

Cabinet

Meeting held 21 March 2018

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

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1. APOLOGIES FOR ABSENCE

1.1 An apology for absence was received from Councillor Bryan Lodge.

2. EXCLUSION OF PUBLIC AND PRESS

2.1 The Chair, Councillor Julie Dore, reported that Appendix 1 to the report at agenda item 16 (see minute 15 below) – ‘Delivery of Heart of the City 2’ and the whole of the report at item 17 (see minute 16 below) – ‘Acquisition of Brownfield Sites’ were not available to the public and press because they contained 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. Accordingly, if the contents of the Appendix or report were to be discussed at the meeting, the public and press would be excluded from the meeting at that point in the proceedings.

3. DECLARATIONS OF INTEREST

3.1 There were no declarations of interest.

4. MINUTES OF PREVIOUS MEETING

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

5. PUBLIC QUESTIONS AND PETITIONS

5.1 Petition in respect of Planning Application for a Pub at Millhouses Park

5.1.1 Ted Gunby, representing the Friends of Millhouses Park, submitted a petition containing 1,704 signatures opposing a proposal for a pub to open which would use 400m of Millhouses Park.

5.1.2 Mr Gunby commented that in the not too distant past, Millhouses Park had been a no go area. The Friends of the Park had drawn in £700k of funding to ensure improvements and had worked closely with the Parks and Countryside service to transform the Park. It was now a green flag park and destination park and people visited the Park from far away. There was also many obvious health benefits from being able to use the park.

5.1.3 Mr Gunby added that the petition submitted was a matter of principal. There was

already too much green and open space being lost across the City and the use being applied for in this instance was wholly inappropriate. The petition therefore called on the Council to reject the proposal.

- 5.1.4 In response, Councillor Mary Lea, Cabinet Member for Culture, Parks and Leisure, thanked the Friends of the park for all the work they had done in transforming the Park. She confirmed that there had been an expression of interest from the pub to extend their business. However, no discussions had been held with them as yet.
- 5.1.5 Councillor Lea added that there was no set Council policy in respect of this and she wanted to look into that before any decisions were made. Should any firm proposals be submitted, discussions would be held with all parties and the comments made by the petitioner today would be taken into account.
- 5.1.6 The Leader of the Council, Councillor Julie Dore, added that the Cabinet had recently taken a decision to review the use of facilities and parks. She wanted to look at parks in a way that any changes made had to enrich the users of parks across Sheffield. She thanked Mr Gunby for the petition and stated that this would be fed into the general review of the use of parks and, if the Council was asked to make a decision on the pub, the comments of the petitioner would be taken into account.

5.2 Public Question in respect of Heart of the City 2

- 5.2.1 Deborah Egan asked were Cabinet Members aware that, according to the plans for Heart of the City 2, this would mean the removal of a significant cultural asset to Sheffield. Were they aware of what this demolition would mean? The plans presented today were significantly different to those which were approved by Cabinet in 2015.
- 5.2.2 Councillor Mazher Iqbal, Cabinet Member for Business and Investment, commented that there were no proposals for demolition at this stage. Talks about the HSBC building were taking place and the Council would be consulting on that. The facades on Pinstone Street would remain as they were and the Council was trying to keep as much of the heritage in the area as they could. He would welcome a discussion with Ms. Egan and other Cabinet Members.

5.3 Public Question in respect of Highway Tree Strategy

- 5.3.1 David Dillner commented that the Highway Tree Strategy described as imminent by Councillor Terry Fox in 2015 was conspicuous only by its absence. Could Mr Dillner have a statement explaining why and when we are likely to see it published? By "Highway Tree" Mr Dilner referred specifically to trees on the street.
- 5.3.2 Councillor Mary Lea commented that the Sheffield Tree Strategy was a work in progress but nearing completion and street trees were part of that. There were 35,000 trees on the highway and a section of the Strategy would cover highway trees.

5.3.3 Councillor Julie Dore added that trees were only removed from the street as a last resort, in accordance with the contract, based on the '6 D's'.

