Agenda Item 18



Author/Lead Officer of Report: Edward Highfield, Director of City Growth

Tel: 0114 2232397

| Report of: Cabinet Date of Decision: 18th March 2020 Subject: Sheaf Valley and Midland Station Development Framework Is this a Key Decision? If Yes, reason Key Decision:- Expenditure and/or savings over £500,000 Affects 2 or more Wards Which Cabinet Member Portfolio does this relate to? The Leader of the Council Which Scrutiny and Policy Development Committee does this relate to? Economic and Environmental Wellbeing Committee Has an Equality Impact Assessment (EIA) been undertaken? Yes X No If YES, what EIA reference number has it been given? 689 Does the report contain confidential or exempt information? Yes No X Purpose of Report: This report updates Cabinet on progress with the development framework for the Sheaf Valley and Midland Station area and seeks Cabinet endorsement for the emerging vision and next stages of this work. It also seeks approval for the heads of terms for a partnership approach with London and Continental Railways to help drive delivery. | | | |
|---|--|---------------------------------|---|
| Date of Decision: 18th March 2020 Subject: Sheaf Valley and Midland Station Development Framework Is this a Key Decision? If Yes, reason Key Decision:- Expenditure and/or savings over £500,000 Affects 2 or more Wards Which Cabinet Member Portfolio does this relate to? The Leader of the Council Which Scrutiny and Policy Development Committee does this relate to? Economic and Environmental Wellbeing Committee Has an Equality Impact Assessment (EIA) been undertaken? Yes x No If YES, what EIA reference number has it been given? 689 Does the report contain confidential or exempt information? Yes No x Purpose of Report: This report updates Cabinet on progress with the development framework for the Sheaf Valley and Midland Station area and seeks Cabinet endorsement for the emerging vision and next stages of this work. It also seeks approval for the heads of terms for a partnership approach with London and Continental Railways to help | • | • | Director, Place |
| Subject: Sheaf Valley and Midland Station Development Framework Is this a Key Decision? If Yes, reason Key Decision:- Yes No x • Expenditure and/or savings over £500,000 • Affects 2 or more Wards Which Cabinet Member Portfolio does this relate to? The Leader of the Council Which Scrutiny and Policy Development Committee does this relate to? Economic and Environmental Wellbeing Committee Has an Equality Impact Assessment (EIA) been undertaken? Yes x No If YES, what EIA reference number has it been given? 689 Does the report contain confidential or exempt information? Yes No x Purpose of Report: This report updates Cabinet on progress with the development framework for the Sheaf Valley and Midland Station area and seeks Cabinet endorsement for the emerging vision and next stages of this work. It also seeks approval for the heads of terms for a partnership approach with London and Continental Railways to help | Report to: | Cabinet | |
| Is this a Key Decision? If Yes, reason Key Decision:- Expenditure and/or savings over £500,000 Affects 2 or more Wards Which Cabinet Member Portfolio does this relate to? The Leader of the Council Which Scrutiny and Policy Development Committee does this relate to? Economic and Environmental Wellbeing Committee Has an Equality Impact Assessment (EIA) been undertaken? Yes x No If YES, what EIA reference number has it been given? 689 Does the report contain confidential or exempt information? Yes No x Purpose of Report: This report updates Cabinet on progress with the development framework for the Sheaf Valley and Midland Station area and seeks Cabinet endorsement for the emerging vision and next stages of this work. It also seeks approval for the heads of terms for a partnership approach with London and Continental Railways to help | Date of Decision: | 18th March 2020 | |
| Expenditure and/or savings over £500,000 Affects 2 or more Wards Which Cabinet Member Portfolio does this relate to? The Leader of the Council Which Scrutiny and Policy Development Committee does this relate to? Economic and Environmental Wellbeing Committee Has an Equality Impact Assessment (EIA) been undertaken? Yes X No If YES, what EIA reference number has it been given? 689 Does the report contain confidential or exempt information? Yes No X Purpose of Report: This report updates Cabinet on progress with the development framework for the Sheaf Valley and Midland Station area and seeks Cabinet endorsement for the emerging vision and next stages of this work. It also seeks approval for the heads of terms for a partnership approach with London and Continental Railways to help | Subject: | • | ation Development |
