

Economic and Environmental Wellbeing Scrutiny and Policy Development Committee

Wednesday 26 April 2017 at 5.00 pm

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

The Press and Public are Welcome to Attend

Membership

Councillors Steve Wilson (Chair), Ian Auckland (Deputy Chair), Penny Baker, Lisa Banes, Neale Gibson, Dianne Hurst, Talib Hussain, Abdul Khayum, Helen Mirfin-Boukouris, Ben Miskell, Robert Murphy, Andy Nash, Chris Peace, Martin Smith and Paul Wood

Substitute Members

In accordance with the Constitution, Substitute Members may be provided for the above Committee Members as and when required.

PUBLIC ACCESS TO THE MEETING

The Economic and Environmental Wellbeing Committee exercises an overview and scrutiny function in respect of the planning, development and monitoring of service performance and other issues in respect of the area of Council activity relating to planning and economic development, wider environmental issues, culture, leisure, skills and training, and the quality of life in the City.

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

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

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

If you require any further information about this Scrutiny Committee, please contact Alice Nicholson, Policy and Improvement Officer on 0114 27 35065 or [email alice.nicholson@sheffield.gov.uk](mailto:alice.nicholson@sheffield.gov.uk)

FACILITIES

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

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

**ECONOMIC AND ENVIRONMENTAL WELLBEING SCRUTINY AND POLICY
DEVELOPMENT COMMITTEE AGENDA
26 APRIL 2017**

Order of Business

- 1. Welcome and Housekeeping Arrangements**
 - 2. Apologies for Absence**
 - 3. Exclusion of Public and Press**
To identify items where resolutions may be moved to exclude the press and public
 - 4. Declarations of Interest** (Pages 1 - 4)
Members to declare any interests they have in the business to be considered at the meeting
 - 5. Minutes of the Previous Meeting** (Pages 5 - 12)
To approve the minutes of the meeting of the Committee held on 22nd February, 2017
 - 6. Public Questions and Petitions**
To receive any questions or petitions from members of the public
 - 7. Economic Landscape in Sheffield** (Pages 13 - 18)
Report of the Policy and Improvement Officer.
 - 8. Work Programme** (Pages 19 - 24)
Report of the Policy and Improvement Officer.
- FOR INFORMATION ONLY**
- 9. Sheffield Retail Quarter** (Pages 25 - 30)
Report of the Director of Major Projects.
 - 10. Date of Next Meeting**
The next meeting of the Committee is to be confirmed.

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ADVICE TO MEMBERS ON DECLARING INTERESTS AT MEETINGS

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

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

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

You **must**:

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

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

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

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

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

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

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

You have a personal interest where –

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

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

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

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

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

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

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**Economic and Environmental Wellbeing Scrutiny and Policy Development
Committee**

Meeting held 22 February 2017

PRESENT: Councillors Steve Wilson (Chair), Ian Auckland (Deputy Chair), Penny Baker, Lisa Banes, Neale Gibson, Dianne Hurst, Talib Hussain, Abdul Khayum, Helen Mirfin-Boukouris, Robert Murphy, Andy Nash, Chris Peace, Martin Smith and Paul Wood

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1. APOLOGIES FOR ABSENCE

1.1 An apology for absence was received from Councillor Ben Miskell.

2. EXCLUSION OF PUBLIC AND PRESS

2.1 The Chair reported that the appendix to the Cabinet report at Item 7 – ‘Call-in of the Cabinet Decision on Waste Services Review – Consideration of Delivery Solutions for Waste Services’ was not available to the public and press because it contained exempt information described in paragraph 3 of Schedule 12A to the Local Government Act 1972, as amended, relating to the financial or business affairs of any particular person.

2.2 RESOLVED: That prior to a discussion on the above appendix, the press and public would be asked to leave the meeting to allow the Committee to discuss the confidential information.

3. DECLARATIONS OF INTEREST

3.1 There were no declarations of interest.

4. MINUTES OF PREVIOUS MEETING

4.1 The minutes of the meeting of the Committee held on 25th January 2017, were approved as a correct record, with the exception of Item 4 – ‘Implications for Sheffield of the Decision to Leave the European Union’, which was amended by the substitution of the words ‘it was considered that businesses being more engaged with schools, at an early stage, would be more beneficial’ for the words ‘it was not considered that commencing apprenticeships any earlier in a young person’s life would be any more beneficial’.

5. PUBLIC QUESTIONS AND PETITIONS

5.1 There were no petitions submitted or questions raised by members of the public.

6. CALL-IN OF THE CABINET DECISION ON WASTE SERVICES REVIEW - CONSIDERATION OF DELIVERY SOLUTIONS FOR WASTE SERVICES

6.1 The Committee considered the decision of the Cabinet made at its meeting held on 18th January 2017, regarding the Waste Services Review – Consideration of Delivery Solutions for Waste Services.

6.2 Signatories

The lead signatory was Councillor Neale Gibson, and the other signatories were Councillors Abdul Khayum, Dianne Hurst, Lisa Banes and Peter Rippon.

