

# CAPITAL STRATEGY and BUDGET BOOK

2019/20 - 2023/24



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# 1 EXECUTIVE SUMMARY AND RECOMMENDATIONS

A succinct summary of priority areas and recommendations for approval

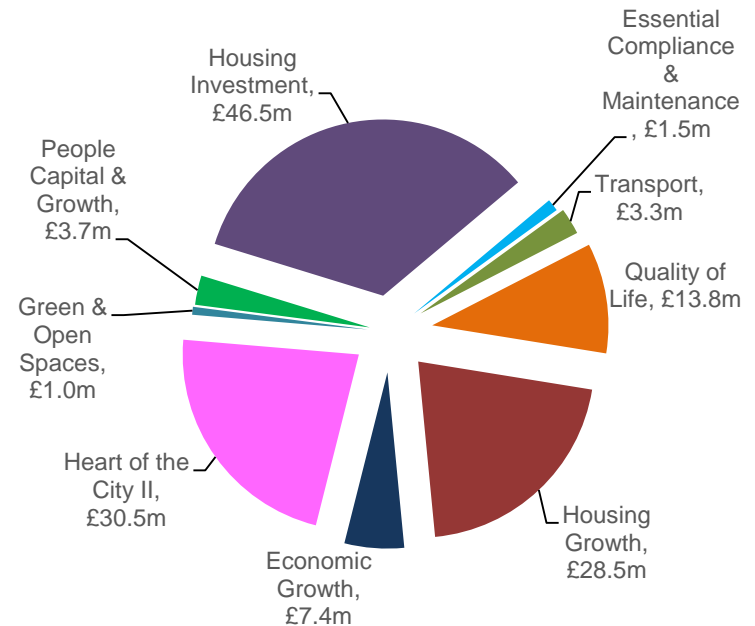
## 1.1 Headline summary of priorities

Capital spending pays for buildings, roads and council housing and for major repairs to them. It does not pay for the day-to-day running costs of council services. We strive to use our capital monies to make the biggest possible positive impacts upon Sheffield people as we can. This Capital Strategy provides a high-level, longer term view of the Council's ambitions for capital investment.

### Capital Programme strategic priorities: 2019/20

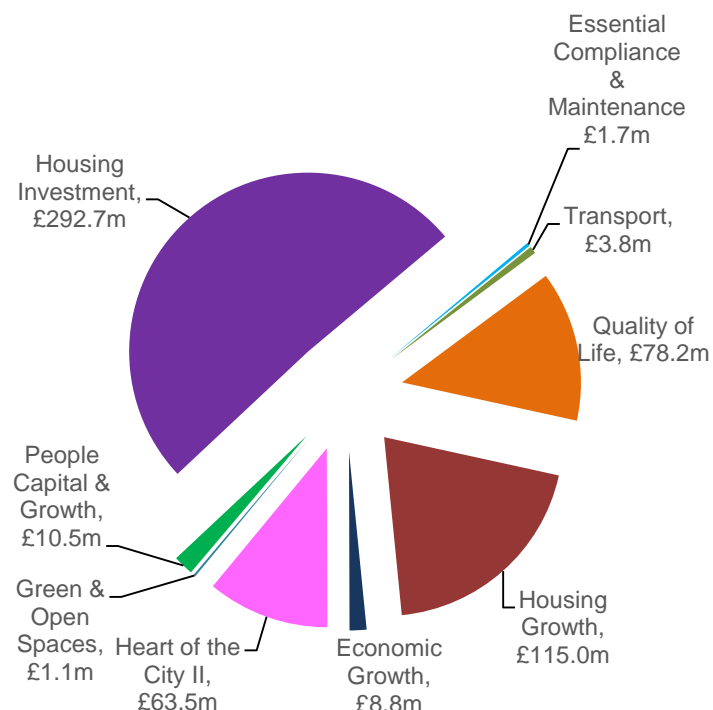
The size of the proposed capital programme in 2019/20 is £136.2m:

Economic growth	£7.4m
Transport	£3.3m
Housing growth	£28.5m
Housing investment	£46.5m
Quality of life	£13.8m
Green and open spaces	£1m
People: capital and growth	£3.7m
Heart of the city II	£30.5m
Essential compliance and maintenance	£1.5m



## Capital Programme strategic priorities: 2019/24

Economic growth	£8.8m
Transport	£3.8m
Housing growth	£115m
Housing investment	£292.7m
Quality of life	£78.2m
Green and open spaces	£1.1m
People: capital and growth	£10.5m
Heart of the city II	£63.5m
Essential compliance and maintenance	£1.7m



The size of the proposed 5-year capital programme for 2019/20 to 2023/24 is £575.3m. These amounts represent headline figures for existing commitments within the Capital Programme. They do not, however, include allocations for potential pipeline projects which have not yet received approval.

### 1.2 How this document is structured

This document is split into twelve sections:

- Section 2: sets out the background to the Capital Programme, including its size, shape and how it is funded.
- Sections 3 – 11: set out the key investment priority principles for each of the priority areas, together with the highest value existing projects and potential pipeline projects – some of which may be brought forward for approval following feasibility and consultation. These sections also set out the key challenges faced by each priority area, together with how we are proposing to tackle these challenges.
- Appendix 1: provides background information relating to Growth and Investment Fund, together with our investment proposals.
- Appendix 2: sets out a full list of approved projects in the Capital Programme

### 1.3 The priority areas in more detail

This section takes each of the priority areas (contained at sections 3-11) in turn, for the period 2019-2024:

#### 1.3.1 Economic growth: £8.8m

This priority is about getting more people into good jobs, helping them to earn more and live healthy lives, using and building their skills and knowledge. We want to see more businesses setting up, growing, innovating and creating good jobs; a connected city with the transport and digital infrastructure to support the city's growth and help everyone to connect to economic opportunities.

#### 1.3.2 Transport: £3.8m

Our Transport priority aims to deliver safe, well maintained streets which enable the city's ongoing development and helps every resident access things like jobs and local services. We want to see an attractive public transport offer and infrastructure which encourages other means of transport than the car. We also want to improve the City's air quality to improve the quality of life for our residents. To this end, we are delivering projects which support Sheffield's existing Transport Policy.

#### 1.3.3 Housing growth: £115m

Sheffield needs a housing market that delivers choice, quality and affordability in every part of the city. The Council has set out its commitment to build between 2,000 and 2,300 new homes each year by 2022. 725 of these must be affordable. We must work in partnership across the city to deliver this objective, using a wide mix of measures to increase development.

The Council will also increase its own social housing stock, both through the delivery of new Council homes, acquiring existing homes to bring into the Council's rental portfolio and bringing empty properties back into use.

We also want to increase the amount of quality housing provision for older people and people with learning difficulties and have progressed projects to facilitate this. These projects should also release other housing stock throughout the city, thus relieving some pressures on other residents who are seeking accommodation.

#### 1.3.4 Housing investment: £292.7m

Our tenants should live in warm, dry, safe and secure properties which are as efficient to run as possible. To deliver this, the Council will continue to renovate and refurbish the Council's housing stock.

#### 1.3.5 Quality of life: £78.2m

The quality of life priority is about creating places and spaces where people enjoy being, contributing to the quality of life for our citizens. It's about ensuring access to high quality facilities – whether libraries or sport and leisure facilities – which underpin our communities and support

their mental and physical wellbeing. It's also about providing well maintained green and open spaces, creating environments which people are proud of and help them to thrive.

### **1.3.6 Green and Open spaces: £1.1m**

This priority focuses on a dedicated strand of works from the 'Quality of Life' priority. Funded primarily from either s.106 contributions from developers which are required to be spent on playgrounds - or from Public Health monies – this priority aims to restore and enhance civic pride in our parks, playgrounds and green spaces. Far from being left to slide into decline, we are ambitious for these precious assets and are investing as much as we can to ensure they remain relevant and well-used.

### **1.3.7 People – capital and growth: £10.5m**

Ensuring there are sufficient school places for the children of Sheffield is a key priority. Work has completed on the Ecclesall Primary, Mercia Secondary and Totley Primary Schools and work at Astrea all-through is progressing well. A temporary expansion of 30 places has been completed and feasibility work is currently underway for a new Special Educational Needs (SEN) School for Sheffield, which aims to open in 2020.

It is equally a priority to ensure that the Council-owned educational estate is fit for purpose. A key task is to ensure that the capital grant allocated to the authority (for managing building condition in Local Authority schools and other education settings) is prioritised and invested accordingly. This includes the ability to combine programmes at schools where it produces better value for money. This grant declines year-on-year as the government's academisation programme progresses. We therefore consider it prudent to budget for a 20% reduction in this allocation each year. There is a further £1.3m Devolved Formula Capital Grant (DFC) passported directly to schools, averaging around £6k per school for small building condition related projects.

We also wish to maintain investment in early years and specialist provision, aiming to bring projects forward in the coming financial year to support these priorities. Investment in our ICT infrastructure is also a key priority to enable us to better support the residents we serve.

The Council will also help Younger, Older, Disabled and Vulnerable people live independently through the provision of grants to help adapt private sector houses to their needs, as well as adapting its own stock.

### **1.3.8 Heart of the City II: £63.5m**

Heart of the City II is one of Sheffield's key economic projects. Backed by Sheffield City Council alongside its strategic delivery partner Queensbury, the scheme will provide contribute positively in social and economic terms making the city centre a more dynamic place to live and work.

The scheme will bring together the old and the new, maintaining the existing street patterns and balancing heritage with striking new architecture and unique outdoor squares and spaces. Rooted in the city's unique character, it will help knit together The Moor, the Devonshire Quarter and Fargate, providing a new home for Sheffield's cultural, commercial and creative trailblazers.

### 1.3.9 Essential compliance and maintenance: £1.7m

The size and age of the Council's estate produces a significant demand on the Council's funds. In particular, the Council is the owner and custodian of a number of key civic city centre buildings, and has costs to fund for essential compliance and maintenance works across its estate and public facilities (such as Central Library).

This work is essential to keep council buildings and facilities running and to keep both staff and the public safe.

## 1.4 Key Notes

The purpose of this report is to:

- Set out the Council's key priority areas for capital investment;
- Provide an overview of specific projects included in the years 2019 to 2024;
- Set out the overall shape of the current Capital Programme for the 5 years to 2024 (at Appendix 2). Block allocations are included within the programme for noting at this stage and detailed proposals will be brought back for separate approval as part of the monthly approval cycle;
- Set out our principles for how we invest in non-cash assets; and
- Provide background to our proposed Growth and Investment Fund Policy at Appendix 1.

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**Councillor Olivia Blake**  
**Deputy Leader / Cabinet Member for Finance**  
**February 2019**



## The policy environment, how the programme is funded and how it is governed

### 2.1 The policy environment: external

The Chartered Institute of Public Finance and Accountancy (CIPFA) Prudential Code governs how the Council manages its finances. Recent guidance requires that Councils produce a Capital Strategy which should:

- set out a high level view of how capital investment, capital financing and treasury management activities contribute to the provision of services; and
- provide an overview of how the associated risks are managed.

Sheffield City Council has published a Capital Strategy for a number of years, in the form of the annual Budget Book. This has historically considered a five year window for investment.

This year, we are producing a dedicated Capital Strategy which meets the new requirements of the CIPFA Code, together with supplementary guidance from the Ministry of Housing, Communities and Local Government (MCHLG). Whilst the focus of this Strategy remains at five years, work is ongoing to increase this to a fifteen year window, enabling us to take a more strategic approach to investment. Indeed, we are beginning now to take a sixty-year horizon for some of our capital investment requirements, although this must be balanced against the increasingly speculative assumptions associated with longer-term financial forecasts.

Our Capital Strategy is shaped by a number of central government policies:

#### 2.1.1 Devolving of capital spending allocations

Over recent years, many capital spending decisions have been devolved to City Region authorities and Local Enterprise Partnerships (LEP). The Council anticipates that the trend to devolve capital allocations to regional and sub-regional bodies will be maintained.

#### 2.1.2 Creation of revolving investment funds

The Council has seen a shift towards capital funding to economic regeneration projects which generate a financial return to repay the initial investment and create a revolving investment fund. For example, the Council has intervened to ensure regeneration schemes like 'New Era' (the £66m development at St Mary's Gate due to completed in 2019) take place successfully, where the benefits of increased business rates and Council tax repay the cost of that intervention many times over.

### **2.1.3 Rewarding economic development**

As revenue support grant from Government continues to be reduced, places are increasingly reliant on their local tax base alone. This means we in Sheffield need a growing, resilient local economy that provides the income streams that can be re-invested – in things that promote new growth and in wider social and environmental goals. New funding streams that reward economic development - such as Community Infrastructure Levy and New Homes Bonus – have been created. Furthermore, we expect to see the creation of UK funds which focus upon investment, job creation and economic growth (including improving transport links), at the expense of the ‘place-making’ and regeneration focus of recent years. We anticipate that Sheffield City Region will remain the principal body to seek and allocate this funding across the South Yorkshire authorities. We await further developments arising from the ‘Northern Powerhouse’ initiative.

### **2.1.4 Austerity and the wider economy**

The ongoing austerity programme has reduced resources by over 50% since 2010. The impact of the Government’s austerity programme on the rest of the non-housing programme has not only led to less capital funding, but is also reducing Revenue Budget funding. This has limited the scope for additional contributions to the Capital Budget and to fund the revenue implications of capital decisions (such as Minimum Revenue Provision and Interest costs). Uncertainty surrounding the wider economy – including the potential impacts of rising inflation and interest rates – mean we must plan to continue to deliver more, to more people, with ever-decreasing resources.

### **2.1.5 Self-financing Housing Revenue Account (HRA)**

The self-financing regime for the Housing Revenue Account (HRA) has provided for a relatively well-funded programme of investment in existing and new Council housing stock. However, the recently announced reductions in the permitted level of annual increases will put pressure on this source of funding. The HRA ‘debt cap’ has been removed, which allows more freedom. However, we must still apply the principles of prudence, affordability and sustainability from the Prudential Code – see overleaf for further details.

### **2.1.6 The push to build new homes**

Central Government has announced new powers for Councils to borrow money to build a new generation of Council houses. Sheffield is already building new Council properties and a Housing Growth Strategy is now in place. The Council will be considering how best to use these new powers to increase the supply of housing in the City.

### **2.1.7 The drive towards academies**

Education policy now mandates that all new schools should be academies. This transfers maintenance responsibilities away from the Council’s Local Education Authority (LEA) role. It will also subsequently reduce central grant funding (which is formula-driven based on pupil numbers).

### **2.1.8 Streets Ahead**

The Streets Ahead programme is providing massive investment in the City’s roads and street lighting, funded via a Private Finance Initiative (PFI) and Council investment. The majority of this expenditure sits outside the capital programme with the exception of a capital contribution to the initial core investment period. The final payment of this initial core investment (£39.8m) was made in 2017/18.

## 2.2 The policy environment: internal

A number of locally developed policies will impact upon our Capital Strategy over the coming years. At the time of writing, these include the Council's Corporate Plan, Local Plan, Treasury Management Strategy, Corporate Asset Management Strategy, Tech2020 Strategy and Medium Term Financial Strategy. At the time of writing, these are currently under development.

This Capital Strategy will be regularly reviewed to ensure it supports the aims and objectives set out in those documents.

Further details on specific capital financing policies are provided at section 2.7 below.

## 2.3 Working in partnership

We will work proactively and in partnership with other public, third sector and private organisations - both locally and nationally - to deliver the best possible outcomes for the citizens of Sheffield, whilst ensuring that we remain accountable and responsible for the activities we deliver. The Council must build effective partnerships in order to deliver its ambitions for the City, including:

- **Sheffield City Region** – we work closely with the Combined Authority to push for greater control over the things that matter to Sheffield and the wider City Region, with a particular focus on skills, transport and jobs. We also lobby hard to get the best possible deals for Sheffield from the funding allocations.
- **Core cities throughout the North** – we are working with other northern cities with the hope of unlocking additional funding to drive economic growth. We are focussing particularly on opportunities for investment in transport to make Sheffield a more attractive place to live, work and invest.
- **Health and social care** - we are working closely with our partners in this area to take advantage of joint investment opportunities, co-location and more efficient working.
- **Other public sector partners** – we participate in a Strategic Estates Group which brings together the Clinical Commissioning Group (CCG), NHS Property Services and both Universities to consider the establishment of integrated public sector hubs, mapping existing estates and developing proposals to improve utilisation to deliver ever-increasing value to the public purse.
- **Other private sector partners** – to be ambitious for Sheffield, we must all work together to drive our City forward. An example of this is our work to improve the City's sustainability through our Green City Strategy, which requires both public and private sectors to work together to create an environment where sustainable development can thrive.

