth has so far not resulted in a less polluted or more equal city. A move towards a lower carbon and cleaner economy would enable our city to grow and evolve whilst at the same time improving our environment and the quality of life of our citizens.

Across the world, cities from Curitiba<sup>2</sup> to Pittsburgh<sup>3</sup> are recognising the benefits that such an approach can deliver. Understanding how such cities are embracing and leading the change towards lower carbon economies, greater social and environmental equity and climate resilience will allow Sheffield to fully develop such an approach.

The solutions these cities are adopting are helping to reduce pollution and ensure greater equality for their residents, communities and businesses through cleaner air, warmer and more energy efficient homes and buildings, lower cost low carbon energy and places which have greater resilience to climate change and the subsequent impact on their communities and businesses.



**Sheffield is already on this path; it was one of the first cities in the UK to introduce district heating and develop a decentralised energy network in the 1970's that provides energy from waste. Recently the city won a number of environmental awards for its 'Grey to Green' scheme - the largest planned retrofit sustainable urban drainage scheme in the UK which converted former dual carriageway into greenspace and seating, a cycle route and generous foot ways whilst also improving the area's resilience to flooding.**

As a city we are fortunate to have a significant number of organisations, institutions and private businesses that are also engaged in delivering services and products that embody sustainable thinking or are seeking solutions to the challenges we face. Many of our communities are already involved in delivering projects and the current and potential future action of the 570,000 residents in our city should not be underestimated.

## **Sustainability and climate change resilience is a priority for nations and global institutions**

There is a clear consensus that we need to take action to reduce our impact on the climate. Climate change is already occurring, driven by the continued accumulation of greenhouse gases in the atmosphere. It is also widely recognised that if we take action now we can avoid the worse impacts of a changing climate. Predictions are for warmer and wetter winters, with increased flood risk, hotter and drier summers, with potential for increased heat stress and drought, combined with heavy downpours.

In December 2015, almost 200 countries including the UK signed-up to the Paris Climate Agreement. This agreement commits signatories to "holding the increase in the global average temperature to well below 2°C above pre-industrial levels, and to pursue efforts to limit the temperature increase to 1.5°C above pre-industrial levels."

Cities have a key role to play in ensuring this can be achieved, particularly as it is forecast that over 70% of the world population will be living in urban areas by 2050.

In the UK many cities have made a clear commitment to reduce their carbon emissions, divest from fossil fuels and establish and develop programmes to adapt and become more resilient to the anticipated effects of a changing climate.

In Sheffield, the Council has already made such commitments and to transition to 100% clean energy by 2050 as part of the UK100<sup>4</sup>.

## **UK commitments to tackling climate change**

The UK has committed to reducing its greenhouse gas emissions to at least 80 % of 1990 levels by 2050, through a process of setting 'Carbon Budgets', which are five-yearly caps on greenhouse gas emissions.

The Climate Change Act 2008 sets up a framework for the UK to achieve its long-term goals of reducing greenhouse gas emissions and to ensure steps are taken towards adapting to the impact of climate change.

The 2008 Act requires central Government to prepare a policy that will enable these carbon budgets to be met;

<sup>1</sup> <http://www.welcometosheffield.co.uk/business/news/2017/feb/21/state-of-sheffield-2017-a-real-picture-of-life-in-the-city>

<sup>2</sup> <http://www.c40.org/cities/curitiba>

<sup>3</sup> [http://www.100resiliencities.org/wp-content/uploads/2017/07/Pittsburgh\\_-\\_Resilience\\_Strategy.pdf](http://www.100resiliencities.org/wp-content/uploads/2017/07/Pittsburgh_-_Resilience_Strategy.pdf)

<sup>4</sup> UK100 is a network of local government leaders seeking to devise and implement plans for the transition to clean energy that are ambitious, cost effective and take the public and business with them [www.uk100.org](http://www.uk100.org)



to report on the impact of climate change every 5 years, publishing an adaptation programme to address those risks and deliver resilience to climate change on the ground.

Since 1990 the UK has cut emissions by 42 % while the economy has grown by two thirds. This reduction in carbon emissions has been largely been achieved through a range of activities including an increase in the level of national renewable energy generation and the decommissioning of coal-fired power stations, combined with a switching to natural gas-fired power stations.

The current national Carbon Budget, which runs from 2018 – 2022, requires a reduction of 35% by 2020, with the 4th (2023-2027) requiring a 50% reduction in UK emissions by 2027. This is less than a decade away, and is expected to require significant changes to how the UK generates, stores, distributes and utilises its energy. The Government expects that there will be significant opportunities associated with moving towards a low carbon future, and recently released its **Clean Growth Strategy**<sup>5</sup>, which aims to combine economic growth and decarbonisation ambitions.

Implementing the actions contained within this strategy will be crucial in helping Sheffield contribute to the national commitment, whilst enabling us to bring wider benefits locally to our residents and businesses.

### A Sheffield approach to climate change resilience and city sustainability

This Strategy is the critical next step in the development of our city-wide approach to tackling climate change and becoming a successful, sustainable city.

The challenges brought by climate change cannot be solved by one organisation and our starting point was to stimulate broad debate and draw on a wide range of expertise and knowledge to build the city's existing approaches. In 2015, Sheffield established an independent Green Commission to consider how the city could become a more sustainable place to live and work<sup>6</sup>.

The Commission's final report<sup>7</sup> in 2016 argued that Sheffield had already embarked on the journey towards sustainability with a strong base to

build from. The report sets out a vision for how, **working together as a city, Sheffield could become a smarter, more sustainable, more competitive 'future city'**.

The report was shaped around four visions - 'connected city'; 'transformative energy'; Sheffield as a 'European Green city'; and a 'learning city' which set out what Sheffield could aspire to in becoming a more sustainable city.

In response to the Commission's findings, lead organisations in the city took on the responsibility and started by reviewing their own organisational approaches to sustainability in response to the Commission's findings. Sheffield City Council's response, entitled *Growing Sustainably: a bold plan for a sustainable Sheffield*<sup>8</sup>, took the evidence, consultation and intelligence from the Commission and set out six key objectives which are now detailed and set out in this strategy.

This **Green City Strategy** captures the knowledge, ideas and visions from the Green Commission and sets out the specific key actions that the city needs to take. To succeed will involve our entire city evolving over time - with changes to the way we live, work and play. This



means that everyone has a role to play - residents and communities, businesses and city institutions. We will work to engage with people across our city. We will also need the support of national government, to create the policy needed to go beyond our initial plan, and support the delivery of an approach which will help us to support the UK in achieving its commitment to reduce greenhouse gas emissions by at least 80% by 2050, relative to 1990 levels.

We also need whole-city leadership to co-ordinate our city's approach and drive collaboration across our communities and organisation. We will establish a new **Green City Partnership board** which will establish how our objectives and actions can be delivered, and how through working together we can ensure that Sheffield becomes a resilient city, and a city which is working to reduce levels of greenhouse gas emissions and its impacts on the environment.

<sup>5</sup> [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/651916/BEIS\\_The\\_Clean\\_Growth\\_online\\_12.10.17.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/651916/BEIS_The_Clean_Growth_online_12.10.17.pdf)

<sup>6</sup> The Green Commission was made up of stakeholders from across the city, including; business, industry, universities, public sector and voluntary and community sectors and those representatives considered evidence from UK wide experts to understand the challenges and opportunities facing cities. <https://www.sheffield.gov.uk/greencommission>

<sup>7</sup> Sheffield's Green Commitment [https://www.sheffield.gov.uk/content/dam/sheffield/docs/planning-and-development/city-wide-plans-and-reports/Sheffield%20Green%20Commitment%20Report\\_FINAL.pdf](https://www.sheffield.gov.uk/content/dam/sheffield/docs/planning-and-development/city-wide-plans-and-reports/Sheffield%20Green%20Commitment%20Report_FINAL.pdf)

<sup>8</sup> Growing Sustainably: a bold plan for a sustainable Sheffield <http://democracy.sheffield.gov.uk/documents/s25838/Growing%20Sustainably%20Green%20Commission%20Report%201.pdf>



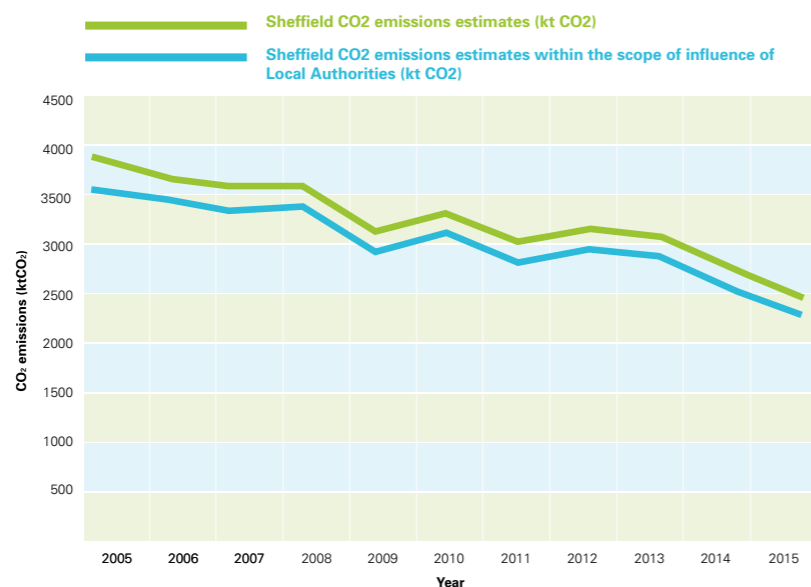
# Objective One

## OBJECTIVE ONE: REDUCING OUR IMPACT ON THE CLIMATE

There is broad agreement that we are already experiencing the effects of climate change and that we need to take action now and reduce our impact in order to ensure that avoid the worse effects that have been predicted.

Cities are recognised as being critical to achieving this, ensuring that countries can deliver the commitments their Governments made in Paris in 2015, and holding the increase in the global average temperature to well below 2°C above pre-industrial levels, and to pursue efforts to limit the temperature increase to 1.5°C above pre-industrial levels.

Many cities around the country, as well as globally have already established plans to reduce their cities greenhouse gas emissions towards a zero carbon target by 2050. There is no time to waste. A report commissioned by one global organisation<sup>9</sup> has suggested that cities must already be on this trajectory by 2020 if we are to avoid significant impacts. Cities which participated



Carbon dioxide (CO2) emissions in the city have reduced by 34% in the period 2005 - 2015

in this study reported that some of hazards they face will become more serious and more frequent as the climate changes. The potential impacts on people, infrastructure, environments, and local and national economies could be even more profound

We will work to mitigate or reduce our city's impact on the climate by emitting less greenhouse gases. This will be achieved by increasing the energy efficiency of our buildings, increasing the

use and production of renewable energy in the city and by reducing the use of internal combustion engine vehicles. We need to develop a plan which will help us to reduce emissions from our homes, how we travel and move around and across the city, and how our business, industry and commerce operate.

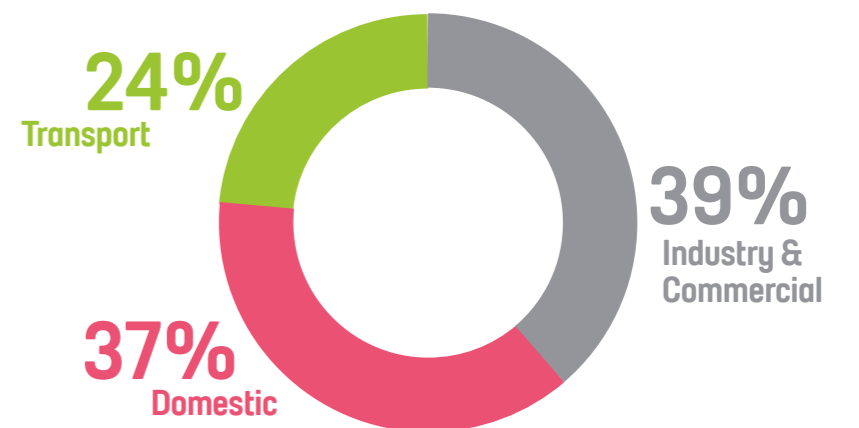
Carbon dioxide (CO2) emissions in the city have reduced by 34% in the period 2005 to 2015. This has primarily been as a result of the decarbonisation of

the energy produced nationally. Whilst the Council and other organisations have made progress in reducing carbon emissions (for example, over the period 2013/14 to 2016/17 the Council has reduced its annual CO2 emissions by 19%<sup>10</sup>), we need to develop a city-wide approach and plan to ensure that this progress is maintained and where necessary, improved upon.

Emissions of carbon dioxide in our city come from a number of sources. In 2015 over a third of these emissions came from domestic sources; primarily space heating and hot water generation, a similar quantity was produced by industrial and commercial sources and a quarter came from transport sources.

Like many cities around the world, Sheffield is taking already taking steps to mitigate its impact on the climate. Working with partners across the city the council has a number of initiatives which have resulted in reducing the emissions of greenhouse gases:

As a landlord with over 40,000 homes, Sheffield City Council has invested in improving the fabric and insulation of our homes and installed high-efficiency gas central heating boilers in the majority



Sheffield CO2 emissions estimates within the scope of influence of Local Authorities 2015

of homes. As a result, our homes have increased their SAP<sup>11</sup> (Standard Assessment Procedure) energy rating from 64 out of 100 in 2005 to 71 in 2016-17.

The Council has been using hydrogen fuel-cell electric vehicles as part of its vehicle fleet since last year (2017). The five vehicles are part of a government-funded programme and use the wind-powered mini-grid hydrogen refuelling station operated by ITM Power at the Advanced Manufacturing Park.

Organisations including Sheffield Hallam University operate accredited energy management systems which provides a framework to measure, manage and reduce their energy consumption and carbon emissions.

The progress and innovation seen to date is a good starting point, however it is recognised that the city would benefit significantly from greater co-ordination to make further progress. Experience and knowledge generated through the city's Green Commission tells us that cities which are succeeding in this arena have clearly defined carbon reduction programmes in place, and are working across all sectors of their city. Public support and participation is a critical element, and therefore we want to ensure that our communities, residents and businesses have opportunities to be involved in our city achieving this outcome.



**PRIORITY 1**

**Leading by example, we will put in place a plan which enables the Council to reduce its carbon emissions**

**by 2018**

We will produce a 'Sustainable Energy Action Plan' and sign-up to a recognised carbon reporting framework.

**by 2020/21**

The Council will have achieved a 30% reduction in greenhouse gas emissions, against a 2009/10 baseline for our corporate estate.

**by 2025**

The Council and its partners will have increased the level of low carbon and renewable energy generation in the city.

**by 2030**

A significant level of the city's energy will be supplied from locally generated low carbon and renewable technologies.

**PRIORITY 2**

**Establishing a city-wide carbon reduction programme**

We will commence a city-wide debate around how as a city we can adopt and stay within an agreed carbon budget, that enables Sheffield to deliver its share of the Paris Agreement; this will limit average temperature increases to well-below 2 degrees Celsius, and will have the aim of ensuring Sheffield becomes a zero carbon city by 2050.

We will seek the commitment and support of other organisations, businesses and communities in our city, to take a pledge and commit to contributing towards this.

We will report our progress annually through a Green City Partnership Board.

**by 2050**

Sheffield will be a zero carbon city.



# Objective Two

## OBJECTIVE TWO:

### A CLIMATE-RESILIENT CITY

According to data from the World Meteorological Organisation (WMO), 2015, 2016 and 2017 have been confirmed as the three warmest years on record<sup>12</sup>. The WMO explain that this is a clear sign of continuing long-term climate change caused by increased atmospheric concentrations of greenhouse gases. This is part of a long term warming trend and created extraordinary weather events around the world; very high temperatures, hurricanes and devastating monsoons. Locally, these changing weather patterns have had a significant impact on our city's communities. In 2000 and again in 2007 the city experienced severe flooding with many residents and businesses affected. Two people lost their lives and hundreds of millions of pounds of damage and disruption was caused to businesses and infrastructure.

In addition to increased rainfall, warmer and wetter winters, and extreme weather events which lead to substantial surface water runoff, climate scientists are also predicting that we can expect

hotter and drier summers. This could lead to heat stress of people and the environment, and potential hospital admissions for vulnerable residents, as well as water shortages.

The Council and its partners have begun to develop a number of programmes which are intended to increase the resilience of the city.

### Flooding and water management

Sheffield is renowned for its seven hills and five rivers. We have over 150 miles of flowing watercourses in five main valleys that converge in the city centre, our rivers are linked to our communities and nowhere in Sheffield is far from a river. Our rivers and waterways are where the effects of climate change are likely to be felt first. The city's Waterways Strategy<sup>13</sup>, sets out how our city is increasingly likely to suffer from the risk of flooding.

Our city's drainage infrastructure is close to capacity, and whilst the Council and its partners, primarily the Environment Agency and Yorkshire Water have been working to develop schemes to reduce flood risk to homes and businesses in

the city, significant investment is needed for sustainable and innovative ways to manage river and surface water.

Taken as a whole, our rivers and their corridors offer a great opportunity for the creation and extension of a citywide green infrastructure network<sup>14</sup>.

Our approach will be to provide greater resilience for the city - to help to adapt to climate change and manage flood risks more sustainably by restoring the natural water cycle as far as practicable, ensuring the use of sustainable drainage systems, promoting low carbon opportunities for travel and development along river corridors and delivering robust yet sensitive approaches at the scale of the entire river catchment, which protect and promote biodiversity.

We will aim to promote and adopt more environmentally-friendly building types; our urban riversides offer good locations for redevelopment when climate change resilience measures such as sustainable urban drainage, living roofs and biodiversity enhancing features are incorporated.

### Effects of heat and drought

As well as increased rainfall throughout the year, we also need to ensure that our city is prepared for summer heatwaves, which can have a serious effect on vulnerable people and our health services. Associated with this is the risk of more severe summer droughts, lower river levels and water shortages.

### 'Urban heat islands'

An urban heat island is an urban area which is significantly warmer than surrounding areas. These areas absorb heat from the sun. This increased heat has the potential to directly influence the health and welfare of urban residents, and the effect can be more significant during the night as the surfaces continue to give off heat.

As the main cause is due to the surfaces of roads or buildings absorbing heat from the sun, we can aim to help reduce urban heat island effects by designing places to absorb heat through the use of green and blue infrastructure, as well as ensuring that our city is more resilient to the risk of drought through appropriate planting,

use of grey water and water harvesting and storage systems.

### Food

We will explore opportunities to reduce our city's food supply chains and to increase the amount of locally produced, seasonal food, with sustainable levels of meat consumption. This could help to reduce the city's carbon emissions as well as significant health benefits. Growing food in the city and its environs, will help to contribute towards increasing the resilience of our food supply networks, as well as creating business and job opportunities to Sheffield.

<sup>12</sup> <https://public.wmo.int/en/media/press-release/wmo-confirms-2017-among-three-warmest-years-record>

<sup>13</sup> [www.sheffield.gov.uk/content/sheffield/home/planning-development/sheffield-waterways-strategy](http://www.sheffield.gov.uk/content/sheffield/home/planning-development/sheffield-waterways-strategy)

<sup>14</sup> Green Infrastructure – PPS 12, 2010 pg7 of City of Rivers



### PRIORITY 3

**Working together to help our communities, residents, public sector and businesses to become more resilient to climate change**

**by 2020**

We will work with our partners to develop and put in place flood plans to so that our city can cope with more extreme weather events.

Our Green City Partnership Board will produce a Plan to help ensure that our communities, residents, public and private sector are more resilient to climate change impacts, and that they are prepared and able to respond to and recover from extreme weather events should they occur.

### PRIORITY 4

**Designing, planning and developing our city in ways which enables it to adapt and provide greater resilience to climate change**

Together with our partners, we will work to protect communities from flooding through co-ordinated investment in flood and drainage infrastructure so that our rivers and waterways can cope with more extreme events.

We will ensure that our flood and water assets are maintained to a high standard and put in place plans to activate defences in emergencies.

We will design places to absorb heat through the use of green and blue infrastructure, as well as ensuring that our city is more resilient to the risk of drought through appropriate planting, use of grey water and water harvesting and storage systems.

Investment in our waterways and rivers will aim to restore the natural water cycle as far as practicable, promoting the use of sustainable drainage systems and reducing the load on our sewerage system, promoting low carbon opportunities for travel and development along river corridors and delivering robust yet sensitive approaches at the scale of the entire river catchment.

We will explore opportunities to reduce our city's food supply chains and to increase the amount of locally produced, seasonal food.

The City's Local Plan policies promote the use of natural cooling, to reduce urban heat island effect by using tree planting and living roofs and screens, as well as promoting the use of sustainable drainage systems.

The new Local Plan is currently being developed and we will seek to enhance existing policy where appropriate.

Our new City Centre plan will promote and support schemes and projects which deliver greater resilience and are adaptive to climate changes.



# Objective Three

## OBJECTIVE THREE:

### SUSTAINABLE AND AFFORDABLE ENERGY FOR RESIDENTS AND BUSINESSES

Sheffield has a strong track record in developing energy projects in the city. We were one of the first UK cities to develop a district heat network, and the Council continues to develop this network through innovative investment partnerships with the private sector and central government.

Veolia operate the Council's Energy Recovery Facility at Bernard Road. This facility turns local waste into electricity and heat for the city. Up to 45MW of heat is produced and supplied to over 140 buildings connected to the District Energy Network. This includes homes, offices, theatres and university buildings. In addition, the facility generates up to 21 MW of electricity to the National Grid, which is enough to power 25,000 homes.

E.ON's 30MW biomass energy plant at Blackburn Meadows was built in 2014, costing £100m. The company have completed installing the largest battery storage facility in the UK, which has a

capacity of 10 MW and will supply low-carbon electricity to the National Grid at times of high demand as part of a smart-grid system.

UYE have constructed a 6.5 MW biomass energy plant at Holbrook in the south east of the city, which is now completed and being operated by Veolia. Proposals for a renewable energy business park are in development at Claywheels Lane in the north of the city.

Funding secured from Government will enable the connection of the Blackburn Meadows biomass plant, built and operated by E.ON, to the Council's District Energy Network which heats public and private buildings, as well as homes across Sheffield city centre. As well as increasing the resilience of the heat network, this will also provide opportunities for expansion of the district energy network, for example into the new Sheffield Retail Quarter.

The University of Sheffield is operating a state-of-the-art solar photovoltaic (PV) installation designed to test the use of PV technologies in northern latitudes and field-test new technologies in the city.

Lowering our city's carbon emissions through the energy we consume is a critical part of our response to climate change. However, we need to ensure residents and businesses have energy supply security, and that energy is affordable so people in the city can adequately heat their homes. It is estimated that 12% of households (around 29,000), in Sheffield are living in fuel poverty due to a combination of low income, high fuel prices and homes which are expensive to heat and run.

Our Housing Strategy<sup>15</sup> recognises the need to improve the energy efficiency of some of the city's housing stock, by investing in the fabric of homes through insulation programmes, by providing residents with access to competitive energy providers, and by providing education and advice.

The Council has previously provided free insulation programmes and energy efficiency advice, with the insulation scheme offered to around 80% of private properties in the city.

Our approach to developing local low carbon energy supplies will help to alleviate risks associated with energy

supply security. Cities and organisations which generate their own energy through renewable sources are likely to be less affected by future energy price fluctuations.

The Centre for Low Carbon Futures (founded by the Universities of Sheffield, Leeds, Hull and York) explored the most cost effective and efficient ways to decarbonise a city. A review was undertaken for the Sheffield City Region which established that 13% of GVA leaves the local economy every year through the payment of energy bills, and this is forecast to grow significantly, the 2011 SCR energy bill of £3.41 billion is expected to reach £4.59 billion by 2022<sup>16</sup>.

Compared to the rest of the country, energy demand is disproportionately high in the SCR. This is due to the presence of energy intensive commercial and industrial sectors. In particular, commercial and industrial energy use is 11.5% higher for electricity and 9.4% higher for gas compared to the rest of England.

This review recommended that implementing cost effective measures and deploying renewables has an

enormous potential to advance the local economy of the SCR through reducing the energy bill. Investment in measures from 'cost effective' to 'exploiting all realistic potential' could reduce the projected bill increases by between 61-86%, freeing up capital for investment and growth.

Recent analysis the University of Sheffield<sup>17</sup> suggests that approximately £350m of electricity and £230m of gas was consumed within Sheffield Local Authority area in 2015 (using the assumption of 15 pence per kWh for electricity and 5 pence per kWh for gas). As there is only a limited amount of generation in the area, this annual total of nearly £600 million is leaving the area to pay for these 'imports' of energy. Reducing these by just 10% by reducing demand or increasing low-carbon generation in the Sheffield Local Authority area equates to a reduction of almost £60m from leaving the area for energy. This gives an indication of the scale of market opportunity to reduce demands and to develop local generation capacity.

The recently published Northern Energy Strategy (IPPR<sup>18</sup>) outlines a strong

ambition for the north to become leaders in the low carbon energy sector. It makes the case for the devolution of energy to give city regions and local authorities the powers to invest in an energy system which is fit-for-purpose and forward-facing, that will enable the accelerated transition to a low carbon economy.

Our main approaches to this objective will be to reduce energy demand in the city through increasing energy efficiency of our buildings and homes and for the city to increase the level of renewable and low carbon energy generation, and to help to provide access to lower cost and lower carbon sources of heat and power for our homes and businesses.



## PRIORITY 5

### Ensuring that our city's homes are energy efficient and can access low cost, low carbon energy

Our approach to reducing **energy and carbon emissions from transport** is detailed on the next section, and our approach to **business** is set out in **Green and Innovative Economy** section

We will develop an approach to promote domestic affordable warmth and energy efficiency, which will help households in fuel poverty to invest in measures in their homes, which will save households money, reduce ill health and reduce carbon emissions.

We will develop an Energy Company partnership that will work to provide our city's residents with access to lower cost energy tariffs and provide advice and support on energy efficiency and domestic renewables. Support for business and industry is detailed in section.

New homes built in the city will be very low or zero carbon - Our Local Plan includes policies which promote the development of low carbon homes; constructed to high standards of energy efficiency, which will generate their own heat or power. These homes will use significantly less energy and as a result have lower running costs for residents, as well as reducing the city's overall carbon emissions.

The new Local Plan is currently being developed and we will seek to enhance existing policy where appropriate.

Our council home building programmes will create very low or zero carbon, energy efficient homes. Where funding allows homes will also generate their own heat or power.

## PRIORITY 6

### Collaborating to expand our city's energy networks and to increase the level of renewable and low carbon energy generation

We will continue to work with partners to expand our energy networks, and increase the level of renewable and low-carbon energy generation.

We will continue to explore the opportunities to expand our own heat networks and work with commercial partners, residents and customers.

We will develop an approach to decarbonise our existing heat networks, exploring further approaches to decarbonise domestic heating across the city.

We will develop an Energy Prospectus for Sheffield, that clearly sets the commercial opportunities and community benefits for future investment (including private sector, community share and infrastructure-type funds).

Our Local Plan includes policies which promote the generation and utilisation of low carbon energy.

The new Local Plan is currently being developed and we will seek to enhance existing policy where appropriate.





# Objective Four

**OBJECTIVE FOUR:**

**MODERN, RELIABLE AND CLEAN JOURNEYS FOR EVERYONE**

Cities at their heart are networks - social, physical, digital. The ability of cities to move huge numbers of people, connect communities to their homes and to jobs and do it in a reliable, rapid and affordable way is vital. Doing this sustainable and clean way is the challenge for the 21st century. Sheffield is growing with more and more demand on our transport network and so we need to consider how we create a cleaner, sustainable transport network with more public transport, cycling, walking and a more efficient use of the road space we have to improve the environment and quality of life for all Sheffielders.

And the benefits for the city could be huge – cleaner air, healthier people, more reliable connectivity making Sheffield an attractive place for people to live, work and businesses to invest.

Sheffield, alongside 30 other cities has been identified by the Government in its newly-released UK Air Quality Plan<sup>19</sup> as an area in exceedance for Nitrogen

Dioxide (NO<sub>2</sub>) gas. This means we need to tackle vehicle emissions in order to become compliant with European health based limits for this air pollutant in the shortest possible time. A Sheffield Clean Air Strategy<sup>20</sup> has been developed which aligns with our emerging Sheffield Transport Vision<sup>21</sup>. Both these documents were approved by Sheffield City Council in December 2017.

Research undertaken by The Centre for Low Carbon Futures, which includes the University of Sheffield, has sought to identify the most effective and efficient way to decarbonise a city<sup>22</sup>. The report highlights opportunities to reduce both energy bills and carbon footprints. The work highlights the potential contribution that transport can make in this respect. There are two main themes:

- modal shift to reduce the impact of private car travel
- decarbonisation of existing vehicles through the adoption of alternative methods of propulsion (e.g. hybrid, electric or Compressed Natural Gas).

The best performing measures identified in this report to reduce carbon emissions included Park & Ride schemes, smarter

travel choices, cycling and demand management as well as investment in more fuel efficient and hybrid vehicles. This research will be integrated into our emerging evidence base and analysed further in the formation of the full Sheffield Transport Strategy.

There is significant travel into Sheffield from across the city region, for work, study, health and leisure. Around 60,000 people commute into Sheffield on a daily basis for work, with more than one third of these journeys from Rotherham. Currently, 28% of journeys to work in Sheffield originate outside the district; and 22% of journeys to work starting in Sheffield go outside the district. Of journeys within Sheffield nearly three quarters are less than 5 miles.

An increase in the number of jobs and houses will increase the demand for travel and movement and doing nothing is not an option. As activity across the city increases, travelling around the ring road in peak hours might take up to 20% longer. The health implications of our travel choices are also substantial. There is still a significant difference between the health of people living in the most and least deprived communities.

Furthermore, estimates state that around 20% of deaths per year in Sheffield could be prevented, with direct causes including factors such as obesity, lack of physical activity, and environmental threats such as pollution from traffic.

We are developing and consulting on the Sheffield Transport Vision, which is the first of two stages leading to the publication of the full Sheffield Transport Strategy in 2018. The Transport Vision looks forward over the period to 2034 to understand what issues the city may face when considering the challenges of sustainable and inclusive growth. Following this Vision, the full Sheffield Transport Strategy will explore the issues in more detail to set out how our broad actions will be more clearly defined and implemented in each area of the city. This will lead to an aspirational but deliverable plan of action, starting immediately, including how this will be funded.

To achieve economic growth in a sustainable way, we will need to change how we enable and manage movement around the city. Some of this will come from reducing the need to travel (for example - through the use of

technology to access services, the role of technology in the way transport is provided, or by better location of housing and employment). But the remaining success will have to come from changing how travel is made. We cannot simply accept growth in private car trips as this is unsustainable.

We must provide better and more effective choice to enable Sheffield people and visitors to the city to use sustainable modes whenever they can.

We need networks (services, roads, rail, and paths) that allow people to change their travel habits. In getting the most out of our transport network, we will have to consider significant changes, with a range of policies and schemes, no longer trying to fit all road users into the same space, thereby improving road safety as well. For there to be 'transport for all' we need an integrated, affordable and high quality public transport system that provides good access for young people, and a reduction in the isolation experienced by people who are unable to use public transport. Sustainable modes (cycling, walking and public transport) should be seen as the first option for travel, particularly for shorter journeys.

We will make better use of technology to maximise available capacity within existing infrastructure, making best use of what we have.

<sup>19</sup> <https://www.gov.uk/government/publications/air-quality-clean-air-zone-framework-for-england>

<sup>20</sup> <http://democracy.sheffield.gov.uk/eListDocuments.aspx?CId=123&MId=6624&Ver=4>

<sup>21</sup> <http://democracy.sheffield.gov.uk/eListDocuments.aspx?CId=123&MId=6624&Ver=4>

<sup>22</sup> <http://e-futures.group.shef.ac.uk/page/sheffield-projects/centre-for-low-carbon-futures/>

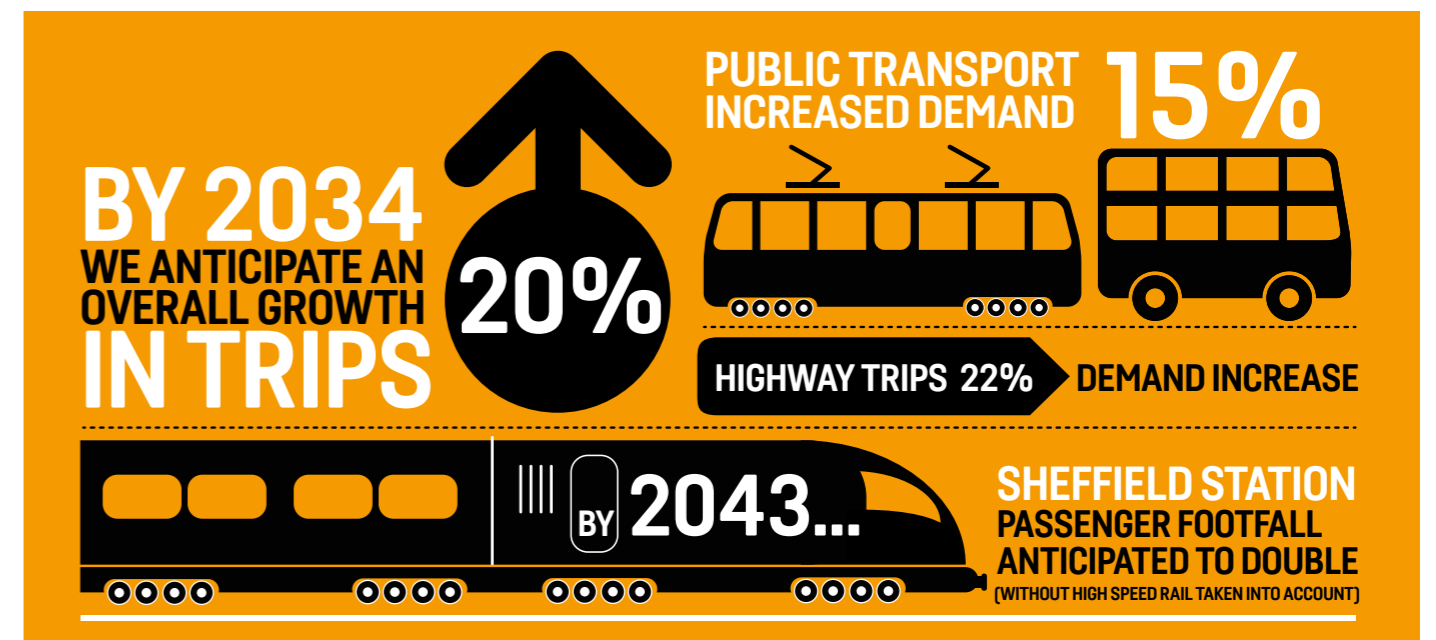


**PRIORITY 7**

Ensuring that everyone can access opportunities without transport or movement constraints. Residents, businesses and visitors in our thriving city can safely move themselves and their goods or products with confidence and without delay. The negative impacts of transport including air quality and noise are minimised, and safety and quality of life is improved in the city as a result.

Reliable and clean journeys for everyone in a flourishing Sheffield.

- Develop a new Sheffield Transport Strategy.
- Secure community and business support – changing hearts and minds to recognise the need for change, also integrating this within new development.
- Develop an ambitious yet deliverable transport infrastructure programme.
- Explore all existing and future external funding sources.



# Objective Five

## OBJECTIVE FIVE: CLEAN AIR FOR ALL

Clean Air is a fundamental right - all our lives depend on it. Unfortunately, we face a significant threat from air pollution. Unlike noxious coal-induced smogs of the past, however, it is often an invisible killer, and the threat comes predominantly from the vehicles we use to get around (particularly diesel ones) and the energy we use to power our industry.

Across the UK, air pollution is a public health emergency. It has been linked to strokes, heart attacks, cancer, asthma and dementia. Research shows that children exposed to air pollution have smaller lungs and negative health effects for their whole life. It is estimated that there are 500 early deaths a year in Sheffield linked to air pollution.

Government have delayed making any significant intervention on air quality but the UK has been breaking EU law on Nitrogen Dioxide (NO<sup>2</sup>) gas since 2010. Levels in Sheffield reflect the national situation - we are in breach of EU limits which should have been met by 1st January 2010.

## OUR CLEAN AIR VISION

**We want the air in Sheffield to be safe to breathe, regardless of where people live, work or visit.**

**We will work together to tackle the sources of air pollution and we will create a healthy, thriving city where many more journeys are made using active travel and low emission public transport.**

## PRIORITY 8

**Ensuring that air in Sheffield to be safe to breathe, regardless of where people live, work or visit.**

**We will work together to tackle the sources of air pollution and we will create a healthy, thriving city where many more journeys are made using active travel and low emission public transport.**

**Feasibility study** - consider in detail the types of measures that we may have to introduce in Sheffield in order to improve air quality and consult with the city to better understand what people think about the specific interventions we could implement.

**Buses** - work in partnership with the bus companies to improve the bus fleet and reduce emissions through replacement low-emission buses or retrofitting vehicles with cleaner engine technology.

**Taxis** - ensure that taxis cannot be licensed in the city if they do not meet particular standards by 2022; seek investment from Government for a fund to help taxi operators/owners to improve their vehicles.

**Cars** - consider specific schemes to support people on lower incomes to change to lower emission vehicles, particularly where their job or responsibilities require unavoidable and frequent use.

**Idling** - roll out Anti-Idling Zones around schools and other sensitive locations.

**Freight/HGVs** - support the Eco Stars scheme, which helps commercial vehicle operators to reduce their emissions; promote the use of lower emission vehicles across our fleet.

**Promoting clean travel** - encourage more walking, cycling and active commuting in the city.

**Working with communities** - commission a Neighbourhood Clean Air Champion Scheme.

**Industry** - make the most of technological improvements to reduce emissions and ensure that industry and businesses meet their legal obligations.

**Designing a clean air city** - build the ambition of clean air into our approaches to transport, economy, housing, planning and health and wellbeing.



# Objective Six

## OBJECTIVE SIX:

### A GREEN AND INNOVATIVE ECONOMY

Sheffield is world-renowned for its innovation capabilities in advanced manufacturing and materials, creative and digital industries and healthcare technology. We have a deserved reputation for invention, for making, and for seizing and exploiting opportunities. The Government has forecast that the UK low carbon economy could grow by an estimated 11 % per year between 2015 and 2030, four times faster than the rest of the economy. This could deliver between £60 billion and £170 billion of export sales of goods and services by 2030.

The Northern Energy Taskforce has established a vision that by 2050 the north of England will be the leading low carbon energy region in the UK, with an energy economy worth £15 billion<sup>23</sup>. Several of our strengths in nuclear engineering, battery technology and storage and the digitalisation of industry will be very relevant to delivering the vision as it progresses.

Our vision for a 'Low Carbon' economy here in Sheffield and the opportunities it presents should apply to all sectors of our economy, through commerce and industry, and include large companies and small and medium-sized enterprises, as well as sole-traders.

Sustainability makes good business sense for any business, irrespective of sector; it can lead to lower energy and utility costs, reduced waste and disposal costs producing lower overheads and helping to create competitive advantage through resource efficiency.

The Carbon Trust and other city-regions have programmes in place to support energy assessments, providing technical advice and facilitating the acquisition and financing of capital purchases. These practical inputs are capable of delivering real financial returns. Business Sheffield has a team of experienced Business Advisors who can work with the city's businesses to help them become more efficient in their use of energy, more resilient to changes in price and supply, and more capable of responding to opportunities.

We want to help our city's businesses to understand the challenges that are

expected in transitioning to a low carbon economy and to be in a stronger position to exploit the commercial and community opportunities.

### Being a smarter city – using technology and data to help the transition to a low carbon economy

Digital technologies and the intelligence and data this can yield can provide an opportunity to explore and understand our city's low carbon challenges in greater detail, as well as being utilised to develop innovative solutions to challenges such as poor air quality, congestion or rising energy costs.

Developing these technologies will help the city, its institutions, businesses, as well as its residents to make more sustainable and climate-conscious decisions. Integration of these systems could help to manage energy demand in the city, help commuters to make real-time travel decisions reducing travel time and promoting clean air or reducing the number of journeys across or into the city.

In addition, new services that are developed could have a high commercial

value which could help support the growth of new local jobs and employment, whilst also improving the quality of life.

Local companies are already exploiting the potential of these technologies to develop new products and services, and the University of Sheffield has established the Urban Observatory, which brings together fixed, mobile and atmospheric sensors and data, and using advanced machine learning and data fusion techniques will create a dynamic understanding of the flows of energy and resources in the city.

### We want a city with a successful and growing 'low carbon and clean energy' sector, helping to create and provide local jobs.

The solutions, services and products that these companies create and deliver could help our city to address some of the challenges this report has identified as well help cities around the world. In our approach, low carbon and clean energy is considered in its widest terms, including for example; developers of smart phone apps which help us to navigate our city

in the most carbon-neutral manner or manufacturers of lightweight vehicles or components, new electric propulsion systems or alternative fuels for a low carbon future. We need to embrace the innovation and creativity that exists across all our sectors, and harness this for the advantage of our city and its communities.

We want to create the industries of the future, and to link this to the creation of local jobs and training opportunities. This may be around skills relating to the retrofitting of buildings with energy and carbon-saving measures, as well as renewable energy technologies, and may also include new skills around how our energy and utility networks are developed, public transport and electric vehicles or how our public spaces are utilised and adapt to climate change.



**PRIORITY 9**

**Working with local businesses to improve their environmental performance and ensure they are 'climate-resilient' and transitioning to a low carbon economy**

Working through the Business Sheffield events programme, we will help our city's businesses to be more aware of the challenges and opportunities relating to transitioning to a low-carbon economy.

In the short term, we will signpost businesses to the most appropriate support currently provided locally and nationally. Over the medium term, we will work with our businesses and partners to review the support and identify the gaps that exist.

Working with local businesses, we will work with our city partners and wider stakeholders to consider how local support for products can be developed. This will include working with our education and knowledge institutions, community and third sector organisations, as well as the investment community.

We will continue to facilitate and support private sector investment into our city that will contribute towards the overall delivery of this strategy.

**PRIORITY 10**

**Supporting Sheffield's businesses to become more energy efficient, to harness low carbon, locally generated energy sources potentially unlocking competitive advantage and reliable, sustainable energy to support their growth**

We will work to expand the city's heat networks and encourage new commercial and industrial businesses to connect.

We will explore the potential to develop a Sheffield Energy revolving loan fund for businesses to invest in energy efficiency and low carbon measures.



**PRIORITY 11**

**Supporting the development and growth of our low carbon economy, enabling cleaner and sustainable growth**

**Developing and growing our 'low carbon and clean growth' sector**

Working with businesses, educational and knowledge institutions, community and third sector organisations, as well as the investment community and gov., we explore the potential to develop a local accelerator programme.

We will facilitate and support private sector investment into the City into this sector, and into wider environmental and energy investment – this will be essential to achieve the level of investment that is envisaged, noting that the SCR Mini-Stern Review<sup>24</sup> outlined a programme of £8b in order to reduce SCR emissions by 40% with an 8 year payback period based on energy savings.

We will look to develop other innovation programmes which aim to create the technological solutions and behaviour change we need.

**PRIORITY 12**

**Delivering new low carbon jobs for local people**

Working with businesses, educational and knowledge institutions including our Universities and Sheffield College and our community and third sector organisations, we explore and develop a programme for new low carbon jobs for local people.

We will explore the potential for programmes such as new vocational training and skills for school leavers, apprenticeship schemes or support for innovative low carbon entrepreneurs.

We will explore the potential for programmes to ensure that Sheffield residents have the skills and experience to secure local jobs.



# Partnership and Collaboration

## Leadership

Sheffield City Council has a pivotal role in providing civic leadership, inspiring and facilitating across all sectors and parts of our city to help to create a low carbon future.

This is a major opportunity for Sheffield to become a leading sustainable city with communities and businesses that are resilient to the effects of climate change; part of a growing economy that can fully exploit its innovative capacity to help us transition towards a zero carbon city and part of a city where our decisions and behaviours, both collectively and as individuals are more sustainable.

## Partnership

The Council recognises that delivering the actions set out in this Strategy, and enabling the city to transition towards a low carbon economy is not something we can do alone. Delivering the actions will require strong partnerships and a collaborative approach. As this strategy has evidenced, the city is already making progress and we aim to build on this collective experience and knowledge, its existing networks and communities.

We will be engaging with people across the city on this strategy, to establish the most effective ways and approaches to implement the actions contained within the strategy.

We will establish a **Green City Partnership Board**. This board will have representation from across the city, its stakeholders and partners, communities and businesses.

The Partnership Board will work to develop a city-wide approach, exploring the opportunities to secure investment to enable the actions set out to be delivered and will help to monitor and review our city's progress and provide an independent voice for the city on climate change and wider sustainability.

We will also aim to establish an Office for Climate Change. This Office could be a collaboration between the Council and business, industry our educational establishments and public agencies and will work to co-ordinate the delivery of projects and programmes across the city, as well as working with the City region and national Government to secure resources and investment from national and international programmes.

## Governance

The Council will establish a Sustainability Programme Group as part of its internal Programme Management approach. This Group will be accountable for the delivery of the Sustainability programme and oversees progress across all of its component projects. The Group will directly commission and deliver projects, as well as facilitate and assist delivery in-directly

For example, it will support project sponsors in the development of new business cases, where there is an opportunity to add value and achieve or increase wider sustainability outcomes. In addition, it has a role in challenging sponsors of existing projects to help to deliver wider sustainability outcomes. It is envisaged that it will have a close role co-ordinating sustainability-related activity with our external partners, primarily through a Green City Partnership Board.

The Council will ensure that our wider strategies and plans consider their implications and impact on Sheffield's sustainability, and develop appropriate actions to ensure they contribute positively towards the six priority themes contained within this document.

## Engagement and facilitation

We want to enable everyone in the city – its residents, businesses, institutions and organisations to play a role developing and delivering the solutions that will take Sheffield towards a zero carbon future, and we will be using a variety of approaches and networks to engage people and organisations.

As already identified, we have a large number of organisations, communities and businesses who are engaged in delivering services and products that embody sustainable thinking or are seeking solutions to the challenges we face. Success will be determined by how well we can all work together, to develop and implement the actions which are proposed in this strategy.







**Author/Lead Officer of Report:** Joe Horobin –  
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**Tel:** 0114 2735060

**Report of:** Jayne Ludlam  
**Report to:** Cabinet  
**Date of Decision:**  
**Subject:** Developing a stable adult social care market in Sheffield

Is this a Key Decision? If Yes, reason Key Decision:-	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
- Expenditure and/or savings over £500,000		<input checked="" type="checkbox"/>		
- Affects 2 or more Wards		<input checked="" type="checkbox"/>		
Which Cabinet Member Portfolio does this relate to? <i>(Health and Social Care)</i>				
Which Scrutiny and Policy Development Committee does this relate to? <i>(Healthier Communities and Adult Social Care Scrutiny and Policy Development Committee)</i>				
Has an Equality Impact Assessment (EIA) been undertaken?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
If YES, what EIA reference number has it been given? <i>(Insert reference number)</i>				
Does the report contain confidential or exempt information?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below:-				
<p><i>“The <b>(report/appendix)</b> is not for publication because it contains exempt information under Paragraph <b>(insert relevant paragraph number)</b> of Schedule 12A of the Local Government Act 1972 (as amended).”</i></p>				

### **Purpose of Report:**

This report sets out the process that the Council has followed to propose fair and sustainable fee rates for independent sector care home, home care, extra care and supported living providers in Sheffield for the financial year 2018-19.

The report outlines recommendations to the Council's Cabinet to approve an uplift of fees for adult social care providers in Sheffield for the financial year 2018/19 as follows:

- **Care Homes:** Establishing a single rate of £463 for residential and nursing care homes for the financial year 2018/19 based on an open book cost of care exercise. The exercise was completed with the engagement of a number of independent sector care home providers in Sheffield covering both residential and nursing home services. The information supplied was reviewed by the Council's finance department and independent experts working with the University of Sheffield's School of Management and the "Doing Care Differently" project.
- **Home Care and Supported Living:** An uplift of 3.95% to home care and supported living fee rates in line with cost of living and minimum wage pressures for the financial year 2018/19.
- **Extra Care:** Align the 'care' element of extra care fees of the four Council contracted extra care schemes to the corresponding supported living rate and pay the 'support' element based on delivery of support activities.

This report describes how, in the context of Sheffield's position in the lowest quartile of care home fee rates in the region, the recommended fee uplifts are required in order to ensure care home market stability and the consolidation of a quality, flexible and resilient home care and supported living market in Sheffield.

**Recommendations:**

1. To approve a single fee for residential and nursing home providers on the Council's standard contracted and framework rate of £463 per bed per week (excluding nursing costs) based on the results of the open book cost of care exercise completed in the financial year 2017/18. See table below for details of % uplift.

Category	Current rate (environmental standard)	Current rate (environmental enhanced)	2018-19 rate	% increase
Residential - standard	£389	£391	<b>£463</b>	<b>18 - 19%</b>
Residential – high dependency	£426	£430	<b>£463</b>	<b>8 - 9%</b>
Residential - EMI	£434	£438	<b>£463</b>	<b>6 - 7%</b>
Nursing – standard excluding FNC	£433	£440	<b>£463</b>	<b>5 - 7%</b>
Nursing enhanced excluding FNC	£447	£453	<b>£463</b>	<b>2 - 4%</b>

2. To approve an inflationary uplift to fee rates of 3.95% for home care and supported living providers on the Council's standard contracted and framework rate.
3. To align the 'care' element of extra care fees for the four Council contracted providers to the corresponding supported living rate (where care is provided in one geographic location) and pay the 'support' element based on itemised delivery of support activities.
4. To delegate authority to the Executive Director of People in consultation with the Director of Adult Services and the Cabinet Member for Health and Social Care to agree any appropriate and proportionate fee increases requested by recipients of Direct Payments and care providers who are not on the Council's standard contracted and framework rate on a case-by-case basis.
5. To delegate authority to the Executive Director of People in consultation with the Director of Adult Services and the Cabinet Member for Health and Social Care to take all other necessary steps not covered by existing delegations to achieve the outcomes outlined in this Report.

**Background Papers:**

*(Insert details of any background papers used in the compilation of the report.)*

**Appendix 1: Older Adults Care Homes**

**Appendix 2: Home Care**

**Appendix 3: Supported Living**

**Appendix 4: Extra Care**

**Appendix 5: Non Standard Fees**

**Appendix 6: Report commissioned by Kingsbury Hill Fox Limited on behalf of a Care Home Provider**

Lead Officer to complete:-		
1	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.	Finance: Liz Gough
		Legal: Steve Eccleston
		Equalities: Liz Tooke
<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>		
2	<b>EMT member who approved submission:</b>	<i>Jayne Ludlam</i>
3	<b>Cabinet Member consulted:</b>	<i>Cllr Cate McDonald</i>
4	I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Decision Maker by the EMT member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.	
	<b>Lead Officer Name:</b> <i>Joe Horobin</i>	<b>Job Title:</b> <i>Head of Commissioning</i>
<b>Date: 28 February 2018</b>		

## **1. PROPOSAL**

- 1.1 To develop and maintain a stable, flexible and diverse adult social care market in Sheffield that is able to respond to the changing needs of the population in terms of both demographics and seasonal fluctuations in demand such as winter health pressures. The Council and partners in health continue to work closely with providers to support the delivery of quality social care and design creative and innovative approaches to managing and meeting demand for care in the city.
- 1.2 To address the historically low rate for care homes (as compared regionally and with comparator authorities) through the creation of a single rate for residential and nursing home providers of £463 per bed per week (net of FNC nursing) based on an open book cost of care exercise undertaken in 2017/18 alongside the impact of the National Minimum Wage increase and other inflationary indices for 2018-19.
- 1.3 To provide an inflationary uplift of 3.95% for home care and supported living contracted and framework providers that reflects the impact of the National Minimum Wage increase and other inflationary indices.
- 1.4 To increase the care element of the fee rate for contracted extra care providers to align with the standard supported living discounted rate.
- 1.5 To pay for the support element of the fee rate for contracted extra care providers based on evidence of support activities delivered.
- 1.6 These rates are to take effect from April 2018 as reflective of the cost pressures that providers will face in 2018-19 when delivering flexible and innovative care of appropriate quality for some of Sheffield's most vulnerable residents.
- 1.7 The Council is legally required to consider these fee rates. The following report ensures they:
  - 1.7.1 Are informed by the Council's open book cost of care exercises
  - 1.7.2 Are informed by consultation with local social care providers
  - 1.7.3 Are informed by analysis of both local and national evidence
  - 1.7.4 Meet the Council's legal responsibilities by being sufficient to meet assessed care needs and to provide residents with the level of care services that they could reasonably expect to receive if the possibility of resident and third party contributions did not exist.

## **2. HOW DOES THIS DECISION CONTRIBUTE ?**

- 2.1 This decision seeks to ensure that current funding arrangements and fees are increased to mitigate the risk of market failure and to maintain and improve the experience that care home and extra care residents and

people receiving home care and supported living in Sheffield have of receiving satisfactory care and support. The Council expects that ensuring the fee rates meet the cost of delivering care in Sheffield will enable providers to work with us to develop innovative and efficient ways to support people in the city.

### **3. HAS THERE BEEN ANY CONSULTATION?**

- 3.1 Care home providers have been fully engaged in the cost of care exercise for their sector during 2017/18 and have been consulted on the outcome of the cost of care exercise and subsequent proposed fee rate and inflationary uplift.
- 3.2 Home care and supported living providers were fully engaged in the cost of care exercise for their sector in 2017 and have been consulted on the proposed fee uplift.
- 3.3 Extra care providers have been consulted on the proposed fee uplift for their sector.
- 3.4 Consultation has been undertaken and feedback has been considered and reflected in the proposed rates to help ensure recommendations are robust and support the Council's legal responsibilities.
- 3.5 Consultation with Care Homes on the care home cost of care exercise and proposed fee rate has been organised as follows:
  - 1.7.5 An Open Book Cost of Care exercise see Appendix 1
  - 1.7.6 A presentation and plenary at care home manager's forum – October 2016
  - 1.7.7 Care home owners meetings 31 May 2017, 3 August 2017, 17 November 2017, 14 December 2017 and 2 March 2018.
  - 1.7.8 Individual meetings between providers and Council officers
  - 1.7.9 Consultation on the Cost of Care exercise via meetings (January 2018), email and telephone early January 2018.
- 3.6 Consultation with Home Care, Supported Living and Extra Care providers was undertaken during January and February 2018 via email and telephone and a provider forum in January 2018.

### **4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION**

- 4.1 Equality of Opportunity Implications
  - 4.1.1 An Equality Impact Assessment has been completed for the proposed fee increase. A full list of the equality considerations, impacts and actions can be found in Equality Impact Assessment 199.
- 4.2 Financial and Commercial Implications
  - 4.2.1 The impact of the recommended fee uplifts is £4.8m. Funding for this has

been made available through the 2018-19 budget process and use of the non-recurrent integrated Better Care Fund (iBCF) that was agreed at Cabinet in July 2017.

4.2.2 Funding a significant proportion of the fee increase from a non-recurrent budget is a significant risk because of the very challenged financial position of the Council. However, not making this investment will expose Sheffield citizens to risk of poor quality care and will also create hidden costs (for example a greater number of people needing to move to higher cost settings because quality of care is insufficient).

4.2.3 There are three ways that this risk will be mitigated:

- Additional financial support to the adult social care provider market will be rigorously monitored to ensure that investment directly supports improved care in Sheffield and money is not wasted.
- Demand for care will be well-managed. As set out below, the vision for adult social care is to enable a shift into prevention which will mean proportionately fewer people need care.
- The investment will create a more stable supply of care which will result in significant benefits to the NHS. Just as inconsistent adult social care creates the risk that more Sheffield people will wait longer in hospital beds before they can leave, so consistent care will mean fewer hospital beds are likely to be needed. The shift into prevention that will be delivered in Sheffield will take pressure off the usage of hospital beds and enable a shift of resources from acute care to community care to ensure future affordability.

4.2.4 Effective and efficient use of resources across the whole of health and care is absolutely key to a sustainable financial plan in future years. The latest national initiatives to develop an Accountable Care Partnership (ACP) for Sheffield and an Integrated Care System (ICS) for South Yorkshire and Bassetlaw will be no more effective than plans that have gone before them unless they support a shift in funding away from bed-based and institutional care, and towards sustainable preventative support for people living in Sheffield's communities. Adult social care is a key aspect of this.

#### 4.3 Legal Implications

4.3.1 Sections 7 and 7A of the Local Authority Social Services Act 1970 (LASSA 1970) require local authorities to act under the general guidance and directions of the Secretary of State in the exercise of their social services functions.

4.3.2 Circular LAC (2004)20 (Circular) replaced the guidance that accompanied the Directions 1992 and is issued under section 7 of the LASSA 1970. The Circular sets out what an individual should be able to expect from the council that is funding his/her care, subject to the individual's means, when arranging a care home place. The relevant parts of the Circular for the purposes of this report are:

*"2.5.4...[The usual cost] should be set by councils at the start of a financial or other planning period, or in response to significant changes in the cost of providing care, to be sufficient to meet the assessed care needs of supported residents in residential accommodation... In setting and reviewing their costs, councils should have due regard to the actual costs of providing care and other local factors. Councils should also have due regard to Best Value requirements under the Local Government Act 1999.*

*3.3 When setting its usual cost(s) a council should be able to demonstrate that this cost is sufficient to allow it to meet assessed care needs and to provide residents with the level of care services that they could reasonably expect to receive if the possibility of resident and third party contributions did not exist".*

4.3.3 The Care Act came into force in April 2015. It sets out a range of measures, in order that local people can choose from a diverse range of high quality care services, to drive up the quality of care and put people's needs and outcomes centre-stage. The new legal framework reinforces the local authority's duty to promote a diverse, sustainable and high quality market of care and support services. Local authorities are required to ensure that there is a range of providers offering services that meet the needs of individuals, families and carers.

4.3.4 This duty requires local authorities to understand the level of risk and the quality support for care home residents to itself that they:

- Meet the minimum standards as set out by the Care Quality Commission
- Are sustainable
- Have sound leadership and that all staff are appropriately trained
- Are focused on delivering quality care that is evidence based

4.3.5 The Council must evidence that it has properly consulted with providers during its process of setting fee levels to take account of relevant factors in understanding the actual cost of care to them.

4.3.6 Setting a proper level of fee will evidence that the Council is delivering its obligations to support a sustainable market which is viable and enables people to have choice in meeting their accommodation needs. That then delivers obligations as to respecting private, home and family life under the Human Rights Act and the Public Sector Equality Duty under S149 the Equality Act 2010.

#### 4.4 Other Implications

4.4.1 N/A

### **5. ALTERNATIVE OPTIONS CONSIDERED**

5.1 All options were appraised taking into account the following. Further



details can be found in the appendix to this report.

- Provider feedback, for example from engagement events and planned consultations
- Market factors
- Benchmarking with comparable Local Authorities
- Open Book Costs of Care exercises
- Current and projected supply and demand
- The financial position of the Council

5.2 **Care Homes:** There were two options considered for the 2018/19 care home fee uplift with option 3 being the recommended option:

5.2.1. Do nothing and expect providers to absorb all inflationary costs

5.2.2. Option 2: Increase the fees paid to providers to take into account increases in minimum wage and the underlying rate of inflation.

5.2.3. Option 3: Increase the fee rates paid to providers using the results of the open book cost of care exercise as well as increases in minimum wage and the underlying rate of inflation.

5.3 **Home Care and Supported Living:** There were two options considered for the 2018/19 uplifts in home care and supported living with option 1 being the recommended option:

5.3.1 Option 1: Increase the fees paid to providers to take into account increases in minimum wage and the underlying rate of inflation.

5.3.2 Option 2: No increase to the fees paid to providers in the context of having established a cost of care and new framework rates in 2017 for home care and supported living and no contractual requirement to increase extra care rates ahead of retendering this in 2018.

5.4 **Extra Care:** There were three options considered for the 2018/19 uplifts in extra care with option 1 being the recommended option:

5.4.1 Option 1: Increase the care element of the fees paid to bring this in line with the supported living discounted rate.

5.4.2 Option 2: Increase the care element of the fees paid by 3.95% to take into account increases in minimum wage and the underlying rate of inflation.

5.4.3 Option 3: No increase to the fees paid to providers in the context of having tendered at the current rate with no contractual requirement to receive an uplift.

## 6. REASONS FOR RECOMMENDATIONS

- 6.1 To develop and maintain a stable adult social care market in Sheffield by ensuring that the fees paid by the Council for adult social care in the City of Sheffield are uplifted in line with the cost of delivering care in the city including inflationary pressures in 2018/19.

## 7. BACKGROUND INFORMATION

- 7.1 **Care Homes:** There are 78 independent care homes for older adults in the city providing 3,209 beds in total. Of these, 22% (18) are voluntary/third sector homes. The providers range from small, long established operators with a single care home in a converted property, to large national organisations that run many purpose-built care homes – typically focused on areas of the city where land costs are lower. Approximately 32% of the current care homes in Sheffield are operated by large national organisations, however there are a growing number of more local organisations who have multiple care home ownership. Such a diverse range of ownership brings with it different business models: some providers operate with significant debts whereas others may have very little. National providers will cross-subsidise their homes to manage local variations in demand and profitability and are able to exploit economies of scale.
- 7.2 People living in care homes are often aged 85+ and are likely to be frailer and have greater care needs than in previous decades. Currently 13,300 people in Sheffield are over 85 and this is expected to rise steeply bringing the population of 85+ age group to over 19,000 by 2030. Although people are older and frailer when they enter a care home, their length of stay still varies but national evidence suggests it averages 2.5 years in residential and under 18 months in nursing. Many access care later in life after a spell in hospital or intermediate care hence their needs may be greater as a result.
- 7.3 People living in care homes are often aged 85+ and are likely to be frailer and have greater care needs than in previous decades. Currently 13,300 people in Sheffield are over 85 and this is expected to rise steeply bringing the population of 85+ age group to over 19,000 by 2030. Although people are older and frailer when they enter a care home, their length of stay still varies but national evidence suggests it averages 2.5 years in residential and under 18 months in nursing. Many access care later in life after a spell in hospital or intermediate care hence their needs may be greater as a result.
- 7.4 The market in the city has remained relatively stable over the last 12 months however there continues to be a significant demand for places and the occupancy of care homes remains relatively high. If the demand increases there is a risk that there will be insufficient places at the right quality and price for the people who need them. All providers in Sheffield have made formal representation relating to the low level of the current weekly fee rates for residential and nursing care homes in the City and

are clear that the sustainability of business and any future growth to meet demand will not be delivered if the fee rates received do not increase to cover the cost of delivering care.

7.5 Sheffield City Council fee rates for residential and nursing are low in comparison to regional neighbours. All areas will have different factors in relation to their local economy so a one-size-fits-all approach cannot be assumed. However Sheffield's approach to fee rates for 2018/19 must be appropriately mindful of the approach taken by neighbours.