6.3 Reasons for the Call-in

Councillor Neale Gibson stated that they wished to allow further scrutiny of this issue on the basis that it was something that affected all citizens of Sheffield.

6.4 Attendees

- Councillor Bryan Lodge (Cabinet Member for Environment)
- Councillor Tony Downing (Cabinet Advisor, Environment)
- Gillian Charters (Head of Waste Management)
- Jed Turner (Waste Project Manager)

6.5 Questions from Members of the Committee

Members raised questions and the following responses were provided:-

- The primary aim of the review had been to try to identify the required savings of around £4 million a year under the Waste Management Contract. As the current Integrated Waste Management Contract with Veolia, which runs from 2001 to 2036, was extensive and complex, it had proved very difficult to identify savings across the Contract. It had been considered whether separating different service elements of the contract, and going out to re-tender in respect of the individual elements, would provide a better opportunity to reduce the cost of waste services.
- The Council, working with organisations such as the Waste and Resources Action Programme (WRAP), and also reviewing Veolia's accounts, was able to benchmark service costs and potential opportunities for savings. The Council had also looked at the potential saving from the Council providing public sector borrowing in order to take advantage of the historically low interest rates.
- There was uncertainty over the condition of the District Energy Network (DEN), and this was a potential risk. However, the DEN is an asset for the City (low carbon heat, energy security, tackling fuel poverty), and if the Council wished to expand it, and make it more efficient, it would need to take strategic ownership and control. A short term organisation and management

contract would manage the day to day functioning of the DEN, but the Council would take on responsibility for the life-cycle and development costs. A contractor would not be able to take on liability of life-cycle and maintenance costs without adding a significant premium. Although costs of maintaining the DEN were uncertain, income from existing customers (circa £4.5m p.a) and opportunity to capitalise major works would go some way to mitigating this risk in the short term, whilst the Council established a longer term view on its future. This risk best sits with the Council, and the Council would undertake a full assessment of the condition of the DEN over the next two years, and an opportunity to strategically develop it. The Council would establish a project to develop a business plan for the future growth and an expansion of the DEN, which would include:-

- § invest to improve efficiency and performance of DEN, expand the customer base and introduce low-carbon heat sources.
 - § allow the Council to take a long-term investment view that is appropriate for DENs, and match that with low cost financing.
 - § use DEN expansion to tackle fuel poverty and reduce carbon footprint.
 - § generate heat sales income, and
 - § assess the true condition and commercial viability of the DEN.
- Reference would be made in the tender documents to the possibility of linking up with other similar networks, including EON.
 - Sheffield was rare in that it had an Integrated Waste Management Contract, and although there had been a number of changes to services over the years, having the integrated Contract had made it difficult to make changes in terms of service delivery and savings.
 - The reason the Council was not insourcing the Collection service at this point in time was that it would require significant operational and management change in order to drive through service improvement and efficiency changes. Pensions and equal pay would be a risk to the Council if insourced, and therefore officers were recommending a seven year contract (to match life cycle of vehicles) and a requirement for the successful contractor to introduce new ways of working which should bring greater efficiencies and safer working practices and, at the same time, enable the Council to consider insourcing the service following expiry of the contract (similar to the way the Council insourced the Kier contract).
 - There would be no major issues if the contract in terms of the Waste and Recycling Collection Service was extended for up to three years, past the original seven-year contract period, on the basis that the collection vehicles could operate for a period of 10 years.
 - In terms of re-tendering for the Waste and Recycling Collection Service, it must be made very clear to prospective tenderers in terms of what they needed to do with regard to employees' employment terms and conditions. It

was expected that this process would take from 9 to 12 months.

- TUPE (Transfer of Undertakings [Transfer of Employment] Regulations) (Preserving employees' terms and conditions when a business or undertaking, or part of one, is transferred to a new employer) would have to be taken into consideration as a matter of law.
- As part of the review, it had been proposed that the Call Centre and Communications Service management systems should be brought back in-house. Due diligence would obviously have to be given in terms of the employees' terms and conditions, but it wasn't envisaged that there would be any major problems in terms of such transfer of staff. There could, however, be some element of risk associated with the transfer of staff at management level, in terms of such staff being in receipt of any bonuses or private health care allowances.
- It was accepted that there could be a number of issues in terms of the requirement to monitor a number of different contracts, but the Council was prepared for this.
- Officers would have to work very closely with any new employer, drawing on the experience of the recent insourcing of the Housing Service, in terms of the alignment of the employees' terms and conditions, including any subsequent equal pay claims.
- The current additional resources in terms of full-time equivalent staff working on the process to deliver the change programme was four. As they had been identified as additional staff, there was little risk in terms of them having to drop other activities. There are also additional external resources for legal and technical support.
- In terms of whether the market would respond to the opportunity to tender for the services, the waste collection market was currently very buoyant, with contractors experienced in bidding for services where there was an incumbent contractor.
- The PFI market in respect of the energy recovery had ended following the withdrawal of Government funding, meaning that companies would now have to fund any infrastructure required. As Sheffield already had the required infrastructure, this put the City in a good position in terms of attracting companies. The commercial technical risk of filling the Energy Recovery Facility capacity with third party waste, together with the technical expertise required to manage the Facility, and the ability to secure long-term electricity and heat sales contracts, meant the option of insourcing this specific service would result in too much risk for the Council. It was easier and more cost-effective for the Council for an external contractor to bring waste into the City. There was a limit of 65,000 tonnes of waste that an external contractor could bring into an area.