| Affects 2 or more Wards Which Cabinet Member Portfolio does this relate to? The Leader of the Council Which Scrutiny and Policy Development Committee does this relate to? Economic and Environmental Wellbeing Committee Has an Equality Impact Assessment (EIA) been undertaken? Yes x No If YES, what EIA reference number has it been given? 689 Does the report contain confidential or exempt information? Yes No x Purpose of Report: This report updates Cabinet on progress with the development framework for the Sheaf Valley and Midland Station area and seeks Cabinet endorsement for the emerging vision and next stages of this work. It also seeks approval for the heads of terms for a partnership approach with London and Continental Railways to help | Is this a Key Decision? If Yes, rea | son Key Decision:- | Yes No x |
| Which Cabinet Member Portfolio does this relate to? The Leader of the Council Which Scrutiny and Policy Development Committee does this relate to? Economic and Environmental Wellbeing Committee Has an Equality Impact Assessment (EIA) been undertaken? Yes x No fix If YES, what EIA reference number has it been given? 689 Does the report contain confidential or exempt information? Yes No x Purpose of Report: This report updates Cabinet on progress with the development framework for the Sheaf Valley and Midland Station area and seeks Cabinet endorsement for the emerging vision and next stages of this work. It also seeks approval for the heads of terms for a partnership approach with London and Continental Railways to help | Expenditure and/or saving | s over £500,000 | |
| Which Scrutiny and Policy Development Committee does this relate to? Economic and Environmental Wellbeing Committee Has an Equality Impact Assessment (EIA) been undertaken? Yes x No fig. 18 YES, what EIA reference number has it been given? 689 Does the report contain confidential or exempt information? Yes No x Purpose of Report: This report updates Cabinet on progress with the development framework for the Sheaf Valley and Midland Station area and seeks Cabinet endorsement for the emerging vision and next stages of this work. It also seeks approval for the heads of terms for a partnership approach with London and Continental Railways to help | Affects 2 or more Wards | | |
| Environmental Wellbeing Committee Has an Equality Impact Assessment (EIA) been undertaken? Yes x No If YES, what EIA reference number has it been given? 689 Does the report contain confidential or exempt information? Yes No x Purpose of Report: This report updates Cabinet on progress with the development framework for the Sheaf Valley and Midland Station area and seeks Cabinet endorsement for the emerging vision and next stages of this work. It also seeks approval for the heads of terms for a partnership approach with London and Continental Railways to help | Which Cabinet Member Portfolio | does this relate to? The Leader | of the Council |
| If YES, what EIA reference number has it been given? 689 Does the report contain confidential or exempt information? Yes No x Purpose of Report: This report updates Cabinet on progress with the development framework for the Sheaf Valley and Midland Station area and seeks Cabinet endorsement for the emerging vision and next stages of this work. It also seeks approval for the heads of terms for a partnership approach with London and Continental Railways to help | | | te to? Economic and |
| Purpose of Report: This report updates Cabinet on progress with the development framework for the Sheaf Valley and Midland Station area and seeks Cabinet endorsement for the emerging vision and next stages of this work. It also seeks approval for the heads of terms for a partnership approach with London and Continental Railways to help | | , , | Yes x No |
| This report updates Cabinet on progress with the development framework for the Sheaf Valley and Midland Station area and seeks Cabinet endorsement for the emerging vision and next stages of this work. It also seeks approval for the heads of terms for a partnership approach with London and Continental Railways to help | Does the report contain confidenti | ial or exempt information? | Yes No x |
| This report updates Cabinet on progress with the development framework for the Sheaf Valley and Midland Station area and seeks Cabinet endorsement for the emerging vision and next stages of this work. It also seeks approval for the heads of terms for a partnership approach with London and Continental Railways to help | | | |
| This report updates Cabinet on progress with the development framework for the Sheaf Valley and Midland Station area and seeks Cabinet endorsement for the emerging vision and next stages of this work. It also seeks approval for the heads of terms for a partnership approach with London and Continental Railways to help | Purpose of Penort | | |
| Sheaf Valley and Midland Station area and seeks Cabinet endorsement for the emerging vision and next stages of this work. It also seeks approval for the heads of terms for a partnership approach with London and Continental Railways to help | i dipose oi itepoit. | | |
| | Sheaf Valley and Midland Stati emerging vision and next stage of terms for a partnership appro | on area and seeks Cabinet e | ndorsement for the approval for the heads |

