

Cabinet

Wednesday 22 July 2015 at 2.00 pm

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

The Press and Public are Welcome to Attend

Membership

Councillor Julie Dore	(Leader of the Council)
Councillor Leigh Bramall	(Deputy Leader/Cabinet Member for Business, Skills & Development)
Councillor Isobel Bowler	(Cabinet Member for Neighbourhoods)
Councillor Ben Curran	(Cabinet Member for Finance and Resources)
Councillor Jackie Drayton	(Cabinet Member for Children, Young People & Families)
Councillor Jayne Dunn	(Cabinet Member for Housing)
Councillor Terry Fox	(Cabinet Member for Environment and Transport)
Councillor Mazher Iqbal	(Cabinet Member for Public Health and Equality)
Councillor Mary Lea	(Cabinet Member for Health, Care & Independent Living)

PUBLIC ACCESS TO THE MEETING

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

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

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

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

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

If you require any further information please contact Simon Hughes on 0114 273 4014 or email simon.hughes@sheffield.gov.uk.

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.

**CABINET AGENDA
22 JULY 2015**

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 Previous Meeting** (Pages 5 - 14)
To approve the minutes of the meeting of the Cabinet held on 27 May 2015
- 6. Public Questions and Petitions**
To receive any questions or petitions from members of the public
- 7. Items Called-In For Scrutiny** (Pages 15 - 16)
Report back on Call-In of Decision of Cabinet acting as Charity Trustee of the Graves Park Charity taken on 18 March 2015 in relation to Cobnar Cottage

Report of the Economic and Environmental Wellbeing Scrutiny and Policy Development Committee
- 8. Retirement of Staff** (Pages 17 - 20)
Report of the Director of Legal and Governance
- 9. School Places in Sheffield** (Pages 21 - 56)
Report of the Executive Director, Children, Young People and Families
- 10. Framework Agreement. Day Opportunities and Short Breaks Services for Adults with a Learning Disability** (Pages 57 - 76)
Report of the Executive Director, Communities
- 11. Proposed Sheffield City Council (Fox Valley, Stocksbridge) - Compulsory Purchase Order** (Pages 77 - 130)
Report of the Executive Director, Place
- 12. Creation of Schools' Company** (Pages 131 - 150)
Report of the Executive Director, Children, Young People

and Families

- 13. Capital Programme Monitoring Month 2 and Treasury Management Review** (Pages 151 - 196)
Report of the Executive Director, Resources

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 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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Cabinet

Meeting held 27 May 2015

PRESENT: Councillors Leigh Bramall (Deputy Chair), Isobel Bowler, Ben Curran, Jackie Drayton, Jayne Dunn, Terry Fox, Mazher Iqbal and Mary Lea

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1. APOLOGIES FOR ABSENCE

1.1 An apology for absence was received from Councillor Julie Dore.

2. EXCLUSION OF PUBLIC AND PRESS

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

3. DECLARATIONS OF INTEREST

3.1 There were no declarations of interest.

4. MINUTES OF PREVIOUS MEETING

4.1 The minutes of the previous meeting of the Cabinet held on 15 April 2015 were approved as a correct record.

5. PUBLIC QUESTIONS AND PETITIONS

5.1 Public Question in respect of the Disposal of Assets

Nigel Slack commented that he had been approached by a number of concerned individuals with regard to the vague and lacking communication from one company in particular, Kier.

The concerns centred around the way Kier were disposing of Council property and the unhelpful attitude that they appeared to be adopting to community groups and members of the public in respect to the plans for various community assets the Council owned.

Mr Slack therefore asked what exactly was Kier's role in the disposal of Council assets? What instructions have been given about when and how to dispose of assets in community use? And what instructions have they been given about co-operating with the concerns and questions expressed by community groups and the public?

Was any of this available in writing, either as minutes of meetings or as documentary record of decisions and meetings between Kier and the Council?

Councillor Ben Curran, Cabinet Member for Finance and Resources, responded that the Kier contract covered a number of areas. They carried out all lettings and

disposals for the Council with the Council carrying out the decision making. Councillor Curran was aware of some instances where the letting or disposal had not gone as desired. On some occasions there had been some responsibility for this from Kier. However, there were other things that were not necessarily Kier's fault which would not be immediately apparent.

The Property team at the Council were always involved throughout the process. If Mr Slack provided specific examples where he was concerned, Councillor Curran would investigate these. As the Kier contract was due to expire next Summer, the Council was looking into all available options and specific examples of practice would assist this process

5.2 Public Question in respect of Devonshire Street Shops

Nigel Slack stated that the Council would be aware that a legal challenge to the decision about the Devonshire Street parade of shops was in the offing. Therefore, what would happen if the Council chose not to defend the challenge?

In response, Councillor Jayne Dunn, Cabinet Member for Housing, commented that if the Council did not defend their position the matter would likely end up in Court. The matter had been considered at a meeting of the Planning and Highways Committee and proper process had been followed, so she would be confident that the Council would be able to defend its decision.

5.3 Public Question on Devolution

Nigel Slack commented that with the return of a majority Conservative Government to Westminster, what were the prospects that there will be central pressure to amend the City Region deal struck at the beginning of the year? Will we see a directly elected Mayor on the horizon again?

Councillor Leigh Bramall, Cabinet Member for Business, Skills and Development, responded that a number of deals had been agreed with the Government in terms of devolution. The Council would expect the City Deal to be amended if it meant the Council acquiring new powers or strengthening existing ones. The City Deal did have some good elements but the Council believed that it did not go far enough, so would like to see this extended.

The Chancellor of the Exchequer, was clearly in favour of Elected Mayors. The Council would be willing to talk to any Government on the matter if it meant the offer of new powers or funding. However, any agreement would need to be in the interests of the people of Sheffield and the Council would need to approach this in the right way.

5.4 Public Question on Dobcroft School

Suzanne Wilde asked in the light of the spend required to make Dobcroft Infant School fit for purpose to receive the 2015 bulge class of non-catchment children, as outlined in appendix 8.1 of today's budget monitoring report, what reassurance can you give us that the Council will follow an impartial strategy for any future school

place plans using your published selection criteria, rather than seeking to maximise your return on the Dobcroft bulge investment to the detriment of South West Children?

Councillor Jackie Drayton, Cabinet Member for Children, Young People and Families, stated that the second to last sentence in the second paragraph in Appendix 8.1 in the section on Dobcroft Infant School was factually incorrect and that she had requested that this be removed. The temporary expansion would involve one class progressing all the way through the school and would be a positive addition for the school going forward.

The proposal to permanently expand Dobcroft had been paused and was currently out to consultation and there was a variety of ways in which people could be involved such as an online survey or workshops. The final proposal would be submitted to a future Cabinet meeting for consideration.

(Note. Adam Butcher submitted two questions prior to the meeting. As he had been unable to attend the meeting it was agreed that a written response would be provided to his questions).

6. ITEMS CALLED-IN FOR SCRUTINY

- 6.1 It was noted that there had been no items called-in for Scrutiny since the last meeting of the Cabinet.

7. RETIREMENT OF STAFF

- 7.1 The Director of Legal and Governance submitted a report on Council staff retirements.

RESOLVED: That this Cabinet :-

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

<u>Name</u>	<u>Post</u>	<u>Years' Service</u>
<u>Children, Young People and Families</u>		
Sharon Abbey	Clerical Officer, Waterthorpe Infant School	29
Elaine Faulkner	Personal Assistant	30
Karen Franklin	Service Support Officer	21
Susan Haighton	Teacher, Beck Primary School	32
Linda Hambleton	Bursar, Bents Green Secondary School	30

Sandra Hawley	Supervisory Assistant, Limpsfield Junior School	31
Sue Hopkinson	Headteacher, Dore Primary School	26
Ann Hoyland	Assistant Headteacher, Stocksbridge High School	37
Janet Lee	Teacher, Beck Primary School	33
Susan Massey	Team Manager	29
Sandra Pickergill	Community Youth Team Worker	26
Pauline Smith	Supervisory Assistant, Limpsfield Junior School	20

Communities

Kay Bilsborough	Support Manager	30
Sandra Turner	Support Manager	21
Hazel Wilson	Housing Officer	25
Ann Wright	Support Manager	26
Lorraine Zealand	Housing Officer	24

Place

Stephen Pickering	Gardener	37
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Resources

Andrew Chappell	Markets Manager	40
Graham Rogers	Senior Clerk of Works	50

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

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

8. INTEGRATED COMMISSIONING OF HEALTH AND CARE

8.1 The Executive Director, Communities submitted a report in relation to the integrated commissioning of health and care.

8.2 **RESOLVED:** That Cabinet supports the increased joining up of the work of the Clinical Commissioning Group and Sheffield City Council, as set out in the report now submitted, so that our pooled health and care budgets can be used to commission better, more joined-up health and care services that help more people stay independent, safe and well.

8.3 **Reasons for Decision**

8.3.1 Increased pooling of budgets and aligned incentives between health and care services should enable:

- The development of more joined-up health and care services – Sheffield people do not want to be passed from ‘pillar to post’.
- Frontline staff and managers in health and care services to spend less time on managing the system and more time on supporting Sheffield people to improve their health and wellbeing.
- Increased investment in preventative services – helping more people in Sheffield stay independent, safe and well.
- Improved medium-term planning for the health and care system as a whole – helping Sheffield cope with increased demand for health services and reduced levels of Local Government funding.

8.3.2 Achieving these benefits will require us to enter into a closer, strategic partnership with Sheffield Clinical Commissioning Group. The terms of this partnership are as set out in the Section 75 Agreement.

8.3.3 The Section 75 Agreement is designed to allow us increase the depth of our partnership and the level of risk-sharing with Sheffield Clinical Commissioning Group incrementally. Proposals for further joint ventures will however be taken forward within the Council’s decision-making processes.

8.4 **Alternatives Considered and Rejected**

8.4.1 There were no alternative options presented in the report.

9. **A SECOND UNIVERSITY TECHNICAL COLLEGE SERVING SHEFFIELD CITY REGION**

9.1 The Executive Director, Children, Young People and Families submitted a report in relation to proposals for a second University Technical College (UTC) serving Sheffield City Region.

9.2 **RESOLVED:** That Cabinet:-

- (a) agrees that the implementation of the proposals contained in this report are likely to promote and improve the economic and social

well-being of Sheffield;

- (b) approves the selection of an elected member and a senior officer to represent the interests of the City Council on the governing body of the UTC;
- (c) delegates authority to the Executive Director, Children, Young People and Families, in consultation with the Director of Capital and Major Projects and with the relevant Cabinet Members, to agree the steps that need to be taken to further the project and protect the Council's interests;
- (d) delegates authority to the Director of Capital and Major Projects, in consultation with the Executive Director, Children, Young People and Families, to instruct the Director of Legal and Governance to negotiate and agree the detailed terms of the lease to the UTC and instruct the Director of Legal and Governance to grant a lease of the site on the agreed terms, and that this will be shared with the relevant Cabinet Member;
- (e) delegates authority to the Director of Capital and Major Projects, in consultation with the Executive Director, Children, Young People and Families, to instruct the Director of Legal and Governance to take all necessary steps and enter into such documentation as is required to further the project, and that this will be shared with the relevant Cabinet Member; and
- (f) notes the current position on the development of the Olympic Legacy Park and the potential capital commitment from the Council.

9.3 Reasons for Decision

- 9.3.1 The recommendations will enable the Sheffield College, as the sponsor, to move to the position of securing the UTC 2 funding agreement and thereby the procurement of the new building.
- 9.3.2 UTC 2 will help young people to exploit new opportunities in key sectors of the local economy and help employers to secure the better skilled recruits that they will need for growth in a global economy.

9.4 Alternatives Considered and Rejected

- 9.4.1 UTC 2 to proceed without LA support – UTC 2 is widely seen as having the potential to make an important contribution to the city's economic growth and is supported by key local employers accordingly. This is a key objective for the Local Authority and merits the active engagement and support of the City Council.
- 9.4.2 Sheffield City Council to deliver the programme – a local authority is not allowed by DfE regulations to lead on the establishment of a UTC Trust. However, the City Council was instrumental in creating the conditions and partnerships that has allowed the Sheffield College to make an application and it is proposed in this Cabinet paper that the City Council maintains its influence and support by making

an appointment to the UTC 2 Trust as a Governor.

10. ECONOMIC AND ENVIRONMENTAL WELLBEING SCRUTINY AND POLICY DEVELOPMENT COMMITTEE REPORT: PRIVATE SECTOR HOUSE BUILDING

10.1 The Director of Policy, Performance and Communications, submitted a report presenting the Environmental and Economic Wellbeing Scrutiny and Policy Development Committee's Task Group report outlining the work it undertook on private sector house building in the City.

10.2 **RESOLVED:** That Cabinet:-

- (a) thanks the Economic and Environmental Wellbeing Scrutiny and Policy Development Committee for its work on Private Sector House Building;
- (b) notes the Private Sector House Building Report that is attached as Appendix A to the report;
- (c) agrees that a joint response from the Cabinet Member for Housing and the Cabinet Member for Finance and Resources is provided to a meeting of this Committee as soon as practicably possible after the Summer; and
- (d) agrees that a further report to the Economic and Environmental Wellbeing Scrutiny and Policy Development Committee on progress on implementing the recommendations be provided to the Committee by the end of 2015.

10.3 **Reasons for Decision**

10.3.1 In order to make it clear to the Scrutiny Committee what actions the Council is committing to, the Committee requests a joint response to its Private Sector House Building report.

10.3.2 To enable the Committee to scrutinise progress made in implementing the recommendations, the Committee requests a further report back on implementation.

10.4 **Alternatives Considered and Rejected**

10.4.1 An alternative option in relation to the recommendations would be to do nothing with the Task Group Report. However, given the time and effort spent by the Task Group and contributions to the work from external organisations, this is not deemed a viable option.

10.4.2 An alternative option in relation to the recommendations would be to respond to the Committee's report over a much longer timescale. However, the Scrutiny Committee wishes to see a fast response to its recommendations. The Committee believes a report to its July meeting strikes an appropriate balance between speed and allowing sufficient time for Cabinet Members and officers to consider

the recommendations in the Private Sector House Building report.

11. REVENUE AND CAPITAL YEAR END POSITION 2014/15

- 11.1 The Interim Executive Director, Resources submitted a report providing the Outturn monitoring statement on the City Council's Revenue and Capital Budget for 2014/15.
- 11.2 Councillor Jackie Drayton, Cabinet Member for Children, Young People and Families, commented that the second paragraph in relation to the section on Dobcroft Infants – 1 Year Expansion in Appendix 8.1 of the report was incorrect and should be removed.
- 11.3 Councillor Isobel Bowler, Cabinet Member for Neighbourhoods, requested that the title of the M1 Gateway section in Appendix 8.1 of the report be amended to 'Tinsley Art Project'.
- 11.4 **RESOLVED:** That Cabinet, subject to the above amendments:-
- (a) notes the updated information and management actions provided by the report on the 2014/15 Revenue Budget Outturn;
 - (b) approves requests in respect of Access to Grants and Portfolio Carry Forwards as shown in Appendix 1.1 and Appendix 1.2 respectively;
 - (c) approves £600k of the 2014/15 underspend to be carried forward into 2015/16 in order to be used on a number of priority projects and notes that the Leader will decide specifically how the amount carried forward will be allocated, in consultation with Cabinet colleagues;
 - (d) approves the project to replace the Finance and eProcurement System, as detailed in Appendix 7 of the report;
 - (e) in relation to the Capital Programme:-
 - (i) approves the proposed additions to the Capital Programme listed in Appendix 8.1 of the report with the exception of the Public Art allocation of the Grey to Green scheme which is not approved, including the procurement strategies and delegations of authority to the Director of Commercial Services or nominated Officer, as appropriate, to award the necessary contracts following stage approval by Capital Programme Group;
 - (ii) requests a report back to a future meeting on the Public Art allocation of the Grey to Green scheme;
 - (iii) approves the proposed variations and slippage as detailed in Appendix 8.1 of the report;

- (iv) delegates authority to the Director of Finance and the Director of Legal and Governance to finalise, and, if satisfactory, accept, the conditions of the grant listed in Appendix 8.2 of the report;
- (v) delegates authority to the Director of Finance, in consultation with the Cabinet Member for Finance and Resources, to finalise the approved budget amounts to be slipped forward into 2015/16;
- (vi) notes the outturn position on the Capital Programme; and
- (vii) notes the emergency approvals taken under delegated authority, as set out in Appendix 8 of the report

11.5 Reasons for Decision

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

11.6 Alternatives Considered and Rejected

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

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SHEFFIELD CITY COUNCIL Cabinet

Report of: Economic and Environmental Wellbeing Scrutiny and Policy Development Committee

Date: 22nd July 2015

Subject: Call-In of decision by Cabinet acting as Trustee of the Graves Park Charity

Author of Report: Matthew Borland, Scrutiny Policy Officer
matthew.borland@Sheffield.gov.uk
0114 27 35065

Summary

This paper reports the outcome of the Scrutiny Committee meeting held on the 24th June 2015 where a Call-In on the decision of Cabinet acting as Trustee of the Graves Park Charity on 'The Graves Park Charitable Trust: Cobnar Cottage' was considered.

Recommendations:

That Cabinet:

- a) notes the decision of the Economic and Environmental Wellbeing Scrutiny Committee.

Background Papers:

Report to Cabinet, Wednesday 18th March 2015:

See Item 9 on this webpage:

<http://sheffielddemocracy.moderngov.co.uk/ieListDocuments.aspx?CId=123&MId=5578&Ver=4>

Category of Report: OPEN

Called-In Decision – Outcome of Scrutiny Committee Meeting

1. Cabinet Decision

- 1.1. The Executive Director, Communities submitted a report to Cabinet acting as Trustee of the Graves Park Charity in relation to 'The Graves Park Charitable Trust: Cobnar Cottage'.
- 1.2. At its meeting on 18th March 2015 Cabinet acting as Trustee of the Graves Park Charity resolved:
 - (a) notes the objections received, but for the reasons set out in this report, delegates authority to the Director of Legal and Governance to make an application to the Charity Commission for a scheme to give the Trustee the power to dispose of the freehold interest in Cobnar Cottage and to invest the capital receipt in improving the facilities in Graves Park, rather than holding it as a permanent endowment and just applying the income to the charitable objects; and
 - (b) if an appropriate scheme is made by the Charity Commission following the application, confirms its authority to proceed with the disposal in accordance with the recommendations approved following the report to Cabinet on July 17 2013.

2. Scrutiny

- 2.1. As per Part 4, section 16 of Sheffield City Council's Constitution, this decision was called in. The Economic and Environmental Wellbeing Scrutiny Committee considered this Call In at its meeting on 24th June 2015. The Committee heard from the relevant Cabinet Member, Council Officer and Councillors on the Committee.
- 2.2. The Scrutiny Committee:
 - (a) notes the contents of the report together with the comments made and the responses provided;
 - (b) notes the decision of the Cabinet, made on 18th 2015, to delegate authority to the Director of Legal and Governance to make an application to the Charity Commission for a scheme to give the Trustee the power to dispose of the freehold interest in Cobnar Cottage and to invest the capital receipt in improving the facilities in Graves Park; and
 - (c) recommends that no action be taken in relation to the call-in decision.

3. Recommendations:

That Cabinet:

- a) notes the decision of the Economic and Environmental Wellbeing Scrutiny Committee.



SHEFFIELD CITY COUNCIL Cabinet Report

Report of: Chief Executive

Date: 22 July 2015

Subject: Staff Retirements

Author of Report: Simon Hughes, Democratic Services

Summary: To report the retirement of staff across the Council's various Portfolios

Recommendations:

Cabinet is recommended to:-

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

Background Papers: None

Category of Report: OPEN

RETIREMENT OF STAFF

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

<u>Name</u>	<u>Post</u>	<u>Years' Service</u>
<u>Children, Young People and Families</u>		
Carolyn Allcroft	Supervising Social Worker	35
John Brabban	Teacher, Bents Green School	37
Barbara Chambers	Play Leader, Rivelin Primary School	23
Peter Delamere	Teacher, St Marie's School	32
Jane Ellaby	Teacher, Carfield Primary School	28
Gillian Fisher	Higher Level Teaching Assistant, Woodseats Primary School	27
Elizabeth Foster	Teacher, Hinde House School	37
Marilyn Hatch	Cleaner In Charge, Rainbow Forge Primary School	26
Rukhsana Jamil	Teacher, Carfield Primary School	28
Susan Jones	Teaching Assistant Level 3, Tinsley Meadows Primary School	23
Sandra Lauder	Curriculum Specialist, Woodthorpe Community Primary School	21
Patricia Mellor	Deputy Headteacher, Hinde House School	22
Patrick Nelis	Headteacher, St Theresa's Catholic Academy	36
Andrea Peckett	Business Support Manager	27
Susan Storey	Teacher, Lydgate Junior School	37
<u>Communities</u>		
Ann Bradbury	Housing Officer	25

<u>Name</u>	<u>Post</u>	<u>Years' Service</u>
David Jacobs	Housing Co-ordinator	25
<u>Place</u>		
Colin Barnes	Project Officer, Regeneration and Development Services,	37
<u>Resources</u>		
Raymond Wright	Senior Finance Manager	39

2. To recommend that Cabinet:-

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

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**SHEFFIELD CITY COUNCIL****Cabinet Report**

Report of: Jayne Ludlam

Report to: Cabinet

Date: 22nd July 2015

Subject: School Places in Sheffield

Author of Report: Alena Prentice (2053418)

Key Decision: Yes

Reason Key Decision: Affects two or more wards

Summary: The report describes the need for new primary and secondary school places between now and the end of the decade and outlines a programme for providing them. This includes two major projects, one in the southwest and one in the northeast.

Reasons for Recommendations:

The outline school places programme set out in this report is recommended to Cabinet on the basis that it will deliver a coherent and ambitious vision for secondary and primary school places in the areas of the city where population growth requires additional school capacity to be provided. It is a programme which recognises the aspirations of families to have access to high quality education for their children within their local area and provides a pattern for investment that will achieve the best possible outcomes whilst achieving best value for the Council's resources.

The scale of the extra school capacity needed over forthcoming years in the secondary sector requires an innovative and forward-thinking response from the city. The recommendation is to endorse a strategic vision of commissioning two new outstanding secondary schools backed with investment in the provision of high quality buildings, which could involve partnership from the sector and other key city-partners.

Recommendations:

Cabinet is recommended to:

- (i) Endorse the outline programme for the provision of primary and secondary places in the North East and South West of the city as set out in this report;
 - (ii) Agree that consultation should be undertaken on the proposals set out in Section 6 above; and,
 - (iii) Receive a further report in November 2015 detailing the outcomes of that consultation and setting out the proposals in full detail for a final decision.
-

Background Papers:

Category of Report: OPEN

Statutory and Council Policy Checklist

Financial Implications
YES Cleared by: Paul Schofield
Legal Implications
YES Cleared by: Nadine Wynter
Equality of Opportunity Implications
NO Cleared by:
Tackling Health Inequalities Implications
NO Cleared by:
Human Rights Implications
NO Cleared by:
Environmental and Sustainability implications
NO Cleared by:
Economic Impact
NO Cleared by:
Community Safety Implications
NO Cleared by:
Human Resources Implications
NO Cleared by:
Property Implications
YES Cleared by: Dave Wood
Area(s) Affected
All
Relevant Cabinet Portfolio Lead
Cllr Jackie Drayton
Relevant Scrutiny Committee
Children & Young People
Is the item a matter which is reserved for approval by the City Council?
NO
Press Release
Yes

REPORT TO THE CABINET

SCHOOL PLACES IN SHEFFIELD

1.0 SUMMARY

- 1.1 The report describes the need for new primary and secondary school places between now and the end of the decade and outlines a programme for providing them. This includes two major projects, one in the southwest and one in the northeast.

2.0 WHAT DOES THIS MEAN FOR SHEFFIELD PEOPLE

- 2.1 Ensuring that there are enough school for every school-age child is a fundamental responsibility of local government and is essential to the Sheffield City Council's focus on enabling children to have a great start in life, achieve their full potential, and contribute to the success of the city. At the heart of the vision for increasing school places in Sheffield is the Council's role in guaranteeing excellent education outcomes and equitable access for all.

3.0 OUTCOME AND SUSTAINABILITY

- 3.1 The outcome would be a programme to ensure there are enough primary and secondary school places to meet population demand in 2016 and beyond. This includes an assessment of whether the solutions are sustainable in the long-term.

4.0 CONTEXT

- 4.1 Since the recent low point in 2002, births in Sheffield have risen by up to 25%. This has already resulted in over 1,000 more children coming into Sheffield primary schools each year. The Council has worked hard in partnership with schools to meet this extra demand and has managed to retain a very high proportion of families who are offered a place at one of their preferred schools (97% in 2015).
- 4.2 This has only been possible through a programme that has added over 4,500 primary school places, including expansions and new schools. Looking ahead the challenge of providing more primary school places will remain because the primary school system overall has fewer surplus places and small changes in local populations can and will require action to increase capacity. The most significant challenge for the remainder of the decade is to see the growth through into secondary schools (see appendix 1).

5.0 THE STRATEGY & PROGRAMME 2016-2020

- 5.1 The vision is for all Sheffield families to have access to great, inclusive schools in every area of the city. This means schools working in partnership to ensure each child reaches their potential, equal access for

the most vulnerable children, schools at the heart of their communities, and getting the best value from all funding opportunities.

5.2 This must be delivered through each and every project brought forward under this programme. It will be embedded in consultation and decision making through the use of five criteria against which to judge all options to meet a need for more school places in any area:

- Children's outcomes: the impact on the standard of education that would be provided in the area
- Equality: whether this option would ensure that the needs of all children are met, in particular the needs of more vulnerable children and families
- Need for places: whether the option best meets a need for additional places in the area, the impact on neighbouring schools, and the impact on families of not getting a local place
- Buildings, sites and cost: whether the option is practically possible and represents a value-for-money use of public funds
- Community: the impact on the wider community and local residents, including traffic and environmental issues

5.3 In developing a programme for school places it is important to engage through the formative stage with partners, local members and stakeholders, in particular the City-Wide Learning Body and its partnership groups of headteachers and governors, but also with parents and carers and local communities. The criteria set out above have guided those discussions and helped to ensure that there was sufficient breadth to the appraisal of options.

5.4 It is also important to consider the long-term outlook. The current projection for Sheffield is for births to stabilise at or around the current level, meaning ongoing pressure on school places. The cyclical nature of the number of births since 1945 shows a change from growth to decline or vice versa around every 10-11 years. On that basis the low point in 2001, could mean that the recent peak in 2012 is to be followed by a trend of declining births, although the 2013 and 2014 numbers show only limited falls. In meeting this ever-changing need the strategy at primary level is to meet local need wherever necessary through limited, yet positive change proposals that could withstand long-term change. In secondary schools the programme outlined in this report is a considered and sustainable answer to needs into the next decade. The current expected high point in Year 7 numbers comes after that period in 2022/23. Planning for that current peak needs to be considered as part of a second phase in the light of further projections that will show clearly whether this is a short-term peak or a continuation of growth.

Primary Strategy

5.5 The school at the heart of its community is an important first principle in developing primary school places. Easy travel to school for children of

primary age is highly important to parents and there is a strong expectation that they will be able to gain a place for their child at a good local school in the community which they live. This principle is embedded in the Council's catchment-based admissions policy. In practice, therefore, the focus of the strategy has been on providing sufficient places in areas where there is population growth.

- 5.6 The two focuses of the programme outlined in this report are the South West and North East of the city. These are the areas which have seen the greatest levels of demographic growth and change and where the number of places is insufficient to ensure that all children can get a local school place. Work is also taking place to consider the options for more primary places in the Netherthorpe/Crookesmoor area from 2017 onwards and this will be subject to period of exploration to consider the options for adding places in this area. Smaller scale changes will continue to be needed in other localities and an annual monitoring exercise will continue to drive the programme over the next period.
- 5.7 The North East area has seen sustained population growth over the last decade. The Council has responded by expanding a number of the local primary schools, including Pye Bank CE NIJ, St Catherine's RC NIJ, Owler Brook NIJ and Whiteways NIJ. It has also commissioned two new primary schools, Oasis Fir Vale and Oasis Watermead, which opened in September 2014. Whilst this added capacity has largely accommodated the number of families that apply for Reception places, it has been insufficient for a mobile population with families that need to access places for their children mid-year. Typically, those children have had the disadvantage of being referred to places in neighbouring areas which has increased the difficulty for families in getting their children to school and has also resulted in some siblings being offered placed in different schools. The need now is for an additional 30 primary places per year in the Burngreave area to supplement those provided at the Oasis schools and to enable more families to get a place for their child in a school in their local area.
- 5.8 In the South West of the city, there is a need to respond to the overall population growth, including the recent increase in the number of families moving to live in the Ecclesall, Greystones and Millhouses areas. A permanent expansion of Greystones Primary School was implemented from September 2014 and a temporary 'bulge class' is being provided at Dobcroft Infant from September 2015. What is now needed is a permanent solution to adding 30 extra places in this area from 2016 onwards to enable all children in the area to access a local school place.
- 5.9 The Council undertook an initial consultation on a proposal to provide these places at Dobcroft Infant and Junior Schools. The feedback from this consultation was reported to Cabinet on 18 March at which it was decided to 'pause' the proposals and to consider the alternative options for providing these places. A public options appraisal has been carried out with feedback from parents and governors received through workshops and an online survey. Detailed feedback and the appraisal of

options that resulted from this process are reported in Appendix 2. Listening to the views of the wider community about how to provide these places has shaped the keystone projects listed below.

Secondary Strategy

- 5.10 In the secondary sector, the Council is embarking on a major legacy programme to ensure that the significantly larger number of children coming through the city's primary schools can be accommodated at secondary level. The scale of the change and investment needed to deliver the capacity in the secondary system will require strong buy-in from city-partners and to be founded on a strong vision of excellence that will capture the aspiration of parents.
- 5.11 In order to make sense of the very significant level of expansion required, an initial planning horizon of 2018/19 has been adopted as the basis of this programme. This is expected to be the first major peak in the city's trajectory of secondary growth followed by a period of stability with further growth from 2023 onwards. It is expected by September 2019 that an additional 15 to 19 forms of entry (15 x 30 places) will need to be added to the system just to accommodate all children transferring from primary schools into Year 7. This is the equivalent of more than two secondary schools, which are typically 6-8 forms of entry in size. In common with the primary sector, the focus is on the South West and North East of the city where there is a need to accommodate significant demographic growth.
- 5.12 The Council has undertaken a detailed investigation of the options for providing the extra secondary capacity needed city-wide. The conclusion has been that, due to physical and other constraints, it would not be feasible to do so solely by expanding existing schools. The scale of the additional capacity needed, and the fact that two areas of the city are the focal points of population growth, clearly point to the establishment of two new secondary schools to add to Oasis Don Valley already commissioned to open in September 2018.
- 5.13 The commissioning of new schools creates a generational opportunity to realise the vision of excellence and inclusion that underlines the Council's aspirations for families and children. The commissioning process now involves a competition to identify the provider that is best placed to meet the Council's vision. It is possible that this could be a proposition led by a collaboration of Sheffield schools with other city partners.
- 5.14 The capacity provided by these two newly commissioned schools will need to be supplemented by expansions of individual schools in order to ensure that sufficient places are provided to meet need, both for 2018/19 and beyond. Where already identified, these are outlined in the proposed programme below, although further work is needed to fully appraise all the options so as to set out specific plans for consultation. In addition to investigating the feasibility of expansion at individual schools, a possible option will be to consider commissioning Key Stage 3 places, possibly city-centre based, feeding directly to the two University Technology

Colleges.

6.0 KEYSTONE PROJECTS

- 6.1 **A new secondary school in the northeast:** the vision is to establish an outstanding new 750-place (5FE) secondary school to open in 2018 to serve the Burngreave and Fir Vale area. Consideration is being given to options for locating the new school in the Burngreave area including consideration of options for incorporating the former Pye Bank School building in the Woodside area. The new secondary school will link to the creation of additional primary provision of 210 places, either through expansion of a local school, a new primary school, or a primary phase to join the new secondary provision.
- 6.2 It is expected that 60 additional Y7 places will be needed in 2017 prior to the opening of the new northeast school to meet the needs of the growing population. This will be met flexibly by the four schools that serve the area – Hinde House, Firth Park, Parkwood and Fir Vale – being prepared to accommodate additional numbers of students as required for that year.
- 6.3 **A masterplan for the southwest:** the vision is to create an outstanding new 1200 place (8FE) secondary school to open in 2018 in the heart of the southwest area. Consideration is being given to the best possible location for the new school including options around the Holt House area. The new secondary school could therefore have links to a new/rebuilt Holt House/Carterknowle Primary school, enabling an expansion of primary places in the Ecclesall schools (see below).
- 6.4 Further additional secondary capacity is proposed through the expansion of Silverdale Secondary school by 60 places (2FE) from 2017. Taken together with the new school, this plan would provide sufficient places secondary places for the South West of Sheffield into the next decade.
- 6.5 It is expected that 90 additional Y7 places will be needed in 2016 and 2017 in order to accommodate children transferring from primary schools in advance of the new school opening. This will be met in part by temporary places at Silverdale in advance of their permanent expansion and by offering additional places at Newfield, which is linked to King Ecgbert through the Mercia Academy Trust.
- 6.6 The primary element of the masterplan consists of three linked proposals which taken together will provide the additional places at Ecclesall in line with the consultation response whilst also providing investment in infrastructure to meet the aspirations of parents and improve outcomes:
- 6.7 The **permanent expansion of Ecclesall Infant school** from 60 to 90 places per year. In conjunction with the proposals below, the 30 additional children will be enabled to transfer to Ecclesall Junior School.
- 6.8 Creating junior places for the children who attend Clifford Infant by

changing the age range at Clifford Infant to become a through primary school. This would allow the 30 children per year at Clifford Infant who currently feed to Ecclesall Junior School to complete their primary education within one setting. It would also free up 30 places at Ecclesall Junior school for the 30 additional children at Ecclesall Infant to transfer to.

- 6.9 The **merger of Holt House Infant and Carterknowle Junior schools** in new/rebuilt buildings on a single site. The merger of the two schools would provide the structure, leadership and investment to enable an improvement in outcomes for children in this catchment. It will also release the Carterknowle Junior building and site for possible re-use by Clifford as a through primary school.

7.0 COMMUNICATION AND ENGAGEMENT

- 7.1 Although much of this outline programme has been formed through engagement with schools, governors, parents and other city-partners, it is the Council's intention to engage fully on the detail of each proposal and its implications for relevant stakeholders prior to proceeding.