## 2.4 Our key capital planning and investment principles

### 2.4.1 Capital planning principles

Our capital spending will be used support the delivery of the Council's aims and objectives. We must also ensure we comply with all the rules and regulations which govern how local authorities can spend public money. To this end, we will always ensure that:

- Capital planning is **integrated into the Council's overall strategic planning**, ensuring capital activities are considered in relation to the Council's overall corporate plans, its budget, its financial strategies and the Priorities set out in this Capital Strategy;
- We **maximise the external funding** of capital investments wherever possible to maximise the availability of the Council's scarce funds to support agreed activity, using our funds as 'match' funding to lever in external investment as much as we can;
- Our capital investments are **affordable, sustainable and prudent** (thus ensuring compliance with the CIPFA Prudential Code);
- Our capital projects **deliver value for money**, by ensuring that our governance processes for the appraisal and approval of capital projects are robust and challenging; and
- We ensure **effective risk management** through our governance, in accordance with best professional practice set out in the Treasury Management Code of Practice.

## 2.4.2 Investment principles for Non-Cash investments (including Land and Property, Loans to third parties and Equity Investments)

### Land and property

The Chartered Institute of Public Finance and Accountancy (CIPFA) defines investment property as property held solely to earn rentals or for capital appreciation or both. Returns from property ownership can be both income driven (through the receipt of rent) and by way of appreciation of the underlying asset value (capital growth). The combination of these is a consideration in assessing the attractiveness of a property for acquisition.

Some local authorities are speculatively investing monies in land and property outside of their local areas to purely generate income. Sheffield City Council has made no such investments to date and currently has no intention to do so in the future.

### Loans to third parties and equity investments

The council has discretion to make loans and equity investments for a number of reasons, primarily for economic development or regeneration. However, such investments are limited and only granted in exceptional circumstances.

In making loans the council is exposing itself to the risk that the borrower defaults on repayments. The council, in making these loans, must therefore ensure they are prudent and has fully considered the risk implications, with regard to both the individual loan and that the cumulative exposure of the council is proportionate and prudent.

The council will ensure that a full due diligence exercise is undertaken and adequate security is in place. The business case will balance the benefits and risks.

### Risk appetite

The council's risk appetite to any such investments is very low. Risk taken to date and going forward on such investments has been at the amount of risk that the council is prepared to accept, tolerate, or be exposed to at any point in time. It is important to note that risk will always exist in some measure and cannot be removed in its entirety.

A risk review is embedded within the investment strategy principles and will be considered in line with the risk management strategies we have in place and commensurate with the council's low risk appetite.

### Investment strategy principles

Sheffield City Council will invest in Land and Property and provide loan/equity investments to third parties when:

- The **primary purpose of the investment is to benefit the people of Sheffield** – for example through regeneration or redevelopment – rather than income generation for its own sake;
- The investment **supports the delivery of an existing Council policy or strategy**;
- The investment will take place **within Sheffield City Council's boundary** (or immediate environs);
- The investment adheres to **clear criteria** set for investment decisions and risk management both individually and cumulatively;
- A **full risk and return analysis of the investment** has been completed and Members and senior officers are content that any risks are appropriate for the Council to take and proportionate to the potential benefit being delivered;
- The investment has been taken through Sheffield City Council **robust and transparent governance** procedures and been subject to **enhanced decision making and scrutiny** prior to approval;
- The investment would be subject to **ongoing monitoring and management** with reporting by exception to full council when necessary; and
- The loan to a third party/equity investment is **state aid compliant**.

More work will be undertaken on these principles and their implementation to specific schemes over the coming year. A joint report from the Executive Director of Resources and Executive Director of Place will be brought over the coming months to further clarify their application.

## 2.5 Size and shape of the capital programme

The capital programme over the 5 years (2019-24) shows a broadly balanced position, with proposed expenditure totalling £575.3m as set out at Appendix 2.

Wherever possible, attempts are made to match the timing of the receipt of resources and the incurrence of expenditure to protect the Council's cash flow position. Where the levels of expenditure are significant, then individual management arrangements are put in place to mitigate the impact as far as possible. These are overseen by the Director of Finance and Commercial Services, in conjunction with the respective Head of Service.

The funding of the programme comes from a diverse range of resources, such as government grants, other grants and contributions from other public bodies or third parties, capital receipts, prudential borrowing and revenue contributions to capital – please see section 2.6 below for further detail. The majority falls within either prudential borrowing or contributions from the revenue account to the capital programme, which together represents £504.2m (87.6 %) of the overall programme value.

The 2018-19 programme was set on 07 March 2018, and at the time totalled £210.3m. This has been revised in-year. The effect of outturn slippage from 2017/18, in-year additions, variations slippage and re-profiles result in a current approved programme for 2018/19 of £240m (as at 31 December 2018).

The Council's current anticipated capital investment profile is set out below:

	Priority	2019/20 (£m)	2020/21 (£m)	2021/22 (£m)	2022/24 (£m)	TOTAL (£m)
1	Economic growth	7.4	1.3	0	0	8.8
2	Transport	3.3	0.5	0	0	3.8
3	Housing growth	28.5	30.4	26.2	30.0	115.0
4	Housing investment	46.5	64.3	59.4	122.5	292.7
5	Quality of life	13.8	14.6	15.6	34.2	78.2
6	Green and open spaces	1.0	0.2	0	0	1.1
7	People: capital and growth	3.7	2.2	2.5	2.1	10.5
8	Heart of the City II	30.5	30.1	2.9	0	63.5
9	Essential compliance and maintenance	1.5	0.2	0	0	1.7
	<b>TOTAL</b>	<b>136.2</b>	<b>143.8</b>	<b>106.5</b>	<b>188.9</b>	<b>575.3</b>

## 2.6 How the capital programme is funded

The funding of the programme comes from a diverse range of resources. The table overleaf gives a breakdown of how the overall Capital Programme is currently funded:

	Source of funding	2019/20		2020/21		2021/22		2022/24		Total	
		£m	%	£m	%	£m	%	£m	%	£m	%
1	HRA contribution to capital	-56.2	41.3	-79.2	55.1	-65.4	61.4	-126.8	67.1	-327.6	56.9
2	Prudential Borrowing	-44.3	32.5	-39.0	31.1	-33.5	31.4	-54.2	28.7	-176.6	30.7
3	Government Grants	-18.2	13.4	-13.5	9.4	-4.1	3.8	-4.1	2.2	-39.8	6.9
4	Capital receipts	-9.6	7.0	-3.0	2.1	-2.3	2.2	-2.0	1.1	-16.9	2.9
5	Other grants & contributions	-8.0	5.9	-3.3	2.3	-1.3	1.2	-1.7	0.9	-14.3	2.5
6	C.I.L.	0.0	0.0	0	0	0	0	0	0	0	0
7	Overall total	-136.2	100.0	-143.8	100.0	-106.5	100.0	-188.9	100.0	-575.3	100.0

A further breakdown of each of these funding sources is set out below:

### 2.6.1 Revenue budget contributions to Capital

The Council can use revenue resources to fund capital projects on a direct basis. However, ever-increasing pressures on the Council's revenue budget have reduced the scope of this. Revenue contributions to capital now largely reflect the contribution to the Housing Capital Programme of 327.6m. In addition, £1.6m has been allocated from revenue budgets to support non-housing projects relating mostly to the implementation of Parking Pay and Display Schemes (£1m) and Open Space Provision.

### 2.6.2 Prudential borrowing

Prudential borrowing is used where no external funding is available to fund schemes which will generate a Revenue Budget saving. This saving then repays the principal and interest. The Council can often borrow funds cheaper than its commercial sector partners because of its perceived higher credit rating. It therefore makes sense to inject such capital where there is a potential economic benefit.

Under the rules of the Prudential Code 2004 (revised in 2017), the Council has the power to finance capital schemes using prudential borrowing (borrowing that does not attract financial support from the Government, which is also known as 'unsupported borrowing'). The principles for entering into such borrowing were approved by Cabinet on 22 September 2004, and generally relate to 'invest to save' schemes (including land assembly and funding for major capital projects). These principles remain in accordance with the Prudential Code for Capital Expenditure for Local Authorities, namely that they adhere to the principles of affordability, sustainability and prudence.

It remains the Council's current view that it's best overall financial interest is generally served by substituting prudential borrowing for leasing. It is considered that borrowing in lieu of leasing can be undertaken as an element of 'invest to save' (where it is considered to be more cost

effective over the whole life of the asset when compared to leasing), and can be contained within an overall annual limit established for such borrowing. However, this type of borrowing does have revenue implications for the Council in the form of financing costs, which include interest payable and an allocation for repayment of debt (Minimum Revenue Provision) as a result of the borrowing.

Included within the 2019/20 Capital Programme are the following amounts of prudential borrowing for projects funded in whole or part from prudential borrowing (last year's figures shown in *(bracketed italics)*):

Project	Total Project Value £m	Project	Total Project Value £m
Heart of the City II	£33.767 ( <i>£64.626</i> )	Major sporting facilities financing	£13.767 ( <i>£12.945</i> )
<b>TOTAL</b>	<b>£47.535 (<i>£77,572</i>)</b>		
<p>The Heart of the City II figure has reduced due to re-profiling of expenditure to reflect the revised delivery model. Incremental delivery will reduce risk and exposure to the Council and gives the opportunity for private sector investment to come forward as years progress.</p> <p>The increase in major sporting facilities reflects the changing profile of the relevant bond payments.</p>			

Any amendments to these limits will be approved by Full Council and undertaken in line with the Prudential Code. There are other commitments outside of the capital programme and these are described in the Revenue Budget report.

**Tax Increment Financing (TIF)** was announced in September 2010. The principle is to allow the authority to borrow funds to undertake capital improvements in a geographic area. The money would be repaid from increased tax revenues (i.e. business rates) in the area as land values rise as a result of the capital investment. This scheme has been used successfully in the United States over the last fifty years, often for major transport, infrastructure or regeneration projects.

A scheme to develop infrastructure required for Heart of the City II is partially complete and further enabling works are underway. Some of the borrowing will be repaid out of the anticipated additional rates revenue generated by the redevelopment of the city centre.

Prudential borrowing does not receive any government support and therefore if the Council enters into any prudential borrowing then it will incur additional capital financing costs. Prudential borrowing will only be entered into where it can be demonstrated that funding is available within the overall Council budget to meet the ongoing borrowing costs.

### 2.6.3 Government Grants

The largest proportion of external grant funding comes as grant allocations from Government departments. Although many of these grants are to support specific areas of investment, the Government removed capital ring-fencing in 2010. This enabled local authorities to prioritise grants to support local needs, pressures and statutory responsibilities.



Capital Grant funding falls into two main categories: recurring annual allocations and project specific grants:

- The **major recurring allocations** relate to funding for schools places and maintenance, Disabled Facilities Grants and Local Transport. Programmes of work are developed to obtain maximum impact from the funding received.

The New Homes Bonus grant has also been created out of two government incentive payments for building new homes and reducing the number of long term empty properties. Council policy is to make this available for projects which improve the local housing or neighbourhood environment or assist in regeneration. This grant is now included within the Growth and Investment Fund (see Appendix 1). It is being used to provide infrastructure or clear derelict buildings to kick start developments at sites which have been unattractive to developers. Often this improves the neighbourhood through removing opportunities for anti-social behaviour as well meeting the Council's priority of providing new homes.

- In relation to **project specific grants**, officers usually bid against advertised funding streams following consideration of the terms by the Council's External Funding Team and its legal advisers. Requests to enter into funding agreements are considered by Cabinet prior to acceptance of the grant.

Sources of grant funding continue to evolve, with increased roles for:

- **Local Enterprise Partnerships** – working as part of Sheffield City Region, these are local, business-led partnerships between local authorities and businesses which play a role in determining local economic priorities and undertaking activities to drive economic growth and the creation of local jobs;
- **Education and Skills Funding Agency** – this body provides direct support and grants to specific free school and academy build projects, as well funding education and skills projects for children, young people and adults.

#### 2.6.4 Capital receipts

Capital receipts also fall into two broad categories:

- 1) Those generated from the sale of land and buildings falling within the Housing Revenue Account (HRA) and Council Houses under Right to Buy schemes. There are legislative provisions in place governing the use of these receipts restricting it to investment in housing.
- 2) Those generated from the sale of general (non-HRA) Council assets. These funds are those over which the Council has full discretion over how to utilise and are incorporated into the Growth and Investment Fund.

These capital receipts can be reinvested in the Capital Programme or be used to reduce the Council's borrowing liability. Any projects in the Capital Programme funded by capital receipts can only be undertaken if the receipts are realised.

The receipts from the sale of surplus assets are used to fund the Growth and Investment Fund (GIF) – see Appendix 1. This allows Members at their discretion to undertake projects for which there is no external funding. It is also used by the authority as a strategic reserve to cover to emergencies such as the total loss of a key piece of infrastructure e.g. as occurred in the 2007 Floods.

As external funding sources are reduced because of austerity cut backs, the GIF assumes an even greater significance in funding the Capital Programme.

Proposals are currently being developed to ensure the GIF is deployed to deliver maximum advantage to the Council. This requires a balance of allowances for both risks and opportunities. The Council must maintain a prudent level of reserves to mitigate infrastructure failures, grant claw back or project overspends. That said, there is the potential opportunity to invest in growth (in accordance with our Capital Planning and Investment Principles set out at 2.4 above), which could potentially create new revenue streams for the Council. We will therefore take a balanced approach, being ambitious for growth whilst ensuring adequate investment and reserves levels to mitigate risk and ensure our infrastructure remains fit for purpose. In addition, an assessment of the Council's dependence on profit generating investments (and the borrowing capacity allocated to funding these activities) to achieve a balanced revenue budget will be disclosed over the life-cycle of the Medium Term Financial Plan.

### **2.6.5 Community Infrastructure Levy (CIL) / Section 106 (s.106) contributions**

Elements of the Capital Programme are funded by contributions from private sector developments and partners. CIL supplements the current s.106 (Town & Country Planning Act 1990) arrangements which fund many of the local neighbourhood facility improvements – particularly in the Parks and Countryside and the City Development Division.

CIL allows local authorities in England and Wales to raise funds from developers undertaking new building projects in their area. The money can be used to fund a wide range of infrastructure that is needed as a result of development. This includes new or safer road schemes, flood defences, schools, hospitals and other health and social care facilities, park improvements, green spaces and leisure centres.

The Council intends to use CIL to develop strategic infrastructure projects such as roads and schools (such as the development of the Bus Rapid Transit North link and the Lower Don Valley Flood Defence Scheme). Further commitments will be considered and included in the Local Plan. The 'section 123 list' is currently being refreshed. Historically, we have used this fund creatively to cash flow new schools' funding prior to these monies being repaid. We will always seek to use our funds most effectively to drive best value and reduce costs to taxpayers.

The Council has developed its rating tariff and introduced the scheme from July 2015. Current estimates predict annual revenues of over £5m in 2018/19 with expectations of an upward trend as Housing Growth continues.

CIL and s.106 contributions are held in the Growth and Investment Fund (see Appendix 1).

### **2.6.6 Private Finance Initiative (PFI) / Public Private Partnership (PPP) funding**

Like many other Councils, Sheffield has historically made use of government funding through the above schemes when this was often the only source of funding available. This includes some schools, waste management facilities, office buildings and, most recently, the Streets Ahead programme.

Both main national political parties have signalled that new PFI / PPP initiatives are to end, and no further new funding will be allocated through this route.

Sheffield currently does not fund any PFI payments out of capital.

## **2.7 Capital financing strategies and associated policies**

A number of strategies and policies relate directly to capital financing:

### **2.7.1 Treasury Management Strategy**

Treasury management is defined by CIPFA as: “The management of the organisations’ borrowing, investments and cash flow; its banking, money market and capital transactions; the effective control of the risk associated with those activities; and the pursuit of optimum performance consistent with those risks.”