Recommendations:

Cabinet is asked to:

- 1. note the progress of the Sheaf Valley and Midland Station Development Framework so far and endorse the direction of travel of the framework's aims set out in section 2;
- 2. endorse the programme management approach to the delivery set out in section 3;
- 3. note that more detail on a resource plan for the costs of progressing such work will be the subject of further work
- 4. approve the detail of the heads of terms for partnership approach with London & Continental Railways to support delivery, set out in section 4;
- 5. delegate authority to the Executive Director of Place, in consultation with the Chief Property Officer Director of Legal and Governance to finalise and enter into all necessary legal documentation with London & Continental Railways;
- 6. note that more detail on setting a proposed budget to fund strategic acquisitions will be the subject of a future report;

Background Papers:

(Insert details of any background papers used in the compilation of the report.)

| Lea | Lead Officer to complete:- | | |
|-----|--|---|--|
| 1 | I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required. | Finance: (Insert name of officer consulted) Paul Schofield | |
| | | Legal: (Insert name of officer consulted) David Hollis | |
| | | Equalities: (Insert name of officer consulted) Annmarie Johnston | |
| | Legal, financial/commercial and equalities in the name of the officer consulted must be in | mplications must be included within the report and acluded above. | |
| 2 | EMT member who approved submission: | Laraine Manley | |
| 3 | Cabinet Member consulted: | Cllr Julie Dore | |
| 4 | I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Decision Maker by the EMT member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1. | | |
| | Lead Officer Name: Edward Highfield | Job Title: Director of City Growth | |
| | Date: 6 th March 2020 | | |

| SHEA | VALLEY AND MIDLAND STATION DEVELOPMENT FRAMEWORK |
|-------|---|
| 1. | BACKGROUND INFORMATION |
| 1.1 | Strategic Context |
| 1.1.1 | The Council aims to grow a stronger and fairer local economy, where every resident is able to benefit from increased living standards and opportunities. We want everybody in Sheffield to be able to live well, realise their ambitions and contribute to the life of the city. |
| 1.1.2 | This is why the Council drives forward major regeneration initiatives, as part of a balanced strategy that seeks to improve the social, economic and environmental outcomes for everyone. |
| 1.1.3 | Regeneration leads to growth in good quality jobs and investment in infrastructure such as transport, allowing people to connect to opportunities and create new and better links between communities. |
| 1.1.4 | We know that connectivity both between Sheffield and other places and within Sheffield is a constraint on our ability to enable the sort of local economy we want. We also know that connectivity must be transformed away from a reliance on fossil fuel and the car, towards public transport and walking and cycling. This is the strategic context for this report. |
| 1.1.5 | Like all cities on the proposed High Speed 2 rail network, Sheffield has been developing ambitious plans for how investment in new infrastructure can unlock sustainable local economic growth. Alongside HS2 there are potentially even more important proposals being planned by Transport for the North to transform connectivity between the great Northern cities. |
| 1.1.6 | We have been doing this with a wide range of vital partners, including Sheffield City Region, Department for Transport, HS2 Ltd, London and Continental Railways, Transport for the North, Network Rail, SYPTE, Sheffield Hallam University and the Chamber of Commerce. |
| 1.1.7 | The plans the partners have developed are long term and ambitious and we are only at the beginning. Much work is ahead of us to determine the final costs, funding sources and delivery timescales, but it all starts with a vision and that is what this report sets out. |
| 1.1.8 | In preparing this vision, all partners have realised that the opportunities around Sheffield Midland station and the wider Sheaf Valley area are not only far broader than investment in rail alone, but, if delivered properly, can be the backbone of a future mass transit network that can benefit every part of Sheffield City Region and beyond. |
| 1.1.9 | This report therefore sets out the background and product of the work to date for endorsement and the next steps required to continue to progress |

| | business cases for the various elements. It also signals the start of a new phase, to work collaboratively with national bodies and Sheffield City Region together with our neighbouring authorities to position this work alongside their own growth ambitions and investment plans in order to understand how we can together deliver an integrated transport and regeneration plan across the city region that works for all areas. |
|--------|--|
| 1.1.10 | Developing the report in consultation with local and national stakeholders has helped to inform the SCR Integrated Rail Plan (IRP) which was launched in July 2019. Amongst the principal components of the IRP are: • Connecting HS2 trains from the centre of Sheffield to Leeds and the north east of England • Improving the speed and frequency of trains from the Sheffield City Region to Greater Manchester and Leeds • Delivery of major improvements at Sheffield Midland station and capacity enhancements to the north of the station, and • Delivering a permanent tram-train service between Sheffield and Rotherham and future proofing the existing Supertram network The IRP is appended to this report. |
| | The fixt to appoint a time report. |
| 1.2 | HS2 and Northern Powerhouse Rail |
| | |
| 1.2.1 | In July 2017 the Government formally confirmed that Sheffield Midland Station is to be the location of an HS2 station to serve the Sheffield City Region. |
| 1.2.2 | The Council has consistently supported the implementation of HS2 but this support has always been conditional on the following principles: i) HS2's economic growth potential is maximised ii) HS2 fully integrates and complements with Northern Powerhouse Rail iii) Route and station designs are fully funded to ensure that future capacity and growth in passenger numbers is not compromised; iv) HS2's growth potential across Sheffield City Region is realised by ensuring appropriate local connectivity is in place v) The potential negative impacts of the route and station are managed in the most effective way |
| 1.2.3 | Alongside planning for HS2, Transport for the North (TfN) is developing plans for Northern Powerhouse Rail (NPR), a high-speed network of rail services linking the six major cities of the North, including Sheffield. The aim is for the NPR network to be completed by 2043 and it will have important synergies with HS2 as the Sheffield: Leeds connectivity of NPR could partly be served by HS2. |
| 1.2.4 | These infrastructure investments have the potential to not just transform the city's connectivity but also the economy of the North. The City Regions of Leeds, Manchester and Sheffield together add up to roughly 80% of the |