7.6 The Council's 2017/18 rates for care homes are as follows:

Residential Care	Proportion Paid	Current Rate (low)	Current Rate (high)
Standard	16%	£389	£391
High Dependency	29%	£426	£430
EMI	55%	£434	£438
Weighted Average Payment			£426.18

Nursing Care	Proportion Paid	Current Rate (low)	Current Rate (high)
Standard	43%	£433	£440
Enhanced	57%	£447	£453
Weighted Average Payment			£440.92

7.7 The published rates for local authorities in the region are as follows:

Average of local per group	£451.88	£480.62	£460.71	£504.04
Local Authority	Residential Min	Residential Complex EMI Min	Nursing Min	Nursing Complex Min
Doncaster	£465.36	£465.36	£465.36	£515.65
Hull	£429.20	£458.40		
Calderdale	£455.67	£515.39	£514.90	£536.84
Bradford	£430.98	£475.70	£348.45	
North Lincolnshire	£421.58	£451.00		
North East Lincolnshire	£430.50	£472.19	£430.50	£472.19
North Yorks	£515.76	£515.76	£507.43	£507.43
Barnsley	£416.56	£450.93	£416.56	£450.93
Rotherham	£432.00	£467.00	£436.00	£518.00
York	£490.64	£527.88	£519.14	£563.73
East Ridings of Yorkshire	£447.09	£506.59	£447.09	£506.59
Kirklees	£470.93	£490.53	£485.04	£505.04
Wakefield	£479.00	£479.00	£479.00	£479.00
Nottinghamshire CC	£441.00	£453.00	£479.00	£489.00

- Care home providers told us in 2016/17 that the cost of delivering care was a key issue for them. In response, the Council has undertaken an open book cost of care exercise during 2017/18 supported by Care Home Providers and Sheffield University in order to identify a fair and reasonable fee rate. 4 providers shared accounts that were sufficient to undertake robust comparative analysis. The Council consulted with care homes on the outcome of the cost of care exercise and has taken account of feedback in recommending the proposal for a single fee rate of £463 for residential and nursing care (net of FNC nursing funding). Full details of the cost of care exercise, consultation and the Council's response to feedback is provided at Appendix 1.
- 7.8
- 7.9 **Home Care:** The home care market has become more robust over the past 12-18 months, partly aided by a significant uplift in fees in April 2017 and procurement activity, which has increased the number of contracted providers from 9 to over 40. Ongoing monitoring of the market ensures the balance between supply and demand is managed and business continuity is maintained. More hours (28,472 per week) are now being commissioned for more people (2,774) than at this time last year, with the increasing demand created largely by people coming out of hospital sooner, avoiding care home admissions and requiring more support.
- 7.10 A 'cost of care' model approach to home care fees was implemented in April 2017. Based upon extensive consultation with providers, this model better reflected the true cost of delivering a home care service in Sheffield and took into account local disparities in travel time for care workers. The new home care framework contracts started on October 2nd 2017. Six providers have one or more primary contract areas, and a further 35 providers are part of the Framework Agreement. This is a significant change from 18 months ago, when we contracted with only 9 providers. Overall capacity, contingency arrangements and performance have improved. A further tender in November 2017 is likely to add several more providers to the framework. Further detail is provided at Appendix 2.
- 7.11 **Supported Living:** The supported living market in Sheffield has had a period of relative stability over the past year, aided by procurement activity, which increased the number of contracted providers on our supported living framework, and the uplift in fees in October 2017. The new supported living framework started on October 2<sup>nd</sup> 2017 and 22 providers are now on the supported living framework.
- 7.12 Demand for supported living services has continued to grow over the last year. As supported living is a key model of support for adults with disabilities we expect demand to continue to increase in 2018/19. The Council's commissioning service works closely with care managers and providers to ensure requests for supported living packages are responded to promptly, and that people requiring supported living have a choice of provider.

- 7.13 In October 2017 a new approach to supported living fees was implemented, based on the home care fees 'cost of care' model. Based upon extensive consultation with home care providers, this model takes into account local disparities in travel time for support workers who need to travel between visits, alongside a discounted rate for supported living 'schemes' where travel time is not an issue. The framework also set a rate of £9.66 per hour for sleep-in nights reflecting changes in payment regulations. Further detail is provided in Appendix 3.
- 7.14 **Extra Care:** There are 9 extra care/assisted living schemes in Sheffield, they range both in size and the facilities they offer, however most cater for the older age group. The Council fund 5 of the schemes and the remaining 4 schemes were privately developed to accommodate people funding their own care and support.
- 7.15 The landlords of each extra care scheme tend to be registered social landlords who operate on a not for profit basis and the care and support providers are traditionally home care providers. Whilst the operation of the scheme is registered by CQC as home care, it has more similarities with the supported living schemes where providers are registered to provide domiciliary care but their work is focused around a building or house and therefore travel time is minimal.
- 7.16 Four of the extra care and support contracts were tendered for and involve 3 providers who also provide some home care, either council funded or privately. The contracts were let in 2015 when the care and support elements were combined (previously supporting people funding along with housing benefit) and are due to expire in 2019, although there is the option to extend these.
- 7.17 These extra care providers have received the same funding level for almost 3 years, the care element is paid based on actual service delivered as it fluctuates based on need, the support element is paid at the same rate each week as it has an overarching aim to engage all of the tenants in activities/support that enables them to remain independent and delay the need for formal care services for as long as possible. Further detail is provided at Appendix 4.
- 7.18 The Sheffield Retirement Village receives funding to support the provider to deliver a holistic model of care and support. This includes a number of people who are eligible for funding by the City Council. This funding is paid via a grant agreement on a specific contract arrangement and there is no proposal to increase the level of funding.
- 7.20 **Non Standard Fees:** A significant proportion of local adult care and support services do not have standard fee rates. This includes 'non-standard fee' care homes, community based services, Personal Assistants, Money Management services, Direct Payments and other individualised support arrangements.
- 7.21 The wide variation in non-standard fees reflects the wide variation in the

nature and level of people's support needs and the diversity of services that can meet these needs. Different care homes and care providers have significantly different cost structures and specific budget pressures can impact on them in ways specific to their business. We therefore do not propose to apply an automatic inflation uplift, but to respond to requests on an individual basis taking into account individual needs, individual provider costs and value for money considerations. We propose an 'open book' approach, using a transparent breakdown of costs and income. Further detail is provided at Appendix 5.

## Appendix 1 - Older Adult Care Homes

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Sheffield City Council is committed to ensuring that diverse, sustainable and quality social care is available to meet the needs of people in Sheffield. Older Adult Care Homes are a key part of social care provision in the city and we have taken on board feedback from the providers we contract with about the challenges they face and the support they need.

Care Home providers told us in 2016/17 that the cost of delivering care was a key issue for them. In response we have undertaken a Cost of Care exercise during 2017/18 supported by Care Home Providers and Sheffield University in order to identify a fair and reasonable fee rate for Care Homes in the city. The total uplift for 2018/19 financial year represents a significant increase on previous years and an investment of around £3m by the Council.

We are recommending a single fee rate for all residential, residential EMI and nursing of £463 per week (gross). For nursing care this rate excludes the FNC rate which is currently £155.05 per week. This single fee replaces the range of fees being paid at present. This is in recognition of increased levels of complexity within residential care particularly older and frailer people with multiple and complex physical needs and increased occupancy from older people with all stages of dementia

The proposed rate takes account of the feedback on the cost of care exercise and also the proposed single rate (described fully below) as set out in the table below:

Category	Current rate (environmental standard)	Current rate (environmental enhanced)	2018-19 rate	% increase
Residential - standard	£389	£391	<b>£463</b>	<b>18 -19%</b>
Residential – high dependency	£426	£430	<b>£463</b>	<b>8 - 9%</b>
Residential - EMI	£434	£438	<b>£463</b>	<b>6 - 7%</b>
Nursing – standard excluding FNC	£433	£440	<b>£463</b>	<b>5 - 7%</b>
Nursing enhanced excluding FNC	£447	£453	<b>£463</b>	<b>2 - 4%</b>

## 1.1. Assumptions behind our fee rate approach for 2018-19

The decision to undertake a cost of care exercise was informed by feedback from Care Home providers and the following observations about our existing fee rate and approach. Our 2017-18 fee rates are set out below.

Residential Care	Proportion Paid	Current Rate (low)	Current Rate (high)
Standard	16%	£389	£391
High Dependency	29%	£426	£430
EMI	55%	£434	£438
Weighted Average Payment			£426.18

Nursing Care	Proportion Paid	Current Rate (low)	Current Rate (high)
Standard	43%	£433	£440
Enhanced	57%	£447	£453
Weighted Average Payment			£440.92

NB Nursing rates exclude FNC rate at £155.05

Our current fee rate approach is bureaucratic and complicated.

- The distinction between the “low” and “high” rates for residential care is very small and does not provide significant incentive.
- The distinction between Standard, High Dependency and EMI rates is also not evidence-based. All residential care should involve supporting people with high dependency, and all should involve specialist skills either in relation to dementia care or comparable levels of need.
- The distinction between Standard and Enhanced Nursing rates is also not evidence-based.

Our starting assumption is that it makes sense to focus on one fee rate for residential and nursing that is sufficient to meet the Local Authority’s statutory obligations. Therefore our model has been focused on building evidence for these fee rates.

## 1.2. Acknowledging our comparative position: Costs

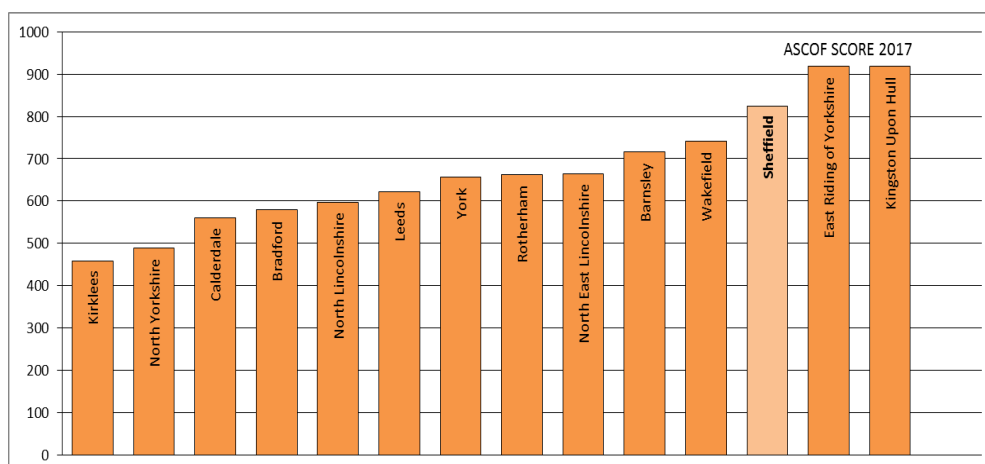
Sheffield City Council fee rates for residential and nursing care are low in comparison to regional neighbours. All areas will have different factors in relation to their local economy, so a one-size-fits-all approach cannot be assumed. However, Sheffield’s approach to fee rates for 2018-19 must be appropriately mindful of the approach taken by neighbours.



Average of local per group	£451.88	£480.62	£460.71	£504.04
Local Authority	Residential Min	Residential Complex EMI Min	Nursing Min	Nursing Complex Min
Doncaster	£465.36	£465.36	£465.36	£515.65
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Bradford	£430.98	£475.70	£348.45	
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Barnsley	£416.56	£450.93	£416.56	£450.93
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York	£490.64	£527.88	£519.14	£563.73
East Ridings of Yorkshire	£447.09	£506.59	£447.09	£506.59
Kirklees	£470.93	£490.53	£485.04	£505.04
Wakefield	£479.00	£479.00	£479.00	£479.00
Nottinghamshire CC	£441.00	£453.00	£479.00	£489.00

### 1.3. Acknowledging our comparative position: Number of care home placements

The graph below compares the number of care home placements (both residential and nursing) that Sheffield City Council made per 100,000 population in 2016-17 with other Councils in the Yorkshire and Humber region. Only two Councils made more. There is nothing to justify Sheffield's rate of care home placements being this high. The rate reduced in 2016-17 compared to 2015-16 but more can be done. More preventative work is being developed to ensure that a greater number of people can be supported at home. The Council remains committed however to ensuring that good quality care homes are available for those who need this type of support.



#### **1.4. Care Homes in Sheffield for Older Adults**

There are 78 independent care homes for older adults in the city providing 3209 beds in total. Of these, 22% (18) are voluntary/third sector homes. The providers range from small, long established operators with a single care home in a converted property, to large national organisations that run many purpose-built care homes – typically focused on areas of the city where land costs are lower. Approximately 32% of the current care homes in Sheffield are operated by large national organisations; however there are a growing number of more local organisations who have multiple care home ownership. Such a diverse range of ownership brings with it different business models: some providers operate with significant debts whereas others may have very little. National providers can cross-subsidise their homes to manage local variations in demand and profitability and are able to exploit economies of scale.

People living in care homes are often aged 85+ and are likely to be frailer and have greater care needs than in previous decades. Currently 13,300<sup>1</sup> people in Sheffield are over 85 and this is expected to rise steeply bringing the population of 85+ age group to over 19,000 by 2030. Although people are older and frailer when they enter a care home, their length of stay still varies but national evidence suggests it averages 2.5 years in residential and under 18 months in nursing. Many access care later in life after a spell in hospital or intermediate care hence their needs may be greater as a result.

The market in the city has remained relatively stable over the last 12 months however there continues to be a significant demand for places and the occupancy of care homes remains relatively high. If the demand increases there is a risk that there will be insufficient places at the right quality and price for the people who need them.

#### **1.5. What care home providers have told us about the issues that impact on the stability of the care home sector:**

Providers have told us about the factors/pressures that impact on their ability to remain in the market and continue to provide good quality services. There is no indication that for 18/19 the issues have changed and this was confirmed in discussions with providers at:

- Care home owners meeting on 31 May 2017, 3 August 2017, 17 November 2017, 14 December 2017 and 2 March 2018.
- Individual meetings with Council commissioners
- Consultation on the Cost of Care exercise via meetings ( January 2018), email and telephone 1 and 2 January 2018
- An opportunity to view and comment on the final proposed rates (February 2018)

They identified the following key issues:

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<sup>1</sup> POPPI

- The previous methodology for uplifting fees (based on CPI/National Living Wage(NLW))
- Fee Levels – the low fee base makes the impact of % increase minimal
- National Living Wage Increases
- Retention of Nursing Staff
- Increased costs associated with apprentices, registration/training and backfill for training
- Recruiting suitably qualified staff in leadership and management posts and paying an appropriate wage increase each year
- Third Party Contributions – providers feeling pressure to charge these
- Private fee payers – subsidising the low fees
- Cost of debt – high interest rates for debt
- Poor stock – the number of homes which need significant refurbishment
- The impact on quality of low fees

Rather than follow the traditional method of identifying the issues and looking at a % increase, the cost of care exercise enables us to work transparently with providers to understand the base costs for care. This would form a more realistic base fee on which a % increase could then be applied.

## **1.6. Background to the cost of care exercise**

The Sheffield Cost of Care exercise commenced in April 2017 in response to feedback from Care Home providers during the fees consultation about 2017/18 fees. Sheffield City Council wanted to understand the cost of care in Sheffield based on Care Home providers volunteering their full set of accounts for analysis. We engaged with partners from Sheffield and Manchester Universities on the methodology used and the review of the expenditure information received from providers to ensure that these were as transparent and robust as possible. The initial analysis provided the basis for further consultation with providers.

## **1.7. Methodology and Engagement with Providers**

The Cost of Care exercise was discussed with providers individually via email and in meetings during May and August 2017. In May 2017 the methodology was shared with Care Home providers and a question and answer session clarified a number of queries. The feedback from this session directly informed the final approach taken – for example it was agreed that full accounts should be submitted to ensure like for like comparisons.

## **1.8. Cost of Care Information Gathering**

Care Home providers were positive about the Cost of Care model and supportive of the ‘open book’ approach to submitting full accounts to ensure transparency. However the level of returns was lower than expected:

- Of 12 providers who originally volunteered to provide financial information

- 9 of these providers submitted some information.
- 4 of these provided full accounts which were sufficient to undertake robust comparative analysis.

Where providers have care homes outside Sheffield we worked with them to identify costs for their Sheffield care homes and apportion centralised costs.

Subsequent reminders were issued by email and letter to those who had volunteered to participate and with those who had submitted partial information however no further information was received. Although the number of providers is relatively low they represent 48% of the residential care home beds purchased by the Council in Sheffield and reflect a range of different sized care homes from small, local and privately owned to large, national and voluntary sector run. The providers who submitted information were:

Ref	Provider Name	Type of Provider	Type of Care	Info supplied
1	Provider 1	Voluntary Local Large	Residential	Full detailed management accounts
2	Provider 2	North of England Large	Residential	Simple overview spreadsheet, no source accounts provided.
3	Provider 3	National Large	Residential & Nursing	Provided spreadsheet of income and costs from Council funded residents for nursing care. The method of allocation or the full source accounts not provided. For resi care provided costs per bed without supporting accounts.
4	Provider 4	Small Local Privately Owned	Residential	Statutory Accounts for the prior year with some additional analysis.
5	Provider 5	Large National	Residential	Detailed one page spreadsheet provided, but not full accounts.
6	Provider 7	Local Medium Sized	Nursing	Full detailed management accounts
7	Provider 8	Large National	Nursing	Template filled in but no source accounts provided
8	Provider 10	Voluntary Large National	Residential	Template filled in but no source accounts provided
9	Provider 12	Large National	Residential & Nursing	Provided detailed costings from accounting system

The template used to capture provider information was based on the model set out in CIPFA's 2017 guide for commissioners and providers: ["Working with care providers to understand the costs"](#). Where necessary we worked with care homes and their finance departments to disaggregate costs under the agreed headings.

## 1.9. The Analysis

The overall model for the residential rate is broken down into the following cost headings:

1. Care running costs
2. Non-care running costs
3. Rental / mortgage costs
4. Corporate overheads
5. Approach to inflation
6. Return on investment

The current working position based on the analysis of the residential providers is set out under the cost headings below:

**Staffing:** Average care running costs including care assistant, management, admin, reception staff, catering, cleaning and laundry staff, training, registration fees and recruitment:

<b>Total</b>	<b>£321</b>
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(Comprises the average of three residential providers that submitted full accounts)

**Non Staffing:** Average non-care running costs including food, utilities, catering, cleaning, laundry, handy person, gardening, insurance, non-food supplies, repairs and maintenance:

<b>Total</b>	<b>£75</b>
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(Comprises the average of three residential providers that submitted full accounts)

**Premises:** Rental / Mortgage / Premises costs

<b>Total</b>	<b>£9</b>
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(Comprises the average of three residential providers that submitted full accounts)

### **Corporate overheads**

The amount paid on corporate overheads has been moderated to 7.5% of the sum of 1-3 above. This reflects the need to manage efficiently in a context of considerable public sector constraint. Corporate overheads of homes in the above sample range from 2.27% in a large local voluntary sector provider to 12.24% in a large national private sector provider:

<b>Total</b>	<b>£30</b>
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(Comprises the average of three residential providers that submitted full accounts)

## **1.10 Return on investment**

It is reasonable that there should be a return on investment within the model. The proxy chosen relates to national measures in relation to the cost of borrowing, with an allowance for commercial risk in this field, therefore this is base rate plus 2%. This has been calculated on business activity and capital expenditure.

<b>Total</b>	<b>£11</b>
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## **1.11 Approach to inflation**

To understand the increased cost pressures on care homes, consideration has been given to the Consumer Price Index (CPI) of 3.1% based on September 2017 and the increase to the National Living Wage from April 2018. This follows a similar process to that used in the previous 4 years however the Cost of Care exercise has enabled a more precise ratio for the application of these indices.

Care and nursing homes are subject to the same financial pressures in terms of food, energy and maintenance as any domestic home and therefore the CPI is a useful determinant of increasing non staff pressures. The September increase is also used by the DWP for determining pension increases.

The cost of care assistant staff and others on minimum wage should be inflated by the percentage increase published for the National Living Wage. We appreciate that this has implications for differentials in wage structures. Nursing homes receive funding nursing care which is determined nationally by the Department of Health.

Our approach is based on the ratios between detailed cost headings established by the cost of care exercise and the following indices:

<b>Cost Heading</b>	<b>% of Total Cost*</b>	<b>Inflationary rate and rationale</b>
Care Staffing Costs	48%	4.4% based on National Living Wage Increase
Non Care Staffing Costs	33%	2% based on public sector wage increase
Non Staffing Costs	19%	3.1% based on CPI in September 2017

(\*based on average of three residential providers that submitted full accounts and breakdown of staffing spend)

<b>Total Inflationary Uplift</b>	<b>£17</b>
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### **1.12. Summary of Cost of Care Base Rate and Inflationary Uplift**

The Cost of Care exercise established a single base rate of £446 for residential care homes and an inflationary uplift on that for the financial year 2018/19 of 3.8% making a single fee rate of £463.

The above methodology was also used to model a single rate for nursing. However, the sample size for the nursing cohort was extremely small and the modelled cost from this sample was significantly lower than the residential model of £463. Implementing this rate would have resulted in a decrease in funding for nursing homes which in view of benchmarked rates of comparator authorities and the pressures on this market would have been irresponsible. Therefore the proposal is to use the modelled residential rate across both residential and nursing care.

### **1.13. Consultation on the Cost of Care Base Rate and Uplift**

The outcome of the cost of care exercise was shared with providers at a meeting in December 2017. A report summarising the outcome of the exercise for consultation was sent to all care home providers in early January 2018. Opportunities to feedback were provided via face to face meetings, phone slots and email. 13 responses were received from providers of residential and nursing care. In addition 1 response was received from an independent consultancy (Kingsbury Hill Fox) on behalf of a provider who shared this with the network. 5 of the 13 respondents also supported the report undertaken by the consultancy (see end of report). The 13 providers who responded represent:-

- 40% of care homes in the city - 17 residential and 12 nursing (some who also have residential beds)

- 24% of organisations/providers in the city who run care homes

Providers were asked to respond to some specific questions about the cost of care exercise and give any general feedback – the number of responses is in brackets following the statements below. Clear themes arose from the consultation including:-

- The Information – limited data, concern re interpretation of the information, no rationale for conclusions and lack of independent scrutiny
- The Methodology – no account of dependency, additional staffing costs including pensions, additional nursing costs, quality and an evidence based methodology for identifying rate of return and approach to inflation
- Sustainability – lack of a long term plan for fees and the single rate which may reduce the supply of higher dependency and dementia beds
- Providers also responded to the individual questions posed as follows

#### *Overall*

- 5 providers agreed with the report submitted by Kingsbury Hill Fox Ltd
- Commend the Council on basing the fee rate offer on the cost of care and not simply an increment on a previous offer. Started in good time. Done as good a job as the Council can but too much involved and too close to it (KHF)
- More work is needed on the figures or the exercise should be repeated by an independent body (7)
- Sample size is too small to make a judgement and not representative based on 17/18 fees report (6)
- Would like an independent review undertaken by mutually appointed and independent intermediary (3)
- Market has usually been 40% self-funded but this is reducing as a result of new luxury homes and more providers moving to this market (4), one home is considering relocating to reduce reliance on Council fees.
- Supply maybe affected by occupancy levels and availability of self-funders (5)
- Needs a fee structure that is not negotiated each year but which gives guarantees for future years and supports longer term sustainability (5)
- Expected care package needs clarifying (3)
- Accept that work has taken place to so this and support the premise but it has been unsuccessful in understanding costs (6)
- Significant risk to nursing supply due to insufficiency of FNC
- Consultation is a farce

#### *The method the Council has used to understand the cost of care*

- Other authorities have used an independent organisation to review provider figures which provided greater confidence
- Inflation – NLW is fine. Nursing cost is higher than £155 however. We subsidise the nursing.

- No consideration of Capex costs, replacement equipment decoration etc. needs including poor stock with refurbishment needs. Low environmental standards don't attract self-funders with higher rates (2)
- Doesn't consider quality, homes who submitted info may require improvement
- Insufficient
- Presumes the 17/18 rate was well funded (3)
- Need to work on a typical users needs not rely on market data (1)
- No justification for use of CPI as opposed to RPI, healthcare historically runs above this (2)
- Comment on NLW is naïve, all staff will need to be increased by this amount, nursing wage inflation is running at least the same level as NLW
- Read as if Sheffield City Council are telling providers what they should do about 3<sup>rd</sup> party payments (2)
- Weighting should have been based on number of beds of those submitting information (5)
- Not taken account of dependency levels or asked for a breakdown of this (5)
- Suggest Sheffield compares its placement rate in age band and/or against recognised family of local authorities
- Referencing the rates of other authorities does not mean the rate is right or not, it should be based on the ability of the home to sustain the person
- Some providers have shown a '0' against some cost areas in the model and these have been included in calculating averages. This makes the average lower than if they were discounted.
- Did some providers provide '0' against costs in error?

*The way the Council have interpreted feedback from care home providers*

- Accounts used were an exceptional year of trading with high occupancy (95% not 92% as an average) resulting in a low cost per bed occupied not reflecting seasonal changes. Occupancy has reduced into 80% makes it loss making as some costs are fixed regardless
- Last year was not a good year in terms of the market (a number of failures)
- Since providing the figures circumstances have changed, more debt due to purchasing additional property
- The care costs look low in the model while domestic costs look high
- Pension contributions for TUPE staff have increased
- Numbers in the report are different to those submitted
- Residential figures have/may have been used in the nursing calculation, therefore the nursing figure is not reflective (5)
- Some nursing costs were submitted per resident and there is a mixture of nursing/residential skewing figures
- FNC has been applied to residential numbers



- Numbers weighted against no of homes not beds
- “0” figures were not classed as anomalies and may have affected the data quality (5)
- Training and registration costs not included although they were provided
- Data did not include comments made by providers when supplying it
- Figures have not been included even when supplied (BK)
- Doesn't reflect costs, one provider estimated blended rate of 733.25 based on 50% nursing/residential and 94% occupancy and another £785 for residential and £1040 based on current costs
- Cost per week of care staff not clear and doesn't reflect actuals
- Management costs of 2% are not realistic, these are increasing
- Increases should not be based on public sector (3)
- Some info not included labour shortage, wage inflation above NMW, agency costs, management costs and how these impact (2)
- Report was confusing and could be miss-interpreted
- Not clear how many homes were represented by the people who submitted accounts (5) or numbers of beds as a proportion of the total (5)
- Not clear if the accounts considered included homes outside the Sheffield area (5)
- Not clear on level of follow up to those submitting information (5)
- Difference in nursing costs provided, maybe as some may have reported costs which exceed FNC
- Have we ensured that the model does not allow FNC nursing fee to subsidise the cost of the social care in nursing provision?
- You should work on the basis of £155 FNC spent on staffing and then subtracted from staffing
- Why are the nursing costs in the cost of care modelling below £155?
- Have you artificially depressed the figure for the residential element of the nursing home?
- You asked providers for gross costs for nursing care and must ensure you haven't assumed that every person is nursing.
- My organisation has provided new figures including staffing for nursing. Have these been reflected in the cost of care modelling? (PR)
- Corporate overheads, not clear how this figure has been arrived at
- Incorrect analysis of nursing costs
- Doesn't include some capital repayments
- Evidence from one provider
- Higher dependency of residents equates to 1.6% additional costs
- Nursing costs are too low and cannot be under £155 per week closer to £250 per week

*The approach to inflation*

- Brexit should be considered, food costs up 10% more than CPI inflation
- Doesn't take account of increased pension costs or apprentice levy costs, training backfill costs and NEST (2)
- Doesn't take account of other staff on NLW e.g. domestic
- Does not take account of shortage in nursing staff and therefore why providers may need to pay increased wages (5)
- Managers costs have increased with responsibility and lack of appropriate applicants, perhaps by 5% per year (5)
- 3% increase for nurses would be acceptable
- Food and energy costs are on the low side
- CPI is a reasonable approach for 28% of the costs
- Council has not accounted for 1% increase in pension contributions from April
- Council has not accounted for apprenticeship levy that is not included in costs

#### *The rate of return*

- Should reflect rate of borrowing
- Too low, needs further clarification, L&B suggest 12%
- Too low (3)
- Return on capital - Rent and mortgage – payment should be independent of the circumstances of the provider e.g. whether they have a mortgage. We would base it on the capital tied up not just what they owe money on. E.g. through re-financing. Would therefore base it on cost of the room rent. We look at the selling values of homes
- No rationale for arriving at this figure – would not be a worthwhile investment based on this (2)
- Mistake in this if related to BoEE it's a capital measure but it's been used as a revenue one
- Entirely wrong, base rate does not effect on margin, cannot use last year's cost for this
- Rate of return should be independent of the capital structure, the degree of mortgage indebtedness should not affect the cost of providing care (5)
- Should include a return on business activity (5), annual percentage varies but is higher than 2.5% (recognises there are some reasons why commissioners lower this) (5)
- Return on capital, profits and overheads need to be separated, , profit between 3-5% and cost of capital should be 6%
- Estimate that wages for managers have gone up by 5% per annum for many years now. 2% not enough.

- Return on capital investment is insufficient – would be better off putting the investment into a bond

#### *The overall sufficiency of the rates*

- Doesn't accurately reflect low rents in some case
- Nursing staff increases are too low and the fee proposal is unsustainable
- Nursing fee of most concern, for some this means an overall decrease across residential and nursing
- FNC doesn't cover the nursing elements, dependency levels have increased
- Those without self-funders are on the verge of collapse
- Nursing care is higher dependency and the difference between this and residential is insufficient
- Corporate overheads are made up of two components – those related to the home itself and then centralised costs of management for bigger groups.
- 4.1% would achieve status quo but more is required so providers don't have to subsidise rates
- Should be a further return on business activity to compensate for the time and to allow a charitable operator to reinvest. 2.5% rate of return on the overheads as described in the cost of care model is reasonable.
- The Council's approach to cost of care doesn't meet its duty to ensure a sustainable care home market
- Cross subsidy of self funders – how have you taken it into account in the cost of care?
- Can the Council look at how the customers' personal needs allowance might be used to pay for cost of activities in the home for choice benefits

#### *Comments on the single rate*

- Would think twice about admitting dementia and nursing people based on this (3)
- Would cease operating for nursing
- Would reduce number of dementia beds
- Agree current rate is complex but needs to be recognition of dementia and high dependency costs (2)
- Don't agree with this
- Doesn't recognise different dependency levels (5)
- Not achievable, suggest sliding scale for categories of care not based on environmental factors
- Understand one rate is simpler but may lead to "cherry picking" (5)

The following paragraphs address the feedback and how it has informed our final proposal:

**Methodology and Data:** The cost of care approach and template used to capture provider information was based on the model set out in CIPFA's 2017 guide for commissioners and providers: ["Working with care providers to understand the costs"](#). The approach was supported by Professors from the University of Sheffield and Manchester as part of the 'Doing Care Differently' project. The approach was discussed and agreed with providers and the University representatives between May-August 2017 including the agreement that only full accounts should be taken into account to ensure transparency and that all costs including capital expenditure were included in the exercise.

Whilst we have worked with the University on designing the approach and reviewing the information submitted by providers, it is ultimately for the Council to propose an appropriate fee rate. We will continue to work closely however with the University on the 'Doing Care Differently' project to develop a longer term strategy for the funding of a sustainable and quality social care market in the city. We acknowledge the relatively low starting point for providers in undertaking this cost of care exercise and will continue to work closely with providers to monitor stability, quality and risk in the sector.

The consultancy report commissioned by a provider acknowledged the Council's approach to understanding the cost of care in a timely way rather than at the end of financial year. Concerns were raised about how representative the sample size was, however it represented 48% of residential care beds purchased by the Local Authority. We made repeated efforts to encourage more providers to submit information to increase the statistical base of the cost of care exercise including follow up emails to those who had initially shown interest and liaising with those who sent incomplete information e.g. budget headings. Ultimately it was up to providers to take part or choose not to. Where necessary we worked with care homes and their finance departments to disaggregate costs under the agreed headings and providers who also operate outside Sheffield were able to provide disaggregated data in order not to skew the exercise.

**Independent Third Party Review:** A number of providers fed back that they would like to see a mutually appointed consultancy undertake an independent cost of care exercise. This commissioning exercise would be at a cost, whether solely to the Council or jointly between the Council and the sector. The cost of purchasing the model would be coupled with the cost of officer time to interrogate it. However precise the specification, outsourcing this work to a third party would build in extra costs and inefficiencies, and increase the risk of a model because of uncertainties around data quality. We have provided reassurances to all providers that the Council will not compromise the cost modelling process by using information about individual care home providers for any purpose other than to contribute to a funding model that reflects the actual costs of care.

**Accuracy:** We have taken time since the consultation in January to review all the data used with our accounts team and in liaison with the providers who provided information. The detailed costs per provider are not provided here due to commercial sensitivity. A typo was identified in the report shared in January 2018 however we did not find any errors that affected the cost of care calculation or the way we

calculated our proposed fee level. There were challenges with identifying the cost of care in nursing net of FNC and CHC and taking into account feedback from one of the providers that their staffing costs were lower due to the use of a lower cost in house staffing agency. For this reason we are proposing a single rate for all based on the returns from residential care homes where there was greater consistency and confidence in the figures.

**Occupancy Levels:** The relatively high levels of occupancy during 17/18 across the providers who submitted full information meant that there was no significant impact of factoring occupancy into the cost model. We acknowledge that fluctuations in demand affect the business model for care homes. We expect that the single rate, which represents an increase of between 5-19% for most providers (only rates for enhanced nursing providers will increase by less) will enable providers to plan effectively to manage seasonable changes in demand.

Although occupancy levels have remained high over the 2017/18 period, the net loss of beds has been lower than in previous years (22 nursing beds and a net increase of 4 residential beds in 17/18) and there are also an anticipated 30 additional nursing beds coming into the market in July 2018.

**Nursing Costs:** The financial information originally received did not disaggregate nursing and non-nursing customers or costs (apart from nursing staff). The assumption was that the nursing homes were 100% nursing provision. Initially this meant that the cost for the residential element of the nursing provision was calculated as a lower rate. The FNC will be spent across a number of cost areas not just nursing staff. Therefore we would not expect the total nursing staff cost to be exactly £155 and believe that to assume this would overstate the costs of providing nursing. A nursing provider subsequently identified that their provision was mixed and that it was unreasonable to make a fee rate based on the assumption of 100% nursing. In order to address this we have therefore used the residential returns only to ensure an equitable rate for residential care and the residential element of nursing care. This is a reasonable approach that avoids overstating or depressing the rate because of the difficulty in extrapolating all aspects of nursing costs. The local authority is responsible for setting the fee rates for social care. Social care fees should not be used to subsidise the nursing element or vice versa. By basing the cost of care on residential only we have addressed this issue to reach a reasonable residential rate and are proposing to ensure equity with nursing by creating a single rate across all provision. The FNC rate for nursing is set by DoH nationally. We have taken on board the feedback that social care costs are not lower in nursing homes and therefore are proposing to increase the fee for nursing to align with the same single standard rate as non-nursing. We have shared the cost of care exercise with the CCG.

**Amended Figures:** One nursing provider submitted updated figures in February. These were put through the model and showed an increase in nursing costs and reduction in care assistant staffing and a slight increase in management costs. Overall there was a £1 difference in costs and once this was put through the model it had a negligible impact. The decision to establish a single residential rate based on the costs of residential only providers means that this minor variation does not impact on the offer.

**Dependency Levels/Single rate:** The move to create a single standard rate for residential and nursing care homes aims to address the challenges of managing a range of dependency levels. The proposal to move away from differentiated rates and to adopt a single higher rate reflects the fact that homes report more complex needs across all residents whether those are dementia related, health and nursing related or frailty and physical needs. We will continue to monitor the stability of the sector including any changes to the supply of dementia/EMI beds over the next 12 months.

**Use of Zero Figures in calculating average costs:** Some providers were concerned that when their figures were run through the cost of care model it produced a 0 against some costs headings. This occurred where the amount per annum was relatively low and, once split across the number of beds and 52 weeks it came to less than 50p. The model rounded up or down as appropriate and this resulted in some lines with the lowest costs showing as zero. As a principle, not using 0 returns in calculating the average cost across several providers would overstate the average because we have used *all operating costs provided to us* and therefore would assume that if a cost is not included under one heading, it is attributed to another.

**Weighting:** Weighting based on numbers of beds would have actually depressed the figures and we therefore made the decision not to weight the figures. The difference was marginal but not in favour of care home providers.

**Quality and the 'care package':** All homes who submitted full accounts and on which the base rate is therefore modelled are CQC rated adequate or above and are considered good quality providers. As such the costs provided can be assumed to be meeting users' needs in those homes and providing good quality care. As discussed at the forum in December 2017, we do not prescribe a 'care package' as we expect, as per CQC requirement, that each provider assesses the needs of the person and how they can meet that need appropriately in their specific setting. Individual homes and their managers are best placed to make decisions about the mix of dependency, the levels of care for each person and how they manage this safely.

**Staffing Costs:** A review of the cost of care exercise, commissioned by a care home provider, describes the inflation of care assistant and domestic staff wages as 'reasonable' and is unable to provide an 'objective figure' on a higher rate for nurse wage inflation. Where care home managers' salaries have risen by more than the 2% figure in recent years this will have been reflected in the cost of care exercise on top of which the 2% inflationary increase is based. We acknowledge the pressures on care homes and other social care providers including recruitment and retention, NLW, agency costs etc. and the cost of care approach provides an opportunity to take these into account fully in establishing a base rate for care homes. We encouraged providers at the meeting in December 2017 to forward any further information that might be relevant to setting the cost of care, some additional information was received from one provider however this did not affect the outcome of the model overall.

Our consultation with providers suggests that most care home staff are paid above the current National Living Wage. We know however that management staff are crucial in ensuring the stability of care home therefore we have proceeded on the basis of an uplift of 4.1% for front line staffing and 2% for management. The proposed uplift therefore enables providers to maintain salary differentials across their provision and attract and retain staff and reduce agency costs. We will continue to monitor recruitment and retention and agency spend in the sector over the next 12 months to identify any negative trends in these areas.

**Rate of Return:** It is reasonable that there should be a return on investment within the model that, as with the cost of care, should be based upon current economic conditions and reasonable precedents set elsewhere. There are a wide range of factors affecting return on capital investment that make it challenging to apply an approach public funding for return on a capital in a market with a diverse range of business and financing models. The proxy chosen needs to relate to national measures in relation to the cost of borrowing, with an allowance for commercial risk in this field. The proposal is therefore base rate plus 2%. Linking the rate of return to a variable nationally recognised indicator gives the Council a means of ensuring fees are annually updated to shadow borrowing costs.

**Capital Expenditure:** We acknowledge the wide range of costs that different providers state they incur but were not given evidence for this spectrum in the cost of care exercise. Therefore providers were asked for their suggestions and for evidence to inform a reasonable assumption in this area at the provider meeting in December 2017. We have encouraged providers to come forward to share their figures relating to premises and capital expenditure however no further information has been received. We will work with providers over the next year to monitor the impact of the fee rate increase on provider quality and sustainability.

**CPI:** We have used September's CPI for non-staffing costs for four years and this year it increased from 1% to 3.1%. In previous consultations providers have suggested that CPI is a reasonable index for 30% of total costs. Given the main non staffing costs of delivering care homes are similar to those of domestic households we feel this is a reasonable approach.

**Third Party Contributions:** Third party contributions are decided by individual providers based on their costs. The Council has tried to balance the interests of care home providers with those of third party contributors, often family members who face considerable financial pressures in the current climate. It is only right to ask care home providers to be mindful of this when setting rates, and not to presume that extra funding from the Council should have no impact on the contributions being made by others. The Council is not trying to pay the full cost for every home and remove all third party contributions: some care homes will always seek to operate a higher fee rate than the Council sets and will seek to provide this service to individuals who can afford it. The Council has worked to model an appropriate level of inflation that reflects pressures on key areas of spend. We believe, as the Council underwrites these, that it is reasonable to expect that where providers are receiving a significant increase in fee rate (e.g. up to 19%), that this would be reflected in a reduction to any third party contributions charged.

**Long Term Planning:** We acknowledge the low start point for fees and therefore engaged in the cost of care exercise to address this. It is difficult to say at this point in time how our fee levels will compare with other authorities as most are still in the proposal stage. We will engage with other authorities who have a 3-5 year fees plan to identify learning for our approach in Sheffield. The cost of care exercise was one element of a wider reaching partnership project with Sheffield and Manchester Universities' Business Schools to look at the future of social care in the city and 'Doing Care Differently'. We will continue to work with academics on developing a longer term strategy that aligns to the Ethical Care Charter that the Council has already signed up to.

**Consultation:** The outcome of the cost of care exercise was shared with care home providers at a meeting on 14<sup>th</sup> December 2017 where we took comprehensive feedback. The minutes from this meeting plus additional information requested has been shared with providers. The cost of care report was circulated to all care homes in January 2018 and a range of feedback channels and opportunities were provided. The proposed fee rate following consultation was shared with providers on 9<sup>th</sup> February 18 to allow a further opportunity for providers to respond to the revised fee (aligning nursing with residential single rate). Further feedback was provided by 4 providers on 2<sup>nd</sup> March 2018 to officers and the Cabinet Member, Cllr Cate Macdonald.

#### **1.14. Other Fees**

In addition to standard fees for older adults there are some placements made out of city where it is in the best interest and choice of the individual and their family. Although these are small in number a policy position is required so it is clear what fee will be paid. To ensure Sheffield is in line with its legal duties it is proposed that out of city placements will be paid at the host authority rate and this will be uplifted by the amount which the host local authority agree each financial year.

#### **1.15. Additional support offered/to be offered to care homes**

The Council and Clinical Commissioning Group (CCG) provide other support to care homes to help improve the quality of care. These include:

- Training to meet the Common Induction Standards.
- Owner and manager forums aimed at improving partnership working and quality.
- Working with the Department for Work and Pensions on recruitment initiatives
- A GP Locally Commissioned Service (LCS) scheme, which costs around £800,000. Under this scheme each Care home is aligned to one GP practice which accepts all residents who choose to register.
- Provision of the online care homes bed portal which is used to identify vacancies.
- However it is clear that there are other opportunities to collaborate with providers and potential ways of creating further efficiencies.



There is a commitment within social care to develop these initiatives which will include:

- Investigating the potential use of assistive technology in care homes which could improve efficiency
- Actively involving providers in the review of the quality and contract monitoring processes undertaken by the Council
- Providers working jointly with the Council on exploring gain share agreements and/or more efficient solutions to capital repayments and the cost of debt
- Ensuring a flexible and innovative approach to meeting the needs of the population both in terms of demographic changes and seasonable fluctuations such as winter pressures in the health service.

## Appendix 2 – Home Care

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### **2.1. Background to home care**

The home care market has developed and stabilised over the past 12-18 months, partly aided by a significant uplift in fees in April 2017 and procurement activity, which has increased the number of contracted providers from 9 to over 40. The market requires careful monitoring to maintain the balance between supply and demand. More hours (28,472 per week) are now being commissioned for more people (2,774) than at this time last year, with the increasing demand created largely by people coming out of hospital sooner, avoiding care home admissions and requiring more support.

The new home care framework contracts started on October 2nd 2017. Six providers have one or more primary contract areas, and a further 35 providers are part of the Framework Agreement. Overall capacity, contingency arrangements and performance have improved. A further tender in November 2017 is likely to add several more providers to the framework.

### **2.2. Pressures on the home care market**

As demand has continued to grow, the market has responded by recruiting more care workers although this remains a challenge for many providers and the most commonly cited barrier to increasing capacity. Wage levels have risen but there is still a staff churn of around 25% per year. Contracts officer and brokers have been working closely with home care providers, particularly the newer, smaller organisations to support them in growing their business in the city in a controlled and sustainable way.

### **2.3. The cost model**

A 'cost of care' model approach to home care fees was implemented in April 2017. Based upon extensive consultation with providers, this model better reflected the true cost of delivering a home care service in Sheffield and took into account local disparities in travel time for care workers.

The new model resulted in an average 8% increase in hourly rates in April 2017. Sheffield rates became more competitive with comparable authorities and the private market. A tender exercise in May 2017 attracted over 50 applicants, including many organisations with no existing operation in Sheffield.

### **2.4. Additional support offered/to be offered to providers**

The Council and Clinical Commissioning Group (CCG) provide other support to home care agencies to help improve the quality of care. These include:

- Regular provider forums with development opportunities

- Opportunities for providers to engage with piloting new approaches to increasing capacity and delivering care in the city
- Identifying training and development needs to inform training provision in the city

However it is clear that there are other opportunities to collaborate with providers and this should include:-

- Development of a recruitment and retention strategy for the city
- Collaborative approach to developing the monitoring arrangements

## 2.6. Proposal

Although there is no mandatory uplift clause in the contract, the Council has a duty to support a diverse and high quality market and will therefore take into account all relevant factors impacting upon delivery of services, including financial costs.

The split between wages and non-wages costs varies across different business models and between companies. Using widely accepted industry standards, an 85:15 ratio has been used to calculate the uplift. As not all staff would be subject to the NLW rise, the wages element was further broken down to reflect this.

Cost Area	2018/19 Inflationary Uplift
75%: front line staff at or close to NLW levels	4.4% increase (in line with National Living Wage)
10%: staff at higher pay levels	2% increase (in line with public sector pay increase)
15%: non-staffing costs	3.1% increase (in line with Consumer Price Index)

**This produces an overall figure of 3.95%**

## 2.7. Consultation:

This proposal was put to the market for comments; 38 providers were asked for comments and 7 responses were received. While most welcomed the increase, several commented that the increase in wage costs should be higher than the 4.1% NLW uplift because of factors such as increased pension contributions from April 2018. Some also commented that other staff needed to see differentials maintained and that the 2% increase for higher paid staff was therefore inadequate. One provider pointed out that the new rates were well below the UKHCA recommendation of £18.01. Our response is that these fee rates were set on the basis of local modelling, incorporating not only costs specific to Sheffield but also variations within Sheffield linked to travel time and our range of urban and more rural communities.

In order to maintain the relative stability of the market through 2018/19, it is recommended that a 3.95% increase in fees is implemented as this takes into

account inflationary and wage pressures, including the increase in the National Living Wage from April 2018. We will continue to work closely with providers via the Care Homes Forum and our contract monitoring relationships to continue monitoring the quality and sustainability of our providers. A full break down of the increased rates per framework contract area is provided below:

<b>Area</b>	<b>Current Framework Hourly Rate</b>	<b>Rate from April 2018</b>
A1	£15.02	£15.61
A2	£15.31	£15.91
A3	£15.55	£16.16
B1	£15.14	£15.74
B2	£15.20	£15.80
C1	£15.49	£16.10
C2	£15.20	£15.80
C3	£15.08	£15.68
D1	£14.78	£15.36
D2	£15.43	£16.04
D3	£14.78	£15.36
E1	£15.08	£15.68
E2	£15.14	£15.74
E3	£14.90	£15.49
F1	£15.85	£16.48
F2	£16.34	£16.99
F3	£16.40	£17.05
F4	£15.97	£16.60
G1	£16.03	£16.66
G2	£15.20	£15.80
G3	£15.14	£15.74

## Appendix 3 - Supported Living

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### 3.1. Background to supported living

The supported living market in Sheffield has had a period of relative stability over the past year, aided by procurement activity, which increased the number of contracted providers on our supported living framework, and the uplift in fees in October 2017. The new supported living framework started on October 2<sup>nd</sup> 2017 and 22 providers are now on the supported living framework.

Demand for supported living services has continued to grow over the last year. As supported living is a key model of support for adults with disabilities we expect demand to continue to increase in 2018/19. The Council's Commissioning service works closely with care managers and providers to ensure requests for supported living packages are responded to promptly, and that people requiring supported living have a choice of provider.

### 3.2. The cost model

In October 2017 we implemented a new approach to supported living fees, based on the home care fees 'cost of care' model. Based upon extensive consultation with home care providers, this model takes into account local disparities in travel time for support workers who need to travel between visits, alongside a discounted rate for supported living 'schemes' where travel time is not an issue. The framework also set a rate of £9.66 per hour for sleep-in nights, which reflects changes in payment regulations.

The new fee model resulted in an average 9.8% increase in hourly rates for supported living providers. These rates were published in the tender process for the new supported living framework for which over 40 organisations submitted bids, including many organisations with no existing operation in Sheffield.

### 3.3. Additional support for providers:

The Council and Clinical Commissioning Group (CCG) provide other support to home care agencies to help improve the quality of care. These include:

- Regular provider forums with development opportunities
- Opportunities for providers to engage with pilots in the city

However it is clear that there are other opportunities to collaborate with providers and this should include:-

- Development of a recruitment and retention plan
- Collaborative approach to developing the monitoring arrangements for supported living

### 3.4. Proposal

In order to maintain the current stability of the market, it is recommended that an increase in fees is offered which takes into account inflationary and wage pressures, including the increase in the National Living Wage from April 2018.

The split between wages and non-wages costs varies across different cost models and will also vary between companies. Using widely accepted industry standards and feedback from local providers, we used an 85:15 ratio of wage to non-wage costs to calculate the inflationary pressures then took into account that management staff will not be receiving the same uplift as staff at or near to National Living Wage levels. We therefore used the following formula to calculate an inflationary uplift to the base rate for each area:

Cost area	2018/19 Inflationary pressure
75% front line staff at or close to NLW levels	4.1% increase (in line with National Living Wage)
10% staff at higher pay levels	2% increase (in line with public sector pay increase)
15% non staffing costs	3% increase (in line with Consumer Price Index)

In summary we therefore proposed a 3.95% inflationary uplift to the hourly supported living rates for each area, for the discounted rate and for the sleep-in night rate. This proposal was shared with supported living providers on the framework in January 2018.

### 3.5. Consultation:

We received five responses from providers; four supported the proposed uplift and one was neutral.

A breakdown of how this would impact on the current rates is set out below

Area	Current Framework Hourly Rate	Rate from April 2018
A1	£15.02	£15.61
A2	£15.31	£15.91
A3	£15.55	£16.16
B1	£15.14	£15.74
B2	£15.20	£15.80
C1	£15.49	£16.10
C2	£15.20	£15.80
C3	£15.08	£15.68
D1	£14.78	£15.36
D2	£15.43	£16.04

D3	£14.78	£15.36
E1	£15.08	£15.68
E2	£15.14	£15.74
E3	£14.90	£15.49
F1	£15.85	£16.48
F2	£16.34	£16.99
F3	£16.40	£17.05
F4	£15.97	£16.60
G1	£16.03	£16.66
G2	£15.20	£15.80
G3	£15.14	£15.74
Discounted scheme rate	£14.50	£15.07
Sleeping night rate	£9.66	£10.04

## Appendix 4 - Extra Care Housing

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### 4.1. Background to Extra Care

There are 9 extra care/assisted living schemes in Sheffield, they range both in size and the facilities they offer, however most cater for the older age group. The Council fund 5 of the schemes, 2 through contracting arrangements and 1 through a Health and Wellbeing Grant. The remaining 4 schemes were privately developed to accommodate people funding their own care. The majority of the contracted schemes were built during the first half of 2000 as part of an extra care strategy set up to run alongside the care home strategy which involved the closure of a number of Council run care homes.

The landlords of each scheme tend to be registered social landlords who operate on a not for profit basis and the care and support providers are traditionally home care providers. Whilst the operation of the scheme is registered by CQC as home care, it has more similarities with the supported living schemes where providers are registered as domiciliary care providers but their work is focused around a building or house and therefore travel time is minimal.

The current care and support contracts were tendered for and involve 3 providers who also provide some home care, either Council funded or privately. The contracts were let in 2015 when the care and support elements were combined (previously supporting people funding along with housing benefit) and are due to expire in 2019, although there is the option to extend these.

Providers have therefore remained at the same funding level for almost 3 years, the care element is paid based on actual service delivered as it fluctuates based on need, the support element is paid at the same rate each week as it has an overarching aim to engage all of the tenants in activities/support that enables them to remain independent and without care for as long as possible.

It is clear at the point of tender that the providers would not have been able to factor into their fee the National Living Wage (NLW) as this was announced by Government after the tender. It is also clear they would not have been able to accurately predict how the support element would work as the housing benefit rules were changing at the time and it was unclear what elements of support the landlord would deliver as opposed to the care provider. What this has led to is a need to review the support element of the contract to ensure it is value for money; this has already commenced and will form part of the new tender arrangements.

Providers have remained relatively stable however two have raised concerns about the fee rates for care and support during recent consultation. This is due in part to the relatively low care hours being provided in the schemes (in contrast to supported living schemes). A recent revision and relaunch of the nominations policy will



address this in the longer term however the turnover in extra care is slow and redressing the balance of care hours will take a longer period of time.

#### **4.2. Pressures on the Market**

The pressures on extra care are similar to those experienced by other social care providers, for example increases in cost of rent, registration, training and DBS checks. It is also well reported that there are ongoing issues in the recruitment and retention of staff in the social care industry, although this is less of an issue in extra care housing than in home care. In November 2017 extra care providers were asked about pressures in their market and other than those which are already stated there were no additional areas we were asked to consider.

There are specific pressures relating to the extra care providers and these are:

- The current extra care providers have not received any increase in fees since the contract began in 2015 therefore with the introduction of the living wage and other costs such as registration and training costs the pressure is increasing
- There is recognition about the similarities between extra care and supported living but because there was a recent tender for supported living and as there has been no uplift for extra care providers the difference in hourly rates between them is significant and growing
- The major pressure over the past year has been the implementation of the National Living Wage (NLW) to cover night time support, with HMRC investigating providers where they appear to be non-compliant with legislation. (Extra care providers need to provide emergency cover over night). The new Supported Living Framework covers the cost of this; however there has been no recognition of this in the hourly rate paid to extra care providers.

#### **4.3. The cost model**

The 'cost of care' model was implemented in April 2017 and better reflects the real cost of delivering a home care service, while taking into account local disparities in travel time for care workers. The 2017 home care and supported living framework established an approach that treated home care and supported living consistently whilst recognising key differences. Extra care was not part of this framework even though it has a number of similarities with the discounted supported living schemes and therefore the base rate for extra care remains significantly lower. There is a need to adopt a consistent approach and therefore the extra care providers were offered a similar uplift to the supported living schemes.

#### **4.4. Proposal**

In the interim it is proposed to align the extra care, care hours only with that proposed supported living. Therefore we have applied the following inflationary uplifts to these cost areas:

75% front line staff at or close to NLW levels	4.4% increase (in line with National Living Wage)
10% staff at higher pay levels	2% increase (in line with public sector pay increase)
15% non-staffing costs	3% increase (in line with Consumer Price Index)

This results in an increase of 3.95% to the hourly rate for care from April 2018.

#### 4.5. Consultation feedback

2 providers responded to the proposal ( although 1 was received 3 weeks after the consultation closing date) saying overall they were pleased with the fact that an increase had been recommended which would go “some way in providing market stability during a difficult time for staff recruitment”. However significant concern was raised about the viability of the contracts for the next 12 months. Providers asked for further consideration of the following points (extracted from their communication with us):

- The real cost of NLW on employers of 5.3% (including an extra 20% for employment costs, i.e. holiday pay and employer’s NIC). We will also see annual increases to younger employee’s hourly rates for apprentices and those up to 24 years.
- Employer’s contributions to workplace pensions will double from 1% to 2% in Gross Pay.
- Annual inflation currently running at 4%
- With effect from April 2018 auto-enrolment pension contributions for employers will increase by 1%.
- The NLW uplift should apply to all staff, not only front-line workers. Its important to maintain the wage differential in order to attract/retain office staff.
- Identifying these financial pressures, UKHCA recently carried out a calculated study which identified that from April ’18 to March ’19, local authorities should be paying a minimum price of £18.01 per hour for homecare services. Typically, this would include values for care worker pay, travel time, NI and Pensions, holiday, training and SSP. We are mindful that fixed address care services such as our own Extra Care courts should not include care worker travel time at £1.48ph within the sum, so a more realistic £16.53ph for care looks far more reasonable.
- Staff turnover show it is currently averaging 24.9% and there is a need to increase staff retention

Following this feedback and further consideration it was agreed that the extra care hourly rate for care should be increased to match that supported living schemes rate

for geographically based support of £15.07 per hour for care with no increase to the support costs.

# Appendix 5 - Non Standard Fees

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## 5.1 Background.

A significant proportion of local adult care and support services do not have standard fee rates. This includes 'non-standard fee' care homes, community-based services, Personal Assistants, Money Management services, Direct Payments and other individualised support arrangements.

This Appendix sets out the Council's proposals for fee uplift requests for non-standard fee care and support services.

## 5.2 Residential and Nursing Fees with non-standard fees

### 5.2.1 The local market

The local care home market includes a number of residential and nursing care services where placement costs exceed Sheffield's standard rates – 'non-standard' fees. The majority of care homes at 'non-standard' fee rates support working age adults with learning disabilities, physical disabilities or mental health problems. Some support adults from two or more of these customer groups.

There are 35 care homes for adults with learning disabilities, physical disabilities or mental health problems in Sheffield. Most provide continuing care with a small number specialising in residential respite/short breaks services.

The market in 'non-standard' fee care homes has been relatively stable this year. There have been two exits, both on quality and safeguarding grounds. This capacity has been more than compensated for by new supported living schemes offering high quality accommodation with support from providers on our supported living framework.

Quality in care homes for adults with learning disabilities, physical disabilities or mental health problems is largely good as measured by CQC ratings. One care home is currently rated outstanding, 29 good and five as requiring improvement.

### 5.2.2 Non-standard residential and nursing care fees

The fee setting process for non-standard fees is different from standard fees. Non-standard fees are set individually by the provider or negotiated on an individual basis, and not on the basis of a standard fee level fixed by the Council.

Non-standard fees range from less than £450 per week to over £3,000 per week. As an example, Table 1 below sets out the range of non-standard care home fees for adults with learning disabilities.

**Table 1: Non-standard residential and nursing care rates for adults with learning disabilities.**

Price range	No. of placements
£450 to £999	68
£1,000 to £1,499	58
£1,500 to £1,999	31
£2,000 to £2,999	18
£3,000 and over	2

The wide variation in non-standard fees reflects the wide variation in the nature and level people’s support needs and the diversity of services that can meet these needs. Different care homes have significantly different cost structures and specific budget pressures can impact on them in ways specific to their business.

### **5.2.3 Staffing and non-staffing/accommodation costs.**

In our consultation with standard fee residential care home providers in 2016, feedback indicated a ratio of approximately 70% staff costs and 30% non-staff costs. It also showed a range in accommodation costs between £85 and £244 per person per week. In contrast, in ‘non-standard fee’ residential and nursing care staffing ratios can vary widely, with some homes providing one to one support, at times even higher.

Accommodation costs in many non-standard fee care homes vary significantly, and in some cases are significantly higher than in standard fee rate homes. In some high cost packages, accommodation and non-staff costs exceed £1,000 per person per week. This results in a lower ratio of staff costs compared with standard fee care homes despite the higher staffing ratios. As an illustration, in recent costings from one non-standard fee high cost care home provider (over £2,000 per person per week), staff costs accounted for only 47% of the total cost.

### **5.2.4 Inflationary pressures on non-standard fee care homes**

The Council recognises that individually negotiated non-standard fees will have similar market pressures as other social care providers including

- National Living Wage Increases
- Retention of Nursing Staff
- Increased costs associated with apprentices, registration/training and backfill for training
- Recruiting suitably qualified staff in leadership and management posts and paying an appropriate wage increase each year
- High interest rates for debt

### **5.2.5 Proposal for non-standard fee care homes**

Inflationary pressures affecting staff /non-staff costs are different. As staff /non-staff costs ratios vary significantly in non-standard fees care homes, it is

inappropriate to apply a standard percentage uplift based on assumptions of standard staff /non-staff cost ratios.

**Proposal.** We therefore propose not to apply an automatic inflation uplift, but to respond to requests on an individual basis taking into account individual needs, individual provider costs and value for money considerations. We propose an 'open book' approach, using a transparent breakdown of costs and income.

- If the fee for any the Council placed resident is not sufficient to meet that person's care the provider will notify the Council and be asked to provide details of their expenditure and income on a standard template.
- Each request will be considered on an individual basis.
- If there are no requests for an uplift then no automatic uplift will be applied.

The above is also the position that Sheffield NHS Clinical Commissioning Group (SCCG) has agreed for jointly funded CCG/Council placements during 2017-18. They will be writing separately to Care Homes/other providers with whom they contract directly, to explain the position on those fees for 2018-19.

### **5.3 Direct Payments**

Over 2,500 people in Sheffield have a Direct Payment. These are individually negotiated arrangements between the person with support and support providers. Direct Payments are used for a wide range of support – including personal assistants, home care, supported living, community and day activities, short breaks, and transport. In some situations Direct Payments may be used to pay relatives to provide support. Many people use part of their Direct Payment to pay Money Management organisations to help with the financial and administrative arrangements of their Direct Payment.

#### **5.3.1 Personal Assistants.**

There is no standard rate in Sheffield for a Personal Assistant. The Council expects Personal Assistants to be paid at least the National Living Wage, and that the Direct Payment recipient as the employer makes the relevant payments towards the Personal Assistant's Pension and National Insurance. Rates for Personal Assistants range from the National Living Wage to over £20 per hour, reflecting the range and nature of people's individual support needs.

**Proposal.** Any need for an increase in Personal Assistant fees is therefore likely to vary between individual Direct Payment recipients. It is therefore proposed that requests will be responded to on an individual basis.

#### **5.3.2 Direct payments for community-based support.**

Many people use Direct Payments for support in the community, including day activities, transport, short breaks and other personalised support. These community-based services have a wide range of costs, again reflecting the diversity of individual need and choice, and the diversity of community-based

support in the city. Some people also use Direct Payments to fund mainstream community activities (including membership fees) and other personalised ways of meeting their support needs, again with a wide variety of costs.

Many community-based organisations support a number of Direct Payment recipients at the same fee rate (for instance a day activities provider with a standard daily rate).

**Proposal.**

Any need for an increase in community-based support fees is likely to vary between individual Direct Payment recipients. It is therefore proposed that requests will be responded to on an individual basis.

Requests from community-based support providers funded through Direct Payments for an increase in their fees is likely to vary between individual providers. It is therefore proposed that requests will be responded to on an individual provider basis using an 'open book' approach similar to that proposed for non-standard fee residential and nursing care homes.

### **5.3.3 Money management**

Around 60% of Direct Payment recipients use a third party account company (sometimes called Money Management) to help with the administration of payments to care and support providers. These companies levy a charge for their service which is negotiated privately between the provider and the individual. The Council has no influence or input into this negotiation. Similarly for provision of payroll services; charges are made but these are outside the remit of any fee setting processes overseen by SCC.

**Proposal.** Any need for an increase in fees for these aspects of people's arrangements is likely to vary between individual Direct Payment recipients. It is therefore proposed that these will be responded to on an individual basis.

### **5.3.4 Direct Payments for Home Care and Supported Living – the 'guide price' principle**

Many people use a Direct Payment to purchase Home Care or Supported Living services. The Council has a framework for Home Care and Supported Living services with a range of fixed hourly rate prices depending on the type and location of the service regardless of the organisation providing the service. These rates will be uplifted in 2018/19 (see Appendix 3).

**Proposal.** Where Direct Payments are being used for Home Care and Supported Living it is proposed that the Council's standard approach will be to apply the 'guide price' principle, where the Supported Living framework hourly rate is the maximum the Council will expect to pay. Where providers are charging Direct Payment recipients higher rates, the individual would normally be expected to meet the difference through their own funds. Where this creates specific difficulties, or where there are specific support requirements that create higher

costs for providers, the Council would review each situation on an individual basis.

#### **5.4 Council arranged community-based support**

The Council directly arranges and funds a small number of community-based care and support services, including community and day activities. Costs range from under £30 to over £150 per person per day again reflecting the wide variation in the nature and level people's support needs and the diversity of community-based support services and activities that can meet these needs. Inflationary pressures will vary between different providers.

**Proposal.** The need for a fee increase for community-based support providers is likely to vary between individual providers. It is therefore proposed that requests will be responded to on an individual provider basis using an 'open book' approach similar to that proposed for non-standard fee residential and nursing care homes.