The nature and scale of the Council’s capital programme means that it is a key factor in the Council’s Treasury Management Strategy. This includes the need to borrow to fund capital works.

The Council has operated within the CIPFA Prudential and Treasury Management Codes since their inception. The Codes contain a requirement for the Council to agree an annual Treasury Management Strategy, which is approved by the Executive and Council as part of the budget process. This defines the types of investments the Council will make during the year, together with the framework for decision-making around new debt. Treasury management decision making and monitoring is devolved to various bodies and officers, with responsibility for the delivery of the treasury management function delegated to the Director of Finance and Commercial Services.

We also have regard to the Ministry of Housing, Communities and Local Government (MCHLG) Investment Guidance and are aware of the importance of security, liquidity and yield in treasury management investment decisions.

Interim and outturn monitoring reports are provided to the Cabinet Member for Finance and Resources throughout the year.

### **2.7.2 Asset sales and capital receipts**

All land and buildings which are surplus to existing use will be reviewed by the Head of Property before any Executive decision is made. This will be in accordance with the forthcoming Asset Management and Disposals Strategy. Any reuse or disposal must provide best value in supporting the Council’s objectives. Any exceptions to this must be agreed by Cabinet.

As a general principle, land no longer required for its existing use should be declared surplus so that options for its future use or sale can be considered by the Head of Property and relevant Members prior to proceeding for formal decision. Ongoing surveys of our corporate estate (which cover a number of different facets) have been commissioned to support and evidence this process. In the context of ever-increasing budget pressures, difficult decisions may need to be made which balance the budget challenges and the needs of local communities.

The Council also encourages community involvement in the delivery of local public services using the Council’s assets. The Council may therefore be prepared to sell or lease Council assets at less than best value to third sector organisations which have the capabilities to use the assets to provide agreed services in accordance with the arrangements set out for Community Asset Transfers of property. This will however

reduce the capital receipts available to fund other Council needs and priorities, and therefore robust governance is in place to identify proposals which have a strong strategic alignment to the Council's priorities and a good chance of success.

Capital receipts will be used to finance capital expenditure, including capitalised revenue costs under the Government's capital receipts initiative. They are also used for debt redemption in accordance with the Council's Minimum Revenue Provision Policy. They form part of the Growth and Investment Fund and are therefore subject to the governance for that Fund (see Appendix 1).

### **2.7.3 Prudential borrowing and debt; revenue budget implications**

Local authorities may borrow to finance capital expenditure. The affordability of debt is the key constraint. The Council has used its prudential borrowing freedoms actively and successfully to deliver key outcomes (such as regeneration – for example, by its construction of offices for the new HSBC Headquarters). It continues to be an important way of funding our priorities where external funding cannot be obtained. The cost of borrowing is usually recharged to the borrowing service, thus recognising that borrowing is not a key asset, but has a revenue cost.

In approving the inclusion of schemes and projects within the capital programme, the council ensures all of the capital and investment plans are affordable, prudent and sustainable. In doing so the council will take into account the arrangements for the repayment of debt, through a prudent MRP policy in line with MRP guidance produced by the Ministry of Housing, Communities and Local Government.

The Council sets and monitors prudential indicators to manage its debt exposures. Borrowing costs (including interest and repayment charges) in 2017/18 represented 16.7% of the net revenue budget and are expected to stay at this level in 2018/19. This reflects both some growth in the Council's borrowing in recent years, together with the reduction in its income. Borrowing costs as a proportion of the net revenue budget are expected to rise in the coming years as a result of continued investment in the City and further reductions in funding..

The Treasury Management Strategy (TMS) sets out how the Council's borrowing will meet the prudential code and good practice to ensure borrowing does not exceed permitted limits. However, an overarching consideration of affordability of these costs must be addressed (given the Council's immediate and medium term budget constraints). This assessment of affordability in relation to the total cost of borrowing for capital projects forms part of the Section 151 Officer's review of the sustainability of budgets and level of reserves. Details of both the TMS and the Section 25 review of the sustainability of budgets and level of reserves can be found in the 2019/20 Revenue Budget report.

The Council will ensure the most cost-effective financing arrangements for the capital programme as a whole. Where possible, the Council aims to maximise the use of balance sheet assets so we can utilise cash balances derived from working capital and reserves, rather than borrow externally.

We will also calculate the financing costs and interest payable for every individual scheme which is funded this way before any borrowing is sanctioned. This forms an integral part of the business case for each project.

The capital financing charges and any additional running costs arising from capital investment decisions are incorporated within the annual budget and medium term financial plans. This enables Members to consider the consequences of capital investment alongside other competing priorities for revenue funding. As part of the appraisal process, the financing costs of prudential borrowing may be charged to portfolio budgets.

Different arrangements apply to Housing Revenue Account (HRA) borrowing. We have a self-financing HRA over a 30-year investment period. The HRA plans new prudential borrowing of £15m in the next 3 years (19/20 to 21/22) in accordance with our approved HRA Business Plan. HRA resources can only be applied for HRA purposes, and HRA receipts may only be applied to affordable housing, regeneration or housing-related debt redemption. This is not the same as external borrowing as they are under-borrowed and will need to externalise some of this debt over the next few years.

We assume the Public Works Loan Board will be our primary source of borrowed funds, although we will maintain a watching brief over other sources of funding to ensure we deliver best value for money for local people.

#### **2.7.4 Debt repayment**

The Prudential Code requires the Council to make an annual Minimum Revenue Provision (MRP) for the repayment of debt. This revenue provision spreads the cost of repaying the debt for an asset over the useful economic life of the asset (in accordance with MHCLG guidance). This is done in accordance with the annual MRP Policy Statement which is approved by Council each year as part of the budget process.

MRP replaces other capital charges (such as depreciation) in the statement of accounts. It has an impact on the Council's revenue outturn. It will increase and decrease throughout the capital programme and is sensitive to both expenditure and funding changes. Careful consideration is therefore given to this when considering prudential borrowing as a funding source – it bears a real cost.

## **2.8 Programme governance**

We maintain assurance of our capital investment priorities and projects through effective governance which runs throughout the organisation:

### **2.8.1 Ensuring Members' leadership and engagement**

Elected Members are responsible for setting the strategic direction for the Council. Therefore, in addition to setting the Council's approach through key strategies and policies, they are also responsible for signing off capital projects at key checkpoints:

- Individual consultation with the relevant Members at 'project mandate' stage;
- Individual consultation and endorsement of relevant Executive Member at 'outline business case' stage;
- Formal approval at Cabinet

The ability for Members to inform – and be kept informed – of the capital programme is vitally important. They need to 'own' the capital programme, understanding the risks and opportunities facing the City and setting the priorities so money is invested in the right areas.

### **2.8.2 Delivering real value**

Value for money (VFM) is a key component of all capital projects. All projects must evidence a level of economy, efficiency and effectiveness in order to be approved. Projects must therefore demonstrate that there is a valid need to be addressed, that all potential options to address the need have been considered and that the option selected is the most efficient and effective way of achieving the Council's aims.

We have therefore built this into our core operating model and ensure VFM in four key ways:

### 2.8.2.1 The Capital Approval Process

During 2015-16 the Council introduced a number of “checkpoints” at which the validity of the project is tested by the Programme Groups and then the Capital Programme Group. These include:

- Approval of a **mandate** to ensure that all projects are linked to the Council’s priorities so scarce resource is not wasted on irrelevant projects;
- Approval of an **initial business case** to set potential parameters to the project and to test assumptions;
- Approval of an **outline business case** which will set out the benefits of the project against our strategic objectives. It also sets out the delivery and procurement options for the project. The Programme Groups will test if the proposal is value for money; and
- Approval of a **final business case** once the preferred option has been selected and procurement completed, showing all the anticipated project costs, benefits and savings.

The Council’s Capital Delivery Service (CDS) and Finance and Commercial Services (F&CS) functions advise on the financial, procurement and operational deliverability of the proposed project plan and procurement route at every stage. They participate in each Programme Group to provide effective challenge throughout the process.

Embedding a capital governance process ensures that we use our scarce resources in the most effective way – on the projects that make the most difference, are funded and procured cost-effectively and deliver the greatest benefits for Sheffield people.

### 2.8.2.2 Effective financing

Funding options are constantly reviewed to ensure the most effective use of the Council’s resources.

### 2.8.2.3 Effective procurement

Robust options appraisals are carried out at outline business case stage to determine the most efficient and effective procurement route. We prioritise local contractors whenever we can (within the constraints set down within procurement legislation), and use local frameworks to keep the Sheffield pound within Sheffield – or, at least, the Yorkshire region – whenever we can. As well as procurement routes, we also work with colleagues in the Capital Delivery Service and Legal Service to ensure the most appropriate contracts are used which will deliver the best VFM for local people, protect the Council’s interests and enable the market to respond with cost-effective tender submissions.

### 2.8.2.4 Effective project management

The Programme Management Office within the Capital Delivery Service provides information and guidance to continually strengthen project management skills within the Council. They ensure that lessons learned are fed back across the wider Council so we can continually improve our performance.

### 2.8.3 Leadership and Strategy Group

Leadership and Strategy Group (LSG) is a new group attended by Cabinet Members and Executive Directors. It is chaired by the Leader of the Council. Its remit is wider than capital, but one of its functions is likely to include overseeing the relative shape of the capital programme, developing policy and endorsing overarching priorities for officers to deliver within. All formal capital funding decisions are taken by Cabinet in public in the usual way. At the time of writing, governance for managing the Growth and Investment Fund (GIF) is under review – see Appendix 1.

### 2.8.4 Cabinet

Each and every capital project will be brought to Cabinet (or delegated processes) for consideration and approval. Officers will consult with Cabinet Members (and Ward Councillors where appropriate) to ensure that projects have broad support, prior to investing time in developing them further.

## 2.9 Slippage

Historically, there has always been an underspend against the approved capital programme. The risk of slippage is present in all capital programmes, bearing in mind the size and complexity of the schemes. Subject to Cabinet approval, funds are rolled forward into the next year in order to complete projects. Slippage reflects re-profiling of funding or delays in physical progress of a project. In most cases the work is delivered in the next financial year.

However, our current reporting system has provided greater transparency and identified instances where money appears to be repeatedly carried forward from earlier years. This allows Members to test if the funding is really needed and could be reallocated to other priorities. It also shows the delivery performance on the capital programme.

Considerable work was undertaken in 2014-15 to identify the cause of slippage and improve capital delivery. This work compared Sheffield's approach to that of other organisations with significant capital programmes and concluded that project management needed to be strengthened and that delivery plans need independent scrutiny. This resulted in the introduction of the Gateway Process (outlined at 2.8.2.1 above).

As at 31 December 2018, the value of net slippage approved to date is £0. There is a net acceleration of £0.6m against schemes in delivery. However, £26.3m of allocations have been re-profiled - i.e. moved from current year into future years for schemes not yet in the delivery phase. This is largely relating to the Heart of The City II project and reflective of the policy decision to pursue a phased rather than "Big Bang" approach to this development.

In order to deliver further improvements to our slippage performance over the next year, we will:

- a) Develop and implement a training programme for project managers to improve business case development, budget setting and forecasting skills in order to improve the quality of base budgets. This will hopefully minimise future requirements for slippage.

- b) Recognise that slippage of budgets across financial years does not necessarily mean the delivery of a project has fallen behind schedule. The profile of payments may only have moved by a month or two e.g. from February to April - and if this happens to cross financial years it is flagged as part of annual slippage even if delivery of the project remains on track. A clear distinction will be drawn between slippage which occurs purely as a result of financial profiling, and that which relates to genuine project delays impacting on outputs and outcomes. This information should provide greater clarity on the reasons for slippage and progress on delivery.

## 2.10 Effective risk management

Major capital projects require careful management to mitigate the potential risks which can arise. The effective monitoring, management and mitigation of these risks is a key part of managing the Capital Strategy.

### 2.10.1 General Risks – Identification and Mitigation

General risks are those which are faced as a consequence of the nature of the major projects being undertaken. Most of these risks are outside of the Council's control but mitigations have been developed as part of the business planning and governance process. These risks are set out below along with key mitigations:

**Interest Rate Risk** – the Council is planning to externally borrow £316m as set out in this Capital Strategy over the next three years. This will cover new capital investment and bring down internal borrowing to a sustainable level. Whilst the Council tends to borrow at fixed rates, interest rates in themselves are variable and a rate rise could mean that there would be an increase on the cost of servicing future debt to a level which is not affordable. To mitigate this, the Council has used interest rate forecasts which include a prudent provision against interest rate rises. However in the event that interest rates rose beyond this forecast the revenue cost to the Council would increase. A rise of an extra 1% in the interest rate would cost an extra £3.16m by the end of the 3 year period.

**Inflation Risk** – construction inflation over and above that budgeted by the Council's professionals and advisors and built into project budgets could impact on the affordability of the capital programme. A 1% rise in the cost of the programme would increase the cost of the programme. This is mitigated through the provision of contingencies, updating estimates regularly as they change and monitoring the impact through governance processes. This is also mitigated post the signature of contracts with construction companies and developers through fixed price contracts.

**Change in Law Risk** – Capital schemes need to comply with the latest law and regulations which can change leading to an impact on construction costs. This is mitigated by awareness of pipeline legislative changes and through contingencies.

**Market Health / Commercial Values** – the Council's capital programme relies on commercial activity as a key supporting strategy. This involves generation of income from property letting, generation of capital receipts from property sales in some cases post development, attracting developers to projects based on a potential share of profits and other revenue/capital financial flows.



In some cases it is likely that the Council will commit to large projects, property acquisitions or other forms of expenditure on the basis of further business case assumptions about the market value of future asset or economic values. Should market movements mean that these assumptions are inaccurate, then the Council may suffer financially. This risk can be mitigated through carefully testing assumptions and allowing for contingencies in projects where necessary.

### 2.10.2 Management of Project Risks

Project risks are those which relate to the delivery of capital projects which in many cases can be controlled, influenced or directly mitigated in ways other than making contingencies available. These risks would mostly be related to unforeseen project delays and cost increases which could arise from a range of circumstances. The effective management of these risks is mostly linked to the following strategies:

**Supplier Financial Stability** – construction companies and developers contracting with the Council would, if they experience financial instability, pose a significant risk. They may not be able to raise finance to cash flow operations, any potential insolvency process could lead to a costly process of changing suppliers without any guarantee of remaining within overall budget, the Council could suffer direct financial loss and any defects or other issues may not be resolvable as anticipated. To mitigate this, the Council carefully considers the financial robustness of any contractor and requests appropriate financial standing assurance and support wherever possible.

**Effective Business Case Development** – as set out at section 2.8.2.1 above.

**Risk Management** - Projects are required to maintain a risk register. Risk registers are aligned with general guidance on risk review. We have now introduced costed risk registers on projects managed by the Capital Delivery Service. This enables us to maintain appropriate levels of contingency.

**Highlight reporting** – monthly highlight reports are created for all projects to flag progress and risks of projects to Programme Groups and Project Sponsors.

**Appointment of professional team** - to ensure timely delivery of projects and robust planning and review, the Capital Delivery Service has a team of professionally-trained project managers. Qualified roles are in place for key surveying and financial planning roles to give assurance on quality of work and assumptions.

## 2.11 Skills and knowledge

Those involved in decision making must have the appropriate skills and knowledge to take those decisions. The Council has many years' experience of delivering capital programmes and uses this experience to evaluate new proposals, monitor on-going capital investment and manage any risks that may arise.

Capital investments are reviewed under a robust approval process that receives input from appropriately qualified and skilled finance professionals and receives scrutiny from Elected Members. Information, advice and guidance on these processes are made available for Officers and Elected Members.

If additional skills and knowledge requirements are identified, the Council will source appropriate specialist skills and knowledge to supplement and, where possible, upskill Members and in-house staff.

# 3 ECONOMIC GROWTH

An inclusive economy that creates more good jobs for Sheffield people, attracts investors and visitors to the city, and improves people’s lives so that they can live well and contribute to the life of the city

## 1 Background and context

We want Sheffield to be known as an inclusive, inventive, vibrant city. A city where young people have the best training and job opportunities, businesses are thriving and we have more skilled workers in quality jobs, earning more. A city whose economy nurtures start-ups and supports businesses and sectors. A city that is developing, building new spaces and places for a growing community of businesses and entrepreneurs.