- 7.2 A full consultation on each of the proposals named in the programme above will be undertaken in the Autumn Term with the schools communities affected. This will allow for a full communication and engagement exercise to take place about the new school proposals, enabling local parents and other stakeholders to give their views. It will also allow time for the detail of the proposals, including the site options, to be fully developed and the necessary engagement with stakeholders undertaken. A report on the outcomes will be presented to Cabinet before Christmas and a final decision on a fully-developed programme.

8.0 LEGAL IMPLICATIONS

- 8.1 Local Authorities have a duty under section 14 of the Education Act 1996 to secure sufficient schools are available for their area. Proposals to reorganise maintained school provision to meet this requirement, such as expansion and changes to age range, are governed by the procedures set out in the Education and Inspections Act 2006, the School Organisation (Prescribed Alterations to Maintained Schools) (England) Regulations 2013 ("Prescribed Alterations Regulations"), and the School Organisation (Establishment and Discontinuance of Schools) Regulations 2013 ("Establishment and Discontinuance Regulations") and relevant statutory guidance. In the case of existing Academies, any changes would be negotiated directly between the Academy and the Education Funding Agency.
- 8.2 In terms of new schools, under the Education and Inspections Act 2006 as amended by the Education Act 2011, if the Council thinks that a new school needs to be established it must first seek proposals for the establishment of an Academy. The Council would evaluate the proposals and it would then be for the Secretary of State to determine which, if any,

proposals they determine should be implemented by way of entering in to Academy arrangements.

- 8.3 All the proposals outlined would therefore be subject to consultation and would follow the relevant statutory process referenced above. This will mean the publication of statutory proposals relating to the primary changes as part of the autumn consultation process.

9.0 FINANCIAL IMPLICATIONS

- 9.1 The Council receives an annual capital allocation from central government to provide school places known as 'Basic Need'. Sheffield was allocated £17.2m for 15/16, £21.4m for 16/17, and £15.7m in 17/18 to meet these predicted deficits. From these allocations, £34.1m has already been committed to approved projects to create additional school places in the city.
- 9.2 The total estimated cost of the proposals outlined is around £50m. Were the proposals to be put forward as stated above, following the consultation process, some £44m of expansion and maintenance grant allocations would be required in addition to the published Basic Need allocations running to the end of 2017/18. This additional resource would be sought from future basic need allocations (and is in line with the average allocations over the past three years). It could also be supplemented by alternative funding sources e.g. funding bid opportunities, or targeting savings within these schemes. The Community Infrastructure Levy is another possibility but any CIL revenues may be committed to other projects until 2018/19.
- 9.3 The Government has pledged an increase in the funding targeted at school places nationally from £5bn to £7bn over the course of the current parliament. With funding matched to need and Sheffield continuing to show pressure on places, the current anticipation is that future allocations of basic need funding would be sufficient to cover the requirements outlined above. Because of that pressure, other projects to add school places are likely. It remains sensible therefore to seek all funding opportunities to support these and future projects.
- 9.4 In prior years the Council has balanced the funding demands of the programme by combining the maintenance and expansion grants to use this to best effect.
- 9.5 Further feasibility work to better understand costs and implications would be undertaken as part of the next phase, prior to any final decision.
- 9.6 The construction of new schools may require the acquisition of new land or reallocation of existing (surplus) Council land for use in education. This has implications for the funding of the capital programme either because of the cost of the land purchase or the loss of capital receipts from sites earmarked for disposal. The property implications are discussed below in section 10. The costs of land acquisition are not included in the figures in 9.2. The full impact of this will be reported to Cabinet in future reports

seeking capital expenditure authorisation once the outcome of the consultation exercise is known.

10.0 PROPERTY IMPLICATIONS

- 10.1 Clearly with the two new schools proposed there would be significant property implications. Part of the purpose of the next phase of consultation would be to work through the options for the sites and fully understand the implications for the Council, schools, families, and the local community prior to any decision.

11.0 ALTERNATIVE OPTIONS CONSIDERED

- 11.1 The outline programme described in this report has been subject to considerable amounts of formative discussion with schools, parents and other stakeholders. The criteria set out in 5.2 above have been used as a means of structuring an evaluation as well as an understanding of the technical feasibility and estimated costs. Where new secondary schools have been proposed, the alternative option of expanding existing schools has been fully considered in every aspect and deemed insufficient, unfeasible or educationally unviable to provide the capacity increase needed across the secondary sector in the programme up to 2020.
- 11.2 The alternative options to Dobcroft for the delivery of primary places in the South West have been fully scrutinised through a public options appraisal and evaluation process, based once again on the criteria in 5.2. This concluded a preference for the increase in places to be delivered in the Ecclesall catchment linked to the provision of junior places for pupils at Clifford Infant. The detailed options for the provision of primary places in the North East area linked to the proposed new secondary school remain to be fully evaluated.
- 11.3 The option of doing nothing or delaying delivery of the provision proposed is not feasible. It poses significant risks to the Council in not providing sufficient statutory school places and to parents in not being able to secure a school place for their child.

12.0 REASONS FOR RECOMMENDATIONS

- 12.1 The outline school places programme set out in this report is recommended to Cabinet on the basis that it will deliver a coherent and ambitious vision for secondary and primary school places in the areas of the city where population growth requires additional school capacity to be provided. It is a programme which recognises the aspirations of families to have access to high quality education for their children within their local area and provides a pattern for investment that will achieve the best possible outcomes whilst achieving best value for the Council's resources.
- 12.2 The scale of the extra school capacity needed over forthcoming years in the secondary sector requires an innovative and forward-thinking response from the city. The recommendation is to endorse a strategic

vision of commissioning two new outstanding secondary schools backed with investment in the provision of high quality buildings, which could involve partnership from the sector and other key city-partners.

13.0 RECOMMENDATIONS

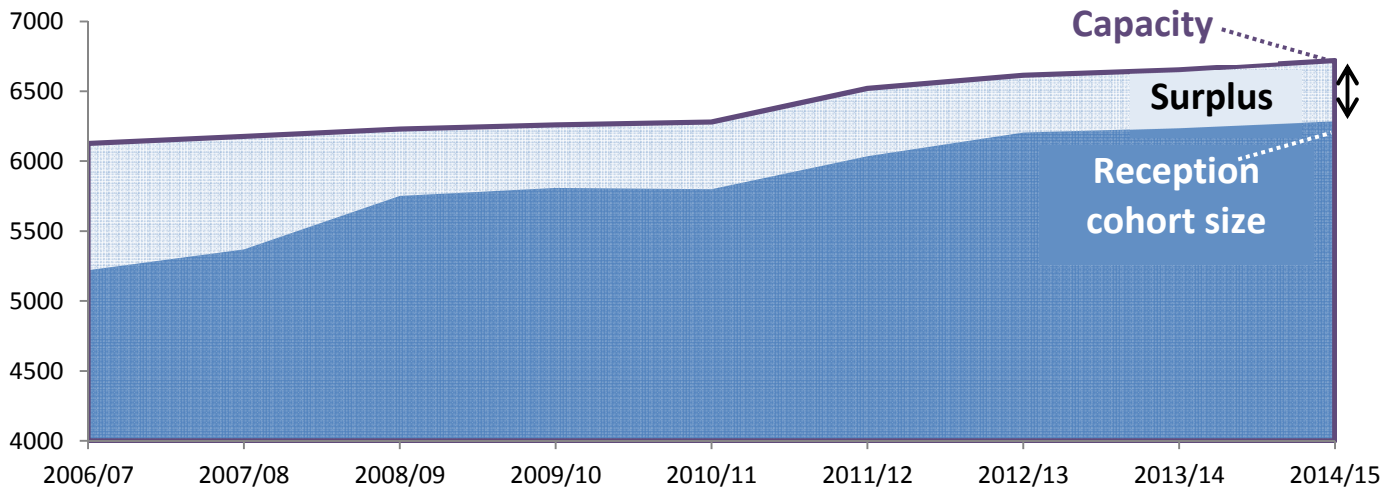
13.1 Cabinet is recommended to:

- (i) Endorse the outline programme for the provision of primary and secondary places in the North East and South West of the city as set out in this report;
- (ii) Agree that consultation should be undertaken on the proposals set out in Section 6 above; and,
- (iii) Receive a further report in November 2015 detailing the outcomes of that consultation and setting out the proposals in full detail for a final decision.

Alena Prentice
Head of Access & Pupil Services
July 2015

APPENDIX 1: How have we managed growth so far in primary schools and how might this look as it comes through into secondary schools?

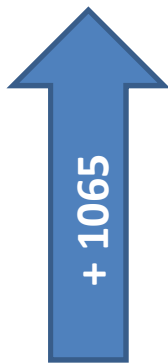
More Reception pupils than at any time in the last decade



In a tighter system, we've added extra places to keep pace

Reception cohort size

6285 (14/15)



5220 (06/07)



**Surplus
434 (14/15)**



907 (06/07)



Reception places available

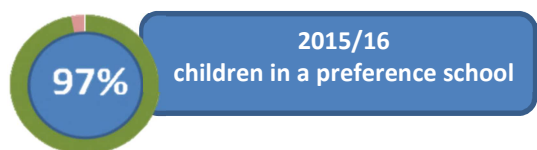
6719 (14/15)



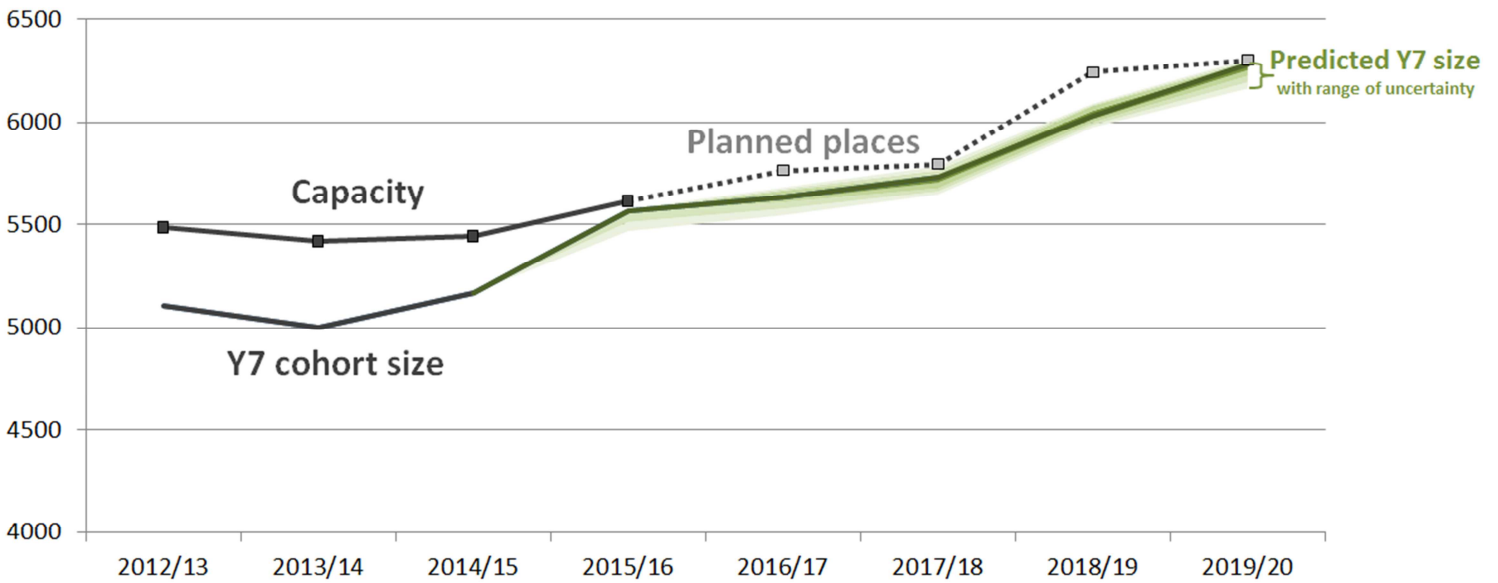
6127 (06/07)



Sheffield families still getting places at schools they want



More children starting secondary school



We're planning places to keep pace with growth

Estimated Y7 cohort size

6284 (19/20)

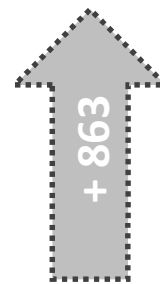


5166 (14/15)



Y7 planned places

6305 (19/20)

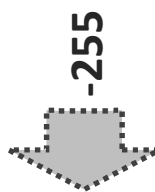


5442 (14/15)



Surplus

21 (19/20)



276 (14/15)



Extra capacity needed to ensure places for Sheffield families



APPENDIX 2

**Primary School Places in
Southwest Sheffield**

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Options summary

BACKGROUND & PURPOSE

Local population growth has meant a predicted shortfall in primary school places in the Southwest of the city. The options described in this paper are alternative ways to provide additions of 30 places per year from September 2016 or beyond. This summary follows a period of exploration that incorporated workshops, an online survey, and feasibility work during April and May 2015.

Each option is to be judged against the five criteria set out during the exploration process as follows:

- **Children's outcomes:** the impact on the standard of education that would be provided in the area
- **Equality:** whether this option would ensure that the needs of all children are met, in particular the needs of more vulnerable children and families
- **Need for places:** whether the option meets a need for additional places in the area, the impact on neighbouring schools, and the impact on families of not getting a local place
- **Buildings, sites and cost:** whether the option is practically possible and represents a value-for-money use of public funds
- **Community:** the impact on the wider community and local residents, including traffic and environmental issues

Each option is described with the key outcomes of this period of exploration and a summary. It is intended to aid the process of appraising and developing options to take to the next stage. Cost estimates are based on high level costs per m² taking into account other known factors. Based on recent projects, final designs may well alter these costs, but the use for comparison remains valid.

DOBCROFT INFANT & JUNIOR

Description: 1 extra class per year at Dobcroft Infants & Juniors

Workshop and online survey results

CHILDREN'S OUTCOMES	EQUALITY	NEED FOR PLACES	BUILDINGS, SITES, & COSTS	COMMUNITY
<p>The most repeated point was that 4 classes per year is too big. People felt it would make the school impersonal and space both inside and outside would be compromised, leading to a negative impact on outcomes.</p> <p>Some responses mentioned a possible impact on children's emotional needs with having 120 children in a year group.</p> <p>Some people felt that resources would be stretched as a result of expansion.</p> <p>There were some who thought that an expansion would not have a detrimental impact on outcomes.</p>	<p>Those that commented often felt a larger school could negatively affect children with special educational needs, emotionally, in terms of progress, and in the amount of support received.</p> <p>Some people commented in terms of access to local places and felt expansion at Dobcroft would not support equal access as demand from catchment could usually be accommodated.</p>	<p>Many responses felt the need for places at Dobcroft had not been demonstrated and that places at Ecclesall would meet the demand better. This was mainly based on the 2015 intake.</p> <p>Some responses mentioned a potential negative knock on effect for Nether Edge Primary as they might lose pupils.</p>	<p>Many responses were not convinced that the site or existing buildings are suitable for expansion. Concerns mentioned aspects such as loss of playspace, insufficient space in communal areas, 'shabby' or temporary existing buildings, and the current open plan layout.</p> <p>Some people thought a new school would represent better value for money.</p>	<p>The majority of responses raised concerns around traffic and parking. Issues highlighted included safety, quality of life for local residents, air quality, and access for emergency services.</p> <p>Some felt there could be a loss of the sense of a 'community school' if additional children came from out of catchment.</p>

Feasibility

Issues: This option is deemed feasible on the existing sites based on indicative space needs. Further consultation with school leadership would be required to work up a fully designed scheme with a suggestion from the school that design work at the infants focus on extension to the rear of the building.

Programme: The work could be undertaken to provide additional space for the infant school by September 2016. It would be packaged as a single project to include all work across both schools. The junior school would be expected to complete by December 2016.

Cost estimate: £2,000,000

Dependencies & risks

This would be a standalone proposal with no dependencies. Traffic levels and mitigation would need to be addressed through a planning permission process.

Summary

This would not be a popular option with many families and residents in the Dobcroft community. Responses in opposition to any proposal relate to all five criteria. Given the level of response under this option it is worth considering the criteria in turn taking into account the responses received. Expansion at Dobcroft should not of itself present a risk to the outcomes of current or future children. No hard evidence has been presented to support a claim that a 4 class per year infant or junior school would perform differently from a 3 class per year infant or junior school. The factors that affect school performance and children's outcomes are varied and the Council believes that strong leadership and high quality teaching are the most important aspects. There is no reason to believe these would be negatively affected by creating an additional class. Issues raised relating to space could be addressed through design. Many schools operate with upwards of 400 pupils under a single Headteacher and are able to offer a personal feel where staff can support each individual and pupils' emotional needs are supported well.

In relation to equality, a number of responses highlight the current above average proportion of School Action plus children at the schools. This sort of issue would need consideration with school leaders through a design process. Tailoring of this type would be normal for any building or expansion process and can often lead to better provision than the current buildings which may have been designed without factoring in these needs.

Additional places at Dobcroft would meet the needs of the wider area as evidenced by the Reception intake in 2015 where one extra Reception class supported pressure in Ecclesall, Greystones, Holt House, and Totley. As a single option it remains the only school likely to provide an outlet for pressure across the area. A number of responses consider the pressure to focus on Ecclesall rather than Dobcroft. This appears to be mainly based on the 2015 Reception intake rather than 2014, when Dobcroft catchment children were refused places. The future pressure and potential to refuse catchment applicants is expected within all those catchments, including Dobcroft, over the next 2-3 years. An expansion is practically possible and on the basis of high level estimates could be expected to prove reasonable value for money when compared to alternatives.

One of the key concerns raised throughout the process to date has been the existing traffic issues around the Dobcroft schools and the exacerbation of these were expansion to go ahead. To date no detailed work has been undertaken on mitigating this issue and there are no clear quick wins that have come out of the consultation that could form part of any proposal. This would require further work with the school governors, families and local residents to explore all options for reducing the traffic around the site at the start and end of the school day. Although this is not unique to the Dobcroft schools it is clearly an issue that would require further attention.

Overall, many of the issues and concerns raised could be mitigated through a successful design process. The traffic remains a key outstanding issue and this would require further consideration through a planning application process as well as in comparison to the alternatives since it is an issue that has been raised across every option. Vociferous opposition and lack of local support would have the potential to hinder the success of any project but cannot in themselves be reasons to rule an option out before consideration against the alternatives.

DORE PRIMARY

Description: 1 extra class per year at Dore Primary

Workshop and online survey results

CHILDREN'S OUTCOMES	EQUALITY	NEED FOR PLACES	BUILDINGS, SITES, & COSTS	COMMUNITY
<p>Responses ranged from general support often based on the recent Ofsted report ("outstanding"), to support with caveats around provision of space/resources, to concern that a bigger school would not help improve outcomes.</p> <p>There was some concern that it could cause issues at the smaller neighbours in Totley that could ultimately have a negative impact on outcomes.</p>	<p>Some responses felt there would be no issue here, others felt that local places would support equal access.</p> <p>There were some individual concerns such as the current mixed-age classes not being seen to support all children equally or the distance to some areas of pressure not being equal.</p>	<p>Views were mixed as to whether the need for places was sufficient to warrant an extra 30 places in Dore. Some people felt there was little evidence of demand, others were concerned at the potential impact on numbers at the Totley schools. There was a clear view that places at Dore would not be the answer to additional demand in the Ecclesall/Dobcroft area.</p> <p>Some felt places might be needed as a result of housing developments and some felt delaying until 2017 in this area would match the forecast demand.</p>	<p>There was a mix of responses under this criterion as well. Some people felt that the site was capable of managing additional classes and therefore expansion should be a feasible option.</p> <p>There were concerns about loss of playspace and the condition/suitability of the current buildings.</p>	<p>As with the other options in this document, traffic, parking and air quality were the most repeated concerns in relation to the impact on the community. In this option the proximity to King Ecgbert's entrance was mentioned in a number of responses as adding to the issue.</p>

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Feasibility

Issues: This option is deemed feasible on the existing site based on indicative space needs. There is potential to consider replacing current mobile classrooms with permanent building. No imminent planned maintenance items.

Programme: Completion by September 2016 is possible with initial design up to planning application undertaken at risk.

Cost estimate: £2,650,000

Dependencies & risks

This option alone would not provide an obvious solution to places needs in the inner part of the area (Dobcroft/Ecclesall/Greystones/Holt House).

Summary

One of the key issues here is around the need for places criterion. This is based mainly around three aspects: (i) the small places shortages (0 to 10 places) experienced to date, two small schools in Topley, and the relatively limited connection to other parts of the area such as Ecclesall and Dobcroft. All these issues create some concern around adding 30 places per year. An expansion at Dore remains a feasible proposal. Current forecasts indicate a further rise in pressure in 2017. Some, particularly through the workshops, have drawn the conclusion that extra places in this area are best left until the 2017 academic year as part of a second proposal to supplement an addition of places in the inner part of the area from 2016.

ECCLESALL INFANT & JUNIOR & CLIFFORD INFANT - OPTION 1

Description: 1 extra class per year at Ecclesall Infants (to 3 classes per year) and Clifford Infants adds a Junior phase to become a ‘through’ primary school (with 1 class per year)

Workshop and online survey results

CHILDREN’S OUTCOMES	EQUALITY	NEED FOR PLACES	BUILDINGS, SITES, & COSTS	COMMUNITY
<p>Most people felt this would support good outcomes for children. There were positive comments about the schools and their ability to manage the changes suggested.</p> <p>Some felt the clarity in transition from infant to junior would support learning.</p> <p>A small number of responses were concerned about Clifford being a small school, in terms of the site and the number of children.</p>	<p>There were no clear trends in views expressed under this criterion. Some felt there would simply be no issues.</p> <p>The faith aspect received some comments, both positive and negative. Some felt offering places at Ecclesall Infant was right as a community school. Some raised concerns about extra places at a faith school.</p>	<p>The vast majority of responses felt extra places at Ecclesall Infants would best meet the need. This was most frequently linked to the 2015 intake and the catchment children who were not offered a place.</p>	<p>Overall there is support for this option as offering good value for money particularly around the Ecclesall Infants site. There are some questions around Clifford and whether there is a viable option here to provide a big enough site/building.</p>	<p>Many felt there would be a positive impact on community as they believe this option most closely matches catchment demand and therefore a school serving its community.</p> <p>Some felt this could mean more people walking to school and fewer issues (compared to Dobcroft) relating to traffic and parking.</p> <p>Some responses did raise the traffic issue, noting the proximity to High Storrs.</p>

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Feasibility

Issues: The option to increase places at Ecclesall Infants is deemed feasible. Access to the site is restricted and would need careful consideration. The increase at Clifford Infant is not feasible on the existing site. An extension to the site through the purchase of neighbouring 110 Psalter Lane has been put forward by the school. This provides an estimated 1,125m² additional space, bringing the total site area up to 2,495m². With that additional space and building the feasibility suggests there is potential to accommodate the necessary internal space though with some undersized communal areas such as kitchen/dining/hall

space that would have to be managed by the school. The total site area remains considerably below (-73%) the recommended site size for a 210-place primary school of 9,366m². It is also considerably below (-52%) the guidelines size for a 'constrained site' of 5,166m². A constrained site is one where school is anticipated to have access to off-site playing fields. An alternative site, either for the Junior phase or a full Clifford Primary, has not come to light unless linked to an option that brings together Holt House/Carterknowle schools and thus frees up one of those sites, most likely Carterknowle (see cost option b below) for a Clifford Primary.

Programme: Places by September 2016 is possible with one extra Reception class created and completion on remainder of the project in 2016/17. Clifford would not require additional class space until September 2019 when the three classes come through from Ecclesall Infant to fill Ecclesall Junior.

Cost estimate: (a) £1,350,000 at Ecclesall Infant, £1,450,000 at Clifford Infant, Total £2.8m plus the purchase cost of 110 Psalter Lane
(b) £1,350,000 at Ecclesall Infant, £1,000,000 refurbishment at Carterknowle to create Clifford Primary, Total £2.35m

Dependencies & risks

This option alone may not provide an obvious solution to places needs in the outer part of the area (Dore/Totley). Option (b) would require a separate proposal around bringing together Holt House and Carterknowle that comes with its own costs/issues. Should this option release the Clifford Infant site a future plan for the site would need further consideration with the diocese, including whether there is potential for a capital receipt.

Summary

The overall response to this option was positive across all criteria. Some raised concerns around an expansion of faith provision. Given that 30 children each year are already positively choosing Clifford Infants it is reasonable to assume that the vast majority of these families would be happy to see their children continue at the school until Year 6 and the responses to date support that assumption. The additional Reception places would be offered at Ecclesall Infants which is not a faith school and has a local catchment priority. There are three issues with this option as follows:

- Need for places: (i) The geography and current trends in parental preference suggest that places at Ecclesall would not offer a solution to needs in Dore/Totley. (ii) The assertion that the need is centred on Ecclesall is very much based on the 2015 Reception intake. Whilst pressure is anticipated to continue at Ecclesall, the 2014 intake and future projections would both suggest the need is wider than the outcomes of the 2015.
- Buildings, sites & costs: There remain significant concerns with the school's proposal around purchasing 110 Psalter Lane, mainly in terms of the implications for space and the estimated cost including purchasing a house. There have been a high volume of comments in opposition to any expansion at Dobcroft around capacity of the sites and buildings, yet in relation to guideline site areas or space per pupil the Clifford proposal would be at a significantly lower level. A clearly positive solution to providing a Clifford Primary School is yet to be found other than the use of an existing school building such as Carterknowle were it to be available.
- Community: Expansion of Ecclesall Infants has yet to be tested fully with local residents and although this is the smallest expansion of the three options presented, issues around traffic and open space are likely concerns.

ECCLESALL INFANT & JUNIOR & CLIFFORD INFANT - OPTION 2

Description: Create a replacement ‘through’ Ecclesall primary school with 3 classes per year on Ecclesall Infants’ site and move Clifford to the Ecclesall Junior site as a ‘through’ primary school with 1 class per year

Workshop and online survey results

CHILDREN’S OUTCOMES	EQUALITY	NEED FOR PLACES	BUILDINGS, SITES, & COSTS	COMMUNITY
<p>Comments were largely positive and along similar lines to option 1. For some option 2 was the preferred option.</p> <p>There were both positive and negative comments about creating a through primary school, particularly around whether or not the Ecclesall Infant site had capacity to create a successful primary school of that size.</p> <p>There were also positive and negative comments on the suitability of Ecclesall Junior site for a Clifford primary school.</p>	<p>Similar to the comments around option 1. Some responses were uncertain whether this would alter the intake or the admissions arrangements for Clifford.</p>	<p>Similar comments to option 1 in support of extra places at Ecclesall Infants.</p> <p>Some felt the balance of provision would be negatively affected with the 2 schools very close to each other providing too many places for families very close to these sites, away from Clifford’s current location.</p>	<p>Most, though not all, felt there was sufficient space at the Ecclesall Infant site to create a new through primary school.</p> <p>Some people recognised that this is likely to be an expensive option.</p> <p>There were some suggestions around use of sites such as selling Clifford to support the cost or selling the junior site to support expansion at Clifford.</p>	<p>The key issue was traffic and parking. Some felt that by creating through primary schools more families would be able to walk their children to school since they would only have to go to one site. More responses thought it was likely to cause a significant increase in the traffic around the infant site which already has congestion being next to High Storrs.</p>

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Feasibility

Issues: The option is deemed feasible. A new 630-place primary school is a significant increase on the existing Ecclesall Infant site (180 pupils). A whole new primary school building would be proposed rather than an extension of existing to make better use of the site, reduce future maintenance, reduce energy

consumption, and manage the building process. Any proposal would need careful consideration around both loss of green space and traffic and we would anticipate both being issues, particularly for local residents. Site access may be difficult during building work. A temporary access from Huntley Road may need to be considered. The junior site is smaller than would be expected for a 210-place primary school at 4616m² compared to the guideline of 9,366m² or constrained site guidelines of 5166m². The existing internal accommodation is larger than would be required and there would be an opportunity to remove the mobile classroom units to free up playspace. Remodelling work would be required to provide the foundation/key stage 1 areas.

Programme: A new building could be complete for September 2017, with the Infant School managing an additional reception class in 2016 on the current site.

Work to remodel Ecclesall Junior could then be delivered in time for 2019 (or before).

Cost estimate: £8,050,000 for Ecclesall Primary and £1,000,000 for refurbishment of Ecclesall Junior to create Clifford Primary, Total £9.05m

Dependencies & risks

This option alone may not provide an obvious solution to places needs in the outer part of the area (Dore/Totley). One potential issue raised at the workshops was whether the Diocese would support moving Clifford if it affected church/parish links. Should this option release the Clifford Infant site a future plan for the site would need further consideration with the diocese, including whether there is potential for a capital receipt.

Summary

Many of the issues with this option are the same as option 1, particularly in terms of the need for places. There are three differing issues to consider:

- Building, sites, & costs: The cost of this option is clearly well beyond the alternatives as it involves rebuilding an entire 630-place school and refurbishing another to add a total of 210 places.
- Community: Ecclesall Infants has 180 children and under this proposal would expand to 630, as well as having 210 children on the Junior site nearby. It is very likely that this would be a significant concern to those living and travelling around the site.
- The implications of moving Clifford to Ecclesall Juniors would need further testing with the diocese and families.

Overall, the cost of £9.05m is three times or more than the alternatives to ultimately provide the same level of additional space without significant wider benefits.

ECCLESALL INFANT & JUNIOR & CLIFFORD INFANT - OPTION 3

Description: 1 extra class per year at Ecclesall Infants and both Ecclesall Infants & Clifford Infants retain Year 3. A variation would be that all four Year 3 classes transfer to the roll and management of Ecclesall Junior School, but the Year 3 is accommodated at Ecclesall Infant School site (given the site restrictions at the Junior School).

Workshop and online survey results

CHILDREN'S OUTCOMES	EQUALITY	NEED FOR PLACES	BUILDINGS, SITES, & COSTS	COMMUNITY
<p>Views were mixed on this option in relation to changing the point of transition to the juniors. Some felt this would not be an issue or were unsure how it might affect children. On balance more people felt this would make it harder to retain successful outcomes.</p> <p>Some people were concerned if this meant Clifford children had to move sites twice.</p>	<p>The issues with this option did not differ hugely under this criterion though some did comment that transition at Y3/Y4 would not be equal with other schools in Sheffield.</p>	<p>Most responses followed options 1 and 2 in that extra places at Ecclesall were seen as key. A couple of responses thought this was a complex or disruptive way of achieving that goal.</p>	<p>Some people could see that this might be the lowest cost option of the Ecclesall variations though some questioned whether the outcome represented value for money.</p>	<p>Traffic was again the concern. Some felt the impact would be similar to the other options. One person noted that if families had children across three sites they would be more likely to drive.</p>

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Feasibility

Issues: This option is deemed feasible in either variation described above. The impact on the Ecclesall Infant site is reduced in comparison to option 2 as this would see capacity increase to 360 rather than 630. The attendant issues around traffic and green space may remain but are significantly reduced. Site access may be difficult during building work. A temporary access from Huntley Road may need to be considered. One additional Year 3 class at Clifford is feasible, though may be disruptive as it would most likely mean creating an additional classroom in a roof void.

Programme: Completion by September 2016 is possible

Cost estimate: £2,150,000 at Ecclesall Infants and £420,000 at Clifford Infants, Total £2.57m

Dependencies & risks

This option alone may not provide an obvious solution to places needs in the outer part of the area (Dore/Totley).

Summary

Again, many of the issues with this option are the same as option 1, particularly in terms of the need for places. The key to this option is that it solves the practical and cost issues with options 1 and 2. As has been pointed out in a number of the responses, the cost of solving those two issues is a more complicated proposal that does not provide a neat fit with the key stage curriculum or arrangements across other schools. Whilst this option has not been dismissed by many of the responses, it has not received the same level of support as option 1 or 2. It may be sensible therefore to consider this option further were options 1 or 2 to be ruled out.

HOLT HOUSE INFANT & CARTERKNOWLE JUNIOR - OPTION 1

Description: 1 extra class per year at Holt House Infants & Carterknowle Juniors

Workshop and online survey results

CHILDREN'S OUTCOMES	EQUALITY	NEED FOR PLACES	BUILDINGS, SITES, & COSTS	COMMUNITY
<p>There was a generally mixed response. Many felt that there would be no negative impact and this could be managed well, others felt that making the schools larger would not support good outcomes. Some people raised the recent Ofsted inspection at Carterknowle which resulted in a judgement that the school 'requires improvement'.</p>	<p>There was no clear trend in the responses under this criterion. Many related to the comments under outcomes in that a successful school is able to offer a good experience to all local children and opinion was divided on whether expansion would support or hinder that.</p>	<p>Many people felt that this was not the right location for additional places. This was based on the catchment demand not being as high as other schools, the likelihood of these places proving popular with families from areas of pressure (i.e. Dobcroft, Dore, Ecclesall, Greystones, Topley), and the potential negative impact on neighbours such as Nether Edge.</p> <p>Some people felt these are good and popular schools and would therefore help meet the local need.</p>	<p>There were mixed views on the ability to expand on the existing sites. Most who had concerns commented in relation to the junior school. The issues often related to any potential loss of playspace.</p> <p>Others felt this would be feasible and the sites were suitable.</p>	<p>The key issue, as with other options, was traffic and attendant air quality issues. The entrance to Holt House in particular was highlighted as an existing concern.</p>

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Feasibility

Issues: This option is deemed feasible on the existing sites. Holt House is a large site and the existing buildings are in reasonable order. Site access at Holt House may be difficult during building work and alternative access points would need to be considered. The Carterknowle building has some spaces that could be remodelled to provide additional classrooms as well as some outstanding maintenance items that could be tackled as part of the project.

Programme: Completion by September 2016 is possible

Cost estimate: £1,350,000 at Holt House Infants and £1,050,000 at Carterknowle Juniors, Total £2.4m

Dependencies & risks

This option alone may not provide an obvious solution to places needs in the outer part of the area (Dore/Totley).

Summary

Overall there has been little push for additional places at Holt House and Carterknowle. The response at the workshops was minimal and the online survey results are divided. There is little preference into the schools from the nearest areas of pressure such as Dobcroft/Ecclesall, so a question remains over whether 30 extra places here would provide a popular and successful long-term solution for any part of wider area. It does however remain a feasible solution, with a reasonable estimated cost, in relatively reasonable proximity to the other schools in this part of the area of pressure.