The above is also the position that Sheffield NHS Clinical Commissioning Group (SCCG) has agreed for jointly funded CCG/Council placements during 2017-18. They will be writing separately to Care Homes/other providers with whom they contract directly, to explain the position on those fees for 2018-19.



## Appendix 6 – Report commissioned by Kingsbury Hill Fox Limited on behalf of a Care Home Provider

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Please see separate attachment. This appendix has been commissioned by a Care Home Provider and not by the Council. It is included as consultation feedback because it describes an alternative approach to fee setting from the one the Council has employed. The reasons for the Council pursuing its model rather than the approach set out by Kingsbury Hill Fox Limited are set out in these papers.

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# Review of Sheffield City Council's Cost of Care Exercise Consultation Report 2017

12<sup>th</sup> January 2018

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Kingsbury Hill Fox Limited

## Contents

Section	Page
Summary	
1. The background	1
2. Kingsbury Hill Fox Limited	1
3. Alignment of interests	2
4. The Council's methodology	3
5. The response and the data sources	3
6. The analysis	
6.1 Weighting	4
6.2 Resident dependency levels	4
6.3 Allowing for inflation	5
7. Specific costs	
7.1 Nursing costs	5
7.2 Personal care staff	5
7.3 Other costs	6
8. Corporate overheads	6
9. Rent/mortgage costs	
9.1 Return on capital value/mortgage payments	7
9.2 Why not use the actual figures provided for mortgage and bank interest?	7
10. Return on business activity	8
11. Other factors	
11.1 Quality of care	9
11.2 Supply, demand and occupancy rate	9
12. The Council's plans for purchasing	
12.1 Simplifying fee structure	9
12.2 Reducing placements	9
13. The way forward	10

## Summary

This review is of the consultation report issued by Sheffield City Council following its Cost of Care exercise in 2017.

It is recognised that it is in the interests of care homes and the Council that the commissioners should have an understanding of the actual cost of providing care.

The report is not specific about the sample used for its analysis, but it does appear to be small and unrepresentative.

The analysis used unweighted averages and took no account of resident dependency levels.

Some of the data used in the report appear to be erroneous; in particular the nursing costs.

The method of calculating the notional return on capital is not independent of the operator's personal circumstances.

The Council's plans for the way in which purchases care home places are enlightened but some of its reasoning is based on sub-optimal calculations.

If we were advising the Council we would suggest that the Council:

- repeats the exercise this year or next using an experienced organisation
- undertakes a demand projection using a formula that comprises the separate older age bands to enable the Council and its providers to plan five to ten years ahead
- uses older age bands to obtain a much more accurate comparison of local authority placement practices
- compares Sheffield with its recognised family of local authorities that are similar when 21 relevant factors are taken into account.

## Review of Sheffield City Council's Cost of Care Exercise Consultation Report 2017

### **1. The background**

Sheffield City Council purchases care home places from independent sector providers, currently paid as one of three care only and two nursing bands. The fees payable for these bands are set by the Council annually.

For 2018/19 the Council has undertaken a "Cost of Care Exercise for Care Homes" in response to feedback from operators of care homes for older people during the 2016/17 fees consultation. The methodology was based on the template described in the January 2017 CIPFA publication *Working with care providers to understand costs - A guide for adult social care commissioners* and was discussed with providers during the summer of 2017. Data were collected from willing care home providers.

The Council published its Sheffield Cost of Care Exercise for Care Homes 2017 Consultation Report in late 2017, with a request for feedback by 9am on 15<sup>th</sup> January 2018.

An operator of care homes in Sheffield has commissioned Kingsbury Hill Fox Limited to prepare a review of the consultation report to assist in the feedback process.

### **2. Kingsbury Hill Fox Limited**

Philip Mickelborough, who is the driving force within Kingsbury Hill Fox Limited (KHF), has been a consultant in social care for over 22 years. Although he set up KHF in 2001, until earlier this year he did the bulk of his work under LaingBuisson's (LB) name, although he has never been an employee of LB. In spring 2017 he ended his association with LB and has since worked only under the KHF name.

As well as consultancy Philip has written 15 editions of his annual market report on extra care housing, published in July 2017 by KHF as *Extra Care, Assisted Living and Retirement Communities 15th edition Market Report*, his 14 previous editions having been published by LB. LB also published Philip's 12 editions of a similar market report on domiciliary care.

Actual Cost of Care Analyses came to the fore following the Sefton judgement of 2011, when a judge ruled that Councils must take into account the actual costs of providing care locally. Since then Philip has undertaken Actual Cost of Care analyses for Lincolnshire County Council (in 2017 & 2014), Cumbria County Council, Hampshire County Council, Lancashire County Council, Leicestershire Care Association, North Yorkshire Council, Portsmouth City Council, Sefton Council and Southampton City Council.

Before the Sefton judgement Philip undertook Fair Price for Care Analyses, using benchmarked national figures for non-staff costs, for Lincolnshire County Council in 2011, Birmingham City Council, East Midlands Care Association, Gloucestershire County Council, Isle of Man Trading Standards, Lancashire County Council (2004 & 2006), Liverpool Care Association, Norfolk County Council, Plymouth City Council, *re:source* NHS Procurement Hub, St Helens Care Association, Stoke-on-Trent City Council and Wirral Care Association.

Philip's other consultancy has been:

- in strategic planning, benchmarking, market analysis, purchasing strategy, cost analysis, demand projections, acquisitions, due diligence, care tool evaluation and service strategy
- covering domiciliary care (homecare), extra care housing, nursing and residential care homes, supported living, sheltered housing, meals services, health insurance, tele-medicine & telecare, pathology, community health services, medical devices, home-from-hospital and private patient facilities
- for housing, health and care providers in the private and voluntary sectors, financial services (private equity, banking & insurance), acute & community NHS trusts, NHS commissioners, the Tynwald, private medical insurers and local authority social services.

Philip has been a non-executive director of Life Opportunities Trust since February 2014, an independent sector care body providing registered residential care, supported housing and domiciliary care & support to people with learning disabilities in Hillingdon, Hertfordshire and Westminster. He has also been a Magistrate (JP) on the Wiltshire bench since 2007.

### 3. Alignment of interests

In our experience it is in the care home operators' and the local authority commissioners' interest that the actual cost of providing a care home place should be known. This is why most of our Actual Cost and Fair Price analyses over the last 15 years have been undertaken with the full support of providers and commissioners.

For commissioners, this is because:

- commissioners require a sustainable care home market so that they are able to place the older and vulnerable people they are responsible for
- councils are under extreme financial pressure, and will not release extra funding to commissioners without strong evidence that it is necessary
- knowing and taking into account the actual cost of care protects the council from legal action by operators
- paying a fee that reflects actual costs reduces the likelihood of a two-tier care home market developing, with some homes providing second-rate care only for supported residents and others providing better-resourced care only for self-funders.

Care home operators benefit from local authorities knowing the actual cost of care as that increases the likelihood of councils paying a fee that reflects the cost of providing that care, and reduces the need for top-ups and for the cross-subsidy by self-funding residents.

The Sheffield City Council document *Report Supporting The Recommendations for Care Home Fee Uplifts Sheffield City Council 2017/18* strongly suggests that the commissioners recognise the needs of care homes and the inadequacy of the fees it paid in 2016/17.

#### 4. The Council's methodology

We commend the commissioners for approaching the issue of setting its fee level by consulting with and seeking information from care home operators about their actual costs; it offers many advantages over a policy of taking the previous year's fees and uplifting them by a set amount or percentage.

In accordance with the advice in the CIPFA document, the commissioners started the cost process early and should reach an agreement by the start of financial year 2018/19; this is good as we have frequently been called in by other local authorities to advise on fees just before or after the relevant year starts.

Although the documents we have seen suggest that the commissioners genuinely do wish to understand the costs of care and pay a fair rate, for reasons we will address we do not feel that the commissioners have been as successful in understanding the actual costs of care as they might have hoped.

#### 5. The response and the data sources

From the Sheffield City Council document *Report Supporting The Recommendations for Care Home Fee Uplifts Sheffield City Council 2017/18* we learned that there were 82 independent care homes in the City providing 3,768 beds in total, of which 18 were voluntary/not for profit homes.

For the analysis some information was provided by nine sources, relating to care homes or care home groups, out of the 12 that originally expressed an intention to participate. As we interpret the commissioners' report, the data used to calculate fees were taken from five operators that provided full accounts; three provided information that was used to calculate residential costs and two provided information for nursing costs (although the report is ambiguous and there may have been only four operators). We have concerns that:

- the report does not tell us how many care homes are represented by the five operators, although it has been suggested to us that they represent only nine homes, a sample of only ten per cent
- the report does not tell us how many beds were represented by those five operators, and therefore what they represented as a percentage of the 3,768 beds, but we are sceptical that the sample was adequate for an accurate analysis
- the report does not say whether the figures reported by the five respondents related solely to care homes within Sheffield; if they include the costs for care homes outside Sheffield the costs reported will not be local costs and so may be a poor guide to costs within the City.

The report states that subsequent reminders were issued by email and letter to those who had volunteered to participate but no further information was received. It does not say whether these were directed at only the three

operators that had no responded at all, or whether efforts were made to improve the response from the six homes that provided information deemed inadequate by the commissioners.

The *Report Supporting The Recommendations for Care Home Fee Uplifts Sheffield City Council 2017/18* states the following:

*“The providers range from small, long established operators with a single care home in a converted property, to large national organisations that run many purpose-built care homes – typically focused on areas of the city where land costs are lower. Approximately 33% of the current care homes in Sheffield are operated by large national organisations; however there are a growing number of more local organisations who have multiple care home ownership. Such a diverse range of ownership, brings with it different business models, some operate with significant debts whereas others may have very little. National providers will cross-subsidise across their homes to manage local variations in demand and profitability, these larger providers can also exploit economies of scale. “*

This confirms our view that the sample would not have been representative of the diverse range of ownership.

The difficulty the commissioners had in obtaining adequate information does not surprise us. Experience has taught us that providers are usually reluctant to disclose confidential financial information to their major customer. One of the main reasons why we are commissioned to undertake these analyses is that we can guarantee that the councils will not have access to any individual care home's information, and a major aspect of generating a good response is to reassure operators of the confidentiality of their figures.

## 6. The analysis

### 6.1 Weighting

The analysis has taken the figures from three residential care operators and averaged them; the figures from a small local private operator has been given the same weight as those from a large national one which may have many more beds in the City. Similarly, the nursing figure is an unweighted average of two operators.

Our practice is to weight the figures for each operator by the number of that operator's beds in the City, so giving more importance to operators with many beds than to those with only a few, bringing the weighted average closer to the actual costs across the City. We accept that the commissioners may not have been given sufficient information to do this, but without weighting the results have less validity.

### 6.2 Resident dependency levels

Nor has any account been taken of the resident mix in the homes analysed:

- residents with dementia usually require more care than frail older people
- residents admitted under NHS Continuing Care criteria usually require more nursing and more personal care
- residents with high dependency needs require more care than low-dependency residents.

Care homes in practice cannot allocate their care costs between types of residents, but we always ask for a resident breakdown so that we can determine whether the care homes are typical in their resident mix. The commissioners' report does not address this.



### 6.3 Allowing for inflation

Care assistant and domestic staff wages have been affected by the increase in National Living Wage (NLW) and we consider it reasonable to inflate their wages by this amount.

The change in nurses' wages is much less affected by the rise in NLW; in our experience care home operators have tended to compress wage differentials rather than maintain actual or relative differentials. Nurses' wages are affected more by the shortage of nurses, so severe that we know of many care homes that are converting from nursing care to care only because they cannot staff their homes. A higher rate for nurse wage inflation might be more appropriate, although we are unable to put an objective figure on what it should be.

The job of a care home manager has become much more bureaucratic due to CQC requirement, and we are aware from many sources that despite annual salaries that are rising faster than inflation, the role of care home manager is one which appeals to so few people that the sector is struggling to find the right calibre of staff. Although we understand the commissioners' wish to apply the same two per cent rise that they have 'enjoyed', the reality is that care home managers' salaries will have risen by more than this figure. As a guide, it is estimated that managers' salaries rose by 50 per cent between 2006 and 2016, a simple average of five per cent per annum.

## 7. Specific costs

We have not commented on all the costs reported in the table in the report, but only where we have some observation to make.

### 7.1 Nursing costs

The two nursing providers reported nursing costs of £106 and £58 per resident per week.

Both of these are substantially less than we would expect; £150 or more would be normal and we do not believe the reported figures represent the actual costs per nursing resident per week (prpw). We suggest there may be two explanations for this discrepancy:

- the care homes may have reported only the nursing costs that exceed the NHS Funded Nursing Care allowance, meaning that actual costs are £150-£155 higher than those reported
- most nursing homes accommodate a mixture of nursing and care only (residential) residents; the total nursing costs may have been divided by the total number of residents, instead of by the number of nursing residents.

Whichever explanation, or both, is true, the nursing figure cannot be considered to reflect the cost of providing nursing care.

### 7.2 Personal care staff

The largest single cost head, personal care staff, appears low to us when compared with other analyses we have undertaken. Nevertheless the figures are not sufficiently low to be considered necessarily outlying or erroneous.

In our Actual Cost of Care analyses we ask about hourly pay rates, skill mix (qualifications) and weekly care hours; this methodology gives a more accurate estimate of care costs.

The figures for domestic and cleaning staff appear higher than we would expect, so it may be that some of the work that would be carried out by care workers is being done by domestic staff.

### 7.3 Other costs

The figures reported by the care homes in the "Other costs" give no cause for comment, other than that some of them appear lower than we would expect. If these are the reported costs, however, they are the figures that should be used.

There are a number of zero figures reported, implying a cost of less than 50 pence prpw, and these appear unlikely to reflect the actual costs. Some of these are for cost heads that could not be that low. There are two likely explanations:

- the operators left this question blank, perhaps because the information was not readily available, and a blank response has been mistaken for a zero response, giving a final figure that is low
- these costs have been included in other costs heads, giving a final figure that does reflect these items.

## 8. Corporate overheads

Corporate overheads are a difficult factor in calculating costs on a per resident per week basis. They can represent:

- the costs of operating and managing a large number of individual care homes; to an extent these are offset by the economies of scale that a large group may achieve
- the central purchasing of what are actually individual care home costs, such as insurance, training, marketing or recruitment.

Without knowing the make-up of the reported costs we cannot comment on how reasonable they are. The commissioners' model uses a figure of 7.5 per cent for corporate overheads; if this refers to true corporate overheads (the first bullet point above) then we regard this as generous.

## 9. Rent/mortgage costs

### 9.1 Return on capital value/mortgage payments

The Council's model uses reported figures for rent and mortgage interest.

In our view the allowance made for the operator's capital tied up in the home, or the cost of financing its purchase, should not depend on the personal circumstances of the operator. The return should be the same whether the operator bought the home in the 1980s and has no debt, or whether he bought it last year with a 100 per cent mortgage. This is discussed in Section 9.2 below.

In our Actual Cost of Care analyses we calculate a cost per resident per week from the estimated capital employed using a rate of return of around seven per cent. This national figure comes from the percentage of the capital value that an operator would have to pay to rent a care home, or that a care home building's owner could charge when letting it to an operator. The seven per cent represents the current rate at which a leasing deal would be agreed, and is derived mainly from deals that have taken place in the south, but we have no reason to believe they would be different in Sheffield.

This method generally gives a figure that is higher than some operators pay in bank interest and lower than others do.

### 9.2 Why not use the actual figures provided for mortgage and bank interest?

Some may question why we do not use the actual figures provided for mortgage and bank interest. This is because we consider that the return should be independent of the capital structure; why this is so can be illustrated by some examples:

*two brothers operate identical homes purchased with identical mortgages. They both receive a legacy from an aunt; one uses this*

*to pay off part of his care home mortgage and the other uses the money to pay off the mortgage on his own house. Would anyone say that the Council should pay a higher fee to the latter owner because his care home mortgage is higher?*

*Or a further example: neither of the above brothers receives their expected legacy, their aunt having spent all her money on care home fees. One operator has to take out a second mortgage on his care home to pay off his ex-wife as part of a divorce settlement. Once more, would anyone say that the Council should pay a higher fee to the divorcee because his mortgage is higher?*

*A third example might help: a man bought his care home in the 1980s and has paid off his mortgage. The Council takes this into account and pays a low fee that reflects the absence of financing costs. One day he sells the home to another man who buys it with a 100 per cent mortgage. Under such an arrangement the new owner would be able to claim a much higher fee from the Council for exactly the same service in order to cover his mortgage costs.*

So in our view the degree of mortgage indebtedness should not affect the indicative cost of providing care; that is personal to the operator and not to the cost of care. The method we have described above effectively assumes that all the homes are 100 per cent mortgaged or leased, and that banks must be paid their interest. If they are not 100 per cent mortgaged, the return on capital represents the owner's opportunity cost of selling the assets and investing the capital from the sale elsewhere.

## 10. Return on business activity

The return on capital brings the total cost/fee up to break-even level. A care home receiving this would cover its costs and be able to pay the rent or pay the bank the interest on a loan to purchase it.

There is a need for a further return, one on the business activity (or revenue cost), and this profit is needed for a range of reasons including:

- to compensate the care home operator for the time he takes running the home
- in the case of a charitable organisation, to enable it to produce a surplus to expand its services
- to reward the operator for the risk he takes in running a business rather than parking his money in a long-term investment
- to enable the operator to pay off some of the principal of the loan taken out to buy the home
- to reassure the bank or other lenders that the interest payments are well covered and their loan is secure.

Again, an example might help:

*a man applies for a job, and at the interview asks what the compensation package is. The reply is that the employer will pay a relocation package, all his daily travelling expenses, will pay for lunch and give him an allowance for ironing his shirts and cleaning his suits. It is more than likely that the applicant would say this break-even package is not enough; he would like a salary too, to compensate him for his time and the stress of the job.*

In our Actual Cost of Care analyses we are sometimes asked to include a figure for profit. In these cases we use a percentage of the business activity component of the cost, at a variable rate that is derived from the prices at which groups of care homes are being bought and sold by corporate providers. This is the level of return that would entice a large corporate provider to open a new care home to satisfy any unmet demand.

The actual percentage varies but is substantially higher than the 2.5 per cent suggested by the commissioners in their model.

There are, however, arguments for councils to offer a return on business activity that is less than the full percentage:

- a council's primary aim may not be to entice new corporate providers into the market but to ensure that its current provider market survives and if necessary expands capacity by extensions to satisfy future increases in demand
- private operators benefit in the long term from the capital appreciation of their property asset, a factor that is not factored in by corporate providers and their shareholders.

## 11. Other factors

### 11.1 Quality of care

In most of the Actual Cost of Care analyses we undertake providers tell us that the fees that their local authorities pay are constraining the quality of care that they can offer; that although the homes are managing on the fees paid they are not delivering the level of care that residents deserve.

It is for the commissioners to decide whether they are willing and able to pay for better care, or whether they are content with a service that is acceptable to CQC. While higher fees would allow an operator to pay better wages or employ more staff, it is not proven that paying higher fees will increase the quality of care provided.

### 11.2 Supply, demand and occupancy rate

The CIPFA document referred to above states that:

*“The market in the city has remained fairly stable over the previous 12 months, however there continues to be a significant demand for places and the occupancy of care homes remains relatively high. If the demand increases or the capacity reduces there is a risk there will be insufficient places at the right quality and price for the people who need them.”*

We are informed that occupancy rates in Sheffield care homes are now in the mid-90 per cent range. This is high by national standards, and in our view above the long-term sustainable level.

When there is a shortage of supply care home owners will naturally prefer full-price self-funding residents over supported ones unless substantial top-ups are available; the commissioners may find it difficult to place their less wealthy clients in any care home.

## 12. The Council's plans for purchasing

### 12.1 Simplifying fee structure

The commissioners suggest replacing the three care only and two nursing fee bands with one band for each. While we do not know the providers' views on this, we recognise the advantages of a system that is:

- simpler
- avoids having to assess unstable residents on or just before admission, knowing that admission itself may change their care needs
- eliminates the need to re-assess residents during their stay
- eliminates the need to make subjective judgements on care homes.

The disadvantage for providers, as far as we can see, is that some providers may 'cherry-pick' the least dependent residents leaving others with more expensive ones.

### 12.2 Reducing placements

The commissioners recognise that they made more care home placements (both residential and nursing) per 100,000 population in 2016-17 compared with other councils in the Yorkshire and Humber region. Only two out of 13 comparator councils made more placements.

While we fully agree that alternatives to care homes, such as extra care and intensive homecare, should be used where possible, we have two comments on the commissioners' calculation:

- we would not use the general population as the comparison group; we would use a method comprising the separate age bands 65+, 75+ and 85+ to obtain a much more accurate comparison of placement practices
- we would not compare Sheffield with its 13 geographical neighbours, but would use its recognised family of local authorities that are similar when 21 relevant factors are taken into account.

### **13. The way forward**

If we were advising the Council we would suggest that the Council:

- a) repeats the cost of care exercise this year or next using an experienced organisation that:
  - can guarantee that the care homes' data will be kept confidential and not disclosed to the Council
  - has the resources to chase up non-responders and clarify all ambiguities, query outlying figures, correct errors and enquire about missing pieces of data
  - will enquire about costs in greater depth than the CIPFA template
  - will give all care homes in Sheffield the opportunity to contribute to the analysis
  - can give participating care homes a confidential comparison of their costs with the City averages, so that they can see where their costs are high and take measures to control them
- b) undertakes a demand projection using a formula that comprises the separate age bands 65-74, 75-84 and 85+ to enable the Council and its providers to plan five to ten years ahead
- c) uses more specific age bands to obtain a more accurate comparison of local authority placement practices
- d) compares Sheffield with its recognised family of local authorities that are similar when 21 relevant factors are taken into account.

Kingsbury Hill Fox Limited is one of the organisations that could do all of these, and has done so for many local authorities.



**Author/Lead Officer of Report:** Emma Shepherd, Policy and Improvement Officer

**Tel:** 0114 205 7464

**Report of:** *Jayne Ludlam*  
**Report to:** *Cabinet*  
**Date of Decision:** *March 21 2018*  
**Subject:** *Promoting Independence*

Is this a Key Decision? If Yes, reason Key Decision:-	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
- Expenditure and/or savings over £500,000	<input checked="" type="checkbox"/>	
- Affects 2 or more Wards	<input type="checkbox"/>	
Which Cabinet Member Portfolio does this relate to? Health and Social Care		
Which Scrutiny and Policy Development Committee does this relate to? Health and Adult Social Care Scrutiny and Policy Development Committee		
Has an Equality Impact Assessment (EIA) been undertaken?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
If YES, what EIA reference number has it been given? 207		
Does the report contain confidential or exempt information?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below:-		
<p><i>"The (report/appendix) is not for publication because it contains exempt information under Paragraph (insert relevant paragraph number) of Schedule 12A of the Local Government Act 1972 (as amended)."</i></p>		

**Purpose of Report:**

The purpose of this report is to describe the aims and objectives of the Promoting Independence project, highlight the positive outcomes that will be achieved for vulnerable mental health service users if it is successful, describe the financial model and associated medium-term savings, and to seek approval for this project.

**Recommendations:**

Cabinet are asked to:

- Approve the Promoting Independence Business Case, including the proposed method of funding using social investment.
- Delegate authority to the Director of Finance and Commercial Service, in consultation with the Director of Legal Services and Executive Director of Peoples Services Portfolio, to approve the Procurement Strategy and Contract Award for the project, undertake a procurement exercise and subsequently enter into contracts with awarded parties.
- Delegate further decisions about the implementation of this project (insofar as not delegated under the Leader's Scheme of Delegation) to the Director of Commissioning, Inclusion and Learning, in consultation with the Executive Director of People's Services Portfolio.

**Background Papers:**

*(Insert details of any background papers used in the compilation of the report.)*

**The Promoting Independence Business Case.**

<b>Lead Officer to complete:-</b>	
1	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.
	Finance: Liz Gough
	Legal: Tim Hoskin Equalities: Adele Robinson
<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>	
2	<b>EMT member who approved submission:</b> Jayne Ludlam
3	<b>Cabinet Member consulted:</b> Cate McDonald
4	I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Decision Maker by the EMT member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.



<b>Lead Officer Name:</b> Emma Shepherd	<b>Job Title:</b> Policy and Improvement Officer
<b>Date:</b> 12.03.18	

## 1. PROPOSAL

- 1.1 Promoting Independence is the first in a series of business cases being developed, all of which will aim to improve outcomes for vulnerable people in Sheffield through developing new approaches and innovative solutions to some of the key challenges facing people and services in the city.
- 1.2 The Promoting Independence business case seeks to improve the lives of adults with long term mental health conditions receiving 24/7 residential or nursing care support.

### **Promoting Independence project outline:**

- 1.3 There is a small but static group of adults with mental health conditions in Sheffield who live long term in residential or nursing care, where they receive 24/7 support.
- 1.4 Individuals are placed in 24/7 residential or nursing care because it meets their immediate critical mental health needs. The current system is built around a maintenance approach – with limited opportunities for individuals to build the skills that they will need to live independently in the future. As a result, many individuals are not actively supported to move on to their own tenancy and can remain in these sorts of care settings for many years, even when their mental health has improved. These settings, while they provide a high quality of care, are restrictive and the individuals living in them have limited opportunities to develop their own interests, become more involved in their communities, or move towards volunteering and employment. While it may be necessary for some people to stay in these settings long term, for many others there is an opportunity to support them to become more independent.
- 1.5 The Promoting Independence project will support individuals who are currently living in 24/7 residential or nursing care as a result of mental ill health to move onto supported housing and independent living. It will also work with individuals who enter these care settings during the life of the project. These individuals will be supported to move towards independence, leading to improvements in their wellbeing and quality of life.
- 1.6 If approved, this project will begin in autumn 2018 and run for 5 years, and will result in the establishment of a new service which will work with individuals to identify their ambitions and goals for the future, be this an independent tenancy or gaining a qualification, and support them to move closer towards, and where possible to achieve, these ambitions. The service will support individuals to develop independent living skills, such as the ability to manage a tenancy, while they're living in residential or nursing care, and will then continue to support them to make the transition to greater independence and to sustain this transition.

- 1.7 In particular, the service will target the following outcomes:
- Supporting individuals to move from their current care arrangements into either supported or independent living and to maintain this move for 24 months.
  - Supporting individuals to begin, and complete, a training or education programme that is relevant to their development needs and interests.
- 1.8 As well as resulting in substantially better outcomes for the individuals, if successful, this project should also result in lower costs to the public sector organisations involved. More detail about the proposed financial and delivery mechanism is given in section 4.2 below. Over the lifetime of the project we anticipate that the number of people in long term, residential care as a result of a mental health condition will reduce from 173 to between 105 and 120 by 2024.
- 1.9 A core function of the project is to embed service change, upskill staff and change the culture of 24/7 residential and nursing care. The intention is that at the end of this project the intervention will be embedded within provider culture and delivery, and so some elements of the intervention will no longer be needed. This means that any continuation of this project is likely to have lower costs than those outlined above. If this project is successful, it's recommended that the project becomes mainstreamed. The project should continue to be delivered using an outcomes based approach. This approach would ensure the project, if successful, is able to continue in the longer term, while ensuring that the needs of service users are appropriately met.

**Delivery:**

- 1.10 If this project is approved, it is proposed it will be undertaken using a social investment mechanism, more details of which are provided in section 4 below. Delivery will be undertaken by a public or third sector provider(s) following a procurement exercise to secure the provider(s) and their social investment partner, who will provide the necessary up-front investment. We have already had some initial, high level, discussions with investors about this project, and have received positive feedback from them. Assuming the successful completion of a procurement exercise, it is anticipated that delivery would commence in autumn 2018.
- 1.11 As described in section 4.2, the advantage of using social investment in this way is that we do not need to stop or reduce the current service in order to release up-front funds, as these funds will be provided to the service provider/s by the social investor. Therefore there are no immediate changes planned to the existing provision; instead this new service will run alongside existing provision.

## **2. HOW DOES THIS DECISION CONTRIBUTE ?**

- 2.1 This proposal will lead to improved services and outcomes for some of the most vulnerable people in Sheffield – individuals with mental health conditions. As a result, this proposal gets to the heart of the statement at the start of the Council’s Corporate Plan: “We will be the best we can be – as individuals and communities, as a council and as a city. At the heart of what we do, we will focus on people with the greatest need and take early action, as prevention is better than cure. We will make sure the council operates efficiently, and work towards long term solutions to deal with the cuts we face.”
- 2.2 It also takes forward our work on two specific priorities from our Corporate Plan:
- Better Health and Wellbeing: “This means helping people to be healthy and well, by promoting and enabling good health whilst preventing and tackling ill health, particularly for those who have a higher risk of experiencing poor health, illness or dying early.”
  - Tackling inequalities: “making it easier for individuals to overcome obstacles and achieve their potential. We will invest in the most deprived communities; supporting individuals and communities to help themselves and each other, so the changes they make are resilient and long lasting.”
- 2.3 Fundamentally, this project will make a significant positive difference to the life outcomes of a number of vulnerable individuals.

## **3. HAS THERE BEEN ANY CONSULTATION?**

- 3.1 We have held discussion and consultation with other organisations about this project. This has included with:
- Commissioners in SCC, and in partner organisations: to develop the business case.
  - Providers: we have had initial general discussions with the local provider community. A specific market engagement event for the Promoting Independence project will also be held with providers.
  - Social investors: We have had general discussions with investors about the project. A specific market engagement event for the Promoting Independence project will also be held with investors.
  - Service Users: Due to vulnerable nature of this cohort, consultation has not yet taken place with service users. We intend to work with expert by experience groups to shape the specification for procurement, and to involve experts by experience in evaluating bids.

## **4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION**

### **4.1 Equality of Opportunity Implications**

4.1.1 This business case will have a positive impact on individuals with disabilities, and on health and wellbeing. It will lead to the individuals in this cohort having greater independence and an improved quality of life.

4.1.2 It will have a neutral impact on all other protected characteristics. An Equality Impact Assessment has been completed – reference number 207.

### **4.2 Financial and Commercial Implications**

4.2.1 The model is predicated on containing future demand and inflationary costs within the existing mental health purchasing budget, with a potential to make some savings in budget terms if future demand is also managed.

4.2.2 It is proposed to fund this project through the use of social investment. This financing model has been chosen because it allows the funding of this new service while still funding the same number of beds in residential and nursing care. Outcomes payments will be made only once savings have been realised in the placements costs. Social investment will also bring a level of rigorous performance management to this project, which is expected to boost the effectiveness of the new service.

4.2.3 The project will cost approximately £3m over 9 years, with the majority of costs accruing in years 2 – 6 of the project. A contribution of £750,000 is being bid for from the Government's Life Chances Fund, which would reduce the total amount of local investment needed for this project (see para 4.2.13 for more information about the Life Chances Fund). This means that if the project is fully successful, the outcomes payments contributed by SCC would be approximately £2.25m.

4.2.4 Modelling suggests that, if successful, the number of people in 24/7 care will reduce from 173 currently to 105 – 120 by 2024, with up to 70 people supported to move to greater independence, resulting in a net reduction on costs of £3m - £3.7m over the period of the project.

4.2.6 The intention is to begin delivery of this project in November 2018 so savings can be realised as soon as possible. We intend to adopt an outcomes based approach to the delivery of this project, and to seek to fund the up-front delivery costs through social investment.

4.2.7 The selection and approval of the delivery provider and the social investment will be subject to a procurement exercise.

## **Procurement**

- 4.2.8 When the Council delivers services it is subject to the 'best value duty. This requires the Council to 'make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.'
- 4.2.9 In addition to this duty and the overarching EU Treaty Principles relating to transparency and equality of treatment, the value of the services in scope is above the OJEU threshold and so requires a number of specific procedural steps to be followed in line with Public Procurement Regulations 2015. The scope of these specific services does however fall under the Light Touch Regime of the Regulations which allows some greater degree of flexibility in procedures to be followed, though without diminishing the core requirements that the tender is undertaken in a fair, open and transparent manner.
- 4.2.10 In undertaking an OJEU compliant tender process, the Council will ensure compliance with the necessary legal and regulatory provisions relating to procurement, whilst encouraging innovation and competition from the market and allowing the Council to choose the optimum solution based on a balance of quality and price.

## **Social Investment:**

- 4.2.11 Given budget pressures, it's challenging for public services in Sheffield to reallocate existing spending lines to fund new interventions. Therefore, we expect the provider/s up-front cost of delivering this intervention to be borne by socially motivated investors ('social investors'), and this money will be repaid as positive outcomes are achieved for this cohort. The cost of these outcome payments will be met by Sheffield City Council (SCC), and any savings realised by this project will also accrue to SCC. However, other parties to the mental health pooled budget, such as the CCG, will share in the risks of this project.
- 4.2.12 Social investors include charitable foundations, private investors with a philanthropic purpose, and one organisation set up by Government for the express purpose of investing money to improve the lives of people in the UK (Big Society Capital). They do not usually include for-profit private organisations, and there is no intention as a result of this business case that any such organisation would be investing in these services. Social investors target a modest financial return for their investment – this is driven not by a motive to make money or profit; it is more to cover their risk that they will not recoup some of their money – note that investors are only paid if outcomes are delivered and therefore aren't guaranteed to recover the full costs of their investment.
- 4.2.13 As a result of concerted effort, we have successfully received in principle commitment from central government, through the Life Chances Fund, to contribute towards outcomes payments and some associated costs. The Life Chances Fund contribution would more than cover social investors'

targeted financial return; meaning a residual portion of central government's contribution to go towards funding interventions, through the mechanism of contributing to outcomes payments. As such, local public services' contributions to this would stretch further.

- 4.2.14 Our intention is for these financial arrangements to operate over several years: government's commitment would be to contribute to outcomes payments for this business case until 2024/25. This will allow us to take a medium-term view of how the service is delivered and not be over focussed on year-to-year financial challenges.

#### 4.3 Legal Implications

- 4.3.1 Essentially, the report recommends delivering current services through a new delivery model. The contract structure for this model is not the same in all cases. However, there will generally be a services contract, under which payment is made when specified outcomes are achieved, and the DCMS has produced a template contract for this. As payment is to be on the basis of outcomes, the setting and measurement of those outcomes will be of critical importance to all parties, and they will have to be developed and agreed through the procurement process. Draft outcomes have been prepared for the purpose of the business case.

- 4.3.2 The Council's main contract is likely to be with a special purpose company, which will enable the social investor to protect its interests by taking appropriate security and controls. The special purpose company will in turn contract with the service provider/s.

- 4.3.3 As the business case also has implications for other contributors to the pooled budget, current arrangements will be reviewed to ensure that the risks are appropriately shared, by further agreement if necessary.

- 4.3.4 The Life Chances Fund contribution will be on terms, with which the Council will be required to comply, and it is possible that these may impact on certain procurement or delivery issues.

### 5. **ALTERNATIVE OPTIONS CONSIDERED**

*(Outline any alternative options which were considered but rejected in the course of developing the proposal.)*

- 5.1 Social investment is a relatively new tool that is available to local authorities to help fund new services where there is a demonstrable positive impact on outcomes from the intervention. However, it is not a panacea, and for some issues there are better ways of investing in new service models.
- 5.2 In this case, the option of delivering this project through a traditional fee for service model, funded up-front through SCC budgets, has been considered. However, these budgets are under significant pressure, and it has not been possible to identify any way to refocus existing spending

to enable this without a significant negative impact on existing service provision.

- 5.3 If no intervention is put in place for this cohort, it's expected that the number of people living in 24/7 residential or nursing care will remain static, and individuals will continue enter residential care and go onto live in this accommodation for many years. Many will only leave the service when they turn 65 and age out of the cohort. It's expected that the cost of these placements will continue to rise, reaching over £6m per annum by the 2024/25 financial year.

## **6. REASONS FOR RECOMMENDATIONS**

- 6.1 The option of creating a new service, funding through a social investment model, is preferred because:

- If successful, the service will result in a cohort of vulnerable adults achieving greater independence in their lives. Specifically, individuals will be:
  - supported to move from their current care arrangements into either supported or independent living and to maintain this move for 24 months.
  - supported to begin, and complete, a training or education programme that is relevant to their development needs.
- The new service will be established without requiring any immediate disinvestment from current provision (effectively allowing 'double running' for a number of years).
- If successful, this approach will result in a net saving to the public purse of £3m - £3.7m over the lifetime of the project (net of outcomes payments to be made to repay the up-front social investment).





**Author/Lead Officer of Report:** Jessica Wilson,  
Health Improvement Principal

**Tel:** 0114 257467

**Report of:** *Laraine Manley*

**Report to:** *Cabinet*

**Date of Decision:** *21<sup>st</sup> March 2018*

**Subject:** *Food and Wellbeing in Sheffield: Strategy and Future Commissioning Model*

Is this a Key Decision? If Yes, reason Key Decision:-	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
- Expenditure and/or savings over £500,000	<input checked="" type="checkbox"/>	
- Affects 2 or more Wards	<input checked="" type="checkbox"/>	
Which Cabinet Member Portfolio does this relate to? <i>Culture, Parks and Leisure; Children, Young People and Families; Health and Social Care;</i>		
Which Scrutiny and Policy Development Committee does this relate to? <i>Healthier Communities &amp; Adult Social Care</i>		
Has an Equality Impact Assessment (EIA) been undertaken?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
If YES, what EIA reference number has it been given? <i>(Insert reference number)</i>		
Does the report contain confidential or exempt information?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below:-		
<i>"The (report/appendix) is not for publication because it contains exempt information under Paragraph (insert relevant paragraph number) of Schedule 12A of the Local Government Act 1972 (as amended)."</i>		

<p><b>Purpose of Report:</b></p> <p>To propose a Food and Wellbeing Strategy for Sheffield and changes to future commissioning to support the Food and Wellbeing Strategy.</p> <p>Poor diet and obesity are two of the biggest contributors to ill health and early death (coming 2<sup>nd</sup> only to smoking). They are a major cause of inequalities; those in poorest areas have poorest diet and are more likely to be overweight.</p>
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The new Food and Wellbeing strategy aims to increase the proportion of people eating a well-balanced diet, reduce the prevalence of conditions related to poor diet including obesity and for the greatest improvements to be made in the poorest parts of the city. This will be achieved by addressing the factors that affect people's food choices including working in partnership to use the public sector's influence to create food environments where healthier choices are easier – for example including requirements for healthier food options in contracts we hold and resisting sponsorship from companies associated with “junk food” brands.

There will be an explicit focus on reducing health inequalities; highlighting sugar consumption as an issue; and on early help and intervention by targeting the early years and children, young people and families.

The council currently commissions a range of weight management services for children and adults. These contracts end in October 2018. To deliver the ambitions within the Food and Wellbeing Strategy it is proposed that there is additional investment in early help and prevention activity that is funded through a reduction in funding for some weight management services. Proposed areas for investment include:

- Initiatives and schemes to improve access to healthy food for people experiencing food poverty
- Advice and guidance for settings including early years settings, Family Centres and schools to adapt their food environment making healthier choices easier, for example through Healthy Schools/Settings award schemes
- Developing a Low Sugar Sheffield campaign to build on work that is already being undertaken by local hospitals, universities and leisure centres; and targeted media campaigns
- Community based healthy weight support for families, including specific work targeting early years
- A combination of online and community based healthy weight support for adults with delivery targeted towards groups and areas with greatest need

Specialist weight management support (tier 3) for people with severe and complex obesity will no longer be funded as part of this programme due to the limited impact this type of intervention is able to have on reducing population prevalence of obesity and limited evidence of its cost effectiveness.

The expected effect of these changes will be an increase in the proportion of people eating a well-balanced diet, a reduction in prevalence of conditions related to poor diet (including obesity) and a reduction in current inequalities. Indicators are currently being explored but are likely to include:

- Levels of obesity in children living in the 20% most deprived areas of Sheffield
- Oral health of children in the 20% most deprived areas of Sheffield.
- Levels of obesity in adults living in the 20% most deprived areas

Through the Food and Wellbeing Strategy we aim to create partnerships and promote a central vision that will lead to co-ordinated activities and initiatives across the system and at population level. For this strategy to be effective there

will need to be a **cross council call to action** to ensure that food and obesity is considered within a wide range of strategies and service areas.

Food sits alongside physical inactivity in playing a major role in rising levels of obesity. Much in the same way that physical activity has established a whole system approach to creating a culture of physical activity through the Move More Plan the Food and Wellbeing Strategy must connect and disrupt current culture through similar partnerships with and between the NHS, Sheffield City Council, the two City Universities, leisure, private and voluntary sector service providers.

**Recommendations:**

1. Authority is delegated to the Director of Financial and Commercial Services in consultation with the Director of Culture and Environment to approve such procurement strategies for such services that will support the implementation of the Food and Wellbeing Strategy, as set out and outlined in this report.
2. Authority is delegated to the Director of Financial and Commercial Services in consultation with the Director of Culture and Environment, and the Director of Legal and Governance to award, vary or extend contracts for the provision of services that will support the implementation of the Food and Wellbeing Strategy as set out and outlined in this report;
3. That the Director of Culture and Environment in consultation with the Director of Public Health, the Director of Legal and Governance and the Director of Finance and Commercial Services is authorised to take such steps as they deems appropriate to achieve the outcomes as set out and outlined within this report.

**Background Papers:**

- Food and Wellbeing Needs Assessment 2017
- Food and Wellbeing draft strategy

<b>Lead Officer to complete:-</b>	
1	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.
	Finance: Janine Scarborough
	Legal: Henry Watmough-Cownie
	Equalities: Annemarie Johnson
<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>	
2	<b>EMT member who approved submission:</b> Laraine Manley
3	<b>Cabinet Member consulted:</b> Mary Lea, Jackie Drayton and Cate McDonald
4	I confirm that all necessary approval has been obtained in respect of the implications indicated

on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Decision Maker by the EMT member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.	
<b>Lead Officer Name:</b> Jessica Wilson	<b>Job Title:</b> Health Improvement Principal
<b>Date:</b> 15 <sup>th</sup> February 2018	

## 1. PROPOSAL

1.1 This proposal is for a new Food and Wellbeing Strategy for Sheffield with an outline commissioning model to support the strategy's implementation. The proposal includes investment of £658k per year for the next 3-5 years.

### 1.2 **Food and Wellbeing Strategy**

The new Food and Wellbeing strategy will have as its mission "*Making Good Food the Easy Choice for Everyone*". The aspiration being that everyone in Sheffield eats as well as possible, with healthy weight and diet the norm.

1.3 The proposed Food and Wellbeing Strategy will aim to improve food choices and reduce the prevalence of diet related ill health including obesity, cardiovascular disease, type 2 diabetes and tooth decay at population level.

1.4 The environmental drivers of poor diet are too big to be tackled by any single action alone. Evidence shows that our food choices are influenced by: the food we were given in early life; all forms of marketing (this particularly affects children); widespread exposure to cheap and appealing calorie-dense, nutrient-poor food; affordability (including the impact of poverty); education and health promotion; social influences and social changes. In order to make a meaningful impact on population health a food strategy will need to address all sources of influence.

1.5 Interventions that rely less on individual choice and more on changes to the wider environment will have a more widespread impact and will reduce health inequalities as they are less reliant on individuals being motivated and capable of making sustained changes to their behaviour. The strategy will seek to strike a balance between policy and population level interventions and interventions that support individuals to make healthier choices. In doing so we will aim to improve health and wellbeing at population level whilst also providing support to those with greatest need.

1.6 A number of themes will run throughout the actions within the strategy. These themes will address the known influences on food choices and the evidence base on effective ways to change dietary behaviours on a large scale.

1.7 **Transform the food environment** – make the healthier choice the easier choice by limiting people's exposure to cheap and appealing calorie-dense, nutrient-poor food in the wider environment and by restricting opportunities for direct and indirect marketing of this type of food. Take steps to improve the physical and financial accessibility of healthier food, particularly focussing on groups at risk of food poverty and social

isolation.

Potential actions could include:

- Review food provision in our buildings and via our providers (e.g. leisure centres, parks cafes, hospitals, schools, public events) and encourage partners to do the same
- Where the council has control over advertising space in the public realm, introduce restrictions such as no advertisements of 'junk food' brands near to schools
- Develop policy regarding commercial partnerships with the food and drinks industry that takes into account how these may impact on messages communicated about healthy eating to our local communities
- Initiate a free water refill scheme to reduce sugary drinks consumption and single use plastic waste
- Support use of council owned green space for urban agriculture and vacant council owned premises for initiatives such as social supermarkets and community eating spaces
- Use council services such as environmental regulations, licensing & city centre management to engage private industry with responsible retailing and healthier food pledges
- Develop supplementary guidance for hot food takeaways
- Use marketing and behaviour change techniques to influence healthier food choices across the population and targeted at particular groups who are less likely to consume a healthy diet or who are more likely to experience the negative health consequences of an unhealthy diet.
- Support community ventures that increase access to fresh food, for example social supermarkets and cafes, community meals and lunch clubs
- Explore the use of incentives/subsidies/differential business rates to attract healthier food retailers into areas where they are lacking
- Healthy Schools and Nursery Award Schemes

1.8

The strategy also pledges to work with a wide range of partners including hospitals, schools, care settings, Family Centres, early years settings and housing associations and to support them where necessary to ensure that healthier food choices are the easier choice for their service users. This approach will provide reach across a range of age groups and geographies.

1.9

**Provide targeted services and support** – ensure people have the knowledge and skills that are needed to access a healthy diet, with support available for those in greatest need. Targeting will be informed by a needs assessment and will identify groups and areas where there is increased incidence of diet related ill health for example people living in areas of high deprivation; certain minority ethnic groups; people with physical disabilities, learning disabilities and severe mental health problems.

1.10

**Early Years and Childhood** - Due to strong evidence on the impact of

1.11 diet in the Early Years (from conception to starting school) on future dietary behaviours and health outcomes there will be a focus on intervention during this time period. Families will also be a focus of intervention because obesity often begins in childhood - overweight and obese children and young people are more likely to become obese adults and are influenced by family food habits.

1.12 **Reducing inequalities** - There will also be emphasis on interventions that reduce health inequalities. This will be done in two ways – by targeting services and interventions towards groups at highest risk; and by putting greater emphasis on structural and policy change as this type of intervention is likely to have a greater impact on reducing health inequalities.

1.13 **Focus on Sugar**- Advice on healthy eating can be complex and sometimes confusing due to the vast array of messages. It is proposed that there is a specific focus on sugar in order to convey a simple but impactful message. The widespread consumption of sugar is causing concern as it can lead to an overall unhealthy diet through increased calorie consumption with a concurrent reduction in nutritionally adequate foods. This can lead to weight gain, obesity, diabetes and an increased risk of tooth decay.

The strategy proposes action in six areas:

- Develop healthy food and drink policy for the council and wider public sector
  - Create a better food environment by supporting businesses and organisations to improve their food offer
  - Use mass media and marketing approaches to change dietary behaviours with a specific focus on sugar reduction
  - Develop and/or pilot initiatives to increase access to healthy food for those experiencing food poverty
  - Education, information and support for individuals to improve their diet and achieve/maintain a healthy weight
  - Influence national policy where this could support us in meeting our targets
- 1.14

### **Outcomes**

The expected effect of these changes will be improvements in health and wellbeing and in particular an increase in the proportion of people eating a well-balanced diet and a reduction in prevalence of conditions related to poor diet including obesity and tooth decay. The most suitable indicators are currently being explored but are likely to include:

- reduction in levels of obesity in children living in the 20% most deprived areas of Sheffield (source: local National Child Measuring Programme data)
- Improved oral health of children living in the 20% most deprived areas of Sheffield (potential source: Hospital Episode Statistics)
- reduction in levels of obesity in adults living in the 20% most deprived

1.15 areas (source: GP QOF data)

The focus on early years, reducing health inequalities and sugar is reflected in the indicators for this strategy. The chosen indicators focus on the 20% most deprived areas to highlight the emphasis on reducing inequalities. Although there will be some targeting of interventions in line with need activity will not be confined to these parts of the city.

1.16

In addition to these indicators Sheffield City Council will strengthen partnerships with the Universities, Public Health England, local communities and businesses to explore ways to evaluate the implemented actions in the strategy. Our ambition is that Sheffield can become a “test bed” and enhance the evidence base of actions that are effective in improving diet across the population.

1.17

In the context of a whole system approach, food sits alongside physical inactivity in playing a major role in rising levels of obesity. For this strategy to be effective it is essential that there is system-wide, co-ordinated public health work on obesity. Much in the same way that physical activity has established a whole system approach to creating a culture of physical activity through the Move More Plan (via the partnership of the National Centre for Sport and Exercise Medicine) the food strategy must connect and disrupt current culture through similar partnerships with and between the NHS, Sheffield City Council, the two City Universities, leisure, private and voluntary sector service providers. The Food and Wellbeing Strategy aims to create these partnerships and unite them around a central vision that will lead to co-ordinated activities and initiatives across the system and at population level.

1.18

### **Broader health and wellbeing outcomes**

Food plays an important role in our local economy; the local food sector employs around 25,000 people, contributes to the vibrancy of the city and helps form the city offer to tourists. Food contributes to carbon emissions through its production, processing and consumption. This impact can be minimised by reducing our city’s food supply chains and by increasing the amount of locally produced, seasonal food, with sustainable levels of meat consumption. Growing food in the city and surrounding areas will help to contribute towards increasing the resilience of our food supply networks, as well as creating business and job opportunities to Sheffield. Food is also closely linked with poverty and has an important role in strengthening communities and reducing social isolation. Although the primary objective of this strategy will be to improve diet at population level and reduce the negative health consequences associated with poor diet, it will seek to support these other related outcomes through each action that is undertaken.

1.19

### **Commissioning model**

Current expenditure on obesity prevention and treatment is £728k per year. This will be reduced to £658k in 2019/20 as part of required savings to public health budgets. The new commissioning model will take this



1.20 planned reduction into account.

It is proposed that as current contracts come to an end a new model is developed and implemented aligned to the new Food and Wellbeing Strategy i.e. increasing the focus on early intervention and on interventions that will improve diet and prevent of obesity at population level. In practice this will mean reducing spend on adult weight management and redirecting this to interventions that target larger groups of the population such as marketing and communications or settings based approaches such as working with schools and early years providers. If funds were less restricted the council would maintain its investment in services as well as investing more in wider work but this is not the reality.

1.21

Current expenditure is outlined below; where contracts with external providers are in place they are due to expire in October 2018.

Service description	Contract value	Current provider	Contract end date
Start Well service – support Early Years settings to adopt healthy early years standards, deliver obesity brief intervention training to early years staff and deliver Start Well family programmes	£75k	SCC	Ongoing SLA
Tier 2 Children and Young People Weight Management and awareness raising in schools	£200k	Everyone Health	30 <sup>th</sup> Sept 2018
Tier 2 Adult Weight Management and brief interventions training	£260k		30 <sup>th</sup> Sept 2018
Tier 3 Specialist Adult Weight Management	£194k		30 <sup>th</sup> Sept 2018

1.22

1.23 Areas of investment under the new Food and Wellbeing Strategy will be:

*Advice and guidance to a range of settings including schools and early years settings* regarding implementing a whole school/setting approach to healthy eating. It is proposed that schools and early years settings are a primary focus as obesity often begins in childhood - overweight and obese children and young people are more likely to become obese adults. Evidence has shown that whole school approaches to food can lead to an increased uptake of school meals, an increase in healthy eating behaviours, increased cooking and growing skills in children and families and more knowledge about nutrition. Early Years settings including Family Centres will be encouraged to participate in the local Healthy Early Years award scheme that is currently delivered by the council. Interventions would be focussed initially on schools and settings in areas

1.24 with highest obesity prevalence with 100% take up being the longer term aim.

*Mass media and marketing campaigns.* Mass media and social marketing campaigns using evidence based techniques have the potential to change behaviour on a large scale thus making them cost effective. There are examples of successful campaigns that have been used to reduce sugary drinks consumption. It is proposed that an overarching Low Sugar Sheffield brand is developed to raise the profile of actions that are being taken citywide and to engage wider stakeholders including businesses and local residents in the campaign. There will also be campaigns targeting specific population groups and issues may include healthy eating during pregnancy; early years sugar reduction/sugary drinks; sugar reduction for young people; promoting the benefits of eating together/social eating; alcohol and weight gain; front line staff to encourage delivery of brief interventions on diet and healthy weight; engaging food businesses and workplaces in sugar reduction and encouraging sign up to pledges. We will also support Public Health England with the local implementation of national campaigns such as Change4Life and One You.

1.25 *Increasing access to healthy food for those experiencing food poverty.* This would be implemented through a range of initiatives and pilots in areas of high need, or targeting population groups of high need for example families on lower incomes or socially isolated older adults. The VCF sector would be engaged in shaping this approach which might include for example voucher or subsidy schemes for individuals on low incomes or in deprived neighbourhoods to incentivise the purchasing of fruit and vegetables; support for community ventures that increase access to fresh food (social supermarkets and cafes, community meals, lunch clubs, veg box schemes etc.); extending the provision of School Holiday Hunger programmes; or subsidies and initiatives to encourage healthier food retailers to locate in areas that currently lack this provision.

1.26 *Support individuals to improve their diet and achieve/maintain a healthy weight.* Weight management is currently the main area of spend related to the existing food strategy. It is proposed that the council continues to fund some weight loss support but at a reduced level and increasingly focussed on reducing health inequalities and early intervention and prevention. Screening will be embedded within the programme and will include the identification of people who are overweight and obese and requiring support to change. Training will be available for frontline staff to ensure the workforce are equipped to successfully screen, identify and deliver brief interventions to those who are overweight. Very Brief Advice and referral to services will be delivered via an electronic screening tool.

1.27 The below outlines the specific services that it is proposed will be funded in the new commissioning model. There will need to be a period of stakeholder consultation and market testing to a) determine the optimum spread of investment across the interventions b) agree the scope of each intervention and c) develop a procurement strategy.

<b>Service</b>	<b>Description</b>	<b>Indicative budget</b>
Start Well	Support for Early Years settings to adopt healthy early years standards, deliver obesity brief intervention training to early years staff and deliver Start Well family programmes	£60k
Tier 2 child and adult weight management and delivery of Very Brief Advice	Weight management programmes in community settings, development and delivery of brief interventions training and tools	£300k (£150k children, £150k adults and VBA)
Healthy eating advice and guidance to schools and settings	Support for schools and settings to implement the whole school/setting approach to food	£123k
Mass media and marketing campaigns	Development of overarching Low Sugar Sheffield brand and targeted healthy eating campaigns	£75k
Food poverty/access schemes	Initiatives in areas of high need. May include trialling food voucher or subsidy schemes; support for community ventures that increase access to fresh food; School Holiday Hunger programmes	£100k
		<b>£658k</b>

1.28

Changes from existing model: In order to achieve the increased investment in population level prevention it is proposed that Sheffield City Council:

1.29

*End the Tier 3 specialist adult weight management service* – The contract for this service is due to end in Sept 2018 and it is proposed that this is not recommissioned. This service provides specialist support to individuals with severe and complex obesity. There is some evidence that specialist weight management services can support long term, clinically significant weight loss, however such evidence is limited. There is very limited evidence that this is cost effective or an effective way of tackling obesity at population level and therefore it does not align with the Local Authority public health remit. Tier 3 services do provide a function in terms of preparation and selection for those who wish to access weight loss surgery and the impact on this pathway will require further discussion with NHS Sheffield CCG as the commissioners of weight loss surgery.

1.30

The provision of tier 3 services across England is variable, with the absence of such services in many areas. The commissioning arrangements are also variable depending on local decisions made in

2014 when Primary Care Trusts were disbanded. CCGs are the commissioners in some areas, Local Authorities in some and joint commissioning in others. In 2014 a national working group convened by NHS England recommended that CCGs were the preferred option as the primary commissioners for local weight management multi-disciplinary team interventions (Tier 3).

1.31

An equality impact assessment and further consultation will need to be undertaken to inform the decommissioning of the service. This will take into account the impact of this decision on individuals currently receiving support, and the impact on adults with severe and complex obesity who may wish to access this service and/or weight loss surgery in the future.

1.32

*Reduce spend on the Tier 2 adult weight management service* with the remaining resource being more highly targeted towards areas and population groups where there is high obesity prevalence. The reduction in funding for this service may mean that there is no longer universal access to face to face weight management support. A universal offer will be available to those not eligible for face to face support and will consist of brief advice and signposting to self-help, self-funded commercial weight management and/or online weight management support which has been shown to be effective.

1.33

*Reduce early years (Start Well) spend* – savings have been achieved through exiting the national HENRY (Health, Exercise and Nutrition for the Really Young) programme which incurs high costs for training and licence. A local programme has been developed and will be evaluated. Delivery levels will not be affected by reduced funding.

1.34

*Reduce child weight management spend* – delivery levels should remain unaffected. The reduced funding reflects the removal of awareness raising in schools from this contract as it will be included within the healthy eating in schools and settings service.

1.35

In addition to the commissioned work outlined above policy change and structural interventions will be a major focus of the strategy. Structural interventions have a greater impact on population prevalence of diet related illness due to the widespread impact. They also reduce health inequalities as they are less reliant on individuals being motivated and capable of making sustained changes to their behaviour. There is no one structural or policy action that in itself will make a significant contribution to improving diets, however, the cumulative impact from consistent policy setting around the external food environment will begin to turn the tide and positively influence dietary behaviours over time. Areas of council policy relating to food include planning, procurement (for example food in leisure centres or parks cafes or advertising columns), sponsorship, catering, public events etc. Public sector partners such as hospitals, schools, housing associations, and leisure and tourism attractions will be engaged as key partners in this agenda with the aim of developing consistent, citywide policy on food.

1.36

### **Need for change**

1.37 The previous Food Strategy came to an end in 2017. Since the development of the previous strategy a new Public Health Strategy for Sheffield has been developed which calls for an increased focus on population measures to improve health and a move towards a health in all policies approach. The actions within the previous Food Strategy did not fully reflect this shift in emphasis and investment was focussed entirely on provision of weight management support which although beneficial to individuals is unlikely to make an impact at population level in isolation.

1.38 The proposed change comes also from recognition that there is a diminishing resource for obesity prevention as funds to Local Authorities reduce and this must be used effectively focussing on reducing population prevalence and inequalities.

Current local trends for dietary indicators and obesity are worsening in many cases and inequalities are widening highlighting the need for a renewed focus on these issues. In Sheffield:

- More than 1 in 5 children are overweight or obese when they start school and this increases to more than 1 in 3 by the time they reach Year 6. Rates of childhood excess weight have been increasing, overweight and obesity prevalence in Y6 is now at its highest since measuring began in 2006/07.
  - Almost two thirds of adults are overweight or obese (this equates to over 300,000 adults in Sheffield).
  - Only 1 in 4 adults in Sheffield consume the recommended 5 of more portions of fruit and vegetables an average day
  - Almost 1 in 3 children experience tooth decay by age 5. Poor diet, in particular sugar consumption, is a major cause of tooth decay. Children in Sheffield are more than twice as likely to have teeth removed than the national average.
  - 1 in 10 older people in the UK suffer from, or are at risk of, malnourishment
  - There is a very close relationship between healthy eating, obesity, dental health and deprivation – the most deprived communities in the city are eating the least healthily and experiencing the negative health consequences of this the most
- 1.39

1.40 The proposed new Food and Wellbeing Strategy has been developed from a range of evidence sources including an assessment of local need and national and international guidance, best practice and evidence (including that on addressing alcohol use and smoking where comparisons can be made). As the commissioning model and service specifications are further developed these will continue to be informed by local data and national evidence, guidance and best practice.

This strategy and proposed commissioning model is guided by the evidence base on factors that influence our food choices and on the types of approaches that are most likely to be effective in changing behaviours

on a large scale. It should be noted that the evidence base on this topic is still emerging and whilst there is good understanding of the complex factors that influence food choices the evidence on the exact ways in which to modify these factors or the scale of impact to be expected is not clearly defined. In all cases approaches and interventions will be informed by evidence to the extent that this is available. Partnerships will be sought with academic institutions and Public Health England to explore ways to evaluate the implemented actions. This will enhance the evidence base of actions that are effective in improving diet across the population.

## **2. HOW DOES THIS DECISION CONTRIBUTE?**

- 2.1 An effective Food and Wellbeing strategy will support the Sheffield City Council Corporate Plan priorities Thriving Neighbourhoods and Communities, Better Health & Wellbeing and Tackling Inequalities.
- 2.2 The primary objective of this proposal is to improve diet at population level and therefore reduce the negative health consequences associated with poor diet, including obesity. Poor diet is the second highest risk factor for ill health in the UK, coming second only to tobacco. Being overweight is the third highest risk factor for ill health and is closely related to our food intake.
- 2.3 In the context of a whole systems approach food sits alongside physical inactivity in playing a major role in rising levels of obesity. Physical activity has an established whole system approach to creating a culture of physical activity through the Move More Plan. The Food and Wellbeing strategy proposes a similar approach that will be complementary to that of Move More.
- 2.4 This proposal will reduce inequalities and make Sheffield fairer. Poor diet is a major cause of health inequalities, leading to ill-health and early death. In general healthier foods tend to be more expensive than less healthy, calorie dense processed foods and are therefore less accessible to those on the lowest incomes. Factors such as child and adult obesity, proportion of children and adults consuming 5-A-Day and child tooth decay are far more prevalent in lower socio-economic groups and sustain inequalities throughout the life course by impacting on wider determinants of health including school attainment and employment. This proposal aims to reduce inequalities caused by poor diet by investing most heavily in those areas and groups where the negative health impacts are greatest and by putting additional emphasis on structural changes that are known to have a positive impact on health inequalities.
- 2.5 The Food and Wellbeing Strategy will also has interdependencies with a number of additional priorities including:
  - **Economy** - food plays an important part in our local economy. The ill health resulting from poor diet is related to wider socioeconomic performance. In addition the local food sector employs around 25,000

people, contributes to the vibrancy of the city and helps form the city offer to tourists. The Food and Wellbeing Strategy will support local food businesses through its actions where possible.

- **Climate change and Green City Strategy** – food has an environmental impact through its production, processing and consumption. The Food and Wellbeing Strategy will promote sustainable food production and consumption through its actions where possible.
- **Move More** – improved diet and increased physical activity both play a role in reducing obesity prevalence. These agendas will be linked wherever there are shared priorities.
- **Wellbeing and Community Cohesion** - food gives us pleasure and often plays a central role in how we socialise, share and celebrate connecting us to friends, family and culture. The more often people eat with others the more likely they are to be satisfied with their life and feel engaged with their local community
- **Other lifestyle issues** - the agenda of 'making every contact count' is essential in the implementation of this strategy enabling the impacts of poor diet and obesity to be addressed wherever they are presented. Screening tools are being developed for alcohol and tobacco use and we will explore the potential for diet and obesity to be built into these systems. We will take opportunities for joint messaging where appropriate, for example by linking reduced alcohol consumption with weight loss.
- **Adult social care** – People with long term conditions and people over the age of 65 are at increased risk of malnutrition, particularly if they are living in a care home or nursing home, have been admitted to hospital, are in poverty or are socially isolated. It is important that we raise awareness of this increased risk and take steps to maximise the nutritional value of meals provided in care settings and by home care providers.

2.6 Wherever possible actions delivered through the strategy will seek to support these additional agendas, for example by using procurement to encourage food sourcing from local suppliers or by encouraging the use of surplus food to raise awareness of food waste.

