



Executive Director/Director Non-Key Executive Decision Report

Author/Lead Officer of Report: Simon Ogden

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Report to: Laraine Manley, Executive Director of Place
Date of Decision: 14 February 2017
Subject: **Putting the Sheaf Back Into Sheffield –
Acceptance of Environment Agency Grant**

Which Cabinet Member Portfolio does this relate to? *(Insert title of Portfolio)*

Which Scrutiny and Policy Development Committee does this relate to? *(Insert name of Committee)*

Has an Equality Impact Assessment (EIA) been undertaken? Yes No

If YES, what EIA reference number has it been given? *(Insert reference number)*

Does the report contain confidential or exempt information? Yes No

If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below:-

*“The **(report/appendix)** is not for publication because it contains exempt information under Paragraph **(insert relevant paragraph number)** of Schedule 12A of the Local Government Act 1972 (as amended).”*

Purpose of Report:

To request approval to accept a grant of £50,000 from the Environment Agency in order to progress survey work and develop the design with a view to the preparation of a planning application for the deculverting of the River Sheaf on the Castle site in Castlegate.

Recommendations:

That the Environment Agency Grant offer of £50,000 to Sheffield City Council be accepted.

Delegates to the Director of Finance and Commercial Services and Director of Legal and Governance and Executive Director of Place the power to finalise the grant funding agreement in accordance with council procedures.

Background Papers:

Outline Business Case to Competitive City Board February 2016

Lead Officer to complete:-	
1	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.
	Finance: <i>(Insert name of officer consulted)</i> Mark Wassell
	Legal: <i>(Insert name of officer consulted)</i> Lawrence Gould
	Equalities: <i>(Insert name of officer consulted)</i> N/A
<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>	
2	Lead Officer Name: <i>Simon Ogden</i>
	Job Title: <i>Head of City Regeneration Division</i>
Date: 14.2.2017	

1. PROPOSAL

- 1.1 To request approval to accept a grant of £50,000 from the Environment Agency to progress survey work, develop the design and begin preparation of a planning application for the deculverting of the River Sheaf and the creation of a riverside park on the Castle site in Castlegate.

2. HOW DOES THIS DECISION CONTRIBUTE ?

- 2.1 The delivery of the project will help Sheffield City Council achieve key Council priorities;
Corporate Plan (2015-18)

Strong Economy:

- Attract investment to build a vibrant city centre
- Distinctive city centre offer
- Making the most of our natural assets
- Maximise investment in flood and drainage infrastructure
- Preparing for investment in Riverside Business District and around HS2 Station
- Opportunities for local people to contribute

Thriving neighbourhoods and communities

- Places and spaces where people enjoy being
- Enhanced green and blue habitats
- Climate change resilience

Tackling inequalities:

- Creating green and open space and access to water close to more deprived neighbourhoods

- 2.2 This is the first step in opening up the River Sheaf in Castlegate and creating a new riverside park. The deculverting of the River Sheaf will contribute to the regeneration of the Castlegate area, a key location in the reshaping of the City Centre.

Removal of the culvert will daylight the River Sheaf on this site for the first time in a century, presenting the opportunity to naturalise the river channel and improve wildlife and fish habitat. It will create a length of river channel that is attractive and along with the proposed riverbank pocket park, will provide a new area of green, open space in the Castlegate area.

3. HAS THERE BEEN ANY CONSULTATION?

The creation of a new urban park at this location was the most widely supported proposal in the public consultation on the City Centre Breathing Spaces programme and this preference was confirmed in a subsequent consultation on the City Centre Masterplan in 2013.

- 3.1 The latest City Centre Masterplan consultation event was held in September 2016 and was attended by local businesses, community groups, Friends Groups, Councillors and interested parties from the locality. This consultation revealed strong support for and interest in the deculverting of the River Sheaf and the creation of some open space on the Castle site.

4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

4.1 Equality of Opportunity Implications

- 4.1.1 N/A

4.2 Financial and Commercial Implications

- 4.2.1 The grant is from an underspend on the Environment Agency's Environment Programme – their 2016/17 Water Environment Improvement Fund budget - and has been offered to SCC at very short notice, with the condition that the money is spent on development work and claimed by the end of March 2017.

- 4.2.2 The budget for the project is summarised below:

Grant Allocation & Partner Funding		2016/17	Total
SCC	Cash		
	Staff time	£10,000	£10,000
	Overheads	£3,000	£3,000
Environment Agency	Grant**	£50,000	£50,000
	Staff time	£3,500	£3,500
Total		£66,500	£66,500

- 4.2.3 SCC will need to ensure that it can evidence the staff time and overheads.