5.4 Public Question in respect of Development of City Properties

5.4.1 Nigel Slack commented that he was interested to see the sales brochure for City properties at the MIPIM event in Cannes. He noted that a number of the properties being offered as investment/redevelopment potential were home to thriving City Centre businesses, both social and small independent businesses, in particular the entire block between Brown Street and Pinstone Street. Have any of these businesses been advised of the potential redevelopment?

5.4.2 Councillor Mazher Iqbal stated that he thought the brochure referred to by Mr Slack was very good and he was glad that the Chief Executive of the Council had represented the Council in Cannes. Of the block referred to by Mr Slack, a developer had approached the Council, but as this was private land discussions had been held with those affected before the brochure was published. However, it was not a site that the Council was marketing itself.

5.5 Public Question in respect of Schools Deficit

5.5.1 Nigel Slack commented that, following the recent collapse of an Academy chain with schools in Sheffield and reports in the media from 16 March about state schools in deficit, how many schools in Sheffield, from both categories, were in deficit currently? And how has this changed from 12 months ago?

5.5.2 Councillor Jackie Drayton, Cabinet Member for Children, Young People and Families, responded that the question was timely as we needed to ask why schools were getting into deficit. This was because schools had not had an increase in funding at the same time as the cost of running schools was going up. The Government had given extra money to Sheffield but, in the future, would be taking money from primary schools to pay towards secondary schools.

5.5.3 Councillor Drayton added that the criteria for receiving free school meals was also changing and pupil premium would be affected as this was based on levels of deprivation. The Council did not have access to the information about levels of deficit in Academies. Of the 98 maintained schools in Sheffield, 13 were in deficit as of 31 March 2017 and this could have risen to 16 at the current time.

5.6 Public Question in respect of Learn Direct

5.6.1 Nigel Slack asked what was the impact on the City's learners of the failure of Learn Direct?

5.6.2 Councillor Drayton responded that she had not yet got this information from Council officers. Between 2013/14 and 2016/17, Learn Direct apprenticeship qualifications had gone down from 67% to 49%. During that time, the Government had continued to give Learn Direct funding, over £153 million, and this was to an organisation that was failing young people according to the views of OFSTED, so Councillor Drayton was sure that there would be people in Sheffield affected.

5.6.3 It was right for Mr Slack to highlight the issue and Councillor Drayton was aware OFSTED had contacted Learn Direct to ensure improvements were made. Councillor Dore added that in her opinion the answer was further devolution, as local areas were best placed to determine local needs.

5.7 Public Question in respect of Cash Payments to GP's to not Refer Patients to Hospital

5.7.1 Nigel Slack commented that following reports at the end of February about some Clinical Commissioning Groups (CCGs) offering GP practices cash payments not to refer patients to hospital, have the Council checked whether this was the case with Sheffield's CCG? If so, what were the findings?

5.7.2 Councillor Cate McDonald, Cabinet Member for Health and Social Care responded that this was primarily a question for the CCG but the answer was no.

5.8 Public Question in respect of Green City Strategy

5.8.1 Nigel Slack commented that he believed the Green City Strategy was an interesting document. It had vision and ambition and, as commented on by the Cabinet Member, the challenge was now delivering it. Mr Slack asked who were the partners envisaged as members of the Green City Partnership Board?

5.8.2 Mr Slack added that, as he believed, having alienated every local and most national environmental community and professional groups, did the Council plan on mending those fences and deliver a strategy with them rather than a top down imposition of its own views.

5.8.3 Councillor Jack Scott, Cabinet Member for Transport and Sustainability, welcomed Mr Slack's comments that the Green City Strategy was a visionary document and added that the aim for it was to be ambitious and bold. He did not believe the Council had alienated every environmental group in the City. The people who had read the Strategy were happy with it and the Sheffield Climate Alliance had called it the most ambitious Strategy in the country.