- 6.6 RESOLVED: That the public and press be excluded from the meeting before discussion takes place on the appendix to the report on the grounds that, if the public and press were present during the transaction of such business, there would be a disclosure to them of exempt information as described in paragraph 3 of Schedule 12A to the Local Government Act 1972, as amended.
- 6.7 Officers in attendance responded to a number of questions raised by Members of the Committee on the contents of Appendix 1 to the report now submitted.
- 6.8 At this stage in the proceedings, the meeting was re-opened to the public and press.
- 6.9 RESOLVED: That the Committee:-
- (a) notes the contents of the report now submitted, together with the comments now made and the responses to the questions raised; and
 - (b) agrees to take no action in relation to the called-in decision, but asks that the Cabinet Member for Environment (Councillor Bryan Lodge) ensures that (i) the financial risks to the Council of bringing the District Energy Network back in-house and (ii) other risks and costs, including TUPE, of a future insourcing of the Collection Service, following the expiry of the seven-year contract, are taken into account.

The votes on the above resolution were ordered to be recorded and were as follows:-

For the resolution (13) - Councillors Ian Auckland, Penny Baker, Lisa Banes, Neale Gibson, Dianne Hurst, Talib Hussain, Abdul Khayum, Helen Mirfin-Boukouris, Andy Nash, Chris Peace, Martin Smith, Steve Wilson and Paul Wood

Against the resolution (0) - Nil

Abstained (1) - Councillor Robert Murphy

7. ECONOMIC LANDSCAPE - EVIDENCE SESSION NO. 1

7.1 The Committee considered information reported by Richard Wright, Executive Director, Sheffield Chamber of Commerce and Industry, based on the following three questions:-

7.1.1 *Is Sheffield Serving the Needs of Businesses/Developers?*

Mr Wright stated that, whilst he believed Sheffield was serving the needs of businesses and developers in a much better way than in the past, there was still considerable room for improvement. Whilst promotion of the City was getting better to inward investors, there was a common view that Sheffield needed to lose

its 'world's largest village' label, on the basis that it gave the impression that the City was lacking in opportunity and wealth. He referred to the common view held by a number of businesses and developers regarding the negativity of the Planning Service, particularly how long it took for planning issues to be resolved. He believed that the pre-application meetings should provide an opportunity for the Planning Service to sell the City, and how they can help and facilitate development, as opposed to informing prospective developers what was wrong with the application, and what would not be accepted. Connected to this issue, Mr Wright considered that the entrance to Howden House needed re-designing as the current layout did not provide a particularly good impression for investors when attending to meet Council officers. Mr Wright also believed that there was a need for more open discussion in terms of what was going on in the City, and the reasons for decisions being made.

7.1.2 Are There Any Lessons for the Future?

Mr Wright believed that developers, some of whom had invested considerable amounts of money in expert planning and design teams to deliver proposals, should be afforded a better opportunity by the Council's Planning and Urban Design Teams, and more senior Council officers, in terms of their development proposals. It was also believed that, whilst the valuation of Council assets was important, a wider view was needed to be taken on these assets as often, the potential development of these sites, as well as the value that could be delivered, mainly in terms of new jobs, investment and homes, should easily outweigh the determination to achieve the absolute land value, which often prohibits sites coming forward.

7.1.3 How Do We Compare with Other Cities and Core Cities?

Mr Wright stated that there was still a general belief in the business community that Sheffield did not shout about itself enough and, although things had improved in this area, he believed that this work should be led by the business community, who had the necessary knowledge and ability to have a more positive effect on inward investors. Other large cities, including Core Cities, had a better reputation for being open for business, and often this stemmed from the planning system. He stated that more effort was needed to welcome and accommodate developers, as opposed to finding issues with proposals, as was still the case regarding some schemes. There was a need to drive the positives as much as possible, and the New Retail Quarter (NRQ) needed to be driven at pace, being the most important regeneration project in the City. There was also a need to attract some of the high-end or quality retailers, such as Reiss, Jigsaw and White Company, as part of the NRQ, which could be found in many other major towns or cities across the country, in order to increase the City's retail income.

7.2 Members of the Committee asked questions of Richard Wright, and the following responses were provided:-

- Whilst a number of developers had faced problems in terms of dealing with the Planning Service in connection with construction proposals, there were

some sectors which had been successful, including health and wellbeing and gaming software. A detailed review of the planning application process was needed to enable a proper, responsive system to be put in place.

