



## Report to Policy Committee

**Author of Report:** Alan Seasman, Service Manager City Regeneration and Major Projects

**Email:** Alan.Seasman@sheffield.gov.uk

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**Report of:** *Kate Martin, Executive Director City Futures*  
**Report to:** *Transport Regeneration and Climate Change*  
**Date of Decision:** *15th November 2023*  
**Subject:** *Attercliffe - Levelling Up Fund – Update*

Has an Equality Impact Assessment (EIA) been undertaken?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
If YES, what EIA reference number has it been given? 2433				
Has appropriate consultation taken place?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Has a Climate Impact Assessment (CIA) been undertaken?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Does the report contain confidential or exempt information?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below: -				

### **Purpose of Report:**

This report provides a progress update on the successful Round 1 Levelling Up Fund bid for Attercliffe

### **Recommendations:**

**The Transport, Regeneration and Climate committee is recommended to:**

- a) **Note the progress made on the Attercliffe LUF project**

### **Background Papers:**

**TRC Report, 24<sup>th</sup> November 2022, Levelling Up Fund – Update**

Lead Officer to complete: -	
1	<p>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.</p> <p>Finance: <i>Damian Watkinson</i></p> <p>Legal: <i>David Sellars</i></p> <p>Equalities &amp; Consultation: <i>Ed Sexton</i>(</p> <p>Climate: <i>Alan Seasman</i></p>
	<p><i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i></p>
2	<p><b>SLB member who approved submission:</b> <i>Kate Martin, Executive Director City Futures</i></p>
3	<p><b>Committee Chair consulted:</b> <i>Ben Miskell Chair of Transport Regeneration and Climate Change</i></p>
4	<p>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 Committee by the SLB member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.</p> <p><b>Lead Officer Name:</b> <i>Alan Seasman</i></p> <p><b>Job Title:</b> <i>Service Manager City Regeneration and Major Projects</i></p> <p><b>Date:</b> <i>15<sup>th</sup> November 2023</i></p>

## **1. PROPOSAL**

### **1.1 Background to Levelling Up Fund**

1.1.1 A previous report to TRC committee in November 2022 provided the full background to the Levelling Up Fund and a summary of Attercliffe Bid.

1.1.2 Key dates relating to the award of the fund and progress since last report to TRC include:

- Bid submitted to Government in June 2021;
- October 2021 Levelling Up Fund Bid approved;
- Contracts with Government agreed February 2022
- Planning application for CCHT approved November 2022
- SYMCA Match funding application for CCHT approved February 2023
- Proposed CCHT land transaction approved March 2023
- Adelphi Cinema acquired March 2023
- September 2023 Adelphi Cinema marketed.

This report will provide an update on all the projects covered by the Attercliffe LUF program.

### **1.2 Summary of Attercliffe LUF Bid**

1.2.1 The three projects included in the Attercliffe LUF are:

- The Centre for Child Health Technology (CCHT)
- Connectivity and Movement
- Adelphi Square

### **1.3 Progress on The Attercliffe LUF Bid**

1.3.1 Since the award of LUF funds to the project at the end of February 2022, each element of the project has made differing degrees of progress.

#### **CCHT**

1.3.2 Since the last report to TRC Committees some significant milestones have been achieved for the project including gaining planning consent. In addition SYMCA have confirmed match funding of £6m in February 2023 and work since then has concentrated on how to best procure a development partner.

1.3.3 In addition, the Children's Hospital Charity have pledged between £3-4m to help deliver the project. Nevertheless, development capital is still needed and borrowing or cashflow required to make the project work.

- 1.3.4 It was originally intended that delivery would be via Scarborough Group who have an existing development agreement with the City Council for the Sheffield Olympic Legacy Park (SOLP). However, the mix of funding for the scheme secured from public resources has changed the original model of development. At the same time the costs of private borrowing and the attraction of investment to fund the upfront development costs have made the original model less attractive for both the Children's Hospital and Scarborough Group.
- 1.3.5 Consequently, partners have explored options for delivery including cashflowing of the development by the Children's Hospital and LUF funds to reduce the need to borrow privately to avoid the need to add additional finance costs to the overall project cost.
- 1.3.6 These changed circumstances have also changed the original land transaction and become more of a straightforward public procurement project. The Children's Hospital Board has now decided to use a public procurement approach to bring on board and procure a partner. This will require a fresh report to Finance Committee to seek approval to a revised land transaction direct to the Children's Hospital.
- 1.3.7 This will add delay to the project but if it can be completed in a timely manner the detailed design and delivery can still be achieved within LUF timescales. The Children's Hospital intend to get the current design team and scheme drawings novated and then tender the construction through an existing procurement framework.
- 1.3.8 With the original timetable for LUF projects these delays on the CCHT programme and the need for a new procurement route would have been a significant cause for concern, as the LUF project contract required the Council to demonstrate the use and delivery of the Levelling Up Fund funds by March 2024. However, there have been changes by DLUHC to the administration of LUF which means that the slippage in the programme is less of a cause for concern. Many LUF across the country are facing similar challenges due to the current problems within the construction industry. However, the funding for the project is not at risk and we are in dialogue with the Department for Levelling Up, Housing and Communities over the revised timescales.
- 1.3.9 However, recent discussions with central government and agreement to take part in a Place Pilot have resulted in an extension in the timescale for LUF Funds as well as the Future High Streets Fund and the Towns Fund with the end date now moved to March 2026.