We have identified four pillars that will form our city’s approach to economic development: the economy, transport, housing and sustainability. A strategic plan for each of these pillars will guide priority investments in this area. Projects from each of the areas will form part of the capital programme to make appropriate investments that:

- Connect people to jobs and training, particularly young people and disadvantaged groups
- Support business growth and investment to create more good jobs for Sheffield people
- Champion the city’s key sectors, including advanced manufacturing, creative and digital industries, and energy and the environment
- Prioritise the development of skills at all levels, to not only enable people to access and progress in work, but also to drive productivity benefits for Sheffield businesses
- Develop the city’s business districts and economic hubs, strategic neighbourhoods and sites, and cultural assets
- Provides transport infrastructure that enables and sustains growth in jobs and visitors.

Our decisions about where to invest locally need to align with national priorities for economic growth. This will improve our chances of securing external funding to match our own financial contribution to capital projects.

## 2 Projects completed in 2018/19

	Project and value	Impact
1	Lower Don Valley Flood Protection	Reduction in the extent of the flood plain in Sheffield’s Lower Don Valley Reduction in the percentage of businesses in Sheffield/Yorkshire & Humber that are at risk of flooding

		<p>Reduction in the percentage of Sheffield/Yorkshire &amp; Humber's total GVA that could be lost as a result of flood damage</p> <p>Maintain the confidence of existing local businesses in the security of their location and opportunities for further growth/investment</p> <p>Increase the confidence of new investors to relocate to Sheffield by developing previously vacant sites in high flood risk locations</p> <p>Reduction in businesses' insurance premiums related to premises, plant, stock and business continuity</p> <p>Well-maintained river course through a long-term management &amp; maintenance system</p>
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### 3 Current projects already in delivery

	Project	Budget (£) (all years)	Year(s)	Invest to save?	Funding source(s)	Outputs	Outcomes for Sheffield people
1	Culvert Renewal Programme	3,067,500	18/19-20/21	No	Department of Environment, Food & Rural Affairs (DEFRA)  Regional Flood Levy  Potential Council contribution	Strengthening & renewal of 9 culverted watercourses	Homes, businesses, development sites, educational facilities, medical, emergency & rescue facilities & utility sub-stations protected from flooding  Major roads resilient to flooding  Prevention of future serious injury/fatality  Prevention of third party damages
2	Digital Incubator	3,450,000	Sep 16-Mar 24	No	Department for Digital, Culture, Media & Sport	High quality workspaces for digital SMEs	More good jobs  Development of digital skills at all levels
3	Grey to Green Phase 2	5,083,454	17/18 – 19/20	No	Growth & Investment Fund (GIF) S106  Sheffield City Region Investment Fund (SCRIF)  European Regional Development Fund (ERDF) - TBC  Clean Air Fund  Third party	New highway, cycleway, footpath and sustainable urban drainage  New urban meadow planning, trees  Three public art commissions  Reduced carbon & harmful pollutant emissions	Improved air quality  Safer and more sustainable transport through segregated cycleways and footpaths

	Project	Budget (£) (all years)	Year(s)	Invest to save?	Funding source(s)	Outputs	Outcomes for Sheffield people
					contributions		
4	Knowledge Gateway	5,596,999	14/15- 19/20	No	Growth & Investment Fund (GIF) Sheffield City Region Development Fund (SCRIF) Third party contributions	High quality gateway with SHU/CIQ linking railway station to Porterbrook development site/UTC via SHU campus	Improvements to public realm Increase investment into area More good jobs Increase GVA Increase floorspace occupation Increase residential accommodation
5	LDV Sanderson's Weir Fish Pass	450,000	18/19- 19/20	No	European Maritime Fisheries Fund (EMFF) Environment Agency	Construction of a fish pass on Sanderson's Weir, River Don	Ecological recovery of the River Don Return of natural fish populations in River Don
6	Tinsley Art Project (M1 Gateway) - Feasibility	565,000	No 13- Mar 19	No	S106 Third party contribution (E.ON)	Design & construction of major public art work	Increase recreation value of waterways & Blackburn reserve Increase cycling & walking Increase access to & use of canal Improve health & wellbeing of local communities

#### 4 Potential priority areas / projects under consideration

These are initiatives which we are currently considering before we develop business cases and bring them forward for consideration for approval. They will be subject of separate Cabinet reports if, as and when they are brought forward.

	Project	Value	Year(s)	Funding source(s)	Outputs	Outcomes for Sheffield people
1	Parkwood Springs – Sheffield Ski Village Site (Feasibility)	c£4.8m	18/19- 19/20	TBC	New & upgraded highway Remediation of brownfield land	Increase in visitors to the city Increase in housing growth adjacent to site Supply chain opportunities for local businesses associated with the development and its ongoing operations

## 5 Key challenges and how we are addressing them

	Challenge	Actions to address
1	Lack of revenue funding for early development and feasibility works for capital projects	Review of governance of Growth & Investment Fund to ensure investment in development of projects that are best aligned to strategic objectives for the city
2	Availability of match funding for capital investments	As above + continue to explore and identify options for external funding
3	Uncertainty about future availability of European funding	Work with European funding partners to maximise current opportunities for funding, minimising risk of clawback and keep implications of Brexit under scrutiny

Safe, well maintained streets which do not restrict the city's ongoing development. An attractive public transport offer and infrastructure which encourages other means of transport than the car. Promoting improvements in air quality to improve the quality of life for our citizens.

### 1 Background and context

The key principles which underpin our investment strategies are set out in Sheffield's Transport Strategy:

#### A city that's easier to get around

- Faster, better integrated and simpler bus services
- Securing the future of Supertram and supporting its expansion
- New mass transit routes and services creating more public transport capacity for a growing city
- An inner ring road that has more capacity and is easier to cross into the city centre

#### A better connected Sheffield

- Faster, longer and more frequent train services to other cities and to the rest of the city region
- A transformed Sheffield Station bringing High Speed rail services into the heart of city
- Improved major road network, keeping Sheffield connected to motorways, airports, and other cities

#### A safer and more sustainable Sheffield

- Sustainable safety, safe walking and cycling as standard
- Improved air quality and working to manage congestion
- Improving poor health and poor access to jobs and services

All of our projects are focused upon delivering these priorities for the city.

## 2 Projects completed in 2018/19

	Project and total value	Impact
1	Lower Don Valley cycle route £300,000	Upgrade of signalised crossing to provide controlled crossing point which will be safer for pedestrians and cyclists
2	Little Don Valley Link £1.4m	1 km off-road tarmacked cycle route connecting into existing network in and around Deepcar and Wharnccliffe Woods. Route includes a new river crossing. Provides quiet safer link through Deepcar for cyclists and pedestrians
3	Chesterfield Road key bus route £5,137,365	New bus lane provided to improve bus speeds and journey time reliability, with wider environmental improvements
4	Taxi facilities £182,905	New and amended taxi ranks providing people with more choice and convenience when using taxi (hackney) carriages
5	Street Ahead waiting restrictions £660,512	Completion of the programme to provide enforceable School Keep Clear Markings outside all Schools; provide yellow line restrictions at priority locations
6	City Centre 20 mph zone £243,260	20mph speed limit to reduce traffic speeds within the city centre to improve road safety and the environment for walking and cycling
7	Air Quality – Schools Anti Idling £52,000	Anti-engine idling outside schools across Sheffield to highlight the dangers of exposure to poor air quality and influence driver behaviour

## 3 Current projects already in delivery

	Project	Budget (£) (all years)	Year(s)	Invest to save?	Funding source(s)	Outputs	Outcomes for Sheffield people
1	Broadfield Road junction	£3,356,000	2018/19	No	NPIF	Remodelled junction to improve traffic flow	Journey time improvements; bus journey time reliability
2	Bramall Lane / Cherry Street road safety scheme	£155,000	2018/19	No	LTP	Changes to the road junction to simplify traffic movements and	Improvements to road safety



	Project	Budget (£) (all years)	Year(s)	Invest to save?	Funding source(s)	Outputs	Outcomes for Sheffield people
						reduce conflict	
3	Oughtibridge road safety scheme	£82,000	2018/19	No	LTP	Remodelled road system to reduce collisions	Improvements to road safety
4	Blackburn Valley cycle route	£1,377,708	2018/19	No	LTP	New cycle link to complete route from Chapelton to City Centre	Enhanced segregated cycle route to encourage more people to choose cycling for a range of trips.

#### 4 Potential priority areas / projects under consideration

	Priority	Impacts
1	Managing the existing highway network	Improve journey time reliability and improving access from growing neighbourhoods to jobs, education and training as well as improving conditions for business through effective network management
2	Reducing the number of accidents	Improved road safety through a range of interventions city-wide
3	Increasing active travel (cycling and walking)	To be inclusive and open up the city's opportunities to all and improve health outcomes
4	Improving the public transport offer	Helping to underpin sustainable growth and promote a city that is open for business
5	Infrastructure investment	Ensuring the benefits of investment in transport infrastructure continue year after year; including supporting the introduction of alternative fuel technologies where appropriate
6	Improving Air Quality	To reduce levels of air pollution across Sheffield to improve the health of people in Sheffield through a range of interventions

#### 5 Key challenges and how we are addressing them

	Challenge	Actions to address
1	Lack of appropriate funding to develop 'pipeline' schemes identified in the Sheffield Transport Strategy	Around £160k included in the 2019/20 Local Transport Plan to fund the development of larger schemes: the lack of revenue funding for this activity has been escalated within SCC and is being considered for funding from the Growth and Investment Fund. In particular, this has the potential impact on SCC's ability to develop significant

		infrastructure projects that are required to support the City's Housing and Economic ambitions.
2	Ongoing maintenance of the highway infrastructure (commuted sums)	Agreement on way forward required to provide confidence in our ability to address infrastructure required to support economic growth. Highlight constraints and the current agreements in relation to which SCR funds can support some of the potential commuted sums, and a strategic review of implications on future programmes.
3	Constrained timescales to meet the Government direction for Air Quality and associated Clean Air Zone (CAZ) development and delivery	Funding from Government is available to resource the associated Clean Air Zone Feasibility Study, business case development and (subject to approval) implementation, but the scale and required speed of delivery is a significant challenge. Resources from across the City Council are being brought into a virtual team and this will be reviewed during 2019/20.

# 5 HOUSING GROWTH

Increasing the city’s stock of new housing – for both sale and rent - through delivery by the Council, Registered Providers or private developers

## 1 Background and context

Cabinet has set out a commitment to build between 2,000 and 2,300 new homes each year by 2022. 725 of these must be affordable. This commitment is set out in our Growth Plan 2017-22, as amended by the Housing Strategy Statement for 2018. The Council will work in partnership across the city to deliver this objective, using a wide mix of measures to increase development.

The Council will also increase its own social housing stock, aiming to add 1,600 new properties up to 2023. 1000 of these are already approved, and we will be seeking Cabinet approval for a further 500 from our Housing Revenue Account. We will deliver this through building new Council homes, acquiring existing homes to bring into the Council’s rental portfolio and bringing empty properties back into use.

## 2 Key potential priorities and their desired impacts

	Priority	Impacts
1	Deliver at least 725 affordable homes each year	Affordable housing - to rent and for home ownership to address the citywide shortfall - delivered through a mix of initiatives, including SCC Direct New Build, SCC acquisition of new build, SCC acquisition of long term empty properties and the Council marketing land for mixed tenure schemes.
2	Deliver 20,000 additional homes over the next ten years at a rate of 2,185 per annum by 2022	Ensuring sufficient new housing is built in order to meet the demands of a growing city. This will be achieved through a mix of predominantly private sector and Council-led development.
3	Enable individuals to deliver their own homes	Encourage smaller scale initiatives such as the Custom Build initiative to allow individuals to build their own homes, supporting these through the release of small sized (<10 units) plots of Council-owned land.  Maximise developments to provide affordable housing for owner occupiers.
4	Ensure provision of suitable accommodation for Older People, people with Learning Disabilities and care leavers.	Ensuring that there is sufficient, good quality accommodation for these people which enable care to be provided (where required) as efficiently and effectively as possible, whilst also releasing housing stock for the wider market to access.

### 3 Top current projects by remaining value

These are existing projects which have already received Council approval. Their delivery spans a number of years.

	Project	Budget (all years)	Year(s)	Invest to save?	Funding source(s)	Outputs	Outcomes for Sheffield people
1	Council existing housing acquisitions programme	£32.9m	2014-21	N	Housing Revenue Account	373 in programme	Increased council housing stock to address waiting list
2	Council New Build acquisition programme	£15.6m	2015/21	N	Housing Revenue Account	156 in programme	Increased council housing stock to address waiting list
3	Older Persons' Independent Living Phase 4a (Adlington)	£14m	2017-20	Y	Housing Revenue Account	132 units of OPIL accommodation delivered	Increase quality OPIL stock, reduce care costs and release stock to wider market
4	New Council Housing Phase 2 (Weakland)	£6.5m	2015-20	N	Housing Revenue Account	36 units of accommodation delivered	Increased council housing stock to address waiting list
5	Learning Disabilities Accommodation Phase 4b (Adlington)	£1.2m	2017-20	Y	Capital receipts and Housing Revenue Account	8 units of learning/disabilities accommodation delivered	Increase quality LD stock, reduce care costs and release stock to wider market
6	OPIL and LD Accommodation Phase 3 (Wordsworth)	£1.2m	2017-20	Y	Capital receipts and Housing Revenue Account	8 units of learning/disabilities accommodation delivered	Increase quality LD and OPIL stock, reduce care costs and release stock to wider market

### 4 Top priority areas for consideration

These are initiatives which we are currently considering before we develop business cases and bring them forward for consideration for approval. They will be subject of separate Cabinet reports if, as and when they are brought forward.

	Project	Value	Year(s)	Funding source(s)	Outputs	Outcomes for Sheffield people
1	Land acquisition to increase pipeline of affordable housing	£7.0m	2018-2023	Growth & Investment Fund	Ha of brownfield land acquired to increase pipeline	Increased council housing stock to address waiting list

2	Strategic Site Assembly in Priority investment areas	£10.0m	2018-2023	Growth & Investment Fund	Ha of brownfield land acquired to increase pipeline	Increase number of housing of all tenures to meet identified needs
3	Asset Enhancement fund to de-risk SCC owned land	£5.0m	2018-2023	Growth & Investment Fund	Ha of brownfield land acquired to increase pipeline	Increase number of housing of all tenures to meet identified needs
4	SCC shared ownership model to retain SCC equity in land and to provide affordable housing for home ownership	TBC	2019-	Growth & Investment Fund	Model formulated for an off plan shared ownership model that is self-financing or can access external grants such as HRA.	Increase number of family dwellings
5	Newstead (Phase 5)	£25.0m	2021-23	Housing Revenue Account	207 unit scheme of OPIL, general needs accommodation	Increase quality LD and OPIL stock, reduce care costs and release stock to wider market
6	Temporary Accommodation	£7.2m	2021-23	Housing Revenue Account	60 units to provide temporary accommodation for families and single people	Accommodation provided funded by SCC to support vulnerable people.

## 5 Key challenges and how we are addressing them

	Challenge	Actions to address
1	Reductions in nationally-funded programmes and capital receipts (caused by economic climate and changes to Right to Buy legislation) have limited our ability to invest	Our introduction of the self-funded business model has created greater freedom for the Council to invest in its housing stock through contributions from the Housing Revenue account.
2	Identifying and releasing sites for private sector development in a timely manner, balancing delivery against commercial risks of flooding the market	Identification of priority sites pipeline and introduction of Key Account Holder Role.
3	Potential declining land values / capital receipts (linked to 2 above) limit our ability to invest	New project to support investment in sites to de-risk them.
4	Private sector development does not provide the required breadth of housing needed for Sheffield people	SCC to support private sector to develop housing to meet identified needs in Housing Market Areas.
5	Welfare budget reforms – impact on SCC rent	Work underway within the housing service to support tenants to ensure they can continue to pay rent, without evicting any tenants due purely to delays in receipt of Universal Credit

# 6 HOUSING INVESTMENT

## Quality Council-owned housing stock for our tenants on well-managed estates

### 1 Background and context

This priority covers investment and asset management priorities for our Council-owned properties within the context of the wider business plan. The Council wants to deliver well-maintained homes, investing in priorities which improve tenants' quality of life and minimise the volume of (comparatively expensive) responsive repairs.