HOLT HOUSE INFANT & CARTERKNOWLE JUNIOR - OPTION 2

Description: Bring together Holt House & Carterknowle as a ‘through’ primary school with 3 classes per year

Workshop and online survey results

CHILDREN’S OUTCOMES	EQUALITY	NEED FOR PLACES	BUILDINGS, SITES, & COSTS	COMMUNITY
Some people felt the idea of bringing the schools together could positively impact children’s outcomes through smoother transition, sharing expertise and within new buildings.	Some felt that a through school would be more consistent and improve the support for vulnerable groups. Others thought an expansion might serve vulnerable children less well.	The comments were the same overall mix as for option 1 – a number of responses questioned whether the demand and need for places was focussed on these schools and/or whether places here would therefore solve the issue.	Overall people felt holt house was possible but not Carterknowle. There were concerns raised around playspace and traffic but some felt this was a good option as there is enough room and new buildings would be a real positive.	In common with other schools/options concerns around traffic, parking and air pollution were often raised.
Some people felt the expansion of the schools would not necessarily support an improvement in outcomes.	Some responses mentioned the current positive mix of children from different backgrounds. Within this, some felt this was a positive aspect to build on, others questioned whether the impact of expansion would be to change this mix.	Others felt it would help ensure local places for children in this area.	Some people felt the bannerdale site would be a better option. Others felt this was a costly option without being able to see significant benefits.	Some mentioned possible positive of a single school at the centre of the community, others felt the existing schools served the community well.

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Feasibility

Issues: This option is deemed feasible on the Holt House site. A new 630-place primary school is a significant increase on the existing Holt House Infant site (180 pupils). A whole new primary school building would be proposed rather than an extension of existing to make better use of the site, reduce future maintenance, reduce energy consumption, and manage the building process. Any proposal would need careful consideration around both loss of green space

and traffic and we would anticipate both being issues. Site access may be difficult during building work and alternative access points would need to be considered.

Programme: Completion for September 2017 is possible and this option would therefore require consideration of a temporary extra class within or alongside the Holt House Infant building for September 2016.

Cost estimate: £8,500,000

Dependencies & risks

This option alone may not provide an obvious solution to places needs in the outer part of the area (Dore/Totley). Should this option release the Carterknowle Junior site a future plan for the site would need further consideration, including whether there is potential for a capital receipt.

Summary

The key question around option 1 was whether Holt House and Carterknowle are well-placed to meet the need for additional places and that remains a key question under this option. There was some support for this option around the idea of bringing the two schools together and some people could see potential benefits in that aspect, both in terms of a single primary school and a new building. As a proposal to add 210 primary school places, the overall cost of £.8.5m is prohibitive when compared to the alternatives.

A variation on this option mentioned during the exploration would be to bring these two schools together on the Holt House site at their current size. This would free up the Carterknowle site to become a Clifford through primary school and facilitate the first of the Ecclesall/Clifford variations. The extra Reception places would be provided at Ecclesall Infants. This would match some of the overall support for that Ecclesall/Clifford option and would fit with some of the responses around the benefits of bringing Holt House and Carterknowle together. It would remain a relatively expensive option compared to the alternatives as it would require additional space at Ecclesall Infants (£1.35m), work at Carterknowle to create a through primary (£1m), as well as creation of a Holt House/Carterknowle through school (£5.7m).

TOTLEY PRIMARY

Description: 1 extra class per year at Totley Primary

Workshop and online survey results

CHILDREN'S OUTCOMES	EQUALITY	NEED FOR PLACES	BUILDINGS, SITES, & COSTS	COMMUNITY
There was a mixed response under this criterion. Some felt the school was good and would manage expansion well, others felt that doubling the size of the school would be too much of a change and that part of the current appeal was its small size.	There was little response here and a number of people chose not to comment. Some felt local places would support equal access.	In general there was agreement that extra places would be useful in this area though some felt delaying until 2017 in this area would match the forecast demand. There were concerns that 30 per year is too many and that it would not support need in other parts such as Dobcroft/Ecclesall. Some did not agree and felt there was not sufficient demand to warrant places at Totley.	There were no clear themes here. Some had concerns around the space and the impact on the existing buildings and playspace.	There were no clear themes here. Traffic was mentioned as an issue, the impact on Totley All Saints was a concern for some, others felt it would depend if the extra children were all from the local community.

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Feasibility

Issues: This option is deemed feasible. There are existing inefficiencies in the building (as with most existing schools), level changes, and site access may need to be considered from Baslow Road.

Programme: Completion by September 2016 is possible

Cost estimate: £2,700,000

Dependencies & risks

This option alone would not provide an obvious solution to places needs in the inner part of the area (Dobcroft/Ecclesall/Greystones/Holt House).

Summary

As with Dore, one of the key issues here is around the need for places criterion. This is based mainly around three aspects: (i) the small places shortages (0 to 10 places) experienced to date, two small schools in Totley, and the relatively limited connection to other parts of the area such as Ecclesall and Dobcroft. All these issues create some concern around adding 30 places per year. An expansion at Totley remains a feasible proposal. Current forecasts indicate a further rise in pressure in 2017. Some, particularly through the workshops, have drawn the conclusion that extra places in this area are best left until the 2017 academic year as part of a second proposal to supplement an addition of places in the inner part of the area from 2016.

NEW PRIMARY SCHOOL

Description: New 1 class –per-year primary school on a new site

Workshop and online survey results

CHILDREN’S OUTCOMES	EQUALITY	NEED FOR PLACES	BUILDINGS, SITES, & COSTS	COMMUNITY
<p>The general view was positive, with a number of people supporting the idea of a new small school in new buildings. Others saw a number of uncertainties and some risks with introducing a new school.</p> <p>Some of the support for a new school was based on the existing schools staying the same size.</p>	<p>There was no clear trend in the responses under this criterion. Many related to the comments under outcomes, particularly around the view from some that small schools are better.</p> <p>Others felt this would depend on the location, both in terms of the community it would serve and the access.</p>	<p>The general view was positive and some felt it would allow the site to be determined closest to population needs. A number of people simply thought that its success in meeting this criterion would depend on the location of any site.</p> <p>Some suggested an advantage in being designed to expand further if the demand for places were to grow again.</p>	<p>In terms of costs most assumed it would be the most expensive option, but many thought it was worth it. Others felt it might prove cheaper as purpose-built accommodation would not have the potential inefficiencies of extending an existing school.</p> <p>Many felt it was better than extending schools – less disruption, fit for purpose, and designed to size</p> <p>The Bannerdale site was the most commonly mentioned site and no new suggestions for sites came out of the process.</p>	<p>There was a mixed response here reflecting the uncertainty about site and therefore the community a new school would serve.</p>

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Feasibility

Issues: The site most often discussed during consultation is the Bannerdale site. It is feasible to build a primary school on that site. There are existing plans around housing that have been subject to work with the local community. How this proposal relates to those plans would be key to understanding the planning constraints around open space and traffic.

Programme: It would not be feasible to complete the work by September 2016 and contingency options would need to be explored in terms of the build programme, temporary accommodation, or a further temporary class at an existing school.

Cost estimate: £3.5m

Dependencies & risks

The key dependency is securing a site that meets the need in terms of location, cost and suitability.

Summary

The overall response around a new school is positive. The starting point for a number of the positive responses is that it would see the existing schools unchanged. It may be that without a named site and without an existing school community some of the issues people see in expanding their local school have not been highlighted.

No other site has been identified for a new school in the inner part of the area and therefore any proposal at this time looks to be restricted to the Bannerdale site. Given how close it is, the Bannerdale site might share some of the concerns raised around Holt House/Carterknowle in terms of not being central to the area of need. A further key issue with a new school would be its proximity to Holt House/Carterknowle and the potential impact on the current intakes at those schools and near neighbours such as The Nether Edge. Some mentioned traffic issues here as well although this is an issue common to every option in this part of the area. A new school on this site remains a feasible option and could therefore be considered further against the alternative options.

Notes on Workshops & Survey

The workshops were attended by approximately 45 people and there were 234 responses to the online survey. The survey was completed by the following:

- *88% indicated they were parents of primary-aged children*
- *56% indicated they were parents of pre-school age children*
- *Catchment residents as follows: Dobcroft (33%), Ecclesall (22%), Holt House & Carterknowle (18%), Dore (12%), other (15%)*
- *Children attending schools as follows: Dobcroft I & J (31%), Ecclesall/Clifford (27%), Holt House & Carterknowle (18%), Dore (17%), other (7%)*



SHEFFIELD CITY COUNCIL

Cabinet Report

Report of: Barbara Carlisle, Head of Commissioning

Report to: Cabinet

Date: 22 July 2015

Subject: **Framework Agreement. Day opportunities for adults with a learning disability.**

Author of Report: Richard Parrott

Key Decision: YES

Reason Key Decision: Expenditure over £500,000

Summary:

The report seeks agreement to establish a Framework Agreement for day opportunities for adults with a learning disability. The volume of business that will be carried out through the Framework will exceed £500,000 in the lifetime of the arrangement, through individualised purchasing including the use of Direct Payments.

Reasons for Recommendations:

The Framework is a key element of our approach to developing the local offer of day opportunities. It will

- increase the diversity, effectiveness and quality of the current offer
- support groups of people, as well as individuals, to access day opportunities and short breaks
- improve on the current contractual arrangements
- assure best value

Recommendations:

- Cabinet approves the establishment of a Framework contract for day opportunities for adults with eligible needs, by way of a tender process.
 - Cabinet delegates authority to the Director of Commissioning (Communities) in consultation with the Executive Director (Communities), Director of Adult Social Services, Director of Commercial Services and the Director of Legal Services, or their nominated representatives, to agree the Invitation to Tender documentation including the terms of the Framework contract and any call off contracts.
 - Cabinet delegates authority to the Director of Commissioning (Communities) to award the Framework contracts to the successful tenderers.
-

Background Papers:

- Commissioning Strategy for services for people with a learning disability and their families (2015 – 2018)
 - Equalities Impact Assessment - Framework Agreement - Day opportunities for adults with a learning disability
-

Category of Report: OPEN

Statutory and Council Policy Checklist

Financial Implications
YES Cleared by: Samantha Dunker, Finance Business Partner, Communities
Legal Implications
YES Cleared by: Nadine Wynter, Legal Service Manager, Resources
Equality of Opportunity Implications
YES Cleared by: Phil Reid. Development Manager, Communities
Tackling Health Inequalities Implications
NO Cleared by:
Human Rights Implications
NO Cleared by:
Environmental and Sustainability implications
NO Cleared by:
Economic Impact
NO Cleared by:
Community Safety Implications
NO Cleared by:
Human Resources Implications
NO Cleared by:
Property Implications
NO Cleared by:
Area(s) Affected
All
Relevant Cabinet Portfolio Lead

Cabinet Member for health, care and independent living
Relevant Scrutiny Committee
Healthier Communities and Adult Social Care Scrutiny and Policy Development Committee
Is the item a matter which is reserved for approval by the City Council?
NO
Press Release
NO

Framework Agreement. Day opportunities for adults with a learning disability

1.0 SUMMARY

- 1.1 The Communities Portfolio proposes to tender for a Framework Agreement for day opportunities for adults with a learning disability. Co-production with people who use services, their advocates, family carers and service providers will be at the heart of our approach. We will maximise opportunities for joint work with partners, including Children, Young People and Families and the Clinical Commissioning Group.
- 1.2 Day opportunities help people with a learning disability and their families to have a good life. They are available during the day, in the evening and at the weekend. They provide support that helps people stay active, make friends, learn, make a contribution to their communities, and enjoy life.
- 1.3 They also provide important support to family carers, helping them work, have regular short breaks, and lead a good life outside of their caring role. They sustain family resilience and prevent avoidable breakdown in family caring situations. They must meet carers' needs for reliability, safety and flexibility, alongside providing meaningful opportunities for their disabled family members.
- 1.4 They are not solely focused on personal care. They range from support to help people access mainstream community activities and volunteering, to specialist support in a range of settings, including building based settings, for people with complex needs and behaviours that challenge. They can support individuals or groups of people. They are funded by the Council for people eligible for adult social care, and provided in the public, voluntary and private sectors.
- 1.5 A Framework will
 - specify an aspirational vision for day opportunities for people with a learning disability and their families
 - bring quality under a single set of standards for the first time
 - increase diversity of provision and encourage new, innovative providers into Sheffield.
 - provide a quality framework for people accessing services through Direct Payments but who want independent assurance about quality and standards.
 - allow the Council to purchase well specified support for individuals and, where this is the best option, for small groups of people
 - establish a best value market rate for day opportunities
- 1.6 We have a specific need to develop a Framework for adults with a learning disability; however we have an aspiration that our future direction will include a framework for day opportunities across all adult social care.
- 1.7 The volume of business that is anticipated will be carried out through the Framework will exceed £500,000 in the lifetime of the arrangement, through individualised purchasing including the use of Direct Payments.

2.0 WHAT DOES THIS MEAN FOR SHEFFIELD PEOPLE?

- 2.1
- People with a learning disability and their families will work with commissioners and service providers to co-produce the vision for day opportunities in Sheffield, and in the procurement and monitoring of the services.
 - People will have more choice of innovative, diverse, and high quality day opportunities that help them be independent, safe and well. People will have more 'ordinary life' opportunities within their wider communities. Opportunities will build on existing resources and assets, reducing people's dependence on care services as their only form of support.
 - All adults with a learning disability in Sheffield will be able to access good quality day opportunities locally, whatever their level of need.
 - Family carers will benefit from a more diverse and flexible offer, that provides them with short breaks at the times they need them.
 - People will be assured the services they access through the Framework are underpinned by clear and measurable quality standards.
 - People will have more choice about how they can access support. This will include opportunities to pool their personal funds and do things together.
 - Day opportunities will provide best value for Sheffield people.
 - The progression for young people with a learning disability to adulthood will be positive.

3.0 OUTCOME AND SUSTAINABILITY

- 3.1 The Framework is based on commitments in the 2015-2018 Learning Disabilities Commissioning Strategy. This takes into account the current and future needs of local people with a learning disability and their families, and the resources available to meet their needs.
- 3.2 The Framework will stimulate new models and offer new businesses who deliver high quality services the opportunity to develop in Sheffield.
- 3.3 The Framework will not guarantee any level of business, therefore provides flexibility to the Council as requirements change over the life of the Framework. It also aims to make sure local services are personalised and flexible, so they can adapt as people's needs change in the future.
- 3.4 The Framework will make sure day opportunities provide best value for Sheffield and contribute to a sustainable budget.

4.0 MAIN BODY OF THE REPORT

The case for change

- 4.1 The needs of local people with a learning disability and their families are changing. The number of people with a learning disability using care and support is increasing. At least 60% of new demand on social care for adults with a learning disability is from young adults with a learning disability in progression to adulthood, including young adults with the most complex needs and with behaviours that challenge. There are more people with a learning disability from our black and minority ethnic communities. People have higher expectations, want more choice and control over their lives and want good quality personalised support.
- 4.2 The 2015-2018 Learning Disabilities Commissioning Strategy, approved by Sheffield City Council Cabinet in December 2014 was based on extensive consultation with local people. People said they wanted
- A coordinated approach between partners
 - Effective support for family carers
 - To be able to live in their own home
 - To be engaged in their local community
 - To be supported to do things together
 - The Council to manage the impact of reductions in available funding
 - Greater choice in day opportunities and short breaks services
 - Quality assurance of all services in all sectors
 - Time to adjust to any new arrangements
 - The Council to address barriers to paid work
 - Local services to meet the needs of all people irrespective of their level of need
 - The Council to recognise there will be a continued need for 'building-based' day opportunities and short breaks services
 - Our future plans to include plans for advocacy services.
- 4.3 The Strategy made commitments to improve quality, choice and value for money in the local service offer for people with a learning disability, including in day opportunities. We are using people's feedback from the consultation to help us develop the local offer in day opportunities.
- 4.4 Approximately 350 adults with a learning disability use day opportunities provided directly, or purchased on their behalf, by the council from Independent Sector organisations. The total spend is approximately £3m per year.
- 4.5 Many people also use Direct Payments to arrange their own services, purchasing them from day opportunities providers or arranging one to one support through personal assistants. At this stage, detailed information on the level of and spend on Direct Payments for day opportunities is limited.

- 4.6 There are significant pressures on Sheffield's adult social care budget for adults with a learning disability. There is a pressing need to make sure all services provide best value; however there is no established market rate for day opportunities, and costs vary significantly.
- 4.6 In the past some people have had to leave Sheffield to access the services they need. In line with the 'Winterbourne Concordat' and subsequent documents, we need robust local community-based services that can support people well in Sheffield however complex their needs.
- 4.8 We have a range of day opportunities in Sheffield, provided by all sectors. However, many services are out of date and need to change if we are to meet people's expectations for the future.
- Some day opportunities are based on a 'traditional' model of service with a focus on keeping people safe and well, rather than on promoting their personal development, independence and social inclusion.
 - Many people, in particular younger people with a learning disability progressing to adulthood (and their families) have told us that the current offer doesn't meet their needs and expectations.
 - Many day opportunities offer limited hours, not operating in the evenings or at weekends when many people and their carers might need or choose to access support.
 - The diversity of providers is limited, with few new entrants to the local market in recent years.
- 4.9 Many people and families use Direct Payments to pay for day opportunities or personal assistants. This includes a high proportion of people from BME communities. For many this is a positive choice, but we know some local people use Direct Payments because they find the 'mainstream' day opportunities service offer inadequate or unattractive. Some families have also told us they find the task of managing Direct Payments stressful, and would welcome an improved local offer that could be arranged for them by the Council.
- 4.10 Some people using Direct Payments and Personal Budgets have also said they would like to move from 'individualised' arrangements and would value opportunities to pool their personal funds to help them do things together.

Developing the local offer in day opportunities

- 4.11 Our overall approach to improve local day opportunities is to develop the local offer, to review existing services, and make changes and improvements. We are developing the local offer in a range of ways
- Working in co-production with people with a learning disability and their families to understand what best meets their needs, and the challenges the current arrangements present.
 - Working through our provider networks to share our market intelligence

and our vision for the day opportunities offer.

- Market development work, supporting new innovative small and medium enterprises (SMEs), social enterprises, and the voluntary and community sector.
- Partnership working with Children, Young People and Families to ensure consistency between children's and adults' services, aligning our developments, and developing joint contracting arrangements.
- Partnership working with the CCG to make sure the development of the offer includes responding to people's health needs, and to the needs of people who are eligible for NHS Continuing Healthcare.
- Working with supported living providers to make sure their services are in line with our vision for day opportunities.

We also propose to establish a Framework Agreement for day opportunities.

Why do we need a Framework?

- 4.12 We are using the term "Framework" to refer to a contract arrangement whereby we engage interested providers to sign up to a Council contract, then evaluate providers from whom we can purchase ("call-off") services for individuals or groups of individuals. This offers flexibility in the amount of business we do, and in choice of providers.
- 4.13 There is currently no Framework for day opportunities in Sheffield. The current arrangements by which the Council purchases day opportunities do not set out our aspirations for promoting people's independence and social inclusion, or offer flexibility and control to service users. There is also limited control over fee levels, other than on an individually negotiated basis. A Framework will offer a contracting tool for the Council which will replace the current arrangements.
- 4.14 A Framework will stimulate the local market and encourage new high quality providers in to the city, as well as building on existing providers' expertise and experience. It will encourage a level of competition which will keep prices within an affordable range and offer best value for the Council and Sheffield people.
- 4.15 Frameworks have been helpful in establishing a market and driving service standards in a number of social care areas. In 2014 Sheffield established a Framework Agreement for Supported Living Services for people with a learning disability. This is based on positive outcomes, with new and higher quality standards. It increased the number of providers in the city and established a best value market rate. It has provided the platform for de-registration of traditional residential care services and changing them to modern supported living settings.

What will the framework be based on?

- 4.16 The framework will be based on
- A clear vision based on what local people with a learning disability and their families tell us 'good looks like' in day opportunities.
 - The 'Think Personal Act Local' Making it Real "I" statements
 - The principles of the New Economics Foundation 'Five Ways to Wellbeing'.
 - Evidence from research and good practice.
- 4.17 Day opportunities delivered through the Framework will be:
- Innovative, personalised and focused on promoting positive outcomes.
 - Delivered by a more diverse range of providers, and through a more diverse range of models.
 - Delivered by organisations that have been robustly evaluated as being fit for purpose and financially stable.
 - Delivered by properly trained and supervised staff with up to date and requisite knowledge.
 - Robustly monitored and contract managed. This will include collation and analysis of information from a wide range of stakeholders with particular importance being attached to the views of service users.

Co-production and partnership working

- 4.18 Our aspiration is for a diverse, innovative, flexible and sustainable offer of day opportunities. It will include a variety of models supporting people with a wide range of needs and aspirations. The success of the Framework will depend significantly on it being developed in co-production with all stakeholders. We are committed to a co-production approach throughout the development and implementation. This will include
- people with a learning disability and their families influencing service vision, specifications and quality standards;
 - service providers influencing service vision, specifications and quality standards;
 - processes to represent the views of people who are not able be involved in co-production.
- 4.19 We are working with the Council's Communications Service to produce accessible and visual representations of the vision for the Framework. This will assist co-production, helping us engage with people of all abilities.
- 4.20 We are committed to partnership working in developing the Framework.
- We will engage with Children, Young People and Families to align the Frameworks. Providers of short breaks services and enrichment services on the Lifelong Learning contracts list will be encouraged to develop support for adults, and vice versa, for the new adults' Framework Agreement list. We will enable 'call off' from either list (adults' and

children's) through joint 'call off' arrangements.'

- We will engage with the Clinical Commissioning Group to make sure the Framework addresses the health needs of people with a learning disability, and the specific needs of people eligible for Continuing Healthcare.

Options to be explored

- 4.21 A diverse and innovative Framework with a variety of models for people with a wide range of needs will require a range of pricing models. We are exploring pricing options with Commercial Services and Financial Business Partner, and will include this in our engagement and co-production with providers prior to specifying and tendering for the Framework.
- 4.22 We are exploring options to make sure the Framework encourages community sector and small/medium enterprises (SMEs) to enter the market. We are also exploring options to make sure mainstream organisations are aware of the potential opportunities they might offer to local people with a learning disability through the Framework.
- 4.23 We are exploring the benefits of an electronic 'Dynamic Purchasing System' (DPS) with Commercial Services, with a view to this system being used for the tender and contracting process rather than a traditional Framework. A DPS is like a Framework except that providers may join at any point during its lifetime, supporting ongoing market development. This is a means of encouraging continued innovation and development of the offer, particularly local SMEs, social enterprises and the voluntary and community sector. In considering this option, benefits need to be balanced with the resource implications of ensuring the market and Council are confident with the system, and the need to make sure the system can deal with the likely diversity of the requirements.
- 4.24 We are committed to respond to people telling us they wish to do things together and pool their personal funds. We are exploring options to purchase services for groups of people, as well as for individuals. For example a group of friends could receive some shared care (both helping people do things together and achieving efficiencies) with purchasing arrangements that support this flexibility. This will build on the recent success of the 'deciding together' process for people who live together in supported living settings.

The tender process

- 4.25 The vision and specification for the Framework will be developed in co-production with people with a learning disability, their families and service providers. It will be informed by evidence from research and good practice.
- 4.26 The tender process will be run in accordance with the Council's Standing Orders and EU Procurement Regulations ('Light Touch Regime').

4.27 We aim to have the Framework in place by the end of December 2015.

Legal Implications

4.28 The establishment of a framework agreement will assist the Council to comply with its statutory duties. The Care Act 2014 places a duty on local authorities to stimulate a diverse market of continuously improving, high-quality services, including a range of different service provider organisations to ensure genuine choice. Councils must commission a diverse range of services that provide best value for local people.

4.29 The Care Act 2014, along with the Children and Families Act 2014 requires local authorities to ensure effective progression to adulthood. There is a need to align the offer for children with Special Educational Needs and Disabilities (SEND) 18-25 with the adults' offer and so ensure continuity and assist positive progressions to adulthood.

Equalities implications

4.30 An Equalities Impact Assessment (EIA) was carried out for the LD Commissioning Strategy. An EIA has also been carried out for this proposal. The overall impact is assessed as positive/medium. People will have more choice of innovative, diverse, and high quality day opportunities that help them be independent, safe and well. People will have more opportunities to be included within their wider communities. All people with a learning disability in Sheffield will be able to access opportunities locally, whatever their age, background, or level of need; however the positive impact will only be achieved if a more diverse range of quality providers deliver day opportunities through the framework. We will carry out provider engagement to encourage this.

The full EIA is attached as a supporting paper.

Risks

4.31 The Framework itself does not commit the Council to any expenditure, nor does it oblige the Council to take any particular spending decisions in future.

4.32 If existing providers choose not to tender or are unsuccessful then some people may need to change their providers. This will be managed in consultation with providers and the affected individuals.

5.0 ALTERNATIVE OPTIONS CONSIDERED

5.1 'Do nothing'

- The current arrangements do not meet our need for a diverse and innovative offer of day opportunities.
- The current arrangements do not support robust quality monitoring and improvement or assure best value.

6.0 REASONS FOR RECOMMENDATIONS

- 6.1 The Framework is a key element of our approach to developing the local offer of day opportunities. It will
- increase the diversity, effectiveness and quality of the current offer
 - support groups of people, as well as individuals, to access day opportunities
 - improve on the current contractual arrangements
 - assure best value.

7.0 RECOMMENDATIONS

- 7.1 Cabinet approves the establishment of a Framework contract for day opportunities for adults with eligible needs, by way of a tender process.
- 7.2 Cabinet delegates authority to the Director of Commissioning (Communities) in consultation with the Executive Director (Communities), Director of Adult Social Services, Director of Commercial Services and the Director of Legal Services, or their nominated representatives, to agree the Invitation to Tender documentation including the terms of the Framework contract and any call off contracts.
- 7.3 Cabinet delegates authority to the Director of Commissioning (Communities) to award the Framework contracts to the successful tenderers.

Author: Richard Parrott
Job Title: Commissioning Manager, Learning Disabilities
Date: 8 July 2015

EIA - Framework Agreement - Day opportunities for adults with a learning disability

What are the brief aims of the proposal and the outcomes you want to achieve?

Introduction

This EIA identifies the impacts of a framework contract for day opportunities for adults with a learning disability. It also identifies actions in progressing this work to ensure that we meet our Equality Duty.

The framework is based on commitments in the 2015-2018 Learning Disabilities Commissioning Strategy. It is a key element of our approach to developing the local offer of day opportunities. It will

- specify an aspirational vision of day opportunities for people with a learning disability and their families
- increase the diversity, effectiveness and quality of current offer
- support groups of people, as well as individuals, to access day opportunities
- improve on the current contractual arrangements
- bring quality under a single set of standards for the first time
- assure best value.

Day opportunities delivered through the framework will be innovative, personalised and focused on promoting positive outcomes for all.

We aim to have the framework in place by the end of December 2015.

1 Health and wellbeing

IMPACT – positive / medium

Will the proposal have a significant impact on health and wellbeing including its effects on the wider determinants of health?

A better range of daytime opportunities provision will bring positive impacts to the health and wellbeing of people with a learning disability and their carers. Providers will be expected to develop opportunities for paid employment, a key determinant in people's wellbeing. Services should be proactive in promoting people's social inclusion, helping them access mainstream opportunities, sustain personal relationships and enhance emotional wellbeing.

See also Section 3 - Disability and Section 10 - Carers.

Health and wellbeing action plan; action and mitigation

The specification will be informed by 'Five ways to wellbeing'. We will continue to seek information about impacts on health and wellbeing as we develop the specification.

2 Age

IMPACT – positive – high

Provide details on age impact

At least 60% of new demand on social care for adults with a learning disability is from young people with a learning disability in progression to adulthood, including those with the most complex needs and with behaviours that challenge.

There has been considerable engagement with people who use services over recent years. The transition from Children's to Adults' services is a cause for concern for young people and their carers. The Care Act 2014 and the Children and Families Act 2014 require local authorities to ensure effective progression to adulthood. Many younger people with a learning disability progressing to adulthood find that the current offer doesn't meet their needs and expectations. Many people and families use Direct Payments to pay for day opportunities or personal assistants. For some this is a positive choice, but we know that others use Direct Payments because they find the 'mainstream' day opportunities service offer inadequate or unattractive.

We anticipate positive impacts for all age groups, but particularly for young people. *For further detail see also Section 3 – Disability & Section 10 - Carers.*

Age action plan; action and mitigation

We will continue to engage people who use services in the development of the framework and will ensure that the feedback of different age groups is taken into account. We will carry out analysis to obtain further information about Direct Payment usage.

3 Disability

IMPACT – positive - medium/high

Disability impact and level

Provide details on disability impact

The needs of local people with a learning disability are changing. People have higher expectations, want more choice and control over their lives and want good quality, personalised support. People have told us they want better opportunities to make friends, build social networks and enjoy social activities. Many day opportunities offer limited hours, not operating in the evenings or at weekends when people might need or choose to access support. The offer is currently limited for people with profound intellectual and multiple disabilities (PIMD) and challenging behaviour.

We anticipate positive impacts as there will be increased choice, and services will be more personalised, delivering better individual outcomes. They will be inclusive of people whatever their level of disability.

If existing providers choose not to tender or are unsuccessful, some people may need to change their providers. The 2015-2018 Learning Disabilities Commissioning Strategy, approved by Sheffield City Council Cabinet in December 2014, was based on extensive consultation with local people. One of the things that people said they wanted was time to adjust to any new arrangements, so we will ensure that any changes in provider will be managed in consultation with providers and the affected individuals and will be monitored and supported to mitigate any short term negative impact.

See also Sections 2 – Age; 5 – Race; 14 – Overall summary of possible impact.

Disability action plan; action and mitigation

Co-production with local people with a learning disability will be at the heart of our approach, and this will take place during both the design and implementation phases.

4 Pregnancy/ Maternity

No specific impact.

5 Race

**IMPACT – Positive / medium
Provide details on race impact**

The number of people with a learning disability from our black and minority ethnic communities is growing. There is a higher prevalence of learning disabilities amongst South Asian populations, where there is also evidence of increased prevalence of more than one person with disabilities in a family. There is evidence of increased prevalence of people with the most complex disabilities within BME communities.

Concern was expressed during the LD Commissioning Strategy consultation that there is a lack of appropriate provision for some BME communities, for example due to a lack of female-only provision and halal food. Many people with a learning disability use Direct Payments to pay for day opportunities or personal assistants. This includes a high proportion of people from BME communities. For some this is a positive choice, but we know some local people use Direct Payments because they find the ‘mainstream’ day opportunities service offer inadequate or unattractive.

We currently lack information in order to quantify the impact, but anticipate that it will be positive - medium, but moving to high, due to unmet demand and the provision of more appropriate opportunities.

Race action plan; action and mitigation

As the framework is developed (and informed by engagement and co-production), it will allow opportunities for improving how we commission and monitor services to reflect the needs of all equality groups within the LD community. We will ensure that the feedback of people from a BME background is taken into account and that our services are equally accessible for all.

To ensure this, we will undertake more work on BME profiling. We need to find out more about unmet need and the impact this has on families. We will carry out analysis to obtain further information about Direct Payment usage.

6 Religion/ Belief

IMPACT – neutral

The development of the framework will allow opportunities for sharpening how we commission and monitor services to reflect the needs of all equality groups within the

LD community. We will make sure that we take into account the views and needs of faith communities and that our services are equally accessible for all.

7 Sex

IMPACT – positive; medium

We know that more men than women receive learning disability services, because of the increased prevalence of autism in males. This may be off-putting for some women.

We anticipate positive impacts because services will be more person-centred.

Sex Action plan; action and mitigation

As with other areas, we need to know more about specific impacts and requirements. We will ensure that this is incorporated into the process of co-production. We will ensure that the feedback of men and women is taken into account and that our services are equally accessible for all.

8 Sexual Orientation

IMPACT – neutral

We lack information but can expect that people with a learning disability who are lesbian, gay, bisexual and transgender face a double stigma. Sexuality is generally denied, so it is often difficult to have any relationship, regardless of sexuality. Services should be proactive in helping people to sustain personal relationships. We intend to find out more during the process of co-production and development of the offer.

See also Section 1 – Health and wellbeing.

9 Transgender

IMPACT – neutral

See Section 8 – Sexual orientation.

10 Carers

IMPACT – positive/ medium-high

Day opportunities provide important support to family carers, so they can work, have a break, and lead a good life outside their caring role. They sustain family resilience and prevent avoidable breakdown in family caring situations. Many existing day opportunities offer limited hours, not operating in the evenings or at weekends, when carers might need or choose them.

Providers on the framework must meet carers' needs for reliability, safety and flexibility, alongside providing meaningful opportunities for their disabled sons and daughters. They will have a positive, supportive relationship with carers.

We anticipate positive impacts as the improved day opportunities provision offers better breaks and resilience for carers.
See also Sections 2 – Age; 3 – Disability and 5 - Race

Carers’ action plan; action and mitigation

Co-production with family carers will be at the heart of our approach.

11 Voluntary/ Community & Faith Sector

IMPACT – positive/medium

There will be positive opportunities for a range of providers to be involved in delivering services through the framework. We will extend beyond traditional LD providers.

Voluntary/ Community & Faith Sector Action plan; action and mitigation

We are exploring options to make sure the framework encourages community sector and small/medium enterprises (SMEs) to enter the market. We will carry out provider engagement while developing the specification for the framework.

12 Financial inclusion, poverty, social justice

IMPACT – positive/medium

Providers will tackle barriers to social inclusion and promote positive images of people with a learning disability through their work.

See also Section 1 – Health and wellbeing.

13 Other/ Additional

Staffing – Impact – variable – see below

Across the independent sector, there are likely to be positive opportunities for staff within the new range of services. Positive impacts are expected as provision will be more imaginative and flexible to meet people’s needs. This may attract different staff. The workforce may need to work more flexibly.

Other/Additional Action plan; action and mitigation

Specific changes to services we commission as a result of wider market development will require separate EIAs. We will continue to seek information about impacts on the workforce. *We will ensure that corporate good practice is followed.* We will maximise the opportunities to improve quality and capacity in community-based services and build the skills of the local workforce, as set out in ‘Winterbourne View – time for change.’

14 Overall summary of possible impact

IMPACT – positive/medium

There is currently no framework for day opportunities in Sheffield. The contracting model used by the Council to purchase day opportunities does not set out our aspirations for promoting people's independence and social inclusion, or offer flexibility and control to service users.

People will have more choice of innovative, diverse, and high quality day opportunities that help them to be independent, safe and well. People will have more 'ordinary life' opportunities within their wider communities. Opportunities will build on existing resources and assets, reducing people's dependence on care services as their only form of support.

All people with a learning disability in Sheffield will be able to access opportunities locally, whatever their age, background, or level of need. However, this positive impact will only be achieved if a diverse range of good quality providers wish to deliver day opportunities through the framework. We will carry out provider engagement to encourage this.