## **Connectivity and Movement**

### *Darnall-Attercliffe-City Centre Connecting Sheffield Scheme*

- 1.3.10 LUF funds have been allocated to support the enhancement of the Darnall-Attercliffe-City Centre Connecting Sheffield Scheme. This includes high quality paving on the footway and segregated cycle route along the A6178 Attercliffe Road through the centre of Attercliffe. The design of the

full scheme between the city centre and Attercliffe is underway though has recently been affected by delays. Due to the scale of the scheme it is anticipated that construction will commence in the autumn of 2024, depending upon necessary Sheffield City Council and South Yorkshire Mayoral Combined Authority scheme approvals. However work is underway to assess options to bring forward the completion of the design stage.

1.3.11 The scheme budget consists of the Levelling Up Fund and Transforming Cities Fund. It is anticipated that the Levelling Up Fund will be spent initially and the scheme will be completed with the Transforming Cities Fund.

#### *Car Park Improvements*

1.3.12 5 car parks across Attercliffe have been identified for improvements; Baltic Road, Bodmin Street, Kimberley Street, Shortridge Road and Zion Lane. Works to the car parks include resurfacing, vegetation clearance, installation of lighting and barriers and improvements to surrounding public realm including planting. This work should start in December 2023

#### *Cycle Hub*

1.3.13 The original LUF bid included a new building to provide a cycle hub for users and visitors to the SOLP, however, the site proposed for this has proven to be too difficult to develop. Negotiations are now progressing with Scarborough Group to acquire lease of a unit within the Community Stadium as an alternative.

#### *Aqueduct Improvements*

1.3.14 There are three Phases to Aqueduct Repair Programme. Phase 1 is the repair of the leeks using a Self-Seeking PU Grouting system. This phase of the project will be carried out by the Canal and River Trust and a Grant Agreement is currently being finalised between SCC legal and CRT legal. The work will be carried out through CRT 's contractor framework.

1.3.15 CRT currently preparing the submission of a Listed building Consent Application for the works. CRT's contactors require a 4 week notice period to carry out the works. No other licences are required to work on the structure. The work is not seasonal and doesn't have the same temperature constraints as the Phase 2 works.

1.3.16 All work in this phase to be carried out by our PFI Partners Amey. This includes lighting design for pedestrian routes within the arches currently, painting of metal railings onto highways, erection of scaffolding to survey the pointing required and obtain a more exact costing and to enable access to removal of vegetation. This will require a Traffic Regulation Order and a more exact date for the work will be known once this is finalised.

1.3.17 As the aqueduct is a stone-built protected Heritage Asset Grade II the repointing specification for Lime pointing requires specialist operatives

within the Amey team that have the required experience. The repointing is seasonally dependent due to frost risk and is unable to commence until the likelihood of frost is minimised (post March).

- 1.3.18 Phase 3 is the introduction of signage and Heritage Interpretation Boards. Options for these are still under consideration and will also require a further grant agreement with CRT.

*Innovation Centre Preparatory Works*

- 1.3.19 LUF Funds are being used to deal with ground conditions and other site issues for the site intended for the creation of a new Innovation Centre by Scarborough Group as part of the SOLP.

- 1.3.20 Self-seeded vegetation has been removed to enable the Topographical and Utilities surveys to be carried out. Ground Intrusive Surveys (Geotechnical and contaminated land) element of the surveys require 5 days on site and their commencement is being programmed around scheduled events around the site. Once these surveys are completed there is a 4-week lab interpretation period.

- 1.3.21 Options appraisals and submission of a planning application for the remedial works is now anticipated for January 2024.

*Tram Stops*

- 1.3.22 Tramstop improvements to both Attercliffe and Arena stops are being delivered through South Yorkshire Mayoral Combined Authority. A grant agreement is in place and funding has been passed to the delivery team. The works have been instructed and are expected to start on site by January 2024. Works will include removal of old shelters and any associated infrastructure, installation of new shelters and information boards, removal of any debris and vegetation and cleaning and repainting of fences and platforms. A request has also been made to amend the name of the Arena tram stop to 'Arena for Olympic Legacy Park.