Council tenants should live in warm, dry, safe and secure properties which are as efficient to run as possible. These overarching principles inform our investment priorities. We will also continue to invest in keeping our residents safe, putting in place a number of fire prevention and fire safety measures for high rise blocks and sheltered schemes (which could include the installation of sprinkler systems).

Proposals for significant investment in the housing stock and the environment in Gleadless Valley will also be developed. This may result in the need to bring forward capital investment from later years to begin delivering priority housing improvements in this area.

### 2 Projects completed in 2018/19

	Project and value (all years)	Impact
1	Pitched Roofing and Roofline Programme £71.8m	Reroofing works to 13,786 properties across the city completed.
2	Communal areas – Low rise flats £18.2m	The improvement of floor coverings, lighting, security and decoration of communal areas to 1,928 low rise flats.
3	Kitchens , bathrooms planned replacements £27.6m	Providing modern facilities to 3440 council housing properties and making properties warm and secure, including 364 vacant properties up to the decent homes standard.
4	Windows and Doors Replacement £6.5m	Renewal of windows and doors to 1886 properties across the city completed to enhance warmth and security.

### 3 Current projects already in delivery (over £1.000m)

	Project	Budget (all years) (£m)	Year(s)	Invest to save?	Funding source(s)	Outputs	Outcomes for Sheffield people
1	Electrical Strategy	£22.0	18-21	Yes	HRA	22,500 properties included for electrical rewiring	Safe homes which are compliant with electrical safety regulations and meet modern day standards
2	Adaptations	£12.1	18-24	Yes	HRA	2,400 properties anticipated to receive adaptation works	Accessible and fit for purpose homes
3	Obsolete Heating	£7.5	19-24	Yes	HRA	4,128 replacement boilers and / or heating systems installed	Warm and energy efficient homes
4	Heating Breakdowns	£3.7	18-24	Yes	HRA	3,924	Warm and energy efficient homes
5	Hanover Tower Block Cladding	£3.5	18-20	Yes	HRA	125 flats	Safe, warm and energy efficient homes
6	External Wall Insulation Package 1	£3.2	18-21	Yes	HRA	174	Warm, safe and energy efficient homes
7	Garage Improvements	£2.9	18-20	Yes	HRA	3260 garages	Sustainable garage stock which is appropriately maintained
8	Lift Maintenance	£2.2	18-24	Yes	HRA	25 new lifts fitted	Reliable and safe access to properties

#### 4 Potential priority areas / projects under consideration (over £1m)

These are initiatives which we are currently considering before we develop business cases and bring them forward for consideration for approval. They will be subject of separate Cabinet reports if, as and when they are brought forward.

	Project	Value £m	Year(s)	Funding source(s)	Outputs	Outcomes for Sheffield people
1	Roofing and Roofline	£44.1	19-24	HRA	New roofs, pointing, render and rain water goods.	Water tight, warm homes
2	Communal Areas	£21.2	19-24	HRA	Improved communal areas to maisonette blocks	Attractive and safe environment to live
3	Walls, Pointing, Render	£18	19-24	HRA	Render, improved cladding and rain water goods.	Water tight, warm homes
4	Health & Safety Environmental Works	£17	19-24	HRA	Improved communal spaces, walls / steps path ways	Contribute to a safe environment, improved access.
5	Electrical Strategy (Future Phases)	£16.1	21-24	HRA	Electrical rewiring	Safe homes which are compliant with electrical safety regulations and meet modern day standards
6	Kitchens & Bathrooms	£15.5	19-24	HRA	Replacement of Kitchens and bathrooms	Modern Homes
7	Sprinklers	£15	19-24	HRA	New sprinkler and fire suppression systems	Safe homes which are compliant with fire safety assessments
8	External Wall Insulation Packages 2-4	£12.6	19-23	HRA	Council Dwellings	Warm and energy efficient homes
9	Gleadless Valley Regeneration	£12.3	19-24	HRA	Regenerated homes and attractive neighbourhood	Attractive environment and sustainable homes.
10	Boundary Walls, Fencing	£8.6	21-24	HRA	Property boundary treatments.	Attractive and safe environment to live.



11	Community (District) Heating	£6.3	19-24	HRA	Council Dwellings	Warm and energy efficient homes
12	Plastering	£6.3	18-24	HRA	Re-plastering works	Modern homes
13	Windows & Doors (inc. Deer Park)	£3.8	19-24	HRA	Council Dwellings	Warm and energy efficient homes
14	Waste Management	£2.5	19-22	HRA	Communal Spaces	Contribute to the city's environmental strategy and improved environment for residents
15	Non Traditional Structural	£2.4	20-21	HRA	Council dwellings	Structural repairs combined with external wall insulation

## 5 Key challenges and how we are addressing them

	Challenge	Actions to address
1	Inflation and increase in interest rates	Modelling inflation / interest rates through the Housing Revenue Account (HRA) Business Plan and the effect of changes on the programme
2	The implementation of Welfare Reform and Universal Credit in late 2018	Work underway within the housing service to support tenants to ensure they can continue to pay rent, without evicting any tenants due purely to delays in receipt of Universal Credit
3	Any future impact of changes to national policies	Horizon scanning, modelling with business planning
4	Increase in the number of 'right to buys' which reduces the levels of Council-owned stock	Modelling within business planning to mitigate funding pressures; build new Council houses (see 'Housing Growth' section)

## Creating spaces and places that support and sustain the health and wellbeing of people in Sheffield

### 1 Background and context

We want people in Sheffield to have a good quality of life, feel proud of where they live and have access to local amenities. This is about neighbourhoods that are safe and clean with well-maintained green and open spaces, and where people have access to high-quality, sports, leisure and play facilities. Working with residents and local groups, we want to build communities that are fair, tolerant and cohesive, and where people are protected from rogue traders and environmental hazards.

A significant proportion of the Council's revenue spending is invested in maintaining quality of life in the city's neighbourhoods on a day-to-day basis including waste management, licensing, parking services, pest control, trading standards, health and environmental protection, parks and green estates, public health, neighbourhood housing management, tenant support and housing repairs and maintenance.

Our decisions about where to invest capital funding in this area need to support priorities that supplement the significant investment we already make as an authority in sustaining the health and wellbeing of people in Sheffield. To this end, we focus on projects which:

- Improve public health by ensuring that people live in neighbourhoods that are safe, clean and sustainable;
- Deliver green and open spaces which are well-managed and maintained;
- Enable people to have access quality sports, leisure and play facilities;
- Enable people to influence and shape where they live; and
- Enable people to live in neighbourhoods that are inclusive, tolerant and cohesive.

### 2 Projects completed in 2018/19

	Project and value	Impact
1	Beighton Leachate Abstraction & Disposal £365,170	Improved gas monitoring Reduced risks to environment & local population Improved land management & enhancement of local, recreational space
2	Graves Park Improvements £126,525	Improved facilities & accessibility to the park Encouragement of new park users & improved play value of the park

3	Parkwood Springs Resolution Site £254,299	Installation of gas management system & implementation of remediation programme Reduced risks to environment & local population Improved land management & enhancement of local, recreational space
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### 3 Current projects already in delivery

All projects have been completed for this year; new projects are being brought forward from 2019/20 in accordance with our realigned priorities.

### 4 Potential priority areas / projects under consideration

These are initiatives which we are currently considering before we develop business cases and bring them forward for consideration for approval. They will be subject of separate Cabinet reports if, as and when they are brought forward. The current 5-year allocation covers the capitalisation of bond payments regarding our major sporting facilities.

	Project	Value	Year(s)	Funding source(s)	Outputs	Outcomes for Sheffield people
1	Leisure centre review	TBC	TBC	TBC	A review of assets to ascertain investment need and funding strategies.	A fit-for-purpose, well maintained leisure centre estate.

### 5 Key challenges and how we are addressing them

	Challenge	Actions to address
1	Lack of revenue funding for early development and feasibility works for capital projects	Review of governance of Growth & Investment Fund to ensure investment in development of projects that are best aligned to strategic objectives for the city
2	Availability of match funding for capital investments	As above + continue to explore and identify options for external funding

3	Reduced revenue budget and availability of external funding to deliver priorities and maintain high standard	Review delivery of services to make them better, easier, quicker and more affordable Continue to explore and identify options for external funding
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Parks, playgrounds and green spaces which are well-used and our residents are proud of.

### 1 Background and context

This priority focuses on a dedicated strand of works from the 'Quality of Life' priority. Funded primarily from either s.106 contributions from developers which are required to be spent on playgrounds - or from Public Health monies - this priority aims to restore and enhance civic pride in our parks, playgrounds and green spaces. Far from being left to slide into decline, we are ambitious for these precious assets and are investing as much as we can to ensure they remain relevant and well-used. Local authorities have a statutory duty to improve the health of the people who live in their areas under the 2012 Health and Social Care Act. This priority contributes to delivering on that duty.

The Council undertakes a wide range of improvements, including replacing worn and dated playground equipment, restoring green spaces, enhancing biodiversity and promoting accessibility for all our citizens – by repairing footpaths, replacing stiles, aiding interpretation and reducing vandalism and fear of crime.

Whilst some of these projects may be of a lower value than others within this Capital Strategy, this does not reflect the importance of them. Sheffield has a proud tradition of well-maintained parks and green spaces, and this priority demonstrates our commitment to ensuring this is maintained – even in challenging financial circumstances. Indeed, this priority is taking on greater importance with the emerging 'wellness' agenda; GPs are increasingly prescribing outdoor activities in nature to promote physical and mental health and wellbeing.

### 2 Projects completed in 2018/19

	Project and value	Impact
1	Norfolk Park play and access improvements £294k	Renewal of play equipment and improvements to site access. Further path improvements, CCTV installation and access control gates currently underway.
2	Colley Park improvements £64k	Removal of redundant and damaged facilities, boundary repairs and improvements, opening up sight lines, installation of CCTV. Renewal of play equipment to follow shortly.
3	Ball court improvements £153,200	Improvements to ball courts across the city, including renewal of surfacing, goal ends, fencing and sight lines. Completed courts include Frecheville Pond, Hollow Lane Open Space, Duchess Road and Richmond Park.
4	Public Health play renewal	Renewal of play equipment and installation of safer surfacing at a number of sites across the city, including

	£103,000	Middlewood Park, Brightside Rec, Cardwell Drive and Springwell Park.
5	Play improvement projects (phases 1 and 2) £187,500	Play improvements and installation of new equipment (including gym equipment) at a range of sites across the city, including Archer Gate, Brightside Rec, Gregory Road, Handsworth Rec, Loxley Park, Middlewood Park, Charlton Brook, Herdings Park, Herdings Park, High Hazels Park and Richmond Park. These improvements have been funded primarily from S106; however there was a Public Health funding contribution at both High Hazels Park and Richmond Park.
6	Philadelphia Gardens – Ball Court Renewal £77,000	Renewal of the Multi-use Games area of Philadelphia Gardens.

### 3 Current projects already in delivery

	Project	Budget (£) (all years)	Year(s)	Invest to save?	Funding source(s)	Outputs	Outcomes for Sheffield people
1	Play improvement projects (phases 3 and 4)	£180k	2019 & 2020		S106 & Public Health Funding	Improved play & recreational opportunities Green Space Quality Play Value	Works to Broadfield Road Open Space, Batemoor Road Open Space, Darnall Community and Phillimore Parks, Mortomley Park, Upper Hanover Playground, Ruskin Park, Lydgate Lane Improved Health and Wellbeing for children and families Increase in community pride and value
2	Environmental Improvements Project	£42k	2019		S106	Access improvements Habitat improvements Sheffield Standard site quality uplift	Works to Grange Road, Birley Spa, Silkstone Ravine and Bowman Drive Improved Health & Wellbeing for children and families Increase in community pride and value Improved biodiversity
3	Colley Park	£200k	2019 & 2020		S106	Landscape improvements - Improved sight-lines Play provision	Improved Health and Wellbeing for children and families Increase in community pride and value Reduction in anti-social behaviour
4	Blackbank Open Space environmental	£38k	2019/20		S106	Access Improvements Habitat improvements	Improved Health and Wellbeing for children and families

	Project	Budget (£) (all years)	Year(s)	Invest to save?	Funding source(s)	Outputs	Outcomes for Sheffield people
	improvements					Informal recreation improvements	Increase in community pride and value Improved biodiversity
5	Parson Cross Park – access improvements.	£55k	2019/20		S106	New Path creation	Improved Health and Wellbeing for local communities
6	Shirebrook Valley Visitor Centre – renewal	£120k	2019/20		Public Health Funding	Re-configuration and modernisation of internal space of the visitor centre – to make fit for purpose.	Educational opportunities Community cohesion
7	Burngreave Green Space improvements (Wensley St, Nottingham Cliff and Denholme Close)	£91k	2019/20		Public Health Funding	Play improvements Access improvements Sight-line improvements	Reduced ASB Improved Health and Wellbeing for children and families Increase in community pride and value Improved biodiversity
8	Southey Ward Green Space improvements (Cookson Park, Foxhill Rec and Wolf Road Park)	£61k	2019/20		S106 and Public Health	Play improvements Access improvements Sight-line improvements Informal Recreation improvements	Reduced ASB Improved Health & Wellbeing for children and families Increase in community pride and value Improved biodiversity
9	Pipworth Rec and Woodthorpe Ravine Landscape Improvements – led by SHC (includes Sustainable Urban Drainage schemes)	£545k	2018/20		Growth and Investment Fund, to be refunded from developer contributions	Sheffield Standard quality improvements Play provision creation Access controls and improvements	Reduced ASB Improved Health and Wellbeing for children and families Increase in community pride and value Improved biodiversity
10	Ecclesall Woods – access and habitat improvements	£16.2k	2019/20		S106	Access improvements Habitat improvements and associated access controls	Improved biodiversity Improved Health and Wellbeing Improved woodland accessibility
11	Weston Park – band	£9.3k	2019/20		S106	Meet Green Flag	Green Flag and Heritage Lottery Fund

Project	Budget (£) (all years)	Year(s)	Invest to save?	Funding source(s)	Outputs	Outcomes for Sheffield people
stand refurbishment					requirements Improved heritage facility – refurbished bandstand	requirements met Income sustained through improved venue used for weddings Improved key visitor destination site

#### 4 Potential priority areas / projects under consideration

These are initiatives which we are currently considering before we develop business cases and bring them forward for consideration for approval. They will be subject of separate Cabinet reports if, as and when they are brought forward.

	Project	Value	Year(s)	Funding source(s)	Outputs	Outcomes for Sheffield people
1	Masterplan implementation projects	£1m +	2019/20	s.106, external funding including HLF	A 'whole site' approach taken to a number of sites, including Ponderosa Park, Bannerdale Green Spaces, Mather Road Recreation Ground, Ecclesfield Park, Parkwood Springs and Hillsborough Park, Parson Cross Park	Sites which, following consultation with local people, are well used by all sections of the local community.
2	Access and environmental improvements	c. £150k	2019/20	s.106	Delivering safe, clean, welcoming and accessible sites at Sky Edge, Arbourthorne Playing Fields, Corker Bottom / Manor Playing Fields, plus small-scale environmental improvements	Sites which, following consultation with local people, are well used by all sections of the local community.
3	General Cemetery HLF	£3m +		HLF – Parks for People funding	Recreational area	Destination site established – key city heritage



	Parks for People			Round 2 – capital delivery.	improvements Heritage restoration and conservation Setting for investment Green Flag site	venue Community Health and Wellbeing
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## 5 Key challenges and how we are addressing them

	Challenge	Actions to address
1	Section 106 monies will become depleted and are likely to be exhausted by 2020.	Proactively seek alternative funding sources to replace section 106; ensure we can evidence benefits to maximise our chances of success. Progress the 'Building Better Parks' initiative to selectively seek out and secure appropriate increases in income (such as more and better catering opportunities, increased social value initiatives and new franchises and activities/events) on appropriate sites. We must however ensure we maintain the balance between peace and tranquillity and income generating activity.
2	Quantifying the outcomes for our communities.	This is required in order to evidence benefit to current (e.g. Public Health) and future funders. A project has begun to scope measurable metrics, such as activity levels and usage.
3	Prolonging asset life in challenging financial circumstances.	Engagement of and consultation with local communities at planning stage pays dividends in reducing vandalism when the works are complete. We also often undertake improvements to sight-lines and boundaries as part of our works, minimising vandalism and ensuring people feel safer using the facilities. We allocate funds for maintenance (currently five years) as part of our project approvals. And we are currently developing an asset management strategy for our play equipment to strike the right balance between efficient and effective asset management whilst ensuring that the equipment choices of funders (such as local 'Friends Of' groups) can be accommodated as much as possible.