It is important that we are transparent in the EIA process that the Council faces severe financial pressures and that we acknowledge that people are anxious about the impact this might have on their own care and support: there is a need to ensure best value so people can get the most from the available resources. It is also important that we ensure a fair approach to how all adult social care resources are spent so that we meet our equality duties to existing and new learning disability customers, as well as other older/disabled adult social care customers.

If existing providers choose not to tender or are unsuccessful then some people may need to change their providers. The 2015-2018 Learning Disabilities Commissioning Strategy, approved by Sheffield City Council Cabinet in December 2014 was based on extensive consultation with local people. One of the things that people said they wanted was time to adjust to any new arrangements. We will ensure that any changes in provider will be managed in consultation with providers and the affected individuals and will be monitored and supported to mitigate any potential short term negative impact on individuals.

As the framework is developed (and informed by engagement and co-production), it will allow opportunities for improving how we commission and monitor services to reflect the needs of all equality groups within the LD community. This EIA will be updated (and subsequent EIAs carried out) as an integral part of the development and decision making process.

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SHEFFIELD CITY COUNCIL **Cabinet Report**

Report of: Executive Director, Place

Date: 22nd July 2015

Subject: Proposed Sheffield City Council (Fox Valley, Stocksbridge)
Compulsory Purchase Order

Author of Report: David Ambrose, City Regeneration Division

Summary:

This report is to seek authority to make a Compulsory Purchase Order (CPO) to acquire the leasehold interest required in the land at Fox Valley Stocksbridge to enable the completion of the comprehensive regeneration of the site with a mixed use development scheme.

Reasons for recommendations:

The use of a CPO to acquire the Order Land required for the Scheme is possible under section 226 (1) (a) of the 1990 Town and Country Planning Act, and would be justified in light of the compelling case in the public interest for the acquisition of the Order Land to enable the completion of the Fox Valley development

Where the Council propose to make a CPO under these statutory provisions, the Council must be satisfied that the development is likely to contribute to the achievement of one or more of the following objects, namely the promotion or improvement of the economic, social or environmental well-being of their area.

It is considered that there is a compelling case in the public interest to justify the Council using its compulsory purchase powers to acquire the Order Land because of the important regeneration benefits the Scheme and the wider development of the Fox Valley site will deliver to Stocksbridge and the surrounding area,

If the Order Land is left undeveloped it will constrain both the viability and success of the Fox Valley development, as the appeal and trading environment to both shoppers and retailers would be undermined.

There would be commensurate harm to the contribution of the overall Fox Valley development to the health of the existing centre, promotion of sustainable shopping patterns, and provision of a wider range of facilities for local people.

For these reasons it is suggested that Cabinet adopt the recommendations described below.

Recommendations:

- That authority be given for the Council to make a Compulsory Purchase Order under the powers conferred by Section 226 (1) (a) of the Town and Country Planning Act 1990 Act to acquire the land shown on the Order Map displayed at the meeting of Cabinet on 22nd July 2015 and marked Map referred to in the Sheffield City Council (Fox Valley, Stocksbridge) Compulsory Purchase Order 2015.
- That authority be given to the Executive Director Place in consultation with the Director of Legal & Governance and Monitoring Officer and the Acting Executive Director of Resources to agree and enter into all necessary legal documentation with the Stocksbridge Regeneration Company
- That the Director of Legal & Governance and Monitoring Officer be authorised to make the CPO, to take all necessary procedural steps prior to and after the making of the CPO, to enable the CPO to be submitted to the Secretary of State for confirmation including:
 - (a) finalising the attached draft Statement of Reasons;
 - (b) finalising the Schedule of Interests
 - (c) serving notices of the making of the CPO on all persons entitled to such notice and placing necessary press notices;and to submit the CPO to the Secretary of State for confirmation.
- That the Director of Legal & Governance and Monitoring Officer be authorised to sign and serve any notices or documents necessary to give effect to these recommendations and to take all other actions necessary to give effect to these recommendations.
- As soon as the Order is confirmed by the Secretary of State to advertise the confirmation of the CPO and serve all necessary notices of confirmation and once the CPO becomes operative, the Director of Legal & Governance and Monitoring Officer in consultation with the Acting Executive Director of Resources be authorised to execute General Vesting Declarations under the Compulsory Purchase (Vesting Declarations) Act 1981, at the earliest opportunity.
- That the Executive Director Place, in consultation with the Director of Legal & Governance and Monitoring Officer and the Acting Executive Director of Resources be authorised to manage the compulsory purchase process in accordance with the terms of the CPO Indemnity Agreement.

Background Papers: Previous Cabinet Reports of the 23rd March 2011, 29th February 2012 and 26th September 2012

Category of Report: OPEN

Statutory and Council Policy Checklist

Financial Implications
YES Cleared by: Eugene Walker
Legal Implications
YES Cleared by: Gillian Duckworth
Equality of Opportunity Implications
YES Cleared by: Ian Oldershaw
Tackling Health Inequalities Implications
NO
Human rights Implications
YES
Environmental and Sustainability implications
YES
Economic impact
YES
Community safety implications
NO
Human resources implications
NO
Property implications
YES
Area(s) affected
North Sheffield
Relevant Cabinet Portfolio Leader
Leigh Bramall
Relevant Scrutiny Committee if decision called in
Economic and Environmental Wellbeing
Is the item a matter which is reserved for approval by the City Council?
NO
Press release
NO

**PROPOSED SHEFFIELD CITY COUNCIL (FOX HILL, STOCKSBRIDGE) –
COMPULSORY PURCHASE ORDER.**

1.0 SUMMARY, OUTCOMES AND SUSTAINABILITY

1.1 **Summary:** This report is to seek authority to make a Compulsory Purchase Order (CPO) to acquire the leasehold interest required in the land at Fox Valley Stocksbridge to enable the completion of the comprehensive regeneration of the site with a mixed use development scheme.

1.2 **Outcomes:** By the Council using its Compulsory Purchase Order powers this will facilitate the completion of the Fox Valley development by the developer the Stocksbridge Regeneration Company (SRC).

The Fox Valley development will deliver the comprehensive regeneration of this currently under-used site at the bottom of the Stocksbridge valley and the resulting uses will be of substantial benefit to the area.

1.3 **Sustainability:** The Fox Valley development is on Brownfield land. It comprises in the main the footprint of a former steelworks which has been demolished.

1.4 The Fox Valley development will be served by existing public transport links and is accessible by foot and non car modes of transport for many people. Journeys to and from the new jobs created, retail and leisure units, healthcare facilities and homes which will be delivered as part of the redevelopment of the site will therefore result in lower carbon emissions as a significant proportion of these additional journeys are likely to be on foot or using public transport.

2.0 BACKGROUND

2.1 On 26th September 2012 Cabinet granted authority to make a CPO to acquire land and rights overland at the Former Steelworks in Stocksbridge to enable the comprehensive regeneration of the site with a mixed use scheme for retail, office and leisure with associated infrastructure and car parking and land prepared for residential development.

2.2 The development was promoted by Stocksbridge Regeneration Company Limited (SRC) a company now owned entirely by Dransfield Properties Limited

Please note that since the report to Cabinet in September 2012, SRC is now a wholly owned company of Dransfield Properties Ltd and JJ Gallagher Ltd no longer have any shareholding in the company.

- 2.3 The Fox Valley development scheme for the Former Steelworks site, for which planning permission was obtained, comprised of
- A retail and office led element, also including catering and leisure uses, incorporating a Tesco food superstore of approximately 5,820 sq m (GIA) within a total of 20,377 sq m (GIA) of commercial development, served by around 680 car parking spaces, with additional employee parking
 - The provision of land for up to 140 residential units with a mixture of 2, 3 and 4 bedroom dwellings anticipated, which will also accommodate landscaping, the enhancement of the river corridor, and the provision of public open space including children's play space
 - Junction and other improvements to enhance vehicular and pedestrian access from Manchester Road.
 - The improvement of the existing private link road from the steelworks to the A616 Stocksbridge bypass and its opening up as a public highway open to all traffic, with the provision of a new roundabout junction with the bypass
 - The realignment and rationalisation of vehicular and non-vehicular routes across the site, including the closure of Ford Lane and the stopping up of public rights of way, and the provision of new rights of way to enhance wider accessibility.
- 2.4 On the back of the Council granting the CPO SRC were able to acquire, by agreement, all of the proposed development site apart from that held by unknown land owners.
- 2.5 The Sheffield City Council (Former Steelworks, Stocksbridge) Compulsory Purchase Order 2012 was therefore confirmed on an unopposed basis by the Secretary of State for Communities and Local Government on 22nd April 2013.

That Order was duly implemented by the Council who acquired all outstanding interests from the unknown owners and transferred them to SRC in accordance with the terms of the CPO Indemnity Agreement.

- 2.6 In January 2014 SRC granted Tesco Stores Ltd ("Tesco") a 200 year lease on part of the site.

The lease did not require Tesco to build the permitted food store, although at the time that was clearly Tesco's commercial objective in entering into the lease (for which it paid a substantial premium to SRC).

- 2.7 The agreement with Tesco was pivotal as it brought the country's most successful food retailer to the Fox Valley development in a full range store and thus provided the essential anchor tenant that would provide the guaranteed footfall around which the remaining retailer units would secure their trade.
- 2.8 SRC successfully secured European Regional Development Fund (ERDF) funding for the Scheme and Henry Boot Construction were subsequently appointed as main contractor for this £42m development.

3.0 CURRENT SITUATION.

- 3.1 SRC commenced work on site in February 2014 in accordance with the planning permissions obtained, with the first phase being the replacement of the existing Tata Speciality Steels outside storage and handling yard with a new purpose built enclosed facility at the western end of their works with new road and rail links.

This new facility was completed in December 2014 which allowed works to then commence in earnest on the main retail/office development site which are targeted for completion in spring 2016.

- 3.2 A new roundabout on the A616 Stocksbridge bypass has been built to facilitate better access to the Fox Valley site, and a residential house builder Stonebridge Homes has been secured by SRC to deliver the residential element of the Fox Valley scheme.

Substantial ground works have been undertaken by SRC to prepare the housing site for them.

Work on the main retail/office development site is well progressed and is on programme.

- 3.3 On 8th January 2015 Tesco announced that after a strategic property review it had decided not to proceed with some 49 new store projects across the UK.

One of those projects that decided not to proceed with was the food store at Stocksbridge on the Fox Valley development.

- 3.4 The land leased to Tesco sits comprises 1.95 hectares of the Fox Valley site (the "Order Land") and is shown coloured pink in the attached reduced size draft Order Map
- 3.5 Tesco has not come forward with any alternative plans/proposals for development of the Order Land

It is presumably that Tesco will hoard off the Order Land and just keep it vacant.

- 3.6 The decision by Tesco not to proceed with the construction of a new store leaves a sizeable physical gap on the Fox Valley site.
- 3.7 The vacant hoarded off site would be an unsightly space between the retail and office led development to the west, and the housing development to the east, and so represents a wasted resource in terms of the contribution this land could make to providing enhanced services and facilities for local people.
- 3.8 The hoarded off site would also diminish significantly the physical regeneration benefits and improvement to the character and appearance of the Fox Valley site that would otherwise be delivered
- 3.9 The loss of Tesco from the development means that the food anchor store which would have generated shopping trips in high numbers and on a daily basis will no longer be provided. The Tesco store was to be important in generating footfall and hence supporting the appeal and commerciality of the Fox Valley development as a whole.

It thus affects the viability of the overall Fox Valley development and its attractiveness to other retailers and shoppers.

- 3.10 In order to address the loss of Tesco and provide an alternative anchor attraction that will drive footfall and activity levels to help underpin the wider Fox Valley development ,and to fill and make productive use of the gap left by Tesco's abandonment of Stocksbridge, SRC has produced an alternative development proposal ("the Scheme") for the Order Land
- 3.11 The Scheme replaces the proposed Tesco store with a mixed use block comprising retail, leisure, and healthcare with associated infrastructure and car parking. Together the quantum and mix of uses anticipated by the Scheme will act as a major draw, generating interest and activity to support other businesses in the wider development.
- 3.12 Planning permission for the Scheme has been submitted by SRC and permission granted ref 15/00904/FUL
- 3.13 The Scheme is a single block made up of five units:
 - 3.13.1 Unit 1 – a retail unit extending to 1,740 sq m gross internal area (GIA).

This unit will be occupied by Aldi in their new format supermarket

The inclusion of an Aldi supermarket goes some way to compensate for the loss of Tesco, by providing a main food shopping function to

enhance choice in Stocksbridge and will perform as a more modest anchor role for the overall Fox Valley development.

The Council has confirmation that Aldi has been secured by SRC on an occupational lease

3.13.2 Unit 2 – retail unit extending to 929 sq m GIA.

This unit will be occupied by Poundland Limited.

The Council has confirmation that agreements have been entered into with Poundland Limited a fixed price point retailer not represented in the Stocksbridge area

3.13.3 Unit 3 – retail unit extending to 1,858 sq m GIA.

The Council is informed that terms have been agreed to let this unit to TJ Morris Ltd trading as Home Bargains who have already committed to the Fox Valley development but wish to relocate to a much larger format unit within the Scheme.

3.13.4 Unit 4 – a pharmacy which will operate once the letting of unit 5, the Medical Centre is finalised.

3.13.5 Unit 5 – a Medical Centre extending over two floors, which will include a link through to Unit 4, the pharmacy.

It is anticipated that the new medical centre will accommodate The Valley Medical Practice, which has been looking to relocate for some time in Stocksbridge.

SRC is in advanced negotiations with the NHS for this unit and are confident a lease can be agreed.

3.14 SRC needs to have the Scheme developed for the completion of the Fox Valley development which is programmed for spring 2016

They therefore need to have acquired the Order Land in a timely manner to be able to start construction of the Scheme and deliver the supermarket to Aldi in accordance with the terms agreed.

4.0 PROPOSED COMPULSORY PURCHASE ORDER.

4.1 It is proposed to make a Compulsory Purchase Order (CPO) under section 226 (1) (a) of the 1990 Town and Country Planning Act 1990.

4.2 The Council can make a CPO under section 226(1) (a) where it "thinks that the acquisition will facilitate the carrying out of development, re-development or improvement on or in relation to the land", and it thinks (required by section 226(1A)) that, "the development will promote the

improvement of the economic, social or environmental well-being of their area”.

- 4.3 The Office of the Deputy Prime Minister ("ODPM") (now the Department for Communities and Local Government) Circular 06/04 states that, “a compulsory purchase order should only be made where there is a compelling case in the public interest”. The Circular also recommends that, “Before embarking on compulsory purchase and throughout the preparation and procedural stages, acquiring authorities should seek to acquire land by negotiations wherever practicable. The compulsory purchase of land is intended as a last resort in the event that attempts to acquire by agreement fail.
- 4.4 SRC has sought to acquire the Order Land by negotiation and been in extensive negotiations with the existing leaseholder Tesco and their agents.
- 4.5 They have made a formal offer to purchase the Order Land and offered to either go to independent third party arbitration to fix the value of the Order Land, or, to pay a premium now and then enter into an Overage Agreement whereby once the Scheme is completed the real costs and values are used to calculate the value of the land and should this revaluation produce a land price higher than the premium already paid an additional top up payment is made by SRC.
- 4.6 Unfortunately terms have not yet been agreed and Officers do not consider that agreement is going to be reached in the timescales required and so believe that there is no alternative but to proceed with a CPO.

Notwithstanding the making of the CPO to acquire the land efforts to acquire the Order Land by agreement will continue in parallel to the compulsory purchase process.

- 4.7 The Council considers that there is a compelling case in the public interest to justify using its compulsory purchase powers to acquire the Order Land because of the important regeneration benefits the Scheme and the wider development of the Fox Valley site will deliver to Stocksbridge and the surrounding area, as it will make a significant contribution to the promotion of the economic, social and environmental well-being of the area.
- 4.8 To date very significant resources have been invested by both SRC and the public sector in the pursuit of and then the implementation of the development of Fox Valley on what was an under-used former steelworks site at the bottom of the Stocksbridge valley.

This would be left incomplete if the Order Land is left undeveloped.

- 4.9 If the Order Land is left undeveloped this will constrain both the viability and success of the Fox Valley development, as the appeal and trading environment to both shoppers and retailers would be undermined if placed alongside a vacant hoarded plot
- 4.10 There would be commensurate harm to the contribution of the overall development to the health of the existing centre, promotion of sustainable shopping patterns, and provision of a wider range of facilities for local people.
- 4.11 In addition the Scheme will also deliver benefits in its own right as it will include a supermarket, which will anchor the Fox Valley development, thus enhancing the choice of food shopping within Stocksbridge.

It will also provide further accommodation for retail and leisure uses, again broadening the range of facilities available to local people.

This will promote sustainability and inclusion by encouraging more residents to meet their needs within the town rather than travelling to competing destinations elsewhere.

- 4.12 The healthcare element of the Scheme will provide a building consistent with meeting the current needs in a primary care led NHS and will provide residents with greater access to a wider range of functions and services in a local setting.

It will be supported by an adjacent pharmacy, so that patients can meet all of their needs on a single trip.

- 4.13 The decision to authorise compulsory purchase will bring certainty that the Scheme will be delivered in a timely fashion to complement and complete the Fox Valley development which is being undertaken by SRC

- 4.14 The draft Statement of Reasons, included as an appendix to this report, sets out more fully the reasons why a CPO is considered necessary.

- 4.15 There will be no job losses or relocations arising from the promotion of the CPO, and there are no occupied dwellings on the land to be acquired.

- 4.16 The Order Land required for the completion of the Fox Valley development is shown coloured pink in the attached reduced size draft Order Map.

- 4.17 As stated, the Statement of Reasons, Order Map and Order Schedule are currently in draft form. All documents will be available for inspection by the public once the Order has been made.

5.0 FINANCIAL IMPLICATIONS

- 5.1 SRC will enter into an Indemnity Agreement with the Council whereby it will indemnify the Council in respect of all the costs and expenses incurred in preparing and making the CPO and in acquiring the interests required (including the payment of all proper CPO compensation) for the delivery of the Scheme.

For the avoidance of doubt this arrangement will not require the Council to provide for a cash-flowing of SRC costs for anything other than the timescale required to make immediate defrayment to the Council.

- 5.2 The terms of this CPO Indemnity Agreement with SRC will be underwritten/guaranteed by Dransfield Properties Limited.
- 5.3 The Acting Executive Director of Resources has undertaken a financial check on both SRC and Dransfield Properties Limited and is satisfied that they are together of sufficient financial standing to underwrite their obligations to the Council contained in the CPO Indemnity Agreement.
- 5.4 All of the Council's costs will, when the CPO Indemnity Agreement is signed, be recoverable, and the financial risk to the Council of using its CPO powers is deemed to be minimal
- 5.5 The Council will not make the CPO until the CPO Indemnity Agreement is completed
- 5.6 Under the terms of the CPO Indemnity Agreement SRC will also be responsible for paying the Council's costs for negotiating and agreeing the terms of the CPO Indemnity Agreement
- 5.7 The cost of the acquisition and development of the Scheme will be funded by SRC via a mixture of balance sheet and bank financing.
- 5.8 As at the date of this report the Acting Executive Director of Resources is satisfied that based on the financial information provided bank SRC and/or its guarantor, Dransfield Properties Limited possesses sufficient balance sheet and bank funding to fund the acquisition of the Order Land and the development of the Scheme.
- 5.9 Prior to the execution of the execution of the General Vesting Declaration (GVD) (the point at which the CPO becomes legally binding with the title of the land transferring to the Council and compensation becoming due/payable) the Acting Executive Director of Resources may, acting reasonably, in order to ensure that there is minimal financial risk to the Council in using its CPO powers, require from SRC and or its guarantor Dransfield Properties Limited, such additional security as the Council should reasonably require for the payment of all the costs for the purchase of the Order Land.

6.0 LEGAL IMPLICATIONS.

- 6.1 It is the view of the Director of Legal & Governance and Monitoring Officer that the CPO of the Order Land is required in order to complete the regeneration of the Former Steelworks area of Stocksbridge is likely to achieve the promotion or improvement of the economic and environmental well-being of the area and its inhabitants, and consequently their social well-being as well.
- 6.2 For reasons set out in paragraph 6.1 above the Director of Legal & Governance and Monitoring Officer confirms that under Section 226 of the Town and Country Planning Act 1990 the Council can make a CPO to acquire the land required for the Scheme, or under Section 227 of the Town and Country Planning Act 1990 the Council may acquire the land by agreement
- 6.3 The CPO Indemnity Agreement, as mentioned in paragraphs 5.1 to 5.6 above provides for SRC and Dransfield Properties Limited as guarantor to indemnify the Council in respect of all of the costs and expenses incurred in acquiring the Order Land for the Scheme.
- 6.4 It is the view of the Director of Legal & Governance and Monitoring Officer that the transfer of the land to SRC under the terms of the CPO Indemnity Agreement conforms with section 233 of the Town and Country Planning Act 1990
- 6.5 Circular 06/04 notes that, “compulsory purchase proposals will inevitably lead to a period of uncertainty and anxiety for the owners and occupiers of the affected land”, and states that, “it is essential that the acquiring authority keeps any delays to a minimum by completing the statutory process as quickly as possible”.

In recognition of this advice the CPO Indemnity Agreement provides for the making of the CPO within 2 months of seeking the Resolution, and to seek confirmation of the CPO from the Secretary of State as soon as possible.

7.0 EQUALITY OF OPPORTUNITY

- 7.1 The redevelopment of the site will be of universal positive benefit for all local people regardless of age, sex, race, faith, disability, sexuality, etc.

Local people will benefit from the creation of a significant number of new full and part time jobs. The socio economic and community cohesion impacts locally will be particularly positive.

- 7.2 No negative equality impacts have been identified, and it is not considered necessary that a full Equality Impact Assessment needs to be undertaken.

8.0 ENVIRONMENTAL SUSTAINABILITY

- 8.1 The redevelopment of the Order Land will bring back into use brownfield land that is currently unused. The site is a former steel works which was demolished a couple of years ago.
- 8.2 The retail/leisure space and healthcare facilities to be developed by SRC will be highly accessible to the people of Stocksbridge and will reduce the distance local residents have to travel to work, shop and help make the healthcare facilities more accessible.

9.0 HUMAN RIGHTS ISSUES

- 9.1 The Human Rights Act 1998 incorporated into domestic law the European Convention on Human Rights (“the Convention”). The specific rights protected by the Convention include, amongst others:
- The right of everyone to the peaceful enjoyment of their possessions, which can only be impinged upon in the public interest and subject to relevant national and international laws;
 - The right to a fair and public hearing for those affected by the Scheme; and
 - The right to a private and family life, home and correspondence, which again can only be impinged upon in accordance with law and where such encroachment is necessary in the interest of national security, public safety or the economic well being of the country
- 9.2 The above rights would be engaged by the use of a CPO to acquire land for the Scheme. However, the European Court has recognised that “regard must be had to the fair balance that has to be struck between competing interests of the individual and the community as a whole”. Any interference with a convention right must be necessary and proportionate.
- 9.3 In the light of the significant public benefit which would arise from the completion of the Fox Valley development and also from the implementation of the Scheme itself, and the fact that the known leasehold owner has been contacted regarding the Scheme and will, should their land be compulsorily acquired, qualify for compensation under the Compensation Code, the Council has concluded that there is a compelling case in the public interest to make the Order.
- 9.4 The Council does not regard the proposed Order as constituting any unlawful interference with any individual’s rights under the Convention, including in particular any property rights.

10.0 CONSULTATION

- 10.1 Consultation has been undertaken as part of the planning process for the planning permission that has been granted for the Scheme.
- 10.2 The Sheffield City Council (Fox Valley, Stocksbridge) Compulsory Purchase Order 2015 will be advertised both nationally and locally in the press, notices will be placed on site and all the CPO documentation will be made available for public inspection both in Stocksbridge and the City Centre.

Representations can be made in the context of any public enquiry that the Secretary of State decides to hold in connection with this CPO.

11.0 REASONS FOR RECOMMENDATIONS

- 11.1 The use of a CPO to acquire the Order Land required for the Scheme is possible under section 226 (1) (a) of the 1990 Town and Country Planning Act, and would be justified in light of the compelling case in the public interest for the acquisition of the Order Land to enable the completion of the Fox Valley development
- 11.2 Where the Council propose to make a CPO under these statutory provisions, the Council must be satisfied that the development is likely to contribute to the achievement of one or more of the following objects, namely the promotion or improvement of the economic, social or environmental well-being of their area.
- 11.3 It is considered that there is a compelling case in the public interest to justify the Council using its compulsory purchase powers to acquire the Order Land because of the important regeneration benefits the Scheme and the wider development of the Fox Valley site will deliver to Stocksbridge and the surrounding area,
- 11.4 If the Order Land is left undeveloped it will constrain both the viability and success of the Fox Valley development, as the appeal and trading environment to both shoppers and retailers would be undermined.
- 11.5 There would be commensurate harm to the contribution of the overall Fox Valley development to the health of the existing centre, promotion of sustainable shopping patterns, and provision of a wider range of facilities for local people.
- 11.6 For these reasons it is suggested that Cabinet adopt the recommendations described below.

12.0 RECOMMENDATIONS

- 12.1 That authority be given for the Council to make a Compulsory Purchase Order under the powers conferred by Section 226 (1) (a) of

the Town and Country Planning Act 1990 Act to acquire the land shown on the Order Map displayed at the meeting of Cabinet on 22nd July 2015 and marked Map referred to in the Sheffield City Council (Fox Valley, Stocksbridge) Compulsory Purchase Order 2015.

- 12.2 That authority be given to the Executive Director Place in consultation with the Director of Legal & Governance and Monitoring Officer and the Acting Executive Director of Resources to agree and enter into all necessary legal documentation with the Stocksbridge Regeneration Company
- 12.3 That the Director of Legal & Governance and Monitoring Officer be authorised to make the CPO, to take all necessary procedural steps prior to and after the making of the CPO, to enable the CPO to be submitted to the Secretary of State for confirmation including:
- (a) finalising the attached draft Statement of Reasons;
 - (b) finalising the Schedule of Interests
 - (c) serving notices of the making of the CPO on all persons entitled to such notice and placing necessary press notices;
- and to submit the CPO to the Secretary of State for confirmation.
- 12.4 That the Director of Legal & Governance and Monitoring Officer be authorised to sign and serve any notices or documents necessary to give effect to these recommendations and to take all other actions necessary to give effect to these recommendations.
- 12.5 As soon as the Order is confirmed by the Secretary of State to advertise the confirmation of the CPO and serve all necessary notices of confirmation and once the CPO becomes operative, the Director of Legal & Governance and Monitoring Officer in consultation with the Acting Executive Director of Resources be authorised to execute General Vesting Declarations under the Compulsory Purchase (Vesting Declarations) Act 1981, at the earliest opportunity.
- 12.6 That the Executive Director Place, in consultation with the Director of Legal & Governance and Monitoring Officer and the Acting Executive Director of Resources be authorised to manage the compulsory purchase process in accordance with the terms of the CPO Indemnity Agreement.

Simon Green
Executive Director Place.

NOTE: THIS DRAWING HAS BEEN PREPARED BY AN INDEPENDENT PROFESSIONAL ENGINEER AND IS NOT TO BE USED FOR ANY OTHER PURPOSE WITHOUT THE WRITTEN CONSENT OF THE ENGINEER.



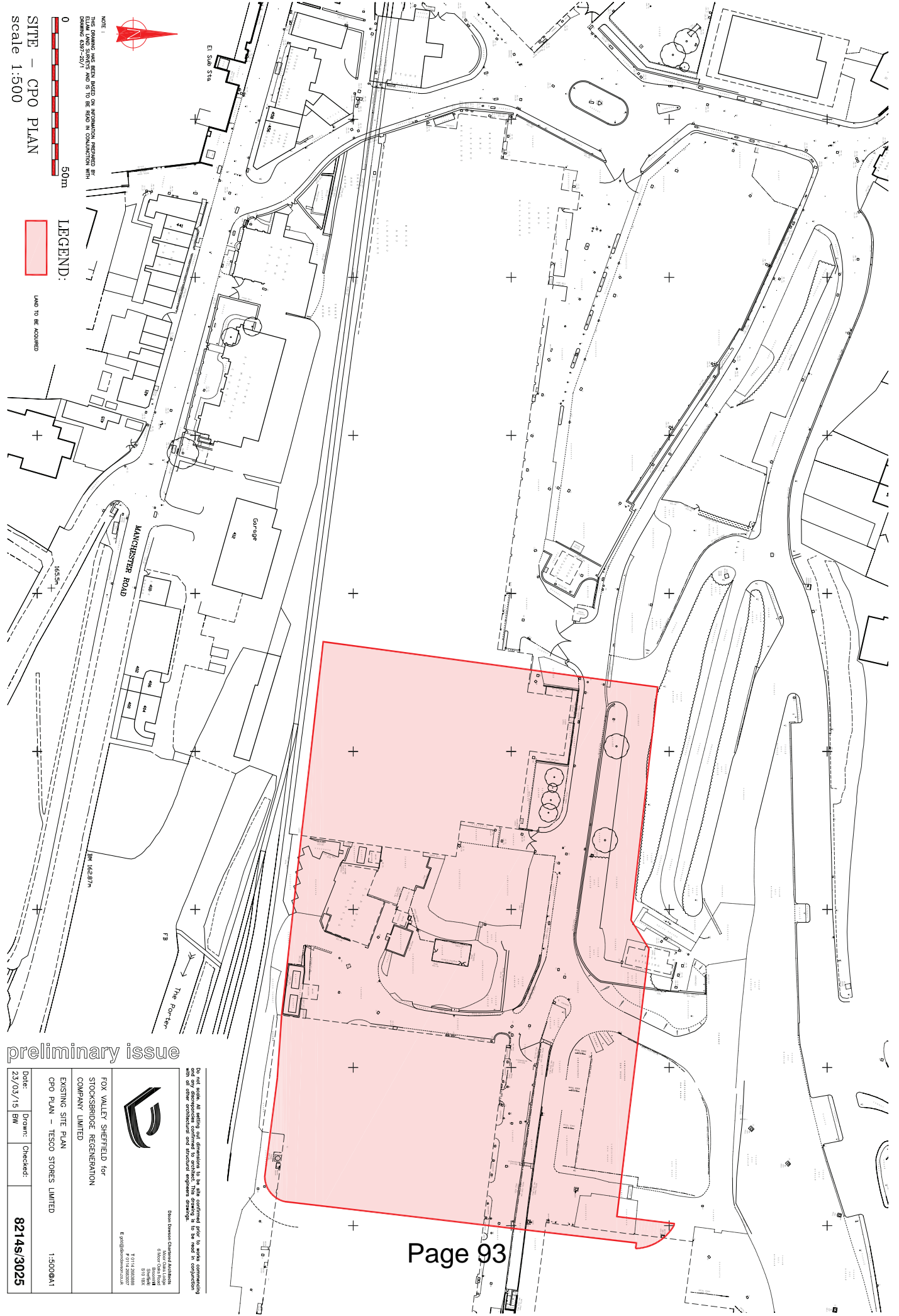
0 50m

SITE - CP0 PLAN
scale 1:500

LEGEND:



LAND TO BE ACQUIRED



preliminary issue

Date:	23/03/15	Drawn:	BW	Checked:		8214s/3025
<p>FOX VALLEY/ SHEFFIELD for STOCKSBRIDGE REGENERATION COMPANY LIMITED</p> <p>EXISTING SITE PLAN CP0 PLAN - TESCO STORES LIMITED</p> <p>1:3000QA1</p>						



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Do not scale. All setting out dimensions to be site confirmed prior to works commencing and any discrepancies confirmed to architect. This drawing is to be read in conjunction with the specification and technical specifications.

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**SHEFFIELD CITY COUNCIL (FOX VALLEY)
COMPULSORY PURCHASE ORDER 2015**

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**STATEMENT OF REASONS
OF THE ACQUIRING AUTHORITY**

**Squire Patton Boggs (UK) LLP
2 Park Lane
Leeds
LS3 1ES**

July 2015

SHEFFIELD CITY COUNCIL (FOX VALLEY)

COMPULSORY PURCHASE ORDER 2015

STATEMENT OF REASONS

1 Introduction

- 1.1 This document is the Statement of Reasons of Sheffield City Council for making a Compulsory Purchase Order entitled The Sheffield City Council (Fox Valley) Compulsory Purchase Order 2015.
- 1.2 In this Statement of Reasons, Sheffield City Council is referred to as the “Acquiring Authority”, the Sheffield City Council (Fox Valley) Compulsory Purchase Order 2015 is referred to as “the Order” and the land included within the Order is referred to as the “Order Land”.
- 1.3 The Acquiring Authority is the local authority, local planning authority and local highway authority for the area within which the Order Land is situated.
- 1.4 On **DATE** the Acquiring Authority made The Sheffield City Council (Fox Valley) Compulsory Purchase Order 2015. The Order was made pursuant to the Council’s Cabinet resolution on **DATE**.
- 1.5 The Order was made pursuant to Section 226(1)(a) of the Town and Country Planning Act 1990 in respect of the acquisition of the land and these comprise the Acquiring Authority’s compulsory purchase powers.
- 1.6 Planning permissions have been granted for a mixed use scheme on redundant steelworks land principally for retail, office, leisure and associated infrastructure and car parking (“Planning Permission 1, Planning Permission 2, and Planning Permission 3”). Planning permission has also been granted on redundant steelworks land for residential development (“the Residential Development”). Planning Permission 3 relates to development which is referred to in this Statement of Reasons as “the Scheme”. Full details of the planning permissions and the Residential Development are set out in Section 6 of this statement.

- 1.7 The Scheme has been promoted by Stocksbridge Regeneration Company Limited (SRC) (the “Developer”) a company now owned entirely by Dransfield Properties Limited who are currently engaged in the regeneration of areas over and around the Order Land.

Please note that SRCL is now a wholly owned company of Dransfield Properties Ltd and JJ Gallager Ltd no longer have any shareholding in the company.

- 1.8 The Sheffield City Council (Former Steelworks, Stocksbridge) Compulsory Purchase Order 2012 was confirmed on an unopposed basis by the Secretary of State for Communities and Local Government on 22 April 2013 to secure the necessary land, rights and property interests required to implement Planning Permission 1, Planning Permission 2 and the Residential Development. That Order was duly implemented by the Council who acquired all outstanding interests and transferred them to SRC in accordance with an agreement between the parties to secure the development of the site.

- 1.9 SRC subsequently (17 January 2014) granted Tesco Stores Ltd (“Tesco”) a 200 year lease on part of the land addressed by Planning Permission 1 and Planning Permission 2. The lease did not require Tesco to build the permitted food store, although at the time that was clearly Tesco’s commercial objective in entering into the lease (for which it paid a substantial premium).