5.8.4 Councillor Scott added that it was clear that there had been a lot of debate and discussion on the 35,000 street trees in the City but there now needed to be discussion on other areas regardless of the policy on street trees. The Strategy built on the work of the Green Commission and the Commissioners involved in that would give a good idea of the calibre of people looking to be involved with the Partnership Board.

5.8.5 Councillor Scott would be happy to meet with anyone and would like to know people who felt they had been ignored, so he could be proactive in getting in touch with them.

6. ITEMS CALLED-IN FOR SCRUTINY

6.1 It was noted that there had been no decisions called-in for Scrutiny since the last

meeting of Cabinet.

7. RETIREMENT OF STAFF

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

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

(a) places on record its appreciation of the valuable services rendered to the City Council by Susan O'Connor, Assistant Headteacher, High Storrs School, over a period of 39 years;

(b) extends to her 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 her.

8. ACCEPTANCE OF NATIONAL PRODUCTIVITY INVESTMENT FUND GRANT FOR THE A61 LONDON ROAD / BROADFIELD ROAD JUNCTION IMPROVEMENT PROJECT

8.1 The Executive Director, Place submitted a report requesting approval for the 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.

8.2 **RESOLVED:** That Cabinet:-

(a) accepts the Department for Transport's National Productivity Investment Fund (NPIF) capital grant of £3,356,000 and authorises match funding of £1,459,000; and that the Council will be the Accountable Body;

(b) delegates 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);

(c) authorises 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 the report;

(d) delegates 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 the report;

(e) delegates 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; and

- (f) confirms 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.

8.3 Reasons for Decision

- 8.3.1 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.

8.4 Alternatives Considered and Rejected

- 8.4.1 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.
- 8.4.2 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.
- 8.4.3 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.
- 8.4.4 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.

9. GREEN CITY STRATEGY

- 9.1 The Executive Director, Place submitted a report describing 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.

9.2 **RESOLVED:** That Cabinet:-

- (a) approves the Green City Strategy attached to the 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; and
- (b) 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.

9.3 **Reasons for Decision**

9.3.1 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.

9.3.2 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.

9.3.3 The Green City Strategy will provide the City with the opportunity to direct, co-ordinate and focus all our efforts.

9.3.4 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.

9.3.5 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.

9.3.6 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.

9.4 **Alternatives Considered and Rejected**

9.4.1 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.

10. DEVELOPING A STABLE ADULT SOCIAL CARE MARKET IN SHEFFIELD

10.1 The Executive Director, People Services submitted a report setting 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.

10.2 **RESOLVED:** That Cabinet:-

- (a) approves 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	£463	18 - 19%
Residential – High Dependency	£426	£430	£463	8 - 9%
Residential – EMI	£434	£438	£463	6 - 7%
Nursing – Standard excluding FNC	£433	£440	£463	5 - 7%
Nursing – Enhanced excluding FNC	£447	£453	£463	2 - 4%

- (b) approves 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;
- (c) agrees 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;
- (d) delegates authority to the Executive Director, People Services, 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; and

- (e) delegates authority to the Executive Director, People Services, 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 the report.

10.3 **Reasons for Decision**

- 10.3.1 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.

10.4 **Alternatives Considered and Rejected**

- 10.4.1 All options were appraised taking into account the following. Further details can be found in the appendix to the 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

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

Do nothing and expect providers to absorb all inflationary costs

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

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.

- 10.4.3 **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:

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

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.

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

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

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.

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.

11. PROMOTING INDEPENDENCE

- 11.1 The Executive Director, People Services submitted a report describing the aims and objectives of the Promoting Independence project, highlighting the positive outcomes that will be achieved for vulnerable mental health service users if it is successful, describing the financial model and associated medium-term savings, and seeking approval for this project.

- 11.2 **RESOLVED:** That Cabinet:-

- (a) approves the Promoting Independence Business Case, including the proposed method of funding using social investment;
- (b) delegates authority to the Director of Finance and Commercial Services, in consultation with the Director of Legal and Governance and Executive Director, People Services, to approve the Procurement Strategy and Contract Award for the project, undertake a procurement exercise and subsequently enter into contracts with awarded parties; and
- (c) delegates 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, People Services.