2.7 For the Food and Wellbeing Strategy to be effective there will need to be a cross council call to action to ensure that food and obesity is considered within and influences a wide range of strategies and service areas including (but not exclusively) planning, licensing, parks and countryside, adult social care, housing, 0-19 services, city centre management and procurement.

### 3. HAS THERE BEEN ANY CONSULTATION?

3.1 There is no statutory requirement to consult on this proposal.

3.2 Discussions have taken place with a range of stakeholders during the

development of the strategy and have informed the proposals. This includes CYPF public health, adult commissioning (People Keeping Well), school food service, social justice and inclusion lead, SCC procurement, Learn Sheffield, National Centre for Sport and Exercise Medicine and Public Health England.

- 3.3 In addition, a healthier public sector catering event was held in November 2017 with engagement from partners including NHS Sheffield CCG, the three hospital trusts, SIV, Places for People, Sheffield Hallam University, University of Sheffield, Taylor Shaw (school food contractor), Sheffield Industrial Museums Trust and Sheffield City Council. Food and wellbeing strategy headlines were presented and partners were supportive of the approach and in particular to the concept of working together to develop a Low Sugar Sheffield campaign. Most were already engaged in making positive changes to the food in their venues and saw a benefit to continuing to do so in a coordinated way across the city.
- 3.4 There has not yet been any public consultation on this proposal. The Food and Wellbeing Strategy sets out a high level direction of travel as informed by the evidence base for what works. A key action within the strategy is to undertake public consultation to gain insight into the views of local residents on what the council's role should be in creating healthier food environments and to determine the level of support for a range of potential policy interventions.
- 3.5 Further consultation will also take place as the commissioning model is developed. This will involve market testing and consultation; discussions with key stakeholders including NHS Sheffield CCG; and service user involvement. Where reductions in funding to existing services are proposed additional equality impact assessments and consultation will be undertaken as appropriate.

## **4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION**

### **4.1 Equality of Opportunity Implications**

- 4.1.1 The changes outlined in the Food and Wellbeing Strategy are positive for the overall population of the City, particularly children and young people, those living in areas of deprivation and identified priority groups.
- 4.1.2 The strategy proposes to re-direct funds from services, namely specialist weight management services to focus on the wider determinants of unhealthy diet and weight gain. By focusing on structural improvements, particularly reducing the availability of sugar and improving access to a better diet, the proposal will positively impact more people in Sheffield.
- 4.1.3 To reduce health inequalities, the strategy also plans to intensely target resources to people living in deprived areas and priority groups as informed by the Sheffield Food and Wellbeing Needs Assessment (2017). New areas of investment include mass- media marketing campaigns that



include a citywide campaign and targeted campaigns, support for schools to implement whole school initiatives that improve the food environment for children with a greater focus on schools with high obesity prevalence, and initiatives to improve access to healthy diets for those on low incomes.

- 4.1.4 The reduction in some weight management services will have a negative impact on those who want to access these services. This will be mitigated by working with partners to develop an alternative offer of support. In the long-term, by focusing on structural changes, the proposal should reduce the need and demand for these services.

#### 4.2 Financial and Commercial Implications

- 4.2.1 The changes proposed require no additional investment. Committing to maintain investment in healthy eating and obesity prevention demonstrates a strong commitment to these issues as two of the most serious public health challenges of the 21st century. Without action, the health of individuals will continue to suffer, health inequalities associated with obesity will remain and the economic and social costs will increase to unsustainable levels.

- 4.2.2 All procurement and contract award activity will be delivered via a procurement professional from Financial and Commercial Services. Existing external contracts for weight management end on 30<sup>th</sup> September 2018, the council will not incur additional costs when these contracts end. The contract(s) will be monitored against agreed performance indicators to ensure value for money and effective use of the Public Health budget.

- 4.2.3 It should be noted that there may be financial implications arising from any changes to policy that are adopted as a result of the Food and Wellbeing Strategy. For example if we were to place restrictions on the types of sponsors we would accept for a public event, on the types of food that can be sold in a venue or on the content of advertising boards and columns there might be a risk to revenue. There would be a need for discussion on this kind of issue on a case by case basis and an examination of the public health gains vs other impacts.

#### 4.3 Legal Implications

- 4.3.1 Under s2B of the National Health Service Act 2006 each local authority must take such steps as it considers appropriate for improving the health of the people in its area. This can be achieved by; Providing information and advice; Providing services or facilities designed to promote healthy living; Providing services or facilities for the prevention, diagnosis or treatment of illness; Providing financial incentives to encourage individuals to adopt healthier lifestyles; Providing assistance (including financial assistance) to help individuals to minimise any risks to health arising from their accommodation or environment; Providing or

participating in the provision of training for persons working or seeking to work in the field of health improvement; Making available the services of any person or any facilities.

- 4.3.2 Any such proposed contracts must be procured and awarded not only in line with its own procedure but also in line with the Public Contracts Regulations 2006. The Council should comply with the general EU Treaty principles such as non-discrimination, transparency and proportionality. This will require an open and fair procedure to be adopted. Any procurement process proposed, should comply with the Council's Contract Standing Orders, which should ensure the Council fulfils its legal obligations.

#### 4.4 Other Implications

##### 4.4.1

### 5. **ALTERNATIVE OPTIONS CONSIDERED**

- 5.1 Do nothing: re-commission or extend current contracts and renew the 2013 Food Strategy. This option will not provide the greatest opportunity to respond to the diminishing resources available and will not provide the best opportunity to re-consider how to address population prevalence and reduce health inequalities.

### 6. **REASONS FOR RECOMMENDATIONS**

- 6.1 The proposal set before Cabinet is the preferred option because:
- 6.2 Poor diet and related obesity are two of the most serious public health challenges of the 21st century. Current local trends for dietary indicators and obesity are worsening in many cases and inequalities are widening. Without action, the health of individuals will continue to suffer, health inequalities associated with obesity will remain and the economic and social costs will increase to unsustainable levels.
- 6.3 The proposal is based on analysis of local need and draws on good practice and evidence of what works. It is also in line with the approach set out within Sheffield's Public Health Strategy.
- 6.4 Evidence shows that our food choices are influenced by: the food we were given in early life (conception to start of school); all forms of marketing (this particularly affects children); widespread exposure to cheap and appealing calorie-dense, nutrient-poor food; affordability (including the impact of poverty); education and health promotion; social influences and social changes. In order to maximise effectiveness a food strategy will need to address all sources of influence. The current use of the obesity prevention budget solely on weight management services does not address the full breadth of influences.

# Draft Sheffield City Council Food and Wellbeing Strategy

## Our vision

Everyone in Sheffield to eat as well as possible, with healthy weight and diet across the population

## Our mission

Make good food the easy choice for everyone

## Introduction

The food we eat makes a very broad contribution to our health and wellbeing, as well as having implications for the local economy and the environment.

A well-balanced diet is directly beneficial to our health and wellbeing, helping us to maintain a healthy weight and prevent serious health problems such as cardiovascular disease, diabetes, dementia and some cancers. In the UK the highest risk factors for ill health, after tobacco, are a poor diet and being overweight<sup>i</sup>. Overconsumption of foods high in sugar, fat and salt is a major contributor to diet related ill health including obesity and tooth decay.

Unhealthy weight is a consequence of poor diet and inactivity and is a serious and worsening public health problem. It increases disability, disease and premature death and has substantial long term economic, wellbeing and social costs.

Due to a number of complex social reasons including food poverty, people from lower socio-economic groups are more likely to have a poor diet and thus experience the consequences of this more intensely. These inequalities lead to poorer health and social outcomes for this group.

A wider culture of healthy eating benefits society through reduced school absence, improved school attainment, increased employment and work productivity, reduced health and social care costs and reduced environmental impact<sup>ii iii iv</sup>.

Along with nutrition, food plays an important role in supporting mental wellbeing. It gives us pleasure; often plays a central role in how we socialise, share and celebrate and connects us to friends, family and culture. The more often people eat with others the more likely they are to be satisfied with their life and feel engaged with their local community<sup>v</sup>. 1 in 10 older people in the UK are suffering from, or at risk of, malnourishment. The causes of malnutrition and loneliness are related and therefore so will be the solutions<sup>vi</sup>.

Food plays an important role in our local economy; the local food sector employs around 25,000 people, contributes to the vibrancy of the city and helps form the city offer to tourists. Food contributes to carbon emissions through its production, processing and consumption. This

impact can be minimised by reducing our city's food supply chains and by increasing the amount of locally produced, seasonal food, with sustainable levels of meat consumption. Growing food in the city and surrounding areas will help to contribute towards increasing the resilience of our food supply networks, as well as creating business and job opportunities to Sheffield.

The primary objective of this strategy will be to improve diet at population level and therefore reduce the negative health consequences associated with poor diet, including obesity. It will also seek to narrow health inequalities by focussing efforts towards lower socio-economic groups. Wherever possible the proposed actions in the strategy will seek to support wider outcomes related to food including mitigating the worst effects of poverty, strengthening the local economy, reducing carbon emissions, increasing the resilience of our food supply networks and promoting social cohesion and general wellbeing through food.

### **Impact of poor diet**

Poor diet and unhealthy weight are contributing to the development of chronic ill health in our city.

- Only 1 in 4 adults in Sheffield consume the recommended 5 or more portions of fruit and vegetables an average day
- More than one third of Sheffield children aged 14-15 years drink fizzy sugary drinks every day or most days
- More than 1 in 5 Sheffield children were overweight or obese when they started school (age 4/5 years), this increases to more than 1 in 3 by the time they reach Year 6 (age 10/11 years). Almost two thirds of adults are overweight or obese (this equates to over 300,000 adults in Sheffield). Poor diet is a major cause of excess weight.
- Almost 1 in 3 Sheffield children experience tooth decay by age 5. Poor diet, in particular sugar consumption, is a major cause of tooth decay. Children in Sheffield are more than twice as likely to have teeth removed than the national average.
- Around 30,000 adults are diabetic in Sheffield. Type 2 diabetes can be prevented or delayed with a healthy lifestyle, including maintaining a healthy weight, eating sensibly, and exercising regularly.
- Around 75,000 adults have chronic high blood pressure in Sheffield, a major risk factor for a number of health problems such as heart disease and stroke. Excess salt consumption and excess body weight are both linked to high blood pressure
- 1 in 10 older people in the UK suffer from, or are at risk of, malnourishment<sup>vii</sup>
- The most deprived communities in the city are eating the least healthily and experiencing the negative health consequences of this the most

Poor diet has a wide ranging impact in addition to the direct health consequences. These include school absence and the resulting effects on school attainment; absence from work; unemployment; and financial costs to the health and social care system. The total societal cost of obesity alone is second only to smoking<sup>viii</sup>.

### **What influences our food choices?**

Evidence shows that there are multiple factors that affect our food choices. In order to change behaviour we must seek to address these aspects by taking a whole systems approach.

- **Early life** - the food eaten between conception and weaning influences how we respond to the food environment through a range of biological and psychological mechanisms. For example, maternal diet and early infant diet can alter the way in which genes are switched on or off or children can grow accustomed to a diet high in sugars<sup>ix</sup>. Therefore, this is a particularly important time as poor diet during this period can carry adverse health consequences in later life.
- **Marketing** is disproportionately used to promote unhealthy products. Evidence shows that all forms of marketing influences food purchasing and consumption, especially amongst children<sup>x</sup>.
- **Exposure** to healthy vs unhealthy food and drink in the wider environment. We are exposed to food in a vast array of settings outside the home for example in hospitals, schools, workplaces, events, tourist attractions and shopping centres. Evidence shows that our buying and eating behaviour is automatic and unthinking, prompted by what has been marketed to us and what food is around us<sup>xi</sup>. In our current environment the default food and drink options are too often the unhealthy ones. Foods that are high in sugar, fat and salt are widely available, more affordable and are strategically located near schools, on our high streets and in prominent positions such as at eye level or near to checkouts. Often, in areas of higher deprivation there are fewer healthy options available.
- **Poverty** – Healthier diets are becoming more expensive<sup>xii</sup>. Low income households are more likely to consume highly processed, high sugar and high saturated fat foods<sup>xiii</sup>. Food is often the flexible item in household budgets and therefore households on low incomes often respond by trading down on the food they buy, increasingly purchasing cheaper, energy dense, less nutritious food. For some the level of food poverty is so great they must seek emergency food assistance, for example from food banks. Some areas may also suffer from a lack of access to good food at the right price<sup>xiv</sup>.
- **Education and health promotion** can help individuals to make healthy, informed food and drink choices. Health marketing is important as both a motivator and enabler for consumers to change their own and their families' diets. However, in order to be effective in tackling obesity, and particularly to help the poorest in society, activity needs to go beyond just health messages and information to consumers<sup>xv</sup>.
- **Social influences** – parents and carers can directly and indirectly influence their children's dietary preferences. For adults and older children the food eaten by friends, families and colleagues influences food choices.
- **Social changes** – Increasingly busy work lives and long commutes has led to a growing culture of eating convenience foods, both in the home and on the move. These processed foods are often higher in sugar, salt and fat. Ingredients are often not clearly labelled leading to people unknowingly consuming high levels of sugar, salt and fat. Families are increasingly less likely to sit down and eat meals together. Many older adults do not commonly see or speak to people for 5 or 6 days a week<sup>xvi</sup> and this is linked to malnutrition.

## Our approach

This strategy will advocate for a whole systems approach to improving dietary behaviours. The environmental drivers of poor diet are too big to be tackled by any single action alone. A broad programme of approaches at population, settings and individual level are required to promote healthier food environments and make healthier choices easier<sup>xvii</sup>. The strategy will seek to strike a balance between policy and population level interventions and interventions that support individuals to make healthier choices. In doing so we will aim to improve health and wellbeing at population level whilst also providing support to those with greatest need.

A number of themes will run throughout the actions within this strategy. These themes will address the known influences on food choices and the evidence about effective ways to change dietary behaviours on a large scale.

**Transform the food environment** – make the healthier choice the easier choice by limiting people’s exposure to cheap and appealing calorie-dense, nutrient-poor food in the wider environment and by restricting opportunities for direct and indirect marketing of this type of food. Take steps to improve the physical and financial accessibility of healthier food, particularly focussing on groups at risk of food poverty and social isolation.

**Provide services and support** – ensure people have the knowledge and skills that are needed to access a healthy diet with support available for those in greatest need.

**Families** - Due to strong evidence on the impact of diet in the Early Years (from conception to starting school) on future dietary behaviours and health outcomes there will be a focus on intervention during this time period. Families will also be a focus of intervention because child obesity is closely related to parental obesity and overweight and obese children and young people are more likely to become obese adults.

**Reducing inequalities** - There will also be emphasis on interventions that reduce health inequalities. This will be done in two ways – by targeting services and interventions towards groups at highest risk; and by putting greater emphasis on structural and policy change as this type of intervention is likely to have a greater impact on reducing health inequalities.

**Focus on Sugar**- Advice on healthy eating can be complex and sometimes confusing due to the vast array of messages. It is proposed that there is a specific focus on sugar in order to convey a simple but impactful message. The widespread consumption of sugar is causing concern as it can lead to an overall unhealthy diet through increased calorie consumption with a concurrent reduction in nutritionally adequate foods. This can lead to weight gain, obesity, diabetes and an increased risk of tooth decay.

## Implementation and Evaluation

The impact of this strategy will be measured by:

- Levels of obesity in children living in the 20% most deprived areas of Sheffield

- Oral health of children living in the 20% most deprived areas of Sheffield.
- Levels of obesity in adults living in the 20% most deprived areas of Sheffield

The focus on early years, reducing health inequalities and sugar is reflected in the measurable outcomes for this strategy.

Sheffield City Council will strengthen partnerships with the Universities, Public Health England, local communities and businesses to explore ways to evaluate the implemented actions in the strategy from the perspectives of local partners and the public. Our ambition is that Sheffield can become a “test bed” and enhance the evidence base of actions that are effective in improving diet across the population.

## Wider policy linkages

### National context

National policy affects the food choices of people in Sheffield directly in terms of its availability, standards, marketing etc. but also indirectly through shaping the broader context of in which people make their food choices. Below are some examples of how national policy is shaping our local food system.

**Austerity** - The combined effects of austerity measures and rising food prices have undoubtedly contributed to the well-documented increase in extreme food poverty but also to the more widespread problem of social inequity, which is fueling poor population nutrition. Rising food prices combined with falling wages and benefits cuts is a fundamental reason why many households have no choice other than to buy cheap food and drink that is often high in fat, sugar, and salt.

**Welfare reform** – the welfare system is increasingly failing to provide a robust last line of defence against hunger. Changes to the welfare system, performance of the benefits system and the increasing use of sanctions have contributed to increases in demand for emergency food assistance both locally and nationally. There is concern that the roll out of Universal Credit could worsen the situation by putting claimants into debt and rent arrears and by disrupting the allocation of free school meals by removing the current eligibility triggers.

**Brexit** - Currently around 30% of the value of food purchased by households in the UK is imported. Much of this from the EU meaning that changes in the costs of imports – for example, through changes to tariffs or movements in exchange rates – are likely to have a particularly big impact on food prices leading more people to experience food poverty and to a greater degree. Furthermore there is a risk that a rush to secure trade deals post Brexit could lead to a lowering of standards and poorer quality food in supermarkets.

It is important that we continue to monitor these areas of national policy and their local implications. We will contribute to national inquiries and debates in order to influence national policy and review our local systems and policies where these are impacted by national decisions.

## Local context

Through the Food and Wellbeing Strategy we aim to create partnerships and promote a central vision that will lead to co-ordinated activities and initiatives across the system and at population level. For this strategy to be effective there will need to be a **cross council call to action** to ensure that food and obesity is considered within a wide range of strategies and service areas including (but not exclusively) planning, licensing, parks and countryside, adult social care, housing, 0-19 services, city centre management and procurement.

There are a number of key local strategies and service areas where development of partnerships will be prioritised due to the high level of interdependency. These include:

**Tackling Poverty Strategy** – Food poverty is a consequence of financial poverty and a lack of access to affordable food. The Food and Wellbeing strategy will work closely with the Tackling Poverty Strategy to develop ways to improve access to affordable food. The Tackling Poverty Strategy also has a broader role to tackle some of the root causes of financial poverty and take action to make things better for people experiencing all manifestations of poverty

**Move More Plan** - In the context of a whole system approach, food sits alongside physical inactivity in playing a major role in combatting rising levels of obesity. Much in the same way that physical activity has established a whole system approach to creating a culture of physical activity through the Move More Plan (via the partnership of the National Centre for Sport and Exercise Medicine) the food strategy must connect and disrupt current culture through similar partnerships with and between the NHS, Sheffield City Council, the two City Universities, leisure, private and voluntary sector service providers. We will seek to connect these two agendas where there are shared objectives and/or audiences.

**Other lifestyle issues** - the agenda of 'making every contact count' is essential in the implementation of this strategy enabling the impacts of poor diet and obesity to be addressed wherever they are presented. Screening tools are being developed for alcohol and tobacco use and we will explore the potential for diet and obesity to be built into these systems. We will take opportunities for joint messaging where appropriate, for example by linking reduced alcohol consumption with weight loss.

**Climate change and Green City Strategy** – The Food and Wellbeing Strategy will support this agenda by promoting sustainable food production and consumption

## Our actions

### 1. Develop healthy food and drink policy for the council and wider public sector

Local authorities have an important role to play in improving the food environment and making the healthier choice the easier choice. We control planning, public and environmental health, social care, leisure and recreation and have influence over food and drink in schools, nurseries, civic centres, leisure centres, sports facilities, parks, museums, theatres, care settings our own workplaces and others. In order to help people to achieve healthier diets, we need to develop consistent policies regarding the food that is available, for sale and marketed in these settings. In collaboration with our local and industry partners, Sheffield City Council can develop healthy food and drink policy and be pioneers in



creating a healthy food environment. Such policy should also promote the Fair Food Chain Standards developed by the Our Fair City campaign

Examples of potential healthy council food and drink policy are:

- Review food provision in our buildings and via our providers (e.g. leisure centres, parks cafes, care settings, home care, schools, public events) and encourage partners to do the same
  - Where the council has control over advertising space in the public realm, introduce restrictions such as no advertisements of 'junk food' brands near to schools
  - Develop policy regarding commercial partnerships with the food and drinks industry that takes into account how these may impact on messages communicated about healthy eating to our local communities
  - Initiate a free water refill scheme to reduce sugary drinks consumption and single use plastic waste
  - Support use of council owned green space for urban agriculture and vacant council owned premises for initiatives such as social supermarkets and community eating spaces
  - Use council services such as environmental regulations, licensing & city centre management to engage private industry with responsible retailing and healthier food guidance
  - Develop supplementary planning guidance for hot food takeaways
  - Support community ventures that increase access to fresh food, for example social supermarkets and cafes, community meals and lunch clubs
  - Explore the use of incentives/subsidies/differential business rates to attract healthier food retailers into areas where they are lacking
  - Healthy Schools and Nursery Award Schemes
- a) Undertake public consultation to gain insight into how local residents would like the council to use its place shaping powers to influence the food environment and support healthier food choices
  - b) Develop the business case for and feasibility test each of the areas of council food and drink policy outlined above
  - c) Increase the uptake of the Healthy Early Years award scheme amongst childcare providers prioritising those in areas with high rates of overweight and obesity
  - d) Provide advice and guidance for settings including schools, care settings and home care providers to introduce measures that encourage healthy eating, prioritising those with highest rates of overweight and obesity
  - e) Work in partnership with the wider public sector to build on work that is already underway to create a healthier food environment in a wide range of settings including hospitals; universities and FE colleges; housing associations, museums and theatres

## **2. Create a better food environment by supporting businesses and organisations to improve their food offer**

Whilst we have less control and influence over the private sector, by developing our own food and drink policies we can lead the way and encourage others to follow suit, providing

advice and support where necessary. We also have a number of business facing functions such as Environmental Regulations; Licencing; Events and City Centre Management; and Business Sheffield which could be used to disseminate information and guidance. Food producers, suppliers and retailers should be encouraged to follow the Fair Food Chain Standards.

- a. Develop and promote local sugar reduction pledges and healthy catering guidance targeting a range of organisations including workplaces with on-site food provision; fast food and street traders; cafes and restaurants; grocery stores; non-food retailers such as department stores that sell high sugar food and drink at points of sale
- b. Utilise council services such as environmental regulations, licensing & city centre management to engage businesses with local sugar reduction pledges and healthy catering guidance

### **3. Deliver mass media and marketing campaigns to change dietary behaviours with a specific focus on sugar reduction**

Health marketing is important as both a motivator and enabler for consumers to change their own and their families' diets and can help underpin structural and policy level interventions to improve food choices. There is a growing body of evidence on how marketing approaches can effectively change behaviours by applying behavioural insights techniques. Approaches can be targeted at particular population groups and issues as informed by local evidence of health impacts.

- a. Commission marketing and communications campaigns. Specific campaign areas/target groups would include:
  - Developing a "Low Sugar Sheffield" brand
  - Healthy eating/healthy weight during pregnancy
  - Early years sugar reduction/sugary drinks
  - Young people and sugary drinks
  - Front line staff (encouraging delivery of brief interventions)
  - Food businesses (encouraging adoption of sugar reduction and healthier catering pledges)
  - Alcohol and healthy weight

### **4. Develop and/or pilot initiatives to increase access to healthy food for those experiencing food poverty**

Affordability is a key factor in making healthy food choices the easier choice and will disproportionately affect those living on low incomes and in areas of deprivation. Poverty is a long term and highly complex issue that cannot be addressed by any single intervention. The Food and Wellbeing Strategy actions relating to food poverty and the affordability of food will need to align with the broader Tackling Poverty Strategy and close relationships will be maintained.

The Food and Wellbeing Strategy will attempt to improve the affordability and accessibility of healthy food in a number of ways targeting groups and areas most likely to experience

food poverty. This will involve piloting initiatives to develop the evidence for what works. A food poverty policy and framework has been developed working with a range of local partners and activity will be developed in line with this. Initiatives will also seek to impact on social isolation due to evidence of links between malnutrition and loneliness. We will also encourage the use of surplus food where appropriate as a way of increasing access to low cost food and reducing and raising awareness of food waste.

- a. Work with voluntary and community sector providers to develop a range of schemes and initiatives. These might involve:
  - Pilot the use of voucher schemes to incentivise purchasing of fruit and vegetables.
  - Support for community ventures that increase access to fresh food, for example social supermarkets and cafes, community meals and pantries and lunch clubs
  - Raising awareness of the issue of School Holiday Hunger and working with community organisations to expand provision of School Holiday Hunger programmes
  - Working with schools to trial initiatives such as universal free school breakfast schemes or extension of School Fruit and Vegetable scheme in the most deprived schools
  - Use of incentives/subsidies/differential business rates to attract healthier food retailers into areas where they are lacking

## **5. Support individuals to improve their diet and achieve/maintain a healthy weight**

We will work with and support front line service providers to routinely provide information about the importance of healthy weight, physical activity and diet. Training and tools to support this will be developed and implemented where appropriate.

Some individuals may need more than brief advice in order to successfully change their behaviour for the long term. Interventions will be available to children and adults who are above a healthy weight. We will also widen access by offering a greater range of interventions at differing intensities that reflect level of need.

- a. Deliver the Start Well programme supporting parents with pre-school age children to improve diet and increase physical activity in the early years, targeting parents in areas with high rates of overweight and obesity
- b. Commission obesity brief intervention training for front line staff and explore development of screening tools
- c. Ensure diet, physical activity and healthy weight are covered within Standard Operating Guidelines for key universal services, particularly the 0-19 healthy child programme and maternity services
- d. Re-commission evidence based Tier 2 Healthy Weight Services for Children, Young People and Families and Tier 2 Healthy Weight Services for adults. Target services towards areas and groups with high rates of overweight and obesity

## **6. Influence national policy where this could support us in meeting our targets**

In order for our local strategy to have the greatest impact we need it to be underpinned by national policy. The national Childhood Obesity Plan has taken some positive steps such as the introduction of a sugar levy and work with industry to reduce the amount of sugar in certain foods. However, our progress could be further supported by national policy in the following areas:

1. Challenge national policy, for example on austerity and welfare reform, where this causes or exacerbates the effects of poverty
2. Restrict advertising of high sugars, high fats and high salt foods before the 9pm watershed
3. Restrict price promotions of high sugars, high fats and high salt foods
4. Restrict sponsorship by high sugars, high fats and high salt foods in sports
5. Ban the sale of energy drinks to persons under the age of 18-years
6. Mandate the food industry to adopt traffic light labelling to show at a glance if food has high, medium or low amounts of sugars, fats, and salt
7. Legislate all shops and supermarkets to have healthy tills and checkouts
8. Regulate all schools and early years settings to comply with the School Food Standards (including free schools, academies, private schools, private nurseries and OFSTED registered child carers)
9. Impel industry to share high sugars, high fats, and high salt food sales data by postcode
10. Strengthen local government place shaping powers to enable them to more effectively improve their local food environments
11. Extend the *Alcohol (Minimum Pricing) Scotland Act 2012* to all the UK nations;
12. Ensure EU food standards regulations are transferred into UK law upon the UK exiting the European Union

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- <sup>xiv</sup> Fabian Commission on Food Poverty. 2015. A Recipe for Inequality. Why our food system is leaving low-income households behind. Fabian Society.
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**Author/Lead Officer of Report:** Matt Hayman,  
Principal Development Officer, City Regeneration  
Division

**Tel:** 35130

**Report of:** Laraine Manley, Executive Director Place

**Report to:** Cabinet

**Date of Decision:** 21<sup>st</sup> March 2018

**Subject:** Proposed Sheffield City Council (West Bar Square Regeneration) Compulsory Purchase Order

Is this a Key Decision? If Yes, reason Key Decision:-	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
- Expenditure and/or savings over £500,000		<input checked="" type="checkbox"/>		
- Affects 2 or more Wards		<input type="checkbox"/>		
Which Cabinet Member Portfolio does this relate to? Cabinet Member for Business and Investment				
Which Scrutiny and Policy Development Committee does this relate to? Economic and Environmental Wellbeing Scrutiny and Policy Development Committee				
Has an Equality Impact Assessment (EIA) been undertaken?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
If YES, what EIA reference number has it been given? 133				
Does the report contain confidential or exempt information?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below:-				
<p><i>“The (<b>report/appendix</b>) is not for publication because it contains exempt information under Paragraph (<b>insert relevant paragraph number</b>) of Schedule 12A of the Local Government Act 1972 (as amended).”</i></p>				

**Purpose of Report:**

To seek authority to make a Compulsory Purchase Order (CPO) to acquire interests in the land in Sheffield City Centre bounded by West Bar, Corporation Street and Bridge Street to enable the demolition of existing buildings and clearance of the land and the construction and erection of new buildings and structures to provide a comprehensive mixed use development comprising offices, residential units, hotels, shops and retail units, professional services, restaurants, cafes, drinking establishments, hot food outlets and takeaways and leisure and assembly units and associated new public squares, car parking accommodation, highway works and infrastructure, landscaping and public realm works.



**Recommendations:**

- i. That authority be given to the Council to make a Compulsory Purchase Order ("CPO") under the powers conferred by Section 226 (1) (a) of the Town and Country Planning Act 1990 to acquire all land interests, other than those of the Council and those held by or on behalf of the Crown, as described in the Schedule of Interests (the "Order Schedule"), attached at Appendix A, at West Bar Square and as shown on the Order Map, attached at Appendix B, with title 'Sheffield City Council (West Bar Square Regeneration) Compulsory Purchase Order 2018' (the "Order Land").
- ii. That authority be given to the Executive Director Place in consultation with the Director of Legal and Governance and Executive Director of Resources to agree and enter into all necessary legal documentation with Urbo (West Bar) Limited (the "Developer")
- iii. That the Director of Legal & Governance be authorised to make the CPO for the Order Land, to take all necessary procedural steps prior to and after the making of the CPO, to enable the CPO to be submitted to the Secretary of State for confirmation including:
  - a) Finalising the attached draft Statement of Reasons, at Appendix C;
  - b) Finalising the Order Schedule, at Appendix A;
  - c) Serving notices of the making of the CPO on all persons entitled to such notice and placing all necessary notices in the press and on/around the Order Land;
  - d) To submit the CPO to the Secretary of State for confirmation as soon as possible following making of the CPO; and
  - e) To self-confirm the CPO if authorised to do by the Secretary of State.
- iv. That the Director of Legal & Governance be authorised to sign and serve any notices or documents necessary to give effect to these recommendations and to take all the other actions necessary to give effect to these recommendations.
- v. As soon as the CPO is confirmed by the Secretary of State to advertise the confirmation of the CPO and serve all necessary notices of the confirmation and once the CPO becomes operative, the Director of Legal & Governance in consultation with the Executive Director of Resources be authorised to execute General Vesting Declarations under the Compulsory Purchase (Vesting Declarations) Act 1981, at the earliest opportunity and to thereafter serve all necessary documents and notices of the vesting of the Order Land in the Council.
- vi. That the Executive Director Place, in consultation with the Director of Legal & Governance and the Executive Director of Resources be authorised to manage the compulsory purchase process at least in accordance with the terms of the Development Agreement and in accordance with all statutory requirements and to otherwise promote or supporting the promotion of confirmation of the CPO including the preparation of and giving of evidence

at any public inquiry.

- vii. That Cabinet confirms that such parts of the Order Land and other adjoining land owned by the Council as is required to facilitate and enable the Scheme, that is not currently held for planning purposes, is appropriated for planning purposes and from the date of such confirmation that the Order Land and such other adjoining land is held for planning purposes and without prejudice to any other statutory status (from time to time) of any part of that land as public highway.
- viii. That, if necessary, the Council, and those deriving title from it, be authorised to use its powers pursuant to Section 203 of the Housing and Planning Act 2016 in order to override any rights or covenants in the Order Land and in any other land owned by the Council adjoining the Order Land which would otherwise impede the delivery of the Scheme.
- ix. That the Director of Legal Services, in consultation with the Executive Director Place be authorised to prevent extinguishment of, grant and/or re-grant private rights of statutory undertakers and the Combined Crown and Family Courts in or over the Order Land as he/she deems necessary to secure confirmation of the CPO by:
  - (a) making a Direction under section 236 of the Town & Country Planning Act 1990; and/or
  - (b) entering into an agreement with affected parties, with or without the Developer, as is appropriate.
- x. That the Executive Director Place, in consultation with the Director of Legal Services be authorised, as he/she deems appropriate and necessary to facilitate and enable the Scheme to be carried out, to;
  - (a) support an application for a Stopping Up Order of public highways and footways within and adjacent to the Order Land including support for and giving of evidence at any public inquiry; and
  - (b) to enter into an agreement or grant licence or authority in its capacity as owner and/or the relevant highway authority for the creation of new highway and footways in and adjacent to the Order Land.

**Background Papers:**

Previous Cabinet Reports - 23<sup>rd</sup> October 2002; 12<sup>th</sup> May 2004; 21<sup>st</sup> September 2005; 12<sup>th</sup> July 2006 and 24<sup>th</sup> August 2011  
Previous 'CLOSED' Leader Report – 6<sup>th</sup> February 2015

Lead Officer to complete:-		
1	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.	Finance: Paul Schofield
		Legal: David Sellars
		Equalities: Annemarie Johnston
<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>		
2	<b>EMT member who approved submission:</b>	Laraine Manley
3	<b>Cabinet Member consulted:</b>	Cllr Mazher Iqbal
4	I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Decision Maker by the EMT member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.	
	<b>Lead Officer Name:</b> Matt Hayman	<b>Job Title:</b> Principal Development Officer
	<b>Date:</b> 27 <sup>th</sup> February 2018	

## 1. STRUCTURE OF REPORT AND BACKGROUND

- 1.1 This Report sets out summary details of relevant background, the case for intervention, the proposed Scheme, the case for compulsory purchase including analysis of risk, legal and other considerations in support of recommendations made and outlined. Further detail of relevant background, the proposed Scheme and the case of compulsory purchase is set out in the draft Statement of Reasons, attached at Appendix C.
- 1.2 West Bar Square (land bounded by West Bar, Bridge Street and Corporation Street) is a long standing strategic redevelopment site which aims to extend the City Centre to the riverside area taking advantage of the completion of the northern section of the Inner Relief Road (IRR). It will deliver a new city centre neighbourhood with a mix of office, residential, hotel, retail and leisure uses built around high quality public realm including two new public squares, new pedestrian routes to/from the City Centre, Kelham, Riverside and Burngreave/Woodside and associated car parking provision (the "Scheme") which is more fully described in the draft Statement of Reasons.
- 1.3 The site of the Scheme (the "Site") is in fragmented ownership and the street pattern no longer reflects walking and cycling desire lines. Over a period of time, interests in the Site have been assembled by private treaty with the majority of the Site now under the control of the Council and its development partner, the Developer.. A number of third party ownerships remain in the site which hinder the comprehensive redevelopment of the Site. A succession of related documents produced by the Council, dating back to 2002, have established that only a comprehensive approach to site acquisition, planning and construction will bring about successful transformational change that accords with the strategic policy aims and objectives of the Council.
- 1.4 The regeneration framework for this area, which includes the Order Land, was originally approved by Cabinet in October 2002 as part of the case submitted to the Department for Transport for funds to build the northern section of the IRR and has been endorsed by subsequent reports to Cabinet as attempts to bring forward redevelopment and land assembly of the Site has progressed.
- 1.5 In May 2004 Cabinet approved the production of a development brief for the area that principally comprises the Site, which guided a two stage process to select a development partner. In September 2005 Cabinet endorsed the appointment of developer Castlemore (West Bar) Limited ("Castlemore") and in support of the comprehensive approach Cabinet adopted the West Bar Interim Planning Guidance (IPG) in July 2006. In May 2007 the Council entered into a Development Agreement with Castlemore and this developer was granted planning consent for a mixed use development in April 2008.

- 1.6 Castlemore commenced site acquisitions but in February 2009 went into administration. Shortly after the Council and Castlemore's administrators Price Waterhouse Cooper (PWC) were approached by developer, Urbo Regeneration Limited (URL). URL is a company established by Arnold Laver & Company Limited and Bolsterstone PLC. URL controlled companies already owned land within the Site. URL wanted to explore the potential of acquiring the Castlemore properties and delivering the project as the Council's development partner, subject to the transfer of the Development Agreement from Castlemore to URL.
- 1.7 In August 2011, Cabinet authorised the transfer and principle terms of a variation of the Development Agreement from Castlemore to URL. Cabinet also reconfirmed the principle that the Council will be prepared to use compulsory purchase powers to deliver a comprehensive redevelopment scheme on land that includes the Site. The terms of the variation were agreed and approved by a Leader Decision in February 2015. URL agreed the terms of a deal with PWC and the major creditor Lloyds TSB to acquire the Castlemore properties and the transfer of the Development Agreement in March 2015. Discussions between the parties took a number of years to conclude, as part of the wider administration of Castlemore's affairs and the need to secure various approvals, particularly from Castlemore's main creditor. During this period, URL undertook the design of a revised masterplan for the Site to respond to the change in market conditions.
- 1.8 As part of the Council's discussions with URL it was decided to exclude the building used as a residential storage warehouse by Armadillo Storage from the Scheme. This unit is a parcel of land on the southern side of West Bar, separated from the Order Land, and it was jointly agreed that the comprehensive redevelopment would be more coherent if it concentrated to the north of West Bar. The decision to omit this parcel from the Scheme also reflected improvements that had been made to this unit in the intervening period - bringing it back into beneficial use. In April 2005 ahead of SCC appointing a development partner the Council confirmed in writing that it would exclude 81 – 85 West Bar Sheffield (former Moseley Arms) from the proposed redevelopment site boundary owing to the conversion of the building to offices by a local company which was in keeping with SCC objectives of 'assisting with the expansion of the legal and professional quarter'.
- 1.9 In 2016, URL completed a joint venture agreement to deliver the Scheme with Peveril Securities, as part of the Bowmer & Kirkland Group. This formed the Developer company and injected further funds into the development including for site assembly. URL's interests in the West Bar Development Agreement was assigned to the Developer on 22 June 2016. Consequently, all URL controlled land interests in the Site required for the Scheme are under the control of the Developer and available to carry out the Scheme, under the terms of the Development Agreement.

## **2. REGENERATION CASE**

- 2.1 The case of intervention is outlined in full in the draft Statement of Reasons and summarised below.
- 2.2 The completion of the IRR in 2007 resulted in significant reduction in traffic on West Bar and, as outlined in the original IRR Regeneration Framework (2002), created an opportunity to physically reconnect West Bar Square back to the core of the City Centre. West Bar Square benefits from a highly prominent frontage onto the IRR (Corporation Street) which serves as the main arterial route around the City Centre. The redevelopment of the Site will build on a very significant amount of both public and private investment in the Riverside area over the past decade. The adjoining Riverside Exchange development was one of the first large private apartment schemes in the City Centre and also comprises a substantial Government office campus and headquarters of law firm Irwin Mitchell. To the north east on the opposite site of the IRR, Kelham Island has transformed from a declining industrial area to a thriving residential and creative community.
- 2.3 To the south is the Cathedral Quarter. This was traditionally the main office location in Sheffield with a variety of professional firms housed in a mix of Georgian, Victorian and 1960's buildings. With the increasing trend of consolidation and expansion of legal firms in particular, there has been a large amount of relocation from the Quarter into large footplate offices such as Riverside Exchange.
- 2.4 In support of the expansion of the City Centre to West Bar Square the Council invested (with Sheffield City Region and European Funds) in the Grey to Green project to reduce severance through the creation of new public realm from redundant highway, improved pedestrian routes and sustainable urban drainage along West Bar.
- 2.5 To the south east is Castlegate, which was Sheffield's historic heart but has suffered from a loss of much of its traditional economic and social function as large scale retail and civic uses have relocated to the core of the City Centre. However, over the next five to ten years the area will be focus of major regeneration. The Castlegate area already houses the largest number of hotels in the City Centre and a proposed second phase of Grey to Green will reclaim further areas of redundant highway to transform the environment, reduce severance of the canal basin from the City Centre and improve pedestrian routes along the river to/from West Bar Square.
- 2.6 The current semi-derelict condition of the West Bar Square site creates a physical and psychological barrier between the northern neighbourhoods (Kelham, Burngreave and Woodside) and the City Centre. The Site is in a pivotal position to connect the new Riverside business and residential districts to the core of the City Centre whilst meeting the identified need for further and improved office and residential provision.

- 2.7 It is estimated that there are currently less than 150 people employed on the Site. Based on a 5 year-year construction period it is expected that redevelopment of the Site will support on average between 460-580 temporary construction jobs a year. Once completed it is estimated the Scheme could be home to up to 850 residents with the proposed commercial floor space supporting approximately 3660 full time jobs.
- 2.8 The Scheme responds directly to the original Development Brief (2004) adopted by the Council and the West Bar Interim Planning Guidance (IPG)(2006) which are material considerations. It is therefore expected to deliver a substantial provision of large scale employment floor space alongside a mix of other uses, the final blend of which will otherwise be market led and reflect demand and requirement for provision. The Site is important as a key strategic project in the Riverside Business District. A plan of the Riverside Business District is attached at Appendix D. The policy background against which the Scheme has been and is being promoted as a strategic project for the Council is also set out in Development Plan documents including the Council's emerging new Local Plan. The requirements of the Development Agreement similarly respond to the requirements of Development Brief and West Bar IPG. This is further summarised in the draft Statement of Reasons.

### **3. THE PROPOSAL**

#### **3.1 Approach to bringing forward the Scheme**

- 3.1.1 The Developer and the Council have been working together to bring forward the Site for redevelopment, which has included the private treaty negotiation and acquisition of remaining third party land interests, including interests held by/on behalf of the Crown, land referencing, securing planning permission, the preparation of an application for Stopping Up of highways.

#### **3.2 Land ownership and private treaty negotiations/acquisitions**

- 3.2.1 The majority of land interests required to deliver the Scheme are now under the control of the Council and the Developer. The land interest relationship between the Developer and the Council is controlled by the Development Agreement.
- 3.2.2 The Council owns a number of land interests in the Order Land and other land in and above the public highways surrounding the Site. Some but not all of that land is currently held for planning purposes. Authority is sought to appropriate for planning purposes the balance of land required for the Scheme. Authority is also sought so that the Council, or those deriving title from it, may rely on its statutory powers in section 203 of the Housing and Planning Act 2016 to interfere with any third party interests and restrictions on that land for the purposes of the Scheme. Some parts of the Council's land are in current use and will continue to

be in operation on a temporary basis pending the comprehensive redevelopment of the Site. As such, Council officers are mindful and have considered the need to terminate and where appropriate relocate existing interests in its land within the Site. For example, Council officers are satisfied that alternative arrangements can be found for the Council services currently operating in 33 Love Street in a timescale that enables the Scheme to come forward. The Council also has a historic joint venture agreement with Village Developments dating back to May 2000 (in relation to Plots 12, 14, 15, 20 and 22 on the draft Order Map on the corner of West Bar and Corporation Street) to use this area in combination for car parking. This use continues in place at this time but has always been contemplated as a temporary purpose. These Plots occupy a gateway to the Scheme and this joint agreement arrangement will therefore come to end as a consequence of the redevelopment. The Council is satisfied that it requires the compulsory acquisition of the third party interests in this part of the Site in order to ensure that such interests can be terminated to facilitate the carrying out of the Scheme.

- 3.2.3 The Developer has and continues to lead in negotiations to acquire the outstanding third party land interests required to deliver the Scheme from identifiable land owners and offers have been made to such parties. The Order Land currently includes three third-party-occupied commercial premises but mostly the Order Land comprises underused or vacant sites and surface level car parking. Through briefings with the Developer, Council officers are fully aware and supportive of the attempts that have taken place. More recently Council officers have also directly been advised by specialist advisors, BNP Paribas, who have led these negotiations. Council officers are satisfied that reasonable steps have been taken and offers made on justifiable terms for the acquisition of those outstanding known owner interests. Council officers have also reviewed information provided by the Developer to relevant remaining land owners as to available relocation opportunities in the area.
- 3.2.4 Extensive referencing work has been undertaken to ascertain ownership and interests in the Order Land required to deliver the Scheme, including searches of the public highway immediately adjoining the Site (see Section 4 below). There are plots within the Order Land where ownership is unknown, some of which occupy locations central to the development proposals and which could inhibit development of the Scheme. The acquisition of these interests via the CPO will overcome this impediment. The Order Land includes the footways around the Site, much of which is not registered to an owner and in which the paper title owner is not known. Notices have been placed on and around the Site seeking details of any owners.
- 3.2.5 The Site at its southern end encircles (on three sides) the Combined Crown and Family Courts (the Courts). Land owned by the Council surrounding the Courts within the Order Land required for the Scheme includes a long leasehold interest in favour of the Crown and which is understood to meet the definition of "Crown Land" (for the purposes of section 293 of the Town and Country Planning Act 1990). As a general



rule, the Council is not able to acquire the Crown's interest in Crown Land by compulsory purchase and no exceptions apply in this case. In addition to the Crown's interest, there are other third party interests (which are not held by or on behalf of the Crown) in this Crown Land. These third party interests are proposed to be included in the CPO. Pursuant to section 226(2A) of the Town and Country Planning Act 1990, the Secretary of State must not authorise the acquisition of any such third party interest in Crown Land unless with the consent of the appropriate Crown body.

3.2.6 The Developer is in discussion with agents for the Crown and the Crown's appropriate body has confirmed that it is agreeable in principle to the acquisition of its interest in the Order Land subject to reaching agreement on terms. Authority is sought to delegate to Council officers the final decision on timing of the making of the Order having regard to status of progress on terms with the Crown and the securing of consent from the Crown's appropriate body as to the inclusion in the Order of third party interests in the Crown land. Confirmation from the Crown's appropriate body will be provided to the Secretary of State upon submission of the CPO for confirmation as evidence that the Crown consents to such acquisition and to the confirmation of the Order.

3.2.7 The Order Land and existing public highways within and surrounding the Site that are required to deliver or that may be affected by the delivery of the Scheme contain apparatus, structures and street furniture owned and operated by statutory undertakers, including that of the Council as local highway authority. By virtue of section 236 of the Town and Country Planning Act 1990, these interests will not be extinguished by the making and subsequent vesting of the Order Land by the Council under a CPO or as a consequence of holding land for planning purposes. [The Developer and its advisors are in discussion with the various statutory undertakers, principally as part of proposals for Stopping Up of highways within the site (see below).] Authority is sought to enable the Council to issue a direction or enter into agreements with these parties as it is deemed appropriate to facilitate the confirmation of a CPO.

### 3.3 Planning Permission

3.3.1 In the summer of 2015, the Developer undertook extensive public consultation on proposals for a comprehensive scheme at West Bar Square. Following positive feedback the Developer submitted a planning application in June 2016.

3.3.2 On 14<sup>th</sup> February 2017 outline planning consent was granted (16/02518/OUT) to the Developer for a mixed use development at West Bar Square (the "Planning Permission"). The approved scheme is a mixed-use development of up to 140,000m<sup>2</sup> and comprises a blend of uses which can comprise of:

- Up to 85,000m<sup>2</sup> of office space
  - Up to 50,000m<sup>2</sup> or 525 units of residential
  - Up to 20,000m<sup>2</sup> or 500 bed spaces of hotel use
  - Up to 5,000m<sup>2</sup> of combined retail and leisure uses
  - Up to 25,000m<sup>2</sup> or 700 car parking spaces
  - Provision of high quality public realm including new pedestrian routes and two new squares
- 3.3.3 An illustrative layout and design of the Scheme is attached at Appendix E.
- 3.3.4 The final layout, design, external appearance, landscaping and access (save for principal access points that have been approved) of the Scheme are to be approved as reserved matters and otherwise controlled by planning conditions which include a requirement to deliver a minimum of 50% of the development as office space and more generally set the limit of built development with reference to a number of parameter plans as well requiring compliance with design and place making principles that have been secured as part of a Design and Access Statement. Council officers will also approve final design as part of an approval process under the Development Agreement for which it is guided by the requirements of the Development Brief and West Bar IPG.
- 3.3.5 In approving the Planning Permission, the Council has satisfied itself that the approved Scheme meets the regeneration objectives of the original Development Brief and the West Bar IPG which comprised material considerations in the consideration of the planning application.
- 3.3.6 Council officers are satisfied that a comprehensive, and not piecemeal, development of the Site remains the most appropriate approach to ensuring that the objectives and purposes of the Council are met.
- 3.4 Proposed Highways Order
- 3.4.1 In order for the Scheme to be carried out in accordance with the Planning Permission or otherwise, it will be necessary to stop-up a number of areas of public highway within the Site and some element of footways adjoining and surrounding the Site.
- 3.4.2 In parallel with the proposed CPO, the Developer is making an application to the Secretary of State under Section 247 of the 1990 Act for the stopping up of public highways that are necessary to enable development of the Scheme that accords with the parameters approved under the Planning Permission and meets the limitations imposed under planning conditions. Fuller details are set out in the draft Statement of Reasons.
- 3.4.3 Council officers are aware of the content of a draft Stopping Up Order plan prepared by the Developer and believe that it correctly identifies all of the public highways that will be need to be stopped up to enable the

Scheme to be carried out under the parameters permitted under the Planning Permission. The draft Stopping Up Order Application Plan is attached at Appendix F. Authority is sought for the Council to support the application of the Stopping Up Order and to assist the Developer's promotion of an Order at Public Inquiry, if necessary and as appropriate.

- 3.4.4 In addition, there may be need for temporary and/or permanent traffic regulation orders to be promoted as a consequence of the construction and/or operation of the Scheme and which may be secured by the Council as local highway authority or may be a requirement of the proposed Stopping Up Order.
- 3.4.5 Statutory undertakers enjoy the benefit of statutory rights for the laying and keeping of apparatus in public highways due to be stopped up. The Developer is in discussions with affected statutory undertakers to agree to the extinguishment and/or diversion of this apparatus by agreement with those statutory undertakers. Authority is sought to enter into agreements with such parties with or without the Developer, as necessary and as is appropriate, to facilitate the confirmation of the CPO (noting that securing the Stopping Up Order is a potential impediment to delivery of the Scheme and a relevant consideration to confirmation of the CPO). Two existing public highways within the Site are to be retained and are not proposed to be stopped up. One such highway provides access to an electricity substation owned by Yorkshire Electricity Distribution Limited ("YEDL") and within which are laid electricity cables. This and the other public highway to be retained also provide access and egress to the Courts and for its patrons, principally by vehicle. These accesses will continue to be made available.
- 3.4.6 In the absence of a registered owner in land comprising public highway around YEDL's substation, YEDL is presumed to be the owner or potential owner of the subsoil of a section of that highway (part of Workhouse Lane) fronting the substation (Plot 4). To the extent that YEDL is the owner in the land and can demonstrate that it is used for its undertaking, it is entitled to object to its own Minister to the acquisition of its land by compulsion where it considers that such acquisition would cause serious detriment to its undertaking with or without replacement. Council officers are satisfied that no serious detriment will be caused to YEDL whose access to the substation is taken via Spring Street. In any event Spring Street and this section of Workhouse Lane are not proposed to be stopped up as part of the stopping up order that will be promoted alongside the CPO, and are instead expected to be retained for vehicular and pedestrian access/egress. Any further or subsequent stopping up or variation to this arrangement would be subject to its own separate application for an order to stop up, for which an opportunity to make representations would be available to YEDL. Council officers are aware that the Developer is liaising with representatives for YEDL on the proposed application for stopping up that will be promoted in parallel with the CPO.
- 3.4.7 If required and as is appropriate, officers will support the Developer with

evidence presented in writing, at Public Inquiry or hearing in support of the Stopping Up Order to demonstrate to the Secretary of State that full consideration has been given to the need to minimise disruption to statutory undertakers, the Courts and occupiers and businesses affected (not subject to CPO) near to and surrounding the Scheme and that measures exist to ensure that pedestrian and vehicle movement and safety can be made acceptable.

#### **4. PROPOSED COMPULSORY PURCHASE ORDER**

4.1 Based on the current status of private treaty negotiations (outlined above in Section 3), for the comprehensive scheme to be delivered, outstanding land in the Order Land need to be acquired, as detailed in draft Order Schedule attached at Appendix A.

4.2 The Council and the Developer are supported by specialist land referencing agents to ascertain ownership and interests in all land within Site. This included obtaining title information from the Land Registry and site visits/enquiries. The Council informed all known interests by letter on 25<sup>th</sup> May 2017 of the intention to serve Section 16 Notices. Section 16 notices can be served prior to making the CPO to requisition ownership information from all parties likely to be affected. The notices were subsequently served on all parties and notices were posted on site. Follow-up letters were served to chase responses to requisitions. Notices have also been placed on Site in locations of unknown ownership. Final searches of the Land Registry have been carried out again by the specialist referencers to ensure that the information set out in the Order Schedule remains up to date prior to making the CPO and will be kept under review.

4.3 The referencing exercise confirmed that in addition to land controlled by the Council and the Developer there are 7 other principal ownerships that need to be acquired to enable the Scheme to come forward. Fuller details are set out in the Statement of Reasons.

4.4 The Government's Guidance on CPO recommends that promoting authorities are expected to provide evidence that meaningful attempts at negotiation have been pursued or at least genuinely attempted, save for lands where land ownership is unknown or in question. Specialist property agents BNP Paribas are advising as to negotiations with the outstanding land owner interests. Negotiations, principally led by the Developer with support from the specialist agent, have and continue to be undertaken in the period leading up to this Report, with a view to acquiring interests by agreement, where possible. Council officers are aware of the detail of discussions that have taken place and offers that have been made to these parties.

4.5 No residential occupiers will be displaced or are affected by these

negotiations. Council officers are satisfied that details of suitable alternative premises have been made known to the remaining commercial landowners as part of these negotiations. One of the properties owned by SCC (33 Love Street) is occupied informally by SCC and NHS Sheffield Health and Social Care Trust (SHSCT) as a staff base for social workers/assessors and a learning disabilities centre. Officers in Adult Services and SHSCT are seeking alternative arrangements for both staff and service users.

- 4.6 Whilst these negotiations will continue it is necessary to progress the CPO alongside the negotiations in order to ensure acquisitions will take place so that the Scheme can be delivered.
- 4.7 It is proposed to make a CPO under section 226(1)(a) of the Town & Country Planning Act 1990 (as amended).
- 4.8 The Council can make a CPO under section 226(1)(a) "if the authority thinks that the acquisition will facilitate the carrying out of development, re-development or improvement on or in relation to the land" and under section 226(1A) for the reasons set out in section 226 (1)(a) it thinks that "the development, redevelopment or improvement is likely to contribute to the achievement of any one or more of (three) objects.
- 4.9 For the purposes of this CPO the Council thinks that pursuant to section 226 (1A)(a) all three objects are relevant and that the Scheme will contribute to the economic, social and environmental well-being of its area.
- 4.10 The Government's CPO Guidance states that a compulsory purchase order should only be made where there is a compelling case in the public interest. Council officers consider there is a case for intervention and a compelling case (outlined above in sections 2 and 3) in the public interest for the making of the CPO because of the important regeneration benefits that the redevelopment of the Site will deliver to the Riverside Business District and surrounding areas and the significant contribution to the promotion of the economic, social and environmental well-being of the area (see also Section 5 below).
- 4.11 The Order Land has been identified having regard to the extent of land interests required to ensure the comprehensive delivery of the Scheme, as outlined in this Report and the draft Statement of Reasons.
- 4.12 The land interests required are detailed in the draft Order Schedule and shown on the draft Order Map, attached at Appendices A and B. These will remain in draft pending the making of a CPO and may be updated to reflect changes in ownership prior to making the CPO. A final version of the Order Map and Order Schedule as well as the CPO and Statement of Reasons will be available to Cabinet once made. All documents will be available for inspection by the public once the CPO has been made.

## **5. HOW DOES THIS DECISION CONTRIBUTE?**

5.1 The full explanation of the perceived benefits that the Scheme will address in terms of well-being is detailed in the draft Statement of Reasons in Section 7, attached at Appendix C, an overview of which is as follows:

### **5.2 Economic**

5.2.1 The Council considers that there is a need and demand for large floor-plate employment space in the City Centre and West Bar Square is an important site that can accommodate this provision and contribute to the City's competitiveness to retain and attract investment and jobs. It is expected that the development will deliver commercial employment floor space supporting around 3,660 full time jobs and provision for up to 850 new residents.

5.2.2 In due course, the development will generate Council Tax and business rate receipts for the Council's revenue budget. The annual impact is uncertain at this stage as the development will be a progressive long term development delivered in phases over 5-10 years. This represents a further indirect economic benefit to the public through the Council's wider services.

### **5.3 Environmental**

5.3.1 The Scheme will deliver considerable environmental improvements delivering higher energy efficient buildings, high quality public realm and landscaping with new pedestrian and cycle routes to/from the City Centre, Kelham Island and Woodside/Burngreave.

### **5.4 Social**

5.4.1 The Scheme will deliver improvements to social well-being with a high quality development with new public spaces and active ground floor leisure uses for people to meet and congregate, high quality housing and offices.

## **6. CONSULTATION**

6.1 The principle of comprehensive redevelopment at West Bar Square has been the subject of numerous public consultations with positive feedback including the West Bar IPG (2006), previous developer Castlemore's planning application (2006), City Centre Masterplan (2008 and Draft 2013) and community consultation was undertaken as part of the promotion of the Developer's planning application (2015) for the Planning Permission.

6.2 The CPO once made will be advertised both nationally and locally in the press, notices will be placed on site and all the CPO documentation will

be made available for inspection at Howden House and the Town Hall.

6.3 The Developer has met regularly with Council officers and its advisors.

6.4 Representations can be made in the context of any public inquiry that the Secretary of State decides to hold in connection with this CPO.

## **7. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION**

### **7.1 Equality of Opportunity Implications**

7.1.1 Acquiring authorities are bound by the Public Sector Equality Duty under section 149 of the Equality Act 2010. As such, in exercising compulsory purchase and related powers, the Council must have regard to the effect of any different impacts on groups with protected characteristics.

7.1.2 Overall there are no significant differential, positive or negative impacts from this proposal. There is a short term negative impact on adults with learning disabilities and businesses currently located in the area, but long term the redevelopment of the site should be of positive benefit for all local people.

7.1.3 The closure of 33 Love Street and the introduction of new arrangements for the various learning disability service customers and staff may have a short term negative impact due to the change and adjustment customers may need to go through. However, council officers will ensure there is sufficient time for reviews and detailed discussions with customers about future options ahead of the closure to facilitate the move to new arrangements. This will be the subject of a secondary EIA carried out by the People portfolio.

7.1.4 Other commercial occupiers/businesses currently located in this area will need to relocate, but support will be provided by specialist property agents who will propose alternative premises.

7.1.5 The long term positive economic and social impacts should benefit all local people due to the creation of a significant number of new jobs, new high quality public spaces and new pedestrian and cycle routes to/from the city centre.

### **7.2 Financial and Commercial Implications**

7.2.1 Under the Development Agreement, the Developer is responsible for paying the Council's Project Management and Legal costs. The Developer has also fully indemnified the Council in respect of all costs and expenses incurred by the Council in connection the CPO including purchase costs and the payment of all proper CPO compensation. Costs will be invoiced to the Developer on at least a quarterly basis to minimise the Councils exposure to loss.

7.2.2 The Council holds a freehold or other interest in a proportion of the site.

The Development Agreement provides for the Developer to acquire this at market value at the time that it is drawn down.

- 7.2.3 The terms of the Development Agreement are underwritten/guaranteed by Arnold Laver & Company Limited. In 2016, a joint venture agreement was entered into by URL to deliver the Scheme with Peveril Securities, as part of the Bowmer & Kirkland Group. This formed the Developer company and injected further funds into the development including for site assembly.
- 7.2.4 The cost of the development is expected to be funded by the Developer via a mixture of debt/bank financing and from receipts generated by the Developer from the letting and disposal of elements of the Scheme.
- 7.2.5 Specialist agents BNP Paribas have been appointed to the Council and the Developer and are advising as to financial performance of the Scheme and the anticipated and actual market interest in the Scheme. Knight Frank is also advising the Developer on the status of market interest as part of marketing the site for redevelopment.
- 7.2.6 Council officers have reviewed financial appraisals detailing all Scheme costs required to deliver the Scheme, including details of finance models.
- 7.2.7 Council officers are aware from discussions that have and are taking place with the Developer that there has been and is expected to be market requirement for the Scheme from parties with substantial covenant strength and that there have been expressions of interest. One of main hurdles to reaching contract for any requirement is the current uncertainty that exists on completing all landownership required to deliver the Scheme. The CPO is expected to address that uncertainty.
- 7.2.8 Council officers are satisfied that based on the information available and specialist advice provided by BNP Paribas, that if the CPO is confirmed, there is sufficient expectation of continued market requirement and interest in the Scheme and that the Scheme is financially viable and capable of being delivered.
- 7.3 Legal Implications
- 7.3.1 For reasons set out in the above sections of this Report and more fully explained in the draft Statement of Reasons, it is the view of the Director of Legal & Governance and Monitoring Officer that the CPO of the Order Land is required in order to deliver the comprehensive development at West Bar Square and is likely to achieve the promotion and improvement of the economic, environmental and social well-being of the population of Sheffield.
- 7.3.2 The Director of Legal and Governance and Monitoring Officer confirms that under Section 226 of the Town & Country Planning Act 1990 the



Council can make a CPO to acquire the land required for the Scheme.

- 7.3.3 The Government's CPO Guidance states that the acquiring authority is expected to demonstrate that reasonable steps have been taken to acquire all of the land and rights included in the CPO by agreement. At the same time, this Guidance recognises the role of CPO in order to secure assembly of the land needed for projects in a timely manner and that the CPO process will make the seriousness of the authority's intentions clear and may encourage those whose land is affected to enter more readily into meaningful negotiations. The Director of Legal and Governance is cognisant of the efforts that have been made by the Developer, Council officers and their advisors in seeking to acquire the outstanding interests and confirms that under Section 227 of the Town & Country Planning Act 1990 the Council may still acquire the land by agreement and should continue to do so, where possible. In practice, the outstanding interests may be acquired by the Developer, to avoid land interests passing through the Council unnecessarily. The arrangements for control of the land required for the Scheme is otherwise controlled and addressed under the Development Agreement. The land interests of the Developer are also included in the Order Land to ensure that any minor interests in this land can be extinguished and to provide the Council with control of all of the Order Land, should it be necessary.
- 7.3.4 It is the view of the Director of Legal and Governance that the transfer of land to the Developer under the terms of the Development Agreement conforms with best value principles set out under Section 233 of the Town & Country Planning Act 1990.
- 7.3.5 The Government's CPO Guidance states that compulsory purchase proposals will inevitably lead to a period of uncertainty and anxiety for the owners and occupiers of the affected land. Acquiring authorities should therefore consider, amongst other things, keeping any delay to a minimum by completing the statutory process as quickly as possible. In recognition of this advice, the recommendation is for the Council to seek confirmation of the CPO from the Secretary of State as soon as possible after it is made and published.
- 7.3.6 For the reasons summarised in this Report, the Director of Legal Services is satisfied that the recommendations in the Government's CPO Guidance is being complied with where appropriate to the circumstances.

#### 7.4 Environmental Sustainability

- 7.4.1 The redevelopment of the Site will bring back into beneficial use brownfield land that is currently vacant or underutilised. The majority of the Site was and in part is still occupied by a collection of industrial uses and areas that have been demolished and cleared, are currently used for open air car parking on hard standing or are vacant.