| | population of London, however they amount to only around 40% of London's economic output. Poor connectivity to centres of commerce limits trade and labour markets between the northern cities and London and the South East. This is a brake on growth nationally and is unsustainable in the long term. |
|-------|---|
| 1.3 | Sheaf Valley and Midland Station |
| 1.3.1 | For the wider benefits of improved connectivity to be realised, HS2 and NPR need to be supported by investment in the station and surrounding area to secure its redevelopment. Investment in new stations and the associated place making and regeneration often creates new city districts with high quality commercial floor space and can also attract demand for new housing within easy walking distances. The City Centre is, and will continue to be, the key employment, transport and cultural hub for the city and the wider City Region. In particular, it will be where the knowledge intensive businesses offering highly skilled jobs will cluster and it is important that the city can offer the right kind of premises for these businesses in an appropriate setting. Furthermore, the city has ambitions to significantly grow its city centre population, an idea currently being explored in the Central Area Strategy which is being produced as part of the evidence base for the new Local Plan. |
| 1.3.2 | The area around Midland Station is currently in need of regeneration and has a large amount of unrealised development potential. Whilst the improvements to the station buildings and new public realm which were completed out in 2002 still provide a very high quality arrival point, there remain several undeveloped plots in the immediate vicinity. There are also a series of issues of traffic congestion; conflicts between taxis and private drop off; poor air quality and severance of neighbouring communities which need to be addressed. |
| 1.3.3 | The physical impact of HS2 and NPR services on the station itself are far less intrusive than in most other stations and many of the proposals set out in this report are important to deliver regardless of HS2 due to the economic outputs and local and sub-regional strategic transport benefits. The interventions are required in order to continue the consolidation and improve the physical cohesion of the City Centre and will comprise a programme of major projects requiring sustained investment by the Council of significant time and resources over the next 10-15 years. |
| 1.3.4 | There is also now a growing recognition of the need to address climate change issues, with the Council declaring a Climate Emergency in February 2019. The regeneration of Midland Station and the surrounding Sheaf Valley presents an opportunity to address some of the key challenges relating to climate change and the environment in Sheffield: |
| | Air Quality: Currently, the area around the station has the highest |

| | concentration of monitored NO2 in Sheffield due mainly to emissions |
|-------|--|
| | from the diesel trains, idling diesel hackney taxis and the stop/start nature of traffic congestion on the ring road. The electrification of train services and reconfiguration of the surrounding road network as part of the regeneration of the area will help to reduce air quality |
| | Improving transport options: Improving active travel options and a better interchange between the train station and the tram could help to reduce the number of car trips in the area and provide the backbone of future tram expansion across SCR |
| | Sustainable Urban Drainage Systems – Extending the 'Grey to Green' scheme from Castlegate through the Sheaf Valley to the station will help to make the area more resilient to flooding in the future and improve biodiversity. |
| 1.3.5 | In order to make the most of the economic potential of HS2 and NPR, a long term strategic planned approach is required made up of five components: |
| | An Integrated Rail Plan - the Department for Transport (DfT), HS2 Ltd and TfN have committed to work with Sheffield City Region (SCR) to produce an Integrated Rail Plan to identify the complementary investment required in the local and regional network to maximise the benefits of HS2 and NPR to ensure that investment in local and regional rail and tram/train elements ensure all parts of the city region benefit from the national high speed infrastructure. Station Masterplan – described in more detail in section 2 of this report Infrastructure delivery planning– described in more detail in section 3 of this report Land assembly and future development agreements – described in more detail in section 4 of this report Value capture– described in more detail in section 5 of this report |
| | |
| 2. | SHEAF VALLEY AND MIDLAND STATION DEVELOPMENT FRAMEWORK |
| 2.1 | In order to plan for the changes at Sheffield Midland and make the most of the opportunities these present, the Sheffield Midland Station Steering Group and its subsidiary Joint Working Group were established in 2017. The Steering Group and Working Group includes representatives from the Council; SCR; DfT; HS2 Ltd, TfN, SYPTE, Network Rail and London and Continental Railways Ltd (LCR). |
| 2.2 | In 2018 Sheffield Midland Station Integrated Masterplan (now renamed the Sheaf Valley and Midland Station Development Framework) was commissioned by the Steering Group and overseen by the Working Group. |