- There was a need to achieve a correct balance between large businesses and small and medium enterprises (SME). With respect to SME, there was a need to ensure that the setting up of one business did not result in another one failing. Support should be linked to a proven capacity and demand in the City, and to achieving strategic objectives, like growth in certain sectors or capabilities in a future economy. In terms of larger businesses, it was considered that there was a lack of original equipment manufacturers (OEM) (companies whose products were used as components in the products of another company). Creative Sheffield was doing an excellent job, and was now more focused than it had been in the past, in terms of attracting and retaining businesses in the City.

7.3 RESOLVED: That the Committee:-

- (a) notes the information now reported, the comments now made and the responses to the questions raised;
- (b) thanks Richard Wright for attending the meeting, and responding to the questions raised;
- (c) requests the Cabinet Member for Infrastructure and Transport (Councillor Mazher Iqbal) to feed back to Members on current approaches regarding how they are made aware of planning applications in their wards; and
- (d) in line with the outline scope of the Economic Landscape Task Group, requests that Creative Sheffield, the Executive Director, Place and other appropriate stakeholders, be invited to the Evidence Session No.2.

8. WORK PROGRAMME 2016/17

8.1 The Policy and Improvement Officer (Alice Nicholson) submitted a report attaching the Committee's draft Work Programme for 2016/17.

8.2 RESOLVED: That the Committee notes the contents of the report now submitted and approves the draft Work Programme for 2016/17.

9. DATE OF NEXT MEETING

9.1 It was noted that the next meeting of the Committee would be held on Wednesday, 26th April 2017, at 5.00 pm, in the Town Hall.

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Report to Economic and Environmental Wellbeing Scrutiny and Policy Development Committee 26th April 2017

Report of: Policy & Improvement Officer

Subject: Economic Landscape in Sheffield – Evidence Session 2

Author of Report: Alice Nicholson, Policy and Improvement Officer
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0114 273 5065

The Committee agreed to a task group on Economic Landscape in Sheffield. The timetable and format has been amended in light of agreement to a Western Road First World War Memorial task and finish scrutiny working group.

Further activity on this topic will have to be recommended for inclusion in draft work programme for 2017/18 municipal year.

Evidence was heard from Sheffield Chamber of Commerce and Industry as part of Economic and Environmental Wellbeing Scrutiny and Policy Development Committee on 15th February 2017.

For this evidence session 2, Creative Sheffield and Planning Services, Sheffield City Council, have been invited to present their response to the same questions:

1. Is Sheffield serving the needs of business/developers?
2. Are there any lessons for the future?
3. How do we compare with other Cities or places?

Background information in regard to Planning Services is attached as Appendix A. Background information in regard to Creative Sheffield can be found at <http://www.welcometosheffield.co.uk>

The Scrutiny Committee is being asked to:

- Gather information in response to the questions
- Consider the responses, provide comment in regard this topic and action for draft work programme 2017/18

Category of Report: OPEN

**BACKGROUND REPORT TO THE ECONOMIC AND ENVIRONMENTAL
WELLBEING SCRUTINY AND POLICY DEVELOPMENT COMMITTEE
SERVING THE NEEDS OF BUSINESSES/DEVELOPERS – THE PLANNING
SERVICE**

26th April 2017

1. Purpose of Report

1.1 To provide background information for the Economic and Environmental Wellbeing Scrutiny and Policy Development Committee, who are seeking information in response to three questions:

- a) Is Sheffield serving the needs of businesses/developers?
- (b) Are there any lessons for the future?
- (c) How do we compare with other cities and Core Cities”?

In addition, there is a specific question about how members can be aware of applications in their wards.

2. Context

2.1 Sheffield is ambitious for growth. The city is the key driver of the Sheffield City Region economy. The SCR Growth Plan aims to create 70,000 jobs over the next 10 years of which Sheffield's share is 25,000 new jobs. To achieve that rate of economic growth, the city needs to deliver 43,000 new homes over the next 20 years. Recent announcements on the HS2 station location, investment from China and the commencement of the Retail Quarter mean that the city centre will be a focus for major regeneration and development over the next 10 – 20 years.

2.2 The Council's Planning service is fundamental to enabling the delivery of this growth and development and the transformation of the city as a place, with the necessary infrastructure, community facilities and quality of environment to support it. To achieve this growth a properly resourced service is required to deliver:

- the Sheffield Plan – the statutory planning framework which will provide the blueprint for the city's growth over the next 20 years and give certainty and confidence to the development industry and local community about the scale, location and quality of development the city is ambitious for;
- up to 150 major planning applications a year for housing and commercial development, around a third more than the service currently handles, plus around 2,500 minor and other applications;
- the related increase in master planning and design work, conservation and building regulations consents necessary to ensure the design quality and

standard of buildings, spaces and landscape which Sheffield is ambitious for.