- 4.2.4 Key features of Environment Agency's draft grant terms and conditions (not exclusive and to be finalised) are summarised as follows:

- Payment will be in arrears and only on completion of satisfactory progress in project compliance / milestones as per the Specification.
- SCC will need to raise invoices for payment of the grant.
- The grant is subject to clawback if it is not spent in accordance with the grant terms and conditions.

- Interest penalties may apply if the Financial Contributions of either party are not received by the required date of payment.
- Commencement Date: 20 December 2016 with a project period of 3 months.
- SCC is required to carry out the Project Activity during the Project Period and must comply with the procurement requirements of the grant.
- A Joint Project Board must be set up to oversee the management and delivery of the project. SCC are required to deliver a monthly progress report to the Project Board
- The funding is offered to allow SCC to carry out enabling works to inform the future deculverting of the river shear on the former Castlegate market site. These works include ground investigation, a structural survey and an ecological survey. The funding is also offered to allow SCC to prepare a planning application following these works for the deculverting of the river
- Any change or variation to the Agreement must be agreed in writing.

4.2.5 The Project Manager must read, understand and comply with the requirements set out in the Collaborative Agreement.

4.2.6 A brief for each piece of survey work will be prepared by CDS and three quotes will be requested in accordance with Council procurement rules, and as advised by the Council's Commercial Services team. Design development work will be undertaken in house by the Urban and Environmental Design team.

4.3 Legal Implications

4.3.1 The Council has a specific power under S19 of the Local Government (Miscellaneous Provisions) Act 1976 to provide outdoor recreational facilities within its area. The proposal and its objectives are also consistent with the Council's priorities for a Strong Economy, Thriving Neighbourhoods and Communities and Tackling Inequalities in its Corporate Plan for 2015 -2018.

4.3.2 Officers are mindful of the importance of putting into place appropriate arrangements to secure the requisite funding and desired outcomes, and ensure compliance with legal requirements.

4.3.3 The Environment Agency and the Sheffield City Council will enter into a Collaboration Agreement which will provide for a specified funding amount to be paid to the Council and for the Council to undertake enabling works to deliver defined outcomes.

4.3.4 The terms of the Agreement will be reviewed to ensure that they are acceptable to the Council and the stated program for delivery of the Project's objectives is deliverable under the contract terms, and that these are compliant with the Council's Rules of Contract Procedure.

4.4 Other Implications

(Refer to the Executive decision making guidance and provide details of all relevant implications, e.g. HR, property, public health).

4.4.1 No implications for HR or public health.

The River Sheaf Culvert is located between Castlegate and Exchange St, and the site is in SCC ownership. The Council also has riparian responsibilities for the River Sheaf running across the site. Carrying out this work will ensure that the culvert, which is in a poor state of repair, is removed to prevent the possibility of its collapse into the river, causing a channel blockage and a flood threat to this area of the City as well as expensive emergency remedial works.

5. ALTERNATIVE OPTIONS CONSIDERED

(Outline any alternative options which were considered but rejected in the course of developing the proposal.)

5.1 Option 1- Do Nothing. The culvert is in a poor state of repair and is already incapable of bearing heavy vehicles. The culvert will require repair or removal at the Council's expense in the next three years. Remedial work carried out in an emergency is costly, would be completely at the Council's expense as landowner, and will not provide the regeneration benefits that a planned removal of the culvert will. This option is not acceptable.

5.2 Option 2 – Refuse the offer of £50k funding and continue to seek funding for the whole deculverting project from elsewhere. The Council does not have funds to complete the deculverting works including the creation of the new open space. This option is not acceptable for the same reasons as Option 1.

5.3 Option 3 – Accept the EA grant (recommended). Preparatory survey work can be undertaken which will enable costs for the removal of the culvert to be accurately drawn up, which will inform future bids for funding and the wider project, as well as de-risking the project. The project design will also be worked up, in preparation for submission of a planning application at a future date. This will reduce the time involved in progressing the full project once funding is secured.

6. REASONS FOR RECOMMENDATIONS

(Explain why this is the preferred option and outline the intended outcomes.)

6.1 Option 3 is the preferred option. This funding will help progress the early developmental stages of the deculverting project enabling a better

understanding of the culvert, the river bank, river bed and the weir.

This will enable the design for the project to be worked up in more detail, with a view to submitting a planning application when funding is secured.

This will help to de-risk the project and enable more accurate drawings and costings to be drawn up.