The agreement with Tesco was pivotal as it brought the country’s most successful food retailer to the site in a full range store and thus provided the essential anchor tenant that would provide the guaranteed footfall around which the remaining retailer units would secure their trade. On 8 January 2015 Tesco announced that after a strategic property review it had decided not to proceed with some 49 new store projects across the UK. One of those projects was the food store at Stocksbridge.

The withdrawal of Tesco significantly affected the viability of the Scheme and its attractiveness to other retailers and shoppers. This therefore put in jeopardy the aim of the Scheme which was to secure a comprehensive and vibrant town centre development , employing a significant number of people and creating a retail attraction in the centre of Stocksbridge.

- 1.10 Planning Permission 3 (“the Scheme”) was secured by SRC as an alternative to develop the land no longer to be addressed by the Tesco store and enable the completion of the regeneration commenced via works under Planning Permission 1, Planning Permission 2 and the Residential Development.
- 1.11 The Acquiring Authority considers that there is a compelling case in the public interest for the making of the Order to secure the outstanding interests required (the “Order Land”) for the purposes of implementing the Scheme, which will help deliver comprehensive regeneration of Stocksbridge.
- 1.12 The Order Land is more fully described in section 2 of this statement. The interests comprising the Order Land are identified and described in the schedule to the Order (the “Order Schedule”), which refers to the map accompanying the Order (the “Order Map”).
- 1.13 This Statement of Reasons is not a statement for the purposes of Rule 7 of the Compulsory Purchase (Inquiries Procedure) Rules 2007.

2 Description of Order Land

- 2.1 The Order Map is attached at Appendix 1 and a plan showing the development proposals is attached at Appendix 2.
- 2.2 The land required within the Order Land is shown coloured pink on the Order Map
- 2.3 The Order Land comprises approximately 1.95 hectares and is located at Stocksbridge, a town which lies to the north-west of Sheffield within the area of the Acquiring Authority. It is located to the north of the B6088

Manchester Road. It is broadly rectangular in shape, with the long side of the rectangle oriented broadly east – west.

2.4 The south western corner of the Order Land is located a short distance to the north east of number 412 Manchester Road, on the opposite (northern) side of the railway serving the retained operational steelworks. The Order Land extends eastwards broadly parallel with the railway. The Order Land extends northwards towards, but not as far as, the service road linking the steelworks with the A616 (T), a main road connecting Manchester and Sheffield and the M1 and which here forms the Stocksbridge Bypass.

2.5 The Order Land was formerly part of the steelworks. Alongside land to the east and west it has been cleared, remediated and re-profiled in readiness for further development. This area as a whole was until recently mainly vacant, underutilised, contaminated in parts, in an untidy condition, and in urgent need of regeneration. Development of land to the west for office and retail led uses to address this need is well under way.

3 Statutory Functions of the Acquiring Authority – Use of the Enabling Powers

3.1 The Acquiring Authority is seeking to secure the regeneration of the Order Land by facilitating its development by the Developer. The Scheme will deliver a major retail, leisure and healthcare facility. The Scheme will be to the clear benefit of the area both in terms of the contribution to physical regeneration that will take place and in terms of the uses that will then be accommodated, as set out more fully in Section 7 below.

3.2 The compulsory purchase powers conferred on the Acquiring Authority by Section 226(1)(a) of the Town and Country Planning Act 1990 can only be exercised (following confirmation by the Secretary of State) by virtue of Section 226(1A) where an Acquiring Authority considers that the acquisition of the land will facilitate the carrying out of development, redevelopment, or improvement on or in relation to that land, provided that it considers that the development, redevelopment or improvement is likely to contribute to the

achievement or the promotion or improvement of the economic, social or environmental well being of the Acquiring Authority's area. The Acquiring Authority believes that the acquisition of the Order Land will facilitate the development of the Scheme and that the resultant development will lead to an improvement in the economic, social and environmental well being of the area. The Acquiring Authority is utilising its powers under Section 226(1)(a) of the Town and Country Planning Act 1990 because, despite a lengthy process of negotiation, it has not so far been possible for the Developer to acquire all interests in the Order Land by agreement. The public benefits that would be secured by the regeneration of the Order Land would be lost if the site cannot be assembled. Notwithstanding the making of the Order efforts to acquire the Order Land by agreement will continue in parallel with the compulsory purchase process.

- 3.3 The purposes in seeking to acquire the Order Land and utilise the Acquiring Authority's compulsory purchase powers are set out in detail in Section 7 below.

4 Development Scheme

- 4.1 It is intended that the compulsory acquisition of the Order Land will facilitate the Scheme, being the comprehensive redevelopment of the Order Land.
- 4.2 The Scheme will enable the provision of a mixed use development comprising retail, leisure, and healthcare with associated infrastructure and car parking. It will complete the substantial strengthening and extension of the centre of Stocksbridge currently underway through implementation of development allowed under other permissions. It will fill and make productive use of the gap left by Tesco's abandonment of Stocksbridge, and provide a developed edge to the residential development being brought forward on land to the east.
- 4.3 The Order Land is currently vacant. There will be no job losses arising from the promotion of the Order, and no relocations will be required. Based on average employment density figures it is estimated that the Scheme will

provide at least 150 permanent jobs on site with additional jobs created through the construction and servicing of the Scheme.

4.4 The Scheme in detail comprises a single block (“Block C”). As amended (see Section 6, below) it is made up of six units:

- Unit C1 – retail unit extending to 1,740 sq m GIA. This unit is pre-let and will be occupied by deep discount supermarket retailer Aldi.
- Unit C2 – retail unit extending to 648 sq m GIA. It is anticipated that this unit will be occupied by a further specialist supermarket operator, or non food retailer.
- Unit C3 – retail or leisure unit extending to 1,858 sq m GIA. It is anticipated that this unit will be occupied either by a leisure operator, or for retail.
- Unit C4 – small unit extending to 139 sq m GIA.
- Unit C5 – pharmacy unit extending to 186 sq m GIA.
- Unit C6 – medical centre extending to 1,208 sq m GIA over two floors. It will include a link through to Unit C5. It is anticipated that it will accommodate the relocated practice currently operating on Johnson Street in Stocksbridge.

4.5 Staff car parking will be provided to the rear of Block C (totalling 62 spaces in two groups of 30 and 32 spaces).

4.6 The Scheme will use the same servicing arrangements as were approved for the original (Tesco) proposal, i.e. with deliveries via the new link road which also serves the main permitted retail and office led development and the Residential Development.

4.7 The Scheme will use the same customer / visitor access, and almost the same parking arrangements, as approved and currently being implemented in accordance with Planning Permission 2. A new roundabout is provided

on Hunshelf Road from which access to the main car park is achieved. This link and the area of car parking immediately to the west of Block C (389 spaces) is included in the Scheme, allowing for some modest rearrangement of this area of car parking compared with that anticipated by Planning Permission 2.

5 Planning Policy

5.1 The Development Plan

5.1.1 The current development plan comprises saved policies from the Sheffield Unitary Development Plan (the “UDP” adopted 1998) and the Sheffield Development Framework Core Strategy (the “Core Strategy” adopted 2009).

5.1.2 The UDP identifies the Order Land as part of a wider General Industrial Area (with special industries) which covers almost all of the land addressed by or related to the retained and former steelworks, north of Manchester Road and the railway line. The retained policies of the UDP include Policy IB5 relating to development in General Industrial Areas. Policy IB5 states that within General Industrial Areas, offices, small shops, food and drink outlets, community facilities and leisure facilities are acceptable uses in principle.

5.1.3 Policy IB5 also states that shops (other than small shops) are unacceptable unless at the edge of a district shopping centre. Policy IB9 goes on to set out conditions for development in industry and business areas, relating for example to the balance of uses, amenity, design and accessibility.

5.1.4 An area of land north and south of Manchester Road, and east and west of its junction with Hunshelf Road, forms the defined Stocksbridge District Shopping Centre. The Scheme and the retail and office led development currently being implemented are located on the edge of the District Shopping Centre with pedestrian links to it.

- 5.1.5 Policy S4 promotes retail development in District Shopping Centres, and for food retail development sites at the edge of such centres where no in centre sites are available. Policy S5 includes impact and access criteria for edge of centre development.
- 5.1.6 The UDP (Policy BE18) also identifies part of the General Industrial Area (with special industries) beyond (to the west of) the Order Land alongside Hunshelf Road as being within the Hunshelf Area of Special Character. Development there should respect that character. Land beyond (to the north of) the Order Land, outside the General Industrial Area (with special industries) falls within the Green Belt and includes a wedge of an Open Space Area; policies GE1 to GE4 of the UDP seek to protect the openness and character of the Green Belt, whilst policy LR5 of the UDP seeks to ensure that development in Open Space Areas does not harm environmental and historic features of importance. In the committee report that led to the resolution to grant planning permission for the Residential Development the Local Planning Authority concluded that this aspect of the development would not harm the openness and character of the Green Belt nor any environmental or historic features of importance within the Open Space area, and as such that proposal complied with policies GE1 to GE4 and LR5 of the UDP.
- 5.1.7 Core Strategy Policy CS34 lists Stocksbridge as one of Sheffield's District Centres. Policy CS3 identifies district centres on high frequency public transport routes as suitable for small-scale office use. Policy CS5 identifies Stocksbridge / Deepcar as a location for manufacturing, distribution / warehousing and non-office businesses. Policy CS14 related to city-wide distribution of shopping and leisure development states that major non-food retail development will not occur outside locations which include District Centres and their edges.
- 5.1.8 Core Strategy Policy CS23 seeks to concentrate new housing development where it would support urban regeneration and make efficient use of land and infrastructure, focusing on suitable and sustainably located sites within or adjoining locations including the urban area of Stocksbridge / Deepcar.

Policy CS24 prioritises the use of previously developed sites for new housing development. Policy CS33 supports the reuse of surplus industrial land in Stocksbridge for business use, the re-use of previously developed land there within the urban area for housing, and the improvement and expansion of the District Centre.

5.1.9 Whilst not forming part of the development plan, the need to regenerate redundant and surplus steelworks land whilst securing the future of operational industrial land was also recognised by the Corus Works Development Brief, as approved by the Acquiring Authority on 24th March 2005; these principles were developed in Core Strategy Policy CS33. It is regarded by the Acquiring Authority as a material consideration for the determination of planning applications. However, this document principally addressed areas beyond the Order Land.

5.2 Emerging Local Policy

5.2.1 The Draft City Policies and Sites document (then a proposed Development Plan Document) was approved by Cabinet for consultation in May 2010 and published for consultation between June and July 2010. It set out development management policies, and spatially identified Policy Areas and Allocations.

5.2.2 The Order Land and much of the remaining area addressed by Planning Permission 1 and Planning Permission 2 was identified by the Draft City Policies and Sites document as part of the District Centre Policy Area, and with an allocated required retail use plus other mixed town centre uses (Site P00440). The stated reasons for this allocation included:

“Core Strategy policy CS33 aims to improve the environment of the existing district centre whilst enabling its improved offer through expansion as opportunities arise.

There is an identified qualitative need to improve the District Centre’s offer as the centre has been losing a significant amount of its trade.”

- 5.2.3 Representations on behalf of the Developer were made during the consultation period. These were generally supportive of this allocation in principle, but sought to ensure some greater flexibility.
- 5.2.4 In time, the City Policies and Sites document was intended to replace the saved policies from the UDP. It progressed, and consultation on the "Pre-Submission" version of the document took place between June and September 2013. This retained a retail, town centre use, and community use allocation for land including the Order Land.
- 5.2.5 However, the Council subsequently decided not to proceed with the submission of this document for public examination. This decision (in December 2013) reflected the view that there appeared to be little prospect of the City Policies and Sites document and Proposals Map being found sound. At that point the Council acknowledged that it was not possible to demonstrate a 5 year supply of deliverable housing sites, and no Gypsy and Traveller Sites had been allocated. These factors meant that the draft plan conflicted with national planning policies. There was no suggestion that any difficulties with retail and town centre use allocations contributed to the termination of the process.
- 5.2.6 Instead, the Council will incorporate the City Policies and Sites document and Proposals Map into a new Local Plan. This process is currently in its very early stages. A "Call for Sites" was issued in the summer of 2014, and responded to by the Developer in seeking to have a wider area of land identified for housing on land to the east of the current application site. Sheffield's current Local Development Scheme approved in November 2014 sets out the timetable for the production of the new Local Plan. It currently states that the new Local Plan's production process will start with an Issues and Options consultation in September to November 2015 as its initial milestone, culminating in the new Local Plan's adoption in June 2018.
- 5.2.7 Much of the area addressed by the Residential Development was identified by the Draft City Policies and Sites document as a Flexible Use Policy Area, and with a Flexible Use Allocation without a required use (Site

P00290). Representations on behalf of the Developer were made during the consultation period. These were generally supportive of this allocation in principle, but sought to correct and clarify certain aspects of the allocation and also to achieve greater certainty in terms of the prospects of the site specifically for residential use. In the “Pre Submission” document this was changed to a housing allocation.

5.3 National Policy

5.3.1 At the national level, the NPPF is framed as a positive and enabling document, seeking to facilitate sustainable development and growth. There is a clear and firm commitment to supporting and securing sustainable economic growth. Applications for sustainable development should be approved wherever possible, consistent with an overarching approach that demands a “presumption in favour” of sustainable development (paragraph 14). It advocates a proactive, creative and solution seeking approach to planning.

5.3.2 Themes familiar from some of the policy documents replaced by the NPPF are reframed and reinforced as the core principles underpinning the new document (paragraph 17). These include, inter alia, an emphasis on high quality design, carbon reduction, conserving and enhancing the natural environment, reusing brownfield land, promoting accessible mixed use development and sustainable transport, seeking to improve wellbeing, and encouraging the delivery of facilities and services to meet local needs.

5.3.3 Again carrying forward themes evident in replaced policy there remains an emphasis on positive planning for the promotion of competitive, expanding, healthy town centres at the heart of communities, encouraging choice and diversity.

5.3.4 The NPPF seeks to boost significantly the supply of housing. It supports the delivery of a wide choice of high quality homes, widening opportunities for home ownership, and creating sustainable, inclusive and mixed communities.

- 5.4 Circular 06/2004 – Compulsory Purchase and the Crichel Down Rules
- 5.4.1 This Circular provides advice to Acquiring Authorities on promoting Compulsory Purchase Orders, and the issues which need to be addressed, and the factors which will be taken into account by the Secretary of State in deciding whether or not to confirm a Compulsory Purchase Order
- 5.4.2 The key test which is applied by the Secretary of State is whether or not there is a compelling case in the public interest for the Order to be confirmed. Specific advice is provided for local planning authorities wishing to exercise their powers under section 226(1)(a) of the Town & Country Planning Act 1990, and set out in Appendix A.
- 5.4.3 The Circular advises that the powers in the Act are intended to provide a positive tool to help Acquiring Authorities with planning powers to assemble land where this is necessary to implement the proposals in their Community Strategies and the Local Development Document. The Circular draws attention to the well-being power and the requirements of section 226(1A) which provides that the Acquiring Authority must not exercise its power of Compulsory Purchase unless they think the proposed development, re-development or improvement is likely to contribute to achieving the promotion or improvement of the economic, social or environmental well-being of the area for which the Acquiring Authority has administrative responsibility. In this respect, Acquiring Authorities are reminded that the government's purpose in introducing the well-being power is to encourage innovation and closer joint working between local authorities and their partners to improve the quality of life of those living working or otherwise involved in the community life of their area.
- 5.4.4 The Circular draws attention to guidance in Planning Policy Statement 1 (as was) which may include policies relating to issues for promoting regeneration initiatives and improving local environmental quality. The Circular recognises that such issues can have a significant impact on land use but may not necessarily be capable of being delivered solely or mainly through the granting or refusal of planning permission, and they may

require a more proactive approach by the local planning authority including facilitating the assembly of suitable sites for which the powers under the Town & Country Planning Act 1990 may be appropriate.

5.4.5 Paragraph 16 of Appendix A to the Circular sets out the factors which the Secretary of State will take into account in deciding whether or not to confirm a Compulsory Purchase Order namely:

1. Whether the purpose for which the land is being acquired fits in with the adopted planning framework for the area or, where no such up to date framework exists, with the core strategy....

As indicated above, the purpose of the Compulsory Purchase Order is to support the implementation of objectives of the Council's Core Strategy for the Order Land.

2. The extent to which the proposed purpose will contribute to the achievement of the proportion or the improvement of the economic social or environmental well-being of the area.

The benefits of the Scheme for the area in social, economic and environmental terms are set out more fully in section 7 of the Statement.

3. Potential financial viability of the scheme for which the land is being acquired, for example having regard to any general indication of funding intentions, and of any commitments from third parties, as well as aspects of timing.

Section 9 of this Statement deals with delivery of the Scheme and funding.

4. Whether the purpose for which the Acquiring Authority is proposing to acquire the land could be achieved by any other means.

The purpose which underpins the acquisition could not be achieved without the Order, as explained below.

5.4.6 The purpose of the Order, which is to secure the regeneration of the Order Land, and which in turn will support the comprehensive regeneration of the wider redundant steelworks land, can clearly only be achieved at this location. It is not possible to deliver comprehensive regeneration other than by a site assembly programme which incorporates the whole of the Order Land. There are no alternative proposals with the access to funding, the expertise of the Developer, the delivery of retailers to secure regeneration on this site and with the benefit of planning permission. In any event, given the ownership position any alternative proposals would also be likely to require the use of compulsory purchase powers to achieve land assembly.

6 Statement of Planning Position

6.1 Planning Permissions

6.2 On 22 July 2009, the Acquiring Authority granted full planning permission (reference 08/02703/FUL) for the redevelopment of the Order Land and adjoining land to the east, west and north.

6.3 This provided for the regeneration of the Order Land and surrounding area with a mixed use development including retail, offices, health centre and leisure activities. The description of the development permitted was, “mixed use development including retail (Use Class A1), food and drink (Use Class A3), leisure (Use Class D2), offices (Use Class B1), Health Centre (Use Class D1) and associated highway works, ground works, car parking accommodation, public open space and landscaping works”. The Order Land was identified by this permission for retail (including a food superstore) and car parking.

6.4 A further application, reference 09/02819/FUL, submitted under Section 73 of the Town and Country Planning Act 1990, was refused by the Acquiring Authority in a notice dated 2 December 2009. This refused application sought to allow the carrying out of the development without complying with

Condition Number 2 attached to it, which prevented the use of any part of the development as a pharmacy or post office.

6.5 An appeal was submitted against this decision. In a decision dated 13 April 2010 the appeal was allowed (“Planning Permission 1”). As a result of the appeal, the original planning permission was in effect superseded by the new planning permission approved under the Section 73 application. The pre-commencement conditions of Planning Permission 1 (Ref09/02819/FUL) have been addressed and a start made on site within the required timeframe.

6.6 A further planning permission (Ref 11/02480/FUL, “Planning Permission 2”) relating to principally the same site was granted by the Acquiring Authority in a decision dated 16 November 2011. This complemented the Section 73 planning permission granted on appeal but incorporated some changes to particular elements of the development to reflect a number of refinements and improvements. The description of development permitted in Planning Permission 2 was:

“demolition and site clearance, alteration to Blocks B and D as approved under application reference 09/02819/FUL, alterations to the layout of the car park and access arrangements as approved under application reference 09/02819/FUL, new retail and services premises (Use Classes A1/A2/A3/A4/A5), new office premises (Use Class B1), with associated access and other works”.

6.7 The effect of Planning Permission 2 was to allow part of the development (principally the main foodstore) to continue to be delivered under Planning Permission 1, whilst also allowing the delivery of the remainder of the development in the amended form of the revisions referred to above. The form of Planning Permission 2 required the development to proceed with the implementation of the foodstore permitted under Planning Permission 1. The two planning permissions were to be implemented and built out together, with the provision of the foodstore in the first phase of the floorspace to be provided. The pre-commencement conditions of Planning

Permission 2 (Ref 11/02480/FUL) have been addressed and a start made on site within the required timeframe.

6.8 On 12 October 2012 the Council granted full planning permission (11/00384/FUL) for the redevelopment of land to the east and north of the Order Land (“the Residential Development”) subject to a S106 planning obligation. The area addressed by this development includes former steelworks land extending down the valley to the east of the Order Land, and the steelworks link road plus a section of the bypass to the north of the Order Land.

6.9 The Residential Development provides for the regeneration of this site with a scheme incorporating open space and access improvements. It integrates fully with the permitted retail and office led development immediately to the west and described above (Planning Permissions 1 and 2). Together these three elements (i.e. Planning Permissions 1 and 2 and the Residential Development) anticipated the comprehensive regeneration of the area as a whole and comprised the Original Scheme underlying the confirmed Sheffield City Council (Former Steelworks, Stocksbridge) Compulsory Purchase Order 2012.

6.10 The description of the Residential Development was:

“Residential development and provision of means of access and associated landscaping (Outline application) and formation of link road and engineering works (Full application) (as amended)”

6.11 The effect of this was to allow the formation of the link road between the site and Stocksbridge Bypass, as well as remodelling to prepare the site for development. The Residential Development also established, on an outline basis, the principle of residential development on this land. The remodelling is being undertaken in conjunction with the development authorised by Planning Permissions 1 and 2, maximising the efficiencies of earth moving operations and minimising the quantities of both imported and exported fill material.

- 6.12 The access works are also being undertaken at this stage allowing the site to be serviced; indeed the roundabout junction with the bypass is now complete. A further important benefit of this approach is that the opening of the link road will enhance the commerciality of the development allowed under Planning Permissions 1 and 2, whilst immediate traffic relief and improved accessibility will be provided to Stocksbridge.
- 6.13 In a decision dated 20 February 2015 under reference 14/02318/REM reserved matters were approved for 114 dwellings on the Residential Development site. These dwellings are to be developed by specialist housebuilder Stonebridge Homes.
- 6.14 On 8 January 2015 Tesco announced that after a strategic property review it had decided not to proceed with some 49 new store projects across the UK. One of those projects was the food store at Stocksbridge being delivered under Planning Permission 1.
- 6.15 In response to this the Developer submitted a further planning application for the development described above (Section 4) as the current Scheme. In a decision dated 2 June 2015 under reference 15/00904/FUL planning permission (“Planning Permission 3”) was granted for the Scheme. Save for one condition relating to confirmation of the approach to ground contamination there are no “pre commencement” conditions attached to this permission and it is readily implementable in planning terms. In a decision dated 22 June 2015 under reference 15/02129/NMA minor (non-material) amendments to the Scheme were permitted.
- 6.16 A further application is to be submitted by the Developer under Section 73 of the Town and Country Planning Act 1990 to amend the wording of conditions attached to Planning Permission 2 to support the continued implementation of development approved by Planning Permission 2 but without the superstore approved by Planning Permission 1. The principle of this approach has been agreed by officers.
- 6.17 Other Planning Permissions

6.18 In addition to the planning permissions as described above which relate to the Order Land and land adjacent, further planning permissions have been granted for related development elsewhere in and around the retained steelworks. A full planning permission was granted on 10 May 2011 (Ref 11/00350/FUL) for development described as:

“erection of a warehouse (site 1) and an industrial test centre and offices and formation of a pedestrian link to Manchester Road (site 2) with associated works including provision of car parking accommodation, means of access, drainage and landscaping (as amended)”

6.19 Conditions attached to this planning permission were subsequently amended via a Section 73 application, granted on 9 November 2012 under reference 12/02926/FUL. The principal effect of this was to support phased delivery of this scheme.

6.20 “Site 1” in the Original Scheme relates to land between the western end of the retained operational steel works and a cleared former steelworks area where Tata previously secured outline planning permission for housing, where a large warehouse facility has now been completed. This is a replacement facility for the relocated outside storage area that is required for the delivery of Planning Permission 2. It provides a larger and substantially improved area for this operation, being covered (rather than open), purpose built, and more conveniently located relative to the production line thereby enhancing efficiency and productivity.

6.21 “Site 2” relates to land at the interface between the eastern end of the retained operational steelworks and the retail and office led scheme permitted under Ref 08/02703/FUL and subsequent permissions. This will include an industrial test centre to consolidate and enhance Tata’s testing facilities. It will represent a significant investment in Tata’s testing, research and development capability, as well as acting as a showcase to customers across a world market.

- 6.22 In a decision dated 24 June 2013 under reference 13/01487/FUL planning permission was granted for works enabling the existing building (known as Block G, previously the steelwork canteen) immediately to the north west of the land addressed by Planning Permission 2 to be brought back into productive use. These works have been completed.
- 6.23 The relationship between these various elements of development is shown on the drawing at Appendix 2. This shows that the Order Land lies at the heart of a very substantial overall project. The Current Scheme should not be understood in isolated terms but rather as an important component part of the wider regeneration of the valley around the retained steelworks.
- 6.24 The Current Scheme therefore has the benefit of planning permission, within the context of further planning permissions in place to secure the regeneration of neighbouring land. Whilst there are some minor issues which remain to be addressed there is no planning impediment to the carrying out of the development.

7 The Acquiring Authority's purpose in seeking to acquire the Order Land

- 7.1 The purpose in seeking to acquire the Order Land must be understood against the background of the benefits of "the Original Scheme" underlying the confirmed Sheffield City Council (Former Steelworks, Stocksbridge) Compulsory Purchase Order 2012.
- 7.2 Context
- 7.3 Planning Permissions 1 and 2 and the Residential Development (together "the Scheme" for the Sheffield City Council (Former Steelworks, Stocksbridge) Compulsory Purchase Order 2012) anticipated the comprehensive mixed use regeneration of land east of the retained steelworks. In that case the purpose of seeking to acquire land compulsorily was therefore to facilitate the comprehensive regeneration of this land through mixed use development and the preparation of land for residential development.

- 7.4 Those permissions together addressed an extensive brownfield site very clearly in need of regeneration. It comprised, in the main, a cleared former steelworks. The base of substantial employment that was once provided there has long gone, as have all of the buildings and associated steel making activity; remediation, re-profiling and redevelopment is now well under way. Production there ceased in early 2008 and site clearance was completed in the first half of 2010. What remained was principally an extensive and unsightly area of hard standing, contaminated in parts. The land was a significant wasted resource within the Stocksbridge urban area. Planning Permissions 1 and 2 and the Residential Development sought to address this.
- 7.5 Through time the need to regenerate Stocksbridge has been widely recognised through planning policy at the regional and local levels. The redevelopment of previously developed sites within and on the edge of district centres and within urban areas is also encouraged in general terms by the development plan. More generally, the regeneration of outworn industrial land for new uses is very much in keeping with the current growth agenda in national policy and the focus on sustainable development.
- 7.6 The Residential Development will be highly sustainable because new homes will be provided in close proximity to the existing centre and the new retail / office led development on the adjoining land. It will be possible for new residents to gain access to everyday retail and community facilities and to employment by non-car modes of transport.
- 7.7 This element also brings with it the full opening up of the link road to the bypass, which in turn will alleviate traffic issues in Stocksbridge. The new roundabout junction created on the bypass represents a safety benefit, providing calming on a busy Trunk Road. It introduces lighting to an unlit part of the bypass, reduces traffic speeds, and removes the hazardous existing junction arrangement where articulated vehicles need to cross a fast moving carriage way.

- 7.8 The Residential Development site is in an attractive valley setting but it was unsightly, inaccessible, dominated by concrete, and contaminated. This has been removed and remediated, and will be replaced by an attractive, accessible, carefully designed development. Existing landscaped areas will be managed and new open space introduced. Ecological benefits will arise from habitat enhancement, including in particular along the river corridor. Accessibility will be improved by the enhancement and expansion of Public Rights of Way. The overall benefits in terms of regeneration, use of derelict land, and to the environment, arising from these works will be substantial.
- 7.9 Similar regeneration benefits will be associated with the retail and office led element of the permitted development. In addition, this will bring with it significant job creation. More sustainable and inclusive patterns of shopping and working will be established by enabling local people to meet a wider range of needs close to where they live rather than, as at present, travelling to locations outside Stocksbridge. The vitality and viability of the existing centre will be enhanced through the increased retention of trade and expansion of local spending power as the residential and working populations grow, whilst highways improvements are being implemented to alleviate traffic issues within the town. This element resonates particularly strongly with the positive stance towards encouraging economic development evident in national policy.
- 7.10 These works have also enabled further development to enhance the retained (Tata) steelmaking business. The outside storage and handling activities less efficiently located at the eastern end of the Tata works are moved to the new purpose built and enclosed facility at the western end of the works, in the right place to integrate well with the steelmaking process.
- 7.11 These works also result in the clearance and preparation of a site to accommodate a new test centre for Tata, efficiently consolidating their existing testing operations and acting as a showcase for their business.
- 7.12 The economic, environmental and social regeneration benefits arising individually from these elements are substantial. However, the overall

benefits arising from a comprehensive scheme are greater than the sum of the parts.

- 7.13 The provision of the Residential Development in a phased programme in conjunction with Planning Permissions 1 and 2 (and indeed related permissions) would enable a comprehensive development to take place, addressing the previously developed land east of the retained steelworks as a whole. This would ensure a broad mix of sustainable uses, with the housing supporting new retail and new employment activities and vice versa, and also enable synergies to be achieved between the different strands of development so as to produce a better overall outcome.
- 7.14 This has already applied for example in the case of maximising efficiencies in the re-use of soils and earthworks on site, dealing comprehensively with existing and proposed rights of way, and having an overall vehicular access strategy that makes the most efficient use of the proposed new junction arrangements on the A616. As discussed above, this will enhance the commerciality of the retail / office led development, provide immediate traffic relief and improved accessibility to Stocksbridge, and offer road safety benefits.
- 7.15 The inclusion of the site for the Residential Development and its preparation to accommodate that development, for which reserved matters have now been approved, has been essential to secure a comprehensive development of the area and to avoid leaving a large part of the site without practical access and in a poor condition which would have a negative impact on the adjoining new development.
- 7.16 The works allowed by Planning Permissions 1 and 2 and the Residential Development, enabled by the Sheffield City Council (Former Steelworks, Stocksbridge) Compulsory Purchase Order 2012, have provided a real opportunity to secure the regeneration of a large area of land alongside a key district centre and major employer. It is important that this opportunity is realised and maximised.

- 7.17 Purpose
- 7.18 In the present case, i.e. for the Sheffield City Council (Fox Valley) Compulsory Purchase Order 2015, the purpose of seeking to acquire land compulsorily is to facilitate the completion of the comprehensive regeneration of the area through mixed use development. In this way the full range of benefits summarised above anticipated in the confirmation of the Sheffield City Council (Former Steelworks, Stocksbridge) Compulsory Purchase Order 2012 will be realised.
- 7.19 Absent the Current Scheme, a sizeable physical gap – presumably surrounded by hoarding – would remain at the eastern end of the retail and office development currently being implemented. This would diminish significantly the physical regeneration benefits and improvement to the character and appearance of the place that would otherwise be delivered, exist as an unsightly and vacant space between the rest of the retail and office led development to the west, and residential development to the east, and represent a wasted resource in terms of the contribution this land could make to providing enhanced services and facilities for local people.
- 7.20 Very significant resources have been invested in the pursuit and implementation of an extensive programme of regeneration for redundant land covering a large area along the valley to the west and east of the retained steelworks, as illustrated in the plan at Appendix 2. This would be left incomplete if the Order Land is left undeveloped.
- 7.21 It would also constrain the success of the rest of the retail and office development to the west of the Order Land. The appeal and trading environment of this would be undermined if placed alongside a vacant hoarded plot, rather than bookended by attractive built development contributing to the overall attraction of the place. There would be commensurate harm to the contribution of the overall development to the health of the existing centre, promotion of sustainable shopping patterns, and provision of a wider range of facilities for local people.

- 7.22 In addition to its importance for the rest of the regeneration programme around the steelworks, the Scheme will also deliver benefits in its own right. It will include a supermarket (to be operated by Aldi), enhancing the choice of food shopping within Stocksbridge. It will provide further accommodation for retail and leisure uses, again broadening the range of facilities available to local people. Together this will promote sustainability and inclusion by encouraging more residents to meet their needs within the town rather than travelling to competing destinations elsewhere. Spin off benefits to existing businesses on the high street can also be expected.
- 7.23 The healthcare element will provide a building consistent with meeting current needs in a primary care led NHS. It will enable the relocation of the existing practice currently operating on Johnson Street in Stocksbridge, allowing it to expand and provide greater access to a wider range of functions and services in a local setting. It will be supported by an adjacent pharmacy, so that patients can meet all of their needs on a single trip.
- 7.24 The loss of Tesco from the development means that the food anchor store which would have generated shopping trips in high numbers and on a daily basis will no longer be provided. The Tesco store was to be important in generating footfall and hence supporting the appeal and commerciality of the centre as a whole.
- 7.25 The inclusion of an Aldi supermarket within the Scheme goes some way to compensate for this, by providing a main food shopping function to enhance choice in Stocksbridge, and performing a more modest anchor role. However, the significant attraction required as a substitute for Tesco will be provided in circumstances where the Aldi store is to be delivered alongside further accommodation for retail, leisure and healthcare uses. Together the quantum and mix of uses anticipated by the Scheme will act as a major draw, generating interest and activity to support other businesses in the wider development.
- 7.26 It is also the case that contractual arrangements between the Developer and Tesco are currently such that a supermarket of more than 929 sq m is

prevented from being provided elsewhere in the development. The acquisition of the Order Land is essential as it is the only location physically or contractually capable of accommodating a large food store.

7.27 In this context the importance of the Scheme is threefold. It will complete the comprehensive regeneration of the redundant steelworks land, ensuring that the benefits arising from that investment are amplified, rather than diminished. It will deliver a series of benefits in its own right, in terms of the retail, leisure and healthcare facilities and choice available to local people. Considered as a whole it will also provide the anchor attraction, including a large food store and supporting uses, driving footfall and activity levels to help underpin the wider development.

8 Justification for using compulsory purchase powers by the Acquiring Authority

8.1 The Developer (SRC) is a venture by Dransfield Properties Limited. Dransfield are experienced award winning developers with an impressive track record of delivering mixed use regeneration projects. Dransfield has undertaken recent regeneration projects in Tunstall, Morpeth and Gainsborough town centres and Openshaw district centre.

8.2 The Developer has sought to negotiate for the acquisition of the Order Land from the existing leaseholder Tesco. Unfortunately terms have not been agreed at present although negotiations continue.

8.3 The Developer believes that the proposals will bring considerable benefits to Stocksbridge and that there is a compelling case for the Acquiring Authority to exercise its powers referred to in Section 3 above to compulsory purchase the outstanding interest in the Order Land to enable the development to go ahead and has therefore requested the Acquiring Authority to exercise those powers.