- 2.3 All of this comes at a time of significant budget pressure on the Council, with revenue support grant being replaced by retained business rates and council tax. There is a need for services to be efficient, business-like and commercially focused to minimise costs and maximise sources of income to help fund services in future.
- 2.5 Two parallel pieces of work have recently been undertaken to review the approach to growth the Council takes, including the role of the Planning Service:
1. Establishing a set of agreed priorities across the Creative Sheffield, Planning Services, Property and Transport Teams. These priorities relate to creating sustainable growth.
 2. An analysis of planning services at 3 other northern Core Cities, which are targeting growth – Manchester, Leeds and Nottingham - to benchmark planning resources and organisational structures.

3. Core Cities Benchmarking

- 3.1 The attached data sheet provides a comparison of staff resources, budgets and workload performance at the 4 core city councils of Sheffield, Leeds, Manchester and Nottingham. The following points are important to note:
1. Caseloads/officer across planning applications, Building Control and Enforcement teams are greatest in Sheffield (with the exception of Nottingham's Building Control service), suggesting efficiency and productivity is comparatively good in Sheffield.
 2. Although the number of policy staff is greater at Sheffield and Leeds, neither Manchester nor Nottingham are currently progressing a Local Plan, which requires a spike in resources.
 3. Management at Sheffield is not top heavy at a ratio of 1:10 staff compared to Manchester at 1:15.
 4. The Urban and Environmental Design team at Sheffield includes 7 Landscape Architects, which explains its size in relation to Manchester and Nottingham. Sheffield also acts as the Secretariat for the South Yorkshire Archaeology Service.
 5. Although the net cost of the Planning service at Sheffield is greater than both Manchester and Nottingham, there are reasons in addition to larger workloads. Manchester's service does not include Policy Team costs, which forms part of a combined policy unit in Growth & Neighbourhoods. Nottingham's costs do not include corporate recharges.
 6. Both Manchester and Nottingham Council's socio-economic geography

comprises predominantly city centre and commercial areas, with suburban areas under adjoining local authorities in Greater Manchester and Nottingham. Whereas the administrative areas of both Sheffield and Leeds cover the whole city, with residential communities who are engaged in the planning process. This has a bearing on staff resources required to deal with Neighbourhood Plans, Conservation and resident objections in both Sheffield and Leeds.

7. The administration and technical staffing at Sheffield does appear proportionately larger in relation to application and staff numbers, compared to the other 3 core cities. (Since this report, measures have been taken to significantly reduce these costs and drive further efficiencies, aided by the adoption of new workflow processes. Some re-profiling of the mix of grades is also taking place as opportunities arise, further reducing costs.)
- 3.2 In terms of organisational structures, whilst no two Councils are the same, at Manchester, Nottingham and Leeds, Planning Services sit within directorates of development and/or growth and the Heads of Planning report directly to strategic or corporate directors with responsibility for growth:
- At Manchester the Head of Planning & Building Control reports to the Deputy Chief Executive, who is responsible for Growth and Neighbourhoods;
 - At Nottingham, the Head of Planning reports to the Corporate Director of Development and Growth, who is also responsible for Transport, Economic Development and Property;
 - At Leeds, the Chief Planning Officer reports to the Director of City Development, who likewise combines Transport, Economic Development and Asset Management.
 - At Sheffield, the Head of Planning used to report to a Director of Development Services, who in turn reports to a strategic director with responsibility for both economic growth and place management. With the departure of Simon Green his replacement Lorraine Manley is reviewing management structures to ensure that the service is fit for purpose and able to act efficiently and effectively in the best interests of the whole community.
- 3.3 What was apparent at all three of the benchmarked northern city region authorities is that development and growth is recognised as a strategic priority with dedicated corporate director responsibility. Within this planning is recognised and understood as a key delivery arm of growth and development and grouped with those services which enable growth. The corporate leadership of planning is to support growth, particularly so at Manchester and Nottingham.

4. How members can be aware of applications in their wards

- 4.1 The Planning Service regularly briefs the Cabinet Member and Chairs of the Planning and Highways Committee on any major or controversial new planning applications, who then determine when further cascading of information and consultation with local members is required.
- 4.2 All members are responsible for taking an interest in applications in their wards and assisting their communities with engaging with the application process. They are often contacted by constituents on these issues and have the same access to application process. The Council has invested in good quality online resources and publishes in a transparent and open way virtually all information relating to planning applications on its web site. To assist members, they can make online searches bespoke to their own ward of all new planning applications submitted; this more sophisticated online search facility has replaced printed 'Weekly Lists', but they can be recreated in digital format.
- 4.3 Local members will also be informed directly wherever appropriate and including the following circumstances:
 - If there is a pre-application briefing of the Planning and Highways Committee
 - If there is a public meeting about an application

Benchmarking data for Core Cities**Staffing:** (Figures in FTEs as at April 2016)

City	DM		BC	Policy	Design	Tech. & Admin	Man.
	DC	Enf.					
Leeds	40	20	27	26	17	39	19
Sheffield	20.7	6	15	17.1	14.4	29	10.6
Manchester	21.5	5	20	6	4.5	18	13
Nottingham	12	5	8	8.1	5.6	10.3	5.9