- 7.4.2 Proposed new commercial development as part of the Scheme will be highly accessible to the people of Sheffield and will be within walking distance of sustainable modes of transport including Sheffield Train Station. The significant proposed improvements to pedestrian public realm will make a positive contribution to connectivity through the Riverside Business District to and from the City Centre and beyond to the surrounding neighbourhoods.
- 7.4.3 The residential element of the Scheme will be highly sustainable because of the proximity of new homes to the City Centre, the Riverside Business District and sustainable modes of transport.

## 7.5 Human Rights

7.5.1 The Government's CPO Guidance states that when making a CPO, acquiring authorities should be sure that the purposes for which the CPO is made justify interfering with the human rights of those with an interest in the land affected.

7.5.2 The Human Rights Act 1998 incorporated into domestic law the European Convention on Human Rights ("the Convention"). The specific rights protected by the Convention include, amongst others:

- The right of everyone to the peaceful enjoyment of their possessions, which can only be impinged upon in the public interest and subject to relevant national and international laws;
- The right to a fair and public hearing for those affected by the Scheme; and
- The right to a private and family life, home and correspondence, which again can only be impinged upon in accordance with law and where such encroachment is necessary in the interest of national security, public safety or the economic well-being of the country.

7.5.3 The above rights would be engaged by the use of a CPO to acquire land for the Scheme. However, the European Court has recognised that "regard must be had to the fair balance that has to be struck between competing interests of the individual and the community as a whole". Any interference with the convention right must be necessary and proportionate.

7.5.4 In light of the significant public benefit which would arise from the comprehensive development of West Bar Square site and that the known landowners/occupiers have been contacted regarding the Scheme and will, should their land be compulsorily acquired, qualify for compensation under the Compensation Code, the Director of Legal Services has concluded that there is a compelling case in the public interest to make the CPO.

- 7.5.5 Officers do not regard the proposed CPO as constituting any unlawful interference with the individual's rights under the Convention, including in particular any property rights.

## **8. ALTERNATIVE OPTIONS CONSIDERED**

### **8.1 Do Nothing**

The above option has been considered but is rejected in the knowledge that the ongoing fragmentation of ownership materially risks the development of the site as a comprehensive development and is likely to lead to piecemeal development of singular plots of varying sizes all of which are constrained by the existing street pattern. This approach would not deliver the key objectives of large scale comprehensive redevelopment in accordance with the policy objectives for the area including the level of job creation, public realm improvements and integrated development that will foster the creation of a new mixed-use neighbourhood as part of the Riverside Business District and bring about the substantial public benefits and well-being improvements for the area.

### **8.2 Acquire the necessary land without a CPO**

Whilst the Council and the Developer are continuing to working to negotiate voluntary acquisition of all the Order Land this option is deemed uncertain with no defined timeframe and continues to materially risk the realisation of the Scheme.

## **9. REASONS FOR RECOMMENDATIONS**

- 9.1 The making by the Council of a CPO to acquire the Order Land required for the Scheme is available under section 226 (1)(a) of the 1990 Town and Country Planning Act, and would be justified in consequence of a compelling case in the public interest for the acquisition of the Order Land to enable the delivery of the West Bar Square regeneration development.
- 9.2 Where the Council proposes to make a CPO under these statutory provisions, the Council must be satisfied that the development is likely to contribute to the achievement of one or more of the following objects, namely the promotion or improvement of the economic, social or environmental well-being of their area.
- 9.3 It is considered that there is a compelling case in the public interest to justify the Council using its compulsory purchase powers to acquire the Order Land because of the important regeneration benefits that the Scheme will deliver to the City Centre and nearby neighbourhoods as part of facilitating the regeneration of a large area of underutilised land, the details of which are outlined in this Report.
- 9.4 If the Order Land is not acquired there is little prospect that comprehensive redevelopment at West Bar Square will take place and

the anticipated regeneration benefits will not be realised.

9.5 For these reasons, it is suggested that Cabinet adopt the recommendations contained in this Report.

## 10. RECOMMENDATIONS

- i. That authority be given to the Council to make a Compulsory Purchase Order under the powers conferred by Section 226 (1) (a) of the Town and Country Planning Act 1990 to acquire all land interests, other than those of the Council and those held by or on behalf of the Crown, as described in the Order Schedule, attached at Appendix A, at West Bar Square and as shown on the Order Map attached at Appendix B with title 'Sheffield City Council (West Bar Square Regeneration) Compulsory Purchase Order 2018' (the "Order Land").
- ii. That authority be given to the Executive Director Place in consultation with the Director of Legal and Governance and Executive Director of Resources to agree and enter into all necessary legal documentation with Urbo (West Bar) Limited (the Developer)
- iii. That the Director of Legal & Governance be authorised to make the CPO for the Order Land, to take all necessary procedural steps prior to and after the making of the CPO, to enable the CPO to be submitted to the Secretary of State for confirmation including:
  - a) Finalising the attached draft Statement of Reasons, at Appendix C;
  - b) Finalising the Order Schedule, at Appendix A;
  - c) Serving notices of the making of the CPO on all persons entitled to such notice and placing all necessary notices in the press and on/around the Order Land;
  - d) To submit the CPO to the Secretary of State for confirmation as soon as possible following making of the CPO; and
  - e) To self-confirm the CPO if authorised to do by the Secretary of State.
- iv. That the Director of Legal & Governance be authorised to sign and serve any notices or documents necessary to give effect to these recommendations and to take all the other actions necessary to give effect to these recommendations.
- v. As soon as the CPO is confirmed by the Secretary of State to advertise the confirmation of the CPO and serve all necessary notices of the confirmation and once the CPO becomes operative, the Director of Legal & Governance in consultation with the Executive Director of Resources be authorised to execute General Vesting Declarations under the Compulsory Purchase

(Vesting Declarations) Act 1981, at the earliest opportunity and to thereafter serve all necessary documents and notices of the vesting of the Order Land in the Council.

- vi. That the Executive Director Place, in consultation with the Director of Legal & Governance and the Executive Director of Resources be authorised to manage the compulsory purchase process at least in accordance with the terms of the Development Agreement and in accordance with all statutory requirements and to otherwise promote or supporting the promotion of confirmation of the CPO including the preparation of and giving of evidence at any public inquiry.
- vii. That Cabinet confirms that such parts of the Order Land and other adjoining land owned by the Council as is required to facilitate and enable the Scheme, that is not currently held for planning purposes, is appropriated for planning purposes and from the date of such confirmation that the Order Land and such other adjoining land is held for planning purposes and without prejudice to any other statutory status (from time to time) of any part of that land as public highway.
- viii. That, if necessary, the Council, and those deriving title from it, be authorised to use its powers pursuant to Section 203 of the Housing and Planning Act 2016 in order to override any rights or covenants in the Order Land and in any other land owned by the Council adjoining the Order Land which would otherwise impede the delivery of the Scheme.
- ix. That the Director of Legal Services, in consultation with the Executive Director Place be authorised to prevent extinguishment of, grant and/or re-grant private rights of statutory undertakers and the Combined Crown and Family Courts in or over the Order Land as he/she deems necessary to secure confirmation of the CPO by:
  - (a) making a Direction under section 236 of the Town & Country Planning Act 1990; and/or
  - (b) entering into an agreement with affected parties, with or without the Developer, as is appropriate.
- x. That the Executive Director Place, in consultation with the Director of Legal Services be authorised, as he/she deems appropriate and necessary to facilitate and enable the Scheme to be carried out, to;
  - (a) support an application for a Stopping Up Order of public highways and footways within and adjacent to the Order Land including support for and giving of evidence at any public inquiry; and

(b) to enter into an agreement or grant licence or authority in its capacity as owner and/or the relevant highway authority for the creation of new highway and footways in and adjacent to the Order Land.

- Appendix A Draft Order Schedule
- Appendix B Draft Order Map
- Appendix C Draft Statement of Reasons
- Appendix D City Context and Riverside Business District Plans
- Appendix E West Bar Square Masterplan and CGI (Based on planning consent 16/02518/OUT)
- Appendix F Draft Stopping Up Order Application Plan

Table 1

## SCHEDULE

Number on Map (1)	Extent, description and situation of the land (2)	Qualifying persons under section 12(2)(a) of the Acquisition of Land Act 1981 - name and address (3)			
		Owners or reputed owners	Lessees or reputed lessees	Tenants or reputed tenants (other than lessees)	Occupiers
1	All interests, other than those of the acquiring authority, in 228 square metres of half width of highways known as Workhouse Lane and Love Street, Sheffield.	Unknown <i>(in respect of the subsoil)</i>  The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(in respect of presumption to subsoil and as highway authority in respect of Workhouse Lane and Love Street, Sheffield)</i>	—	—	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Workhouse Lane and Love Street, Sheffield)</i>
2	All interests, other than those of the acquiring authority and those held by or on behalf of the Crown, in 15 square metres of part width of highway known as Love Street, Sheffield	Unknown <i>(in respect of the subsoil)</i>  The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(in respect of presumption to subsoil and as highway authority in respect of Love Street, Sheffield)</i>	Department for Communities and Local Government 2 Marsham Street London SW1P 4DF	—	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Love Street, Sheffield)</i>

Number on Map (1)	Extent, description and situation of the land (2)	Qualifying persons under section12(2)(a) of the Acquisition of Land Act 1981 - name and address (3)			
		Owners or reputed owners	Lessees or reputed lessees	Tenants or reputed tenants (other than lessees)	Occupiers
3	All interests, other than those of the acquiring authority and those held by or on behalf of the Crown, in 71 square metres of verge and part width of highways known as Workhouse Lane and Love Street, Sheffield.	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH	Department for Communities and Local Government 2 Marsham Street London SW1P 4DF	-	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(and as highway authority in respect of Workhouse Lane and Love Street, Sheffield)</i>
4	All interests, other than those of the acquiring authority, in 26 square metres of half width of highway known as Workhouse Lane, Sheffield	Unknown <i>(in respect of the subsoil)</i>  Yorkshire Electricity Distribution Limited 2nd Floor Lloyds Court 78 Grey Street Newcastle Upon Tyne NE1 6AF <i>(in respect of presumption to subsoil)</i>  The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Workhouse Lane, Sheffield)</i>	-	-	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Workhouse Lane, Sheffield)</i>



Number on Map (1)	Extent, description and situation of the land (2)	Qualifying persons under section 12(2)(a) of the Acquisition of Land Act 1981 - name and address (3)			
		Owners or reputed owners	Lessees or reputed lessees	Tenants or reputed tenants (other than lessees)	Occupiers
5	All interests, other than those of the acquiring authority and those held by or on behalf of the Crown, in 348 square metres of landscaping, hardstanding and paved area west of Law Courts and east of Workhouse Lane, Sheffield	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH	Department for Communities and Local Government 2 Marsham Street London SW1P 4DF	-	Department for Communities and Local Government 2 Marsham Street London SW1P 4DF  The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(and as highway authority in respect of Workhouse Lane, Sheffield)</i>
6	All interests, other than those of the acquiring authority, in 94 square metres of part width of highways known as West Bar and Workhouse Lane, Sheffield	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH	-	-	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(and as highway authority in respect of Workhouse Lane, Sheffield)</i>
7	All interests, other than those of the acquiring authority and those held by or on behalf of the Crown, in 238 square metres of landscaping, hardstanding and paved area west of Law Courts and east of Workhouse Lane, Sheffield	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH	Department for Communities and Local Government 2 Marsham Street London SW1P 4DF	-	Department for Communities and Local Government 2 Marsham Street London SW1P 4DF

Number on Map (1)	Extent, description and situation of the land (2)	Qualifying persons under section 12(2)(a) of the Acquisition of Land Act 1981 - name and address (3)			
		Owners or reputed owners	Lessees or reputed lessees	Tenants or reputed tenants (other than lessees)	Occupiers
8	All interests, other than those of the acquiring authority, in 210 square metres of part width of highways known as West Bar and Workhouse Lane, Sheffield	<p>Unknown <i>(in respect of the subsoil)</i></p> <p>The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(in respect of presumption to subsoil and as highway authority in respect of West Bar and Workhouse Lane, Sheffield)</i></p>	-	-	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of West Bar and Workhouse Lane, Sheffield)</i>
9	All interests, other than those of the acquiring authority, in 72 square metres of half width of highway known as Workhouse Lane, Sheffield	<p>Unknown <i>(in respect of the subsoil)</i></p> <p>Village Commercial Developments (2000) 7a Brooklands Avenue Sheffield S10 4GA <i>(in respect of presumption to subsoil)</i></p>	-	-	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Workhouse Lane, Sheffield)</i>

Number on Map (1)	Extent, description and situation of the land (2)	Qualifying persons under section 12(2)(a) of the Acquisition of Land Act 1981 - name and address (3)			
		Owners or reputed owners	Lessees or reputed lessees	Tenants or reputed tenants (other than lessees)	Occupiers
9 cont		The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Workhouse Lane, Sheffield)</i>			
10	All interests, other than those of the acquiring authority, in 161 square metres of part width of highways known as West Bar and Workhouse Lane, Sheffield	Unknown <i>(in respect of the subsoil)</i>  The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(in respect of presumption to subsoil and as highway authority in respect of West Bar and Workhouse Lane, Sheffield)</i>	-	-	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of West Bar and Workhouse Lane, Sheffield)</i>
11	All interests, other than those of the acquiring authority, in 21 square metres of part width of highway known as Workhouse Lane, Sheffield	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH	-	-	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(and as highway authority in respect of Workhouse Lane, Sheffield)</i>

Number on Map (1)	Extent, description and situation of the land (2)	Qualifying persons under section 12(2)(a) of the Acquisition of Land Act 1981 - name and address (3)			
		Owners or reputed owners	Lessees or reputed lessees	Tenants or reputed tenants (other than lessees)	Occupiers
12	All interests, other than those of the acquiring authority, in 63 square metres of car park known as Workhouse Lane Car Park, formerly known as 88 West Bar, north of highway known as West Bar, Sheffield	Village Commercial Developments (2000) c/o J S Bethell & Co 70 Clarkehouse Road Sheffield S10 2LJ	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH	-	Unoccupied
13	All interests, other than those of the acquiring authority, in 32 square metres of part width of highway known as West Bar, Sheffield	Unknown <i>(in respect of the subsoil)</i>  Village Commercial Developments (2000) c/o J S Bethell & Co 70 Clarkehouse Road Sheffield S10 2LJ <i>(in respect of presumption to subsoil)</i>  The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of West Bar, Sheffield)</i>	-	-	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of West Bar, Sheffield)</i>

Number on Map (1)	Extent, description and situation of the land (2)	Qualifying persons under section 12(2)(a) of the Acquisition of Land Act 1981 - name and address (3)			
		Owners or reputed owners	Lessees or reputed lessees	Tenants or reputed tenants (other than lessees)	Occupiers
14	All interests, other than those of the acquiring authority, in 2 square metres of car park known as Workhouse Lane Car Park, formerly known as 88 West Bar, north of highway known as West Bar and west of highway known as Workhouse Lane, Sheffield	Village Commercial Developments (2000) c/o J S Bethell & Co 70 Clarkehouse Road Sheffield S10 2LJ	-	-	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH
15	All interests, other than those of the acquiring authority, in 604 square metres of advertisement hoarding numbered 4004, telephone booth advertisement hoarding, car park known as Workhouse Lane Car Park, Sheffield	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH	-	-	JCDecaux Limited 991 Great West Road Brentford TW8 9DN <i>(in respect of hoarding numbered 4004)</i>  In Focus Public Networks Limited 991 Great West Road Brentford TN8 9DN <i>(in respect of telephone booth advertisement hoarding)</i>
16	All interests, other than those of the acquiring authority, in 101 square metres of part width of highway known as West Bar, Sheffield	Unknown <i>(in respect of the subsoil)</i>	-	-	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of West Bar, Sheffield)</i>

Number on Map (1)	Extent, description and situation of the land (2)	Qualifying persons under section 12(2)(a) of the Acquisition of Land Act 1981 - name and address (3)			
		Owners or reputed owners	Lessees or reputed lessees	Tenants or reputed tenants (other than lessees)	Occupiers
16 cont		The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(in respect of presumption to subsoil and as highway authority in respect of West Bar, Sheffield)</i>			
17	All interests, other than those of the acquiring authority, in 111 square metres of part width of highway known as Corporation Street, Sheffield	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH	-	-	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(and as highway authority in respect of Corporation Street, Sheffield)</i>
18	All interests, other than those of the acquiring authority, in 30 square metres of part width of highway known as Corporation Street, Sheffield	Unknown <i>(in respect of the subsoil)</i>  The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(in respect of presumption to subsoil and as highway authority in respect of Corporation Street, Sheffield)</i>	-	-	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Corporation Street, Sheffield)</i>

Number on Map (1)	Extent, description and situation of the land (2)	Qualifying persons under section 12(2)(a) of the Acquisition of Land Act 1981 - name and address (3)			
		Owners or reputed owners	Lessees or reputed lessees	Tenants or reputed tenants (other than lessees)	Occupiers
19	All interests, other than those of the acquiring authority, in 31 square metres of part width of highway known as Corporation Street, Sheffield	<p>Unknown <i>(in respect of the subsoil)</i></p> <p>Village Commercial Developments (2000) 7a Brooklands Avenue Sheffield S10 4GA <i>(in respect of presumption to subsoil)</i></p> <p>The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Corporation Street, Sheffield)</i></p>	-	-	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Corporation Street, Sheffield)</i>
20	All interests, other than those of the acquiring authority, in 1022 square metres of advertisement hoarding numbered 024101, car park known as Workhouse Lane Car Park, Sheffield	Village Commercial Developments (2000) 7a Brooklands Avenue Sheffield S10 4GA	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH	-	JCDecaux Limited 991 Great West Road Brentford TW8 9DN <i>(in respect of hoarding numbered 024101)</i>

Number on Map (1)	Extent, description and situation of the land (2)	Qualifying persons under section 12(2)(a) of the Acquisition of Land Act 1981 - name and address (3)			
		Owners or reputed owners	Lessees or reputed lessees	Tenants or reputed tenants (other than lessees)	Occupiers
21	All interests, other than those of the acquiring authority, in 93 square metres of part width of highway known as Corporation Street, Sheffield	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH	-	-	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(and as highway authority in respect of Corporation Street, Sheffield)</i>
22	All interests, other than those of the acquiring authority, in 190 square metres of landscaping and car park known as Workhouse Lane Car Park, Sheffield	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH	-	-	Unoccupied
23	All interests, other than those of the acquiring authority, in 104 square metres of half width of highways known as Workhouse Lane and Spring Street, Sheffield	Unknown <i>(in respect of the subsoil)</i>  The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(in respect of presumption to subsoil and as highway authority in respect of Spring Street and Workhouse Lane, Sheffield)</i>	-	-	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Spring Street and Workhouse Lane, Sheffield)</i>



Number on Map (1)	Extent, description and situation of the land (2)	Qualifying persons under section 12(2)(a) of the Acquisition of Land Act 1981 - name and address (3)			
		Owners or reputed owners	Lessees or reputed lessees	Tenants or reputed tenants (other than lessees)	Occupiers
24	All interests, other than those of the acquiring authority, in 195 square metres of half width of highway known as Spring Street, Sheffield	<p>Unknown <i>(in respect of the subsoil)</i></p> <p>Village Commercial Developments (2000) 7a Brooklands Avenue Sheffield S10 4GA <i>(in respect of presumption to subsoil)</i></p> <p>The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Spring Street, Sheffield)</i></p>	-	-	<p>The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Spring Street, Sheffield)</i></p>
25	All interests, other than those of the acquiring authority, in 13 square metres of part width of highway known as Spring Street, Sheffield	<p>Unknown <i>(in respect of the subsoil)</i></p>	-	-	<p>The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Spring Street, Sheffield)</i></p>

Number on Map (1)	Extent, description and situation of the land (2)	Qualifying persons under section 12(2)(a) of the Acquisition of Land Act 1981 - name and address (3)			
		Owners or reputed owners	Lessees or reputed lessees	Tenants or reputed tenants (other than lessees)	Occupiers
25 cont		The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(in respect of presumption to subsoil and as highway authority in respect of Corporation Street, Sheffield)</i>			
26	All interests, in 1060 square metres of car park known as Spring Street Car Park, Sheffield	Blackbirch Limited 36 The Bridge Business Centre Beresford Way Chesterfield S41 9FG	-	-	RCP Parking Limited 15 The Close Norwich NR1 4DZ
27	All interests, other than those of the acquiring authority, in 432 square metres of half width of highways known as Spring Street, Love Street and Water Street, Sheffield	Unknown <i>(in respect of the subsoil)</i>  Blackbirch Limited 36 The Bridge Business Centre Beresford Way Chesterfield S41 9FG <i>(in respect of presumption to subsoil)</i>	-	-	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Spring Street, Love Street and Water Street, Sheffield)</i>

Number on Map (1)	Extent, description and situation of the land (2)	Qualifying persons under section 12(2)(a) of the Acquisition of Land Act 1981 - name and address (3)			
		Owners or reputed owners	Lessees or reputed lessees	Tenants or reputed tenants (other than lessees)	Occupiers
27 cont		The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Spring Street, Love Street and Water Street, Sheffield)</i>			
28	All interests, other than those of the acquiring authority, in 81 square metres of part width of highway known as Corporation Street, Sheffield	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH	-	-	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(and as highway authority in respect of Corporation Street, Sheffield)</i>
29	All interests, other than those of the acquiring authority, in 14 square metres of part width of highway known as Water Street, Sheffield	Unknown <i>(in respect of the subsoil)</i>  The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(in respect of presumption to subsoil and as highway authority in respect of Corporation Street, Sheffield)</i>	-	-	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Water Street, Sheffield)</i>

Number on Map (1)	Extent, description and situation of the land (2)	Qualifying persons under section 12(2)(a) of the Acquisition of Land Act 1981 - name and address (3)			
		Owners or reputed owners	Lessees or reputed lessees	Tenants or reputed tenants (other than lessees)	Occupiers
30	All interests, other than those of the acquiring authority, in 98 square metres of half width of highway known as Water Street and part width of highway known as Corporation Street, Sheffield	<p>Unknown <i>(in respect of the subsoil)</i></p> <p>Bolsterstone (Chesterfield) LLP 36 Bridge Business Centre Beresford Way Chesterfield S41 9FG <i>(in respect of presumption to subsoil)</i></p> <p>The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Corporation Street and Water Street, Sheffield)</i></p>	-	-	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Corporation Street and Water Street, Sheffield)</i>
31	All interests, in 418 square metres of car park east of Corporation Street, south of Plum Street, Sheffield	Bolsterstone (Chesterfield) LLP 36 Bridge Business Centre Beresford Way Chesterfield S41 9FG	-	-	RCP Parking Limited 15 The Close Norwich NR1 4DZ

Number on Map (1)	Extent, description and situation of the land (2)	Qualifying persons under section 12(2)(a) of the Acquisition of Land Act 1981 - name and address (3)			
		Owners or reputed owners	Lessees or reputed lessees	Tenants or reputed tenants (other than lessees)	Occupiers
32	All interests, in 420 square metres of derelict commercial premises known as Anchor Works, Love Street, Sheffield	<p>Gerald Duniec 14 The Bridges Heys Road Thongsbridge Holmfirth HD9 7FE</p> <p>Richard Duniec 14 The Drive Alwoodley Leeds LS17 7QQ</p> <p>Adrian Alan Charles Graham Graywoods 4th Floor, Fountain Precinct Leopold Street Sheffield S1 2JA <i>(as trustee of the bankruptcy estate of Richard Anthony Duniec)</i></p>	-	-	Unoccupied
33	All interests, other than those of the acquiring authority, in 156 square metres of half width of highways known as Water Street and Love Street, Sheffield	Unknown <i>(in respect of the subsoil)</i>	-	-	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Water Street and Love Street, Sheffield)</i>

Number on Map (1)	Extent, description and situation of the land (2)	Qualifying persons under section 12(2)(a) of the Acquisition of Land Act 1981 - name and address (3)			
		Owners or reputed owners	Lessees or reputed lessees	Tenants or reputed tenants (other than lessees)	Occupiers
33 cont		<p>Gerald Duniec 14 The Bridges Heys Road Thongsbridge Holmfirth HD9 7FE <i>(in respect of presumption to subsoil)</i></p> <p>Richard Duniec 14 The Drive Alwoodley Leeds LS17 7QQ <i>(in respect of presumption to subsoil)</i></p> <p>Adrian Alan Charles Graham Graywoods 4th Floor, Fountain Precinct Leopold Street Sheffield S1 2JA <i>(as trustee of the bankruptcy estate of Richard Anthony Duniec)</i> <i>(in respect of presumption to subsoil)</i></p> <p>The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Water Street and Love Street, Sheffield)</i></p>			

Number on Map (1)	Extent, description and situation of the land (2)	Qualifying persons under section 12(2)(a) of the Acquisition of Land Act 1981 - name and address (3)			
		Owners or reputed owners	Lessees or reputed lessees	Tenants or reputed tenants (other than lessees)	Occupiers
34	All interests, other than those of the acquiring authority and those held by or on behalf of the Crown, in 40 square metres of car park formerly known as Love Lane, Sheffield.	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH	Department for Communities and Local Government 2 Marsham Street London SW1P 4DF	-	R C P Parking Limited 15 The Close Norwich NR1 4DZ
35	All interests, in 118 square metres of car park south east of Love Street, Sheffield	Unknown	-	-	RCP Parking Limited 15 The Close Norwich NR1 4DZ
36	All interests, in 723 square metres of car park south east of Love Street, Sheffield	Bolsterstone (Chesterfield) LLP 36 Bridge Business Centre Beresford Way Chesterfield S41 9FG	-	-	RCP Parking Limited 15 The Close Norwich NR1 4DZ
37	All interests, other than those of the acquiring authority and those held by or on behalf of the Crown, in 121 square metres of car parks south east and south of Love Street, Sheffield	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH	Department for Communities and Local Government 2 Marsham Street London SW1P 4DF	-	R C P Parking Limited 15 The Close Norwich NR1 4DZ <i>(in respect of car park south west of Love Street)</i>

Page 203

Number on Map (1)	Extent, description and situation of the land (2)	Qualifying persons under section 12(2)(a) of the Acquisition of Land Act 1981 - name and address (3)			
		Owners or reputed owners	Lessees or reputed lessees	Tenants or reputed tenants (other than lessees)	Occupiers
38	All interests, other than those of the acquiring authority, in 291 square metres of half width of highways known as Love Street, Sheffield	<p>Unknown <i>(in respect of the subsoil)</i></p> <p>The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(in respect of presumption to subsoil and as highway authority in respect of Love Street, Sheffield)</i></p>	-	-	<p>The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Love Street, Sheffield)</i></p>
39	All interests, other than those of the acquiring authority, in 98 square metres of part width of highway known as Love Street, Sheffield	<p>Unknown <i>(in respect of the subsoil)</i></p> <p>Castlemore (West Bar) Limited Pricewaterhousecoopers LLP Central Square 8TH Floor 29 Wellington Street Leeds LS1 4DL <i>(in administration)</i> <i>(in respect of presumption to subsoil)</i></p>	-	-	<p>The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Love Street, Sheffield)</i></p>



Number on Map (1)	Extent, description and situation of the land (2)	Qualifying persons under section 12(2)(a) of the Acquisition of Land Act 1981 - name and address (3)			
		Owners or reputed owners	Lessees or reputed lessees	Tenants or reputed tenants (other than lessees)	Occupiers
39 cont		<p>Mark Batten PricewaterhouseCoopers Plumtree Court London EC3A 4HT <i>(as practitioner for Castlemore (West Bar) Limited in administration)</i> <i>(in respect of presumption to subsoil)</i></p> <p>Matthew Hammond PricewaterhouseCoopers 1 Kingsway Cardiff CF10 3PW <i>(as practitioner for Castlemore (West Bar) Limited in administration)</i> <i>(in respect of presumption to subsoil)</i></p> <p>The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Love Street, Sheffield)</i></p>			
40	All interests, other than those of the acquiring authority, in 17 square metres of half width of highway known as Love Street, Sheffield	Unknown <i>(in respect of the subsoil)</i>	-	-	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Love Street, Sheffield)</i>

Number on Map (1)	Extent, description and situation of the land (2)	Qualifying persons under section 12(2)(a) of the Acquisition of Land Act 1981 - name and address (3)			
		Owners or reputed owners	Lessees or reputed lessees	Tenants or reputed tenants (other than lessees)	Occupiers
40 cont		<p>Egginton Bros. Limited 25 - 31 Allen Street Sheffield S3 7AW <i>(in respect of presumption to subsoil)</i></p> <p>The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Love Street, Sheffield)</i></p>			
41	All interests, in 47 square metres of derelict commercial premises north west of Love Street, Sheffield	<p>Unknown <i>(reputed owner)</i></p> <p>Egginton Bros. Limited 25 - 31 Allen Street Sheffield S3 7AW <i>(reputed owner)</i></p>	-	-	Unoccupied
42	All interests, other than those of the acquiring authority, in 11 square metres of half width of highway known as Love Street, Sheffield	<p>Unknown <i>(in respect of the subsoil)</i></p>	-	-	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Love Street, Sheffield)</i>

Number on Map (1)	Extent, description and situation of the land (2)	Qualifying persons under section 12(2)(a) of the Acquisition of Land Act 1981 - name and address (3)			
		Owners or reputed owners	Lessees or reputed lessees	Tenants or reputed tenants (other than lessees)	Occupiers
42 cont		<p>Egginton Bros. Limited 25 - 31 Allen Street Sheffield S3 7AW <i>(in respect of presumption to subsoil)</i></p> <p>The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Love Street, Sheffield)</i></p>			
43	All interests, other than those of the acquiring authority, in 62 square metres of half width of highway known as Love Street, Sheffield	<p>Unknown <i>(in respect of the subsoil)</i></p> <p>Castlemore (West Bar) Limited Pricewaterhousecoopers LLP Central Square 8TH Floor 29 Wellington Street Leeds LS1 4DL <i>(in administration)</i> <i>(in respect of presumption to subsoil)</i></p>	-	-	<p>The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Love Street, Sheffield)</i></p>

Number on Map (1)	Extent, description and situation of the land (2)	Qualifying persons under section 12(2)(a) of the Acquisition of Land Act 1981 - name and address (3)			
		Owners or reputed owners	Lessees or reputed lessees	Tenants or reputed tenants (other than lessees)	Occupiers
43 cont		<p>Mark Batten PricewaterhouseCoopers Plumtree Court London EC3A 4HT <i>(as practitioner for Castlemore (West Bar) Limited in administration)</i> <i>(in respect of presumption to subsoil)</i></p> <p>Matthew Hammond PricewaterhouseCoopers 1 Kingsway Cardiff CF10 3PW <i>(as practitioner for Castlemore (West Bar) Limited in administration)</i> <i>(in respect of presumption to subsoil)</i></p> <p>The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Love Street, Sheffield)</i></p>			
44	All interests, in 354 square metres of derelict commercial premises north west of Love Street, Sheffield	<p>Castlemore (West Bar) Limited Pricewaterhousecoopers LLP Central Square 8TH Floor 29 Wellington Street Leeds LS1 4DL <i>(in administration)</i></p>	-	-	Unoccupied

Number on Map (1)	Extent, description and situation of the land (2)	Qualifying persons under section 12(2)(a) of the Acquisition of Land Act 1981 - name and address (3)			
		Owners or reputed owners	Lessees or reputed lessees	Tenants or reputed tenants (other than lessees)	Occupiers
44 cont		<p>Mark Batten PricewaterhouseCoopers Plumtree Court London EC3A 4HT <i>(as practitioner for Castlemore (West Bar) Limited in administration)</i></p> <p>Matthew Hammond PricewaterhouseCoopers 1 Kingsway Cardiff CF10 3PW <i>(as practitioner for Castlemore (West Bar) Limited in administration)</i></p>			
45	All interests, in 857 square metres of car park south of Plum Street east of Corporation Street, Sheffield	Bolsterstone (Chesterfield) LLP 36 Bridge Business Centre Beresford Way Chesterfield S41 9FG	-	-	RCP Parking Limited 15 The Close Norwich NR1 4DZ
46	All interests, other than those of the acquiring authority, in 31 square metres of car park east of highway known as Plum Street south of 40 Corporation Street, Sheffield	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH	Bolsterstone (Chesterfield) LLP 36 Bridge Business Centre Beresford Way Chesterfield S41 9FG	-	RCP Parking Limited 15 The Close Norwich NR1 4DZ

Number on Map (1)	Extent, description and situation of the land (2)	Qualifying persons under section 12(2)(a) of the Acquisition of Land Act 1981 - name and address (3)			
		Owners or reputed owners	Lessees or reputed lessees	Tenants or reputed tenants (other than lessees)	Occupiers
47	All interests, other than those of the acquiring authority, in 132 square metres of half width of highway known as Plum Street. Sheffield	<p>Unknown <i>(in respect of the subsoil)</i></p> <p>Bolsterstone (Chesterfield) LLP 36 Bridge Business Centre Beresford Way Chesterfield S41 9FG <i>(in respect of presumption to subsoil)</i></p> <p>The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Plum Street, Sheffield)</i></p>	-	-	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Plum Street, Sheffield)</i>
48	All interests, other than those of the acquiring authority, in 175 square metres of half width of highway known as Plum Street, Sheffield	<p>Unknown <i>(in respect of the subsoil)</i></p>	-	-	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Plum Street, Sheffield)</i>

Number on Map (1)	Extent, description and situation of the land (2)	Qualifying persons under section 12(2)(a) of the Acquisition of Land Act 1981 - name and address (3)			
		Owners or reputed owners	Lessees or reputed lessees	Tenants or reputed tenants (other than lessees)	Occupiers
48 cont		The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(in respect of presumption to subsoil and as highway authority in respect of Plum Street and Corporation Street, Sheffield)</i>			
49	All interests, other than those of the acquiring authority, in 65 square metres of half width of highway known as Plum Street, Sheffield	Unknown <i>(in respect of the subsoil)</i>  Bolsterstone (Chesterfield) LLP 36 Bridge Business Centre Beresford Way Chesterfield S41 9FG <i>(in respect of presumption to subsoil)</i>  The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Plum Street, Sheffield)</i>	-	-	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Plum Street, Sheffield)</i>

Number on Map (1)	Extent, description and situation of the land (2)	Qualifying persons under section 12(2)(a) of the Acquisition of Land Act 1981 - name and address (3)			
		Owners or reputed owners	Lessees or reputed lessees	Tenants or reputed tenants (other than lessees)	Occupiers
50	All interests, other than those of the acquiring authority, in 7 square metres of part width of highway known as Corporation Street, Sheffield	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH	-	-	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(and as highway authority in respect of Corporation Street, Sheffield)</i>
51	All interests, other than those of the acquiring authority, in 20 square metres of part width of highway known as Corporation Street, Sheffield	Unknown <i>(in respect of the subsoil)</i>  The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(in respect of presumption to subsoil and as highway authority in respect of Corporation Street, Sheffield)</i>	-	-	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Corporation Street, Sheffield)</i>
52	All interests, other than those of the acquiring authority, in 287 square metres of half width of highway known as Corporation Street, Sheffield	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH	-	-	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(and as highway authority in respect of Corporation Street, Sheffield)</i>



Number on Map (1)	Extent, description and situation of the land (2)	Qualifying persons under section 12(2)(a) of the Acquisition of Land Act 1981 - name and address (3)			
		Owners or reputed owners	Lessees or reputed lessees	Tenants or reputed tenants (other than lessees)	Occupiers
53	All interests, other than those of the acquiring authority, in 1053 square metres of commercial property, yard, hardstanding and petroleum pumps known as 40 Corporation Street, unnumbered advertisement hoarding, Sheffield	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH	Europcar Group UK Limited James House 55 Welford Road Leicester LE2 7AR	-	Europcar Group UK Limited James House 55 Welford Road Leicester LE2 7AR  City Outdoor Media Limited Edward House North Mersey Business Centre Woodward Road Liverpool L33 7UY <i>(in respect of unnumbered advertisement hoarding)</i>
54	All interests, in 22 square metres of demolished site south of highway known as Plum Lane and north of highway known as Plum Street, Sheffield	Unknown	-	-	Unoccupied
55	All interests, in 139 square metres of hardstanding, known as Don Works, Bridge Street, Sheffield	Castlemore (West Bar) Limited Pricewaterhousecoopers LLP Central Square 8TH Floor 29 Wellington Street Leeds LS1 4DL <i>(in administration)</i>	-	-	Unoccupied

Number on Map (1)	Extent, description and situation of the land (2)	Qualifying persons under section 12(2)(a) of the Acquisition of Land Act 1981 - name and address (3)			
		Owners or reputed owners	Lessees or reputed lessees	Tenants or reputed tenants (other than lessees)	Occupiers
55 cont		Mark Batten PricewaterhouseCoopers Plumtree Court London EC3A 4HT <i>(as practitioner for Castlemore (West Bar) Limited in administration)</i>			
56	All interests, other than those of the acquiring authority, in 2 square metres of half width of highway known as Plum Lane, Sheffield	Unknown <i>(in respect of the subsoil)</i>  The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Plum Lane, Sheffield)</i>	-	-	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Plum Lane, Sheffield)</i>
57	All interests, other than those of the acquiring authority, in 2 square metres of half width of highway known as Plum Lane, Sheffield	Unknown <i>(in respect of the subsoil)</i>	-	-	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Plum Lane, Sheffield)</i>

Number on Map (1)	Extent, description and situation of the land (2)	Qualifying persons under section 12(2)(a) of the Acquisition of Land Act 1981 - name and address (3)			
		Owners or reputed owners	Lessees or reputed lessees	Tenants or reputed tenants (other than lessees)	Occupiers
57 cont		The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(in respect of presumption to subsoil and as highway authority in respect of Plum Lane, Sheffield)</i>			
58	All interests, other than those of the acquiring authority, in 12 square metres of half width of highway known as Plum Lane, Sheffield	Unknown <i>(in respect of the subsoil)</i>  Castlemore (West Bar) Limited Pricewaterhousecoopers LLP Central Square 8TH Floor 29 Wellington Street Leeds LS1 4DL <i>(in administration)</i> <i>(in respect of presumption to subsoil)</i>  Mark Batten PricewaterhouseCoopers Plumtree Court London EC3A 4HT <i>(as practitioner for Castlemore (West Bar) Limited in administration)</i> <i>(in respect of presumption to subsoil)</i>	-	-	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Plum Lane, Sheffield)</i>

Number on Map (1)	Extent, description and situation of the land (2)	Qualifying persons under section 12(2)(a) of the Acquisition of Land Act 1981 - name and address (3)			
		Owners or reputed owners	Lessees or reputed lessees	Tenants or reputed tenants (other than lessees)	Occupiers
58 cont		The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Plum Lane, Sheffield)</i>			
59	All interests, in 171 square metres of former highway known as Plum Lane east of highway known as Corporation Street, Sheffield	Unknown	-	-	Unoccupied
60	All interests, other than those of the acquiring authority, in 248 square metres of hard standing to commercial premises known as 40 Corporation Street and half width of highways known as Shalesmoor and Plum Lane, Sheffield	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH	-	Europcar Group UK Limited James House 55 Welford Road Leicester LE2 7AR	Europcar Group UK Limited James House 55 Welford Road Leicester LE2 7AR
61	All interests, other than those of the acquiring authority, in 462 square metres of whole width of highway known as Shalesmoor, Sheffield	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH	-	-	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(and as highway authority in respect of Shalesmoor, Sheffield)</i>
62	All interests, other than those of the acquiring authority, in 62 square metres of half width of highway known as Plum Lane, Sheffield	Unknown <i>(in respect of the subsoil)</i>	-	-	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Plum Lane, Sheffield)</i>

Page 216

Number on Map (1)	Extent, description and situation of the land (2)	Qualifying persons under section 12(2)(a) of the Acquisition of Land Act 1981 - name and address (3)			
		Owners or reputed owners	Lessees or reputed lessees	Tenants or reputed tenants (other than lessees)	Occupiers
62 cont		The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(in respect of presumption to subsoil and as highway authority in respect of Plum Lane, Sheffield)</i>			
63	All interests, other than those of the acquiring authority in 26 square metres of part width of highway known as Shalesmoor, Sheffield	Urbo (West Bar) Limited High Edge Court Heage Belper DE56 2BW and 36 Bridge Business Centre Beresford Way Chesterfield S41 9FG  The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Shalesmoor, Sheffield)</i>	-	-	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Shalesmoor, Sheffield)</i>
64	All interests, other than those of the acquiring authority, in 14 square metres of part width of highway known as Shalesmoor, Sheffield	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH	-	-	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(and as highway authority in respect of Shalesmoor, Sheffield)</i>

Number on Map (1)	Extent, description and situation of the land (2)	Qualifying persons under section 12(2)(a) of the Acquisition of Land Act 1981 - name and address (3)			
		Owners or reputed owners	Lessees or reputed lessees	Tenants or reputed tenants (other than lessees)	Occupiers
65	All interests, other than those of the acquiring authority, in 262 square metres of verge, part width of highways known as Bridge Street and Shalesmoor, Sheffield	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH	-	-	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(and as highway authority in respect of Shalesmoor and Bridge Street, Sheffield)</i>
66	All interests, other than those of the acquiring authority, in 57 square metres of part width of highway known as Bridge Street, Sheffield	Unknown <i>(in respect of the subsoil)</i>  The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(in respect of presumption to subsoil and as highway authority in respect of Bridge Street, Sheffield)</i>	-	-	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Bridge Street, Sheffield)</i>
67	All interests, other than those of the acquiring authority, in 38 square metres of part width of highway known as Bridge Street, Sheffield	Unknown <i>(in respect of the subsoil)</i>	-	-	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(and as highway authority in respect of Bridge Street, Sheffield)</i>

Number on Map (1)	Extent, description and situation of the land (2)	Qualifying persons under section 12(2)(a) of the Acquisition of Land Act 1981 - name and address (3)			
		Owners or reputed owners	Lessees or reputed lessees	Tenants or reputed tenants (other than lessees)	Occupiers
67 cont		The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(in respect of presumption to subsoil and as highway authority in respect of Bridge Street, Sheffield)</i>			
68	All interests, other than those of the acquiring authority, in 65 square metres of verge, paving and part width of highway known as Bridge Street, Sheffield	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH	-	-	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(and as highway authority in respect of Bridge Street, Sheffield)</i>
69	All interests, other than those of the acquiring authority, in 3 square metres of part width of highway known as Bridge Street, Sheffield	Unknown <i>(in respect of the subsoil)</i>  The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(in respect of presumption to subsoil and as highway authority in respect of Bridge Street, Sheffield)</i>	-	-	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Bridge Street, Sheffield)</i>

Number on Map (1)	Extent, description and situation of the land (2)	Qualifying persons under section 12(2)(a) of the Acquisition of Land Act 1981 - name and address (3)			
		Owners or reputed owners	Lessees or reputed lessees	Tenants or reputed tenants (other than lessees)	Occupiers
70	All interests, other than those of the acquiring authority, in 40 square metres of part width of highway known as Bridge Street, Sheffield	<p>Unknown <i>(in respect of the subsoil)</i></p> <p>Bridge Street (Car Park) Limited 36 The Bridge Business Centre Beresford Way Chesterfield S41 9FG <i>(in respect of presumption to subsoil)</i></p> <p>The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Bridge Street, Sheffield)</i></p>	-	-	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Bridge Street, Sheffield)</i>
71	All interests, in 2216 square metres of car park known as Corporation/Bridge Street Car Park formerly known as 98 Corporation Street, Sheffield	Bridge Street (Car Park) Limited 36 The Bridge Business Centre Beresford Way Chesterfield S41 9FG	-	-	RCP Parking Limited 15 The Close Norwich NR1 4DZ
72	All interests, in 37 square metres of boundary wall and hardstanding west of Bridge Street, Sheffield	Unknown <i>(reputed owner)</i>	-	-	RCP Parking Limited 15 The Close Norwich NR1 4DZ



Number on Map (1)	Extent, description and situation of the land (2)	Qualifying persons under section 12(2)(a) of the Acquisition of Land Act 1981 - name and address (3)			
		Owners or reputed owners	Lessees or reputed lessees	Tenants or reputed tenants (other than lessees)	Occupiers
72 cont		Bridge Street (Car Park) Limited 36 The Bridge Business Centre Beresford Way Chesterfield S41 9FG <i>(reputed owners)</i>			
73	All interests, in 3376 square metres of staff car park, formerly known as 44 Corporation Street, east of Corporation Street, Sheffield	Urbo (West Bar) Limited High Edge Court Heage Belper DE56 2BW and 36 Bridge Business Centre Beresford Way Chesterfield S41 9FG	-	-	UKCPS Limited Parking Enforcement 1200 Century Way Thorpe Park Business Park Colton Leeds LS15 8ZA
74	All interests, other than those of the acquiring authority, in 254 square metres of half width of highway known as Plum Lane, Sheffield	Unknown <i>(in respect of the subsoil)</i>  Urbo (West Bar) Limited High Edge Court Heage Belper DE56 2BW and 36 Bridge Business Centre Beresford Way Chesterfield S41 9FG <i>(in respect of presumption to subsoil)</i>	-	-	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Plum Lane, Sheffield)</i>

Number on Map (1)	Extent, description and situation of the land (2)	Qualifying persons under section 12(2)(a) of the Acquisition of Land Act 1981 - name and address (3)			
		Owners or reputed owners	Lessees or reputed lessees	Tenants or reputed tenants (other than lessees)	Occupiers
74 cont		The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Plum Lane, Sheffield)</i>			
75	All interests, other than those of the acquiring authority, in 239 square metres of half width of highway known as Plum Lane, Sheffield	Unknown <i>(in respect of the subsoil)</i>  Castlemore (West Bar) Limited Pricewaterhousecoopers LLP Central Square 8TH Floor 29 Wellington Street Leeds LS1 4DL <i>(in administration)</i> <i>(in respect of presumption to subsoil)</i>  Mark Batten PricewaterhouseCoopers Plumtree Court London EC3A 4HT <i>(as practitioner for Castlemore (West Bar) Limited in administration)</i> <i>(in respect of presumption to subsoil)</i>	-	-	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Plum Lane, Sheffield)</i>

Number on Map (1)	Extent, description and situation of the land (2)	Qualifying persons under section 12(2)(a) of the Acquisition of Land Act 1981 - name and address (3)			
		Owners or reputed owners	Lessees or reputed lessees	Tenants or reputed tenants (other than lessees)	Occupiers
75 cont		<p>Matthew Hammond PricewaterhouseCoopers 1 Kingsway Cardiff CF10 3PW <i>(as practitioner for Castlemore (West Bar) Limited in administration)</i> <i>(in respect of presumption to subsoil)</i></p> <p>The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Plum Lane, Sheffield)</i></p>			
76	All interests, other than those of the acquiring authority, in 4 square metres of part width of highway known as Plum Lane, Sheffield	<p>Castlemore (West Bar) Limited Pricewaterhousecoopers LLP Central Square 8TH Floor 29 Wellington Street Leeds LS1 4DL <i>(in administration)</i></p> <p>Mark Batten PricewaterhouseCoopers Plumtree Court London EC3A 4HT <i>(as practitioner for Castlemore (West Bar) Limited in administration)</i></p>	-	-	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Plum Lane, Sheffield)</i>

Number on Map (1)	Extent, description and situation of the land (2)	Qualifying persons under section 12(2)(a) of the Acquisition of Land Act 1981 - name and address (3)			
		Owners or reputed owners	Lessees or reputed lessees	Tenants or reputed tenants (other than lessees)	Occupiers
76 cont		<p>Matthew Hammond PricewaterhouseCoopers 1 Kingsway Cardiff CF10 3PW <i>(as practitioner for Castlemore (West Bar) Limited in administration)</i></p> <p>The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Plum Lane, Sheffield)</i></p>			
77	All interests, in 2820 square metres of hardstanding, west of Bridge Street, Sheffield	<p>Castlemore (West Bar) Limited Pricewaterhousecoopers LLP Central Square 8TH Floor 29 Wellington Street Leeds LS1 4DL <i>(in administration)</i></p> <p>Mark Batten PricewaterhouseCoopers Plumtree Court London EC3A 4HT <i>(as practitioner for Castlemore (West Bar) Limited in administration)</i></p>	-	-	Unoccupied

Number on Map (1)	Extent, description and situation of the land (2)	Qualifying persons under section 12(2)(a) of the Acquisition of Land Act 1981 - name and address (3)			
		Owners or reputed owners	Lessees or reputed lessees	Tenants or reputed tenants (other than lessees)	Occupiers
77 cont		Matthew Hammond PricewaterhouseCoopers 1 Kingsway Cardiff CF10 3PW <i>(as practitioner for Castlemore (West Bar) Limited in administration)</i>			
78	All interests, in 854 square metres of commercial premises north of highway known as Love Street, Sheffield	Egginton Bros. Limited 25 - 31 Allen Street Sheffield S3 7AW	-	-	Unoccupied
79	All interests, in 1127 square metres of car park west of Bridge Street, Sheffield	Graham Oxley Tool Steels Limited 11 Venture One Business Park Long Acre Close Sheffield S20 3FR	-	-	Parkit Management Limited 9 The Alders Riplingham Fields Gainsborough DN21 1WJ
80	All interests, other than those of the acquiring authority, in 64 square metres of part width of highway known as Bridge Street, Sheffield	Unknown <i>(in respect of the subsoil)</i>	-	-	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Bridge Street, Sheffield)</i>

Number on Map (1)	Extent, description and situation of the land (2)	Qualifying persons under section 12(2)(a) of the Acquisition of Land Act 1981 - name and address (3)			
		Owners or reputed owners	Lessees or reputed lessees	Tenants or reputed tenants (other than lessees)	Occupiers
80 cont		<p>Graham Oxley Tool Steels Limited 11 Venture One Business Park Long Acre Close Sheffield S20 3FR <i>(in respect of presumption to subsoil)</i></p> <p>The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Bridge Street, Sheffield)</i></p>			
81	All interests, other than those of the acquiring authority, in 30 square metres of part width of highway known as Bridge Street, Sheffield	<p>Unknown <i>(in respect of the subsoil)</i></p> <p>Hawley Property Company Limited 13 - 17 Paradise Square Sheffield S1 2DE <i>(in respect of presumption to subsoil)</i></p> <p>The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Bridge Street, Sheffield)</i></p>	-	-	<p>The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Bridge Street, Sheffield)</i></p>

Number on Map (1)	Extent, description and situation of the land (2)	Qualifying persons under section 12(2)(a) of the Acquisition of Land Act 1981 - name and address (3)			
		Owners or reputed owners	Lessees or reputed lessees	Tenants or reputed tenants (other than lessees)	Occupiers
82	All interests, in 462 square metres of retail premises known as 53 Bridge Street, Sheffield	Hawley Property Company Limited 13 - 17 Paradise Square Sheffield S1 2DE	Micheldever Tyre Services Limited Micheldever Station Winchester SO21 3AP	-	Micheldever Tyre Services Limited Micheldever Station Winchester SO21 3AP  Hawleys (Tyre Services) Limited c/o Micheldever Tyre Services Limited Micheldever Station Andover Road Winchester SO21 3AP
83	All interests, in 562 square metres of derelict commercial premises known as 19 Love Street, Sheffield	Castlemore (West Bar) Limited Pricewaterhousecoopers LLP Central Square 8TH Floor 29 Wellington Street Leeds LS1 4DL <i>(in administration)</i>  Mark Batten PricewaterhouseCoopers Plumtree Court London EC3A 4HT <i>(as practitioner for Castlemore (West Bar) Limited in administration)</i>	-	-	Unoccupied

Page 227

Number on Map (1)	Extent, description and situation of the land (2)	Qualifying persons under section 12(2)(a) of the Acquisition of Land Act 1981 - name and address (3)			
		Owners or reputed owners	Lessees or reputed lessees	Tenants or reputed tenants (other than lessees)	Occupiers
83 cont		Matthew Hammond PricewaterhouseCoopers 1 Kingsway Cardiff CF10 3PW <i>(as practitioner for Castlemore (West Bar) Limited in administration)</i>			
84	All interests, other than those of the acquiring authority, in 1006 square metres of commercial and retail premises known as 33 Love Street, Sheffield	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH	-	Green Cake Café Limited 33 Love Street Sheffield S3 8NW  Sheffield Health and Social Care National Health Service Foundation Trust Fulwood House Old Fulwood Road Sheffield S10 3TH  SCC Neighbourhood and Community 33 Love Street Sheffield S3 8NW



Number on Map (1)	Extent, description and situation of the land (2)	Qualifying persons under section 12(2)(a) of the Acquisition of Land Act 1981 - name and address (3)			
		Owners or reputed owners	Lessees or reputed lessees	Tenants or reputed tenants (other than lessees)	Occupiers
85	All interests, other than those of the acquiring authority, in 381 square metres of part width of highways known as Love Street and Bridge Street, Sheffield	Unknown <i>(in respect of the subsoil)</i>  The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(in respect of presumption to subsoil and as highway authority in respect of Love Street and Bridge Street, Sheffield)</i>	–	–	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Love Street and Bridge Street, Sheffield)</i>
86	All interests, other than those of the acquiring authority and those held by or on behalf of the Crown, in 60 square metres of part width of highway known as Love Street, Sheffield	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH	Department for Communities and Local Government 2 Marsham Street London SW1P 4DF	–	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(and as highway authority in respect of Love Street, Sheffield)</i>
87	All interests, other than those of the acquiring authority and those held by or on behalf of the Crown, in 117 square metres of part width of highway known as Love Street, Sheffield	Unknown <i>(in respect of the subsoil)</i>	Department for Communities and Local Government 2 Marsham Street London SW1P 4DF	–	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Love Street, Sheffield)</i>

Number on Map (1)	Extent, description and situation of the land (2)	Qualifying persons under section12(2)(a) of the Acquisition of Land Act 1981 - name and address (3)			
		Owners or reputed owners	Lessees or reputed lessees	Tenants or reputed tenants (other than lessees)	Occupiers
87 cont		The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(in respect of presumption to subsoil and as highway authority in respect of Love Street, Sheffield)</i>			
88	All interests, other than those of the acquiring authority and those held by or on behalf of the Crown, in 205 square metres of part width of highway known as Love Street, Sheffield	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH	Department for Communities and Local Government 2 Marsham Street London SW1P 4DF	-	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(and as highway authority in respect of Love Street)</i>
89	All interests, other than those of the acquiring authority, in 82 square metres of part width of highway known as Bridge Street, Sheffield	Unknown <i>(in respect of the subsoil)</i>  The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(in respect of presumption to subsoil and as highway authority in respect of Bridge Street, Sheffield)</i>	-	-	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Bridge Street, Sheffield)</i>

Number on Map (1)	Extent, description and situation of the land (2)	Qualifying persons under section12(2)(a) of the Acquisition of Land Act 1981 - name and address (3)			
		Owners or reputed owners	Lessees or reputed lessees	Tenants or reputed tenants (other than lessees)	Occupiers
90	All interests, other than those of the acquiring authority and those held by or on behalf of the Crown, in 1335 square metres of car park known as Bridge Street Car Park and waste land south of Bridge Street, Sheffield	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH	Department for Communities and Local Government 2 Marsham Street London SW1P 4DF  Mistyglan Limited George Nott House 3rd Floor 119 Holloway Head Birmingham B1 1QP	-	Gallan Parking Ventures Limited George Nott House 3rd Floor 119 Holloway Head Birmingham B1 1QP
91	All interests, other than those of the acquiring authority and those held by or on behalf of the Crown, in 345 square metres of car park south east of Bridge Street known as Bridge Street Car Park, south of Love Street, Sheffield	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH	Department for Communities and Local Government 2 Marsham Street London SW1P 4DF  Mistyglan Limited George Nott House 3rd Floor 119 Holloway Head Birmingham B1 1QP	-	Gallan Parking Ventures Limited George Nott House 3rd Floor 119 Holloway Head Birmingham B1 1QP

Number on Map (1)	Extent, description and situation of the land (2)	Qualifying persons under section 12(2)(a) of the Acquisition of Land Act 1981 - name and address (3)			
		Owners or reputed owners	Lessees or reputed lessees	Tenants or reputed tenants (other than lessees)	Occupiers
92	All interests, other than those of the acquiring authority, in 14 square metres of part width of highway known as Bridge Street, Sheffield	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH	-	-	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(and as highway authority in respect of Bridge Street)</i>
93	All interests, other than those of the acquiring authority and those held by or on behalf of the Crown, in 11 square metres of part width of highway known as Bridge Street, Sheffield	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH	Department for Communities and Local Government 2 Marsham Street London SW1P 4DF	-	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(and as highway authority in respect of Bridge Street)</i>
94	All interests, other than those of the acquiring authority, in 40 square metres of part width of highway known as Bridge Street, Sheffield	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH	-	-	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(and as highway authority in respect of Bridge Street)</i>
95	All interests, other than those of the acquiring authority, in 4 square metres of waste land to the south of Bridge Street, Sheffield	Unknown <i>(reputed owner)</i>	Mistyglan Limited George Nott House 3rd Floor 119 Holloway Head Birmingham B1 1QP	-	Gallan Parking Ventures Limited George Nott House 3rd Floor 119 Holloway Head Birmingham B1 1QP

Number on Map (1)	Extent, description and situation of the land (2)	Qualifying persons under section 12(2)(a) of the Acquisition of Land Act 1981 - name and address (3)			
		Owners or reputed owners	Lessees or reputed lessees	Tenants or reputed tenants (other than lessees)	Occupiers
95 cont		The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(reputed owner)</i>			
96	All interests, other than those of the acquiring authority, in 12 square metres of part width of highway known as Bridge Street, Sheffield	Unknown <i>(in respect of the subsoil)</i>  The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(in respect of presumption to subsoil and as highway authority in respect of Bridge Street)</i>	-	-	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Bridge Street)</i>
97	All interests, other than those of the acquiring authority, in 46 square metres of part width of highway known as Bridge Street, Sheffield	Unknown <i>(in respect of the subsoil)</i>	-	-	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Bridge Street)</i>

Number on Map (1)	Extent, description and situation of the land (2)	Qualifying persons under section 12(2)(a) of the Acquisition of Land Act 1981 - name and address (3)			
		Owners or reputed owners	Lessees or reputed lessees	Tenants or reputed tenants (other than lessees)	Occupiers
97 cont		<p>Castlemore (West Bar) Limited Pricewaterhousecoopers LLP Central Square 8TH Floor 29 Wellington Street Leeds LS1 4DL <i>(in administration)</i> <i>(in respect of presumption to subsoil)</i></p> <p>Mark Batten PricewaterhouseCoopers Plumtree Court London EC3A 4HT <i>(as practitioner for Castlemore (West Bar) Limited in administration)</i> <i>(in respect of presumption to subsoil)</i></p> <p>Matthew Hammond PricewaterhouseCoopers 1 Kingsway Cardiff CF10 3PW <i>(as practitioner for Castlemore (West Bar) Limited in administration)</i> <i>(in respect of presumption to subsoil)</i></p>			

Number on Map (1)	Extent, description and situation of the land (2)	Qualifying persons under section 12(2)(a) of the Acquisition of Land Act 1981 - name and address (3)			
		Owners or reputed owners	Lessees or reputed lessees	Tenants or reputed tenants (other than lessees)	Occupiers
97 cont		The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Bridge Street)</i>			
98	All interests, other than those of the acquiring authority, in 53 square metres of half width of highway known as Bridge Street, Sheffield	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH	-	-	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(and as highway authority in respect of Bridge Street, Sheffield)</i>
99	All interests, other than those of the acquiring authority, in 99 square metres of part width of highway known as Bridge Street, Sheffield	Unknown <i>(in respect of the subsoil)</i>  Castlemore (West Bar) Limited Pricewaterhousecoopers LLP Central Square 8TH Floor 29 Wellington Street Leeds LS1 4DL <i>(in administration)</i> <i>(in respect of presumption to subsoil)</i>	-	-	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Bridge Street)</i>

Page 235

Number on Map (1)	Extent, description and situation of the land (2)	Qualifying persons under section 12(2)(a) of the Acquisition of Land Act 1981 - name and address (3)			
		Owners or reputed owners	Lessees or reputed lessees	Tenants or reputed tenants (other than lessees)	Occupiers
99 cont		<p>Mark Batten PricewaterhouseCoopers Plumtree Court London EC3A 4HT <i>(as practitioner for Castlemore (West Bar) Limited in administration)</i> <i>(in respect of presumption to subsoil)</i></p> <p>Matthew Hammond PricewaterhouseCoopers 1 Kingsway Cardiff CF10 3PW <i>(as practitioner for Castlemore (West Bar) Limited in administration)</i> <i>(in respect of presumption to subsoil)</i></p> <p>The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Bridge Street)</i></p>			
100	All interests, other than those of the acquiring authority, in 18 square metres of part width of highway known as Bridge Street, Sheffield	<p>Castlemore (West Bar) Limited Pricewaterhousecoopers LLP Central Square 8TH Floor 29 Wellington Street Leeds LS1 4DL <i>(in administration)</i></p>	-	-	<p>The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Bridge Street)</i></p>



Number on Map (1)	Extent, description and situation of the land (2)	Qualifying persons under section 12(2)(a) of the Acquisition of Land Act 1981 - name and address (3)			
		Owners or reputed owners	Lessees or reputed lessees	Tenants or reputed tenants (other than lessees)	Occupiers
100 cont		<p>Mark Batten PricewaterhouseCoopers Plumtree Court London EC3A 4HT <i>(as practitioner for Castlemore (West Bar) Limited in administration)</i></p> <p>Matthew Hammond PricewaterhouseCoopers 1 Kingsway Cardiff CF10 3PW <i>(as practitioner for Castlemore (West Bar) Limited in administration)</i></p> <p>The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of Bridge Street)</i></p>			
101	All interests, in 778 square metres of landscaping south of highway known as Bridge street and north of highway known as West Bar, Sheffield	<p>Castlemore (West Bar) Limited Pricewaterhousecoopers LLP Central Square 8TH Floor 29 Wellington Street Leeds LS1 4DL <i>(in administration)</i></p>	-	-	Unoccupied

Number on Map (1)	Extent, description and situation of the land (2)	Qualifying persons under section 12(2)(a) of the Acquisition of Land Act 1981 - name and address (3)			
		Owners or reputed owners	Lessees or reputed lessees	Tenants or reputed tenants (other than lessees)	Occupiers
101 cont		<p>Mark Batten PricewaterhouseCoopers Plumtree Court London EC3A 4HT <i>(as practitioner for Castlemore (West Bar) Limited in administration)</i></p> <p>Matthew Hammond PricewaterhouseCoopers 1 Kingsway Cardiff CF10 3PW <i>(as practitioner for Castlemore (West Bar) Limited in administration)</i></p>			
102	All interests, other than those of the acquiring authority, in 109 square metres of part width of highway known as West Bar, Sheffield	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH	-	-	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(and as highway authority in respect of West Bar, Sheffield)</i>
103	All interests, other than those of the acquiring authority, in 84 square metres of part width of highway known as West Bar, Sheffield	Unknown <i>(in respect of the subsoil)</i>	-	-	The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of West Bar)</i>

Number on Map (1)	Extent, description and situation of the land (2)	Qualifying persons under section 12(2)(a) of the Acquisition of Land Act 1981 - name and address (3)			
		Owners or reputed owners	Lessees or reputed lessees	Tenants or reputed tenants (other than lessees)	Occupiers
103 cont		<p>Castlemore (West Bar) Limited Pricewaterhousecoopers LLP Central Square 8TH Floor 29 Wellington Street Leeds LS1 4DL <i>(in administration)</i> <i>(in respect of presumption to subsoil)</i></p> <p>Mark Batten PricewaterhouseCoopers Plumtree Court London EC3A 4HT <i>(as practitioner for Castlemore (West Bar) Limited in administration)</i> <i>(in respect of presumption to subsoil)</i></p> <p>Matthew Hammond PricewaterhouseCoopers 1 Kingsway Cardiff CF10 3PW <i>(as practitioner for Castlemore (West Bar) Limited in administration)</i> <i>(in respect of presumption to subsoil)</i></p> <p>The Sheffield City Council Town Hall Pinstone Street Sheffield S1 2HH <i>(as highway authority in respect of West Bar)</i></p>			