8.4 The Acquiring Authority has considered this request and has concluded that there is a compelling case in the public interest to justify using its compulsory purchase powers because of the important regeneration

benefits that the Scheme will deliver and the risk that those benefits will be lost if the Order Land cannot be assembled in a timely and orderly manner. The existing leaseholder has announced its intention not to proceed with a foodstore on the site and has not come forward with any plans for development of the Order Land. The decision to authorise compulsory purchase will bring certainty that the Order Land will be developed in a timely fashion to complement the existing development which is being undertaken.

- 8.5 As the Scheme is being led by a private developer, the Acquiring Authority has entered into a conventional “back to back” Indemnity Agreement with the Developer whereby the Acquiring Authority makes the compulsory purchase order and (if confirmed) will acquire the land which will then be transferred to the Developer to enable the development to be carried out. The Developer will indemnify the Acquiring Authority against all costs arising, both in promoting the compulsory purchase order and in any compensation payments which will arise.

9 Delivery and Funding

- 9.1 The Acquiring Authority is satisfied that the Developer has obtained the necessary planning permissions required for the Scheme
- 9.2 The Acquiring Authority is aware and is satisfied that the Developer has cash reserves and banking arrangements sufficient to fund the Scheme.
- 9.3 The Acquiring Authority also has confirmation that an operator (Aldi) has been secured for the foodstore element of the Scheme on an occupational lease.
- 9.4 The Acquiring Authority has also entered into an Indemnity Agreement whereby the Council will proceed with the Order in a timely manner.
- 9.5 The Acquiring Authority is therefore satisfied that if the Order is confirmed there is funding available to enable the Acquiring Authority to complete the compulsory acquisition of outstanding interests within the statutory period

following confirmation of the Order and the Developer has the resources and expertise to deliver this Scheme.

10 Human Rights Considerations

10.1 The Order and the acquisition of land and interests under it comply with the European Convention on Human Rights (“the ECHR”). In resolving to make the Order the Acquiring Authority has carefully considered the rights of property owners under the ECHR against the wider public interest.

10.2 It is acknowledged that the compulsory acquisition of the Order Land will amount to an interference with the rights protected by Article 1 of the First Protocol of the ECHR which provides that every natural or legal person is entitled to peaceful enjoyment of his possessions.

10.3 These rights may not be interfered with by a public authority except in the public interest and in accordance with the law.

10.4 It is acknowledged that the compulsory acquisition of land can amount to an interference with Article 8 of the ECHR which provides that everyone has the right to respect for his private and family life, his home and his correspondence. Article 8 normally applies in circumstances where an Acquiring Authority wishes to acquire residential property which people occupy as their home. There is no property occupied for residential purposes within the Order Land which will involve persons being displaced to make way for the development.

10.5 In relation to Article 1 of the First Protocol, the Acquiring Authority is of the view, given the significant public benefit which would arise from the implementation of the Scheme, that there is a compelling case in the public interest for the compulsory acquisition of the Order Land which outweighs the ECHR rights, and that the use of the compulsory purchase power in this matter is proportionate.

10.6 The Acquiring Authority is pursuing a necessary and legitimate aim and without the use of compulsory purchase powers, the redevelopment of the

Order Land would not be achievable as there is no evidence that the Order Land would be developed in the absence of the exercise of these powers.

10.7 The ECHR has recognised in the context of Article 1 that regard must be had to the fair balance which has to be struck between the competing interest of the individual and the community as a whole. In this case, any interference with convention rights is considered to be justified in the public interest in order to secure the regeneration of the Order Land and is considered to be proportionate.

10.8 Appropriate publicity and consultation has been undertaken during the planning application process for the Scheme with the opportunity being given for interested parties to make representations regarding the proposals. Further representations can be made in the context of any public inquiry which the Secretary of State decides to hold in connection with the Order. Those parties whose interests are directly affected by the Order will be entitled to statutory compensation under the relevant provisions of the Compensation Code.

11 Other Special Considerations

11.1 The Order Land does not contain any listed buildings and does not lie in a conservation area. There are no ancient monuments on the land.

11.2 There is also no special category land within the Order Land.

11.3 The Order Land lies to the east of the Hunshelf Area of Special Character. This is contained in Policy BE18 of the UDP, and this designation was taken into account in the grant of planning permission for the Scheme.

12 Related Orders

12.1 Implementation of the Scheme on the Order Land does not require the creation of new highways or public rights of way, or the closure of existing ones. The requirements in this regard, and in terms of integrating the wider regeneration project with, and upgrading, highways and public rights of way have already been addressed through orders under Section 247 of the

Town and Country Planning Act 1990 associated with earlier phases of the overall regeneration project.

12.2 This has involved the stopping up or diverting in part or in whole:

1. Hunshelf Road (part)
2. Ford Lane (whole route)
3. Public Footpath No.12 Stocksbridge (part)
4. Public Footpath No.13 Stocksbridge (part)

12.3 It has also involved agreements entered into under Sections 38 and 278 of the Highways Act 1980 to provide new and upgraded roads and footways.

12.4 As part of this process the Developer has ensured that, following full consultation with local councils and stakeholders, including principal path user groups, wherever possible, new routes are provided that both enhance public access and improve overall transportation, into and through the completed development site.

12.5 In this way the framework is already in place for development of the Order Land to be connected with the surrounding and wider area for motor vehicles, pedestrians and cyclists.

12.6 Furthermore, a specialist bicycle retailer has been secured for the site trading as Full Gas Bikes Ltd, who will be offering cycles for sale and hire, in order to encourage wider use of the cycle network being connected by the development of the order land.

13 Additional Information

13.1 The Acquiring Authority recognises that the use of compulsory purchase powers can cause uncertainty for landowners. Whilst consultation has been undertaken on the Scheme there may still be important matters upon which those affected by the Compulsory Purchase Order will require information.

- 13.2 Persons requiring further information regarding the Order should contact David Ambrose at Sheffield City Council , who can be contacted by:

Telephone: 0114 2735539

Email: david.ambrose@sheffield.gov.uk

Address: City Regeneration Division, Sheffield City Council, 4th floor, Howden House, 1 Union Street, Sheffield S1 2SH

- 13.3 Parties with interests affected by the Order, who wish to negotiate a sale or discuss matters of compensation should also contact David Ambrose, as above.

- 13.4 Copies of the Order, Order Map and this Statement of Reasons can be inspected during normal office hours at the Councils offices at:

Sheffield City Council, Town Hall Reception, Town Hall, Pinstone Street, Sheffield, S1 2HH

or

Sheffield City Council, First Point, Howden House, 1 Union Street, Sheffield, S1 2 SH

or

Stocksbridge Library, Manchester Road, Stocksbridge S36 1DH

- 13.5 The documents can also be viewed on the Councils website: www.sheffield.gov.uk

CONCLUSIONS

- 13.6 After careful consideration the Acquiring Authority is satisfied that implementation of this Scheme is in the public interest and that a compelling case exists to promote the Order. It is satisfied that the

Developer has an impressive track record and is well qualified to deliver the Scheme.

- 13.7 The Scheme is funded, has a foodstore operator, and will be deliverable.
- 13.8 The Order Land has been vacant and / or under-used for a substantial period of time and is clearly in need of regeneration. Planning permissions have been secured and work is well under way, indeed completed in parts, to regenerate the Order Land and an extensive wider area around the retained steelworks. The Scheme will deliver the redevelopment of the Order Land and enable the completion of the comprehensive regeneration of this part of the valley; without the Order Land this will remain unfinished and wider benefits will be diminished. Both the built form of the Scheme and the resulting uses will be of substantial benefit to the area. Negotiations to acquire the Order Land by agreement have not come to fruition and without the use of compulsory purchase there is every risk that the Scheme will not be completed in full and fully let, and so the substantial public benefits it was anticipated that it would deliver will be foregone. There is a compelling case now for the Scheme to be delivered.

LIST OF DOCUMENTS

In the event that objections are made to the Order and the Secretary of State decides to hold a Public Inquiry the Acquiring Authority may refer to some or all of the documents listed below.

- National Planning Policy Framework (2012)
- Sheffield Unitary Development Plan (1998) – relevant extracts
- Sheffield Unitary Development Plan (1998) – Proposals Map 1
- Sheffield Development Framework Core Strategy (2009) – relevant extracts
- Sheffield Development Framework Draft City Policies and Sites Document (2010) – relevant extracts
- Sheffield Development Framework Draft Proposals Map 1 (2010)
- Sheffield Development Framework Pre Submission City Policies and Sites Document (2013) – relevant extracts
- Corus Works Development Brief (2005)
- Planning Permission Ref. 08/02703/FUL – decision notice dated 22 July 2009 and associated application documents
- Appeal Allowed Pursuant to Planning Application Ref. 09/02819/FUL (“Planning Permission 1”) – Inspector’s decision dated 13 April 2010 and associated appeal documents
- Planning Permission Ref. 11/02480/FUL (“Planning Permission 2”) – decision notice dated 16 November 2011 and associated application documents

- Planning Application Ref. 11/00384/FUL (“the Residential Development”) – decision notice 12 October 2012 and associated application documents
- Application for residential reserved matters 14/02318/REM – decision notice 20 February 2015 and associated application documents
- Planning Application Ref. REFERENCE (“Planning Permission 3”) – decision notice dated DATE and associated application documents
- Planning Application Ref. REFERENCE (Section 73) – decision notice dated DATE and associated application documents
- Planning Permission Ref. 11/00350/FUL (test centre and warehouse) – decision notice dated 10 May 2011 and associated application documents
- Planning Permission Ref. 12/02926/FUL (test centre and warehouse Section 73) – decision notice dated 9 November 2012 and associated application documents
- Planning Permission Ref. 13/01487/FUL (Block G) – decision notice dated 24 June 2013 and associated application documents
- Agreement made between Sheffield City Council, Stocksbridge Regeneration Company, Dransfield Properties Limited and JJ Gallagher Limited dated 31 May 2012
- Agreement between Stocksbridge Regeneration Company Limited and Tata Engineering Steels Limited 4 October 2012 (redacted)

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APPENDIX 1

The Order Plan

APPENDIX 2

Development Plan



Cabinet Report

Report of: Executive Director, Children, Young People and Families (CYPF)

Report to: Cabinet

Date: 22nd July 2015

Subject: Creation of Schools' Company

Author of Report: Antony Hughes/Paul Makin

Key Decision: YES

Reason Key Decision: Expenditure/savings over £500,000
Affects 2 or more wards

Summary:

The City Wide Learning Body (CWLB) was created in 2011 as an unincorporated association comprising representatives of all the schools and academies in Sheffield. Its purpose was to provide strategic direction to the city's education system, to strengthen partnership working with schools and militate against the risks associated with the changing landscape of education that could lead to fragmentation and schools becoming isolated.

We are now seeking to build upon the initial success of the CWLB and formalise the partnership through the creation of a Schools Company that will be called Learn Sheffield.

The starting point for this work is a moral imperative that Sheffield's education system should advocate for all Sheffield children, and a core belief that we have the most impact when we act and bring together our combined resources as a city. The key focus of this work is to improve educational outcomes for the children and young people of the city.

With this in mind the CWLB, Elected Members and representatives of schools and governors within Sheffield have been exploring the option of co-creating a schools' company under the Education Act 2002. It has been agreed via this partnership working and consultation that the name of the proposed company would be Learn Sheffield.

Creation of the school's company would be achieved by continuing to develop and transform the City Wide Learning Body, currently an unincorporated partnership between Sheffield City Council and schools, into a formally incorporated organisation that can deliver services to schools as a separate legal entity.

The establishment of a schools' company would enable the Council to transfer some of the Council's school improvement services to the company and for the company to be able to provide services itself to schools. The company would be able to accept commissions from, and provide services to schools, who are either directly involved in the company as members or who wish to access the services which the company will provide.

It will allow the Council to commission services from the school-system including some of its statutory functions such as challenge, support, monitoring and intervention in schools.

The Company membership will include the Council and publically funded schools and colleges in Sheffield and will provide a vehicle that will enable the Council and the school system to co-ordinate and quality assure school improvement across the City.

Before the Council enters into any formal negotiations or agreements with the new company it needs to be formally incorporated as a separate legal entity with Directors appointed and an interim leadership team put in place.

This leadership team will then be able to work with the Council on behalf of the company and agree the terms of the proposed commission and the other necessary legal agreements that will be required in order to give effect to the commission.

Reasons for Recommendations:

This model is the preferred option as:

- It builds on the current partnership arrangements and creates a formal co-operative arrangement that delivers the Council's vision for all children and young people to experience great and inclusive schools
 - A school led school improvement system, shaped by the schools and the Council, is believed to be critical to ensure continuing and sustained improvement in the outcomes for Sheffield children. This approach responds to the growing local and national evidence that school led improvement can transform outcomes for children and young people
 - It strengthens partnership working; binding schools, academies, colleges and the Council together for the best interest of all children
 - It maximises the overall impact of improvement activity on standards and performance across the City
 - It strengthens the role of the Council in education and enables Elected Members to continue to fulfill their leadership role as advocates of **all** children and young people, including the most vulnerable
 - It provides a vehicle for the future growth and expansion of improvement services
 - It will enable the Council and stakeholders to develop an approach that delivers high quality, responsive services within the current budget pressures
 - It enables any surplus income generated by the company to be re-invested directly in services that benefit the children and young people of Sheffield
 - It enables the Council to delegate certain education functions to the company
 - It enables the Council and the other members of the company to commission services responsively and quickly.
-

Recommendations:

The report recommends that Cabinet:

- Agrees that the creation of a Schools' Company, to be known as Learn Sheffield, is the preferred option for delivering improvements in standards and performance of schools in the City
- Approves the creation of a Schools Company in the form of a Company Limited by Guarantee
- Approves the Council becoming a Member of the company and providing a guarantee up to the limit of £25.00 in the event that the company is wound up and is unable to pay its debts
- Approves the disestablishment of the City Wide Learning Body given the creation of the Schools Company
- Delegates authority to the Executive Director CYPF to consent to the governing bodies of all maintained schools in Sheffield which have a delegated budget and which are not in the Ofsted "Special measures" Category to become members of the proposed new company
- Approves the Council acting as the "supervising authority" for the purposes of the Education Act 2002 and the School Company Regulations 2002 and delegates authority to the Executive Director CYPF and the Director of Finance to determine these arrangements
- Delegates authority to the Executive Director of CYPF in consultation with the Director of Legal and Governance to agree the Articles of Association of the proposed company
- Delegates authority to the Director of Legal and Governance to take all necessary legal steps to incorporate the company
- Delegates to the Executive Director of CYPF in consultation with the Director of Finance and the Director of Commercial Services the approval of the business case
- Delegates to the Executive Director of CYPF in consultation with the Lead Member for CYPF to agree a named person to be recommended to full Council to represent the Council Membership at general meetings of the company in accordance with the Constitution
- Delegates to the Executive Director of CYPF in consultation with the Lead Member to agree a named person as an interim non-executive director to the interim Board
- Delegates to Executive Director of CYPF in consultation with the Lead Member for CYPF the nomination of two persons as non-executive directors

to the Board of the Company upon the full Board being elected by the members

- Authorises the Executive Director of CYPF in consultation with the Director of Human Resources as necessary, to second the identified staff to the company subject to formal consultation and agreement and at the appropriate time, commence formal consultation with Trade Unions regarding the transfer of staff from the Council into the company
- Approves the procurement strategy of awarding a contract to the new company
- Approves the proposed contract value of £800,000 per year over three years
- Authorises the Executive Director CYPF in consultation with the Lead Member of CYPF, the Director of Finance, the Director of Commercial Services as appropriate to:
 - Enter into negotiations with the new company for the commission of the Advocacy and Challenge services from the Company by using elements of the CYPF education budget
 - Create a client function within the Council that will commission, support and monitor the performance of the Company
- Authorises the Executive Director of CYPF in consultation with the Director of Legal and Governance, to enter into the contract for the proposed services and any other necessary legal agreements that are required in order to give effect to the arrangements.

Background Papers: None

Category of Report: OPEN

Statutory and Council Policy Checklist

Financial Implications
YES Cleared by: Liz Gough
Legal Implications
YES Cleared by: Deborah Eaton
Equality of Opportunity Implications
YES Cleared by: Bashir Khan
Tackling Health Inequalities Implications
N/A
Human Rights Implications
N/A
Environmental and Sustainability implications
N/A
Economic Impact
N/A
Community Safety Implications
N/A
Human Resources Implications
YES Cleared by: Katherine Selman
Property Implications
N/A
Area(s) Affected
All Wards
Relevant Cabinet Portfolio Lead
Cllr Jackie Drayton
Relevant Scrutiny Committee
CYPF
Is the item a matter which is reserved for approval by the City Council?
NO
Press Release
YES

REPORT TO THE CABINET

CREATION OF A SCHOOLS COMPANY

1.0 SUMMARY

- 1.1 The City Wide Learning Body (CWLB) was created in 2011 as an unincorporated association comprising representatives of all of the schools and academies in Sheffield. Its purpose was to provide strategic direction to the city's education system, to strengthen partnership working with schools and militate against the risks associated with the changing landscape of education that could lead to fragmentation and schools becoming isolated.

The starting point for this work is a moral imperative that Sheffield's education system should advocate for all Sheffield children, and a core belief that we have the most impact when we act together, and bring together our combined resources as a city. The key focus of this work is to improve educational outcomes for the children and young people of the city.

It underpins the aspiration to develop a school led system of continuous improvement in the City and reflects DfE policy to "*make sure schools are in control of their own improvement and make it easier for them to learn from one another*" (Importance of Teaching: Schools White Paper 2010).

- 1.2 The CWLB has focused on ensuring that the needs of vulnerable learners are met. It has also had success in raising performance against floor targets. There remains a significant school improvement challenge in the City and there is evidence to demonstrate that this can be tackled effectively through a school-led collaborative approach.
- 1.3 The CWLB also set out to militate against the risks associated with the changing landscape of education which could lead to a fragmented and disparate model with some schools becoming isolated and vulnerable. The CWLB has helped the Local Authority strengthen its role as advocate for all children and young people in the City by developing joint strategies in partnership with the school sector.
- 1.4 We are now seeking to formalise and build upon the initial success of CWLB through the incorporation of a Schools Company as a Company Limited by Guarantee. The Company will be the vehicle to lead on and co-ordinate school improvement.
- 1.5 The Council will be able to commission monitoring, challenge, intervention and school improvement support. This will drive improvement and attainment across the school system. The company will also build the infrastructure that could mean other services to schools joining the Company in the future.

In particular there has been strong interest during the consultation about the extent to which the Company will reflect the city's priorities around early years education. There is also an ongoing discussion with school partners about how the company will support the council's corporate function and priority around raising the achievement of children who are looked after.

- 1.6 As the Company would be commissioned by the Council to deliver school improvement activities on its behalf this will necessitate the transfer of the Challenge and Advocacy functions into the Company. There is currently a small number of staff in this service. The contract with the Company would include delivering on corporate priorities relating to education including all schools becoming great schools.
- 1.7 The proposal will ensure that the Local Authority consolidates and retains its position of leadership and influence across the whole system of education.
- 1.8 Before the Council enters into any formal negotiations or agreements with the new company it needs to be formally incorporated as a separate legal entity with Directors appointed and an interim leadership team put in place. This leadership team will then be able to work with the Council on behalf of the company and agree the terms of the proposed commission and the other necessary legal agreements that will be required in order to give effect to the commission. The creation of the Company means that the City Wide Learning Body will also need to be formally disestablished.

2.0 WHAT DOES THIS MEAN FOR SHEFFIELD PEOPLE

- 2.1 The proposal represents a commitment that is shared by all of the educational community in Sheffield that this formal partnership in the form of a school company is the means to promote the achievement of children and young people at each key stage.
- 2.2 The proposal also supports the commitment in the corporate plan for 'all schools becoming great schools' and more young people being engaged in education, employment and training. It has strong links with a number of corporate priorities around: thriving neighbourhoods and communities; tackling inequalities and strong economy.

3.0 OUTCOME AND SUSTAINABILITY

- 3.1 The Schools Company brings together school leaders, financial resources and expertise focused on school improvement into a formal collaborative structure that will deliver the following outcomes:
 - An increase in the number of good and outstanding schools in the City
 - An improvement in attainment and outcomes for children and

young people, including those most vulnerable to low attainment currently (children who are looked after, those on FSM, newly arrived children, and children with SEN)

- A reduction in the numbers of schools performing below floor targets
- Increased attendance levels
- Reduction in number of exclusions.

3.2 The proposed commissioning arrangements and the stronger corporate governance required by the new legal form will ensure that robust co-ordination and control will be exercised by the Company. These mechanisms will ensure plans are put in place and delivered in line with expectations around school performance.

3.3 The proposed model of delivery through the establishment of a school's company jointly owned by Sheffield schools, academies, colleges and Sheffield City Council allows for the support of Sheffield's Corporate plan. The proposed interim leadership of the company will support this in the first instance by its delivery of a school-led School Improvement Package and commitment to delivering statutory National and Sheffield-specific key performance indicators. These will provide local knowledge in a local context to schools to support and highlight areas to increase educational attainment.

4.0 CREATION OF SCHOOLS' COMPANY

4.1 The CWLB was set up as a "partnership" arrangement between schools and the Council in 2011. The Body was created to underpin a school led system of improvement in the City.

4.2 Its formation reflects DfE policy to "make sure schools are in control of their own improvement and make it easier for them to learn from one another" (Importance of Teaching: Schools White Paper 2010). The impact of a school led model of improvement has a strong evidence base.

4.3 The CWLB has provided a framework for all Sheffield schools and the Council to share a City wide improvement vision. This has brought the whole system together to work for the benefit of all Children and Young People. It has also reduced the risk of differing priorities or competing interests impacting negatively on the outcomes. Locality plans have been produced and is further evidence of resources aligning behind priorities.

4.4 The CWLB has had some success in its current form, for example the number of schools below the government's floor standards has fallen by more than 50% in the last five years (despite the fact that these floor standards have risen dramatically).

- 4.5 There is however a significant school improvement challenge in the City, for example:
- Sheffield is below national average attainment levels in reading at Foundation Stage, Key Stage 1 and Key Stage 2 (2014 attainment data)
 - It is below average progress levels in reading between Key Stage 1 and Key Stage 2 (2014 attainment data)
 - 76.8% schools are judged to be good or outstanding whereas the National figure is 82% (April '15).
- 4.6 Similarly, Sheffield's schools are not improving some outcomes as rapidly as other local authorities. There are also challenges with the attainment of specific groups and some issues that impede school improvement. Notably:
- Attainment gaps are not closing fast enough for some vulnerable groups, especially children who are looked after, Free School Meals, Pupil Premium and English as an Additional Language pupils
 - The attainment of free school meals pupils in Sheffield is within the lowest 25% of all local authorities for a number of key indicators in 2013
 - Attendance remains below the national average
 - Persistent absence in Primary is too high
 - Exclusion rates are above the national average
- 4.7 There is universal acknowledgement that there is a need to significantly improve educational outcomes and narrow the gap with national performance. CWLB provided a framework that can be further developed and the formal arrangements embodied within the school company can potentially make a greater impact on children's outcomes.
- 4.8 The CWLB is currently constituted as an unincorporated association. This model has a number of risks associated with the unlimited liability of members. This model does not currently provide an incentive for the on-going expansion and development of services to schools. Further, as it does not have a separate legal entity from its membership it cannot itself enter into contracts or employ staff.
- 4.9 In order to address the school improvement challenge, the school sector has expressed the desire to formalise the CWLB arrangements through

the creation of a Schools' Company. This work has been taken forward by a Project team consisting of Council officers under the leadership of the Children's Commissioner and Director of Inclusion and Learning.

A cross sector group comprising representatives of Primary, Secondary and Special school headteachers, governors, Sheffield College representatives and Council officers has led this work. A series of working groups have focused on detailed elements of the work. Primary, Special and Secondary headteachers have discussed the proposals in a variety of forums and seven locality Governor Briefings have been held across the city.

The feedback from all sectors has been supportive of the proposal to develop a schools' company with a commitment to work in partnership to develop an offer to schools that meets the needs of children and young people. The chairs of the Primary, Secondary and Special school Headteacher groups have demonstrated their support for the proposal to a recent meeting of the Council's Executive Management team.

A number of schools from each of the sectors have committed to join the company on incorporation and other schools will consider joining in the Autumn Term.

The Company will drive improvement and attainment in the City in line with expected best practice by utilising the very best aspects of the school system. The Company will be the vehicle to lead on and co-ordinate school improvement and subject to Cabinet approval will be in operation from September 2015.

- 4.10 The proposal also seeks to ensure that the Council retains a clear role in education, advocating for children and families to improve standards. This model is also a timely opportunity for the Council and the Sheffield family of schools to be pro-active at a time of significant shift in Government policy when the Secretary of State has indicated an acceleration of the academy programme for those schools that are deemed to be not good or outstanding but "coasting" or worse.
- 4.11 It will not be necessary for the Company to retain a large number of staff to achieve the goals set out. The proposed model is for a relatively small core team of professionals to act as a broker of school improvement resource, drawing on existing capacity within the Sheffield system and where necessary buying in additional capacity from outside the city so that schools have the support they need when they need it.

LEGAL

- 4.12 Section 95 of the Local Government Act 2003 gives the Council power to do for a commercial purpose anything which they are authorised to do for

the purpose of carrying on any of their ordinary functions. This must be through a company.

Before exercising the power the authority shall -

(a) prepare a business case in support of the proposed exercise of that power; and

(b) approve that business case.

The Council must recover the costs of any accommodation, goods, services, staff or any other thing that it supplies to a company in pursuance of any agreement or arrangement to facilitate the exercise of the power.

The 2002 Education Act and the School Company Regulations 2002 allows for the creation of a schools' company that is owned by schools and can trade with other schools. The Council has to consent to the governing body of a maintained school participating in the company.

The purpose of the company must be to:

- Provide services or facilities for any schools
- Exercise the Council's education functions
- Make, or facilitate the making of, arrangements under which facilities or services are provided to schools by other persons.

It also enables the governing bodies of maintained schools to second staff into the company.

- 4.13 The Schools Company must be set up as either a company limited by shares or a company limited by guarantee.

It is proposed that the new company be established as a company limited by guarantee for the following reasons:

- It more accurately reflects the ethos of the schools in seeking to set up a school improvement vehicle for the city as it will be a not for profit company. Any surplus that is generated has to be reinvested in the company for the improvement of services
- Unlike a shareholder model the company's directors main duty is to the success of the company and its objects, rather to exist to make a profit for shareholders
- Academies can join a not for profit company; they are prohibited by their governance structures from joining a shareholder model
- It protects members from personal liability for debts (liability is limited to the guarantee set out within the articles, currently suggested to be £25)
- It will have objects which would satisfy the public benefit tests although it is not currently proposed that the company be charitable in nature.

4.14 It is proposed that the company will have two cohorts of membership – the council which will have 20% of the voting rights and the schools (including the academies and the colleges) which will have 80% at company general meetings. The Council nominated directors will comprise 20% of the board of directors.

4.15 It is proposed that for administrative ease the company be established over the summer with a small number of school members but as each individual governing body and academy trust makes the decision to join the company during the autumn term an Interim Board would be set up to make decisions as the Company membership is getting established. The proposed Interim Board would consist of one Council nomination, one nomination from each school sector and two independent directors.

A formal nomination and election process would be established to move from Interim to Full Board. This will happen once all Sheffield schools, academies and colleges have had the opportunity to become members of the Company.

4.16 The company's structure and governance arrangements mean that the full EU procurement regime will not apply either to contracts which the Council or the other school members wish to award to it as the company will within the "in-house" or "Teckal" exception under the Public Contract Regulations 2015. For this exception to apply the council and the other members of the new company must all be "contracting authorities", "public bodies" and exercise the sort of decisive control over the new company as they do over their own departments. This is the "control" test.

There is also a "function" test which relates to the proportion of its functions that it delivers for members as opposed to non-members and this will mean that the new company's accountants will need to ensure that income streams are closely monitored within the company as in order to retain this exception 80% of the company's turnover must be from its members (the council and the schools).

Finally there must be no direct private capital participation in the company which rules out non-publically funded bodies or institutions from joining the company, although they could purchase services from it, up to a maximum of 20% of the company's turnover.

The advice from the Director of Legal and Governance has been subject to external scrutiny by a partner in a firm of solicitors who has experience in this area and as currently drafted¹, the articles of association of the company ensure that both the "control" and "no private capital participation" tests are satisfied. The Council's contract monitoring arrangements will need to ensure that the "function" test remains compliant for the duration of the contract with the company with regular monitoring and reviews.

- 4.17 Officers will need to be mindful that any other arrangements that are negotiated between the Council and the New Company are State Aid compliant. For example, any arrangements for back-office functions such as pay-roll or HR, accommodation and IT are “at cost” and not subsidised.
- 4.18 The Council also has a role to play as the “supervising authority” for the purposes of the School Company Regulations. Its role would be to:
- Monitor the management and finances
 - Notify the members if it considers that the company is being poorly managed or if there is a risk of the company becoming insolvent
 - It will have the right to see the company accounts and it’s governance documentation
 - It may direct the governing body of a maintained school to reduce its involvement in the management of the company or resign as a member if:
 - The school has a deficit budget
 - Goes into an Ofsted category

FINANCIAL

- 4.19 Until the formal contract for the delivery of the monitoring, challenge, support and intervention services is finalised with the new company the Council will support the new company with cash flow and staff to enable the company to mobilise. This initial funding will form part of the first year’s budget.

The funding for the proposed commission at this phase is expected to allow the Company to grow and develop its school improvement offer as well as build the organisational infrastructure for future development. It will comprise of:

- £800k per annum (pro-rata for 2015-16) contracted budget from the Local Authority
- The trading surplus from STAT On-Line, a current product delivered by Sheffield City Council. The current surplus projections for this service are £144k for 2015-16; with potential for future growth. For the reasons noted above this will have to be kept under careful review in order to ensure that the contractual arrangements remain within the “Teckal” exception (as set out in paragraph 4.16)
- Projected income from schools purchasing school improvement packages from the Company has been modeled based on schools at primary phase purchasing £1123k of services for 2015-16; with

potential for future growth.

- 4.20 The Council contribution represents a fixed contribution from the LA to the Company for the three years. The proposal can be considered good value for money as the contracted budget levers in additional funding from schools to spend on school improvement activity.
- 4.21 The company will be expected to fund its staffing arrangements; accommodation; communications and information technology; HR, financial and legal support and brokered school improvement support from these identified funding streams. The Company can choose to buy services back from the Council at established rates. No subsidy would be provided to avoid any State Aid issues.
- 4.22 The impact of VAT on the system is currently being evaluated.
- 4.23 There is an issue that STAT income forecasts are higher than the 20% from non-members limit allowed under Teckal arrangement.

COMMISSIONING

- 4.24 A commissioning (client) function will be set up within the Council. Its role will include working with the Company to shape the overall strategy and approach for improving our schools and setting and monitoring of performance against key indicators. Clear targets and outcome measures will be set each year. The client function will be funded from the current CYPF budget.
- 4.25 A data sharing agreement will be put in place between the Council and the Company to underpin the work that the Company will be contracted to deliver.

STAFFING

- 4.26 The current School Improvement staffing structure is 10.1FTE. There are however current vacancies of 6FTE. These vacant posts will be dis-established when the service function is undertaken by the school company freeing up the budget for the commissioning of targeted school improvement support.
- 4.27 Of the current 4.1FTE school Improvement staff in post, 3.1FTE would TUPE to the Schools Company when the contractual arrangements are in place with the remaining post retained to lead on the commissioning role. 2 FTE Project Support roles have been identified as potentially in scope of TUPE.

A temporary secondment arrangement is being considered for this initial group in advance of a TUPE transfer to allow time for the company to establish and embed its employment terms and conditions of service, and provide additional protection for employees during the first academic year.

It is intended that this group will transfer to the Company at the end of the secondment period.

The School Company is highly likely to request the support of the Council in gaining Admitted Body Status to the South Yorkshire Pension Authority Scheme in order to facilitate its obligations under TUPE. The financial implications for the Council and the Company will need to be evaluated before a final decision is taken on this matter.

- 4.28 An Equalities Impact Assessment has been undertaken and this will ensure that the proposal will not unfairly disadvantage any staff. All Council policies and procedures relating to consultation will be adhered to throughout the process.

5.0 ALTERNATIVE OPTIONS CONSIDERED

- 5.1 The option (A) to continue with the current partnership arrangements under the CWLB (maintain the status quo) was considered. It is felt that whilst the current arrangements have delivered improvement it is unclear how the CWLB as is could accelerate improvement in line with the challenges presented. In particular the lack of protection afforded to members in an unincorporated association would temper ambitions and hinder the development of services.
- 5.2 There is an option (B) to discontinue current arrangements and leave school improvement arrangements to the market to provide. Whilst some schools would manage to find and procure effective school support and improvement there is a concern that other schools would not look for support and become isolated and vulnerable. This option is also contrary to all of the evidence about school improvement being most effective when delivered in a self-improving system.
- 5.3 The third option (C) is to revert to a Local Authority led approach to school improvement. Here existing resources would be used for an expanded school improvement function. A number of disadvantages were identified with this model, these include:
- The proposal does not support the evidence about a school led system of improvement being most effective
 - The diminishing resources that the Local Authority has to put into school improvement as the Education Services Grant allocation falls
 - The impact of the academies programme that means that aside from safeguarding and SEND the LA has a limited remit with many schools and this sector would be untouched.
- 5.4 A fourth option (Option D) would be to authorise the Council maintained schools to establish the schools' company and to not join the company as a member. In order to be able to commission from this company the council would have to go out to a full EU procurement and there is no certainty that the new contract would be the successful bidder.

5.5 Option E is the recommended option and is the development of the CWLB into Schools Company that would be incorporated as a Company Limited by Guaranteed. The Local Authority would transfer its school improvement resource into the company and this would be pooled with contribution from schools to shape the overall improvement offer.

6.0 REASONS FOR RECOMMENDATIONS

- 6.1 Option E has been chosen for the following reasons:
- It maximises the impact of improvement activity on standards and attainment
 - To increase and strengthen school partnership working and do more city-wide partnership work. To make a firm commitment that binds schools, academies, colleges and SCC together in the interest of all children
 - The Council retains and strengthens its role in education, advocating for children and families to improve standards
 - It promotes the growth and expansion of improvement services – shifting the focus away for budget challenges
 - The school company provides a model that will potentially provide better value for money.