Budgets: (Figures in £000s for 2016/17)

City	Costs	Income				
		Total	Pl. app Fees	Pre-Apps	B. Control	Other
Leeds	8,300	5,097	3,402	195	1,500	0
Sheffield	5,048	4,001	1,962	229	843	967
Manchester	3,626 ¹	3,226	2,326	-	900	0
Nottingham	2,000 ²	1,790	1,100	85	450	155

1 Does not include Policy team costs as in Corporate Policy unit

2 Does not include corporate recharges e.g. HR, Legal, Finance, IT

DM & BC Performance: (figures for 2015/16)

City	Planning Applications								Pre-apps
	Majors		Minors		Others		Total		
	No.	KPI (%)	No.	KPI (%)	No.	KPI (%)	No.	Case load	
Leeds	221	96%	1006	91%	3157	94%	4384	110	803
Sheffield	112	90%	625	80%	1743	88%	2480	120	601
Manchester	107	82%	858	80%	1064	81%	2029	95	DNR
Nottingham	63	92%	372	88%	879	87%	1314	110	391

Key benchmarks

City	Appeals		Enforcement		Building Regulations	
	No.	% allowed	Cases	Cases per officer	Number of Applications	Cases per surveyor
Leeds	231	26%	1254	63	3502	130
Sheffield	40	28%	592	99	2237	150
Manchester	42	43%	NR	-	1500	75
Nottingham	21	48%	450	90	1480	185



**Report to Economic and Environmental
Wellbeing Scrutiny and Policy Development
Committee
Wednesday 26th April 2017**

Report of: Policy and Improvement Officer

Subject: ECONOMIC AND ENVIRONMENTAL WELLBEING SCRUTINY AND POLICY DEVELOPMENT COMMITTEE - WORK PROGRAMME REVIEW 2016/17, SCRUTINY ANNUAL REPORT 2016/17

Author of Report: Alice Nicholson, Policy and Improvement Officer,
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0114 273 5065

Summary:

This report provides the Committee with a summary of its activities over the municipal year for inclusion in the Scrutiny Annual Report 2016/17. The Committee is asked to consider and comment on this document (Appendix A).

The report also includes topics which it is recommended to carry forward for consideration as part of the 2017/18 Work Programme for this committee.

Type of item: The report author should tick the appropriate box

Reviewing of existing policy	
Informing the development of new policy	
Statutory consultation	
Performance / budget monitoring report	
Cabinet request for scrutiny	
Full Council request for scrutiny	
Community Assembly request for scrutiny	
Call-in of Cabinet decision	
Briefing paper for the Scrutiny Committee	
Other	X

The Scrutiny Committee is being asked to:

- Scrutiny Annual Report 2016/17 - Consider and comment on the Economic and Environmental Wellbeing Scrutiny and Policy Development Committee draft content - Appendix A
- Forward look on Work Programme 2017/18 - Agree topics in section 2.0 to be carried forward for consideration as part of the 2017-18 Work Programme for this committee; and provide any further comment

Background Papers: None
Category of Report: OPEN

Economic and Environmental Wellbeing Scrutiny and Policy Development Committee – work programme review 2016/17, scrutiny annual report 2016/17

1.0 Scrutiny Annual Report 2016/17

- Each Scrutiny Committee will produce a summary of their activity over the past municipal year, for inclusion in the Scrutiny Annual Report 2016/17. A draft of Economic and Environmental Wellbeing Scrutiny and Policy Development Committee activity for inclusion is attached - please see Appendix A.
- The Annual Report will also include an overview of the role of scrutiny within the authority and a summary of some of the activities and outcomes across the five Scrutiny Committees.
- The full list of topics considered by this Committee during 2016-17 is outlined below:

Economic and Environmental Wellbeing Scrutiny and Policy Development Committee - List of topics 2016/17	
Sheffield Bus Partnership (SBP) review	July 2016
Bus Services Bill – briefing	October 2016
Business Rates	October 2016
Inclusive Growth	October 2016
Protecting Sheffield from flooding	November 2016
Economic Landscape Task Group draft scope	November 2016
Call In of Cabinet Decision: China Economic and Civic Programme Update - special	December 2016
Implications for Sheffield of the vote to leave the European Union (commonly referred to as Brexit)	January 2017
Western Road First World War Memorial Trees - task and finish cross party working group (committee group)	January 2017
Waste Services Review: Consideration of Delivery Solutions for Waste Services - Call In of Cabinet Decision 18th January 2017	February 2017
Economic Landscape - evidence session 1	February 2017
Economic Landscape - evidence session 2	April 2017
Sheffield Retail Quarter – update briefing for information	April 2017
<i>TO BE SCHEDULED: Western Road First World War Memorial Trees task and finish cross party working group report and recommendations - special</i>	<i>(May 2017 – TBC)</i>

2.0 Forward look on work programme 2017/18

- Below outlines topics which it is recommended to carry forward for consideration as part of the Work Programme for the 2017/18 municipal year.