11.3 Reasons for Decision

- 11.3.1 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).

11.4 **Alternatives Considered and Rejected**

- 11.4.1 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.
- 11.4.2 In this case, the option of delivering this project through a traditional fee for service model, funded up-front through City Council 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.
- 11.4.3 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 to 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.

12. **FOOD AND WELLBEING IN SHEFFIELD: STRATEGY AND FUTURE COMMISSIONING MODEL**

- 12.1 The Executive Director, Place submitted a report proposing a Food and Wellbeing Strategy for Sheffield and changes to future commissioning to support the Food and Wellbeing Strategy.
- 12.2 **RESOLVED:** That Cabinet:-
- (a) delegates authority to the Director of Finance 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 the report;
 - (b) delegates authority to the Director of Finance 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 the report; and

- (c) delegates authority to 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, to take such steps as they deem appropriate to achieve the outcomes as set out and outlined within the report.

12.3 Reasons for Decision

- 12.3.1 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.
- 12.3.2 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.
- 12.3.3 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.

12.4 Alternatives Considered and Rejected

- 12.4.1 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.

13. PROPOSED SHEFFIELD CITY COUNCIL (WEST BAR SQUARE REGENERATION) COMPULSORY PURCHASE ORDER

- 13.1 The Executive Director, Place submitted a report seeking 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.

13.2 **RESOLVED:** That:-

- (a) 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 to the report, at West Bar Square and as shown on the Order Map, attached at Appendix B to the report, with title 'Sheffield City Council (West Bar Square Regeneration) Compulsory Purchase Order 2018' (the "Order Land");
- (b) Cabinet delegates authority to the Executive Director, Place, in consultation with the Director of Legal and Governance and Executive Director, Resources, to agree and enter into all necessary legal documentation with Urbo (West Bar) Limited (the "Developer");
- (c) Cabinet delegates authority to the Director of Legal & Governance 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:
 - i. Finalising the attached draft Statement of Reasons, at Appendix C;
 - ii. Finalising the Order Schedule, at Appendix A;
 - iii. 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;
 - iv. To submit the CPO to the Secretary of State for confirmation as soon as possible following making of the CPO; and
 - v. To self-confirm the CPO if authorised to do by the Secretary of State;
- (d) Cabinet delegates authority to the Director of Legal & Governance 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;
- (e) as soon as the CPO is confirmed by the Secretary of State, the Director of Legal and Governance be authorised to advertise the confirmation of the CPO and serve all necessary notices of the confirmation and once the CPO becomes operative, delegates authority to the Director of Legal & Governance, in consultation with the Executive Director, Resources, 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;

- (f) Cabinet delegates authority to the Executive Director, Place, in consultation with the Director of Legal & Governance and the Executive Director, Resources 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 support the promotion of confirmation of the CPO, including the preparation for and giving of evidence at any public inquiry;
- (g) 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;
- (h) 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;
- (i) Cabinet delegates authority to the Director of Legal and Governance, in consultation with the Executive Director, Place, 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:
 - (i) making a Direction under Section 236 of the Town & Country Planning Act 1990; and/or
 - (ii) entering into an agreement with affected parties, with or without the Developer, as is appropriate; and
- (j) Cabinet delegates authority to the Executive Director, Place, in consultation with the Director of Legal and Governance as he/she deems appropriate and necessary to facilitate and enable the Scheme to be carried out, to;
 - (i) 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
 - (ii) 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.

13.3 **Reasons for Decision**

- 13.3.1 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.
- 13.3.2 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.
- 13.3.3 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.
- 13.3.4 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.
- 13.3.5 For these reasons, it is suggested that Cabinet adopt the recommendations contained in this report.

13.4 **Alternatives Considered and Rejected**

13.4.1 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.

13.4.2 Acquire the necessary land without a CPO

Whilst the Council and the Developer are continuing 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.