**Table 2**

Number on Map (4)	Other qualifying persons under section 12(2A)(a) of the Acquisition of Land Act 1981 (5)		Other qualifying persons under section 12(2A)(b) of the Acquisition of Land Act 1981 - not otherwise shown in Tables 1 & 2 (6)	
	Name and address	Description of Interest to be acquired	Name and address	Description of the land for which the person in adjoining column is likely to make a claim
1	-	-	-	-
2	-	-	-	-
3	-	-	Yorkshire Electricity Distribution Limited 2nd Floor Lloyds Court 78 Grey Street Newcastle Upon Tyne NE1 6AF  Northern Powergrid UK Holdings Lloyds Court 78 Grey Street Newcastle Upon Tyne NE1 6AF	Right of way for electricity sub stations numbered Spring Street 632 and Sheffield Crown Court 6353, over land known as Workhouse Lane, Sheffield  Right of way for electricity sub stations numbered Spring Street 632 and Sheffield Crown Court 6353, over land known as Workhouse Lane, Sheffield
4	-	-	-	-
5	-	-	-	-
6	-	-	-	-
7	-	-	-	-
8	-	-	-	-
9	-	-	-	-
10	-	-	-	-
11	-	-	-	-

Page 240

Number on Map (4)	Other qualifying persons under section 12(2A)(a) of the Acquisition of Land Act 1981 (5)		Other qualifying persons under section 12(2A)(b) of the Acquisition of Land Act 1981 - not otherwise shown in Tables 1 & 2 (6)	
	Name and address	Description of Interest to be acquired	Name and address	Description of the land for which the person in adjoining column is likely to make a claim
12	The Royal Bank of Scotland plc 36 St Andrew Square Edinburgh EH2 2YB and PO Box 897 38 Carver Street Sheffield S1 4YY <i>(as mortgagee of a registered charge on freehold title SYK9846)</i> <i>(mortgagor: Village Commercial Developments (2000) Limited)</i>	Mortgage dated 13 November 2006	-	-
13	-	-	-	-
14	The Royal Bank of Scotland plc 36 St Andrew Square Edinburgh EH2 2YB and PO Box 897 38 Carver Street Sheffield S1 4YY <i>(as mortgagee of a registered charge on freehold title SYK9846)</i> <i>(mortgagor: Village Commercial Developments (2000) Limited)</i>	Mortgage dated 13 November 2006	-	-
15	-	-	-	-
16	-	-	-	-
17	-	-	-	-
18	-	-	-	-

Number on Map (4)	Other qualifying persons under section 12(2A)(a) of the Acquisition of Land Act 1981 (5)		Other qualifying persons under section 12(2A)(b) of the Acquisition of Land Act 1981 - not otherwise shown in Tables 1 & 2 (6)	
	Name and address	Description of Interest to be acquired	Name and address	Description of the land for which the person in adjoining column is likely to make a claim
19	-	-	-	-
20	The Royal Bank of Scotland plc 36 St Andrew Square Edinburgh EH2 2YB and PO Box 897 38 Carver Street Sheffield S1 4YY <i>(as mortgagee of a registered charge on freehold title SYK9846)</i> <i>(mortgagor: Village Commercial Developments (2000) Limited)</i>	Mortgage dated 13 November 2006	-	-
21	-	-	-	-
22	Village Commercial Developments (2000) c/o J S Bethell & Co 70 Clarkehouse Road Sheffield S10 2LJ	Restriction - consent required on disposition	-	-
23	-	-	-	-
24	-	-	-	-
25	-	-	-	-

Number on Map (4)	Other qualifying persons under section 12(2A)(a) of the Acquisition of Land Act 1981 (5)		Other qualifying persons under section 12(2A)(b) of the Acquisition of Land Act 1981 - not otherwise shown in Tables 1 & 2 (6)	
	Name and address	Description of Interest to be acquired	Name and address	Description of the land for which the person in adjoining column is likely to make a claim
26	Handelsbanken 3 Thomas More Square London E1W 1WY and 2nd Floor 4M Building Malaga Avenue Manchester Airport Manchester M90 3RR <i>(as mortgagee of a registered charge on freehold title SYK67360)</i> <i>(mortgagor: Blackbirch Limited)</i>	Mortgages dated 30 July 2010 and 28 July 2014	-	-
27	-	-	-	-
28	-	-	-	-
29	-	-	-	-
30	-	-	-	-
31	Handelsbanken 3 Thomas More Square London E1W 1WY and 2nd Floor 4M Building Malaga Avenue Manchester Airport Manchester M90 3RR <i>(as mortgagee of a registered charge on freehold title SYK128306)</i> <i>(mortgagor: Bolsterstone (Chesterfield) LLP)</i>	Mortgages dated 21 January 2011	-	-

Number on Map (4)	Other qualifying persons under section 12(2A)(a) of the Acquisition of Land Act 1981 (5)		Other qualifying persons under section 12(2A)(b) of the Acquisition of Land Act 1981 - not otherwise shown in Tables 1 & 2 (6)	
	Name and address	Description of Interest to be acquired	Name and address	Description of the land for which the person in adjoining column is likely to make a claim
32	<p>Intrinsic Properties (Holdings) Limited 14 The Bridges The Bridges Thongsbridge Holmfirth HD9 7FE</p> <p>Castlemore (West Bar) Limited Pricewaterhousecoopers LLP Central Square 8TH Floor 29 Wellington Street Leeds LS1 4DL <i>(in administration)</i></p> <p>Mark Batten PricewaterhouseCoopers Plumtree Court London EC3A 4HT <i>(as practitioner for Castlemore (West Bar) Limited in administration)</i></p> <p>Matthew Hammond PricewaterhouseCoopers 1 Kingsway Cardiff CF10 3PW <i>(as practitioner for Castlemore (West Bar) Limited in administration)</i></p>	<p>Restriction - written notice of disposition required (charging order re Richard Duniec County Court at Leeds Court ref 3YK67971 25 November 2015)</p> <p>The right of drainage and right to use fall pipes through the sewers and drains under the property</p> <p>The right of drainage and right to use fall pipes through the sewers and drains under the property</p> <p>The right of drainage and right to use fall pipes through the sewers and drains under the property</p>	-	-
33	-	-	-	-
34	-	-	-	-



Number on Map (4)	Other qualifying persons under section 12(2A)(a) of the Acquisition of Land Act 1981 (5)		Other qualifying persons under section 12(2A)(b) of the Acquisition of Land Act 1981 - not otherwise shown in Tables 1 & 2 (6)	
	Name and address	Description of Interest to be acquired	Name and address	Description of the land for which the person in adjoining column is likely to make a claim
35	–	–	–	–
36	Handelsbanken 3 Thomas More Square London E1W 1WY and 2nd Floor 4M Building Malaga Avenue Manchester Airport Manchester M90 3RR <i>(as mortgagee of a registered charge on leasehold title SYK109512)</i> <i>(mortgagor: Bolsterstone (Chesterfield) LLP)</i>	Mortgages dated 21 January 2011	–	–
37	–	–	–	–
38	–	–	–	–
39	–	–	–	–
40	–	–	–	–
41	Castlemore (West Bar) Limited Pricewaterhousecoopers LLP Central Square 8TH Floor 29 Wellington Street Leeds LS1 4DL <i>(in administration)</i>	The right of drainage and right to use fall pipes through the sewers and drains under the property	–	–

Number on Map (4)	Other qualifying persons under section 12(2A)(a) of the Acquisition of Land Act 1981 (5)		Other qualifying persons under section 12(2A)(b) of the Acquisition of Land Act 1981 - not otherwise shown in Tables 1 & 2 (6)	
	Name and address	Description of Interest to be acquired	Name and address	Description of the land for which the person in adjoining column is likely to make a claim
41 cont	<p>Mark Batten PricewaterhouseCoopers Plumtree Court London EC3A 4HT <i>(as practitioner for Castlemore (West Bar) Limited in administration)</i></p> <p>Matthew Hammond PricewaterhouseCoopers 1 Kingsway Cardiff CF10 3PW <i>(as practitioner for Castlemore (West Bar) Limited in administration)</i></p>	<p>The right of drainage and right to use fall pipes through the sewers and drains under the property</p> <p>The right of drainage and right to use fall pipes through the sewers and drains under the property</p>		
42	—	—	—	—
43	—	—	—	—
44	<p>Lloyds Bank plc 25 Gresham Street London EC2V 7HN and Recoveries Commercial Banking Bank House Wine Street Bristol BS1 2AN <i>(as mortgagee of a registered charge on freehold title SYK266430)</i> <i>(mortgagor: Castlemore West Bar Limited, in administration, ref 1030460)</i></p>	Mortgage dated 7 March 2008	—	—

Number on Map (4)	Other qualifying persons under section 12(2A)(a) of the Acquisition of Land Act 1981 (5)		Other qualifying persons under section 12(2A)(b) of the Acquisition of Land Act 1981 - not otherwise shown in Tables 1 & 2 (6)	
	Name and address	Description of Interest to be acquired	Name and address	Description of the land for which the person in adjoining column is likely to make a claim
44 cont	<p>URBO Regeneration Limited 36 The Bridge Business Centre Beresford Way Chesterfield S41 9FG</p> <p>Gerald Duniec 14 The Bridges Heys Road Thongsbridge Holmfirth HD9 7FE</p> <p>Richard Duniec c/o Peter Herberts Graywoods Fountain Precinct Leopold Street Sheffield S1 2JA</p> <p>Egginton Bros. Limited 25 - 31 Allen Street Sheffield S3 7AW</p>	<p>Unilateral Notice dated 11 March 2015</p> <p>The right of drainage and right to use fall pipes through the sewers and drains under the property</p> <p>The right of drainage and right to use fall pipes through the sewers and drains under the property</p> <p>The right of drainage and right to use fall pipes through the sewers and drains under the property</p>		

Number on Map (4)	Other qualifying persons under section 12(2A)(a) of the Acquisition of Land Act 1981 (5)		Other qualifying persons under section 12(2A)(b) of the Acquisition of Land Act 1981 - not otherwise shown in Tables 1 & 2 (6)	
	Name and address	Description of Interest to be acquired	Name and address	Description of the land for which the person in adjoining column is likely to make a claim
45	<p>Handelsbanken 3 Thomas More Square London E1W 1WY and 2nd Floor 4M Building Malaga Avenue Manchester Airport Manchester M90 3RR <i>(as mortgagee of a registered charge on freehold title SYK249619)</i> <i>(mortgagor: Bolsterstone (Chesterfield) LLP)</i></p>	Mortgages dated 21 January 2011	—	—
46	<p>Handelsbanken 3 Thomas More Square London E1W 1WY and 2nd Floor 4M Building Malaga Avenue Manchester Airport Manchester M90 3RR <i>(as mortgagee of a registered charge on leasehold title YWE67691)</i> <i>(mortgagor: Bolsterstone (Chesterfield) LLP)</i></p> <p>Europcar Group UK Limited James House 55 Welford Road Leicester LE2 7AR</p>	<p>Mortgages dated 21 January 2011</p> <p>Right of common roof water drainage</p>	—	—

Number on Map (4)	Other qualifying persons under section 12(2A)(a) of the Acquisition of Land Act 1981 (5)		Other qualifying persons under section 12(2A)(b) of the Acquisition of Land Act 1981 - not otherwise shown in Tables 1 & 2 (6)	
	Name and address	Description of Interest to be acquired	Name and address	Description of the land for which the person in adjoining column is likely to make a claim
47	-	-	-	-
48	-	-	-	-
49	-	-	-	-
50	-	-	-	-
51	-	-	-	-
52	-	-	-	-
53	<p>Castlemore (West Bar) Limited Pricewaterhousecoopers LLP Central Square 8TH Floor 29 Wellington Street Leeds LS1 4DL <i>(in administration)</i></p> <p>Mark Batten PricewaterhouseCoopers Plumtree Court London EC3A 4HT <i>(as practitioner for Castlemore (West Bar) Limited in administration)</i></p> <p>Matthew Hammond PricewaterhouseCoopers 1 Kingsway Cardiff CF10 3PW <i>(as practitioner for Castlemore (West Bar) Limited in administration)</i></p>	<p>Right of support and right of way</p> <p>Right of support and right of way</p>	-	-

Number on Map (4)	Other qualifying persons under section 12(2A)(a) of the Acquisition of Land Act 1981 (5)		Other qualifying persons under section 12(2A)(b) of the Acquisition of Land Act 1981 - not otherwise shown in Tables 1 & 2 (6)	
	Name and address	Description of Interest to be acquired	Name and address	Description of the land for which the person in adjoining column is likely to make a claim
54	Europcar Group UK Limited James House 55 Welford Road Leicester LE2 7AR	Right of common roof water drainage and right of support	-	-
55	Europcar Group UK Limited James House 55 Welford Road Leicester LE2 7AR  Lloyds Bank plc 25 Gresham Street London EC2V 7HN and Recoveries Commercial Banking Bank House Wine Street Bristol BS1 2AN <i>(as mortgagee of a registered charge on freehold title SYK349924)</i> <i>(mortgagor: Castlemore West Bar Limited, in administration, ref 1030460)</i>	Right of support and common roof water drainage  Mortgage dated 7 March 2008	-	-
56	-	-	-	-
57	-	-	-	-
58	-	-	-	-
59	-	-	-	-

Number on Map (4)	Other qualifying persons under section 12(2A)(a) of the Acquisition of Land Act 1981 (5)		Other qualifying persons under section 12(2A)(b) of the Acquisition of Land Act 1981 - not otherwise shown in Tables 1 & 2 (6)	
	Name and address	Description of Interest to be acquired	Name and address	Description of the land for which the person in adjoining column is likely to make a claim
60	Urbo (West Bar) Limited High Edge Court Heage Belper DE56 2BW and 36 Bridge Business Centre Beresford Way Chesterfield S41 9FG	Right to obstruct access to light and air and other easements that may be obstructed now by any buildings or hereafter to be erected	-	-
61	-	-	-	-
62	-	-	-	-
63	Peveril Securities Limited High Edge Court Heage Belper DE56 2BW <i>(as mortgagee of a registered charge on freehold title SYK552378)</i> <i>(mortgagor: Urbo (West Bar) Limited)</i>	Mortgage dated 01 December 2017	-	-
64	-	-	-	-
65	Bridge Street (Car Park) Limited 36 The Bridge Business Centre Beresford Way Chesterfield S41 9FG	The right to affix inward opening gates to the highway retaining wall	St. Silas Limited c/o Wilson Field Limited The Manor House 260 Ecclesall Road Sheffield S11 9PS <i>(in voluntary creditors liquidation)</i>	Restrictive covenant not to place signage, lighting, columns, street furniture, plants or trees and bushes on land known as paved area forming part of highway junction to highways known as Bridge Street and Corporation Street, Sheffield

Number on Map (4)	Other qualifying persons under section 12(2A)(a) of the Acquisition of Land Act 1981 (5)		Other qualifying persons under section 12(2A)(b) of the Acquisition of Land Act 1981 - not otherwise shown in Tables 1 & 2 (6)	
	Name and address	Description of Interest to be acquired	Name and address	Description of the land for which the person in adjoining column is likely to make a claim
65 cont			<p>Robert Dymond Wilson Field Limited The Manor House 260 Ecclesall Road Sheffield S11 9PS <i>(as practitioner for St. Silas Limited in voluntary creditors liquidation)</i></p> <p>Lisa Hogg Wilson Field Limited The Manor House 260 Ecclesall Road Sheffield S11 9PS <i>(as practitioner for St. Silas Limited in voluntary creditors liquidation)</i></p>	<p>Restrictive covenant not to place signage, lighting, columns, street furniture, plants or trees and bushes on land known as paved area forming part of highway junction to highways known as Bridge Street and Corporation Street, Sheffield</p> <p>Restrictive covenant not to place signage, lighting, columns, street furniture, plants or trees and bushes on land known as paved area forming part of highway junction to highways known as Bridge Street and Corporation Street, Sheffield</p>
66	-	-	-	-
67	-	-	-	-
68	-	-	-	-
69	-	-	-	-
70	-	-	-	-



Number on Map (4)	Other qualifying persons under section 12(2A)(a) of the Acquisition of Land Act 1981 (5)		Other qualifying persons under section 12(2A)(b) of the Acquisition of Land Act 1981 - not otherwise shown in Tables 1 & 2 (6)	
	Name and address	Description of Interest to be acquired	Name and address	Description of the land for which the person in adjoining column is likely to make a claim
71	<p>Handelsbanken 3 Thomas More Square London E1W 1WY and 2nd Floor 4M Building Malaga Avenue Manchester Airport Manchester M90 3RR <i>(as mortgagee of a registered charge on freehold title SYK204026)</i> <i>(mortgagor: Bridge Street (Car Park) Limited)</i></p>	Mortgages dated 29 May 2015	<p>Keyline Builders Merchants Limited Suite S3 8 Strathkelvin Place Kirkintilloch G66 1XT</p> <p>UKCPS Limited 1200 Century Way Thorpe Park Business Park Colton Leeds LS15 8 ZA</p> <p>Urbo (West Bar) Limited High Edge Court Heage Belper DE56 2BW and 36 Bridge Business Centre Beresford Way Chesterfield S41 9FG</p>	<p>Restrictive covenant not to use land formerly known as 98 Corporation Street, Sheffield for sales of domestic central heating, hire of small tools builders plant, timber buildings or plumbing materials</p> <p>Right to electricity supply for land formerly known as 44 Bridge Street, Sheffield</p> <p>Right to electricity supply for land formerly known as 44 Bridge Street, Sheffield</p>
72	-	-	-	-

Number on Map (4)	Other qualifying persons under section 12(2A)(a) of the Acquisition of Land Act 1981 (5)		Other qualifying persons under section 12(2A)(b) of the Acquisition of Land Act 1981 - not otherwise shown in Tables 1 & 2 (6)	
	Name and address	Description of Interest to be acquired	Name and address	Description of the land for which the person in adjoining column is likely to make a claim
73	Peveril Securities Limited High Edge Court Heage Belper DE56 2BW <i>(as mortgagee of a registered charge on freehold title SYK552378)</i> <i>(mortgagor: Urbo (West Bar) Limited)</i>	Mortgage dated 01 December 2017	Unknown successors in title to Richard Dixon  Unknown successors in title to James Milton Dixon	Restrictive covenant not to use land known as car park formerly known as 44 Corporation Street for any purpose which may be or become noisy noisome or detrimental to the neighbourhood <i>(Conveyance 19 September 1973)</i>  Restrictive covenant not to use land known as car park formerly known as 44 Corporation Street for any purpose which may be or become noisy noisome or detrimental to the neighbourhood <i>(Conveyance 19 September 1973)</i>
74	—	—	—	—
75	—	—	—	—
76	—	—	—	—

Number on Map (4)	Other qualifying persons under section 12(2A)(a) of the Acquisition of Land Act 1981		Other qualifying persons under section 12(2A)(b) of the Acquisition of Land Act 1981 - not otherwise shown in Tables 1 & 2 (6)	
	Name and address	Description of Interest to be acquired	Name and address	Description of the land for which the person in adjoining column is likely to make a claim
77	<p>Lloyds Bank plc 25 Gresham Street London EC2V 7HN and Recoveries Commercial Banking Bank House Wine Street Bristol BS1 2AN <i>(as mortgagee of a registered charge on freehold title SYK326729)</i> <i>(mortgagor: Castlemore West Bar Limited, in administration, ref 1030460)</i></p> <p>URBO Regeneration Limited 36 The Bridge Business Centre Beresford Way Chesterfield S41 9FG</p> <p>Graham Oxley Tool Steels Limited 11 Venture One Business Park Long Acre Close Sheffield S20 3FR</p> <p>Parkit Management Limited 9 The Alders Riplingham Fields Gainsborough DN21 1WJ</p> <p>RCP Parking Limited 15 The Close Norwich NR1 4DZ</p>	<p>Mortgage dated 7 March 2008</p> <p>Unilateral Notice dated 11 March 2015</p> <p>Right of way</p> <p>Right of way</p> <p>Right of way</p>	-	-

Number on Map (4)	Other qualifying persons under section 12(2A)(a) of the Acquisition of Land Act 1981 (5)		Other qualifying persons under section 12(2A)(b) of the Acquisition of Land Act 1981 - not otherwise shown in Tables 1 & 2 (6)	
	Name and address	Description of Interest to be acquired	Name and address	Description of the land for which the person in adjoining column is likely to make a claim
78	The Royal Bank of Scotland plc 36 St Andrew Square Edinburgh EH2 2YB and Credit Documentation Sheffield S2 9EQ <i>(as mortgagee of a registered charge on freehold title SYK262098)</i> <i>(mortgagor: Eggington Bros. Limited)</i>	Mortgage dated 18 December 2009		
79	–	–	–	–
80	–	–	–	–
81	–	–	–	–
82	–	–	Unknown successors in title of Walter Appleyard	Restrictive covenant not at any time hereafter pull down the drainage interface or alter the gable end now standing or to obstruct the access of light over land known as 53 Bridge Street, Sheffield (Conveyance dated 7 March 1902)

Number on Map (4)	Other qualifying persons under section 12(2A)(a) of the Acquisition of Land Act 1981 (5)		Other qualifying persons under section 12(2A)(b) of the Acquisition of Land Act 1981 - not otherwise shown in Tables 1 & 2 (6)	
	Name and address	Description of Interest to be acquired	Name and address	Description of the land for which the person in adjoining column is likely to make a claim
83	<p>Lloyds Bank plc 25 Gresham Street London EC2V 7HN and Recoveries Commercial Banking Bank House Wine Street Bristol BS1 2AN <i>(as mortgagee of a registered charge on freehold title SYK517383)</i> <i>(mortgagor: Castlemore West Bar Limited, in administration, ref 1030460)</i></p> <p>URBO Regeneration Limited 36 The Bridge Business Centre Beresford Way Chesterfield S41 9FG</p>	<p>Mortgage dated 7 March 2008</p> <p>Unilateral Notice dated 11 March 2015</p>	—	—
84	—	—	Unknown successors in title of Walter Appleyard	Restrictive covenant not at any time hereafter pull down the drainage interface or alter the gable end now standing or to obstruct the access of light over land known as 53 Bridge Street, Sheffield (Conveyance dated 7 March 1902)
85	—	—	—	—
86	—	—	—	—
87	—	—	—	—
88	—	—	—	—

Number on Map (4)	Other qualifying persons under section 12(2A)(a) of the Acquisition of Land Act 1981 (5)		Other qualifying persons under section 12(2A)(b) of the Acquisition of Land Act 1981 - not otherwise shown in Tables 1 & 2 (6)	
	Name and address	Description of Interest to be acquired	Name and address	Description of the land for which the person in adjoining column is likely to make a claim
89	–	–	–	–
90	–	–	Edward Fitzalan-Howard, 18th Duke of Norfolk East Wing Arundel Castle Arundel BN18 9AB	Restrictive covenant not to use for any trade or manufacture or other thing that can cause damage, nuisance or annoyance on land being car parks south east and south of Love Street, waste land south of Bridge Street, Sheffield
91	–	–	–	–
92	–	–	–	–
93	–	–	–	–
94	–	–	–	–
95	–	–	–	–
96	–	–	–	–
97	National Grid plc 1-3 Strand London WC2M 5EH	Caution against first registration and right to repair maintain renew inspect and remove electricity cables and cooling water pipes within highways known as West Bar and Bridge Street, Sheffield	–	–
98	–	–	–	–
99	–	–	–	–
100	–	–	–	–

Number on Map (4)	Other qualifying persons under section 12(2A)(a) of the Acquisition of Land Act 1981 (5)		Other qualifying persons under section 12(2A)(b) of the Acquisition of Land Act 1981 - not otherwise shown in Tables 1 & 2 (6)	
	Name and address	Description of Interest to be acquired	Name and address	Description of the land for which the person in adjoining column is likely to make a claim
101	Lloyds Bank plc 25 Gresham Street London EC2V 7HN and Recoveries Commercial Banking Bank House Wine Street Bristol BS1 2AN <i>(as mortgagee of a registered charge on freehold title SYK520717)</i> <i>(mortgagor: Castlemore West Bar Limited, in administration, ref 1030460)</i> URBO Regeneration Limited 36 The Bridge Business Centre Beresford Way Chesterfield S41 9FG	Mortgage dated 7 March 2008 Unilateral Notice dated 11 March 2015	-	-
102	-	-	-	-
103	National Grid plc 1-3 Strand London WC2M 5EH	Caution against first registration and right to repair maintain renew inspect and remove electricity cables and cooling water pipes within highways known as West Bar and Bridge Street, Sheffield	-	-

THE COMMON SEAL OF SHEFFIELD CITY COUNCIL

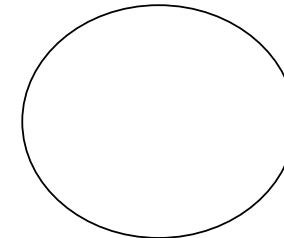
was hereunto affixed this                    day of                    2018

in the presence of :-

.....

A duly authorised Officer

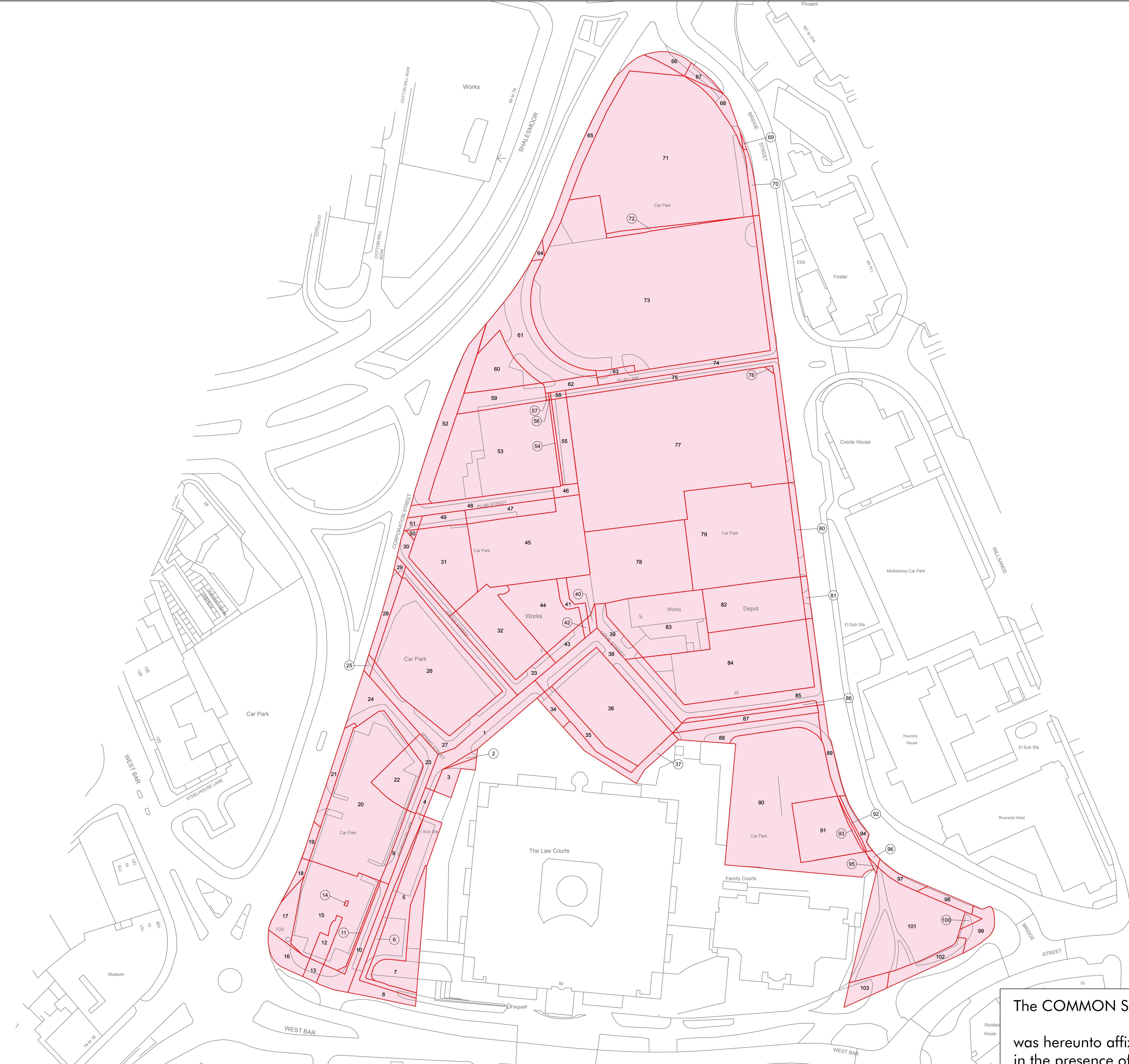
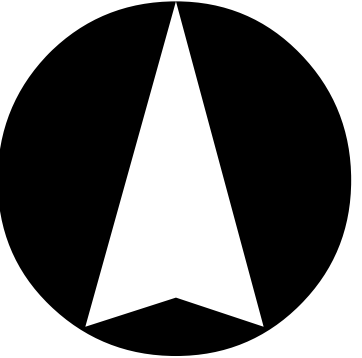
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# MAP REFERRED TO IN THE SHEFFIELD CITY COUNCIL (WEST BAR SQUARE REDEVELOPMENT) COMPULSORY PURCHASE ORDER 2018



The COMMON SEAL of SHEFFIELD CITY COUNCIL  
 was hereunto affixed this     day of     2018  
 in the presence of:  
 .....  
 a duly authorised officer



1:500 @ A0  
 PA-2626-CPO-DRAFT-R7  
 02/03/2018

Page 261

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**THE TOWN AND COUNTRY PLANNING ACT 1990**

**AND**

**THE ACQUISITION OF LAND ACT 1981**

**DRAFT**

**THE SHEFFIELD CITY COUNCIL**

**(WEST BAR SQUARE REDEVELOPMENT)**

**COMPULSORY PURCHASE ORDER 2018**

**STATEMENT OF THE  
COUNCIL'S REASONS FOR  
MAKING THE ORDER**

## CONTENTS

1.	INTRODUCTION.....	1
2.	EXPLANATION OF POWERS.....	2
3.	LOCATION AND DESCRIPTION OF THE ORDER LAND .....	3
4.	NEED FOR REDEVELOPMENT AND REGENERATION.....	6
5.	DESCRIPTION OF THE SCHEME .....	8
6.	PLANNING STATUS OF THE ORDER LAND .....	15
7.	JUSTIFICATION FOR USE OF COMPULSORY PURCHASE POWERS.....	20
8.	DELIVERY OF THE SCHEME .....	24
9.	HUMAN RIGHTS AND PUBLIC SECTOR EQUALITY DUTY .....	26
10.	OTHER MATTERS AND SPECIAL CONSIDERATIONS.....	28
11.	THE VIEWS OF GOVERNMENT DEPARTMENTS.....	32
12.	ADDITIONAL INFORMATION AND CONTACT DETAILS.....	32
13.	LIST OF DOCUMENTS, MAPS OR PLANS FOR THE PUBLIC INQUIRY .....	32

## 1. INTRODUCTION

- 1.1 This document is the Statement of Reasons of Sheffield City Council ("**the Council**") for the making of a compulsory purchase order entitled The Sheffield City Council (West Bar Square Redevelopment) Compulsory Purchase Order 2018 ("**the Order**").
- 1.2 The Council made the Order on [ ] 2018 pursuant to the Council's resolution on [ ] 2018. The Order will be submitted to the Secretary of State for Communities and Local Government ("**the Secretary of State**") for confirmation pursuant to the Acquisition of Land Act 1981.
- 1.3 The Order is made pursuant to Section 226(1)(a) of the Town and Country Planning Act (as amended) (the "**1990 Act**") to acquire the land required to secure the construction and delivery of a comprehensive mixed-use redevelopment scheme in Sheffield City Centre, known as the West Bar Square Regeneration Project ("**the Scheme**") more particularly described in Section 5. The Scheme is being carried out by the Council's development partner Urbo (West Bar) Limited and is a major project in the wider strategy for the regeneration of Sheffield City Centre. Urbo (West Bar) Limited is a development company formed by Urbo Regeneration Limited and Peveril Securities (part of the Bowmer & Kirkland Group) to deliver the Scheme (collectively referred to in this Statement as "**Developer**").
- 1.4 The Order Land is more fully described in Section 3 of this Statement. The land and interests comprising the Order Land are identified in the schedule to the Order (the "**Order Schedule**"), which refers to the map accompanying the Order (the "**Order Map**").
- 1.5 The Council's purpose in seeking to acquire the Order Land is to facilitate the comprehensive development redevelopment and improvement of the West Bar Square site as part of the Riverside Business District to create a mixed-use and high quality development as an important area of Sheffield City Centre and gateway and connector to other adjoining areas: the Riverside area; Cathedral Quarter; Kelham, Burngreave; Woodside; and Castlegate. The comprehensive redevelopment of the area has been a long-standing aspiration and priority of the Council and presents an opportunity to deliver a new mixed use redevelopment with significant economic and regeneration benefits on an otherwise under-utilised and semi-derelict site. This is more particularly described in Section 4.
- 1.6 Details of the Scheme and its objectives is set out in Section 5 of this Statement. Planning permission for the Scheme has been secured, detailed in Section 6, and will deliver the Council's aspirations and objectives explained in Section 4.
- 1.7 The Order seeks to acquire all legal interests in the land coloured pink on the Order Map. The Council has and continues to work closely with the Developer seeking the private treaty acquisition of the remaining land interests in the Order Land by agreement where possible. The Council and Developer own the majority of the West Bar Square site but a number of interests remain in third party ownership and the land that they own is subject to other interests and encumbrances. There are also a number of unknown interests in the

other Order Land. The Council does not anticipate the site being capable of being entirely assembled without the use of compulsory purchase. The reasons for the Council's intervention and justification for use of compulsory purchase powers is set out in Sections 4 and 7. The Council considers that there is a compelling case in the public interest for the making of this Order to secure the outstanding land and property interests required for the purpose of implementing the Scheme. The Council is satisfied that the Scheme will positively contribute to the economic, social and environmental well-being of the area for reasons explained in this Statement and summarised in Section 7.

- 1.8 The Council is satisfied that the Scheme is capable of being delivered by the Developer as detailed in Section 8 and that there are no other insurmountable impediments to delivery, as detailed in Sections 9 and 10.
- 1.9 The Order will be submitted to the Secretary of State for Communities and Local Government for confirmation pursuant to the Acquisition of Land Act 1981.
- 1.10 This Statement has been prepared in accordance with the guidance set out in the Department for Communities and Local Government Guidance on Compulsory Purchase Process and the Crichel Down Rules dated October 2015 ("**the Guidance**").
- 1.11 This Statement of Reasons is non-statutory and is not a statement under Rule 7 of the Compulsory Purchase (Inquiries Procedure) Rules 2007 and the Council reserves the right to alter or expand it as necessary.

## 2. EXPLANATION OF POWERS

- 2.1 The Guidance provides the main guidance on the use of compulsory purchase powers and the Council has taken full account of the Guidance in making the Order. In accordance with the Guidance, the purpose for which an authority seeks to acquire land will determine the statutory power under which compulsory purchase is sought. Paragraph 11 of the Guidance states that acquiring authorities should look to use *"the most specific power available for the purpose in mind, and only use a general power when a specific power is unavailable"*.
- 2.2 The Council is the Local Planning Authority ("**LPA**") for the area in which the Order Land is situated and has the power under Section 226(1)(a) of the 1990 Act to compulsorily acquire any land in its area *"if the authority think that the acquisition will facilitate the carrying out of development, re-development or improvement on or in relation to the land"*.
- 2.3 Section 226 of the 1990 Act provides local authorities with a relatively broad power of compulsory purchase. An LPA is entitled to exercise the power under Section 226(1A) of the 1990 Act if it thinks that the development, re-development or improvement is likely to contribute to the achievement of the economic, social and/or environmental well-being of their area.
- 2.4 The Council considers that the Scheme will deliver benefits to the local area under all three objectives. These benefits are explained in more detail in Section 7 of this Statement.

- 2.5 The Guidance at Paragraph 1 states that *"compulsory purchase powers are an important tool to use as a means of assembling the land needed to help deliver social and economic change"* and that they *"can contribute towards effective and efficient urban and rural regeneration, essential infrastructure, the revitalisation of communities, and the promotion of business - leading to improvements in quality of life"*.
- 2.6 The Guidance states that the factors which the Secretary of State can be expected to consider, in deciding whether or not to confirm a compulsory purchase order includes:
- 2.6.1 whether the purpose for which the land is being acquired fits in with the adopted Local Plan for the area or, where no such up to date Local Plan exists, with the draft Local Plan and the National Planning Policy Framework; and
- 2.6.2 whether the purpose for which the acquiring authority is proposing to acquire the land could be achieved by any other means.
- 2.7 These tests are met in this Statement of Reasons as a whole, but more particularly in the following sections and paragraphs:
- 2.7.1 the tests above at 2.6.1 are addressed in Section 6;
- 2.7.2 the tests above at 2.6.2 are addressed in Section 8.

### **3. LOCATION AND DESCRIPTION OF THE ORDER LAND**

- 3.1 The land and interests included in the Order comprise approximately 2.97 hectares located within Sheffield City Centre and are shown on the Order Map.
- 3.2 The Order Land is situated on the northern edge of Sheffield City Centre, is broadly triangular in shape, and is bound to the south by the Law and Family Courts buildings and West Bar; to the west by Corporation Street; and to the east by Bridge Street.
- 3.3 The Order Land currently includes a few occupied commercial premises but mostly comprises underused or vacant sites and surface level car parking with a largely defunct street pattern. Together with West Bar, the West Bar Square site encloses Sheffield Combined Crown and Family Courts (the "**Courts**"), two important relatively modern civic buildings. Whilst the public realm immediately to the front of the Courts has recently been improved by the Council's award winning Grey to Green Project, the environment to the rear is extremely poor and not fitting for such important buildings.
- 3.4 Within the Order Land itself there are no listed or locally listed buildings or features and no part of it is within a Conservation Area but it is adjacent to the boundaries of both the Kelham Island and Furnace Hill Conservation Areas. The buildings which remain are mostly two storey brick workshops built between the 1900s to 1950s. Whilst a small number of buildings are occupied by one small manufacturing business, a car hire outlet and a tyre repair depot, the remainder of the Order Land (with the exception of 33 Love Street, a Council owned and tenanted building) contains derelict industrial

warehouses or has been cleared for temporary vehicle parking pending redevelopment. The area has a run-down appearance and feels potentially unsafe, particularly in the evening, despite a relatively large number of people living nearby.

- 3.5 The main properties within the Order Land that are not currently owned by the Council or owned or under the control of the Developer are:
- 3.5.1 Village Developments Site (Plots [12, 14 and 20] in the Order Schedule): a cleared site operated as a formal public car park with tarmac surfacing and marked parking spaces. This car park also includes areas of land owned by the Council that are jointly operated by the parties;
  - 3.5.2 Gerald and Richard Duniec (Plot [32] in the Order Schedule): vacant early Twentieth Century industrial building;
  - 3.5.3 Europcar (Plots [53 and 60] in the Order Schedule): mid Twentieth Century storage building together with offices and an external yard with petrol pump operated by Europcar for their car and van hire business;
  - 3.5.4 Egginton Brothers (Plots [41 and 78] in the Order Schedule): early Twentieth Century industrial property used by Egginton Brothers Ltd for the manufacture of penknife blanks, sharpeners and files;
  - 3.5.5 Hawleys Tyres (Micheldever) (Plot [82] in the Order Schedule): early Twentieth Century industrial building and small offices used for storage of tyres and tyre fitting services;
  - 3.5.6 Oxley Tools Site (Plot [79] in the Order Schedule): cleared and levelled used for public car parking. The site has a temporary planning consent for this use; and
  - 3.5.7 Gallan site (Plots [90 - 91 and 95] in the Order Schedule): cleared and levelled and used for public car parking. There is no surfacing or marking of bays and the site has a temporary planning consent for this use.
- 3.6 The Council owns a substantial part of the freehold interest in the Order Land and site required for redevelopment, including land in public highways surrounding the Order Land.
- 3.7 The Developer owns or has under option from the previous developer, Castlemore (see Section 5.6), a number of parcels of the West Bar Square site.
- 3.8 The owners of a number of plots in the Order Land, particularly in the highways in and around the site are unknown.
- 3.9 The Order Land at its southern end encircles (on three sides) the Courts. Land owned by the Council surrounding the Courts within the Order Land required for the Scheme includes a long leasehold interest in favour of the Crown and which is understood to meet the definition of "Crown Land" (for



the purposes of Section 293 of the 1990 Act). As a general rule, the Council is not able to acquire the Crown's interest in Crown Land by compulsory purchase and no exceptions apply in this case. The Developer is in discussion with agents for the Crown and the Crown's appropriate body has confirmed that it is agreeable in principle to the acquisition of its interest subject to reaching agreement on detailed terms for transfer. Details for the transfer of the Crown's interest is expected to be secured before the Council seeks final confirmation of the Order.*[to be updated]*

- 3.10 In addition to the Crown's interest, there are other third party interests (which are not held by or on behalf of the Crown) in this Crown Land. These third party interests are proposed to be included in the CPO. Pursuant to Section 226(2A) of the 1990 Act, the Secretary of State must not authorise the acquisition of any such third party interest in Crown Land unless with the consent of the appropriate Crown body. Confirmation in writing from the appropriate Crown body is anticipated as part of the agreement of terms for the transfer of the Crown Land *[to be updated]*. This confirmation will be provided to the Secretary of State upon submission of the CPO for confirmation as evidence that the Crown consents to such acquisition.
- 3.11 The Order Land and existing public highways within and surrounding the site that are required to deliver or that may be affected by the delivery of the Scheme contain apparatus, structures and street furniture owned and operated by statutory undertakers, including that of the Council as local highway authority. By virtue of Section 236 of 1990 Act, these interests will not be extinguished by the making and subsequent vesting of the Order Land by the Council under the CPO. The Developer and its advisors are however in discussion with the various statutory undertakers, principally as part of proposals for Stopping Up of highways within the site.
- 3.12 Save for the area owned by the Crown occupied by the Courts, the majority of land surrounding the Order Land comprises public highway. The land under and above this surrounding footway is either already owned by the Council or will be capable of being controlled by the Council via the CPO.
- 3.13 The Order Land also includes a number of minor interests which are included in the Order Schedule.

### **Order Map**

- 3.14 The Order Land required permanently is shown coloured pink on the Order Map and is bounded by West Bar, Bridge Street and Corporation Street. The Order does not include land in which new rights only are being sought.
- 3.15 The Order Schedule has been prepared based upon information gathered through inspection of Land Registry title documents, site inspections, enquiries made on behalf of the Council and responses to notices issued under Section 16 of the Local Government (Miscellaneous Provisions) Act 1976 and unknown owner notices placed on and around the Order Land. Whilst this information represents an extensive schedule of known interests, it is acknowledged that other currently unknown interests may emerge as the compulsory purchase process proceeds.

- 3.16 The parts of the Order Land which are in the ownership of the Council are included in the Order Land to ensure that any third party interests or encumbrances existing in respect of such land are acquired pursuant to the Order ensuring that the Scheme can be constructed and subsequently occupied. For the same reason those parts of the Order Land within the ownership of the Developer as well as that of the Council's previous developer partner, Castlemore and under option to the Developer are included in the Order, as well as to ensure that the Council has an absolute right to assemble all of the Order Land. This also enables the Council to extinguish all minor interests in the Developer controlled land, as required.
- 3.17 There are a number of plots within the Order Land where ownership is unknown and some of which occupy locations central to the development proposals and which could inhibit any material development of the Scheme. The acquisition of these interests via the Order will overcome this impediment.
- 3.18 The extent of the Order Land included in the Order Map has been determined having regard to the extent of land interests required to deliver the Scheme (as described in Section 6) and in particular having regard to the range and upper limits of development permitted under the Outline Planning Permission, and the extent of existing and proposed stopping up of public highway within and around the West Bar Square site.
- 3.19 There is an exception to this general approach in that an area of land to the eastern flank of the Courts (held by or on behalf of the Crown) is excluded from the Order Land. This strip of land sits between the eastern boundary wall to the Courts and Plot [101]. This strip of land is within the Outline Planning Permission boundary but is not expected to be required to support the construction of a building. This area may be subject to soft landscaping but is not expected to be a requirement of the commencement of development or occupation of the Scheme under the Outline Planning Permission. The Crown intends to retain ownership of this strip of land which it is unable to readily transfer [but is agreeable in principle to the Developer carrying out improvement to this area, as may be secured as part of the detailed design of the Scheme.] *[to be updated]*. Its omission from the Order Land is not considered by the Council to be an impediment to delivery of an acceptable Scheme that meets the requirements of the Outline Planning Permission and/or planning policy.

#### **4. NEED FOR REDEVELOPMENT AND REGENERATION**

- 4.1 As set out in greater detail below in Sections 5 and 6, the Scheme has been identified as a key regeneration opportunity by the Council since 2001 and has been actively pursued by the Council in the absence of the market being able to assemble all land necessary to bring about comprehensive redevelopment.
- 4.2 The completion of the Inner Relief Road ("IRR") in October 2007 resulted in a significant reduction in traffic on West Bar and created an opportunity to physically reconnect the Order Land back to the core of the City Centre. This also provides the Order Land with a highly prominent frontage onto the IRR which serves as the main arterial road around the City Centre. Corporation Street is now one of the main entrances into the City Centre from the IRR.

- 4.3 In the immediate vicinity of the Order Land a very significant amount of new development has taken place over the past ten years. The Riverside Exchange development which adjoins the land between Bridge Street and the River Don was one of the first large private apartment schemes in the City Centre and also comprises a substantial Government office campus (largely occupied by the Home Office) and the headquarters of the law firm Irwin Mitchell. To the north east, on the opposite side of the IRR, Kelham Island has been transformed from a declining industrial area to a thriving residential and creative community in a mix of refurbished former Victorian workshops and imaginative new buildings (see West Bar Square City Context Plan for illustration of these surrounding areas).
- 4.4 To the south of the Order Land, rising up the hill into the core of the City Centre is the Cathedral Quarter. This was traditionally the main office location in Sheffield and with a variety of professional firms housed in a mix of Georgian, Victorian and less attractive 1960s buildings. With the increasing trend of consolidation and expansion of legal firms in particular there has been a large amount of relocation into larger floorplate offices such as at Riverside Exchange. As a result the Cathedral Quarter has suffered some decline, although it remains very attractive and new residential uses are increasingly moving into the area.
- 4.5 Linking the Cathedral Quarter to the Order Land the Council has invested in an award winning, innovative reclamation of the redundant areas of highway which became available when the IRR was completed. This project, referred to as the Grey to Green Project, has created new public realm, improved pedestrian routes and sustainable urban drainage.
- 4.6 To the south east is Castlegate, which was Sheffield's historic heart but has suffered from a loss of much of its traditional economic and social function as large scale retail and civic uses have relocated into the core of the City Centre. However, over the next five to ten years the area will be the focus of major regeneration and is about to take on a new and exciting role with a distinctive focus for tech and creative start-up businesses taking over the vacant character buildings (see City Centre Masterplan 2008, City Centre Masterplan 2013 (Draft) and City Centre Plan 2018 (Draft)). The exploration of the 13th Century castle, currently buried beneath the site of the former indoor markets, will be an addition to the city's visitor attractions.
- 4.7 The Castlegate area already houses the largest number of hotels in the City Centre and a proposed second phase of the Grey to Green Project will reclaim further areas of redundant highway to transform the environment around these hotels (see City Centre Plan 2018 (Draft) and City Centre Outputs Plan from the approved outline business case for Sheffield City Region Investment Funding (SCRIF); reduce severance of the historic canal basin from the City Centre; and improve pedestrian routes along the river back to the West Bar Square Scheme.
- 4.8 Approximately a mile to the north of the Order Land, Burngreave is one of the most deprived wards in England and, whilst not immediately adjacent to the Scheme, the semi-derelict condition of the land creates a physical and psychological barrier between Burngreave and the City Centre.

- 4.9 The Order Land is currently under-utilised, is in a poor state of repair, and is in urgent need of regeneration. The Order Land is situated in a pivotal position to connect the emerging new riverside districts to the core of the City Centre, whilst meeting the identified need for further and improved office and residential provision in the City Centre. The Scheme, as described below in Section 5, represents a sustainable, committed and important development opportunity with the ability to create new pedestrian and cycle linkages through high quality public realm.
- 4.10 In the absence of the Scheme, the Order Land is most likely to remain substantially in its current state - thereby failing to secure any improvement to social and environmental well-being or sustainable economic growth for the City. The Order Land is essentially a physical and visual link between the edge of the City Centre and the Cathedral Quarter, Exchange Riverside and Kelham Island areas and on the edge of Castlegate. It currently does not perform well socially, environmentally or economically and as such, the site in its current state acts as a barrier to the prosperity of the West Bar area and its connectivity with the City Centre - further explained in Section 7.

## **5. DESCRIPTION OF THE SCHEME**

### **Background of the regeneration of West Bar Square**

- 5.1 The Order Land is identified for redevelopment and was first identified by the Council in 2001 as a key regeneration opportunity that could arise from the construction of the northern section of the IRR. It was identified as a core project in the IRR Urban Design Framework submitted as supporting information to both the Department for Transport to secure funding for the IRR and with the planning application for the highway. The IRR was funded, at a cost of c£60M, due to the economic benefits that would arise from the regeneration that it would enable as opposed to a purely transport-led scheme. Building on the IRR Urban Design Framework, a Development Framework for the Regeneration of the Northern Stage of the IRR Corridor and West Bar was prepared. This framework detailed a delivery strategy for the regeneration of what would become prominent development sites post-construction of the IRR and West Bar in particular was identified as a major opportunity for redevelopment. On the 23 October 2002 these frameworks were approved by the Cabinet of the Council and authority was given to seek a private sector development partner for West Bar by the Council's Cabinet. At this initial stage, the land ownership pattern of the site at West Bar was entirely fragmented with no single owner holding more than circa 10% of the site.
- 5.2 In 2003, development consultants AGD Regeneration ("**AGDR**") were appointed by the Council to advise on securing delivery of the proposed West Bar area regeneration. AGDR's sub-consultants Urbed advised on urban design and master-planning issues and working with AGDR and the Council a high quality mixed-use neighbourhood design and development concept was created for West Bar Square.
- 5.3 On 12 May 2004 Cabinet received a further report on the Sheffield Central Riverside Strategy. The report updated Members on progress in delivering objectives set out in the Cabinet Report in 2002 and in particular sought authorisation to finalise a development brief and seek a development partner

through competition/selection for the West Bar Square site. At the same meeting approval in principle was given for the use of compulsory purchase powers in pursuit of regeneration in Central Riverside, including West Bar Square.

- 5.4 In late 2004, the Council produced a Development Brief for West Bar Square as the basis for an open developer competition, which identified the potential site area and set out the Council's regeneration objectives. The Development Brief set out 6 key design principles for West Bar Square: Extending the City Centre; Urban Character and Density; Mix of Uses; Integrated Development; Design Quality; and Sustainability. The details of each of these design principles made clear the strategic necessity of a large-scale comprehensive single development across the West Bar Square site.
- 5.5 In early January 2005, the development opportunity was advertised in the property press as a two-stage selection process requiring design proposals and evidence of development capability from developers, with a deadline for "first stage" bids of 21 February 2005. There was a large degree of interest from large-scale development companies and over 20 companies made submissions.
- 5.6 Castlemore Securities Limited was selected from a shortlist of 5 companies that submitted detailed 'second-stage' proposals as the Council's development partner in August 2005. Cabinet approval for this selection was secured on 21 September 2005. Authorisation was also given for appropriate Council Officers to enter into negotiations for the signing of a development agreement and the preparation for initial stages of a compulsory purchase order. In support of the comprehensive redevelopment, site specific Interim Planning Guidance was approved by Cabinet and published in July 2006 ("**the West Bar IPG**") following full public consultation on the draft West Bar IPG over a six week period commencing with a public exhibition on 16 - 18 February 2006.
- 5.7 The development agreement between the Council and Castlemore (West Bar) Limited, a subsidiary of Castlemore Securities Limited (both hereinafter referred to as "**Castlemore**") was signed on the 3 May 2007 (the "**Development Agreement**").
- 5.8 Castlemore submitted an application which was validated on 27 September 2007 and was informed through a design led masterplan approach. Outline planning permission was granted in April 2008 for a mixed use redevelopment for Class B1 (Business), Class A1 (Shops), Class A2 (Financial and Professional), Class A3 (Restaurants and Cafes), A4 (Drinking Establishments), Class A5 (Hot Food Takeaways), Class C3 (Dwellinghouses), Student Housing, and Class C1 (Hotels) and associated roof plant, car parking accommodation and access (Application Reference: 07/03813/OUT) ("**the Castlemore Permission**").
- 5.9 In February 2009, Castlemore went into administration and the Castlemore Permission was never implemented. At the time at which Castlemore went into administration, a degree of land assembly had taken place to the extent that the Council and Castlemore combined owned approximately one-third of the West Bar Square site. In addition the Council acquired the freehold to 33

Love Street, which the Council presently utilises for some elements of its services.

- 5.10 The Castlemore Joint Administrators' proposals for achieving the purpose of the Administration dated 20 April 2009 set out the circumstances leading to Castlemore's administration, which were centred around group cashflow issues and Castlemore's banking arrangements and constraints. No question was raised regarding the viability of the West Bar Square development.

### **The Developer's involvement**

- 5.11 Shortly after Castlemore went into administration, the Council and Castlemore's administrators were approached by Urbo Regeneration Limited ("**URL**"). URL, via its major shareholder Bolsterstone plc, held existing land ownership interests within the West Bar Square site that had been acquired some years before as part of a larger Sheffield-wide portfolio of 'distressed property'.
- 5.12 As URL focuses on large-scale regeneration projects, in partnership with the public sector, it was seen by the Council as a suitable developer partner to drive the project forward. The Council engaged in negotiations with URL during 2009.
- 5.13 URL engaged with PriceWaterhouseCoopers ("**PWC**"), the administrators of Castlemore, in order to discuss the terms of a deal to acquire Castlemore's land ownership interests at West Bar Square and secure transfer of the Development Agreement. Detailed negotiations between the Council, URL and PWC took a number of years to conclude, as part of the wider administration of Castlemore's affairs. This extended period was due to the need to secure various approvals, particularly from Castlemore's main creditor.
- 5.14 On 24 August 2011, the Council's Cabinet authorised approval of the transfer of the Development Agreement to enable URL to become the Council's new development partner. There then followed a protracted and complex series of negotiations to structure a development deal between previous developer Castlemore in Administration and URL with the approval of the Council. This involved considerable work and extensive negotiations and internal approvals by all parties undertaken alongside the design of a revised masterplan.
- 5.15 A revised Development Agreement with the Council was entered into by URL in March 2015. Discussions between the parties took a number of years to conclude, as part of the wider administration of Castlemore's affairs and the need to secure various approvals, particularly from Castlemore's main creditor. During this period, URL undertook the design of a revised masterplan for the Site to respond to the change in market conditions.
- 5.16 In 2016 URL completed a joint venture agreement to deliver the Scheme with Peveril Securities, as part of the Bowmer & Kirkland Group. This formed the developer company, Urbo (West Bar) Ltd, the Developer, and injected further funds into the development including for site assembly. URL's interest in the Development Agreement was assigned to the Developer on 22 June 2016. Consequently, all URL controlled land interests in the site required for the

Scheme are under the control of the Developer and available to carry out the Scheme, under the terms of the Development Agreement.

### **Evolution of the current Scheme**

- 5.17 In late 2011, URL began the design process for the Scheme. In order to provide continuity and understanding of the strategic purpose of the West Bar Square redevelopment, Urbed were appointed to undertake a master planning exercise. Leading architects 5plus were also appointed to work with Urbed on master-planning and to focus on building design. This was in part to ensure a revised design could improve on the Castlemore scheme, deliver a comprehensive development meeting the Council's Development Brief and provide for viable deliverability. This was achieved by creating a flexible framework that allows the development to adjust to meet market demand for both commercial and residential space. This will complement important aspects of the Development Brief such as the focus on high quality public realm and connectivity that will provide significant public benefit for the local community, in contrast to the on-going dereliction of the site due to the current pattern of small plots and low-grade mostly temporary uses.
- 5.18 A masterplan approach was used in the development of the Scheme, acknowledging the need to create a flexible, mixed-use development capable of responding to market demand, whilst ensuring the Scheme would be compatible with wider objectives, as well as with neighbouring development. Five key principles underpinned the masterplan of the Scheme:
- A New Destination and Place-making;
  - Connections to adjacent neighbourhoods;
  - Contextual analysis;
  - Being Environmentally Responsive; and
  - Technically Responsive.
- 5.19 During 2015 and 2016, URL and its full professional team carried out detailed design work and all of the supporting work to prepare the revised outline planning application for the Scheme. This included extensive work on environmental and highways issues and proposals.
- 5.20 As part of the Council's discussions with URL it was decided to exclude the building used as a residential storage warehouse by Armadillo Storage from the Scheme. This unit is a parcel of land on the southern wide of West Bar, separated from the Order Land, and it was jointly agreed that the comprehensive redevelopment would be more coherent if it concentrated to the north of West Bar. The decision to omit this parcel from the Scheme reflected also improvements that had been made to this unit in the intervening period - bringing it back into beneficial use. In March 2005 ahead of SCC appointing a development partner the Council confirmed in writing that it would exclude 81 – 85 West Bar Sheffield (former Moseley Arms) from the proposed redevelopment site boundary owing to the conversion of the building to offices by a local company which was in keeping with SCC

objectives of 'assisting with the expansion of the legal and professional quarter'.

5.21 Due to the scale and importance of the Scheme it was a requirement of the Council's planning policies that stakeholder and community consultation be carried out in advance of submission of a planning application. Therefore this work formed the basis of a programme of public consultation process during 2015 and into 2016 and feedback on the draft proposals for the Scheme, based on the masterplan design, was received from a number of local stakeholders, including:

- Members of Sheffield's Civic Trust
- Cycle Sheffield
- The Sheffield Law Courts
- The Riverside Business District
- The Home Office
- Adjacent businesses including Irwin Mitchell LLP

The wider aims of the draft masterplan to improve and comprehensively regenerate West Bar Square were supported by the vast majority of respondents. Further details regarding the consultation process can be found in the West Bar Square Design and Access Statement pages 36 - 39.

5.22 In addition to public consultation, URL met individual landowners of the Order Land around this time on a one-to-one basis to discuss plans for the Scheme. In addition to these meetings all land-owners were invited to the public consultation open event held on 15 June 2015.

5.23 The West Bar Square outline planning application was originally due to be submitted in Summer 2015 following appointment of the full professional team to prepare the application in March 2015. Whilst comprehensive pre-application meetings had taken place a significant delay occurred from April 2015 when the Council Highways Officers required detailed traffic modelling to be undertaken. This began a cycle of modelling exercises, analysis, reports, negotiations and meetings that took a full year to resolve. In April 2016 a series of mitigation measures supported by traffic modelling satisfied the Highway Authority that they could fully support the planning application without changes to the scale or content of the development.

### **The Planning Application**

5.24 On 29 June 2016, a planning application was submitted to the Council for demolition of existing buildings and erection of buildings on the West Bar Square site to form a mixed use development comprising office, residential, hotel, retail and leisure uses including provision of public realm space and car parking accommodation (Outline application) (the "**Application**" - Application Reference: 16/02518/OUT).



- 5.25 The Application reserved all matters, except for the principal means of access to the Scheme from the junction of Bridge Street/Corporation Street, for subsequent approval based on upper limits of floor space for each use and with an arrangement of uses within identified parameters shown on application drawings.
- 5.26 The Application was accompanied by an Environmental Statement ("**ES**") in accordance with the requirements of the Town and Country Planning (Environmental Impact Assessment) Regulations 2011.
- 5.27 Highways England formally objected to the application on 19 August 2016, following pre-application discussions. This commenced another series of traffic modelling exercises and assessments over a period of several months before recommended conditions were agreed in December 2016 with Highways England, as consultee, resulting in the scale and content of the outline application unaltered.
- 5.28 The Application was presented to the Council's Planning and Highways Committee ("**the Committee**") on 14 February 2017 with a comprehensive Report to Committee which set out all material considerations relevant to the determination of the Application. The Committee resolved to approve the Application and outline planning permission was granted for the Scheme ("**the Outline Planning Permission**").
- 5.29 The Outline Planning Permission permits a mixed use development at West Bar Square with a total floor space of up to 140,000 square metres which may comprise up to 85,000m<sup>2</sup> of office, up to 50,000m<sup>2</sup> or 525 units of residential units, up to 20,000m<sup>2</sup> or 500 bed spaces of hotel use, up to 5,000m<sup>2</sup> of combined retail and leisure uses and up to 25,000m<sup>2</sup> or 700 car parking spaces. The Outline Planning Permission secures provision of high quality public realm including new pedestrian routes and two new squares and requires that a minimum of 50% of all development comprises office floor space, as well as requiring compliance with design and place making principles secured as part of a Design and Access Statement submitted and approved as part of the planning application.
- 5.30 The masterplan framework reduced the scale of the development permitted by the Castlemore Permission in line with that envisaged by the original Development Brief and continues to reflect the strategic objectives of the Council for a comprehensive and high quality mixed-use development. Considerable changes to Castlemore's design concept were made, for example by removing the three very tall and costly buildings proposed by Castlemore to be located at the corners of the site - ensuring greater deliverability and viability for the project. This has also been addressed by creating a flexible planning permission. This means that the Outline Planning Permission secures all of the key strategic elements required by the Council, such as the main public square, public realm strategy, massing and design approach, whilst providing considerable flexibility to meet market demand from individual occupiers and funders with bespoke building designs.

### **Description of the Scheme**

- 5.31 In line with the requirements of the Council's Development Brief and the West Bar IPG, the Scheme is a mixed-use development (comprising a blend of

office, residential, hotel, retail and leisure uses) the final design and mix determined by the Developer subject to compliance with planning control and the approval of the Council as a requirement of the Development Agreement.

- 5.32 The final scale and design is therefore otherwise market led and is flexible to allow for a Scheme to reflect market requirements to maximize the potential to deliver a Scheme at an early point following assembly of all land interests the site.
- 5.33 The following provision and uses is expected of the Scheme having regard to the application of planning requirements in policy and material considerations informing the Outline Planning Permission:

#### Public Realm

- 5.34 At the heart of the Scheme is the provision of high-quality public realm. Two new public squares are proposed comprising:
- West Bar Square - which will form the principal social and amenity heart of the development with a predominantly commercial area; and
  - Kelham Square (also referred to as 'Soho Square') - to the north of the Scheme which will have a more private residential typology.

- 5.35 This is a key component and requirement of the Development Brief and the West Bar IPG.

#### Office

- 5.36 Office use is expected to comprise a predominant part of the Scheme, in accordance with local planning policy requirements.

#### Retail and Leisure

- 5.37 Retail and leisure uses will be expected across the ground floor levels of the new buildings that are adjacent to public routes and spaces so as to create a mixed-use community and to encourage active building frontages and a vibrant street scene.