Possible Topic		Reasons for selecting topic
Growing Sustainably: A bold plan for a Sustainable Sheffield	The Council's response to the Green Commission – Cabinet decision 15 th March 2017 – consider how the plan will be progressed	Action plan expected September 2017
SRQ and China Economic and Civic Programme	Consider further updates on both SRQ and China Economic and Civic Programme	As requested at meetings 2016/17
Economic Landscape	Possible continuation of this as an agenda topic	To hear from a further range of stakeholders and make recommendation
Bus Services Bill	Consider how Combined Authority can make best use of the powers	An in depth follow up once on the statute books

3.0 The Scrutiny Committee is being asked to:

- Scrutiny Annual Report 2016/17** - Consider and comment on the Economic and Environmental Wellbeing Scrutiny and Policy Development Committee draft content - **Appendix A**
 - Forward Look on Work Programme 2017/18** - Agree topics in **section 2.0** be carried forward for consideration as part of the 2017/18 Work Programme for this committee; and provide any further comment
-

Economic and Environmental Wellbeing Scrutiny and Policy Development Committee 2016/17

Chair: Cllr Steve Wilson

Deputy Chair: Cllr Ian Auckland

Remit of the Committee: Economic and Business Sector Development, Regeneration and Physical Development, Enterprise and Skills, Sustainable Development and Climate Change, Culture, Leisure and Tourism, Transport

Highlights from the work of the Committee in 2016/17 include:

Sheffield Bus Partnership (SBP) review – in 2015/16 as a result of an early review under Sheffield Bus Partnership, there were a number of local petitions regarding changes to bus services; the Committee took an opportunity early 2016/17 to hear again from SYPTE and the bus operators in regard performance and key actions, they heard that punctuality had improved, that Sheffield had been successful in securing funding to support introduction of more low emission vehicles.

Protecting Sheffield from flooding – the committee considered this consultation and heard from Sheffield Cabinet Member and flood and water management team alongside, Yorkshire Water, Moors for the Future Partnership, Peak District National Park and Sheffield & Rotherham Wildlife Trust, the Committee emphasised that officers work with partners to look at the possibility of establishing a formally constituted Partnership Group, comprising representatives from all relevant agencies and organisations, as well as members of the public, to look at all aspects of flood management, including natural flood management and whole catchment approach.

Call In of Cabinet Decisions - there were two call-ins of Cabinet Decisions in this municipal year by Economic and Environmental Wellbeing Scrutiny and Policy Development Committee, providing a check and balance to executive decisions by finding out for **Waste Services Review: Consideration of Delivery Solutions for Waste Services** for example, whether the market would respond to the opportunity to tender for waste collection services, implications and risks of transfer of staff for elements being brought back in house now and possible future insourcing; and for **China Economic and Civic Programme Update** whether the

APPENDIX A: Scrutiny Annual Report 2016-17 – E&EWB Scrutiny and Policy Development Committee Draft Content

views of current library staff, interest and user groups had been sought, whether any consideration had been given to other possible funding streams, precisely what had been agreed between the Council and Guodong in June 2016, the nature of the Exclusivity Agreement, and whether this prevented the Council from engaging with other potential investors.

Western Road First World War Memorial task and finish cross party working group – this sub group of the Committee was set up in relation to the Western Road First World War Memorial to gather information and evidence to inform recommendations to be shared with Economic and Environmental Wellbeing Scrutiny and Policy Development Committee, to be presented back to Sheffield City Council, in regard the future of this living memorial.

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Report to Economic and Environmental Wellbeing Scrutiny and Policy Development Committee 26th April 2017

Report of: Nalin Seneviratne – Director Major Projects

Subject: Sheffield Retail Quarter - Update

Author of Report: Nalin Seneviratne, Director – Major Projects,
nalin.seneviratne@sheffield.gov.uk 0114 205 7017

Summary:

This report provides a progress update to the Committee following Key Decisions taken by Cabinet. This report is being presented to the Committee for information only at the request of the Committee to enable it to understand the current position and prepare for future scrutiny meetings.

The Leader of the Council and Cabinet took key decisions in July 2014 to progress the Retail Quarter including completing all necessary land acquisitions and working up new plans for taking forward the Retail Quarter.

In August 2016 the Cabinet took key decisions over progressing the first phase of the Retail Quarter including taking forward the development of a new office building for HSBC (an international bank) with new retail units at the ground floor with extensive public realm improvements.

This report will provide an update on progress against those key decisions.

Type of item: The report author should tick the appropriate box

Reviewing of existing policy	
Informing the development of new policy	
Statutory consultation	
Performance / budget monitoring report	
Cabinet request for scrutiny	
Full Council request for scrutiny	
Community Assembly request for scrutiny	
Call-in of Cabinet decision	
Briefing paper for the Scrutiny Committee	X
Other	

The Scrutiny Committee is being asked to:

The Committee is being asked to note progress to date and request further reports and/or presentations on the Retail Quarter when updated scheme plans are available.