7.0 RECOMMENDATIONS

- 7.1 The report recommends that Cabinet:
- Agrees that the creation of a Schools' Company, to be known as Learn Sheffield, is the preferred option for delivering improvements in standards and performance of schools in the City
 - Approves the creation of a Schools Company in the form of a Company Limited by Guarantee
 - Approves the Council becoming a Member of the company and providing a guarantee up to the limit of £25.00 in the event that the company is wound up and is unable to pay its debts
 - Approves the disestablishment of the City Wide Learning Body given the creation of the Schools Company
 - Delegates authority to the Executive Director CYPF to consent to the governing bodies of all maintained schools in Sheffield which have a delegated budget and which are not in the Ofsted "Special measures" Category to become members of the proposed new company
 - Approves the Council acting as the "supervising authority" for the purposes of the Education Act 2002 and the School Company Regulations 2002 and delegates authority to the Executive Director CYPF and the Director of Finance to determine these arrangements

- Delegates authority to the Executive Director of CYPF in consultation with the Director of Legal and Governance to agree the Articles of Association of the proposed company
- Delegates authority to the Director of Legal and Governance to take all necessary legal steps to incorporate the company
- Delegates to the Executive Director of CYPF in consultation with the Director of Finance and the Director of Commercial Services the approval of the business case
- Delegates to the Executive Director of CYPF in consultation with the Lead Member for CYPF to agree a named person to be recommended to full Council to represent the Council Membership at general meetings of the company in accordance with the Constitution
- Delegates to the Executive Director of CYPF in consultation with the Lead Member to agree a named person as an interim non-executive director to the interim Board
- Delegates to Executive Director of CYPF in consultation with the Lead Member for CYPF the nomination of two persons as non-executive directors to the Board of the Company upon the full Board being elected by the members
- Authorises the Executive Director of CYPF in consultation with the Director of Human Resources as necessary, to second the identified staff to the company subject to formal consultation and agreement and at the appropriate time, commence formal consultation with Trade Unions regarding the transfer of staff from the Council into the company
- Approves the procurement strategy of awarding a contract to the new company
- Approves the proposed contract value of £800,000 per year over three years
- Authorises the Executive Director CYPF in consultation with the Lead Member of CYPF, the Director of Finance, the Director of Commercial Services as appropriate to:
 - Enter into negotiations with the new company for the commission of the Advocacy and Challenge services from the Company by using elements of the CYPF education budget
 - Create a client function within the Council that will commission, support and monitor the performance of the Company

- Authorises the Executive Director of CYPF in consultation with the Director of Legal and Governance, to enter into the contract for the proposed services and any other necessary legal agreements that are required in order to give effect to the arrangements.

Author: Paul Makin / Antony Hughes

Job Title: Senior Manager – Inclusion and Learning Services / Children's Commissioner & Director of Inclusion & Learning

Date: 26.06.15

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**Cabinet Report**

Report of: Eugene Walker

Report to: Cabinet

Date: 22 July 2015

Subject: Capital Programme Monitoring 2015/16 – As at 31st May 2015 and Annual Treasury Management Review for 2014/15

Author of Report: Dave Phillips (ext. 35872)

Key Decision: YES

Reason Key Decision: Expenditure/savings over £500,000

Summary:

This report provides the month 2 monitoring statement on the City Council's Capital Programme for 2015/16 and a review of the City Council's Treasury Management during 2014/15.

Reasons for Recommendations:

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

Recommendations: Please refer to paragraph 17 of the main report for the recommendations.

Background Papers:

Category of Report: OPEN

Statutory and Council Policy Checklist

Financial Implications
YES Cleared by: Dave Phillips
Legal Implications
NO
Equality of Opportunity Implications
NO
Tackling Health Inequalities Implications
NO
Human Rights Implications
NO
Environmental and Sustainability implications
YES/NO
Economic Impact
NO
Community Safety Implications
NO
Human Resources Implications
NO
Property Implications
NO
Area(s) Affected
Relevant Cabinet Portfolio Lead
Relevant Scrutiny Committee
Overview and Scrutiny Management Committee
Is the item a matter which is reserved for approval by the City Council?
NO
Press Release
NO

CAPITAL PROGRAMME MONITORING AS AT 31st May 2015 & TREASURY MANAGEMENT REVIEW FOR 2014/15

Purpose of the Report

1. This report provides the Month 2 monitoring statement on the City Council's Capital Programme for May 2015 and Annual Treasury Management Review for 2014/15. The first section covers the Capital Programmes with the Annual Treasury Management Review being covered from paragraph 10 and in **Appendix 3**.

CAPITAL PROGRAMME MONITORING AS AT 31st MAY 2015

Summary

2. At the end of May 2015, the end of year position forecasts a variance of £5.2m (2%) below the approved Capital Programme. Project managers are forecasting to deliver a capital programme of £284.9m, the highest for five years.
3. The variance in the forecast is in the Housing (£8.0m below budget), Highways (£5.9m above pending approval of new projects) and Sheffield Retail Quarter (£2.2m below) programmes. These variances are discussed in greater detail below.
4. The Year to date position shows spending to be £1.0m (4%) below the approved programme profile. There are no significant variances to date in any of the portfolio programmes.

Financials 2015/16

Portfolio	Spend to date	Budget to Date	Variance to date	Full Year forecast	Full Year Budget	Full Year Variance
	£000	£000	£000	£000	£000	£000
CYPF	6,143	6,877	(733)	38,710	39,210	(500)
Place	5,356	6,695	(1,339)	99,385	101,805	(2,420)
Housing	7,521	7,185	336	88,825	96,860	(8,035)
Highways	209	(1,123)	1,332	13,581	7,697	5,884
Communities	73	301	(228)	332	352	(20)
Resources	110	449	(339)	8,297	8,419	(122)
Corporate	5,096	5,096	-	30,574	30,574	-
Grand Total	24,507	25,480	(972)	279,705	284,918	(5,213)

Capital Programme

Capital Programme	2015-16 £m	2016-17 £m	Future £m	Total £m
Council Approved Budget	262.4	160.8	309.8	732.9
Additions	4.3	5.1	0.0	9.5
Variations	0.6	0.0	-1.0	-0.4
Slippage & Acceleration	17.6	0.5	0.0	18.0
Month 2 Approved Budget	<u>284.9</u>	<u>166.4</u>	<u>308.8</u>	<u>760.1</u>

5. The revised programme reflects the transfer of slippage on projects which were not completed to profile in 2014 -15.

Commentary

6. The 20 largest projects in the Capital Programme account for 76% of the current 2015/16 budget. The key variances by project include:
- A £2.3m slippage in the fitting of solar panels to council house roofs where the project is re-evaluating alternative delivery and financing options. The project will start in the autumn in order to realise the benefits from undertaking the work at the same time as the Roofing project where the scaffolding costs can be shared.
 - A £2.3m slippage in the Communal Areas refurbishment programme where an extended consultation period with leaseholders has delayed the start;
 - £0.8m slippage on the Council House stock increase programme following the insolvency of the original contractor and protracted negotiation with the new contractor over the price in order to keep within the approved budget;
 - £0.6m on Disabled Facility Grants. This programme forecast has been reviewed and will be re-profiled in the next report to deliver the original budget;

- £0.6m on Community Heating project which is being re-profiled into future years. Work has commenced on replacing the pipework at two locations;
- Sheffield Retail Quarter project works may slip £2.2m by the end of the year pending negotiations with the many stakeholders and partners in what is a very complex project. **The overall project remains on target,**
- The Highways programme is forecasting to deliver £5.9m of additional projects following the successful award of Better Buses programme funding. This report seeks Cabinet approval to accept the funding and include within the Capital Programme.

Approvals

7. A number of schemes have been submitted for approval in line with the Council's agreed capital approval process.
8. Below is a summary of the number and total value of schemes in each approval category:
 - 21 additions of specific projects to the capital programme with a value of £13.3m.
 - 18 variations to the capital programme creating a net decrease of £7.1m.
9. Further details of the schemes listed above can be found in **Appendix 1**.

Annual Treasury Management Review

10. The Council is required by regulations issued under the Local Government Act 2003 to produce an annual treasury management review of activities and the actual prudential and treasury indicators for 2014/15. **Appendix 3** of this report meets the requirements of both the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code). During 2014/15 the full Council received the Annual Treasury Strategy which sets out the Council's approach for the year as part of the 2015/16 Revenue Budget report. Reports were also taken to the Cabinet Member for Finance during the year.

11. The regulatory environment places responsibility on members for the review and scrutiny of treasury management policy and activities. This report is therefore important in that respect, as it provides details of the 2014/15 outturn position for treasury activities and highlights compliance with the Council's policies previously approved by members.
12. The Annual Treasury Management Review which summarises the actual activities for 2014/15 is attached to this report as **Appendix 3**. It was not possible to include the Annual Treasury Management Review as part of the 2014/15 outturn report due to the shortened timetable.

Implications of this Report

Financial implications

13. The primary purpose of this report is to provide Members with information on the City Council's Capital Programme for 2015/16 and Treasury Management Review, and as such it does not make any recommendations which have additional financial implications for the City Council.

Equal opportunities implications

14. There are no specific equal opportunity implications arising from the recommendations in this report.

Legal implications

15. There are no specific legal implications arising from the recommendations in this report.

Property implications

16. Although this report deals with the Capital Programme, it does not, in itself, contain any property implications, nor are there any arising from the recommendations in this report.

Recommendations

17. Cabinet is recommended to:
 - (i) Approve the proposed additions to the Capital Programme listed in **Appendix 1**, including the procurement strategies and delegations of authority to the Director of Commercial Services or nominated Officer, as

appropriate, to award the necessary contracts following stage approval by Capital Programme Group;

- (ii) Approve the proposed variations and slippage in **Appendix 1**; and
- (iii) Delegate to the Director of Finance and the Director of Legal Services the authority to finalise, and if satisfactory, accept, the conditions of the grant listed on **Appendix 2**; and note
- (iv) The latest position on the Capital Programme and emergency approvals of schemes;
- (v) The Annual Treasury Management Review summarised in paragraphs 10-12 and shown in further detail in **Appendix 3**.

Reasons for Recommendations

- 18. To record formally changes to the Revenue Budget and the Capital Programme and gain Member approval for changes in line with Financial Regulations and to reset the capital programme in line with latest information.

Alternative options considered

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

Dave Phillips
Interim Director of Finance

Scheme Description	Approval Type	Value £000	Procurement Route								
<p>HIGHWAYS Programme</p> <p>Highways 2015/16 Programme Changes In brief the total Highways 15-16 programme is expected to outturn at £9,739k. This figure includes commuted sums, existing approvals, 14-15 slippage and the value of additions now presented for approval (These figures exclude the costs of the main Bus Rapid Transit Scheme and Highways Maintenance Division).</p> <p>The capital element of the programme is expected to outturn at £8,863k as outlined below:-</p> <table data-bbox="747 1323 925 1921"> <tr> <td>Existing Approved Budget</td> <td>£2,364k</td> </tr> <tr> <td>Slippage from 2014/15</td> <td>£ 500k</td> </tr> <tr> <td>Approvals now requested</td> <td>£5,749k</td> </tr> <tr> <td><u>Total Revised Programme</u></td> <td><u>£8,613k</u></td> </tr> </table> <p>The costs of the commuted sums associated with the current programme is £876k</p> <p>Appendix 1.1 shows the revised capital approvals requested for each scheme and the funding sources.</p> <p>It should be noted that certain funding streams do not fund commuted sums (Better Buses & STEP). In these cases commuted sums are to be funded by revenue contributions or offset against negative commuted sums generated on other schemes. However the detail of the process for this offsetting is not yet finalised. The value of</p>	Existing Approved Budget	£2,364k	Slippage from 2014/15	£ 500k	Approvals now requested	£5,749k	<u>Total Revised Programme</u>	<u>£8,613k</u>	Additions / Variations	5,749	Single Source Tenders using Amey for highway design and highway construction projects that are not part of the Streets ahead projects & tender on the works contract for three schemes See appendix 1.1 for full details and recommendations
Existing Approved Budget	£2,364k										
Slippage from 2014/15	£ 500k										
Approvals now requested	£5,749k										
<u>Total Revised Programme</u>	<u>£8,613k</u>										

<p>these commuted sums reliant on accrual savings elsewhere is £429k over 10 schemes.</p>			
<p>BRT North WP 24 Highways Alterations This element of the BRT project is to deliver junction alterations from City Centre to the Wicker, along Saville St, Attercliffe Rd, Carbrook St, Dunlop St, Weedon St and Meadwhall Way. A saving has been generated through management of the risk allocation. This saving is to be transferred to BU 93898 to partially mitigate overspend position on Work Package 21 of the programme, the main Tinsley Link Road.</p>	Variation	-153	N/A Variation
<p>BRT North WP 14 Land Purchase This element of the BRT project is to deliver the CPO agreed to buy land to facilitate BRT North route: City Centre to the Wicker, along Saville St, Attercliffe Rd, Carbrook St, Dunlop St, Weedon St and Meadwhall Way. A saving has been generated due to lower than projected land costs. This saving is to be transferred to BU 93898 to partially mitigate overspend position on Work Package 21 of the programme, the main Tinsley Link Road</p>	Variation	-1,069	N/A Variation
<p>BRT North WP 21 Tinsley Link This element of the BRT project is to build the Tinsley Link road on land between Meadowhall Way and Sheffield Rd forming part of the Bus Rapid Transit route from Sheffield to Rotherham. This will also reduce traffic on the M1 junction 34. Due to asbestos contamination in the soil and the diversion of an unmarked sewer the project delivery has slipped substantially and as a result the costs of this element have risen by £7.2m. This variation is to vire the £1,222 projected underspend on Work Packages 14 and 24 as outlined above to work package 21. A funding package to cover the remaining additional costs is currently being finalised and will be brought forward for subsequent approval.</p>	Variation	1,222	

HOUSING Programme			
<p>Recycling Rollout Phase 2 This project will provide communal recycling facilities to blocks of Council flats and maisonettes throughout the city. Facilities will comprise an external hard standing to each site and may include security posts or wall brackets, to which recycling bins will be fixed, preventing movement of the bins and vandalism.</p> <p>In 2012, Veolia and Sheffield City Council agreed to proceed with fortnightly collection/emptying of recycling bins to domestic properties. Some SCC owned flats and maisonettes sites were easy to install recycling facilities but the others require the traditional weekly bin collections. Veolia have been levying charges for these extra collections and therefore will be a revenue saving on completion of the project.</p> <p>To encourage local contractors to tender for this project, it is intended to split the project into three Lots of one large covering North Sheffield, and, two small covering the rest of the City.</p> <p>The total Project budget is £1.646m, funded by the Housing revenue account. This budget is being held in the block allocation which will be reduced by this amount.</p>	Addition	1,577	Full Competitive Tender (split into 3 contracts)
<p>Waste Management Programme Block allocation for the waste management programme. It is funded by the Housing Revenue Account funding stream. This reduction is to fund the Recycling Rollout Phase 2, for details see above submission.</p>		-1,577	
<p>New Build Council Housing Phase 2 New Build Council Housing Phase 2 aims to build 45 new general needs Council homes at an affordable rent. This follows on from Phase 1 of the project, which</p>	Addition	6,435	- Homes and Communities

<p>delivered 51 homes. The project is part of a wider stock increase programme that aims to deliver 1,000 additional council homes, mostly through acquisition of existing properties.</p> <p>The principal benefit of this project, as with the linked Council Housing Acquisitions Project, will be the replenishing of the Council's housing stock, which is essential to the health of the self-financing HRA Business Plan and to the provision of the affordable housing that the city needs. The particular benefits to be gained from building <u>new</u> homes are:</p> <ul style="list-style-type: none"> • 45 new homes in the City • Five vacant sites regenerated • Approximately £6m of additional economic activity • Different types of social housing (e.g. wheelchair accessible) • Better quality social housing (e.g. higher standards of insulation) <p>Cost assumptions have been made based on the latest tender costs for Phase 1. This has given an estimated <u>capital</u> cost of £132k per unit.</p> <p>Based on Phase 1, the estimated costs for Phase 2 are as follows:</p> <table border="1" data-bbox="992 976 1317 1766"> <thead> <tr> <th>Cost element</th> <th>£K</th> </tr> </thead> <tbody> <tr> <td>Capital</td> <td></td> </tr> <tr> <td>Contract Sum</td> <td>5,440</td> </tr> <tr> <td>CDS Project Management & COW</td> <td>90</td> </tr> <tr> <td>Design Team</td> <td>110</td> </tr> <tr> <td>Planning Fees</td> <td>20</td> </tr> <tr> <td>Contingency</td> <td>270</td> </tr> <tr> <td>Total Capital Cost</td> <td>5,930</td> </tr> </tbody> </table>	Cost element	£K	Capital		Contract Sum	5,440	CDS Project Management & COW	90	Design Team	110	Planning Fees	20	Contingency	270	Total Capital Cost	5,930		<p>Agency (HCA) Framework. HCA DPP early expression of interest to assess the market interest. OJEU compliant tender to follow if required. Single stage selective tendering using the Standard Form of Design and Build Contract A number of recommendations are included in this procurement strategy:</p> <ol style="list-style-type: none"> 1. Surveys – CPG to grant approval to proceed with the organisation and tendering
Cost element	£K																	
Capital																		
Contract Sum	5,440																	
CDS Project Management & COW	90																	
Design Team	110																	
Planning Fees	20																	
Contingency	270																	
Total Capital Cost	5,930																	

Revenue	
Site investigations and valuations*	30
Staff Costs: Regeneration*	35
Staff Costs: Planning Delivery Service*	25
Total Revenue Cost	100
Total Project Cost	6,030

Capital funding has been identified as follows:

Capital funding source	£K
DCLG-approved additional borrowing	3,270
Standard HRA borrowing	1,165
RTB Receipts – Local Authority Share	1,495
Total Capital Funding	5,930
<i>Total Revenue Funding</i>	<i>100</i>
Total Project Funding	6,030
% RTB LA Share funding required	24.8%

It should be noted that significant standard HRA borrowing is to be employed alongside the additional borrowing approved by DCLG. This is due to Affordable Rents being relatively high in S12, which allows more borrowing to be undertaken against future rental income.

of the required site surveys (NB – revenue funded and not included within the associated CAF)
 2. Enabling – CPG to grant approval to proceed with procurement (via YorCivils) for site enabling works in preparation of the D&B contract D&B procurement
 3. D&B procurement

			<p>nt strategy – CPG to grant approval to proceed with early Expression of interest (via HCA DPP) for main D&B contract. If insufficient interest from HCA then CPG approves the commence ment of an OJEU tender process 4. Design team waiver – CPG to grant approval for</p>
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<p>Stock Increase (CHS) This block allocation is the holding account for the Housing Stock Improvement programme with a budget of 74.5m. This is made up from section 106 of 2.6m, Government grant of 50k, Leaseholder contributions of 295k, Housing Revenue account funding of 13.6m right to buy funding of 24.6m and prudential borrowing of 34m. This reduction is to fund the New Build Council Housing Phase 2, for details see above submission</p>			-6,435	<p>appointment of the design team via a waiver. 5. To grant delegated authority to the Director of Commercial Services or his/her nominated deputy to award a contract for this project.</p>
	Variation			

PLACE Programme					
Competitive City:-					
Sheffield Retail Quarter: Demolition Works					
<p>Sheffield City Council is committed to the redevelopment of the city centre to a modern vibrant leisure and retail offer to visitors and residents alike. On 6th June 2014 the Council approved £61m of borrowing to acquire the necessary land and develop a project plan and developer agreement.</p> <p>The Council now wishes, subject to planning permission, to commence the demolition of buildings including the former Grosvenor Hotel. Initial surveys have identified that this building is contaminated with asbestos and will require removal. This approval will provide for the demolition of the buildings.</p> <p>The Efficiency North framework has a good list of experienced asbestos removal contractors and is recommended for this element of the work. Demolition will be sourced from an open tender list.</p> <p>The project will be funded from additional borrowing.</p>	Addition	3,785	Asbestos removal via Efficiency North framework. Demolition via full open competitive tender		
Porter Brook Remedial Works					
<p>The project comprises the replacement of the derelict riverbank wall, which is in danger of collapse into the Brook, with a new gabion wall and the construction of a new pocket park and the first link of a new Porter Brook riverside walk, within an existing car park adjacent to the Porter Brook River.</p> <p>It will be constructed on a sloping site, the park will be split into different levels with</p>	Variation (EMT)	43		N/A	

<p>each level being separated by stone filled gabion baskets with sandstone copings and painted railings. Paved surfaces will be concrete paving with a brushed surface finish. A grassed bank will be created along with several planting beds containing trees and shrubs.</p> <p>Following the tender / value engineering exercise, the submitted costs are £22k higher than the approved budget, plus £15k additional compensation to the current leaseholder and £7k due to further obligations imposed by the Planning Department .</p> <p>It is therefore necessary to increase the overall project budget from £440k to £483k funded from S106 agreements.</p>			
<p>Thriving Neighbourhoods</p>			
<p>Clean Bus Technology DfT have offered a grant of £351,875 to enable the retrofitting of buses with the flywheel technology.</p> <p>Bid submissions to DfT had to be led by a local authority but have sign up from a bus operator. Sheffield City Council was successful and was awarded funding to convert Stagecoach diesel buses to operate on flywheel system that utilises the energy emitted from the engine boost output; this in turn reduces fuel consumption and tailpipe emissions.</p> <p>DfT award the funds and the Council will manage it, acting as accountable body, and ensure that Stagecoach comply with the terms of the MoU and grant agreement between the Council and Stagecoach (Trading as The Yorkshire Traction Co Ltd). Stagecoach will procure the service, with the converted vehicles belonging to Stagecoach at the end of the project.</p>	<p>Addition</p>	<p>352</p>	<p>N/A</p>

<p>There has been a delay in delivery as the initial bid was to utilise compressed natural gas (CNG) as a fuel for 5 buses (and associated retrofitting) and to construct a refuelling site at the Stagecoach site at Ecclesfield. However, over the course of the early stages of the project it emerged that the Stagecoach group nationally had a poor experience with CNG and that a decision to use this technology in Sheffield was delayed by 10 months in order to ascertain if the problems could be resolved. The conclusion of which was that flywheel technology would present less risk but could be undertaken on twice as many buses for the same costs.</p> <p>DfT were notified and accepted this major revision to the scheme.</p> <p>The scheme fits with a number of strategic objectives:</p> <ul style="list-style-type: none"> • Links with GPTL outcomes: <ul style="list-style-type: none"> ○ “Neighbourhoods are distinctive, well-planned and designed, with good air quality and resilience to flooding.” ○ “Neighbourhoods are safe, clean and sustainable.” • Also links with wider SCC objectives to help reduce air pollution levels within the cities legally declared Air Quality Management Area. This provides evidence required by UK Govt to demonstrate how the city is working towards achievement with EU air quality limit values, and thereby prevent infraction proceedings and multi-million pound fines being potentially passed down to local authorities. • The Sheffield Fairness Commission aspiration is to improve air quality in Sheffield and so improve people’s health and wellbeing. <p>SCC will be the accountable body for the funding, with all works being carried by Stagecoach through their normal tendering procedures. There will be no capital assets belonging to the council at any stage of the project</p>		
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<p>In addition to the revision to the scheme Stagecoach requested some amendments to the agreement that was to be entered into with the Council, the form of which had been approved by the Leader on 25 February 2014. The Council have been negotiating with Stagecoach in relation to these changes. At this time (20/05/2015) the agreement is still with Stagecoach, it is therefore recommended that if Cabinet approves this CAF that it also delegates authority to The Director of Regeneration and Development Services in conjunction with Executive Director of Resources to approve the final form of the agreement with Stagecoach, which will reflect the changes to the form of agreement previously approved by the Leader including the change to using flywheel technology from CNG.</p>			
<p>Parks</p> <p>Ouseburn Road Improvements As part of the planning conditions for new housing on Ouseburn Road / Ouse Road, the Developer (Sheffield City Council) is required to provide improvements to the offsite open space to the north east of the site (which is currently managed by Parks & Countryside service).</p> <p>The site which is adjacent to the housing development is currently in poor quality. The aim of the project is to deliver improvements to raise the quality of the site to Sheffield Standard and meet the planning conditions by delivering the following: removal of the former playground, improving the 130 metres of boundary, 600 m² tarmac removal and re-seeding, improving entrances and carrying out tree planting and habitat improvements.</p> <p>S106 funding of £50.5k is available for this project (£43k Capital, £6k for future maintenance and £1.5 planning fee), with a possibility of further S106 to deliver additional works (which will be subject to the Capital Approval process).</p>	<p>Addition</p>	<p>43</p>	<p>In-House providers & 3 quotes for the entrance and habitat design.</p>

<p>SUCCESSFUL CHILDREN & YOUNG PEOPLE :-</p> <p>Mechanical Programme This programme has been commissioned by CYPF to review heating and mechanical works at schools across the Sheffield City Council estate and will consist of a rolling programme of condition surveys and then resultant works. The information from the surveys is used to prioritise capital resources into programmes of work that will have the most impact on maintaining buildings that are fit for purpose and prevent the closure of CYPF buildings, especially schools.</p> <p>This is a general programme of works to ensure compliance with statutory requirements; ensuring emergency mechanical works are carried out in a timely manner to prevent school closures, including: heating plant renewal, calorifiers renewal, pipe work renewal, and any other works mechanical work required that require urgent attention to maintain business continuity.</p> <p>Specifically: this project requests approval for feasibility and design (£15.5k) for future heating system works and immediate implementation (£102k) for necessary plant room upgrade works, at the school sites listed below:</p> <ul style="list-style-type: none"> • Pipworth Community Primary – Plant Room: £117.5k (inc. £15.5k feasibility) • Gleadless Primary (Jnr site) – Plant Room: £87k • Brook House Junior – Plant Room: £92k • Royd Nursery Infants – Plant Room: £93k • Woodseats Primary – Plant Room: £105.85k • Rivelin Primary – Plant Room: £43k • Firshill Primary – Replace boiler : £80k • Ballifield – Plant Room: £85k • Wisewood Sports Centre – Water Heater: £12.85k 	<p>Addition</p>	<p>741.2</p>	<p>Feasibility: In House Delivery Works: CSSR Contract - Kier</p>
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<p>• Hucklow Primary 4-11 – Warm Air Units: £25k</p> <p>All the above work is to be funded from a Department of Education grant funded Capital Maintenance block allocation.</p> <p>Rainbow Forge Heating, Mechanical and Electrical</p> <p>A feasibility study is to be carried out at this site to find the best way to ensure the school's Heating and Hot Water System is adequate and meets required standards. The results of the study will be used to inform the most appropriate solution for any ensuing works to be completed. Specifically: this project is requesting approval for feasibility and design works to look at heating provision (£13.5k) plus an asbestos survey (£5k) prior to the anticipated construction works taking place. The work is to be funded from a Department of Education grant funded Capital Maintenance block allocation.</p>	<p>Addition (feasibility)</p>	<p>18.5</p>	<p>In House Delivery</p>
<p>Window and Roof Replacement Programme</p> <p>This programme is part of an on-going planned programme of window maintenance and replacement across the Sheffield schools' estate, which targets schools based on condition survey data and addresses the highest priority sites first. This year it is planned to install replacement windows at Meersbrook Bank and Shortbrook Primary schools and replacement roofing at Meersbrook Bank and Bradway Primary Schools.</p> <p>The schools will benefit from energy efficiencies through more efficient insulation and the improvement of the learning environment and security to Sheffield City Council city wide standards.</p> <p>Approval is sought for initial feasibility works at the following sites:</p> <ul style="list-style-type: none"> • Pmy Maint Meersbrook Windows & Roof- feasibility: £8.25k • Pmy Maint Bradway Roof - feasibility: £4k • Pmy Maint Shortbrook Windows – feasibility: £4k 	<p>Addition (feasibility)</p>	<p>16.3</p>	<p>In House Delivery</p>

<p>The works are to be funded from a Department of Education grant funded Capital Maintenance block allocation.</p> <p>Halfway Infants Mobile Replacement – Feasibility A rolling programme of condition surveys provides information that is used to prioritise capital resources into programmes of work that will have the most impact on maintaining buildings that are fit for purpose and prevent the closure of CYPF buildings, especially schools.</p> <p>Within these programmes the data enables us to rank buildings according to the scale and urgency of work required. Halfway is ranked No.1 for replacement and this request is for approval of feasibility works of up to £7.5k, to look at the best proposed solution for a replacement mobile unit at the site. The work is to be funded from the Capital Maintenance block allocation.</p>	<p>Addition (feasibility)</p>	<p>7.5</p> <p>In House Delivery</p>
<p>Capital Maintenance Block Allocation Funding is to be drawn down from this block allocation to address the following funding adjustments as detailed above:</p> <ul style="list-style-type: none"> • Rainbow Forge – Feasibility : £18.5k • Mechanical Programme: £741.2k • Halfway Infants – Feasibility: £7.5k <p>Windows and Roof Programme – feasibility: £16.3k</p>	<p>Variation</p>	<p>-783.5</p> <p>N/A</p>
<p>Growth Programme – Primary and Secondary Feasibility This project covers initial feasibility and design works for proposed primary and secondary school expansion works across the Sheffield City Council estate. A variation of £149,802 is currently requested to cover the anticipated costs to look at the 2015-16 programme. This work will support the forthcoming consultation process to determine the most appropriate places for expansion. Costs are to be reallocated to individual school projects as appropriate once development works take place. The additional cost is to be funded from a Department of Education grant funded Basic</p>	<p>Variation</p>	<p>150</p> <p>In House Delivery</p>

<p>Need block allocation.</p>	<p>Variation (EMT)</p>	<p>30</p>	<p>N/A (Procurement of the additional Highway works will be through the AMEY contract)</p>
<p>PPG2 – Acres Hill Primary This project was originally commissioned as internal remodel to allow for increased student numbers. This variation is to request an increase of £29,963 to provide for the installation of two raised crossing points outside the school as a traffic calming measure. The additional cost is to be funded from a Department of Education (DfE) grant funded Basic Need block allocation.</p>	<p>Variation</p>	<p>0*</p>	<p>N/A</p>
<p>Don Valley School This is a variation to record the substitution of S106 funding to school projects, thus reducing the demand on the DfE Basic Need funding grant and freeing up that resource to fund school expansion to meet the increasing demand for school places. A total of £456k is to be applied from S106 funding agreements. *There is no net change to the cost of the project.</p>	<p>Variation</p>	<p>0*</p>	<p>N/A</p>
<p>Wybourn Expansion This is a variation to record the substitution of S106 funding to school projects, thus reducing the demand on the DfE Basic Need funding grant and freeing up that resource to fund school expansion to meet the increasing demand for school places. A total of £150k is to be applied from S106 funding agreements. *There is no net change to the cost of the project.</p>	<p>Variation</p>	<p>0*</p>	<p>N/A</p>
<p>Basic Need Block Allocation Funding is to be both drawn down and added back to this block allocation to address the following funding adjustments as detailed above:</p> <ul style="list-style-type: none"> • Acres Hill Primary – traffic calming measures: -£30k (applied) • Growth Programme – Primary & Secondary Feasibility: -£150k (applied) • Don Valley School – allocation of S106 Funding in place of Basic Need funds: £456k 	<p>Variation</p>	<p><u>426</u> -180 <i>applied funds</i> +606 <i>income</i></p>	<p>N/A</p>

<ul style="list-style-type: none"> Wybourn Expansion - allocation of S106 Funding in place of Basic Need funds: £150k 		adjustment	
<p>RESOURCES Programme:-</p>			
<p>Stocksbridge Library FRA</p> <p>This project addresses works necessary as a result of Fire Risk Assessment and DDA (Disability Discrimination Act, 1995) reviews at Stocksbridge Library, a building 100% owned by Sheffield City Council. The Local Authority is in receipt of an improvement notice from South Yorkshire Fire & Rescue and currently has in place temporary management procedures mitigating both the notice and identified work.</p> <p>The works have been commissioned as part of a rolling programme of condition surveys, which provides information to prioritise capital resources into programmes of work that will have the most impact on maintaining buildings that are fit for purpose.</p> <p>The works will ensure there is an effective fire management system in place that supports the fire strategy of the building and is required as a result of a recent Fire Risk Assessment and will comprise electrical fire systems installation (alarm, emergency lighting) with some general builders work creating segregation of the open areas.</p> <p>Additionally, design and delivery of DDA works are to take place to bring the building up to required standards. These include a passenger lift, provision of wider door sets, an entrance ramp and a new disabled toilet.</p> <p>It is funded from the Health & Safety block allocation, using Corporate Resource Pool Capital Receipts.</p>	<p>Addition</p>	<p>305</p>	<p>Competitive Tender</p>
<p>Health & Safety Block Allocation</p> <p>Funding is to be drawn down from this block allocation to meet the costs of Fire Risk Assessment and Disability Discrimination Act works at Stocksbridge Library, as noted</p>	<p>Variation</p>	<p>-305</p>	<p>N/A</p>

above.				
PROCUREMENT STRATEGY				
Place – Competitive City Programme				
<p>Grey to Green - Public Art</p> <p>This project will provide Public Art as part of the Grey to Green Phase 1 – Sheffield Riverside Business District project. The inclusion of Public Art was always envisaged as part of the Grey to Green Phase 1 project but was not included in the Grey to Green Phase 1 Procurement Strategy due to funding uncertainties. Following a competitive tender on the Grey to Green Phase 1 project sufficient savings have been made to confidently allow this part of the project to proceed. European Regional Development Funding have now confirmed that they will allow their portion of the remaining budget to be used for this project and a variation will be submitted to seek approval to use part of the remaining budget for the Public Art project.</p> <p>The total budget for this part of the project is £160k split as follows: Construction Cost - £65k Client Costs Capital - £85k (£20k Foundations; £40k Artists Commissions; £25k Commuted Sums (Amey Maintenance) Fees - £10k</p> <p>Funded by £64k of ERDF which is included as an approved variation to the original Grey to Green Phase 1 – Sheffield Riverside Business District funding agreement.</p>				
				<p>1. Foundations and metalwork structures carried out by a variation to the existing Grey to Green Phase 1 contract with North Midland allowing NM to sub-contract via 3 quotes, subject a price and quality check.</p> <p>2. Artists Commissions – small value artwork to be installed in the metalwork structures following competitive tender advert.</p>