# 8 PEOPLE – CAPITAL AND GROWTH

Improving and maintaining the quality of provision and services for all our citizens, ensuring we are meeting the needs of our diverse communities; improving the quality of life for our citizens for the whole of their life.

## 1 Background and context

The Council must ensure that there are sufficient school places to meet demand. It endeavours to provide high quality schools in each of the neighbourhoods it serves, helping to build strong and stable communities and also minimising travel across the city – whether by car or public transport. Examples of this are the new Astrea and Mercia schools and expansions to Toley and Ecclesall schools which have opened this year.

We are reviewing existing strategies and policies to maximise the impact of investment from capital grants (such as Disabled Facilities Grants) to ensure we improve the quality of life for residents of all ages.

The Council has a responsibility to ensure the People estate is fit for purpose and supports effective service delivery. There is a significant backlog of outstanding maintenance investment, which it is making headway in tackling against an extremely challenging financial context.

## 2 Projects completed in 2018/19

	Project and value	Impact
1	Aldine House Undercroft / 2 Bed Extension £1,493k	Extending the secure provision at Aldine House Secure Unit
2	Dobcroft Junior Temporary 1FE Expansion £278k	Providing accommodation to ensure sufficient school places
3	Woodseats – pupil access and welfare adjustments £203k	Accessibility improvements to Woodseats Primary School for pupils with a range of impairments
4	Mercia Academy £26,139k	A new 8 form-entry secondary school on the former Bannerdale site; external play currently being completed
5	Ecclesall Primary expansion	A new, consolidated primary school in Ecclesall to deliver an increased number of school places

	£5,908k	
6	Totley Primary Expansion £3,183k	An extended school to deliver an increased number of school places

### 3 Current projects already in delivery

	Project	Budget (£) (all years)	Year(s)	Invest to save?	Funding source(s)	Outputs	Outcomes for Sheffield people
1	Disabled Grants	£11,300k	2018-24	No	Department of Health	Adapted properties	Suitably adapted properties which meet people's needs
2	Minor Works Grants	£750k	2018-24	No	Department of Health	Improvements to private homes	Improved homes for local people
3	Don Valley School – sports hall	£1,500k	2018/20	No	Growth and Investment Fund / Capital Grant – Education & Skills Funding Agency (ESFA)	A new sports hall for Don Valley School	A facility for use by the schools and the wider community
4	Mechanical Replacement	£1,633k	2018-20	No	Capital Grant – Education & Skills Funding Agency (ESFA)	Improved heating and electrical systems across the school estate	Schools with expected standard of heating and infrastructure
5	Whole Family Case Management	£2,900k	2017/20	No	Social Care Capital Reserves	Replacement care management IT system	Increased efficiency of payments
6	Schools' Fire Risk Assessments Works	£1,421k	2018-20	No	Capital Grant – Education & Skills Funding Agency (ESFA)	Improved fire safety measures across the school estate	Schools with high standard of fire safety
7	Astrea Academy	£28,660k	2017-20	No	Capital Grant – Education & Skills Funding Agency (ESFA)	Completion of final outstanding external school elements	A new school for pupils and the local community

8	Woodseats Primary structural works	£300k	2019-20	No	Capital Grant – Education & Skills Funding Agency (ESFA)	Structural remedial works	Improved school structure
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#### 4 Potential priority areas / projects under consideration

These are initiatives which we are currently considering before we develop business cases and bring them forward for consideration for approval. They will be subject of separate Cabinet reports if, as and when they are brought forward.

	Project	Value	Year(s)	Funding source(s)	Outputs	Outcomes for Sheffield people
1	Specialist provision	£1.8m	2019-21	Capital Grant – Education & Skills Funding Agency (ESFA)	TBC	Supporting the increasing needs of children and young people with special educational needs and disabilities (SEND).
2	Early years' provision	TBC	2019-20	Capital Grants – allocated to individual providers – Education & Skills Funding Agency (ESFA)	TBC	Ensuring Sheffield's children have the best possible start in life through supporting schools to deliver quality provision.
3	Children's Social Care Capital Investment	c.£3.5m	2019 onwards	Strengthening Families – Invest to Save	Appropriate Residential Care for young adults and children on the edge of care.	Improved ability to accommodate young adults and children on the edge of care within the city.
4	Building condition	TBC	2019 onwards	Capital Grant – Education & Skills Funding Agency	Programme of repairs and upgrades to a range of schools	Well-maintained schools buildings which ensure our children are educated in for for purpose learning environments.
5	People's estate and infrastructure	TBC	2019 onwards	TBC	TBC	Fit for purpose property and infrastructure which supports an integrated services delivery model.

#### 5 Key challenges and how we are addressing them

	Challenge	Actions to address
1	Risk that advance investment in new or expanded schools (£11m) is not repaid from future government	No commissioning of new school places that requires significant capital investment from Basic Need. New

	funding allocations	school places/capital opportunities from other Department for Education programmes to be maximised.
2	Annual reduction to the Building Condition Grant allocated to Local Authorities as more schools transfer to Academy Status.	Demands on the capital budget will also decrease proportionately. However, significant challenges relating to the condition of the primary estate remain. The reduction in Building Condition funding leaves a disproportionate number of schools in a worse condition within the council's control.
3	Backlog maintenance estimated at £95m and certain elements require urgent renewal.	Prioritise repairs on a 'worst first' basis, whilst aggregating requirements wherever possible to maximise efficiency of delivery. Make funding requests to the Growth and Investment Fund to tackle this backlog, prioritising schools which will remain in the City's control.
4	Keeping people out of hospital and accessing the right care	Work closely with colleagues in Health and Social Care and Housing to enable people to remain in their homes as long as possible and avoid unnecessary hospital admissions.

# 10 HEART OF THE CITY II

A vibrant and attractive ‘destination’ City Centre which creates more good jobs for Sheffield people, attracting new investors, visitors and residents to the city centre.

## 1 Background and context

Heart of the City II is one of Sheffield’s key economic projects. Backed by Sheffield City Council alongside its strategic delivery partner Queensbury, the scheme will provide contribute positively in social and economic terms making the city centre a more dynamic place to live and work.

In addition to encouraging new retailers to the city centre, the scheme will provide Grade A office space, two 4 or 5 star hotels, residential developments, restaurants and cafes, leisure destinations, parking and stunning public realm – all creating the type of high quality central quarter that helps attract jobs and investment.

The scheme will bring together the old and the new, maintaining the existing street patterns and balancing heritage with striking new architecture and unique outdoor squares and spaces. Rooted in the city’s unique character, it will help knit together The Moor, the Devonshire Quarter and Fargate, providing a new home for Sheffield’s cultural, commercial and creative trailblazers.

## 2 Projects completed in 2018/19

	Project and value	Impact
1	SRQ Demolitions £1.9m	A complex remediation and demolition of the previous buildings which enabled the successful delivery of the construction of the new Offices detailed in section 3 below.
2	Charter Square Enabling Works £8.8m	Restructuring and renewal of the highways and public realm in Charter Square and Charter Row to provide high class public spaces that will enhance the environment for the offices and retail units created as part of Project Cavendish and the wider Heart of the City II.
3	HoC II Phase 1 Offices £80.7m	Delivery of new offices for HSBC and 25,000 sq.ft. of new office space available to the market. Delivery of 55,000 sq.ft of new retail and restaurant space.

### 3 Current projects already in delivery

	Project	Budget (£)	Year(s)	Invest to save?	Funding source(s)	Outputs	Outcomes for Sheffield people
1	HOC2 Land Acquisitions and Feasibility work	£3.7m remaining expenditure	Oct 13 - Mar 20	No	Prudential Borrowing	All land interests secured and final payments settled.	<p>The HoC2 projects are collectively providing a high class mixed use development in the heart of Sheffield City Centre, enabling Sheffield to have an improved retail and leisure offer and increased vibrancy through the creation of Office and Residential accommodation.</p> <p>This very first stage of the project was to bring the land ownership into the Council's hands so that it can control the quality and pace of development and to carry out initial feasibility work to develop a viable delivery masterplan.</p> <p>The £3.7m is the remaining forecast expenditure of a £66.4m total budget.</p>
2	HoC2 Block A Palatine	£4.1m Remaining expenditure of a £4.3m budget	Sep 18 - May 20	No	Prudential Borrowing	Pre- construction phase of development of mix of Hotel, Office, Residential and retail units with pre-conditions satisfied to move the project into the construction phase with necessary budget approval	Bringing increased vibrancy to the buildings in key corridor in the city centre attracting visitors, jobs and residents.
3	HoC2 Block B Laycock	£15.8m Remaining expenditure of a £17m budget	Sep 18 – Mar 22	No	Prudential Borrowing	Circa 60 residential units, small office and ground floor retail	Increased residential offer in the city centre helping to make the city centre a 24 hour economy.
4	HoC2 Block C Pepperpot	£17m Remaining expenditure of a £18.1m budget	Apr 18 – Sep 21	No	Prudential Borrowing	Office accommodation and ground floor retail	Increased office capacity in the city centre attracting inward investment.

	Project	Budget (£)	Year(s)	Invest to save?	Funding source(s)	Outputs	Outcomes for Sheffield people
5	HoC2 Block E Telephone House Retail	£0.3m Remaining expenditure of a £0.5m budget	Dec 18 – Jun 19	No	Prudential Borrowing	Pre- construction phase of development of retail units and car park refurbishment with pre-conditions satisfied to move the project into the construction phase with necessary budget approval	Bringing back into life a number of previously vacant properties and improved exterior of the multi-story car park.
6	HoC2 Block G Wellington Street	£5.1m Remaining expenditure of a £5.2m budget	Dec 18 – Dec 21	No	Prudential Borrowing	Pre- construction phase of development of mix of Hotel, Office, Car parking and retail with pre-conditions satisfied to move the project into the construction phase with necessary budget approval	Increased high quality office capacity in the city centre attracting inward investment, increased car parking capacity serving the city centre offer.
7	HoC2 Block G1 38 Carver Street	£0.2m Remaining expenditure of a £0.3m budget	Dec 18 – Mar 19	No	Prudential Borrowing	Pre- construction phase of existing office refurbishment with pre-conditions satisfied to move the project into the construction phase with necessary budget approval	Bringing back into life a key office building currently vacant and vandalised.
8	HoC2 Block H Henrys	£3.3m Remaining expenditure of a £3.5m budget	Dec 18 – Mar 20	No	Prudential Borrowing	Pre- construction phase of development of mix Leisure, Food, Office and retail with pre-conditions satisfied to move the project into the construction phase with necessary budget approval	Increased leisure offer in the city in a cutting edge food hall concept combined with further grade A office space
9	HoC2 Block H1 Leah's	£4.1m	Dec 18 –	No	Prudential Borrowing	Pre- construction and	Bringing back into life iconic heritage building.



	Project	Budget (£)	Year(s)	Invest to save?	Funding source(s)	Outputs	Outcomes for Sheffield people
	Yard	Remaining expenditure of a £4.5m budget	Jun 20			stabilisation phase of development of Listed building with pre-conditions satisfied to move the project into the construction phase with necessary budget approval	
10	HoC2 Infrastructure & Public Realm	£6.8m Remaining expenditure of a £7.5m budget	Dec 18 – Apr 22	No	Prudential Borrowing	Development wide planning and delivery programme for the infrastructure and public realm	Improved street grid and high quality public spaces.

#### 4 Future phases

These specific projects form an integral part of future phases of the Heart of the City II project. Further work will be required to develop these individual business cases in order to finalise the design and ascertain the cost of these elements. Once that work is complete they will be the subject of separate Cabinet reports to formally add them to the Capital Programme in the years indicated in the table below.

	Project	Value*	Year(s)	Funding source(s)	Outputs	Outcomes for Sheffield people
1	HoC2 Block A Palatine	£54m	May 20- Aug 22	Prudential Borrowing	Construction phase of development of mix of Hotel, Office, Residential and retail units subject to meeting pre-conditions and necessary budget approval	Bringing increased vibrancy to the buildings in key corridor in the city centre attracting visitors, jobs and residents.
2	HoC2 Block E Telephone House Retail	£7m	Apr 19- Dec 19	Prudential Borrowing	Construction phase of development of retail units and car park refurbishment subject to meeting pre-conditions and obtaining necessary budget approval	Bringing back into life a number of previously vacant properties and improved exterior of the multi-story car park.

3	HoC2 Block G Wellington Street	£90m	Dec 21- May 23	Prudential Borrowing	Construction phase of development of mix of Hotel, Office, Car parking and retail subject to meeting pre-conditions and obtaining necessary budget approval	Increased high quality office capacity in the city centre attracting inward investment, increased car parking capacity serving the city centre offer.
4	HoC2 Block G1 38 Carver Street	£4m	Mar 19- Oct 19	Prudential Borrowing	Construction phase of existing office refurbishment subject to meeting pre-conditions and obtaining necessary budget approval	Bringing back into life a key office building currently vacant and vandalised.
5	HoC2 Block H Henrys	£57m	Mar 20- Jun 22	Prudential Borrowing	Construction phase of development of mix Leisure, Food, Office and retail subject to meeting pre-conditions and obtaining necessary budget approval	Increased leisure offer in the city in a cutting edge food hall concept combined with further grade A office space
6	HoC2 Block H1 Leahs Yard	£2m	Aug 19 – Sep 20	Prudential Borrowing	Construction phase of development of Listed building subject to meeting pre-conditions and obtaining necessary budget approval	Bringing back into life iconic heritage building.
7	HoC2 Infrastructure & Public Realm	£16m	Mar 19 – May 23	Prudential Borrowing	Development wide delivery programme for the infrastructure and public realm across the site subject to obtaining necessary further budget approval as each block moves into construction phase	Improved street grid and high quality public spaces.
8	Infrastructure improvements to Fargate and Division Street	TBA	TBA	TBA	Improved public realm and infrastructure	Part of an overall package of improvements to the retail, leisure and cultural offer of the City Centre

\* N.B. all values in this column show the remaining expenditure for infrastructure relating to the construction phase of each block in addition to pre-construction budget above

## 5 Key challenges and how we are addressing them

	Challenge	Actions to address
1	Managing costs within budget and keeping to programme in an increasingly challenged construction sector with inflationary pressures	Review and manage procurement routes to secure most competitive appointments. Pass risk on the contractors when/where appropriate. Strong project management.
2	Changing UK retail market leading to lack of demand for retail and/or more aggressive commercial terms being demanded.	Ongoing review and consideration for finalised design of each of blocks to maximise market appeal. Proposed pre-letting hurdles before moving to construction phase.
3	Lack of demand for increased office space leading to empty properties or displacement elsewhere in the city.	Analysis and review of office market demand. Consideration for finalised design of each of blocks to maximise market appeal. Consider pace of development to ensure there isn't oversupply.
4	Changing investment yields caused by increased uncertainty over Brexit leading to lower than expected exit values.	Ongoing review of exit strategies. Consider holding properties for a period until properties are successfully trading and yields increase.

# 11 ESSENTIAL COMPLIANCE AND MAINTENANCE

Ensuring legal and regulatory compliance for our corporate accommodation estate, improving its fitness for purpose for the customers we serve and our workforce when budgets allow. Spending on essential maintenance works to avoid further deterioration in the building fabric which will then cost more to repair. Improving the energy efficiency of our estate to reduce our carbon footprint and save money on energy bills

## 1 Background and context

Sheffield City Council has a portfolio of over 900 operational buildings from which it delivers services to the community. These buildings are physical assets which need to be properly maintained to ensure that they continue to function as efficiently and effectively as possible – and comply with our statutory obligations - to support our delivery of a wide range of services.