The study was co-funded by SCR through the HS2 Growth Strategy, and TfN as part of the Northern Powerhouse Rail programme. The work was informed by a Regeneration Framework and Station Planning Brief both prepared in advance by SCC officers. 2.3 The Regeneration Framework identified that there is a significant amount of land in public sector ownership in the vicinity of the station and therefore a strategically coordinated approach to land and property will drive greater benefits. For example, Sheffield Hallam University (SHU) is the largest landowner within the area and has an important role in driving economic growth. This is due not just from the impacts that their students, staff and visitors have but also from the new strategy for investment in its City Campus that SHU is currently preparing. Whilst this is not a direct element of the development framework there has been liaison between SHU, Council officers and the consultants preparing it in order to ensure that proposals are aligned and mutually beneficial. 2.4 The development framework seeks to achieve three objectives which encapsulate a number of more detailed aims: 1. Establish the blueprint for a high quality and efficient passenger interchange. > A transformational gateway: to the city, the Region and the North, a station that is a modern, efficient, convenient, attractive and a safe place to travel from and to, encouraging greater economic growth than could have be achieved by HS2 alone. > A heritage asset: high quality design reflecting unique characteristics of Sheffield, integrated with the existing listed buildings, with the capacity to grow as passenger numbers increase in coming years. > A multi-modal hub: efficient, convenient, attractive, safe interchange - local and regional connectivity aspirations integrated provision for taxis and sustainable modes. > A destination in its own right: generating substantial income from shopping, eating & drinking; community facilities; business services; and as a place for events for the city as well as for visitors. Mixed-use development: identifying opportunities in the 'station' campus' as well as complementary development at strategic sites in the surrounding area. High quality and permeable public realm: logically arranged, legible, beautiful, and elegant, unifying cross-valley pedestrian and passenger networks. 2. Maximise economic, social and environmental benefits in and around the station. Maximise economic benefits and capacity for growth: for the city and city region, well-connected regionally and nationally enabling an

expanded central business district. Re-connecting the city centre, the station and adjacent residential communities: new pedestrian thoroughfares through the station and on its approaches, and high quality public spaces that promote the best of contemporary design, reflecting the traditions of Sheffield and its history as well as expressing its aspirations as a city at the heart of the North. 3. Shape an ambitious and phased strategy for delivery to maximise short, medium and long-term benefits. Phased delivery: giving consideration to consents, funding requirements and sources as well as delivery vehicles which will actively promote early and tangible changes that symbolise the start of something new at the same time as medium and long-term phases. Visionary yet pragmatic: craft an approach that makes the plans ambitious whilst at the same time affordable and deliverable, managing the impact on existing services, to maintain operational continuity, as much as possible. Work to date has focused on identifying priority constraints and opportunities which influence the development options which are available in the area. These include: Existing tram and road networks already operating at capacity, with complex junction arrangements in the surrounding highway system. Poor connectivity of tram, rail and bus facilities to the wider city centre due to severance which is the product of natural land form and historical infrastructure planning and urban design. Constrained and therefore inadequate provision of taxi and 'pick up and drop off' at the station. Weak legibility and wayfinding combined with fragmented and severed pedestrian and cycle networks. Poor environment and outdated urban form in certain locations. The current stage of work concluded in December 2019 with the endorsement by the Station Steering Group (now renamed the Station Board) of a high level preferred option which consists of a series of elements that can be delivered in phases. Emerging proposals include: Opportunities to improve tram capacity and connectivity as well as

2.5

2.6

Page 432

better integrating bus service provisions.

cycle movements in the area.