**Adelphi Square**

- 1.3.23 Purchase of the Adelphi Cinema was completed on 1<sup>st</sup> March 2023. A programme of further surveys and work was drawn up and the removal of asbestos from the building was completed in August 2023.

- 1.3.24 Marketing particulars have been prepared and expressions of interest from organisations to lease and operate the building have been issued, with a number of viewings taking place over recent weeks and interest shown by 16 different organisations.

- 1.3.25 The deadline for Expressions of Interest is 8<sup>th</sup> December 2023. Next steps will be to assess the Expressions of Interest and draw up the plans for remedial work to the building. If a suitable tenant/tenants can be found through the marketing process, further work to the building will be

completed to bring it back in to use in line with the operational needs of the intended occupier.

#### **1.4. Changes to Governance arrangements**

1.4.1. To support the wider regeneration of Attercliffe, along with delivery of the Levelling Up projects, a new board has been established, The Attercliffe Area Board. The board is chaired by the local MP, Clive Betts, and membership includes representatives from local businesses, Councillors, partners and groups and is supported by Council Officers.

1.4.2. The groups primary focus is to be a collaborative forum that will coordinate and develop the shared vision for the Attercliffe Area to allow more informed decisions by its members. The role of the board will be to influence, promote and contribute to the development of plans and proposals for the future of the Attercliffe Area.

### **2 HOW DOES THIS DECISION CONTRIBUTE?**

2.1 The information in the report ensures that the Council meets its obligations in delivering the required outputs for the Attercliffe Levelling Up Fund bid.

### **3 HAS THERE BEEN ANY CONSULTATION**

3.1 To inform the development of the project, consultations with Attercliffe stakeholders, the Local MP, and the LAC were used in the preparation of the bid. Since then, regular contact with these stakeholders has been maintained and improved through the creation of the new Board, that will oversee both this programme and wider activity in the Attercliffe area.

3.2 The planning application submitted for CCHT was also available for public comment.

### **4 RISK ANALYSIS AND IMPLICATIONS OF THE DECISION**

#### **4.1 Equality Implications**

4.1.1 An Equalities Impact Assessment has been undertaken for the changes proposed in the recommendations.

4.1.2 The initial assessment has determined that this proposal should have a positive impact on Attercliffe and the wider Sheffield City Region, including currently under-served communities by creating a stronger sense of place and community; increasing wider investment opportunities; improving the wider area and creating the conditions for greater job, retail and commercial opportunities to meet diverse community needs.

## 4.2 Financial and Commercial Implications

- 4.2.1 The costs to Sheffield City Council of the recommendations in this report are funded entirely from the Levelling Up Fund allocation of £17.042m received from Central Government. Of this amount SCC expend £7.44m directly, with the remainder passported to 3<sup>rd</sup> parties which will allow them to secure up to £14.5m of match funding in order to deliver the outputs required.
- 4.2.2 Longer term associated revenue costs have been considered and relate only to the Connecting Sheffield element of the scheme where a commuted sum will be required under the Streets ahead contract, this will form part of the Transforming Cities programme and the improved Car Parks which have been built into the business planning process.

## 4.3 Legal Implications

- 4.3.1 There are no legal implications of the recommendations in the report.

## 4.4 Climate Implications

- 4.4.1. Considerations of climate implications and an initial Climate Impact Assessment has been undertaken as appropriate for the progress update for the Levelling Up Fund bids and specifically in relation to the recommendations of this report.
- 4.4.2. The initial Climate Impact Assessment has determined that these projects should have an overall neutral/positive impact on the climate. The projects in general aim to improve the public realm in specific areas and the use of existing buildings; encourage active travel and minimise public transport use; and limit the demand of energy. All projects aim to benefit the Zero Carbon 2030 City Target.
- 4.4.3. Endorsing the recommendations stated in this report should help to improve a sustainable and inclusive economy in Attercliffe and the wider Sheffield City Region.

## 4.5 Other Implications

- 4.5.1 None

## **5 ALTERNATIVE OPTIONS CONSIDERED**

- 5.1 Do nothing Not changing the procurement route for the CCHT would mean that the project couldn't be delivered. Not changing the governance arrangements would not improve coordination and involvement.
- 5.2 Do More To do more would require an increase in funding. This is not currently required to deliver the required LUF outputs



5.3 Chosen Option The options in the report represent the best way of delivering the contracted LUF outputs.

## 6 **REASONS FOR THE RECOMMENDATIONS**

a) Note the progress made on the Attercliffe LUF project

To ensure that the latest information is available and to provide an update on progress with the report.

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