The deterioration of buildings due to the lack of maintenance can lead to future financial burdens, pose health and safety risks, create legal liabilities and a range of other issues that affect the delivery of services. The maintenance of buildings is critical to the proper management of physical assets, ensuring we provide an appropriate environment for customers, staff and other users of our buildings.

A programme for the management of maintenance is required to provide a consistent approach to the planning, management and reporting of building maintenance within the current challenging financial environment.

Linking into the “Sheffield Land and Property Plan”, the aim of the Essential Compliance and Maintenance Programme is to set out what short, medium and long term investments are needed to co-align with the outcomes signposted in that Plan. We must ensure we prioritise our spend effectively and have already rationalised our corporate estate. Further work is ongoing in this regard to ensure we target our spend most effectively. Rather than trying to spread money across the entire corporate estate – which would leave no money for other priorities – we must ensure we invest according to our new mantra: “Right asset, right place, right time, right decision”. An Asset Management Strategy has been developed and a rolling programme of condition surveys is underway to support this activity.

The Council’s Strategic Objectives are all supported by services that deliver them - working from the council’s Operational Estate. If parts of that estate are no longer able to remain open due to failures in the fabric or infrastructure of a building, it will impact directly on the ability of those services to deliver these objectives.

## 2 Projects completed in 2018/19

	Project	Value	Impact
1	Fire Risk Assessment Mitigation	£929,630	Delivery of suitable fire precautions to meet statutory compliance across the estate
2	Electrical Works	£100,000	Re-wiring/replacement of distribution boards to maintain electrical installation in safe condition
3	Roofing	£257,670	Replacement of failed flat roofing
4	Windows and Doors	£77,989	Replacement of fenestration in danger of failure
5	Structural Repairs	£148,256	Repair of major structural elements to prevent deterioration of building fabric
6	Lift Refurbishment	£179,622	Refurbishment of lifts in civic buildings
7	Paths and Surfacing	£207,911	Maintenance of paths and hard surfacing in Parks and Cemeteries, mitigating potential injuries and claims from slips, trips and falls
8	Dams and Water Courses	£139,991	Maintenance of dams and watercourses to prevent potential breaches and subsequent flood risk
9.	Mechanical Works	£701,141	Planned replacement of failing mechanical installations

## 3 Current projects already in delivery

	Project	Budget (all years)	Year(s)	Invest to save?	Funding source(s)	Outputs	Outcomes for Sheffield people
1	Fire Risk Assessment Mitigation	£3,371,699		No	Growth and Investment Fund	Delivery of suitable fire precautions to meet statutory compliance	Safe premises for our customers and staff.
2	Electrical Works	£195,908		No	Growth and Investment Fund	Re-wiring/replacement of distribution boards to maintain electrical installation in safe condition	Safe premises for our customers and staff.
3	Roofing	£655,001		No	Growth and Investment	Replacement of failed	Weathertight premises for our customers and staff, safeguarding the fabric of the building;

					Fund	flat roofing	improved energy efficiency.
4	Windows and Doors	£675,000		No	Growth and Investment Fund	Replacement of fenestration in danger of failure	Weathertight premises for our customers and staff, safeguarding the fabric of the building; improved energy efficiency.
5	Structural Repairs	£536,671		No	Growth and Investment Fund	Repair of major structural elements to prevent deterioration of building fabric	Safe premises for our customers and staff; avoiding deterioration to the building fabric to mitigate against further expensive repairs.
6	Lift Refurbishment	£221,206		No	Growth and Investment Fund	Refurbishment of lifts in civic buildings	Reliable, accessible lifts for our customers and staff.
7	Paths/Surfacing	£778,661		No	Growth and Investment Fund	Maintenance of paths and hard surfacing in Parks and Cemeteries, mitigating potential claims from slips, trips and falls	Safer paths to minimise injuries to our customers and staff.
8	Dams & Water Courses	£650,000		No	Growth and Investment Fund	Maintenance of dams and watercourses to prevent potential breaches and subsequent flood risk	Protecting property and livelihoods from flood risk.
9	Mechanical Works	£997,762		No	Growth and Investment Fund	Planned replacement of failing mechanical installations	Reliable and more efficient heating for our customers and staff.
10	Moorfoot Lift Refurbishment	£1,946,424		No	Growth and Investment Fund	Continued occupancy of Moorfoot Building	Fit for purpose lifts for our key office premises.

#### 4 Potential priority areas / projects under consideration

These are initiatives which we are currently considering before we develop business cases and bring them forward for consideration for approval. They will be subject of separate Cabinet reports if, as and when they are brought forward.

	Project	Value	Year(s)	Funding source(s)	Outputs	Outcomes for Sheffield people
1	Fire Risk Assessment Mitigation	£2.7m		Growth Investment Fund	Delivery of suitable fire precautions to meet statutory compliance	Safe premises for our customers and staff.

2	Electrical Works	£0.4m		Growth Investment Fund	Re-wiring/replacement of distribution boards to maintain electrical installation in safe condition	Safe premises for our customers and staff.
3	Roofing	£1.2m		Growth Investment Fund	Replacement of failed flat roofing	Weathertight premises for our customers and staff, safeguarding the fabric of the building; improved energy efficiency.
4	Windows and Doors	£1m		Growth Investment Fund	Replacement of fenestration in danger of failure	Weathertight premises for our customers and staff, safeguarding the fabric of the building; improved energy efficiency.
5	Structural Repairs	£1.4m		Growth Investment Fund	Repair of major structural elements to prevent deterioration of building fabric	Safe premises for our customers and staff; avoiding deterioration to the building fabric to mitigate against further expensive repairs.
6	Lift Refurbishment	£0.3m		Growth Investment Fund	Refurbishment of lifts in civic buildings	Reliable, accessible lifts for our customers and staff.
7	Paths/Surfacing	£1m		Growth Investment Fund	Maintenance of paths and hard surfacing in Parks and Cemeteries, mitigating potential claims from slips, trips and falls	Safer paths to minimise injuries to our customers and staff.
8	Dams & Water Courses	£1m		Growth Investment Fund	Maintenance of dams and watercourses to prevent potential breaches and subsequent flood risk	Protecting property and livelihoods from flood risk.
9	Mechanical Works	£2.5m		Growth Investment Fund	Planned replacement of failing mechanical installations	Reliable and more efficient heating for our customers and staff.
10	Town Hall	£5.9m		Growth Investment Fund	Fire precautions, electrical installation, mechanical installation	Safe premises for our customers and staff.
11	Central Library	£9m		Growth Investment Fund	Structural Repairs, fire precautions, mechanical installation	Safe premises for our customers and staff.

12	Moorfoot	£5.6m		Growth Investment Fund	Mechanical installation, thermal performance	More efficient premises to minimise our environmental impacts.
13	Howden House	£0.8m		Growth Investment Fund	Fitness for purpose	Safe and efficient premises for our customers and staff.
14	Millennium Gallery	£1.1m		Growth Investment Fund	Lifecycle maintenance	Proper lifecycle maintenance for a city centre asset.

## 5 Key challenges and how we are addressing them

	Challenge	Actions to address
1	Obtaining granular data on the Condition, Utilisation, Suitability and Quality of buildings that make up the council's estate	We have established a rolling programme of Condition Surveys and are currently undertaking Condition Surveys to gather this data. This will however take some time to cover all properties.
2	Strategic review of the core council estate, to concentrate maintenance investment in viable buildings and divest those buildings that are surplus to core delivery	Working with Members and officers in Property and the wider Council to understand and implement the Corporate Asset Management Strategy.
3	Insufficient funding to adequately maintain the existing corporate estate in a satisfactory condition	Identify available funding and judiciously invest it to maintain the core estate in a satisfactory condition. Accept that lack of funding will lead to the closure of non-core property due to lack of maintenance investment.



# A1 GROWTH AND INVESTMENT FUND (GIF) POLICY

This appendix 1 sets out our proposed policy for the Growth and Investment Fund (GIF).

## 1 Background

The Growth and Investment Fund (GIF) was created in 2017/18 in order to provide a single coordinated fund to prime economic and housing growth activity in the city. It is a successor to a range of individual funds – New Homes Bonus, Community Infrastructure Levy (CIL), section 106 and elements of the Corporate Resource Pool (CRP). It is the Council’s structure for managing discretionary capital funding.

Historically, the CRP had been made up largely of capital receipts from the sale of surplus council land and assets. It was used to fund investment needs not met by Government funding, such as backlog maintenance demands / core repairs and unplanned failures of large critical assets or other property losses caused by natural disasters (such as the floods in 2007).

CRP was also used to demolish empty properties to redevelop land for sale. This brought benefits to the Revenue Budget by reducing the costs of safeguarding vacant properties, as well as replenishing the CRP.

With the advent of the New Homes Bonus and Community Infrastructure Levy as further “unrestricted” funds available for investment at the discretion of the authority, it was decided to combine the income from these new funding streams with those previously included in the CRP (i.e. Capital Receipts). Together, these create the Growth and Investment Fund (GIF). It is therefore a blend of restricted and unrestricted funds.

The national programme of expenditure reductions has increased the importance of this facility as central government support has decreased. We may be required to use our own resources to fund essential infrastructure. And we also need to maintain sufficient funds to match - often at short notice - those available from external funders like the European Union, Heritage Lottery Fund, Sport England etc. in order to lever in funding to replace that lost from Central Government.

## 2 Purpose of the Growth and Investment Fund (GIF)

The GIF is intended to fund two types of projects:

### a) Growth Projects

The primary purpose of the GIF is to provide long term funding – either directly or indirectly - for economic growth and housing growth projects which will stimulate or safeguard growth to provide high quality jobs and homes that people can afford. The money may be used to support land assembly and remediation. It may match inward and external investment for projects which have no other income stream. The fund is also intended to support infrastructure projects such as transport links, which will enable growth projects to progress by removing network capacity constraints that may otherwise prevent the grant of planning permission. The potential benefit of the combined Growth and Investment Fund is gained from amalgamating multiple income streams to generate further growth to provide the critical mass to support major projects which will transform the city.

## **b) Internal Investment Projects**

The GIF may also be used to support other internal investment projects not directly linked to growth – see ‘GIF Allocation Policy’ below. This includes maintenance of the Council’s corporate estate.

### **3 Risks and demands on the GIF**

Key risk factors on the ability to allocate the GIF relate to the uncertainty surrounding the income flows from the key components of capital receipts, New Homes Bonus and Community Infrastructure Levy.

Payment of Capital Receipts will continue to be subject to the inherent risk in all property and land transactions, such as local / national economic factors and the housing market. Furthermore, the application of the Affordable Housing Policy, to address the citywide affordable housing shortfall, will affect the level of capital receipts generated, although potential reductions may be partially offset by future Council Tax and New Homes Bonus. The Council will also receive s106 commuted sum (on and off site) contributions for the provision of new affordable housing and this income will be used to increase the number of affordable homes in the Affordable Housing Programme.

Community Infrastructure Levy income will be dependent on the level of development taking place in the city which is subject to the levy. While estimations can be made of potential receipts, again, wider economic factors can quickly impact on the level of development in the city.

New Homes Bonus income is dependent not only on the number of new homes delivered in the city but also, on an ongoing basis, a continued commitment from central government to maintain the scheme at its current levels.

### **4 GIF Allocation Policy**

Our previous policy was that Members approved capital expenditure commitments no more than one year in advance. Lower levels of capital receipts put considerable constraints on the GIF. However, in the current difficult financial circumstances, the Council must be ambitious and bolder in its vision to progress the city’s development. We will therefore agree allocations up to a ten-year lifespan. Anything beyond this would be on an exceptional basis.

Consideration of the granting of GIF funds will only be given to projects which meet the following criteria:

#### **A Funding**

Projects requesting GIF funding will:

- Have no other available funding sources from central government, internal investment funds (e.g. Housing Revenue Account) or other grant funding bodies; or
- Already be in receipt of external funding and require an element of match funding to proceed; or
- Are strategic projects which require cash flow support until a funding package can be arranged.

## B Suitability

Projects requesting GIF funding will:

- Be in line with corporate priorities; and
- Have a robust business case which stimulate strong projected economic or housing growth (growth projects) or financial savings or significant improvements in performance (internal investment projects only); or
- Be necessary to make an asset compliant with legislation (internal investment projects only); or
- Be an emergency requirement not capable of prior notification and a failure to undertake the project as an emergency will result in a threat to life and limb (internal investment projects only).

Non-cash investments (such as in land or property) will comply with the Investment Strategy Principles set out at section 2.4.2 of this Capital Strategy.

Outcomes and benefits will, as ever, be robustly assessed. Priority will be given to projects which will repay or increase the GIF within a reasonable period of time e.g. by generating asset sales. And if any project does not proceed, abortive project costs will have to be financed from the sponsoring portfolio's Revenue Budget.

Alongside the funding of key development and investment priorities, a suitable reserve level will be maintained within the GIF to allow swift response to emergency situations such as the floods of 2007 and also to provide match funding at short notice to lever in additional grant funding from central government and others.

## 5 Future developments – s.106 and CIL

We are anticipating that central Government will issue revised Regulations in relation to s.106 and CIL monies later in 2019 (subject to Parliamentary approval).

In relation to CIL, our existing 'Regulation 123' list (which sets out a flexible list of potential investment priorities for CIL monies) is being revisited to ensure it remains relevant. It is likely to be replaced later in 2019 by a new Infrastructure Funding Statement (IFS), which should be updated annually. Key priorities are likely to centre on Transport, Health, Parks and Open Space Infrastructure, Education and Flooding.

We are scoping the potential to bring forward the IFS at the same time as the capital Strategy and Budget Book so we have a single, joined-up approach to our investment priorities and how they are funded in the most effective way.

In relation to s.106, we will be able to seek more s.106 agreements in future. Far from being replaced by CIL, we anticipate these will be making a comeback in 2019. We are likely to be able to request s.106 funds from developers in addition to CIL. Furthermore, the 'pooling' restriction is likely to be removed. This will enable monies to be aggregated to provide greater funding to specific projects.

Again, we will ensure that these priorities and projects are fully aligned with this Capital Strategy and Budget Book so that the Council takes a holistic approach to formulating and funding its investment priorities.

# A2 PROJECT LIST SPLIT BY PRIORITY

This appendix 2 sets out the full list of projects, which have either been approved or approval has been requested, split by priority area.