Potential in the longer term to reduce the impact of the Inner Relief Road in front of the station in order to remove significant congestion and poor air quality and hence prioritise and facilitate pedestrian and

Major improvements to pedestrian and cycle connectivity across a

new green bridge over the existing station Separation of taxis from private vehicles short stay parking, pick up and drop off Identification of major new commercial and residential development areas that will be unlocked by provision of new infrastructure and high quality public realm 2.7 The framework does not set out a fixed outcome but suggests the potential scope and scale of the vision. The proposals and options will continue to be developed in further detail by the respective public sector partners but shaped by engagement with the public, specialist interest groups and key stakeholders at the appropriate time. 2.8 The Stage 4 report is a substantial document with a large number of technical appendices and contains confidential information. A summary is attached as appendix 1 to this report. 3.0 **NEXT STEPS ON INFRASTRUCTURE PROPOSALS** 3.1 Now the development framework is at feasibility design study stage, the attention of the Station Board will focus on how it will be delivered. Due to the scale and range of different strands, with separate potential funding sources, an overarching Strategic Outline Business Case (SOBC) will need to be prepared that will set out clearly the case for investment to secure the necessary funding to deliver the vision. As an overarching business case, it will help maintain integrity of and consistency between the component project business cases, which are likely to cover: Sheffield Midland Station and wider rail enhancements Tram realignments and extension Highway changes Land assembly and value capture Place making and public realm including walking and cycling There is currently no single source of central government funding available for the development and delivery of such integrated / hybrid investment programmes. Instead, funding will have to be sought from a number of different national and local funding sources that are relevant to discrete projects within the programme and matched wherever possible by private sector contributions. 3.2 These will not all be the responsibility of the Council to prepare. Each project business case will be subject to its own discreet formal process for the approval of project development funding to take the respective projects to more detailed business case production, depending on the partners involved and funding route being targeted. This may involve a number of

| | levels of governance over lengthy timeframes. All partners engaged within the programme are likely to have responsibilities to deliver specific projects or programme business cases but these should be coordinated and supported through the governance of the Sheffield Station Board. |
|-----|--|
| 3.3 | Partners across SCR will need to work together to understand how we deliver an integrated transport and regeneration plan that works for all areas of the city region. Delivering the benefits set out in the City Region's Integrated Rail Plan in a way that ensures every part of the region benefits is going to require significant long term action and collaboration over a sustained period of time. |
| | It is vital that work around Sheffield Midland plays its part within this city region approach. This cannot be at the expense of other investments across the city region, such a tram-train expansion, links to other urban centres and Doncaster-Sheffield Airport and the Dearne Valley Parkway station. |
| | More than that, the vision for Sheffield Midland and the Sheaf Valley simply won't work unless these complementary investments are delivered and the whole of the integrated plan is delivered for the city region, not just parts of it. |
| | |
| 3.4 | This programme of work will continue to be overseen by the Station Board involving SCC and partners from Sheffield City Region, Network Rail, HS2 Ltd, Department for Transport, SYPTE and Transport for the North. The programme of work forms a key strand of Sheffield City Region's Integrated Rail Plan and will report into SCR's Integrated Rail Board. |
| | |
| 3.5 | Internally within SCC, the programme will continue to be managed by a project team drawn from across City Growth, involving officers from transport, regeneration and economic strategy. The Director of City Growth will be the Project Sponsor and the project will report to the Economic Programme Board. |
| 3.6 | In addition to the continuing development of the programme and its |
| 3.0 | component projects the Council and its partners will also need to make longer-term plans for the establishment and resourcing of some form of dedicated programme office or team, to plan and co-ordinate the overall programme and interdependent projects. £500,000 is being sought through the Corporate Investment Fund process to enable this resource to be established and begin work on the SOBC. |
| 4. | LAND ASSEMBLY AND FUTURE DEVELOPMENT |
| 4.4 | Office we have been small and to the first transfer transfer to the first transfer transfer to the first transfer transf |
| 4.1 | Officers have been working closely with London and Continental Railway (LCR) on how Sheffield may develop its proposals for delivery of the station |