14. MONTH 10 CAPITAL APPROVALS

14.1 The Executive Director, Resources submitted a report providing details of proposed changes to the Capital Programme as brought forward in Month 10 2017/18.

14.2 **RESOLVED:** That Cabinet:-

- (a) 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; and
- (b) approves the acceptance of accountable body status of the grant funding detailed at Appendix 2 of the report.

14.3 Reasons for Decision

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

14.3.2 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.

14.3.3 Obtain the relevant delegations to allow projects to proceed.

14.4 Alternatives Considered and Rejected

14.4.1 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.

15. DELIVERY OF HEART OF THE CITY PHASE II

15.1 The Executive Directors, Place and Resources submitted a joint report seeking:-

- (i) approval/endorsement for the Council's revised masterplan and delivery strategy for the Heart of the City II scheme, formerly known as the Sheffield Retail

Quarter (SRQ);

(ii) 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;

(iii) 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 Leah's Yard;

(iv) 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; and

(v) authority to award priority for rehousing on the grounds of demolition for any residential tenants affected by delivery of the next and future phases of the Heart of the City II scheme;

15.2 **RESOLVED:** That Cabinet:-

(a) 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;

(b) delegates authority to the Executive Director of Place and the Executive Director of Resources, in consultation with the Cabinet Member for Business and Investment, 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 (Leah's 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;

(c) 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;

(d) delegates authority to the Executive Director, Resources in consultation with the Executive Director, 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.
- (e) 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 and 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; and
- (f) delegates authority to 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 (b) above.

15.3 Reasons for Decision

- 15.3.1 As outlined in the report, there is still a very clear strategic and economic case to justify the Heart of the City II development, and to maintain project momentum.
- 15.3.2 The Executive Director, Place and the Executive Director, Resources believe that the Heart of the City II development is vitally important for the regeneration of the city centre.
- 15.3.3 The reasons for the recommendations are to provide a way forward for the Council to deliver the Heart of the City II development.
- 15.3.4 For the above reasons, it is proposed that the Cabinet adopts the recommendations set out in this report.

15.4 Alternatives Considered and Rejected

- 15.4.1 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. This not only has a potentially worse financial impact but also has many negative outcomes for the Council.
- 15.4.2 The status of the city centre will continue to diminish, the Council's 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.

- 15.4.3 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.

16. ACQUISITION OF BROWNFIELD SITES

- 16.1 The Executive Director, Place submitted a report in relation to the acquisition of brownfield sites.

16.2 RESOLVED: That Cabinet:-

- (a) delegates authority to the Executive Directors of Resources and Place, in consultation with the Cabinet Member for Finance, to progress the priority acquisitions as outlined in the report by approving the release of funding from the Growth Investment Fund;
- (b) delegates authority to the Chief Property Officer to recommend the combination of sites to be acquired, including any substitutions to the priority acquisitions programme so far as is consistent with the aims and approach outlined in this report, to allow flexibility in response to rapidly changing market conditions; and
- (c) delegates authority to the Chief Property Officer, subject to funding being approved in accordance with this recommendation, to:
 - (i) negotiate and agree terms for the acquisition of the properties and instruct the Director of Legal and Governance to enter into appropriate legal documentation;
 - (ii) make appropriate loss and disturbance payments under the Land Compensation Act 1973 to the owners and occupiers of those sites; and
 - (iii) commission any necessary asset enhancement works to facilitate the disposal and development of the sites.

16.3 Reasons for Decision

- 16.3.1 The intended outcome is to accelerate housing delivery on brownfield land.

16.4 Alternatives Considered and Rejected

- 16.4.1 Do nothing – may result in the vacant sites remaining undeveloped for the foreseeable future or individual sites developed in isolation in a way that could restrict the development of adjoining sites, as well as uses that are no longer

appropriate to the area remaining in the City Centre.

- 16.4.2 Acquire all the identified priority acquisitions – this would involve significant capital expenditure and would expose the City Council to further borrowing and interest payments.

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