## ECONOMIC GROWTH

	Values in £'000s	Project Start	Project End	Approval Status	Expenditure				Expenditure
					2019-2020	2020-2021	2021-2022	2022-2025	Total
WOODHOUSE HUB (NAQNO)		APR 2016	MAR 2019	Approval Requested	497				497
DIGITAL INCUBATOR (NAQNO)		SEP 2016	MAR 2024	Approval Requested	323	58	10	32	424
GREY TO GREEN (NAQNO)		SEP 2014	APR 2019	Approved - Active	9				9
KNOWLEDGE GATEWAY (NAQNO)		MAY 2016	JUN 2019	Approved - Active	355				355
GREY 2 GREEN PH2 (NAQNO)		APR 2017	MAR 2020	Approved - Active	4,010				4,010
CULVERT RENEWAL PROGRAMME (NAQNO)		OCT 2018	MAR 2021	Approval Requested	1,763	1,251			3,014
LDV SANDERSONS FISH PASS (NAQNO)		OCT 2018	MAR 2020	Approved - Active	280				280
M1 GATEWAY PUBLIC ART PROJECT (NAQNO)		MAR 2014	MAR 2020	Approved - Active	204				204
<b>Total</b>					<b>7,440</b>	<b>1,310</b>	<b>10</b>	<b>32</b>	<b>8,792</b>

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# TRANSPORT

Values in £'000s	Project Start	Project End	Approval Status	Expenditure				Expenditure
				2019-2020	2020-2021	2021-2022	2022-2025	Total
BLACKBURN VALLEY CYCLE ROUTE (NAQNO)	JAN 2009	OCT 2019	Approval Requested	248				248
HGV WEIGHT RESTRICTIONS (NAQNO)	APR 2018	MAR 2020	Approval Requested	46				46
BRAMALL LN CHERRY STREET RS (NAQNO)	MAR 2018	MAR 2020	Approved - Active	104				104
OUGHTIBRIDGE RS SCHEME (NAQNO)	APR 2018	MAR 2020	Approval Requested	60				60
PETRE STREET CROSSING (NAQNO)	NOV 2018	OCT 2019	Approved - Active	75				75
PEDESTRIAN ENHANCEMENTS 18-20 (NAQNO)	APR 2018	MAR 2020	Approval Requested	48				48
ITS NETWORK MANAGEMENT (NAQNO)	SEP 2016	MAR 2020	Approval Requested	108				108
BROADFIELD ROAD JUNCTION (NAQNO)	JAN 2018	AUG 2021	Approval Requested	2,623	468			3,091
<b>Total</b>				<b>3,312</b>	<b>468</b>	<b>-</b>	<b>-</b>	<b>3,780</b>

# HOUSING GROWTH

Values in £'000s	Project Start	Project End	Approval Status	Expenditure				Expenditure
				2019-2020	2020-2021	2021-2022	2022-2025	Total
ASSET ENHANCEMENT GB SITES (NAQNO)	JAN 2016	MAR 2020	Approved - Active	50				50
DEVONSHIRE QUARTER (NAQNO)	APR 2018	MAR 2022	Approved - Active	637				637
BROWNFIELD SITE (NAQNO)	APR 2018	MAR 2021	Approved - Active	1,606	991			2,597
COUNCIL HSG ACQUISITIONS PROG (Q0067)	APR 2014	MAR 2024	Approval Requested	8,231	8,396	8,564	17,645	42,835
NEW BUILD COUNCIL HSG PHASE 2 (Q0067)	APR 2015	MAR 2021	Approval Requested	5,328	12			5,340
NEW BUILD COUN HSG PH 3 (NAQNO)	APR 2016	DEC 2020	Approval Requested	996				996
NEW BUILD COUN HSG PH 4A (NAQNO)	MAR 2017	OCT 2021	Approval Requested	8,289	5,131	1,359		14,780
NEW BUILD COUN HSG PH 4B (NAQNO)	APR 2016	DEC 2021	Approval Requested	664	153	144		961
ON SITE ACQUISITIONS (NAQNO)	APR 2018	MAR 2021	Approval Requested	926	462			1,388
STOCK INCREASE (CHS)	APR 2014	MAR 2023	Approval Requested	768	14,216	15,089	10,355	40,427
GENERAL/RTB ACQUISITIONS CHS (Q0069)	APR 2015	MAR 2024	Approval Requested	1,000	1,000	1,000	2,000	5,000
<b>Total</b>				<b>28,497</b>	<b>30,361</b>	<b>26,156</b>	<b>30,000</b>	<b>115,013</b>

# HOUSING INVESTMENT

Values in £'000s	Project Start	Project End	Approval Status	Expenditure				Expenditure
				2019-2020	2020-2021	2021-2022	2022-2025	Total
Regeneration HRA	APR 2019	MAR 2024	Approval Requested	300	3,000	3,000	6,000	12,300
IT UPGRADE (HSG)	APR 2019	MAR 2022	Approval Requested	250	1,250	1,500		3,000
CHAUCER SQUARE MAINTENANCE (NAQNO)	JAN 2009	DEC 2030	Approval Requested	18	18	18	36	90
PSH EMPTY PROPERTIES (NAQNO)	JAN 2008	MAR 2024	Approval Requested	120	120	120	240	600
PHS ACTIVITY (NAQNO)	APR 2010	MAR 2024	Approval Requested	130	130	130	260	650
RHB LOANS HAL (NAQNO)	JAN 2008	MAR 2021	Approved - Active	200	200			400
YORK - NY SUB REGION HAL (NAQNO)	APR 2010	MAR 2020	Approval Requested	40				40
HULL - HUMBER SUB REGION HAL (NAQNO)	JAN 2008	MAR 2020	Approval Requested	397				397
REGIONAL ERL (NAQNO)	APR 2016	MAR 2021	Approval Requested	150	280			430
CALDERDALE REPAYMENT LOANS (NAQNO)	APR 2018	MAR 2021	Approval Requested	100	100			200
SHEFFIELD REPAYMENT LOANS (NAQNO)	APR 2018	MAR 2020	Approval Requested	50				50
WYCA REPAYMENT LOANS (NAQNO)	JAN 2018	MAR 2021	Approval Requested	378	250			628
KIRKLEES RF FUNDS HAL(2) (NAQNO)	APR 2014	MAR 2021	Approval Requested	135	50			185
EMPTY PROPERTY LOANS (NAQNO)	APR 2019	MAR 2021	Approval Requested	112	112			224
PROGRAMME MANAGEMENT COSTS GF (NAQNO)	JAN 2008	MAR 2021	Approval Requested	5,420	2,710			8,130
PROGRAMME MANAGEMENT COSTS RTB (NAQNO)	JAN 2008	MAR 2023	Approval Requested	416	338	286	429	1,469
HRA PROGRAMME MANAGEMENT (NAQNO)	JAN 2008	MAR 2024	Approval Requested	250	250	250	500	1,250
OBSOLETE HEATING (NAQNO)	APR 2010	MAR 2024	Approval Requested	2,500	2,000	1,500	3,000	9,000
ALMO ASBESTOS SURVEYS (NAQNO)	APR 2010	MAR 2024	Approval Requested	200	150	150	300	801
LANSDOWNE AND HANOVER CLADDING (NAQNO)	JAN 2008	MAR 2020	Approval Requested	78				78
ADAPTATIONS (NAQNO)	APR 2010	MAR 2024	Approval Requested	2,400	2,500	2,500	5,000	12,400
S H MGMT FEES COMMISSIONED (NAQNO)	APR 2011	MAR 2024	Approval Requested	2,505	2,505	2,530	5,136	12,676
HEALTH & SAFETY ENHANCE PROG (NAQNO)	APR 2010	MAR 2024	Approval Requested	140	140	140	280	700
EMERGENCY DEMOLITIONS (NAQNO)	JAN 2008	MAR 2024	Approval Requested	120	40	40	80	280
HEATING BREAKDOWNS (Q0069)	APR 2012	MAR 2024	Approval Requested	725	750	750	1,500	3,725
COMM HTG - PLANT ROOMS (Q0069)	MAY 2013	MAR 2020	Approval Requested	25				25
PITCHED ROOFING & ROOFLINE (Q0069)	JUL 2013	MAR 2024	Approval Requested	4,000	6,500	8,000	14,000	32,500
FLAT ROOFING (Q0069)	APR 2013	MAR 2023	Approved - Active		350	600	600	1,550

NON HIGHWAYS RESPONSIVE WORKS (Q0089)	JUN 2015	MAR 2020	Approval Requested	40					40
COMMUNAL AREAS-LOW RISE FLATS (NAQNO)	NOV 2014	MAR 2024	Approval Requested	1,200	5,000	5,000	10,000		21,200
KITCHEN/BATHRM PLANNED REPLMT (NAQNO)	APR 2014	MAR 2024	Approval Requested	158	300	5,000	10,000		15,458
WINDOWS& DOORS PLACEMENT(CHS) (NAQNO)	APR 2014	MAR 2024	Approval Requested	250	250	250	500		1,250
GARAGES STRATEGY DEMOLITION (NAQNO)	AUG 2016	MAR 2020	Approval Requested	75					75
GARAGE STRATEGY-IMPROVEMENT (NAQNO)	APR 2017	MAR 2020	Approved - Active	1,103					1,103
ASBESTOS REMOVAL (NAQNO)	JUL 2017	MAR 2020	Approved - Active	346					346
EWI NON-TRADITIONAL1 (NAQNO)	JAN 2018	MAR 2021	Approval Requested	2,527	159				2,687
EWI NON-TRADITIONAL 2 (NAQNO)	JAN 2018	MAR 2021	Approval Requested	500	3,800	1,540			5,840
EWI NON-TRADITIONAL 3 (NAQNO)	JAN 2018	MAR 2022	Approval Requested	100	3,800	168			4,068
HANOVER TOWER BLOCK CLADDING (NAQNO)	JUL 2018	MAR 2020	Approval Requested	2,585					2,585
LIFT MAINTENANCE & REPAIR (NAQNO)	APR 2011	MAR 2024	Approval Requested	450	450	450	900		2,250
SHELTERED FIRE ALARM LINKING (NAQNO)	JAN 2016	MAR 2020	Approval Requested	23					23
ELECTRICAL STRATEGY (NAQNO)	AUG 2016	MAR 2024	Approval Requested	8,500	6,000	3,500	12,116		30,116
COMMUNITY HEATING (CHS)	APR 2014	MAR 2024	Approval Requested	202	1,155	3,262	1,820		6,440
ROOFS & EXTERNALS (CHS)	APR 2014	MAR 2024	Approval Requested	1,550	8,012	11,180	38,079		58,821
WASTE MANAGEMENT (CHS)	APR 2014	MAR 2022	Approval Requested	800	1,515	200			2,515
ESSENTIAL INVESTMENTS (CHS)	APR 2015	MAR 2024	Approval Requested	2,178	6,850	5,050	8,305		22,382
KITCHENS, BATHRMS, WINDOWS & DOORS	APR 2014	MAR 2020	Approval Requested	1,000	1,500				2,500
OTHER PLANNED ELEMENTS (CHS)	APR 2014	MAR 2024	Approval Requested	1,750	1,750	2,050	3,200		8,750
GARAGES (CHS)	JAN 2008	MAR 2023	Approval Requested			230	229		459
<b>Total</b>				<b>46,497</b>	<b>64,285</b>	<b>59,395</b>	<b>122,510</b>		<b>292,687</b>



## QUALITY OF LIFE

Values in £'000s	Project Start	Project End	Approval Status	Expenditure				Expenditure
				2019-2020	2020-2021	2021-2022	2022-2025	Total
MSF FINANCE (NAQNO)	FEB 2017	MAR 2023	Approved - Active	13,767	14,641	15,570	34,167	78,145
PIPWORTH REC SUDS (NAQNO)	SEP 2015	MAR 2020	Approved - Active	5				5
<b>Total</b>				13,772	14,641	15,570	34,167	78,150

## GREEN & OPEN SPACES

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Values in £'000s	Project Start	Project End	Approval Status	Expenditure				Expenditure
				2019-2020	2020-2021	2021-2022	2022-2025	Total
NORFOLK HP PLAYGROUND PROJECT (NAQNO)	APR 2017	MAR 2020	Approved - Active	7				7
COLLEY PARK IMPROVEMENTS (NAQNO)	APR 2017	MAR 2020	Approved - Active	188				188
ECCLESALL WOOD ACCESS (NAQNO)	APR 2017	MAR 2020	Approved - Active	4				4
PLAY IMPROVEMENT PROJECT (NAQNO)	AUG 2017	MAR 2020	Approved - Active	91				91
WESTON PARK BANDSTAND (NAQNO)	OCT 2018	MAR 2020	Approved - Active	9				9
GREEN AND OPEN SPACES S106 STRATEGY	APR 2016	MAR 2021	Approved - Active	686	152			838
<b>Total</b>				986	152	-	-	1,138

# PEOPLE CAPITAL & GROWTH

Values in £'000s	Project Start	Project End	Approval Status	Expenditure				Expenditure
				2019-2020	2020-2021	2021-2022	2022-2025	Total
DON VALLEY SCHOOL (Q0061)	JAN 2014	MAR 2022	Approved - Active	54	54	309		417
MERCIA SCHOOL (Q0061)	AUG 2015	APR 2020	Approved - Active	13				13
SILVERDALE 2FE EXPANSION T/P (Q0061)	SEP 2015	MAR 2022	Approved - Active	30	20			50
FRA 16-17 LYDGATE JUNIOR (NAQNO)	APR 2017	MAR 2020	Approved - Active	100				100
FRA 16-17 ECCLESALL JUNIOR (NAQNO)	APR 2017	MAR 2020	Approved - Active	11				11
FRA 16-17 HUNTERS BAR INFANTS (NAQNO)	AUG 2017	MAR 2020	Approved - Active	25				25
FRA 16-17 BANKWOOD (NAQNO)	APR 2017	MAR 2020	Approved - Active	58				58
FRA 16-17 BEIGTON NURSERY INF (NAQNO)	APR 2017	MAR 2020	Approved - Active	23				23
FRA 16-17 GREENHILL PRIMARY (NAQNO)	APR 2017	MAR 2020	Approved - Active	30				30
FRA 16-17 LYDGATE INFANT (NAQNO)	JAN 2008	MAR 2021	Approval Requested	62				62
FRA 16-17 PIPWORTH COMM PMY (NAQNO)	APR 2017	MAR 2020	Approved - Active	3				3
FRA 16-17 HUNTERS BAR JUNIOR (NAQNO)	SEP 2017	MAR 2020	Approved - Active	24				24
FRA 16-17 MARCLIFFE PRIMARY (NAQNO)	APR 2017	MAR 2021	Approval Requested	63				63
MECHANICAL REPLACE MTC CYP (NAQNO)	FEB 2016	MAR 2020	Approval Requested	406				406
PEOPLE -BEIGHTON STRUCT WORKS (NAQNO)	MAR 2018	MAR 2020	Approved - Active	39				39
PEOPLE-WOODSEATS STRUCT WORKS (NAQNO)	MAY 2018	MAR 2020	Approved - Active	249				249
WFCM (NAQNO)	APR 2017	MAR 2020	Approved - Active	347				347
MINOR WORK GRANTS (NAQNO)	JAN 2008	MAR 2023	Approved - Active	150	150	150	150	600
DISABLED GRANTS (NAQNO)	JAN 2008	MAR 2023	Approved - Active	2,000	2,000	2,000	2,000	8,000
<b>Total</b>				<b>3,686</b>	<b>2,224</b>	<b>2,459</b>	<b>2,150</b>	<b>10,519</b>

# HEART OF THE CITY II

Values in £'000s	Project Start	Project End	Approval Status	Expenditure				Expenditure
				2019-2020	2020-2021	2021-2022	2022-2025	Total
SHEFFIELD RETAIL QUARTER 2 (NAQNO)	OCT 2013	MAR 2020	Approved - Active	3,661				3,661
SRQ OFFICES (NAQNO)	JAN 2017	MAR 2020	Approval Requested	2,000				2,000
SRQ - STRATEGIC DEV PARTNER (Q0078)	JAN 2008	MAR 2022	Approved - Active	308	266	41		615
A PALATINE CHAMBERS BLOCK (NAQNO)	APR 2018	MAR 2022	Approved - Active	4,031	45			4,076
B LAYCOCK HOUSE NEW BUILD (NAQNO)	APR 2018	DEC 2021	Approval Requested	5,786	9,939	412		16,136
C PEPPER POT BUILDING (NAQNO)	APR 2018	DEC 2021	Approval Requested	5,894	11,058	245		17,197
E TELE.HSE RETAIL & CAR PARK (NAQNO)	APR 2018	MAR 2021	Approved - Active	322	5			327
G WELLINGTON ST CAR PARK (NAQNO)	SEP 2018	DEC 2024	Approved - Active	1,196	2,252	1,662		5,111
G1 38 CARVER STREET (NAQNO)	APR 2018	DEC 2021	Approved - Active	163				163
H HENRYS BLOCK (NAQNO)	APR 2018	MAR 2024	Approved - Active	3,263				3,263
H1 LEAHS YARD (NAQNO)	APR 2018	MAR 2021	Approved - Active	246	3,896			4,142
HOC II INFRASTRUCTURE & PR (NAQNO)	APR 2018	MAR 2022	Approved - Active	3,656	2,617	540		6,813
<b>Total</b>				<b>30,525</b>	<b>30,078</b>	<b>2,900</b>	<b>-</b>	<b>63,503</b>

# ESSENTIAL COMPLIANCE & MAINT

Values in £'000s	Project Start	Project End	Approval Status	Expenditure				Expenditure
				2019-2020	2020-2021	2021-2022	2022-2025	Total
MOORFOOT LIFTS (NAQNO)	FEB 2017	MAR 2020	Approved - Active	563				563
HEALTH & SAFETY COMPLIANCE	DEC 2012	MAR 2020	Approval Requested	706				706
CBER-CONDITION SURVEYS 17-19 (NAQNO)	JUL 2017	MAR 2021	Approved - Active	220	220			440
ASBESTOS TERM CONTRACT 18-20 (NAQNO)	JUL 2018	MAR 2020	Approved - Active	36				36
<b>Total</b>				<b>1,525</b>	<b>220</b>	<b>-</b>	<b>-</b>	<b>1,745</b>