| | development as a result of HS2 and NPR. |
|-----|---|
| 4.2 | LCR is a Government owned company which specialises in railway led regeneration. LCR played a leading role in facilitating the exemplar transformation around Kings Cross station and, as a publically owned body, has a national and international expertise in delivering complex regeneration associated with major infrastructure. LCR has a skill set that is not available in house but that is complementary to the Council's expertise and leadership role in driving forward regeneration. Furthermore, LCR will invest its own time and resource in Sheffield, alongside the Council, under an agreed framework and strategy. |
| 4.3 | LCR are working with other cities in the delivery of their station regeneration masterplans, including Leeds. Representatives from LCR have been involved in the Sheffield Midland Station Steering Group (now the Sheffield Station Board) and the Joint Working Group since their inception. |
| 4.4 | In order to facilitate development around the station, maximise the benefits of the masterplan and secure LCRs own investment, the long standing working relationship that the Council has with LCR needs to be formalised through a partnership agreement, the terms of which have been agreed subject to Cabinet approval. |
| 4.5 | The overarching strategic objectives of the proposed agreement include: (a) working together towards a common purpose of stimulating, stewarding and promoting development and regeneration outcomes in and around the Sheffield Station Investment Area which may include: |
| | (i) securing funding and delivering some elements of public realm and infrastructure; and (ii) liaising with other public bodies to ensure that the |
| | proposals enable and drive new development; and (b) working together to identify and secure third-party funding and development partners, where required, to enable the delivery of the development and regeneration proposals to deliver jobs, homes and investments in and around the Sheffield Station Investment Area and Sheffield city centre. |
| 4.6 | The draft agreement includes proposals for the parties to cooperate on potentially acquiring property required to deliver the development framework and to hold it for that purpose for the period of the agreement. It is intended to procure partners to carry out development on the land. |

| 4.7 | Arrangements with LCR will be underpinned by an annual Business Plan where both parties will identify their resource commitments, programme of work and costs together with an outline 3 year plan to show forward programme and strategy. It is anticipated that the agreement will be in place for 15 years, reflecting the timeline for the delivery of HS2 and Northern Powerhouse Rail but with provisions for the effectiveness of the arrangement to reviewed every 3 years. |
|----------|---|
| 4.8 | The proposal is that the Council and LCD will initially enter into an |
| 4.0 | The proposal is that the Council and LCR will initially enter into an overarching agreement followed by specific regeneration/redevelopment agreement(s) as opportunities for regeneration and redevelopment arise. It is anticipated that further arrangements will also include Network Rail, in respect of the redevelopment of the existing station, and possibly other potential investors/stakeholders such as Homes England in order to accelerate delivery of new homes. |
| 5 | VALUE CAPTURE |
| | VALUE OAL TOKE |
| 5.1 | The report referred to at paragraph 2.6 includes high level analysis by the consultant team of possible methods and opportunities to capture value arising from new development that could take place within the area covered by the development framework in order to contribute towards the cost of providing the necessary new infrastructure required. |
| 5.2 | These include notantial gains from land receipts from public sector owned |
| 5.2 | These include potential gains from land receipts from public sector owned sites and from Community Infrastructure Levy payments arising from new development. However the largest potential generator by far is from uplift in Business Rates from new development within the area. |
| <i>-</i> | Must were detailed well in a saled to see a the metastic law at met |
| 5.3 | Much more detailed work is needed to assess the potential quantum of net additional Business Rates and to explore both a mechanism and the feasibility of allocating a proportion of this towards the cost of infrastructure. |
| 5.4 | This work will be carried out as part of the next steps referred to in section 3 of this report and a further report brought back to Cabinet. |
| 6. | HOW DOES THIS DECISION CONTRIBUTE? |
| 0. | HOW DOES THIS DECISION CONTRIBUTE? |
| 6.1 | A city centre station strongly aligns with a number of key Council strategies. This decision contributes towards the Corporate Plan where there is a stated ambition to have an HS2 connection in Sheffield city centre |
| 0.0 | |
| 6.2 | The regeneration of Sheaf Valley and Midland Station area will drive jobs growth, particularly in knowledge intensive businesses. Previous economic forecasting for HS2 Ltd's initial preferred city centre location (Victoria) suggested that a city centre station would generate significant growth in jobs and GVA. Whilst growth and job numbers have not been calculated for the Midland location, it is expected that this will still make a significant impact because the factors influencing jobs and GVA growth at Victoria are also present at Midland. |