Background Papers:

There are no background papers.

Category of Report: OPEN

Report of the Chief Executive and Executive Director of Place

Sheffield Retail Quarter – Progress Report

1 Introduction

- 1.1 The Sheffield Retail Quarter is now under delivery after difficulties with previous schemes and the economic climate at the time. Following key decisions taken by The Leader of the Council and Cabinet in 2014 and 2016, as described earlier, the scheme is now in delivery and this report sets out progress to date. This report has been requested by the Committee for information.

2 Main report

- 2.1 Since the decisions taken in 2014, progress has been made in securing, for Sheffield City Council, the relevant land interests that enable the new scheme to be built. The only land interests that remain in 3rd party ownership are that belonging to John Lewis.
- 2.2 In the summer of 2015, a public consultation was held to share the Council's new master plan. This work concluded in August 2016 with the Planning Committee endorsing the new plans. Also in the summer of 2015 the Council started a selection process for a new development partner. Queensberry Real Estate Ltd was selected as strategic development Partner and they started work on reviewing the scheme plans in conjunction with John Lewis, the proposed anchor retail tenant.
- 2.3 The retail environment is changing rapidly. Queensberry are reviewing the current masterplan with a view to recommending changes required to ensure the scheme continues to respond positively to retailer and occupier requirements. It is expected that a revised master plan be produced for consultation later this year. It will be appropriate for the Committee to be updated at that time in order for constructive scrutiny to take place.
- 2.4 Meanwhile, in 2015, the Council put forward the Retail Quarter Site as part of HSBC's desire to find a site for a new office for its Sheffield operations. The Retail Quarter was always planned to be a mixed-use scheme and the opportunity to attract a major office occupier to the centre of Sheffield and the Retail Quarter was important. Such a large office use helps provide office workers into the scheme and the City Centre that helps with making the Retail Quarter scheme an active, vibrant place. In August 2016, an Agreement for Lease was signed with HSBC sealing the first deal for the Retail Quarter and enabling the first phase to be taken forward with the works comprising not just the office space but also new retail units, restaurants, new public space on Charter Square with road and cycling improvements. The marketing and letting of the retail units is yet to take place. Queensberry will be managing the retail lettings.

- 2.5 The demolition of the Grosvenor Hotel is now complete and was finished in time to enable the contract for the HSBC and retail block to commence as planned (10th April 2017). At the time of writing, piled foundation works have commenced. The highway works continue and are focussed on the area to the rear of Debenhams. The new carriageway has been opened to traffic. Highway works will continue to July/August 2017. The majority of utility disconnections are complete, progressing or in hand.
- 2.6 The works to Charter Square and the new office and retail block are due for completion in the first quarter of 2019.
- 2.7 The second phase of the Retail Quarter, subject to receipt of planning permission, is expected to start in mid-2018. The second phase will comprise:
- New shops
 - Restaurants
 - Leisure facilities
 - Hotel accommodation
 - Additional office space
 - New public realm including, squares, landscaping and pedestrianised streets.
- 2.8 Further reports may be presented to Cabinet for decisions, as required, once the new master plan is established.
- 2.9 The capital budget allocation for the current phase of works is £176,504,827. The current cost forecast, which takes account of the completion of the first phase in the first quarter of 2019 is £175,562,885.

The final value of the completed scheme is still estimated at this stage to be in the order of £480m +

3 What does this mean for the people of Sheffield?

- 3.1 As stated in previous reports the Sheffield Retail Quarter will provide a high class regional shopping and leisure addition to the current city centre retail offer which will deliver a step change and lift Sheffield up the national retail ranking to compete with other city centres such as Manchester, Leeds and Nottingham.
- 3.2 It will deliver substantial economic and social benefits, not only providing new retail, but also leisure uses, offices, housing and high quality public realm, creating an attractive environment in which to live, work, shop and relax.
- 3.4 The scheme will stimulate wider investment in the city centre, generate business rates and create a high quality retail and leisure led mixed use scheme and consolidate the prime retail offer.
- 3.5 The development of the Sheffield Retail Quarter also enhances the status of Sheffield and the city centre in itself and it will help generate much improved city centre visitor numbers thus adding to the overall success of the city centre. It will help stimulate office, commercial and

leisure investment/development in the city centre which is part of the City's growth strategy.

- 3.6 It will retain both HSBC a large financial services employer in the city centre in new modern flexible office space, and, subject to final agreements, provide a new retail stores, together with providing modern high quality restaurant and leisure accommodation that the city centre is currently lacking. This new space will allow both current retailers/leisure brands to expand and for new retailers/leisure brands to establish a presence in the city centre.

4 Recommendation

- 4.1 It is recommended that the Committee note the significant progress that has been made in achieving a start in delivering the Retail Quarter with the first phase now under way.
- 4.2 That the Committee request the project team to attend future meetings to present the final plans and provide and update on progress, financial outcomes and risk management.

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