#### Residential

- 5.38 Residential development is expected in the form of apartments along the Bridge Street frontage of the Scheme, adjacent to established residential uses and the growing residential community at Kelham Island.

#### Hotel

- 5.39 Hotel use could occupy an area or areas to the west of the Courts and/or to the southern, northern or western edges of the West Bar Square site, facing the IRR.

#### Traffic and Transport

- 5.40 The Scheme is located within a highly sustainable location in the City Centre which has excellent public transport provision with bus, rail and tram services available within a short walk of the Order Land. Sheffield Railway Station is located approximately 1.5 km to the south of the Order Land and there are a number of bus routes which run along West Bar, providing links across the City Centre.
- 5.41 The principal means of access to the Scheme will be from Bridge Street.
- 5.42 The Order Land can currently be accessed from the surrounding areas by car from both Bridge Street from the west and Corporation Street from the east. Car parking is proposed as part of the Scheme, as well as the potential for individual buildings to contain undercroft parking. Car parking provision is flexible to provide ability to meet future occupier requirements. There are also a number of public car parks within close proximity to the Order Land, including the adjacent multi-storey car park on Millsands.
- 5.43 The Scheme is expected to deliver material improvements to connectivity between the City Centre and the wider West Bar and Riverside area, and adjoining areas through the use of improved permeability through the site and the creation of new pedestrian and cyclist dominated streets within the Scheme - greatly improving amenity and safety for its users.

## **6. PLANNING STATUS OF THE ORDER LAND**

### **Status of Planning Permission for the Scheme**

- 6.1 The Scheme benefits from Outline Planning Permission which is extant and for which the Council considers that there is market demand and requirement.

### **Planning Policy Background**

- 6.2 In resolving to grant Outline Planning Permission for the Scheme the Council has taken into account all relevant planning policy and guidance and all other material planning considerations as required by Section 38(6) of the Planning and Compulsory Purchase Act 2004 ("**2004 Act**") and Section 70(2) of the 1990 Act. It will continue to take into account all of these considerations to determine the reserved matters applications for the Scheme when submitted.
- 6.3 The following policies were considered as part of the Council's determination and are relevant to the proposals for redevelopment on the West Bar Square site:

#### ***National Planning Policy***

- 6.4 The Government's planning policies for England and how they are expected to be applied are set out in the National Planning Policy Framework ("**NPPF**") and are material planning considerations. The pursuit of sustainable development is the key principle of the NPPF, and this involves seeking positive improvements in the quality of the built, natural and historic environment, as well as in people's quality of life.
- 6.5 The Scheme is considered by the Council to be consistent with the requirements of the NPPF.

### ***Development Plan Policies***

- 6.6 The Development Plan for this area within Sheffield comprises the following documents:
- 6.6.1 The Sheffield Development Framework Core Strategy ("**the Core Strategy**"); and
  - 6.6.2 The saved policies of the Sheffield Unitary Development Plan ("**the UDP**").
- 6.7 The UDP was prepared in accordance with the requirements of the 1990 Act and was adopted in March 1998, covering the period to 2010. Whilst a number of UDP policies were saved from September 2007, following a Direction issued by the Secretary of State under paragraph 1(3) of Schedule of the 2004 Act, the majority of the saved policies have since been replaced by those contained in the Core Strategy, or will be replaced by those in the emerging Sheffield Local Plan (see paragraph 6.15). The Report to Committee for the Outline Planning Permission set out that it was considered *"more appropriate in this case to determine the application in accordance with more up to date policy guidance which is contained with the West Bar IPG, the adopted Sheffield Core Strategy and the NPPF"* rather than the saved policies of the UDP. Limited weight is therefore afforded to the UDP in consideration of the redevelopment of the West Bar Square site.

### **The Core Strategy**

- 6.8 The Core Strategy was prepared in accordance with the 2004 Act and adopted on 4 March 2009. It contains the overall vision, objectives and spatial strategy and policies for Sheffield over the period to 2026. As the Core Strategy was prepared in advance of the NPPF, due weight should be given to relevant policies in accordance with their degree of consistency with the NPPF, in line with paragraph 215 of the NPPF.
- 6.9 The relevant policies of the Core Strategy for the purposes of the Scheme are:
- 6.9.1 CS2 - identifies brownfield/previously developed land as being the priority for business and industrial development;
  - 6.9.2 CS3 - identifies the City Centre and accessible locations at its edge as the priority location for office development which should account for 65% of total office development in the city;
  - 6.9.3 CS6 (d) - identifies the West Bar area as a manufacturing transition area where historic manufacturing uses should not expand and will be encouraged to relocate;
  - 6.9.4 CS17 (k) - identifies West Bar as becoming a mixed use area of predominantly business uses, with an emphasis on legal and financial professions, due to its proximity to the courts complex, and also a location for new housing and a new neighbourhood centre and public open space;

- 6.9.5 CS24 - seeks to maximise the use of previously developed land for new housing;
- 6.9.6 CS26 - sets a minimum density of 70 dwellings per hectare in the City Centre in order to make efficient use of land for housing, subject to design and amenity issues;
- 6.9.7 CS40 - states that developers of all new housing schemes will be required to contribute towards the provision of affordable housing where practicable and financially viable;
- 6.9.8 CS51 - sets out six strategic priorities including developing alternatives to the car, improving air quality, containing congestion levels and supporting economic growth through demand management measures and sustainable travel initiatives;
- 6.9.9 CS53 - seeks to make the best use of the existing road capacity, promote good quality public transport, walking and cycling and use travel plans to maximise use of sustainable forms of travel and mitigate the negative impacts of transport;
- 6.9.10 CS54 / CS55 - seeks to promote, improve and develop pedestrian and cycle routes;
- 6.9.11 CS60 - seeks to manage increased demand for trips by improving public transport, introducing controlled parking zones, development of car clubs and controlling the provision of long stay car parking;
- 6.9.12 CS61 - seeks to establish a pedestrian priority zone that will allow safe, convenient and comfortable movement for pedestrians within and through an area and West Bar is identified as an area where such improvements will be sought;
- 6.9.13 CS63/64/65 - set out the Council's approach to dealing with climate change and sustainability;
- 6.9.14 CS66 - states that action to protect air quality will be taken in all areas of the city;
- 6.9.15 CS67 - seeks to reduce the extent and impact of flooding by incorporating a series of measures into developments, including:
- Requiring new development to limit surface water run-off;
  - Ensuring buildings are resilient to flood damage;
  - Promoting the use of sustainable drainage techniques; and
  - Not culverting and not building over watercourses where possible.
- 6.9.16 CS74 - seeks to deliver high-quality development which respects, takes advantage of and enhances the distinctive features of the city, its districts and neighbourhoods;

- 6.9.17 CS75 (c) - identifies the Inner Ring Road as gateway route in need of improvement; and
- 6.9.18 CS76 - sets out a series of broad criteria which identify where tall buildings will be acceptable in order to help define gateway sites, mark areas of civic importance, principal activity nodes or key routes, form the focal points or enhance the city skyline, reinforce topography, support the vision for the city quarters and reflect the strategic economic vision for the city.
- 6.10 The Council considers that the Scheme is consistent with the relevant policies of the Core Strategy in delivering a comprehensive approach to the West Bar "quarter". Policy CS17 (k) in particular is in line with the UDP's identification of the site as part of a Business Area with a preferred and material element of Grade A Office use.

### ***Other Material Considerations***

#### ***Interim Planning Guidance for West Bar***

- 6.11 The West Bar IPG was approved by Cabinet and published in July 2006 to cover the transitional stage between the UDP and the adoption of the Core Strategy for the West Bar Square site. It is considered by the Council to be in conformity with the objectives of the Core Strategy. A fundamental element of the West Bar IPG is the need to develop the site in *"a comprehensive way in order to produce an integrated and economically viable scheme ensuring new development is of significant architectural merit and secures high quality public realm both of which are required to transform the area. A comprehensive approach will also overcome the obsolete street layout, ensure that an appropriate mix of uses is delivered in an appropriate order, ensure that a consistent and comprehensive approach can be taken to design issues which will emphasise gateway locations. Any development that conflicts with the IPG will not achieve this objective and will be resisted"*.

The West Bar IPG determines the preferred use within the West Bar Development Area to be offices (use class B1(a)) and forming at least 50% of the gross floor space created on the site

#### ***Community Infrastructure Levy and Planning Obligations Supplementary Planning Document (SPD)***

- 6.12 The SPD was approved by Cabinet on 9 December 2015 and provides guidance supplementing the policies of the Core Strategy to:
- Assist the Council in meeting the objectives of sustainable development; and
  - Provide clarity to landowners, developers, planners, stakeholders and local residents regarding the basis on which planning obligations and developer contributions will be sought.
- 6.13 The SPD identifies affordable housing provision based on viability across a particular area. The Order Land falls within the City Centre Area, where the

contribution is zero. There is therefore no requirement to provide affordable housing as part of the Scheme.

*Climate Change and Design Supplementary Planning Document and Practice Guide*

- 6.14 The Climate Change and Design Supplementary Planning Document and Design Practice Guide was adopted by Cabinet on 23 March 2011 and contains guidelines relating to policies CS64 to CS67 of the Core Strategy relating to environmental sustainability. The document aims to provide information to developers about the range of ways in which they could satisfy the targets contained in the Core Strategy policies, without prescribing set approaches.

*City Policies and Sites Local Plan ("the Pre-Submission Local Plan")*

- 6.15 The purpose of this document was to supplement the policies of the Core Strategy through policy areas and site allocations. Full Council granted approval to publish the Pre-Submission Local Plan for submission to the Secretary of State on 3 April 2013, however the Cabinet subsequently resolved on 18 December 2013 to commence work on a new Local Plan as a result of the Government requirement to demonstrate a five-year housing land supply and allocate sites for Gypsies and Travellers. An 'Informal Draft' (Regulation 18 of the Town and Country Planning (Local Planning) (England) Regulations 2012) version of the new Local Plan is being prepared currently and is due to be consulted on in Summer 2018. Whilst not adopted, nor examined, the Pre-Submission Local Plan is a material consideration, with weight given to it in accordance with paragraph 216 of the NPPF given the:

- Stage of preparation (the more advanced the preparation, the greater weight that may be given);
- Extent to which there are unresolved objections to relevant policies (the less significant the unresolved objections, the greater the weight that may be given); and
- Degree of consistency of the relevant policies in the emerging plan to the policies in the NPPF (the closer the policies in the emerging plan to the policies in the NPPF, the greater the weight that may be given).

- 6.16 The Pre-Submission Local Plan identified the Order Land as a Business Area and proposed a site allocation with minimum provisions of use for office and a maximum provision of residential uses. The objective of a Business Area and site allocation are both are being carried forward into the new Local Plan with the West Bar Square site as a landmark site with a focus for business uses as part of a comprehensive mixed use development and a Priority Office Area with minimum provision of office use expected to be provided. Pending examination and adoption of the new Local Plan the weight to be attached to it is limited.

**Planning Policy justification for the Scheme**

- 6.17 The Scheme is supported by planning policy at all levels.

- 6.18 The Report to Committee for the Outline Planning Permission confirms that the Scheme *"is considered to be compliant with the West Bar IPG, relevant Core Strategy policies and the more general guidance contained in the NPPF"*. It stated that the Scheme will *"effectively form an extension of the city centre and provide much needed links between the Cathedral Quarter, the Central Riverside and Kelham Island areas of the city, which have been the subject of substantial regeneration over the past few years"*.
- 6.19 Furthermore, the Report to Committee stated that *"officers are satisfied that the development will be of an appropriate quality to deliver the comprehensive redevelopment of this site, which has been a long standing priority for the city for a number of years...Overall the development represents a significant and welcomed regeneration project and secures substantial investment and employment opportunities for the Sheffield City Region."* On this basis the Application was recommended for approval, subject to conditions. The resulting Outline Planning Permission is consistent with the Scheme objectives.

## **7. JUSTIFICATION FOR USE OF COMPULSORY PURCHASE POWERS**

### **Need for Compulsory Purchase**

- 7.1 The Order Land comprises a large urban site in fragmented ownership, which is suitable for and required in order to secure the carrying out of the Scheme. In summary, the Council considers that:
- 7.1.1 the Scheme accords with national and local planning policies; in particular, policies which support the creation of vibrant and viable city centres - as detailed in Section 6;
  - 7.1.2 the Council has been taking steps for at least 15 years to promote the redevelopment of West Bar and the making of the Order will enable the Council to secure the delivery of an important regeneration project and fulfil the purpose and Council's planning objectives for the West Bar Square site - explained further in Section 6;
  - 7.1.3 the Scheme will make a major contribution to improving the social, economic and environmental well-being of the Order Land and Sheffield as a whole - as explained further below in this Section;
  - 7.1.4 having entered into a Development Agreement with the Developer for the delivery of the Scheme, the Council is satisfied that the Scheme will be funded, is viable and that there is a market requirement for the Scheme - explained further in Section 8; and
  - 7.1.5 all of the Order Land is required to deliver the comprehensive redevelopment and, without a compulsory purchase order, it is not anticipated that the Order Land would ever be assembled to enable the Scheme to proceed. The Council therefore considers that the purposes of the Scheme and the strategic provision of large floor-plate office space in particular could not be achieved without a compulsory purchase order.



- 7.2 The Guidance states that "a compulsory purchase order should only be made where there is a compelling case in the public interest". The Council has given very careful consideration to the need for the Order and, due to the substantial public benefit which would arise from the implementation of the Scheme, believes that the well-being tests set out in Section 226(1A) are fully satisfied (for reasons that include those explained below as well as elsewhere in this Statement), and that there is a compelling case in the public interest for the confirmation of the Order.

## **Contribution to Well-being**

### Economic Well-being

- 7.3 The West Bar Square site represents a landmark site which is supported by the Council's existing and emerging local planning policy as a focus for mixed use with emphasis on business uses (as part of the Riverside Business District area) as part of a comprehensive and large floor-plate Scheme, benefitting from its proximity to the City Centre, sustainable location near multiple modes of public transport and its gateway location fronting the IRR (a main arterial route in to and out of the City Centre).
- 7.4 The Council's Core Strategy envisages the potential for emphasis, but not exclusively, on the legal and financial professions, the site being located close to the Courts but also as a location for new hotel(s) to support the visitor economy and new housing and a new neighbourhood centre and public space owing to its sustainable location.
- 7.5 The site has substantial economic potential and is currently significantly underutilised and failing to realise its full potential to contribute to the local economy.
- 7.6 The Council considers that there is a need and demand for large floor-plate employment space in the City Centre and West Bar Square is an important site that can accommodate this provision and contribute to the City's competitiveness and viability as destination for inward investment. This is becoming increasingly important as there is now very little Grade A office space available in the city centre. A lack of such floor space restricts opportunities for economic growth and can lead to stagnation.
- 7.7 The Council's draft City Centre Plan (2018) recognizes the need for a broad mix of office types and supply to meet modern business needs from diverse sectors. The Plan identifies three distinctive business districts within the City Centre and West Bar Square is highlighted as forming a major opportunity within the Riverside Business District.
- 7.8 It is estimated that there are currently less than 150 people employed on the site of the Order Land. Based on a 5 year construction period it is expected that redevelopment of the site will support on average between 460-580 temporary construction jobs a year. Once completed, it is expected that the development will deliver commercial employment floor space supporting around 3,660 full time jobs and provision for up to 850 new residents.
- 7.9 The Scheme is also expected to act as a catalyst for further investment and confidence in surrounding areas, particularly the Burngreave area.

### Environmental Well-being

- 7.10 The current state of built development, street layout and functionality of the West Bar Square and surrounding footways is poor quality and remaining Victorian industrial buildings are dilapidated, in poor state of repair, inefficient and/or are not built for modern purposes and uses consistent with policy objectives for Riverside Business District area. Many buildings have been demolished as part of site clearance and plots have been cleared to varying standards of repair/remediation, some of which are used as open air low grade car parking, and which are otherwise performing poorly in environmental terms.
- 7.11 Given the important location of the site as a gateway to the City Centre, it makes little or no positive contribution to the City Centre's townscape and detracts from the surrounding area, including the historic Castlegate area and other neighbouring areas that have been improved from redevelopment and refurbishment over the last several years, in particular Kelham Island, Riverside Exchange development and the Cathedral Quarter.
- 7.12 The existing street pattern of the West Bar Square site is largely defunct, is of generally poor quality and is a particular characteristic that detracts from the area and its function as a site that links the City Centre to other areas and neighbourhoods, particularly on foot and by cycle.
- 7.13 The Scheme provides the opportunity to make a valuable contribution to environmental well-being of the area as part of redevelopment proposals and requirements of the Outline Planning Permission, including:
- 7.13.1 Improvements to ground conditions, including contamination;
  - 7.13.2 Improvements to the existing footways around the site;
  - 7.13.3 Rationalisation of the existing street pattern - delivering linkages through the Scheme to and from the City Centre with greater emphasis on pedestrian and cycle permeability;
  - 7.13.4 Provision of high quality hard and soft landscaping around the site including the provision of high grade public realm comprising of the creation of two public squares that will provide places to meet and act as community hubs;
  - 7.13.5 Improvement to townscape and visual character through high quality design of buildings, public space and use of high quality materials in accordance with principles established in an approved Design and Access Statement; and
  - 7.13.6 Improved energy efficiency in the construction of new building meeting current building standards.

### Social Well-being

- 7.14 For reasons explained above, the West Bar Square site performs poorly in terms of connectivity and permeability and provides no or little active ground

floor activity with very few opportunities for people to meet and socialise, or for community activity.

- 7.15 The Scheme provides a significant opportunity to bring about substantial improvement to social well-being by the provision of a high quality development with emphasis on 'place making' through design following the principles established in the approved Design and Access Statement. The Scheme will, amongst other things, provide:
- 7.15.1 Creation of public spaces and opportunities for people to meet and congregate concentrated around two new public squares;
  - 7.15.2 Active ground floor retail and leisure to encourage greater footfall and social activity;
  - 7.15.3 Improvements through the site for pedestrians and cyclists creating a safer and better connected and permeable space;
  - 7.15.4 High quality places to work through the creation of Grade A employment floor space;
  - 7.15.5 High quality and sustainable housing stock close to the City Centre and Scheme amenities for use by new residents; and
  - 7.15.6 High quality and accessible hotel facilities benefiting from the Scheme amenities and proximity to the City Centre visitor attractions.

#### **Acquisition by agreement**

- 7.16 The Guidance requires the acquiring authority to demonstrate that they have taken reasonable steps to acquire all of the land included in the Order by agreement.
- 7.17 Details of the main properties that remain to be acquired in the Order Land are set out in Section 3 above. The Council officers are satisfied that discussions and negotiations have been undertaken with the owners of these properties over a sufficient period of time and that each has been made offers on justifiable terms.
- 7.18 The Developer has led (and continues to progress) discussions with all of the affected landowners since being appointed, then as URL, as the Council's new development partner in August 2011. These discussions have taken the form of a number of joint meetings and periodic but regular individual correspondence and telephone calls. The Developer has regularly briefed Council officers as to progress and the Council is satisfied that attempts to negotiate have been made to acquire all known interests.
- 7.19 The Developer has ensured that landowners have been kept up-to-date as the Scheme has progressed and where milestones in its delivery have been reached.
- 7.20 Through briefings with the Developer, Council officers are fully aware and supportive of the attempts that have taken place to acquire the outstanding

interests. More recently Council officers have also been directly advised by specialist property agents, BNP Paribas, who have led these negotiations.

- 7.21 The Council officers and the Developer are sufficiently familiar with the particular operations of each of the remaining businesses, based upon their discussions with the affected parties, that they are satisfied that the requirements of these businesses are such that they are capable of being adequately accommodated in alternative premises in the Sheffield area. The Council is satisfied that no case falls to be considered as warranting assessment for equivalent reinstatement. The Council officers have been provided with information (that has been provided by the Developer to the remaining land owners) as to available relocation opportunities in the area and which the Council considers should be reasonably suitable.
- 7.22 Although together the Council and the Developer currently own or have control of the majority of the Order Land, which demonstrates considerable progress since the original Development Brief, the implementation of the Scheme requires the acquisition of a number of remaining land interests in order to achieve comprehensive delivery of the Scheme.
- 7.23 Whilst continuing efforts to acquire remaining interests on a voluntary negotiated basis will continue, a number of interests are expected to need to be acquired through the exercise of compulsory purchase powers to ensure the implementation of the Scheme, including interests where the owner is unknown.
- 7.24 The Council will continue to ensure that all reasonable attempts are made to acquire the required land by agreement through discussions headed by the Council and Developer's jointly appointed specialist agents, in parallel with the compulsory purchase process. This approach of making the Order and, in parallel, conducting negotiations to acquire land by agreement is in accordance with the Guidance.

## **8. DELIVERY OF THE SCHEME**

### **Can the Scheme be delivered by other means?**

- 8.1 The Council is satisfied that intervention is appropriate and that the "do nothing" option has been considered but is rejected in the knowledge that the ongoing fragmentation of ownership materially risks the development of the site as a comprehensive development and is likely to lead to piecemeal development of singular plots of varying sizes all of which are constrained by the existing street pattern. This approach would not deliver the key objectives of the Scheme which are expected of large scale comprehensive redevelopment (to include large footprint buildings) in accordance with the policy objectives for the area including the level of job creation, public realm improvements and integrated development that will foster the creation of a new mixed-use neighbourhood as part of the Riverside Business District and bring about the substantial public benefits and well-being improvements for the area.
- 8.2 Whilst the Council and the Developer are continuing to work to negotiate voluntary acquisition of all the Order Land this option is deemed uncertain

with no defined timeframe and continues to materially risk the realisation of the Scheme.

### **Funding and Market demand**

- 8.3 Under the Development Agreement, the Developer is responsible for paying the Council's Project Management and Legal costs. The Developer has also fully indemnified the Council in respect of all costs and expenses incurred by the Council in connection with the Order including purchase costs and the payment of all proper CPO compensation.
- 8.4 The Council holds a freehold or other interest in a proportion of the West Bar Square site. The Development Agreement provides for the Developer to acquire this at market value at the time that it is drawn down.
- 8.5 The terms of the Development Agreement are underwritten/guaranteed by Arnold Laver & Company Limited. In 2016, a joint venture agreement was entered into by URL to deliver the Scheme with Peveril Securities, as part of the Bowmer & Kirkland Group. This formed the Developer company, Urbo (West Bar) Ltd, and injected further funds into the development including for site assembly.
- 8.6 The cost of the development is expected to be funded by the Developer via a mixture of debt/bank financing and from receipts generated by the Developer from the letting and disposal of elements of the Scheme.
- 8.7 Specialist agents, BNP Paribas have been appointed to the Council and the Developer and are advising as to financial performance of the Scheme and the anticipated and actual market interest in the Scheme. Knight Frank is also advising the Developer on the status of market interest as part of marketing the site for redevelopment.
- 8.8 Council officers have reviewed financial appraisals detailing all Scheme costs required to deliver the Scheme, including details of finance models.
- 8.9 Council officers are aware from discussions that have and are taking place with the Developer that there has been and is expected to be market requirement for the Scheme from parties with substantial covenant strength and that there have been expressions of interest.
- 8.10 The Council is satisfied that once the land interests required for the Scheme have been assembled under the Order, this addresses the one significant impediment that has given rise to the inability of the market to bring the site forward for comprehensive redevelopment.
- 8.11 The Council is satisfied that, once the Order Land is assembled, there are no other insurmountable impediments preventing the Scheme from being delivered (see Sections 9 and 10 below). The Council's expectation is that market conditions and its understanding of expressions of interests in the Scheme are such that its delivery will be realised and that it would be commercially advantageous for the Developer to do so.
- 8.12 The Scheme is one of the largest urban regeneration projects in the North of England and provides Sheffield with the opportunity to attract large scale

office occupiers, which might otherwise choose other regional locations. The Scheme has the sufficient scale and mix of complimentary amenity uses, in a campus environment, to attract these major employers.

- 8.13 The City lacks large scale office sites in the City Centre, in particular following the success of developments such as St Paul's Place (Heart of the City) and Digital Campus both of which are now largely complete. As such there are very few options in the City Centre to accommodate major occupiers, either in existing buildings or on a build to suit basis. .
- 8.14 Sheffield has historically fared well in attracting large scale office users from both the private and public sector: for example Aviva; HSBC; Irwin Mitchell; The Home Office; DWP; Dept for Education; DLA Piper; HBOS; CMS; B Sky B; and Capita, to name a few. The dominant sectors in Sheffield are Finance, Professional & Business Services, Information / Communications, Administration & Support Services. These occupiers invariably require modern, efficient, large floor-plate buildings. The Scheme therefore provides a unique opportunity in Sheffield to offer larger floorplates, up to 50,000 sq ft, or interconnecting buildings to attract these inward investor companies.
- 8.15 The Developer appointed specialist agents, BNP Paribas and Knight Frank who have been 'soft marketing' the Scheme for 2 years toward inward investor / large scale employment users. The Council officers are cognisant of expressions of interest that have been made in the site which has included a requirement from an International Financial Services Institution, for a new HQ office in Sheffield of circa 150,000 – 200,000sq ft on a pre-let basis. The Council understands that a major hurdle the Developer has experienced in securing a pre-let is the uncertainty that remains in respect of the timing of all land assembly required to deliver the Scheme.
- 8.16 Council officers expect that the Scheme in the form of large scale comprehensive employment use coupled with residential development, will stimulate demand for complimentary hotel, leisure and retail uses on site given the estimated quantum of employees and residents who would work and live on the site and the potential for the site to become a destination in close proximity to and adjunct to the City Centre. The Scheme location is considered to be suitable for the development of large 'build to rent' residential development, set within a modern campus environment close to the City Centre and to the Riverside Exchange and Kelham Island districts which are already well established.
- 8.17 Council officers are satisfied that based on the information available and specialist advice provided by BNP Paribas, that if the Order is confirmed, there is sufficient expectation of continued market requirement and interest in the Scheme and that the Scheme is financially viable and capable of being delivered.

## **9. HUMAN RIGHTS AND PUBLIC SECTOR EQUALITY DUTY**

- 9.1 The Guidance states that when making a CPO, acquiring authorities should be sure that the purposes for which the CPO is made justify interfering with the human rights of those with an interest in the land affected.

- 9.2 The Human Rights Act 1998 incorporated into domestic law the European Convention on Human Rights (the "Convention"). The Convention includes provisions in the form of Articles, the aim of which is to protect the rights of the individual.
- 9.3 In resolving to make the Order the Council has carefully considered the rights of property owners affected by the Order generally and, in particular, under the following Articles of the Convention, against the wider public interest:

**Article 1 of the First Protocol to the Convention**

- 9.3.1 This protects the right of everyone to the peaceful enjoyment of possessions. No one can be deprived of possessions except in the public interest and subject to the relevant national and international laws.

**Article 6 - Right to a Fair Trial**

- 9.3.2 This entitles those affected by the Scheme to a fair and public hearing. This includes property rights and can include opportunities to be heard in the consultation process.

**Article 8 - Right to respect for private and family life**

- 9.3.3 This protects private and family life, home and correspondence. No public authority can interfere with these interests except if it is in accordance with the law and is necessary in the interest of national security, public safety or the economic well-being of the country.

**Article 14 - Anti-discrimination**

- 9.3.4 This protects the right to enjoy rights and freedoms in the Convention free from discrimination on any ground such as sex, race, colour, language, religion, political or other opinion, or national or social origin.
- 9.4 The European Court of Human Rights has recognised in the context of Articles 1 and 8 that *"regard must be had to the fair balance that has to be struck between competing interests of the individual and of the community as a whole"*. Both public and private interests are to be taken into account in the exercise of the Council's powers and duties as a local planning authority. Any interference with a Convention right must be necessary and proportionate.
- 9.5 Public benefits of the Scheme are set out in this Statement and summarised in Section 7 and include:
- 9.5.1 Regeneration of under-utilised land currently acting as a barrier to the economic and social prosperity of the West Bar area, which will connect the emerging new riverside districts to the City Centre and create new pedestrian linkages and improve amenity and safety for pedestrians and cyclists;

- 9.5.2 Much needed City Centre provision of commercial employment floor space capable of supporting around 3,660 full time jobs as well as creating new high quality residential premises for up to 850 residents;
- 9.5.3 The creation of high-quality public realm via the provision of two new public squares; and
- 9.5.4 Based on a 5 year construction period, it is expected that the redevelopment of the site will support on average between 460-580 temporary construction jobs a year.
- 9.6 Those affected by the Order will be limited, the Order Land currently employs around 150 full time jobs and the Council is satisfied that the limited number of remaining commercial businesses that require or may require relocation are capable of finding suitable alternative premises in the Sheffield area. No residential occupiers are displaced as a consequence of the Scheme.
- 9.7 In addition to the publicity and consultation on the planning application for the Scheme, all the known owners and occupiers of land within the Order Land have been contacted regarding the Scheme. Further representations can be made to the Order by those affected, who have a right to object and those objections will be considered by an independent inspector appointed by the Secretary of State, at any public inquiry that the Secretary of State decides to hold in connection with the Order. Those parties, whose interests are acquired under the Order, will be able to claim compensation under the relevant provisions of the Compensation Code in respect of any loss they may incur as a result of the vesting of the Order Land.
- 9.8 In light of the significant public benefit which would arise from the implementation of the Scheme and limited impact on existing occupiers, the Council has concluded that it would be appropriate to make the Order. It does not regard the Order as constituting any unlawful interference with individual property rights and that the correct balance has been struck between the public interest and those individual rights.
- 9.9 The Council has also paid due regard to its public sector equality duty under Section 149 of the Equality Act 2010. The Council has given consideration to all the protected characteristics in the Equality Act 2010 to ensure that any potential impacts of the proposed Order on these groups of people have been considered and where possible mitigated.
- 9.10 The redevelopment of the site will be of universal positive benefit for all local people regardless of age, sex, race faith, disability, sexuality etc. Local people will benefit from the creation of a significant number of new full and part time jobs. The socio-economic and community cohesion impacts locally will be particularly positive.

## **10. OTHER MATTERS AND SPECIAL CONSIDERATIONS**

### **Related Orders**

- 10.1 In order for the Scheme to be carried out in accordance with the Outline Planning Permission or otherwise, it will be necessary to stop-up a number of



areas of public highway within the West Bar Square site and some element of footways adjoining and surrounding the site.

- 10.2 In parallel with the Order, the Developer is making an application to the Secretary of State under Section 247 of the 1990 Act for the stopping up of public highways that are necessary to enable development of the Scheme that accords with the parameters approved under the Outline Planning Permission and meets the requirements imposed under planning conditions and in particular the requirement in Planning Condition 19 to provide footway improvements surrounding the Scheme. The areas to be stopped up are required to support built structures and public realm improvements as part of the delivery of the Scheme in accordance with the principles set out in the approved Design and Access statement. The remaining parts of public highway (carriageway and footway) to be retained within the Order Land boundary are required to retain access to the Courts and the Yorkshire Electricity Distribution Limited ("YEDL") substation and their facilities.
- 10.3 Council Officers have been provided with details of the [draft] Stopping Up Order plan and believe that it correctly identifies all of the public highways that will be need to be stopped up to enable the Scheme to be carried out under the parameters permitted under the Outline Planning Permission, as follows:
  - 10.3.1 Workhouse Lane from the back of footway at its junction with West Bar for a distance of 48m, retaining access from Spring Street to the electricity sub-station and disabled parking bays. Maximum width 18m.
  - 10.3.2 Water Street from the back of footway at its junction with Corporation Street to the back of footway at its junction with Love Street a distance of 53m and maximum width of 5.0m.
  - 10.3.3 Love Street from the back of footway at its junction with Spring Street to 45m due west of its junction with Bridge Street, a total length of 102m at maximum width of 13m
  - 10.3.4 Plum Street from the back of footway at its junction with Corporation Street to its eastern extremity. A total length of 52m and maximum width of 6.6m
  - 10.3.5 Plum Lane from the back of footway at its junction with Corporation Street to the back of footway at its junction with Bridge Street. A total length of 97m and maximum width of 10.7m
  - 10.3.6 Bridge Street footway in an semi-circle with a base along the existing retaining wall at the northern most plot of 17.5m and apex of 6m measured from the midpoint of the base.
- 10.4 In addition, there may be need for temporary and/or permanent traffic regulation orders to be promoted as a consequence of the construction and/or operation of the Scheme and which may be secured by the Council as local highway authority or may be a requirement of the proposed Stopping Up Order.

- 10.5 The Developer is in discussions with affected statutory undertakers with apparatus under public highways to agree to the extinguishment and/or diversion of this apparatus by agreement with those statutory undertakers.
- 10.6 Continued access required to an electricity substation owned by YEDL and to the Courts will be maintained (see below).
- 10.7 It is intended that any unresolved objections to these applications/orders will also be dealt with at the same time as any inquiry to be held in respect of the Order and that the Council will support the Developer's application for Stopping Up.
- 10.8 As part of highway improvement works associated with the Scheme, the Developer is expected to carry out other improvements to existing public highway to be retained and which is triggered under the Outline Planning Permission by delivery of certain volumes of floor space within the Scheme. These works will be secured under a highways agreement with the Council:
- Alterations to the existing A61/Bridge Street junction to allow two-way traffic via a left turn only arrangement for traffic exiting Bridge Street
  - Closure of a short section of Chatham Street north of Derek Dooley Way Roundabout and changes to the existing PM signal timing
  - Signal timing adjustments at Corporation Street/Inner Relief Road roundabout to assist with network efficiencies and priorities.
  - Amendments to signal timings at the Corporation Street Roundabout
  - Advanced signage on the approach to the Derek Dooley Way Roundabout to influence driver behavior and improve current poor lane usage
  - Localised widening at the left turn to Corporation Street from the Inner Relief Road
  - Provision of variable message signing for the proposed new car park
  - Footway improvements adjoining all boundaries of the site (in accordance with the relevant Urban Design Compendium Standards or any such standard approved by the Council that may supersede the Urban Design Compendium
  - Provision of street trees within the adopted highway or application site (Inner Relief Road/Corporation Street site frontages).

### **Crown Land**

- 10.9 The Crown holds a long leasehold interest in part of the Order Land, namely Plots [5, 7, 34, 37 and 90 - 91] which is registered to the Secretary of State.
- 10.10 As explained in Section 3, land held by or on behalf of the Crown is not capable of being acquired compulsorily and therefore the Council and the

Developer have engaged with agents appointed by the Courts to deal with its land interests. [The appropriate Crown body has confirmed its agreement in principle to the transfer of its interest in its leasehold interest in these Plots subject to reaching agreement on detailed terms for transfer and providing its consent to the inclusion of the Crown Land in the CPO in order to acquire all other third party interests. Final confirmation is awaited]

- 10.11 Access to the Courts by vehicle (and on foot) will be maintained by public highway along Spring Street and via a section of Love Street that will not be stopped up.

### **Special Category Land**

- 10.12 Plot [4] comprises the half width of public highway fronting the electricity substation owned by YEDL. The paper title to the sub-soil in this part of the highway is unknown but may be owned by YEDL under legal presumption. To the extent that YEDL is the owner in the land and can demonstrate that it is used for its undertaking, it is entitled to object to its own Minister to the acquisition of its land by compulsion where it considers that such acquisition would cause serious detriment to its undertaking with or without replacement. Council officers are satisfied that no serious detriment will be caused to YEDL whose access to the substation is taken via Spring Street. In any event Spring Street and this section of Workhouse Lane are not proposed to be stopped up as part of the stopping up order that will be promoted alongside the CPO, and are instead expected to be retained for vehicular and pedestrian access/egress. Any further or subsequent stopping up or variation to this arrangement would be subject to its own separate application for an order to stop up, for which an opportunity to make representations would be available to YEDL. Council officers are aware that the Developer is liaising with representatives for YEDL on the proposed application for stopping up that will be promoted in parallel with the CPO.

- 10.13 There are otherwise no special kinds of land in the Order Land other than the Crown land interests.

### **Statutory Undertakers**

- 10.14 The rights of statutory undertakers are protected by Section 236 of the 1990 Act which provides that rights vested in, or apparatus belonging to, statutory undertakers for the purpose of the carrying on of their undertaking shall not be extinguished upon the completion of compulsory acquisition of land vested in an acquiring authority.
- 10.15 The apparatus of statutory undertakers will be retained except where otherwise diverted, relocated or removed with the prior agreement of the relevant undertaker. It is expected that diversions will be needed for apparatus currently located within the public highway to be stopped up as part of the implementation of the Scheme, as explained above. The Developer and its contractors and agents are engaging the affected undertakers as part of that exercise and expect to reach agreement with those parties affected.
- 10.16 YEDL has a freehold interest in an electricity substation on the edge of the Order Land (on Workhouse Lane). Access to and from the substation will be

maintained via Spring Street which is not to be stopped up as part of proposals for the Scheme.

### **Conservation Area**

10.17 The Order Land is not located in a conservation area and does not contain any listed buildings or scheduled Ancient Monuments.

## **11. THE VIEWS OF GOVERNMENT DEPARTMENTS**

11.1 No views have been expressed by a government department about the proposed development of the Order Land, except as otherwise set out elsewhere in this Statement.

## **12. ADDITIONAL INFORMATION AND CONTACT DETAILS**

12.1 Persons requiring further information regarding the Order should contact Matthew Hayman at Sheffield City Council on 0114 273 5310; [email: matthew.hayman@sheffield.gov.uk](mailto:matthew.hayman@sheffield.gov.uk); address: City Regeneration Division, Sheffield City Council, Howden House, 1 Union Street, Sheffield, S1 2SH.

12.2 Owners and tenants of properties and any other parties with interests affected by the Order, who wish to negotiate a sale or discuss matters of compensation should contact Matthew Hayman, as above.

12.3 Tenants or businesses may wish to investigate relocation to alternative premises and again enquiries in this respect should be addressed to Matthew Hayman, as above.

12.4 Copies of the Order, Order Map and this Statement of Reasons can be inspected during normal office hours at the Council's offices at:

Sheffield City Council  
Town Hall Reception  
Pinstone Street  
Sheffield  
S1 2HH

Sheffield City Council  
First Point  
Howden House  
1 Union Street  
Sheffield  
S1 2SH

The documents can also be viewed on the Council's website: [www.Sheffield.gov.uk](http://www.Sheffield.gov.uk)

## **13. LIST OF DOCUMENTS, MAPS OR PLANS FOR THE PUBLIC INQUIRY**

13.1 In the event of a Public Inquiry, the Council would intend to refer to or put in evidence the following documents:

1. Town and Country Planning Act (TCPA) 1990

2. Planning and Compulsory Purchase Act (2004)
3. National Planning Policy Framework
4. The Department for Communities and Local Government's Guidance on Compulsory Purchase Process and the Cichel Down Rules dated October 2015
5. West Bar Square City Context Plan
6. City Centre Masterplan 2008
7. City Centre Masterplan 2013 (Draft) - the Pre-Submission Local Plan
8. City Centre Plan 2018 (Draft)
9. City Centre Outputs Plan from the approved outline business case for Sheffield City Region Investment Funding (SCRIF)
10. IRR Urban Design Framework
11. Development Framework for the Regeneration of the Northern Stage of the Inner Relief Road Corridor and West Bar
12. Sheffield Central Riverside Strategy
13. West Bar Development Brief
14. West Bar Interim Planning Guidance
15. Relevant Council Cabinet Reports and Minutes
  - 15.1 23 October 2002
  - 15.2 12 May 2004
  - 15.3 21 September 2005
  - 15.4 12 July 2006
  - 15.5 24 August 2011
  - 15.6 [Leader Decision (novation to Urbo) 11 February 2015  
<http://democracy.sheffield.gov.uk/ieDecisionDetails.aspx?Id=1298> ]

16. Outline Planning Permission for the Castlemore Scheme and Unilateral Undertaking - Ref 07/03813/OUT
17. Castlemore Joint Administrators' proposals for achieving the purpose of the Administration dated 20 April 2009
18. Letter from Council dated 7 April 2005 regarding 81-85 West Bar (Moseley Arms)
19. West Bar Square Design and Access Statement
20. Report to Committee in support of the Outline Planning Permission for the Scheme
21. Outline Planning Permission for the Scheme - Ref 16/02518/OUT and all approved drawings, including parameter plans and Environmental Statement
22. The Sheffield Development Framework Core Strategy
23. Saved policies of the Sheffield Unitary Development Plan
24. Community Infrastructure Levy and Planning Obligations Supplementary Planning Document (SPD)
25. Climate Change and Design Supplementary Planning Document and Practice Guide
26. Letters from Crown body dated [       ]
27. Draft Stopping Up Order Plan
- 13.2 The Council reserves the right to introduce such additional documents as may be relevant to any Public Inquiry in respect of the Order.

# West Bar Square

## City Context

A. Pye Bank School



B. Little Kelham



C. Riverside Exchange



D. Castlegate



E. Paradise Square



F. Peace Gardens



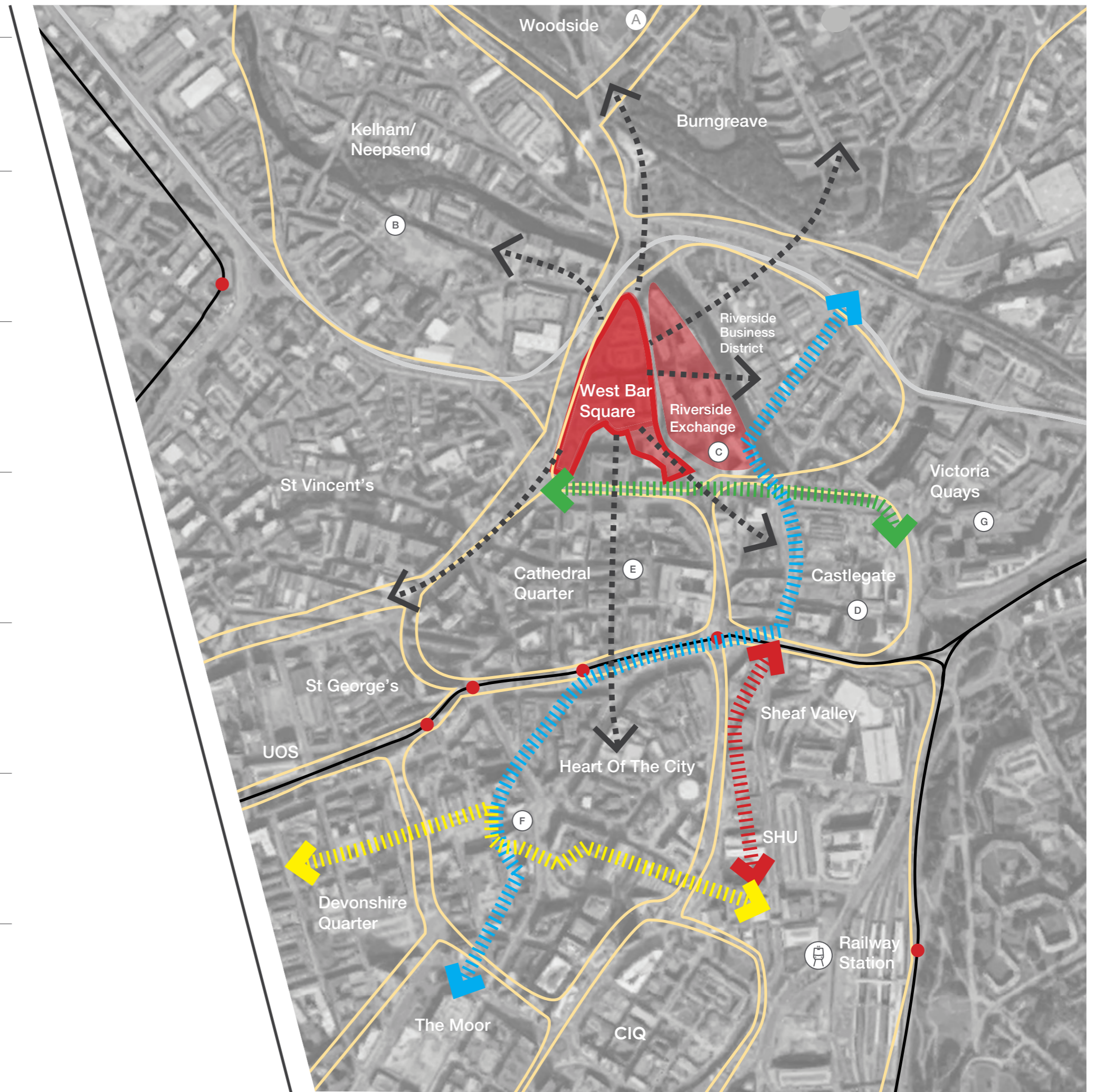
G. Canal Basin/Victoria Quays

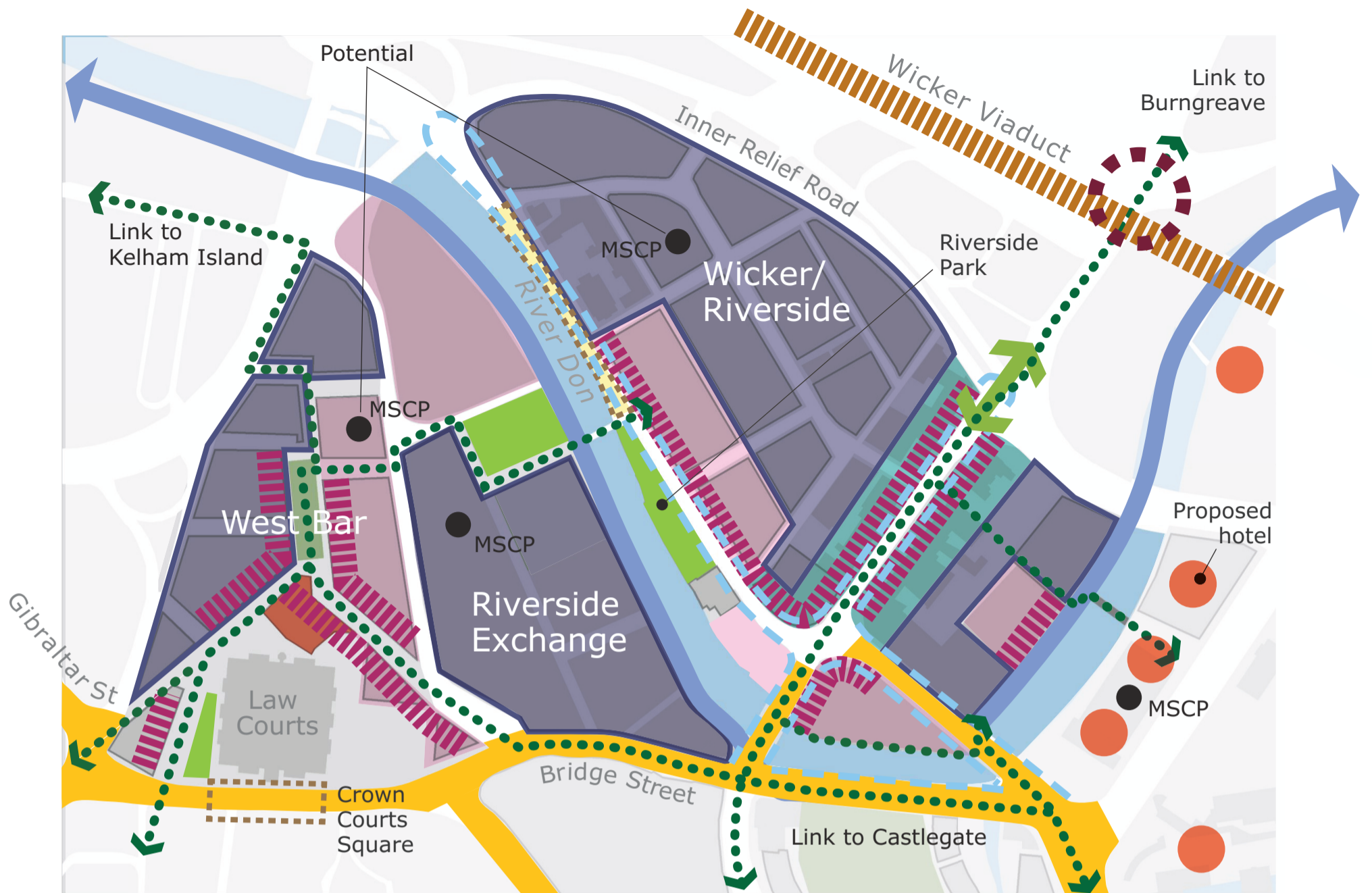


Page 299

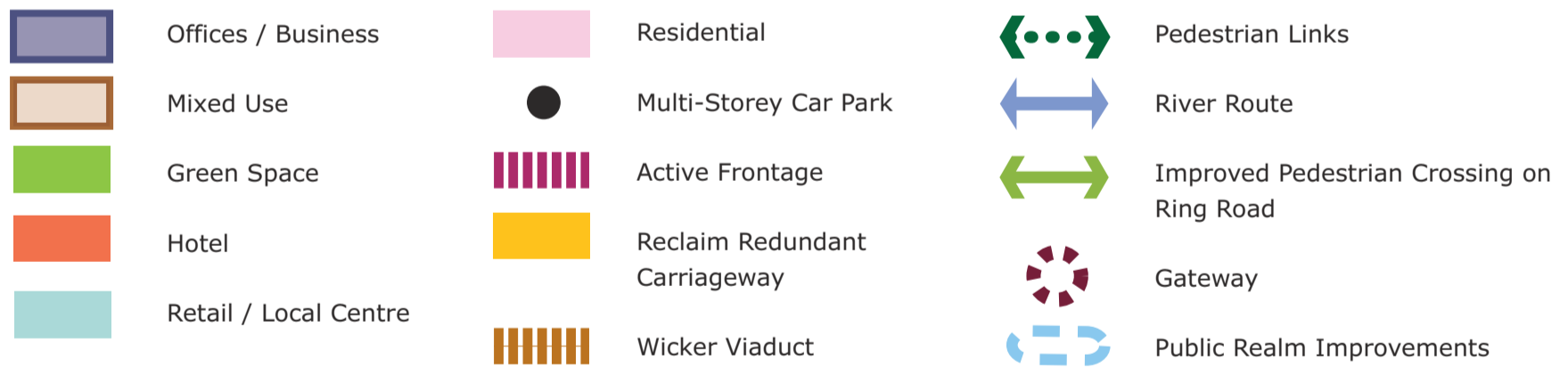
-  Gold Route
-  Steel Route
-  G2G
-  Knowledge Gateway
-  Tram Stop
-  Inner Relief Road

- A - Pye Bank School
- B - Little Kelham
- C - Riverside Exchange
- D - Castlegate
- E - Paradise Square
- F - Town Hall/ Peace Garden
- G - Canal Basin / Victoria Quays





Plan iii Riverside Business District





# Location



12 min walk time from West Bar

4 min walk time from West Bar

West Bar Square

- 1. Sheffield Railway Station
- 2. Fargate
- 3. Sheffield Cathedral / Tram
- 4. Peace Gardens

# West Bar Square Masterplan



Page 302

Illustrative Landscape Masterplan



Typical Upper Floor Illustrative Masterplan

- Flexible Buildings and Uses
- High Quality Public Realm
- Offices, Shops, Cafés, Bars Restaurants, Hotel, Apartments, Car Park
- High Quality Design
- Extending the Riverside Business Park

KEY

<span style="display: inline-block; width: 15px; height: 15px; background-color: #4a7ebb; border: 1px solid black; margin-right: 5px;"></span> B1 - Commercial
<span style="display: inline-block; width: 15px; height: 15px; background-color: #e69d00; border: 1px solid black; margin-right: 5px;"></span> C1 - Hotel
<span style="display: inline-block; width: 15px; height: 15px; background-color: #76b82a; border: 1px solid black; margin-right: 5px;"></span> C3 - Residential
<span style="display: inline-block; width: 15px; height: 15px; background-color: #f1e333; border: 1px solid black; margin-right: 5px;"></span> Sui Generis - MSCP



Appendix E

Page 303

Corporation Street

Slog Hill

Bank Street

West Bar

Bridge Street

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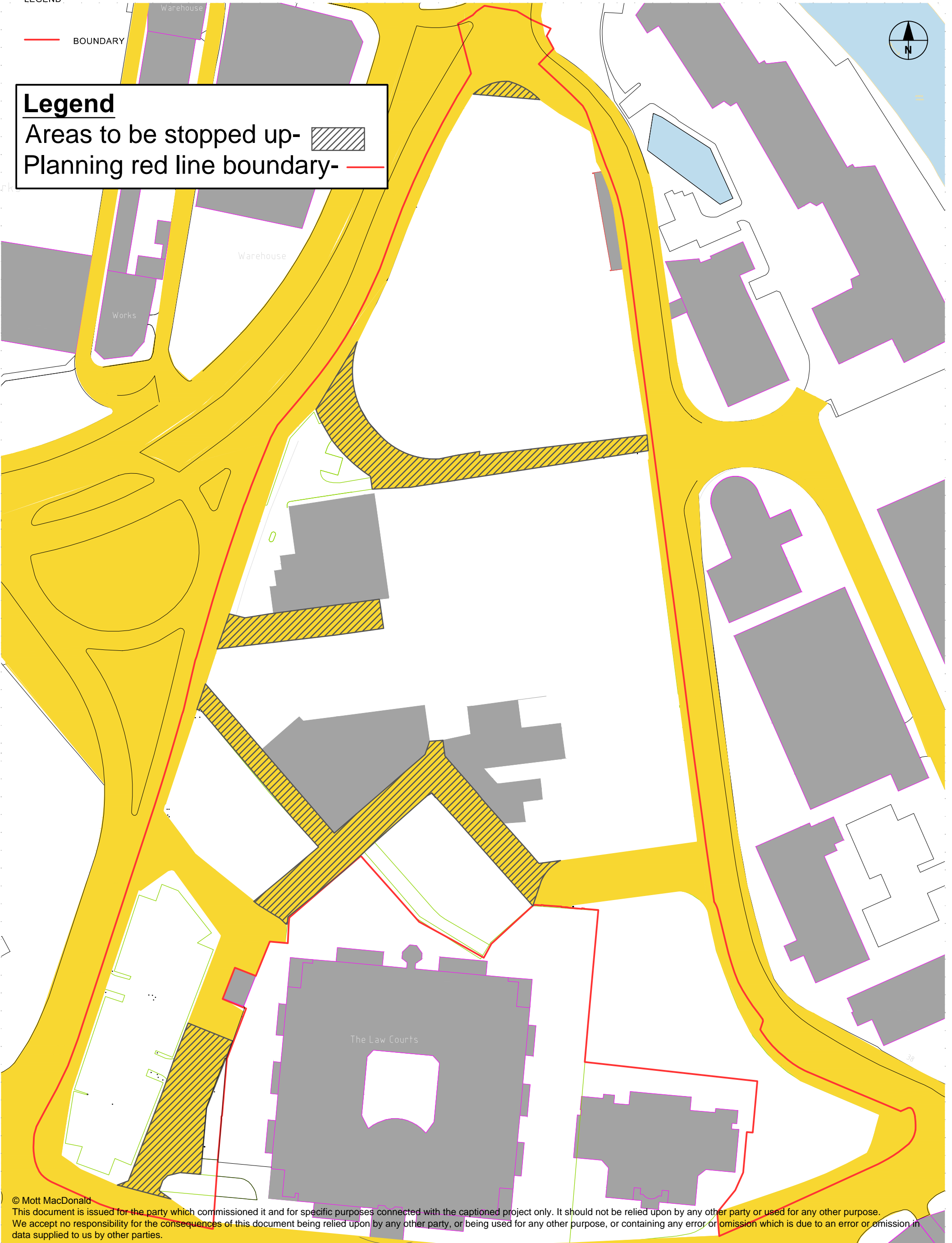
LEGEND

BOUNDARY

**Legend**

Areas to be stopped up- 

Planning red line boundary- 



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**Author/Lead Officer of Report:**

Damian Watkinson,  
Finance Manager

**Tel:** 0114 273 6831

**Report of:** *Eugene Walker*

**Report to:** *Cabinet*

**Date of Decision:** *21<sup>st</sup> March 2018*

**Subject:** *Capital Approvals for Month 10 2017/18*

Is this a Key Decision? If Yes, reason Key Decision:-	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
- Expenditure and/or savings over £500,000		<input type="checkbox"/>		
- Affects 2 or more Wards		<input checked="" type="checkbox"/>		

Which Cabinet Member Portfolio does this relate to? ***Finance and Resources***

Which Scrutiny and Policy Development Committee does this relate to?

***Overview and Scrutiny Management Committee***

Has an Equality Impact Assessment (EIA) been undertaken? Yes  No

If YES, what EIA reference number has it been given? *(Insert reference number)*

Does the report contain confidential or exempt information? Yes  No

If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below:-

*"The (report/appendix) is not for publication because it contains exempt information under Paragraph (insert relevant paragraph number) of Schedule 12A of the Local Government Act 1972 (as amended)."*

**Purpose of Report:**

*This report provides details of proposed changes to the Capital Programme as brought forward in Month 10 2017/18*

## REASONS FOR RECOMMENDATIONS

- The proposed changes to the Capital programme will improve the services to the people of Sheffield
- To formally record changes to the Capital Programme and gain Member approval for changes in line with Financial Regulations and to reset the capital programme in line with latest information.
- Obtain the relevant delegations to allow projects to proceed.

## Recommendations:

Cabinet is recommended to:

- Approve the proposed additions and variations to the Capital Programme listed in Appendix 1, including the procurement strategies and delegate authority to the Director of Finance and Commercial Services or nominated Officer, as appropriate, to award the necessary contracts
- Approve the acceptance of accountable body status of the grant funding detailed at Appendix 2

## Background Papers: Appendix 1, Appendix 2

Lead Officer to complete:-	
1	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.
	Finance: <i>Marianne Betts</i>
	Legal: <i>Sarah Bennett</i>
	Equalities: No
<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>	
2	<b>EMT member who approved submission:</b> <i>Eugene Walker</i>



3	<b>Cabinet Member consulted:</b>	<i>Councillor Olivia Blake Cabinet member for Finance and Resources</i>
4	I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Decision Maker by the EMT member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.	
	<b>Lead Officer Name:</b> <i>Damian Watkinson</i>	<b>Job Title:</b> <i>Finance Manager Business partner Capital</i>
	<b>Date:</b> 8 <sup>th</sup> March 2018	

## MONTH 10 2017/18 CAPITAL APPROVALS

### 1. SUMMARY

- 1.1 A number of schemes have been submitted for approval in line with the Council's capital approval process during the Month 10 reporting cycle. This report requests the relevant approvals and delegations to allow these schemes to progress.
- 1.2 Below is a summary of the number and total value of schemes in each approval category:
- 1 additions of specific projects to the capital programme creating a net increase of £48k
  - 8 variations of specific projects in the capital programme creating a net reduction of £58k
  - 5 variations/extensions to procurement strategies only
- 1.3 Further details of the schemes listed above can be found in Appendix 1.

### 2. WHAT DOES THIS MEAN FOR SHEFFIELD PEOPLE

- 2.1 The proposed changes to the Capital programme will improve the recreational leisure facilities, schools, roads and homes used by the people of Sheffield, and improve the infrastructure of the city council to deliver those services.

### 3. BACKGROUND

This report is part of the monthly reporting procedure to Members on proposed changes to the Council's capital programme.

### 4. OUTCOME AND SUSTAINABILITY

- 4.1 By delivering these schemes the Council seeks to improve the quality of life for the people of Sheffield.

## **5. OTHER IMPLICATIONS**

### **5.1 Finance Implications**

The primary purpose of this report is to provide Members with information on the proposed changes to the City Council's Capital Programme further details on each scheme are included in Appendix 1 in relation to schemes to be delivered and Appendix 2 in relation to grants to be accepted.

### **5.2 Procurement and Contract Award Implications**

This report will commit the Council to a series of future contracts. The procurement strategy for each project is set out in Appendix 1. The award of the subsequent contracts will be delegated to the Director of Financial and Commercial Services.

### **5.3 Legal Implications**

Any specific legal implications in this report are set out in Appendix 1 and Appendix 2 in relation to grants to be accepted.

### **5.4 Human Resource Implications**

There are no direct Human Resource implications for the Council.

### **5.5 Property Implications**

Any specific property implications from the proposals in this report are set out at Appendix 1.

## **6. ALTERNATIVE OPTIONS CONSIDERED**

- 6.1 A number of alternative courses of action are considered as part of the process undertaken by Officers before decisions are recommended to Members. The recommendations made to Members represent what Officers believe to be the best options available to the Council, in line with Council priorities, given the constraints on funding and the use to which funding is put within the Revenue Budget and the Capital Programme.

## **7. REASONS FOR RECOMMENDATIONS**

- 7.1 The proposed changes to the Capital programme will improve the services to the people of Sheffield

- 7.2 To formally record changes to the Capital Programme and gain Member approval for changes in line with Financial Regulations and to reset the capital programme in line with latest information.
- 7.3 Obtain the relevant delegations to allow projects to proceed.

## **Finance & Commercial Service - February 2017**

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	Priority / Scheme Name / Variation Type	Value £	Procurement
<b>A</b>	<b>Economic growth</b>		
	New additions		
	None		
	Variations		
	None		
<b>B</b>	<b>Transport</b>		
	New additions		
	<p><b>92938 Parking Initiatives (Initial Feasibility)</b></p> <p>This project is part of the Council's strategy to manage traffic congestion by managing the supply of parking spaces.</p> <p>Initially the project will be conducting a feasibility to look into the implementation of parking restrictions and permit parking in the proposed following areas: Kelham Island, St Vincents, Granville Road / East Bank Road / Parkhill Area, Banner Cross, Bolsover Street, South Street, Dore Station and Endcliffe Vale Road.</p> <p>The feasibility / design work will be conducted with a view of working up proposed plans. The cost is £48k and will be funded from Local Transport Plan (LTP)</p>	+48k	Internal costs at feasibility stage.
	Variations		
	<p><b>90703 Blackburn Valley Cycle Route (Change of Scope)</b></p> <p>The Blackburn Valley cycle route is a part completed key strategic route that</p>		Works to be undertaken by Amey under schedule 7 of

	runs through and adjacent to significant employment and development site areas, linking into large residential areas that flank the M1 Corridor between Meadowhall and Junction 35a Business Park. The original approval for this scheme included improvements between Loicher Lane and Butterthwaite Lane which will now no longer be possible at this time due to required legal agreements not being in place. It is therefore proposed that the Sustainable Transport Exemplar Fund (STEP) funding that was to fund the Loicher Lane section be used instead to deliver improvements at Thorncliffe to the north of the Business Park in order to maximise grant usage and deliver the outputs required as part of the grant conditions.		the Streets Ahead contract.
<b>C</b>	<b>Quality of life</b>		
	New additions		
	None		
	Variations		
	<p><b>94476/7 Beighton Landfill Leachate &amp; Parkwood Resolution Site (Budget reduction / Change of Scope)</b></p> <p>Beighton and Parkwood are both closed landfill sites that have a dangerous by-product of the decomposing waste; Beighton a liquid waste called leachate, and at Parkwood methane has been detected.</p> <p>There have been several separate plans in the past 3 years to deal with these problems and reduce any costs associated such as Opex regulator costs. Some methods have been tried and have failed.</p> <p>The possible options have been re-evaluated and brought into the same project. The project now has a clear plan and estimated costs with revenue savings being possible as a result (as well as making the sites safe).</p> <p><u>Beighton</u></p> <p>The project will deliver new leachate wells, wellheads and associated pipework infrastructure back to the existing plant to promote legal and regulatory compliance. Operational and monitoring equipment is included.</p>	-£305K	Closed Competitive Tender Process using a pre-selected list of specialist contractors.