<p>Successful Children and Young People</p> <p>Tinsley Primary This project will provide for the replacement and expansion of the existing separate Nursery Infant and Junior schools. Increasing pupil numbers in the Tinsley area, combined with poor existing accommodation create the opportunity to provide a single, replacement school. A replacement school would also relocate the school from its proximity to the M1 Motorway and therefore create a better environment for the school and its pupils. Procurement route to be in-house / delivery partner design and the construction works via the YORbuild framework. A tender list will be sourced from YORbuild. This will ensure that regional contractors are selected and that outcomes for Employment, Training and Development are achieved. A competitive tender will then be undertaken to select a contractor from the list. In addition SCC will undertake appropriate financial checks on the list of contractors in order to minimise the risk of financial exposure.</p> <p>Recommendation: - To approve the procurement of the Tinsley Meadows New School contract, using a competitive mini-competition process through the YORbuild framework (or a competitive tender process in the event of insufficient interest being elicited from the framework. To grant delegated authority to the Director of Commercial Services or his/her nominated deputy to award a contract for this project.</p>			Change of procurement strategy to reflect new project costs of £9.0m
<p>EMERGENCY APPROVALS:- (Note only)</p>			
<p>Children and Young People</p> <p>Tinsley Primary This project will provide for the replacement and expansion of the existing separate</p>			
	Variation	8,448	Competitive Tender -

<p>Nursery Infant and Junior schools. Increasing pupil numbers in the Tinsley area, combined with poor existing accommodation create the opportunity to provide a single, replacement school. A replacement school would also relocate the school from its proximity to the M1 Motorway and therefore create a better environment for the school and its pupils.</p> <p>The scheme comprises remodelling of the existing Tinsley Green community building and a new build extension to provide the required accommodation for a three-form-entry primary school and 78 place nursery. The project will replace the existing school buildings and offer a long-term, sustainable answer to the issues identified with the growing population, the current buildings, and the impacts of pollution.</p> <p>The scheme progressed through local consultation and was given approval in principle to go ahead on the Tinsley Playing Fields site by way of a <u>Leader's Decision</u> on 23rd January 2015.</p> <p>Thus, following the earlier approval for the design costs of £551.9k, emergency approval was sought to add a further £8.4m to reflect total project costs and bring the total for the project to £9m. The scheme is funded by £1.844m Targeted Basic Need (TBN) direct funding (of which £0.552m has already been applied to the Design stage) and £7.156m Basic Need funding drawn from the Department for Education Block Allocation.</p>			YORbuild
<p>Basic Need Block Allocation This block allocation exists to support the demand on pupil place provision and is funded from an annual Department of Education Basic Need funding allocation. The variation here is to reflect the amount to be drawn down from this block allocation to support the relocation of Tinsley Primary school as noted above, with the remaining balance being directly funded from Targeted Basic Need funding.</p>	Variation	-7,156	N/A
<p>Grace Owen Nursery</p>	Variation	230	Strategy and

<p>The relocation of Grace Owen Nursery on the Park Hill complex was identified as an integral part of the regeneration of the site. The developer, Urban Splash offered a unit into which the Nursery could be relocated, with outdoor play provision and community use.</p> <p>In March 2012 approval was given to appoint Parkhill developers Urban Splash to develop the Nursery Provision with a budget of £895k.</p> <p>Subsequent delays to the overall scheme prevented the progression of this. The developer is now in a position to deliver the Nursery provision, however the cost estimate has now increased by £230k to £1,125k. This increased costs will be met from New Homes Bonus.</p>			<p>procurement approval to go via a LSoD submitted with the emergency approval (not yet signed)</p> <p>Parkhill Developer as per March 2012 procurement strategy.</p>
<p>RESOURCES:-</p> <p>Moorfoot Accommodation Strategy</p> <p>Additional reconfiguration work at Moorfoot to allow the relocation of Capita staff and exit from Derwent House in the Capital Programme, and, to include as part of a wider scheme of work, adaptations to provide for disabled access to the building (powered door openers and platform passenger lift to car park), and to essential health and safety improvements (renew the obsolete Public Address system).</p> <p>The capital investment cost for the works is estimated at £1,040,900;</p> <p style="text-align: right;">Total £1,040,900.</p> <p style="text-align: right;">Less: Existing Approval <u>£615,000</u></p> <p style="text-align: right;">Additional Funding Required £425,900.00</p>	<p>Variation</p>	<p>885</p>	<p>Strategy to go via a LSoD with the Emergency Approval</p> <p>Tender list be sourced from the YORbuild framework.</p> <p>A competitive tender will then be undertaken to select a contractor from</p>

<p>Plus Provision for Disabled Access (Doors) £257,000.00</p> <p>Provision for Disabled Access (Platform Passenger Lift) £32,100.00</p> <p>Essential H&S Works (Replacement Public Address System) £170,000.00</p> <hr/> <p>Total Additional Approval Requirement £885,000.00</p> <p><i>Funding:</i></p> <ul style="list-style-type: none"> • The additional works totalling £885,000 are to be funded as follows: <ul style="list-style-type: none"> • £425,900 from prudential borrowing - to be recovered via the levying of a commercial rent from Capita services occupying Moorfoot in addition to those servicing the Sheffield City Council service agreement during the period of the contract; • £459,100 from Corporate Resource Pool funds, to cover: <ul style="list-style-type: none"> ○ £289,100 for Disabled Access works (£257,000 for doors plus £32,100 for a lift) - funded from the Provision for Disabled Access block allocation (£225k – fully exhausting this) and the balance from the Health & Safety Compliance block allocation; ○ £170,000 for a replacement Public Address System - funded from the Health & Safety Compliance block allocation. 		the list.
<p>DIRECTOR VARIATIONS:- (None)</p>		

Highways 2015 / 16 Programme		Capital by Funding Source										
Theme	BU	Description	Approved Budget 2015/16	Slippage Addition from 2014/15	Month 2 Variation	Revised Allocation 2015/16	Brief Project Outline for Programme Variations	LTP	BB	Step Funding	Third Party or Other	Total Funding
Accident savings	93632	SCHOOL KEEP CLEAR REVIEW	89,425	4,385	20,000	24,385	Review of parking restrictions at schools entrances	24,385				24,385
Accident savings	93769	ACCIDENT SAVING SCHEMES			425,000	514,425	Normanton Hill crossing (770), Burnesley Road /	514,425				514,425
Accident savings	94438	INNOVATIVE TRAFFIC CALM STUDY		8,000	40,000	48,000	Sim Lane scheme construction	48,000				48,000
Accident savings	97985	RS AUDIT S & SCHEME COMPLETION			90,000	90,000		90,000				90,000
Accident savings	97985	CITYWIDE 20MPH ZONE			250,000	250,000	Rolling programme of sign only 20mph areas in residential areas citywide					250,000
Accident savings	92928	SAFETY CAMERA UPGRADE			820,000	820,000		926,810	0	0	820,000	820,000
Sub total (Accident Savings)			89,425	12,385	1,645,000	1,746,810		1,746,810				1,746,810
Accessibility	91682	PUBLIC RIGHTS OF WAY	160,000		144,000	144,000	Series of improvements to surfacing on and access	144,000				144,000
Accessibility	93050	SE ACCESSIBILITY	20,000		25,000	25,000	On-site lane traffic calming	25,000				25,000
Accessibility	93050	SE ACCESSIBILITY	20,000		25,000	25,000	On-site lane traffic calming	25,000				25,000
Accessibility	93051	NW ACCESSIBILITY	70,000	1,000	80,000	81,000	Street lighting road crossing design	81,000				81,000
Accessibility	93052	SE ACCESSIBILITY	70,000		58,000	58,000	Glades Rd zebra design, Daresbury Rd ped	58,000				58,000
Accessibility	93053	SW ACCESSIBILITY	30,000		28,000	28,000	bully design & build	28,000				28,000
Accessibility	93104	STREETS AHEAD OPFS SE SHEFF	75,000		0	75,000	Stumpelrove road build, Furniss Ave zebra	75,000				75,000
Accessibility	93105	STREETS AHEAD OPFS NW SHEFF	75,000		0	75,000	Small scale access improvements added to complement the planned Street Ahead core	75,000				75,000
Accessibility	93106	STREETS AHEAD OPFS SW SHEFF	75,000		0	75,000	Small scale access improvements added to complement the planned Street Ahead core	75,000				75,000
Accessibility	93350	STREETS AHEAD OPPORTUNITIES	75,000	5,000	0	80,000	Small scale access improvements added to complement the planned Street Ahead core	80,000				80,000
Accessibility	94511	A57 MCESTERNELEST CROPPED/NIP	585,000	5,000	0	5,000	Small scale access improvements added to complement the planned Street Ahead core	5,000				5,000
Sub Total (Accessibility)			585,000	20,000	119,000	720,000		690,000	0	0	40,000	720,000
Cycling	90703	BLACKBURN VALLEY CYCLE ROUTE	20,000		-10,000	10,000	Completion of new cycle route	10,000				10,000
Cycling	92741	PENISTONE RD. LIME & YLOWTHER	20,000		75,000	75,000		75,000				75,000
Cycling	92803	LOWER DON VALLEY CYCLE ROUTE	222,000		280,000	280,000		280,000				280,000
Cycling	92813	LITTLE DON LINK (CYCLE ROUTE)	222,000	13,525	186,475	422,000		200,000	200,000	222,000		422,000
Cycling	92914	GREEN ROUTES NETWORK	80,000	32,000	92,000	92,000		80,000		80,000		92,000
Cycling	93370	STREETS AHEAD RELATED CYCLE	234,437		-56,437	180,000	Small cycle schemes to increase local cycle accessibility, in line with 'Streets Ahead' where possible. Also covers highways cycle parking.	180,000				180,000
Cycling	93389	PEAK PARK ANNIVY ROUTE XINGS	24,749		-18,749	6,000	Designs for 1 crossings or PP Anniv'Y route	6,000				6,000
Cycling	TBC	10 DAY TRAVEL CHALLENGE			25,000	25,000		25,000				25,000
Sub Total (Cycling)			503,186	25,225	567,289	1,090,000		283,000	0	480,000	327,000	1,090,000
Network management	92634	SPITAL HILL (TESCO)	25,000	81,746	0	106,746	HEV signing scheme in the Darnall area	106,746		6,811		106,746
Network management	92634	SPITAL HILL (TESCO)	25,000	81,746	0	106,746	HEV signing scheme in the Darnall area	106,746		6,811		106,746
Network management	92610	ABBEYDALE RD CLEARWAY CHANGES	25,000	1,574	0	1,574		4,000			1,594	1,594
Network management	93005	TAXI RANK IMPROVEMENTS	25,000		6,000	6,000		6,000			25,000	25,000
Network management	93357	2+ LANES	17,698		-14,698	3,000		3,000				3,000
Network management	97982	HGV ROUTING STRATEGY	30,000		0	30,000		30,000				30,000
Network management	97986	TRAFFIC CONTROLLER UPGRADES	106,078	8,000	18,000	25,000		8,000				25,000
Network management	97988	CCITY PARKING ENFORCEMENT	106,078		43,922	150,000		150,000				150,000
Network management	TBC	GREEN ROUTES NETWORK			30,000	30,000		30,000		300,000		300,000
Network management	TBC	GREEN ROUTES NETWORK			150,000	150,000		150,000				150,000
Network management	TBC	GREEN ROUTES NETWORK			150,000	150,000		150,000				150,000
Sub Total (Network Management)			203,776	102,150	523,224	829,150		159,000	0	900,000	338,151	829,151
Public transport	93110	BB2 CHESTERFIELD RD KBR	200,000		314,013	514,013		514,013				514,013
Public transport	93111	BB2 NORTH SHEFFIELD 2 KBR	130,000		609,222	739,222		739,222				739,222
Public transport	93112	BB2 SHEFFIELD GLEADLESS KBR	172,900		1,155,156	1,327,446		1,327,446				1,327,446
Public transport	93113	BB2 CITY CENTRE PACKAGE	200,000	94,862	65,000	229,862		229,862				229,862
Public transport	93425	FEILDON C/LEA FORTS	50,000		14,000	64,000		64,000				64,000
Public transport	93426	BOSTON STREET BUS GATE	47,589		139,926	197,515		197,515				197,515
Public transport	93427	SOUTH LANE BUS GATE	7,792		47,589	55,381		55,381				55,381
Public transport	93887	BRT NORTH	384,000		384,000	384,000		384,000				384,000
Public transport	94180	ECC RD SMART RT-PH 5-BENTS GR	2,000		0	2,000		2,000				2,000
Public transport	94202	KEY BUS RTE-SHEFF-WOODHOUSE	40,000		40,000	40,000		40,000				40,000
Public transport	94445	BN02 BUS AGREEMENT	403,253		153,771	557,024	Completion of RBR projects - bus stops, BSAs on M4/15 schemes, signal commissioning, stats/HMD test-sort	557,024				557,024
Public transport	94445	BN02 BUS AGREEMENT	403,253		153,771	557,024	Citywide programme to improve bus services and reduce congestion on the M4/15 schemes and project at Greenhill, City Road & High Green	25,000	532,024			557,024
Sub Total (Public Transport)			983,253	334,020	2,900,162	4,217,635		411,000	3,942,967	0	463,668	4,217,635
Overall Total			2,364,640	500,881	5,798,675	8,613,896		2,514,810	3,942,967	780,000	1,989,019	8,613,897

Grant Awarding Body	Name of the Grant	Project to be funded by the Grant	Conditions and Obligations	Value £000
South Yorkshire Passenger Transport Executive (SYLTE)	Sustainable Transport Exemplar Funding (STEP)	Highways Cycling Schemes	<p>STEP funding forms part of the local devolved transport funding held by Sheffield City Region Combined Authority (SCR CA). This funding is to be administered by SYLTE in the same manner as Local Transport Plan Funding. There will be no specific funding agreement between SCC and SYLTE governing the funding.</p> <p>SYLTE have confirmed the STEP funding allocation to SCC.</p> <p>Main Conditions The only condition attached to the funding is that it is spent on capital expenditure.</p> <p>This funding will be claimed in arrears from SYLTE based on actual expenditure of approved projects.</p> <p>Clawback risks Claw back would only be enforceable should the funding be spent on non-capital expenditure</p>	1,030

Annual Treasury Management Review 2014/15

Introduction

This Council is required by regulations issued under the Local Government Act 2003 to produce an annual treasury management review of activities and the actual prudential and treasury indicators for 2014/15. This report meets the requirements of both the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).

During 2014/15 the full Council received the Annual Treasury Strategy whilst Cabinet were presented with the Outturn Report. Reports were also taken to the Cabinet Member for Finance during the year.

The regulatory environment places responsibility on members for the review and scrutiny of treasury management policy and activities. This report is therefore important in that respect, as it provides details of the outturn position for treasury activities and highlights compliance with the Council's policies previously approved by members.

Member training on treasury management issues was provided during the year in order to support members' scrutiny role. The training took place in January 2015 to coincide with the revision of the Treasury Management Strategy.

2. The Economy and Interest Rates

The original market expectation at the beginning of 2014/15 was for the first increase in Bank Rate to occur in quarter 1 2015 as the unemployment rate had fallen much faster than expected through the Bank of England's initial forward guidance target of 7%. In May, however, the Bank revised its forward guidance. A combination of very weak pay rises and inflation above the rate of pay rises meant that consumer disposable income was still being eroded and in August the Bank halved its forecast for pay inflation in 2014 from 2.5% to 1.25%. Expectations for the first increase in Bank Rate therefore started to recede as growth was still heavily dependent on buoyant consumer demand.

During the second half of 2014 financial markets were caught out by a halving of the oil price and the collapse of the peg between the Swiss franc and the euro. Fears also increased considerably that the European Central Bank (ECB), was going to do too little too late to ward off the threat of deflation and recession in the Eurozone. In mid-October, financial markets had a major panic for about a week. By the end of 2014, it was clear that inflation in the UK was going to head towards zero in 2015 and would possibly even turn negative. In turn, this made it clear that the Monetary Policy Committee (MPC) would have great difficulty in starting to raise Bank Rate in 2015 while inflation was around zero and so market expectations for the first increase receded back to mid-2016.

Gilt yields were on a falling trend for much of the last eight months of 2014/15 but were then pulled in different directions by increasing fears after the anti-austerity parties won power in Greece in January; developments since then have increased fears that Greece could be heading for an exit from the euro. While the direct effects of this would be manageable by the EU and the ECB, it is very hard to quantify quite what the potential knock on effects would be on other countries in the Eurozone once the so called impossibility of a country leaving the EZ had been disproved. Another downward pressure on gilt yields was the announcement in January that the

ECB would start a major programme of quantitative easing, purchasing EZ government and other debt in March. On the other hand, strong growth in the US caused an increase in confidence that the US was well on the way to making a full recovery from the financial crash and would be the first country to start increasing its central rate, probably by the end of 2015. The UK would be closely following it due to strong growth over both 2013 and 2014 and good prospects for a continuation into 2015 and beyond. However, there was also an increase in concerns around political risk from the general election due in May 2015.

The Funding for Lending Scheme, announced in July 2012, resulted in a flood of cheap credit being made available to banks which then resulted in money market investment rates falling drastically in the second half of that year and continuing throughout 2014/15.

The UK Government maintained its tight fiscal policy stance but recent strong economic growth and falling gilt yields led to a reduction in the forecasts for total borrowing in the March budget.

The EU sovereign debt crisis had subsided since 2012 until the Greek election in January 2015 sparked a resurgence of fears. While the UK and its banking system has little direct exposure to Greece, it is much more difficult to quantify quite what effects there would be if contagion from a Greek exit from the euro were to severely impact other major countries in the EZ and cause major damage to their banks.

3. Overall Treasury Position as at 31 March 2014

At the beginning and the end of 2014/15 the Council's treasury (excluding borrowing by PFI and finance leases) position was as follows:

Authority	31 March 2014 Principal	Rate/ Return		31 March 2015 Principal	Rate/ Return
Total debt	<i>£688m</i>	<i>4.7%</i>		<i>£679m</i>	<i>4.6%</i>
CFR	<i>£830m</i>			<i>£855m</i>	
Over / (under) borrowing	<i>(£142m)</i>			<i>(£176m)</i>	
Total investments	<i>£84m</i>	<i>0.6%</i>		<i>£101m</i>	<i>0.62%</i>
Net debt	<i>£604m</i>			<i>£578m</i>	

General Fund	31 March 2014 Principal	Rate/ Return		31 March 2015 Principal	Rate/ Return
Total debt	<i>£390m</i>	<i>4.6%</i>		<i>£385m</i>	<i>4.6%</i>
CFR	<i>£484m</i>			<i>£509m</i>	
Over / (under) borrowing	<i>(£94m)</i>			<i>(£124m)</i>	
Total investments	<i>£84m</i>	<i>0.6%</i>		<i>£101m</i>	<i>0.6%</i>
Net debt	<i>£306m</i>			<i>£283m</i>	

HRA	31 March 2014 Principal	Rate/ Return	31 March 2015 Principal	Rate/ Return
Total debt	£298m	4.7%	£294m	4.6%
CFR	£346m		£346m	
Over / (under) borrowing	(£48m)		(£52m)	
Total investments	£0m	0%	£0m	0%
Net debt	£298m		£294m	

4. The Strategy for 2014/15

The expectation for interest rates within the strategy for 2014/15 anticipated low but rising Bank Rate (starting in quarter 1 of 2015), and gradual rises in medium and longer term fixed borrowing rates during 2014/15. Variable, or short-term rates, were expected to be the cheaper form of borrowing over the period. Continued uncertainty in the aftermath of the 2008 financial crisis promoted a cautious approach, whereby investments would continue to be dominated by low counterparty risk considerations, resulting in relatively low returns compared to borrowing rates.

In this scenario, the treasury strategy was to postpone borrowing to avoid the cost of holding higher levels of investments and to reduce counterparty risk.

The actual movement in gilt yields meant that PWLB rates saw little overall change during the first four months of the year but there was then a downward trend for the rest of the year with a partial reversal during February.

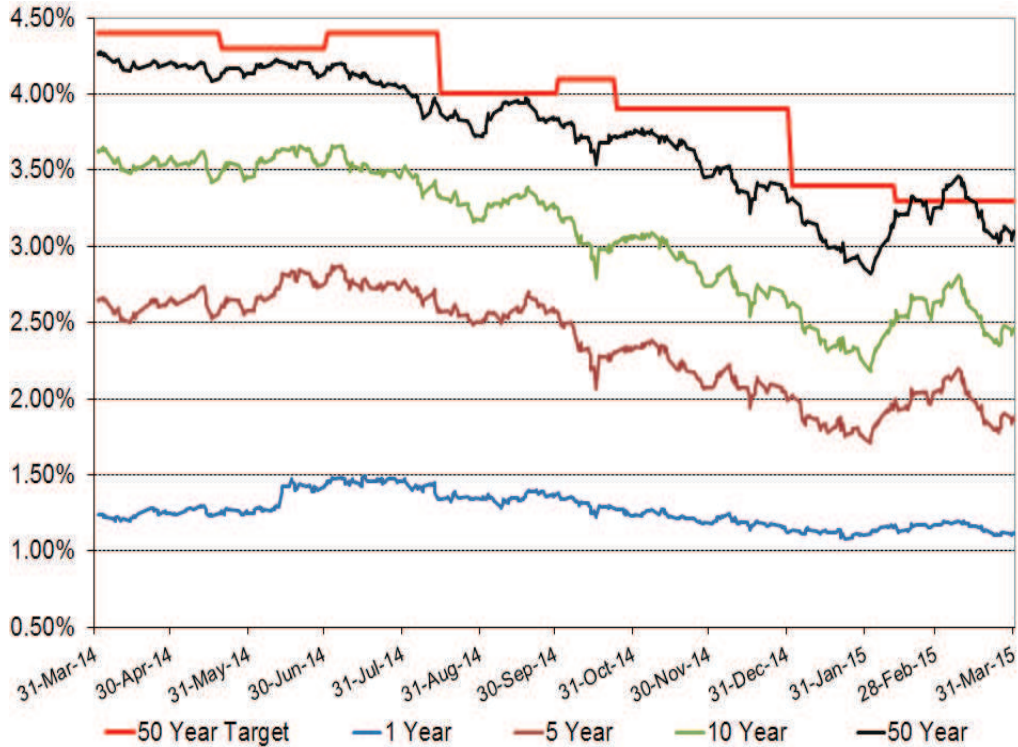
5. The Borrowing Requirement and Debt

The Council's underlying need to borrow to finance capital expenditure is termed the Capital Financing Requirement (CFR). The table below shows the outturn for 2013/14 and 2014/15 and the 2014/15 budget position including PFI liabilities.

	31 March 2014 Actual	31 March 2015 Budget	31 March 2015 Actual
CFR General Fund (£m)	£820m	£873m	£872m
CFR HRA (£m)	£346m	£348m	£346m
Total CFR	£1,166m	£1,221m	£1,218m

6. Borrowing Rates in 2014/15

PWLB certainty maturity borrowing rates - the graphs and table for PWLB rates below and in appendix 3, show, for a selection of maturity periods, the average borrowing rates, the high and low points in rates, spreads and individual rates at the start and the end of the financial year



7. Borrowing Outturn for 2014/15

Borrowing

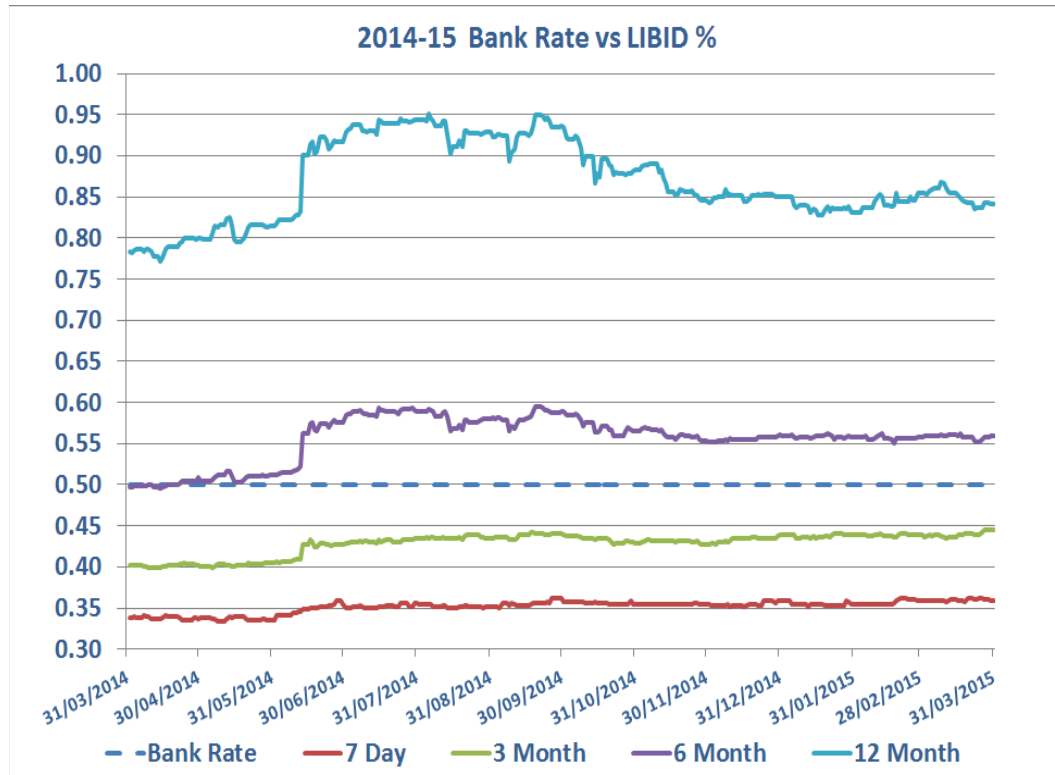
The Council undertook no additional borrowing during the year. Instead the Council used investment balances to temporarily fund borrowing requirements, avoiding the counterparty risks and low investment returns

Rescheduling

No rescheduling was done during the year as the average 1% differential between PWLB new borrowing rates and premature repayment rates made rescheduling unviable.

8. Investment Rates in 2014/15

Bank Rate remained at its historic low of 0.5% throughout the year; it has now remained unchanged for six years. Market expectations as to the timing of the start of monetary tightening started the year at quarter 1 2015 but then moved back to around quarter 3 2016 by the end of the year. Deposit rates remained depressed during the whole of the year, primarily due to the effects of the Funding for Lending Scheme.



LIBID is the London Interbank Bid Rate which reflects the average interest rate which major London banks borrow Eurocurrency deposits from other banks and is a key indicator of interest rates on short term deposits.

9. Investment Outturn for 2014/15

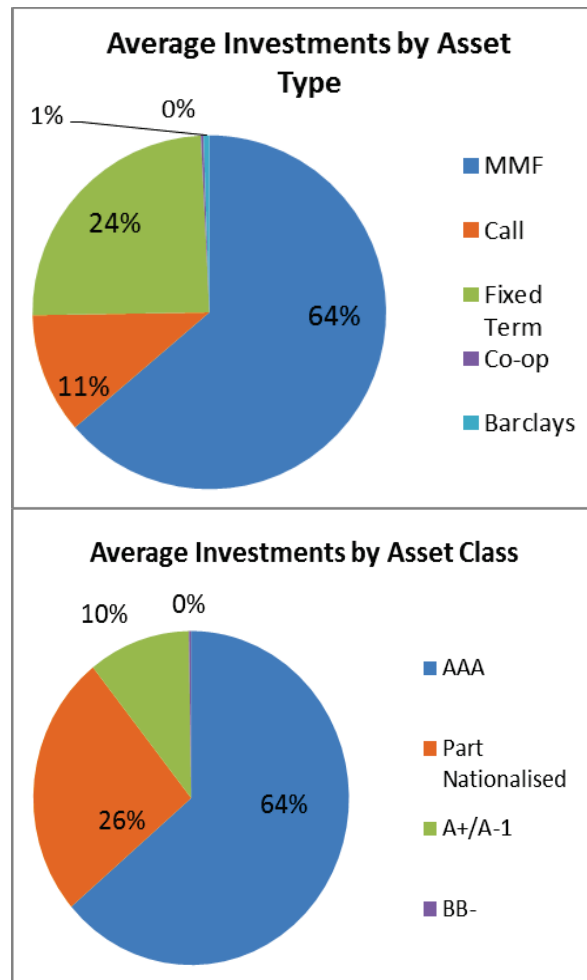
Investment Policy – the Council’s investment policy, which is governed by Central Government guidance, is set out in the annual investment strategy approved by full Council in March each year. This policy outlines the approach for choosing investment counterparties, and is based on credit ratings provided by the three main credit rating agencies supplemented by additional market data (such as rating outlooks, credit default swaps, bank share prices etc.).

The investment activity during the year conformed to the approved strategy, and the Council had no liquidity difficulties.

Investments held by the Council - the Council maintained an average balance of £163m of internally managed funds. The internally managed funds earned an average rate of return of 0.56% against a budgeted return of 0.50%.

The Council would not normally plan to have such high cash balances but the position continues to be affected by re-profiling of the capital programme.

The pie charts below shows that we split our investments over a range of investment options, including AAA rated Money Market Funds and Fixed Term or Call accounts deposits with part nationalised banks.



Throughout the year we only invested funds with assets of over £1bn and monitored who these funds invested with themselves. Money market funds are an attractive counterparty to mitigate counterparty risk because they only invest in the most secure assets whilst they allow us to remove our investment day-by-day should we need to.

Appendix 1: Prudential and Treasury Indicators

During 2014/15, the Council complied with its legislative and regulatory requirements. The key actual prudential and treasury indicators detailing the impact of capital expenditure activities during the year, with comparators, are as follows:

Actual prudential and treasury indicators	2013/14 Actual £000	2014/15 Original £000	2014/15 Actual £000
Capital expenditure			
• General Fund	82,283	79,082	158,460
• HRA	40,506	55,119	26,369
• Total	122,789	134,201	184,829
Capital Financing Requirement:			
• General Fund	819,593	872,407	872,086
• HRA	346,209	348,348	346,308
• Total	1,165,802	1,220,796	1,218,394
Gross borrowing	1,023,604	1,122,496	1,042,125
Net External debt	939,176	1,122,496	940,995
Investments			
• Longer than 1 year	Nil	Nil	Nil
• Under 1 year	84,428	Nil	101,130
• Total	84,428	Nil	101,130

Commentary

The Council's external debt has increased by around £21.2m during the year, whilst our overall need for borrowing which is represented by the Capital Financing Requirement has increased by £52.6m.

This is a result of a decision taken by the Council in prior years to use surplus cash reserves and grants in advance of need. Using this cash has meant that the Council could avoid taking on new loans, and thus adding to its external debt, where it would have otherwise needed to. In turn, this has saved the Council paying interest costs.

This strategy is intended to be used in the shorter term as the cash will be needed for its original intended purpose. When this arises, the Council would be required to raise cash from loans or its revenue resources. Should loans need to be raised, it is key to do so when the cost of borrowing is as cheap as possible and before any interest rate rises.

However, following the above strategy combined with an under spend on the capital programme meant that the Council continued to hold large sums of cash on deposit throughout the year. These deposits were placed with an array of AAA-rated, instant access money market funds and fixed-term and call account deposits with part-nationalised banks. This investment policy meant that our deposits were very safe but deposit returns were low (marginally above the Bank Base Rate of 0.50%).

Gross borrowing and the CFR - in order to ensure that borrowing levels are prudent over the medium term and only for a capital purpose, the Council should ensure that its gross external borrowing does not, except in the short term, exceed the total of the capital financing requirement in the preceding year (2013/14) plus the estimates of any additional

capital financing requirement for the current (2014/15) and next two financial years. This essentially means that the Council is not borrowing to support revenue expenditure. This indicator allows the Council some flexibility to borrow in advance of its immediate capital needs.

The authorised limit - the authorised limit is the “affordable borrowing limit” required by s3 of the Local Government Act 2003. Once this has been set, the Council does not have the power to borrow above this level. The table below demonstrates that during 2014/15 the Council has maintained gross borrowing within its authorised limit.

The operational boundary – the operational boundary is the expected borrowing position of the Council during the year. Periods where the actual position is either below or over the boundary is acceptable subject to the authorised limit not being breached.

Actual financing costs as a proportion of net revenue stream - this indicator identifies the trend in the cost of capital (borrowing and other long term obligation costs net of investment income) against the net revenue stream.

	2014/15
Authorised limit	£1,347m
Maximum gross borrowing position	£1,042m
Operational boundary	£1,230m
Average gross borrowing position	£1,033m

Ratio of financing costs to net revenue stream	31 March 2014 actual	2014/15 original limits	31 March 2015 actual
General Fund	13.68%	14%	15.05%
HRA	9.63%	10%	9.74%

Incremental impact of capital investment decisions	31 March 2014 Actual	2014/15 original limits	31 March 2015 actual
Increase in council tax (band D) per annum *	£10.22	£26.74	£12.51
Increase in average housing rent per week (council dwellings only)	£0.01	£0.05	£0.00

* The increase in Council Tax (band D) per annum for 2014/15 is lower than the 2014/15 limit because the expected borrowing was noticeably lower than forecast.

TABLE 1	31 March 2014 Principal	Rate/Return	Average Life (Yrs)	31 March 2015 Principal	Rate/Return	Average Life (Yrs)
Fixed rate funding:						
PWLB	£350m	5%	23	£341m	4.67%	21
Market	£140m	5%	48	£140m	4.03%	47
Local Authorities	£20m	2%	1	£20m	2.43%	2
Variable rate funding:						
PWLB	£0m	0%	-	£0m	0%	-
Market	£178m	5%	51	£178m	5.07%	50
Credit Liabilities:						
PFI Liabilities	£336m	9%		£363m	10.41%	
Total debt	£1,024m	6%	30	£1,042m	6.61%	29
CFR	£1,166m			£1,218m		
Over/ (under) borrowing	(£142m)			(£176m)		
Total investments	£84m	0.6%	<1	£101m	0.6%	<1
Net debt	£940m			£941m		

The maturity structure of the debt portfolio was as follows:

	31 March 2014 Actual	2014/15 Original Limits	31 March 2015 Actual
Under 12 months	30%	35%	27%
12 months and within 24 months	1%	15%	3%
24 months and within 5 years	1%	30%	2%
5 years and within 10 years	2%	40%	2%
10 years and above	66%	100%	66%

Included in the 'Under 12 month' figure are bank loans which have a "call option" that allows the bank to either re-set the interest rate or allow us to repay the loan every six months. As these loans could be repayable in six months' time, we show them as being due under a year.

The maturity structure of the investment portfolio was as follows:

Investments	2013/14 Actual £000	2013/14 Original £000	2013/14 Actual £000
Longer than 1 year	0	0	0
Under 1 year	84,428	0	101,130
Total	84,428	0	101,130

The exposure to fixed and variable rates was as follows:

	31 March 2013 Actual	2014/15 Original Limits	31 March 2014 Actual
Fixed rate debt	£845m		£864m
Fixed rate investments	-£60m		-£45m
Net fixed rate exposure	£785m	£940m	£819m
Variable rate debt	£178m		£178m
Variable rate investments	-£14m		-£56m
Net variable rate exposure	£164m	£350m	£122m

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