| 6.3 | The expected jobs growth is significant because the sectors most likely to grow are the Creative and Digital Industries and Business Professional and Financial Services sector businesses because they are particularly attracted to high speed connections in city centre locations. These highly skilled sectors are ones that the SCR economy needs to grow over the next decade in order to close the gap with the national average on productivity and the proportion of highly skilled jobs. |
|-------|---|
| 6.4 | The Sheaf Valley and Midland Station Development Framework also provides the opportunity to unlock new residential development areas, increasing the number of homes in the City Centre. |
| 6.5 | This decision also contributes to the Council's work to address the Climate Emergency. The reconfiguration of the station surrounds will help to improve air quality; improvements to tram interchange and active travel will help to reduce car use; and the use of SUDS will help to mitigate the risk of flooding. |
| 7. | HAS THERE BEEN ANY CONSULTATION? |
| 7.1 | Due to the sensitive nature of developing the framework for the area and the need to test the technical viability, formal consultation has not yet taken place. |
| 7.2 | This report and the publication of the summary mean that, subject to funding, the next more detailed stages of work can begin. Plans within the framework are still at an early enough stage to allow for engagement and consultation to allow opportunities to comment on and influence more detailed plans in the future. |
| 8. | RISK ANALYSIS AND IMPLICATIONS OF THE DECISION |
| 8.1 | Equality of Opportunity Implications |
| 8.1.1 | This project will have a positive impact on Sheffield residents and all those who use the Midland station in the future. In particular, improving access and public transport interchange will benefit people with disabilities and improving the permeability of the area will mean that the new job opportunities created in the area will be more accessible, particularly to communities in the direct vicinity of the station. The development framework also seeks to make changes to improve air quality, which affects all Sheffield residents but particularly affects more disadvantaged communities. |
| 8.2 | Financial and Commercial Implications |
| | |
| 8.2.1 | There are no direct financial implications arising from the recommendations in this report. Future reports will provide more detail on a resource plan for the costs of progressing the next stage of studies; setting a proposed |

| | budget to fund strategic acquisitions and more detail on the principles of proposals for value capture. |
|-------|--|
| 8.3 | Legal Implications |
| | |
| 8.3.1 | The proposed arrangements with LCR and the potentially additional collaboration with Network Rail and Homes England is considered to be development activity, in order to maximise the economic growth, job creation and regeneration opportunities, and to facilitate the station development to meet increasing demand. To the extent that it may be considered that any of the parties involved are providing services to the other parties, given that all parties concerned are public bodies for the purposes of the Public Contract Regulations, it is considered that the parties are able to do so as public contracts between entities within the public sector |
| 8.3.2 | Confirmation of continued compliance with legal requirements (including procurement law, vires and state aid/competition) will be undertaken as part of the decision making process in respect of individual regeneration projects. |
| 8.3.3 | There are no other legal implications arising from the recommendations in this report. |
| 8.4 | Environmental Implications |
| | |
| 8.4.1 | As explained in paragraph 1.3.4 the regeneration of Midland Station and the surrounding Sheaf Valley as proposed in the development framework presents an opportunity to address some of the key challenges relating to climate change and the environment in Sheffield. Existing issues in respect of dealing with poor air quality, the need for improvements to transport options and sustainable urban drainage as well as the creation of a high quality public realm will be introduced. |
| 9. | ALTERNATIVE OPTIONS CONSIDERED |
| 9.1 | Do nothing: Given the changes required at Sheffield Station are expected to be far less intrusive than at other stations with High Speed Rail 2 services the Council does have the option of not undertaking significant masterplanning or considering wider infrastructure changes. However, this would put Sheffield at a disadvantage for several reasons. Firstly, it would miss opportunities to grow Sheffield's economy by creating new commercial floor space and attract new demand for housing. This would be in contrast to other cities gaining HS2 services in their city centres who are all planning significant regeneration activity. Secondly, opportunities to improve the area around the station will be missed: this includes issues regarding air quality, severance with surrounding neighbourhoods, the capacity of the ring road, poor connectivity of the tram and options for active travel. |
| 0.2 | Take forward development framework but without a formal |
| 9.2 | Take forward development framework but without a formal |

| | relationship with LCR London and Continental Railways has considerable expertise in developing areas around rail stations and have a skill set not available in the Council. Without their involvement development around the area would still be likely to take place over time but on a much more piecemeal way and the pace, scale and quality is likely to be much lower. |
|------|---|
| 10. | REASONS FOR RECOMMENDATIONS |
| 10.1 | This report sets out the opportunity for the Council to establish a coherent joined up programme of work to deliver a development framework for the Sheaf Valley and Midland Station area. In doing so, it seeks to maximise the economic benefits of proximity to the station, particularly with the introduction of HS2 and Northern Powerhouse Rail; take advantage of opportunities to address climate change issues in the area and generally improve the quality of the environment and to resolve a range of transport issues within and well beyond the area. |
| 10.2 | The proposed agreement with London and Continental Railways will bring additional national expertise and resources to maximise the pace, scale and quality of new development which the development framework aims to unlock |