	<p>In order to reduce the Site's Opex costs, solar powered pumps are to be provided.</p> <p>The project also includes the clean-up of Shire Brook and Beighton Marsh which have been polluted by landfill leachate.</p> <p><u>Parkwood</u></p> <p>The project will install a new network of gas wells and passive vents across the Site in order to passively vent landfill gas to the atmosphere. This will again promote legal and regulatory compliance through the management of the accumulation of landfill gasses. It will also deliver health and safety benefits to the site and its surroundings.</p> <p>The original approved budgets across these two schemes was £1,200k funded through:</p> <ul style="list-style-type: none"> <li>- £697k – Capital receipts</li> <li>- £503k – Prudential Borrowing</li> </ul> <p>Expenditure to date across the schemes totals £380k funded from Capital Receipts</p> <p>Future costs of the proposed solutions are now:</p> <ul style="list-style-type: none"> <li>- Beighton - £297k</li> <li>- Parkwood- £218k</li> <li>- Total Overall Expenditure - £895k</li> </ul> <p>This represents an overall budget reduction of £305k which will reduce the Prudential Borrowing required to £198k.</p>		
<b>D</b>	<b>Green and open spaces</b>		
	New additions		
	None		
	Variations		
	<b>94499 Norfolk Park Playground (Slippage – Delayed Delivery)</b>	-208K 2017/18	N/A

	<p>This project – originally approved in April 2017 - tackles play provision in Norfolk Heritage Park for the over 8's. It is in a declining condition, with the main unit coming to the end of its life. This has been worsened by a recent arson attack within the play area.</p> <p>The project therefore provides improved access into the park and develops improved play facilities. This will cater for the demand from both existing residents and new residents who will be living in the new housing development adjacent to the park.</p> <p>The spend profile for the playground construction has been delayed from January 18 to February 18 as the manufacture of the large bespoke climbing unit took longer than expected. The programme of works will run for 12 weeks.</p> <p>Access Works' approval was originally scheduled for December 2017, but was delayed to February 2018 due to clarifications and site visits required with contractors to ensure robustness of quotations received (due to the restricted nature of site).</p> <p>These delays have led to a significant portion of the contract payments and the associated contingency now being profiled for spend early in the 18/19 financial year (April &amp; May 2018), and a retention payment in early 19/20:</p> <ul style="list-style-type: none"> <li>- 17/18 current budget - £294K</li> <li>- Slippage of £200K into 18/19 and £8K into 19/20</li> </ul> <p>This scheme is funded by S106, Ward Pot, Easement, Norfolk Park Initiatives, and Public Health. Both Cllrs Lea and Cllr Scott are aware of progress and delays and have been fully briefed.</p>	<p>+ 200k 2018/19 +8K 2019/20</p>	
	<p><b>94516 Colley Park Improvements (Change of Scope / Budget Increase / Slippage – delayed Delivery)</b></p> <p>Section 106 funding received in respect of the Parson Cross College made specific provision for:</p> <ul style="list-style-type: none"> <li>- play equipment improvements at Colley Park; and</li> <li>- provision of additional play facilities within the vicinity of the housing development.</li> </ul>	<p>-74K 2017/18 +63k 2018/19 +11K 2019/20 +177K 2019/20 (additional)</p>	<p>Closed Competitive Tender Process using Sheffield-based contractors (sourced via Constructionline).</p> <p>Miscellaneous works undertaken by in-house services when available.</p>



<p>A plan had been developed to deliver the Colley Park improvements, however following local consultation it has been established that additional play facilities should also be provided at Colley Park (rather than elsewhere in the vicinity).</p> <p>As a result, the plans for Colley Park have been revised to take into account the additional play facilities funding, thus increasing the scope of the scheme – and also delaying implementation to allow maximum benefit to be derived from a joined-up approach to delivery.</p> <p><b>Improvements will include:</b></p> <p>Removal of old play equipment, boundary improvements, CCTV, thinning of woodland, planting, new goals, and provision of dual waste bins.</p> <p><b>Additional Play facilities will include:</b></p> <p>Re-profiling of mound to create toddler bike track, install play equipment for younger children, climbing equipment for older children, resurface car park, repair of MUGA</p> <p>Cllr Lea is aware that the consultation has brought these 2 projects together and changed the timescales and has been fully briefed.</p>		
<p><b>94500 Philadelphia Gardens (Slippage re-profile only)</b></p> <p>This project upgrades the Philadelphia Gardens basketball court and creates a multi-use games area (MUGA), which will:</p> <ul style="list-style-type: none"> <li>• Replace the matting surfacing which is in poor condition and slippery in certain conditions, with a new tarmac surface.</li> <li>• Renew the fencing to ensure the longevity of the site</li> <li>• Provide new seating</li> <li>• Deliver landscaping improvements in the surrounding area to make the ball court more welcoming.</li> </ul> <p>As a result of tendering for the works, the costs have been re-profiled in line with the accepted tender and the accepted contractor's work programme. The overall budget remains £90k, however £26k of costs anticipated in</p>	<p>-26k 2017/18 +26k 2018/19</p>	<p>N/A</p>

<p>2017/18 will now be incurred in 2018/19. Funded by S106 and Public Health. Cllr Lea has been informed of the change in timescales.</p>		
<p><b>94503 Graves Park (Slippage – Delayed Delivery)</b></p> <p>This project enhances and refreshes existing assets and facilities within Graves Park including a new toilet block, two field shelters for the animal farm, path works, play improvements to Rose Garden Play area and Cobnar Road Play area, refurbishment of the entrance gates, and improved planting.</p> <p>The new toilet block was to have been completed this financial year but delays have occurred due to delayed delivery of the unit and the wrong cladding being delivered which has had to be returned. The delivery date for the correct cladding is currently unknown. As a result the project needs to slip £17k of a total budget of £116k into 2018/19 for costs that won't occur before the end of March.</p> <p>Funded by Capital Receipts from the sale of Cobnar Cottage.</p>	<p>-17k 2017/18 +17k 2018/19</p>	<p>N/A</p>
<p><b>94524 Public Health Play (Change of Scope)</b></p> <p>This project renews and improves play and agility equipment across sites that have dated and 'end of life' play equipment. It is funded from Public Health monies allocated to improve the quality of life of park users. 5 sites of greatest need were prioritised.</p> <p>Works and equipment for 4 of the 5 sites was reported at January CPG and final costs for the 5<sup>th</sup> site, Middlewood Park, are now known.</p> <p>The final costs for the other 4 sites are £70.5K and the approved budget is £103K leaving £32.5K for the 5<sup>th</sup> site. The costs for Middlewood Park have come in as £26.1K leaving £6.4K for contingency (original contingency budget £8K).</p> <p>The contingency is to be retained during the site works for any unforeseen site issues. If not utilised to complete the works it is proposed the contingency amount be used to deliver further, fencing, minor landscaping, vegetation management and signage across the 5 sites.</p>	<p>N/A Change of scope</p>	<p>N/A</p>

	Approval is therefore sought to use any leftover contingency on further minor works as highlighted above.		
<b>E</b>	<b>Housing growth</b>		
	New additions		
	None		
	Variations		
	<p><b>94021 Pipworth Recreation Ground Sustainable Drainage (Budget Increase)</b></p> <p>Due to low land values and challenging topography, a number of SCC owned development sites in the Manor neighbourhood have stood vacant for many years. To improve the financial viability of housing development on these sites, a Sustainable Drainage Scheme (SuDS) and associated landscaping works are proposed to reduce the cost and increase the sustainability of the drainage solution for five of these sites. This will be sited in the Pipworth Recreation Ground and has the capacity to serve 421 new homes.</p> <p>Sites in SCC ownership that will benefit from the drainage scheme are:</p> <ul style="list-style-type: none"> <li>- Manor 10 &amp; 11 - Sheffield Housing Company to build 181 homes</li> <li>- Manor 8 – Gleeson to build 101 homes, 82 of which will be served by the scheme due to the topography of the site.</li> <li>- Manor 12 &amp; 13 – Sheffield Housing Company to build 158 homes.</li> </ul> <p>The project is to design and build the drainage scheme. The intention is to recover the costs in full via S106 agreements from the initial sites and through land disposals when the remaining housing developments are delivered.</p> <p>Original costs were estimated at £475k and it was agreed by Cabinet that this would be cashflowed from New Homes Bonus until developer</p>	+£70k	N/A

	<p>contributions were received.</p> <p>Following the return of tenders, the costs of the scheme have now been established as £545k. The additional £70k will also be recovered from future developer contributions by way of S106 payments and potentially land sales.</p> <p>£92k of S106 payments has now been received from developers. This would have reduced the cash flow requirement to £383k (against the £475k original budget). However, due to increased costs it is proposed that the New Homes Bonus cash flow is maintained at £453k – this represents the original £475k from New Homes Bonus, less the £92k already received, with the addition of the £70k increased tender costs.</p>		
<b>F</b>	<b>Housing investment</b>		
	New additions		
	None		
	Variations		
	<p><b>Housing External Wall Insulation Programme 2018 – 2021, Contracts 1, 2 and 3 (Procurement Strategy clarification)</b></p> <p>These schemes all received approval towards the end of last year, with the procurement route being specified as YORbuild2 (whilst reserving the right to revert to a conventional, non-framework tender process in the event of insufficient interest from the YORbuild2 framework contractors).</p> <p>As scheme requirements have crystallised, it has transpired that this opportunity is not attractive to a sufficient number of YORbuild2 contractors to ensure effective competition. We therefore wish to pursue a conventional ‘restricted procedure’ tender process.</p> <p>This ‘either / or’ wording was omitted from the original Cabinet report in error and we now seek approval to pursue the open competitive tender route.</p>	None	Open competitive tender
<b>G</b>	<b>People – capital and growth</b>		

	New additions		
	None		
	Variations		
	<p><b>Woodseats Primary School lift (Procurement Strategy)</b></p> <p>Following further clarification of end user requirements, this scheme now requires significant design changes to deliver the necessary access improvements. There is now no time or resource for this scheme to be redesigned in-house and then tendered - the works need to be completed in time for the new school year 2018-19.</p> <p>Therefore, to mitigate programme risk, we propose to revise the procurement route to use the Scape Minor Works framework. This removes the time delays associated with running a mini-competition and ensures that a suitably qualified and experienced contractor can be appointed to hit the ground running. The contractor will be responsible for developing the new design in conjunction with the client through a two stage design and build process.</p> <p>The cost implications of this are yet to be fully quantified, but we do not anticipate any changes to budget at this stage as the scope of works is likely to be slightly reduced.</p>	Awaiting confirmation	SCAPE minor works framework
<b>H</b>	<b>Essential compliance and maintenance</b>		
	New additions		
	None		
	Variations		
	<p><b>Fire Risk Assessment (FRA) Works Programme 2018-19, 1 year contract extension (Procurement Strategy)</b></p> <p>This procurement variation enables the facility to retain the current FRA</p>		+1 year measured term contract extension

	<p>Works contractor via a 1 year extension of the current contract in accordance with the existing measured term contract's terms. The contractor has performed well and we wish to continue this arrangement into 2018/19.</p> <p>A contract extension enables us to retain the facility of using the incumbent contractor and mitigates the cost of us having to run a new procurement in 2018/19 in the event that the contractor was not retained.</p>		
	<p><b>Mechanical Replacement Measured Term Programme 2018-19, 1 year contract extension (Procurement Strategy)</b></p> <p>This procurement variation enables the facility to retain the current contractor via a 1 year extension of the current contract in accordance with the existing measured term contract's terms. The contractor has performed well and we wish to continue this arrangement into 2018/19.</p> <p>A contract extension enables us to retain the facility of using the incumbent contractor and mitigates the cost of us having to run a new procurement in 2018/19 in the event that the contractor was not retained.</p> <p>Elements of the 2018-19 programme may also be awarded to the in-house service as they develop their capacity. Value for money comparisons will be undertaken on a rolling basis to inform service development and future procurement exercises.</p>		<p>+1 year measured term contract extension and in-house service</p>
	<p><b>Non-Highways Measured Term Programme 2018-19, 1 year contract extension (Procurement Strategy)</b></p> <p>This procurement variation enables the facility to retain the current contractor via a 1 year extension of the current contract in accordance with the existing measured term contract's terms. The contractor has performed well and we wish to continue this arrangement into 2018/19.</p> <p>A contract extension enables us to retain the facility of using the incumbent contractor for patch repairs and replacement works and mitigates the cost of us having to run a new procurement in 2018/19 in the event that the contractor was not retained.</p>		<p>+1 year measured term contract extension</p>

	Scheme name / summary / description of key terms	Funder	Value
<b>A</b>	<b>Economic growth</b>		
	<p><b>Knowledge Gateway -</b> The project will develop 3 areas; Fitzallan Square and Flat St, Pond St and Pond Hill and Paternoster Row. Objectives include increasing the usability of public services, growing business rates, encouraging new investments and enhancing the attractiveness of the area.</p> <p>£4,115k is available from Sheffield City Region Investment Fund to support this project.</p> <p>Key features (not exclusive) of the draft Knowledge Gateway Funding Agreement are summarised as follows:</p> <ol style="list-style-type: none"> <li>1. SCR have agreed to pay a Grant (£4.115m) to SCC to carry out the Knowledge Gateway Project in the form of an outcome based contract.</li> <li>2. The Grant is to be used only for the Project and it must achieve the Project Outputs/ Outcomes.</li> <li>3. The Grant is subject to clawback in whole or part subject to the extent to which the project outputs / outcomes are not achieved and / or standard contractual obligations such as State Aid requirements.</li> <li>4. In respect of the physical works, 50% of the grant can be clawed back should these not be completed by the end of July 2019.</li> <li>5. The project has a delivery plan of 13 months, commencing May 2018. This type of construction work has been under many times before. The inherent risks are unchartered utilities, WW2 ordinance and the demolition of Esperanto Place</li> </ol>	Sheffield City Region Investment Fund	£4,115k

	<p>(including the property conveyance work) There is a contingency of 6 weeks within on the project plan to deal with these risks</p> <p>6. Assuming physical completion within timescales identified at point 4, the remaining 50% of grant will be secured subject to either 140 'new to SCR' jobs being established in the project area OR 2,723 'any' jobs being newly established in the project area i.e. including relocation of existing jobs from within the SCR. The assessment of job establishment will take place at the end of November 2020.</p> <p>7. Should there be a shortfall of jobs against the target then clawback will be applied at a rate of £15,000 per job in respect of the 140 'new to SCR' OR £1,437 per job in respect to the 2,723 'any' jobs'. In either case the maximum amount of clawback is capped at 50% of the total grant award.</p> <p>Whilst any clawback provisions tied to job creation is a risk, analysis of anticipated development indicates that the target of 140 new to SCR jobs should be achieved by November 2020. For example the project area includes a number of known projects which were planned in anticipation of delivery of the Knowledge Gateway scheme where every job will be new to the SCR and where delivery is either about to or very likely to commence.</p>		
<b>B</b>	<b>Transport</b>		
	None		
<b>C</b>	<b>Quality of life</b>		



	None		
<b>D</b>	<b>Green and open spaces</b>		
	None		
<b>E</b>	<b>Housing growth</b>		
	None		
<b>F</b>	<b>Housing investment</b>		
	None		
<b>G</b>	<b>People – capital and growth</b>		
	None		
<b>H</b>	<b>Essential compliance and maintenance</b>		
	None		

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**Author/Lead Officer of Report: David Ambrose**

**Tel: 0114 27 35539**

**Report of:** Executive Director, Place and Executive Director of Resources

**Report to:** Cabinet

**Date of Decision:** 21st March 2018

**Subject:** Sheffield Retail Quarter – Heart of the City Phase II Delivery of the next phases

Is this a Key Decision? If Yes, reason Key Decision: -	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
- Expenditure and/or savings over £500,000	<input checked="" type="checkbox"/>	
- Affects 2 or more Wards	<input type="checkbox"/>	
Which Cabinet Member Portfolio does this relate to? Cabinet Member for Business & Investment and Cabinet Member for Finance		
Which Scrutiny and Policy Development Committee does this relate to? Economic and Environmental Wellbeing.		
Has an Equality Impact Assessment (EIA) been undertaken?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
If YES, what EIA reference number has it been given?	1159	
Does the report contain confidential or exempt information?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Part 1 – OPEN, with CLOSED Part 2 and Appendices F1 and F2 which contain commercially sensitive financial information		
<p><b>Part 2 of this report and Appendices F1 and F2 are not for publication by virtue of Regulation 20(2) Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 because, in the opinion of the proper officer, it contains exempt information under Paragraph 3 of Schedule 12A of the Local Government Act 1972 (as amended) and the public interest in maintaining the exemption outweighs the public interest in disclosing the information.</b></p>		

**Purpose of Report:**

This report seeks

1/ Approval/endorsement for the Councils revised masterplan and delivery strategy for the Heart of the City II scheme, formerly known as the Sheffield Retail Quarter (SRQ).

2/ Delegated authority for the delivery of the next and future phases of the Heart of the City II scheme subject to compliance with the Council's budget processes, financial regulations and capital approval processes

3/ Approval to re-allocate the remainder of the previously approved Sheffield Retail Quarter budget to carry out the Pre Construction Services for the remainder of the phases of the revised masterplan and the stabilisation works to Leahs Yard

4/ Authority to purchase land and/or property by agreement for the Heart of the City II scheme, but in the absence of agreement to use, if necessary, as a last resort, its Compulsory Purchase powers in order to complete the acquisition of the whole of the proposed development site.

5/ Authority to award priority for rehousing on the grounds of demolition for any residential tenants effected by delivery of the next and future phases of the Heart of the City II scheme

**Recommendations:**

That Cabinet

1) Endorses the masterplan for and approves the strategy outlined in this report of a phased delivery of the Heart of the City II development and acknowledges the indicative development programme and estimated financial envelope.

2) Delegates authority to the Executive Director of Place and the Executive Director of Resources in consultation with The Cabinet Member for Business and Economy, The Cabinet Member for Finance, The Director of Legal & Governance and the Chief Property Officer, to

- Approve the detailed delivery plan for the development of the first phase namely Blocks B (Laycock House, 68- 82 Pinstone Street), C (Pepperpot Block, 88-104 Pinstone Street), E (Telephone House podium), G1 (38 Carver Street) and H1 (Leahs Yard)
- Submit detailed planning applications as necessary for the development of the first phase namely Blocks B, C, E, G1 and H1 and any adjoining public realm improvement works and to secure all necessary consents to enable delivery to proceed.
- Approve the detailed delivery plan for each of the subsequent development phases at the appropriate time.

- As necessary submit detailed planning applications for the development of the remaining blocks within the Heart of the City II development site and for any adjoining public realm improvement works and to secure all necessary consents to enable delivery to proceed.
- Continue the appointment of the full professional team to progress the detailed design work on the planning permissions and the public realm improvement works.
- Commission and agree terms with any other specialist consultants to advise the Council as necessary throughout the course of the Heart of the City II project
- Submit an outline planning application for Block F (Trafalgar Works), and if conducive to the redevelopment of the whole site place on the open market for sale as a residential development site and dispose of the site to the best offer.
- Develop and then implement a public realm management strategy for the public realm within the Heart of the City II development.
- Pursue Sheffield City Region Investment Fund (SCRIF), Historic England (HE) and any other funding streams that are available, where applicable, to assist in the funding of the Heart of the City II development, and where appropriate accept any obligations or restrictions that the funding is subject to.
- If necessary, serve the requisite notices to obtain vacant possession on all existing tenants
- Enter into negotiation and if possible acquire by agreement under s.227 Town & Country Planning Act 1990 powers, the Carver Street car park situated south of St Matthews House 45 Carver Street, and 30 Cambridge Street.
- Instruct the Director of Legal & Governance to complete all necessary legal documentation required to document the terms of any transactions agreed in accordance with the approvals delegated pursuant to this report.

### 3) Approves

- The re-allocation of the remainder of the previously approved Sheffield Retail Quarter budget to carry out the Pre-Construction Services for the remaining phases of the revised masterplan and stabilisation of Leah's Yard up to a maximum of £24m.
- For all relevant budgets to be able to be fully funded through Prudential Borrowing and be subject to the phasing of the spend going through the Council Capital Approval process,

- To use any increase in business rates income directly attributed to the scheme to repay any balance of the related Prudential Borrowing,
- To use any receipts from the disposal of any properties within the Heart of the City II developments to repay any balance of the related Prudential Borrowing.

4) Delegates authority to the Executive Director of Resources in consultation with the Executive Director of Place:

- On satisfactory completion of the requisite Pre-Construction milestones of each block to approve the budget to carry out the construction of the properties and all necessary public realm improvement works.
- To determine and action the most appropriate disposal strategy for the Council for the Heart of the City II development and if necessary for the Council to sell the whole, any block or any part of a block as an investment.

5) Confirms the principle that the Council will be prepared to use Compulsory Purchase powers as a last resort if terms cannot be reached by agreement to acquire the Carver Street car park situated south of St Matthews House 45 Carver Street, 30 Cambridge Street and office space within Barkers Pool House, Burgess Street, to complete the scheme. The use of such powers, if needed, will be subject to a further detailed report to Cabinet.

6) Authorises the Director of Housing and Neighbourhood Services to award priority for rehousing on the grounds of demolition at an appropriate level to the residential tenants in Laycock House with effect from the date of approval of the detailed delivery plan pursuant to Recommendation (2) above.

**Background Papers:** New Retail Quarter – Compulsory Purchase Order Report to Cabinet 13<sup>th</sup> December 2006, Sheffield New Retail Quarter Report to Executive Leader dated 8<sup>th</sup> October 2013, New Retail Quarter Steps Towards Delivery Report to Cabinet on 23<sup>rd</sup> July 2014, Sheffield Retail Quarter Delivery of First Phase Report to Cabinet on 20<sup>th</sup> July 2016, Sheffield Retail Quarter – Proposed Appropriation of Land For Planning Purposes 15<sup>th</sup> December 2016.

<b>Lead Officer to complete: -</b>		
1	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.	Finance: Jayne Clarke
		Legal: Gillian Duckworth.
		Equalities: Beth Storm
<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>		
2	<b>EMT members who approved submission:</b>	Laraine Manley & Eugene Walker
3	<b>Cabinet Members consulted:</b>	Mazher Iqbal Cabinet Member for Business & Investment & Olivia Blake The Cabinet Member for Finance
4	I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Decision Maker by the EMT member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.	
	<b>Lead Officer Name:</b> Nalin Seneviratne	<b>Job Title:</b> Director – City Centre Development
	<b>Date:</b> 21st March 2018	

## **1.0 PURPOSE**

- 1.1 This report seeks: -
  - 1.1.1 Approval/endorsement for the Councils revised masterplan and delivery strategy for the Heart of the City II scheme, formerly known as the Sheffield Retail Quarter (SRQ).
  - 1.1.2 Delegated authority for the delivery of the next and future phases of the Heart of the City II scheme subject to compliance with the Council's budget processes, financial regulations and capital approval processes
  - 1.1.3 Approval to re-allocate the remainder of the previously approved Sheffield Retail Quarter budget to carry out the Pre Construction Services for the remainder of the phases of the revised masterplan and the stabilisation works to Leahs Yard
  - 1.1.4 Authority to purchase land and/or property by agreement for the Heart of the City II scheme, but in the absence of agreement to use, if necessary, as a last resort, its Compulsory Purchase powers in order to complete the acquisition of the whole of the proposed development site.
  - 1.1.5 Authority to award priority for rehousing on the grounds of demolition for any residential tenants effected by delivery of the next and future phases of the Heart of the City II scheme

## **2.0 HOW DOES THIS DECISION CONTRIBUTE?**

- 2.1 **Forging a true centre of gravity for our City** - Our city centre has a vital role to play in contributing to the economic success of our City. We need a city centre that continues to attract jobs and investment building on the original Heart of the City project. Heart of the City II (formerly Sheffield Retail Quarter) will build upon the original Heart of the City project, which saw the regeneration of the Peace Gardens, the creation of the Winter Garden and Mercure Hotel, new offices to expand the city's growing business services, Sheffield's tallest residential building, new restaurants and leisure and an iconic car park. This scheme will provide Sheffield with a centre that will be the place for buying and selling and for the exchange of ideas and collaboration, a focal point, a meeting place, a true centre of gravity.
- 2.2 Like the original plans for the Retail Quarter, Heart of the City II will meet an identified need for further and improved retail provision in the City Centre together with housing and leisure and providing additional office space for jobs. As with the Retail Quarter, Heart of the City II will integrate and complement the existing city centre and its shopping areas rather than sit in isolation from them. Built to retain existing street patterns and heritage buildings, it will integrate with the resurgence of The Moor as a shopping and leisure destination, the Devonshire Quarter of independent shops and bars, and Fargate. It will quickly build and maintain the momentum from the emerging new HSBC building, rapidly nearing completion as the first phase of this scheme delivering the first new retail, leisure and office spaces. Our vision for Heart of the City II seeks to build on what is uniquely Sheffield. We believe that is the best way to deliver a bigger heart that the City can be truly proud of.
- 2.3 This scheme will be made on Sheffield's own terms, a vibrant, distinctive, imaginative and productive place, forged from its unique qualities, but connected to entirely new patterns of trade and culture. The backbone of Heart of the City II runs on its fine-grain street layout



renewed for the 21st century as a place for people to engage, as opposed to a space for motorised traffic to move through. Like the original plan for the Retail Quarter a new public realm will become a key enabler of this activity, a newly green 'jewel in the crown' of what is a very green city elsewhere.

2.4 We are already delivering Heart of the City II as explained below. The revised masterplan and delivery strategy builds on the original plans for the Retail Quarter and sets out how the Council will seek to deliver this transformational development that will give resident's, workers and visitors an exciting quality experience that is distinctively of Sheffield and which is the hub linking the existing city centre retail, cultural, leisure and employment offers.

### Economic Benefits

2.5 The delivery of the Masterplan will generate significant additional economic benefits during the construction of the scheme and when in operation. The figures below show the anticipated impact on the Sheffield City Region in terms of new jobs and the spending power that these create, and the additional profit derived by the operators of the commercial entities within the Heart of the City II scheme.

2.6

HOC Masterplan Proposal : Economic Indicators							
Total construction-driven impact (2017-2025)							
	Direct	Indirect	Induced	Total			
Total GDP, £ million	171.7	34.4	39.9	<b>246.0</b>			
Total Jobs created	401	90	124	<b>615</b>			
Total tax contribution	57.3	9.2	12.8	<b>79.3</b>			
Total operations-driven impact, (2019-2030)							
	Direct	Indirect	Induced	Total	Of which, due to:		
					Retail & leisure	Office activities	New residents
Total GDP, £ million	2,684.5	405.6	606.6	<b>3,696.7</b>	422.4	3,209.2	65.1
Total Jobs created	4,617	728	1,578	<b>6,923</b>	1,352	5,410	160
Total tax contribution	688.9	98.3	186.7	<b>973.9</b>	136.4	818.0	19.5

2.7 All the Direct Impacts and a significant proportion of the Indirect and Induced impacts will benefit Sheffield itself.

2.8 The impacts are measured on a gross basis and do not take account of any displacement elsewhere in the City Region.

### 3.0 HAS THERE BEEN ANY CONSULTATION?

3.1 The Council has already undertaken a comprehensive consultation process for the Sheffield Retail Quarter proposals with both key stakeholders and the public, and throughout this consultation there has been widespread and strong public support to see a scheme delivered on the site.

- 3.2 The last public consultation exercise undertaken by the Council in May/June 2015 attracted over 3,000 visitors to the marquee erected at the top of Fargate and approximately 800 written representations were received, with the clear majority supporting the Sheffield Retail Quarter proposals.
- 3.3 Given the large number of responses received the comments covered a wide spectrum of issues. However, several common themes could be drawn from the responses. These being:
- Retain the Sheffield character in any new development and respect the existing urban fabric.
  - Protect and promote the heritage assets within the proposed development site
  - Encourage independent retailers and food and beverage operators to take space in any new scheme and/or the city centre.
- 3.4 These key themes were further reinforced by the Sheffield Stars Big Survey where the responses they received from their readers about how they wanted the regeneration of the city centre to proceed, echoed these sentiments.
- 3.5 The Council and its design team have carefully considered and where appropriate taken on board these comments and have sought wherever possible to capture them in the revised masterplan and delivery strategy for the Heart of the City II development.
- 3.6 The Council has also continued to engage/consult with key stakeholders within the City as to the future of the Heart of the City II development.
- 3.7 As the Heart of the City II scheme moves forward there will be further public consultation undertaken as part of the normal process, providing another opportunity for the public to be engaged and to make comments.

#### **4.0 BACKGROUND**

- 4.1 The Council's vision for the Heart of the City II scheme is to deliver a sustainable vibrant mixed-use quarter in the heart of the city centre that is authentic to Sheffield, comprising of high quality retail, Grade A offices, hotel and residential developments, restaurants and cafes, leisure destinations, car parking linked by well-designed public spaces constructed with high quality materials.
- 4.2 Since the July 2016 Cabinet in which the Sheffield Retail Quarter – Delivery of the First Phase was approved considerable progress has been made on site.
- 4.3 The Cavendish block, which comprises of a landmark office building to be occupied by HSBC and almost 60,000 sq. ft of retail space, is on site and construction works by BAM, the main contractor, are progressing well. The steelwork for the Cavendish block has been erected and cladding work is progressing. Advanced talks are already underway to sign up the first retail and leisure tenants for this block.
- 4.4 The transformational public realm improvement works to infill the Charter Square roundabout, relocate the highway and improve the public realm to the rear of the Debenhams block on The Moor have been completed and works to Charter Square North

next to the Cavendish block to create a new distinctive to Sheffield people friendly public square, will be delivered as part of the Cavendish development. Practical completion of the Cavendish block and the new Charter Square is due in late 2019

4.5 At the same time the Council together with our development management advisors Queensbury Real Estate Ltd, have undertaken a complete review of the Sheffield Retail Quarter project. This was to determine how best to deliver the Councils vision for the site, that also meets the aspirations of the people of Sheffield and key stakeholders, provides a mix of spaces that businesses want and is adaptable and able to respond to any future changes.

4.6 Because of this work a new masterplan and delivery strategy for the Heart of the City II scheme has been drawn up. This will inform the development and/or release of the individual blocks within the Heart of the City II site, as well as setting out the strategy for how the public spaces between the buildings will be dealt with

## **5.0 MASTERPLAN/DELIVERY PLAN/JOHN LEWIS PARTNERSHIP.**

### **5.1 Masterplan**

5.1.1 The new masterplan sets out the Councils vision for the Heart of the City II development.

The scheme looks to bind together the old and the new by celebrating where possible our existing buildings whilst also allowing space for new modern architecture. The aim is to keep to and respect the existing street patterns as much as is possible and to retain/reuse as many of the existing historic buildings within the site, whilst also delivering high quality sustainable new buildings to meet modern retailer's requirements.

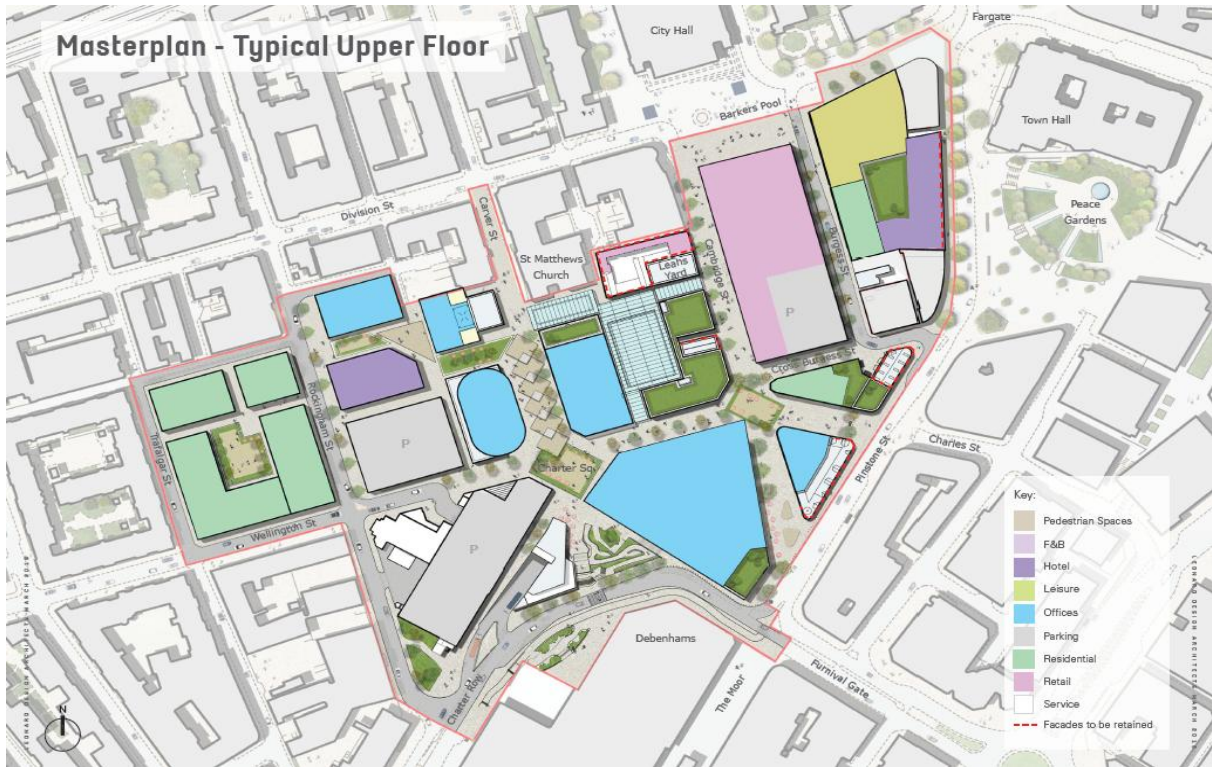
5.1.2 In drawing up this masterplan the Council and Queensberry has

- Listened to the views of both corporate and independent businesses, investors, key stakeholders and the people of Sheffield's view on how the development of this quarter of the city centre should progress
- Considered the changes in both shopping behaviour and shoppers expectations - whereby they demand for a more rounded leisure and food and beverage offer
- Sought to deliver modern retail and food and beverage units that will attract innovative, adaptable, corporate and independent retailers and food and beverage operators to the city centre.
- Included more office and residential space to bring more life and animation and a mix of uses to the upper floors
- Drawn up and then challenged, tested and reviewed several revised schemes for the site and carried out reviews of all the associated cost plans and delivery programmes
- Spoken with prospective major retailers, including John Lewis
- Prepared an adaptable business plan to achieve and deliver a viable and successful development.

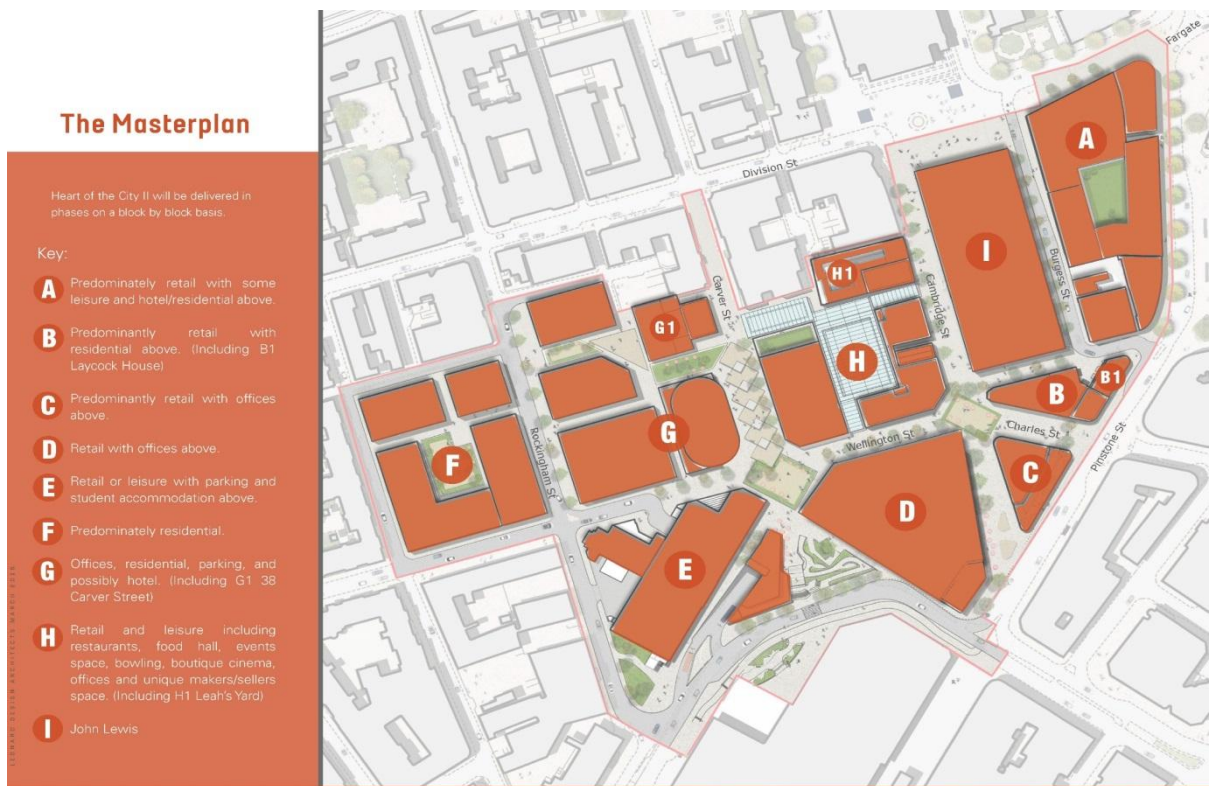
- 5.1.3 The changes in the retail, food and drink and leisure market are due not only to the challenging economic climate but also fundamental changes in peoples shopping and socialising habits. People are also expecting an authentic exciting and vibrant experience whilst shopping, living, working or visiting the city centre.
- 5.1.4 Both the Heart of the City II masterplan and the delivery strategy are forward thinking documents and as such they allow for changes over time to reflect the then current economic conditions and market, and changes in retailing leisure and eating out habits and trends
- 5.1.5 The plan below shows the proposed layout and uses of each block at street / ground floor level: -



- 5.1.6 The proposed upper floor uses of each block are indicated on this plan below: -



5.1.7 The diagram below shows each of the blocks within the Heart of the City II masterplan boundary and their block references



5.1.8 Each block is an independent phase of the masterplan delivery and all contain a mix of uses. Some blocks are further sub-divided where stand-alone elements can be developed separately.

5.1.9 The masterplan is not a statutory planning document. It will however be referred to in all future planning applications.

## 5.2 **Delivery Plan**

5.2.1 The route for delivery of the Heart of the City II has changed since the report to Cabinet in July 2016. We will no longer be looking to deliver the Sheffield Retail Quarter scheme submitted for planning permission as one “big bang” corporate development and then be reliant on a single developer.

5.2.2 It is envisaged that delivery will now be done via an incremental measured block by block approach, working within the approved masterplan, which can be delivered comprehensively over time but not necessarily by a single developer and/or the Council. This approach mitigates the Councils risk and financial exposure and delivers momentum.

5.2.3 This phased approach to delivery also allows for future changes in the scheme to reflect changes in shopping habits/behaviours and the expectations of shoppers and users of the city centre.

## 5.3 **Council To Act As Developer**

5.3.1 It is imperative that the Council maintains the momentum of the Heart of the City II development on site ensuring a comprehensive redevelopment, and so it is proposed that the Council acts in the developer role with development management expertise provided by Queensberry Real Estate Ltd, to deliver the next phase of blocks as set out below in this report.

5.3.2 The Council can drive the development as it has control of the land/property to deliver this next phase and can raise finance through Prudential Borrowing, supported by the business rates uplift the Heart of the City II will generate.

5.3.3 As the scheme is built costs will then be recovered on a rolling basis either through the sale of the completed buildings or through the Council retaining the rental income. The exact exit route will be determined after careful consideration of the relative merits of the options available. The financial implications of the Council acting as developer are set out in detail in section 8.0 and in Part 2 of this report

## 5.4 **John Lewis**

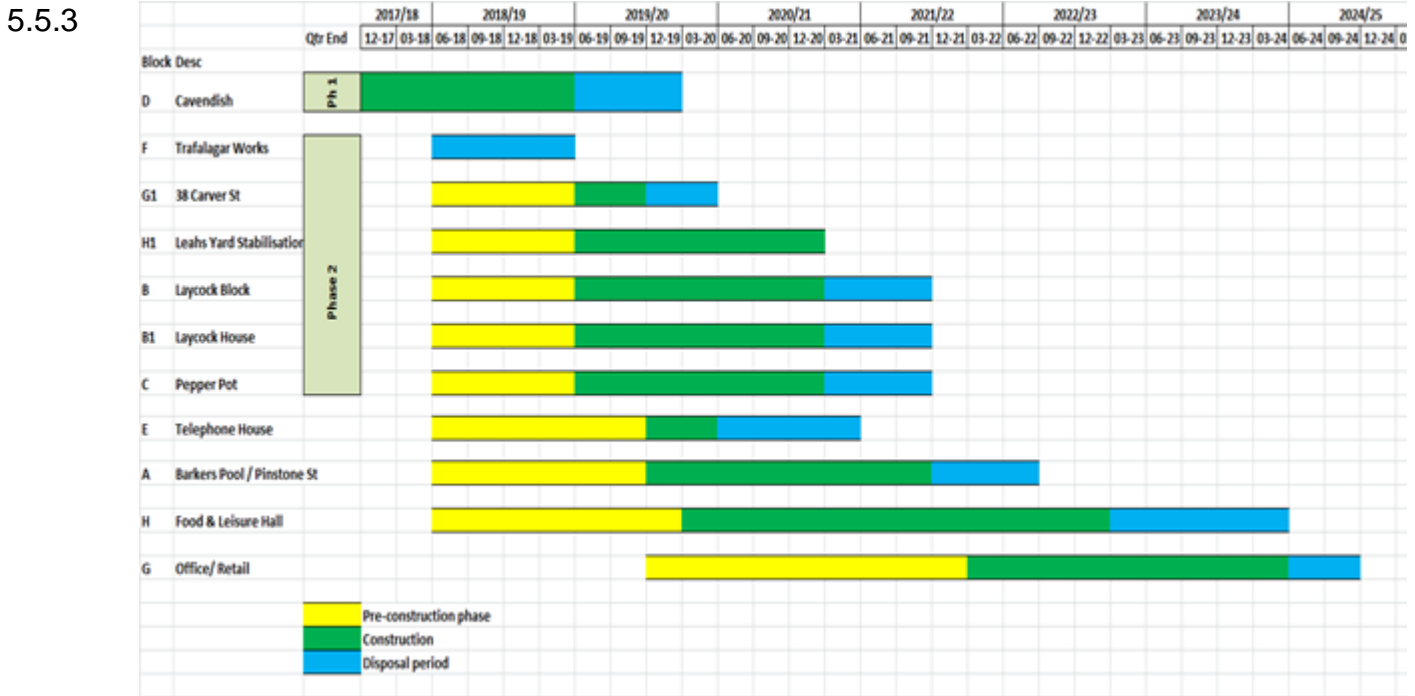
5.4.1 As set out in the masterplan in order to maintain momentum the Council is working at this stage on the basis that we will be building around the existing main John Lewis shop.

5.4.2 The Council will continue to discuss with John Lewis as to how the store will be developed in conjunction with our proposals.

## 5.5 **Anticipated Delivery Programme**

5.5.1 The masterplan is proposed to be delivered on a phased basis with Pre-Construction Services across most of the blocks being concurrent but construction and opening of the blocks staggered.

5.5.2 The proposed delivery timescales are set out in the illustration below and as can be seen this represents a long-term programme with the final block being complete by 2024/25.



5.5.4 The programme is indicative and could change to react to demand and market conditions.

5.5.5 Each block will have an agreed set of conditions that must be met before it moves from the Pre-construction stage into the construction stage. This creates an approval gateway at which point the construction budget for the block will be determined.

5.6 **Governance**

5.6.1 The Heart of the City II project is managed through the Heart of the City II Programme Board which includes the Chief Executive, the Executive Director of Place, the Executive Director of Resources, the Director of Legal & Governance, the Director of Finance and Commercial Services and the Director of City Centre Development, in consultation with the relevant Cabinet Members, with further authorisation on financial matters going through the Capital Gateway Process, and Cabinet as required

5.6.2 This Board will continue to monitor the delivery of the Heart of the City II project, managing the vision, outcomes, benefits and any strategic risks to the Council.

5.6.3 The Board provides a forum for decision making in line with the delegations authorised by this report.

6.0 **DELIVERY OF NEXT PHASE – BLOCKS (B, C, E, G1 AND H1) AND RELATED PUBLIC REALM IMPROVEMENT WORKS**

6.1 The next phase of the Heart of the City II development the Council is to deliver is blocks B, C, E, G1 and H1, as shown on the above plan in paragraph 5.1.7 of this

report.

6.2 The development of these blocks is seen as the logical next step of the development of the Heart of the City II development as they are adjacent to, and once developed will enhance the setting of the Cavendish block or as is the case for block G1 38 Carver Street is a quick turnaround to get back into use a vacant building.

6.3 The proposed development of these blocks will be as follows:

6.4 **Block B – Laycock House, 68- 82 Pinstone Street**

6.4.1 Laycock House represents one of the historic early 20<sup>th</sup> century facades that characterize Pinstone Street. This is a good example of a late Victorian building and consists of 5 residential apartments with commercial retail units below.

6.4.2 The development of the block provides an opportunity to both enhance and retain Laycock House. The building will be completely stripped out and then brought back to life with a full renovation/refurbishment.

6.4.3 The remaining buildings contained within the plot will be demolished and the site redeveloped with a contemporary flexible mixed use building, which will be contextually sensitive to its historic neighbour. Ground floor space will be formed of new retail space, with modern high quality residential units above.

6.4.4 Two of the residential units within Laycock House are currently occupied. These residents were in occupation when the Council acquired the building in 2015 and they now occupy under weekly tenancies from the Council.

6.4.5 The Council will require vacant possession of the apartments in order to undertake the comprehensive works to the building.

6.4.6 Under the terms of the weekly tenancies the Council could obtain possession on giving 4 weeks written notice. However officers from Housing Service have already been in contact with them, and will continue to work with the residents, to help them find alternative accommodation, so it should not be necessary to serve the notices when vacant possession is required. When the delivery plan for this block has been approved the residents will be entitled to priority for rehousing on the grounds of demolition under the Councils Allocation policy.

6.4.7 The residents will be entitled, when they leave, to a statutory home loss payment and reimbursement of all reasonable removal costs. These payments will be authorised as part of the approved delivery plan.

6.5 **Block C – The Pepperpot Block, 88-104 Pinstone Street**

6.5.1 Within block C sit two significant historic buildings 94 -102 Pinstone Street known as the Pepperpot and 88 Pinstone Street the former HSBC bank. These facades and roofscapes are both good examples of Sheffield brick and terracotta architecture.

6.5.2 This historic façade will be retained and a new flagship mixed use retail and commercial building will be built behind, that will respond sensitively to its intricate levels and dynamic roofscape.

6.6 **Block E – Telephone House, Charter Square**



6.6.1 The podium under the Telephone House Tower which comprises of retail units and the Multi-Story Car Park will be refurbished to improve its visual appeal and user experience. The retail units will be remodelled to improve flexibility and accessibility and the frontages to these will be extended vertically and horizontally to optimise visibility and presence onto the new Charter Square

#### 6.7 **Block H1 - Leah's Yard, Cambridge Street**

6.7.1 Leahs Yard is an important heritage asset in the centre of the development. Works will be undertaken to this Grade 2 Star Listed Building to stabilise the structure, thus allowing for the removal of the extensive support scaffolding on Cambridge Street

6.7.2 The building will be made safe and secure so that it is capable of being converted at a later date to a fully functioning part of the overall Heart of the City II scheme.

#### 6.8 **Block G1 - 38 Carver Street**

6.8.1 This is a fairly modern office building which is in a good structural condition. Internally it is slightly dated and run down after being vacant for a number of years and has suffered from some damage. It is the Councils intention to simply refurbish the building and then to re-let the office space.

#### 6.9 **Public Realm Improvement Works**

6.9.1 Sheffield is known for its distinctive high quality public realm and as part of the development of these Blocks the Council will seek, in the spaces between them, to continue to deliver people friendly spaces.

#### 6.10 **Future Phases**

6.10.1 The Council will seek to deliver further phases of the Heart of the City II as and when necessary.

6.10.2 There are certain property interests, namely the surface Carver Street car park situated south of St Matthews House 45 Carver Street and 30 Cambridge Street and leased office space within Barkers Pool House which the Council has already opened discussions about acquiring/regaining possession of. If these discussions are not successful officers will if necessary be coming back to Cabinet with a full report setting out why we may require these properties in order to deliver a comprehensive development.

6.10.3 The commencement of any future phases of the development will be subject to the Council obtaining satisfactory planning consent.

#### 6.11 **Block F Delivery**

6.11.1 The masterplan for the Heart of the City II development identifies Block F (Trafalgar Works) as a predominantly residential site with some commercial space on the ground floor. The aim is to get more people to both live and work in the city centre and thus increase vibrancy and the sense of community

6.11.2 Given this sites prime position within the city centre as part of the Heart of the City II development there has already been a lot of interest in the site from private developers/investors.

6.11.3 Given this strong private sector demand the Council does not necessarily need to act as the developer for this block. The Council will submit an outline planning application to establish a residential use on the site within the context of the Heart of the City II masterplan and then if appropriate will place the site on the open market for to find a developer who will develop the site as a residential development site as part of the Heart of the City II proposals.

## 6.12 Pursue Funding Opportunities

6.12.1 The Council will seek to pursue where applicable and prudent to do so Sheffield City Region Investment Fund (SCRIF), Heritage England (HE) and any other funding streams that are available, to assist in the funding of the Heart of the City II development.

6.12.2 Such funding will come with conditions and potentially clawback liabilities and Cabinet is being asked as part of this report to delegate to officers authority to, where necessary and reasonable, accept any obligations or restrictions that any funding is subject to.

## 7.0 RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

### 7.1 EQUALITY OF OPPORTUNITY IMPLICATIONS

7.1.1 The redevelopment of the Heart of the City II site will be of universal positive benefit for all local people regardless of age, sex, race, faith, disability, sexuality, etc. Local people will benefit from the creation of a significant number of new full and part time jobs. The socio economic and community cohesion impacts locally will be particularly positive.

7.1.2 No negative equality impacts have been identified.

7.1.3 As the Heart of the City II development progresses there will be further opportunities for stakeholders and the public to be engaged and to make comments through the statutory planning process.

7.1.4 Ease of pedestrian access throughout the Heart of the City II scheme is of paramount importance and will require careful design and integration of lifts, ramps, and stairs for all users as appropriate.

7.1.5 An Equality Impact Assessment has been carried out for the Sheffield Retail Quarter project – reference number 1159 and the Council is satisfied that its conclusions remain valid.

## 8.0 FINANCIAL AND COMMERCIAL IMPLICATIONS

### 8.1 Total Capital Commitment

8.1.1 The Council has already made a significant financial commitment to the delivery of the Heart of the City II with the decisions to acquire the properties within the Sheffield Retail Quarter site in 2014 and the approval of the first phase of delivery of the Cavendish block and the appointment of a Development Manager in 2016 to take the previous scheme to an unconditional stage ready for construction.

<b>Previously Approved Budgets</b>	<b>£m</b>
Land Assembly and Enabling Works	61.2
Phase 1 Construction incl. Public Realm and Transport	81.6
Pre-construction Development Management of previous scheme	35.8
Total Capital Expenditure	178.6

8.1.2 As has been detailed elsewhere in this report, previous versions of the Sheffield Retail Quarter masterplan have been reviewed and revised to ensure that the masterplan is deliverable and a new approach to the Heart of the City II has been developed which takes a more flexible and current market facing approach to delivery. However, the Sheffield Retail Quarter scheme has always been about regenerating the city centre and addressing market failure and not about undertaking the development for purely commercial objectives and this is still the case. The masterplan will therefore require additional support from the Council to make this scheme viable.

8.1.3 The full delivery of the remainder of the Heart of the City II masterplan will therefore have further significant financial implications for the Council in terms of the level of capital investment and the long- term financing of the development.

8.1.4 The majority of the site falls within the boundary of the New Development Deal (NDD) agreed with central government in 2013 so that any increase in Business Rates created in that area up to the end of a 25-year period (from 2013) can be retained in full by the Council.

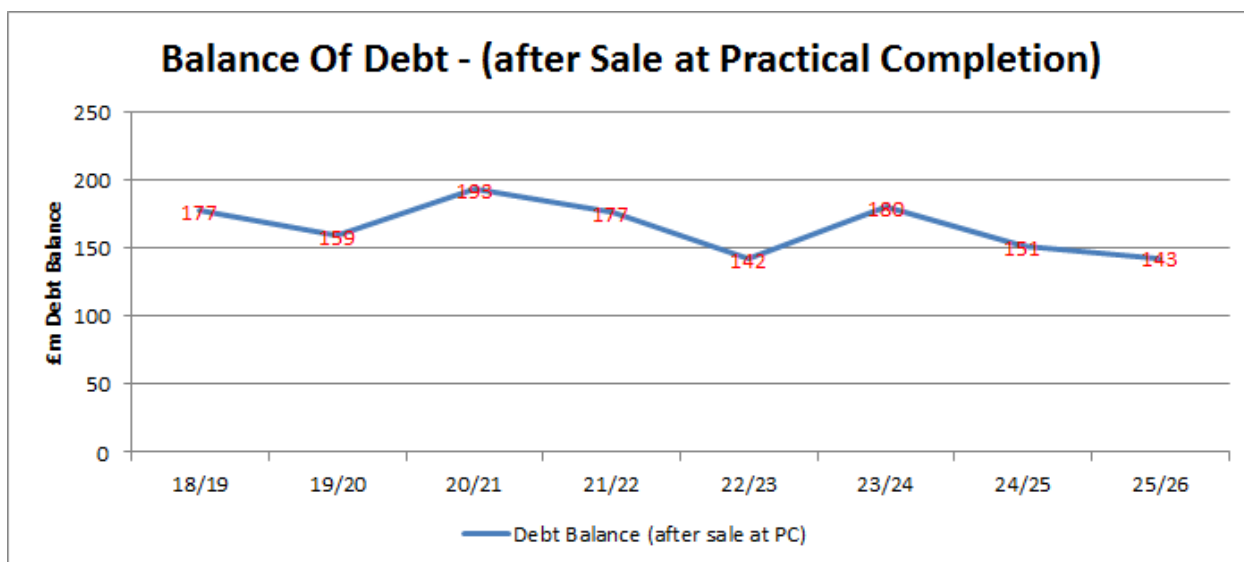
8.1.5 The total Development costs for the new masterplan before the beneficial impact of disposals and income are as shown in the table below:

Current Commitment	Additional Commitment	Total Commitment
£179m	<b>£291m</b>	<b>£469m</b>

8.1.6 The base case masterplan appraisal has been carried out on the basis that each of the phases is delivered by the Council and funded through Prudential Borrowing. The expected rental values of the retail, office and residential units created, have been determined by expert agents (local and national) in the particular sector.

8.1.7 It is assumed that each property is sold on completion (on a long leasehold basis) and the capital value has been determined on the basis of full occupation and using anticipated market yields for the different types of use.

8.1.8 This has the advantage of using capital receipts to reduce levels of borrowing so that the total debt requirement never reaches the level of the £469m total costs. This is illustrated in the graph below.



8.1.9 Selling the properties also transfers the liability for Business Rates and the majority of the risk for rent receipt to the new leaseholder. The Councils ground rent income would vary with any reduction in rent received.

## 8.2 Initial Budget Requirement

8.2.1 As the previous scheme has not been progressed as anticipated a significant proportion of the £35.8m approved budget has not been spent. It is proposed therefore to reallocate the remaining **£24m** of budget to carry out the pre-construction stage for each of the remaining blocks and to bring forward works to stabilise Leah's Yard ahead of the rest of the block H development. This expenditure is to complete all the necessary stages of planning, detailed design, costing, marketing etc. This expenditure is all at risk until the acceptable levels of pre-letting have been achieved and the construction works have been tendered so that the block can be taken forward into the delivery stage.

8.2.2 In accordance with the masterplan programme set out in section 7 above, the budget requirement will be phased across a number of years.

8.2.3 When each of the blocks successfully meet its required pre-conditions, approval will be sought in accordance with the recommendations of this report for the remainder of the budget for that block to award the contract to carry out the construction works and any associated public realm works.

8.2.4 The budgets will be governed through the Councils usual capital monitoring and reporting process and approved in accordance with the delegations in this report

## 8.3 Revenue Budget Requirement

8.3.1 On completion of each block the residual borrowing costs will be charged to General Fund budgets with Minimum Revenue Provision (MRP) and interest charged over a 40-year asset life. They will be off-set by the increased Business Rates created from the properties and the Ground Rent receivable.

## 8.4 Financial Risks

8.4.1 A programme of development of this size carries with it significant levels of risk across a number of areas. These risks are amplified because of the length of the development programme and because of the uncertainties caused by the rapidly changing retail landscape and the unknown effect of Brexit.

The key risk areas are as follows:

- Construction Risk

Whilst prudent cost assumptions have been used for construction and reasonable levels of cost inflation applied, a construction programme of £290m spread over a six-year period is particularly exposed to scarcity of resources and unexpected levels of inflation.

- Interest Rate Movement

The appraisals have been based on an interest rate of 3% for the majority of blocks with 5% used for the larger, later Block G. This level of interest is very prudent based on the current and forecast PWLB rates, but unexpected market movements could result in higher rates.

- Demand Risk

This is the primary risk that the Council carries in relation to securing tenants in the various commercial and residential units created, both in terms of speed of take up and price. The appraisals are based on expected levels of rental which are comparable to similar properties in the City but assume that virtually full occupation is achieved within a short period of completion. The rationale for the staggered delivery programme is to better match future supply and demand but this can only be fully tested when the properties begin to be marketed.

- Exit Value Risk

The exit values have been determined based on expected yields for the different types of use. Again, these are prudent assumptions based on the current performance of similar property sales. However, given the significant period until these properties come on to the market then it is possible that lack of demand may make pricing less competitive.

- Business Rate Risk

The Council is reliant on the increased Business Rates created to fund the residual cost of the development. The rateable values have been estimated based on a proportion of the market rent which is prudent but will only be validated when the properties are rated by the Valuation Office. The council also carries the risk of subsequent claims for relief and payment default.

8.4.2 However, it should also be noted that the assumptions used could be overly prudent and improved positions could be achieved.

- 8.4.3 Detailed Sensitivity Analysis of those key risk areas is set out in Part 2 of this report.
- 8.4.4 It is imperative therefore that proper governance is exercised over the progression of the scheme and that additional costs commitment will only be made if there is tangible evidence that scheme has positively achieved its pre-conditions and that the demand, rental levels and costs can be evidenced to be in line with or an improvement on base assumptions.
- 8.4.5 During the pre-construction stage the detailed designs, uses and costings will be reappraised and reengineered to ensure the optimum solution is derived.

## **9.0 LEGAL IMPLICATIONS**

- 9.1 A number of the recommendations in this report are intended to allocate and identify sources of funding for the Heart of the City II development. In order to comply with the Council's constitution and rules of governance a further approval will be required via its Capital Approval process. As mentioned in this report, this will be undertaken in respect of individual items of capital expenditure.
- 9.2 Paragraph 3 of Schedule 1 to the Housing Act 1985 provides that a Council tenancy is not a secure tenancy if the dwelling-house is on land which has been acquired for development and the dwelling-house is used by the landlord, pending development of the land, as temporary housing accommodation. The residents of Laycock House occupy under such tenancies, which are contractual tenancies that may be ended by Notice to Quit. If displaced by redevelopment they are however entitled to statutory home loss payments, the reasonable costs of removal, and suitable alternative accommodation under the provisions of Part III of the Land Compensation Act 1973.
- 9.3 Under section 123 of the Local Government Act 1972 the Council is under a statutory duty to obtain the best consideration achievable for its land.
- 9.4 Under the Localism Act 2011 a general power of competence was introduced that empowered local authorities to do anything as long as it is not specifically prohibited under the Localism Act or other legislation. Section 1 subsection 1 allows the Council to do anything that individuals generally do.

## **10.0 PROPERTY IMPLICATIONS**

- 10.1 The rental income produced by the existing properties within the Heart of the City II site will be used to help fund their holding and management costs until such time as they are required for redevelopment.
- 10.2 If the Council decide at a future date not to proceed with the Heart of the City II scheme then the Councils remaining land and property holdings at that time within the site will be capable of being sold to generate capital receipts, either individually back to previous owners or as investments, or as mixed-use development sites. In these circumstances such disposals would need to have regard to the Crichel Down Rules.

## **11.0 ENVIRONMENTAL SUSTAINABILITY**

- 11.1 The long term strategic implications of a Heart of the City II development to Sheffield

have already been covered in this report and the detailed elements of environmental and sustainability matters have and will be incorporated into the planning process by virtue of negotiated designs, planning conditions and S106 obligations.

- 11.2 Any development will promote the use of sustainable materials wherever viable and the structures will be designed as efficiently as possible to reduce the quantity of raw construction materials; and every effort will be made to minimise its carbon footprint.

## **12.0 COMMUNITY SAFETY IMPLICATIONS.**

- 12.1 The Heart of the City II development will incorporate a series of well-designed public spaces and squares between the buildings. These spaces will be well designed and constructed with high quality materials and will provide a safe environment for all.

- 12.2 Use of CCTV and informal policing by The City Centre Ambassadors will help ensure that a safe and secure environment will be maintained.

## **13.0 ECONOMIC IMPACT**

- 13.1 The long-term economic benefits to Sheffield of securing delivery of the development of the Heart of the City II are both enormous and long lasting. It will generate new tax revenue and retain and/or create new jobs in the city centre.

- 13.2 The anticipated long term economic benefits of the Heart of the City II development have already been set out in paragraphs 2.7 to 2.13 of this report

- 13.3 The development of the Heart of the City II scheme also enhances the status of the city centre in itself creating an attractive environment in which to live, work, shop and relax and will in turn help stimulate other office, commercial and leisure investment and/or development in the city centre generating additional business rates and creating more jobs.

## **14.0 ALTERNATIVE OPTIONS CONSIDERED**

- 14.1 The do-nothing option i.e. complete only the delivery of the first phase (the HSBC/Retail block) and cease work on the wider Heart of the City II scheme has been considered, not only has a potentially worse financial impact but also has many negative outcomes for the Council.

- 14.2 The status of city centre will continue to diminish, the Councils long term economic aspirations for the City and the city centre will become less feasible, there will be a lack of confidence for other projects and the reputation of both the City and Council will also suffer.

- 14.3 The Council will also make a loss if the Heart of the City II development is not delivered, as its investment to date in working up the scheme will be lost.

## **15.0 REASONS FOR RECOMMENDATIONS**

- 15.1 As outlined in this Report, there is a still a very clear strategic and economic case to justify the Heart of the City II development, and to maintain project momentum.

- 15.2 The Executive Director, Place and the Executive Director of Resources believe that the Heart of the City II development is vitally important for the regeneration of the city centre.
- 15.3 The reasons for the recommendations are to provide a way forward for the Council to deliver the Heart of the City II development
- 15.4 For the above reasons it is proposed that the Cabinet adopts the recommendations set out in this report.

Eugene Walker  
Executive Director of Resources

Laraine Manley  
Executive Director, Place

21<sup>st</sup> March 2018



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