CAPITAL STRATEGY

and **BUDGET BOOK**

2024- 2054

Sheffield City Council

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CONTENTS

A EXECUTIVE SUMMARY

A succinct summary of our overall position and Committee priorities.

Welcome to Sheffield City Council's Capital Strategy.

Last year, we spent £190.6m of taxpayers' money on projects which invest in our City and its residents. Improving our housing, investing in our communities, making our roads safer, helping people remain independent – to name but four.

This document sets out what we achieved last year and what we want to achieve over the years to come.

It's a long document which every local authority is required to produce. But we want to share what we do with our residents so we can be open and transparent about how we spend public money and why we make the decisions we do.

What is 'capital' spending?

Capital spending – as opposed to **revenue** spending – pays for assets, such as buildings, roads and council housing - and for major repairs to them. Revenue spend pays for the day-to-day running costs of council services.

This Capital Strategy provides a high-level, longer-term view of the Council's ambitions for capital investment which reflect investment needs of our great City.

1.1 Headline summary of capital programme and levels of spend

2023 has been another challenging year. As the effects of the Covid-19 pandemic continue to subside, the war in Ukraine and global uncertainty ripples throughout supply chains, driving up prices and causing delays to capital schemes. Climate change is accelerating; the window for us to effect meaningful change continues to diminish.

The pressures on local authority budgets have been in the news recently. The Council's budgetary position is no different. We have been remarkably successful in securing external funding to support capital projects. But our internal funds alone cannot come close to addressing the issues this Council – and the wider City – needs to tackle.

We will of course continue to spend our resources as effectively as we can to improve our resilience and sustainability for the long term. The Council will respond swiftly and with flexibility, reprioritising programmes to meet emerging needs and trends to support the City and its communities.

And as ever, we will strive to deliver the best possible value to the taxpayer.

Snapshot of our financial position

The Council is currently in an extremely challenging financial position, particularly on the revenue budget. This impacts on our capital spending.

Wherever we can, we will invest capital monies to avoid recurring revenue expenditure elsewhere in the Council. This should help our budget position in the longer term.

But our capital funds are also limited. Our Corporate Investment Fund (CIF) is a finite pot of money and calls on these funds vastly exceed the sum available. Our Housing Revenue Account – which pays for Council housing – is under pressure. If we borrow money to invest, the repayments need to be made from revenue budgets – which are themselves under pressure. Continuing to secure external funding is critical to our ability to invest in our City.

We have been successful in securing several programme-specific grants, such as those to invest in our communities, our City centre, and to address climate change. To take advantage of these funds, we will accelerate the development of 'oven-ready' schemes, so we are able to respond swiftly to funding opportunities.

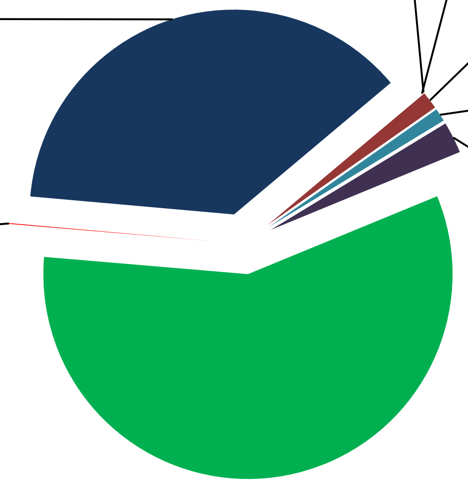
The scale of the challenge is immense. We are an ambitious Council: ambitious to lead the City in its efforts to tackle climate change, ambitious for good jobs and opportunities for our citizens, ambitious to build a destination City where everyone can thrive. We need to carefully prioritise our activities, using our new, four-year proposed Corporate Plan to inform these priorities and drive progress.

We need to maximise every funding opportunity we have to deliver the very best for the people of Sheffield.

Our Capital Programme Priorities for **next year** are overleaf:

Capital Programme Committee Priorities | 2024/25 | £182.1m

Transport Regen & Climate	**£68.2m**
Housing	**£104.8m**
Communities Parks & Leisure	**£2.5m**
Education Children & Families	**£4.5m**
Adult Health & Social Care	**£0m***
Economic Development & Skills	**£1.9m**
Strategy & Resources	**£0.1m**
Waste & Street Scene	**£0m****



*****Budget for Adult Health & Social Care currently under review based on Disabled Facilities Grant Activity
******No future projects currently allocated to Waste & Street Scene

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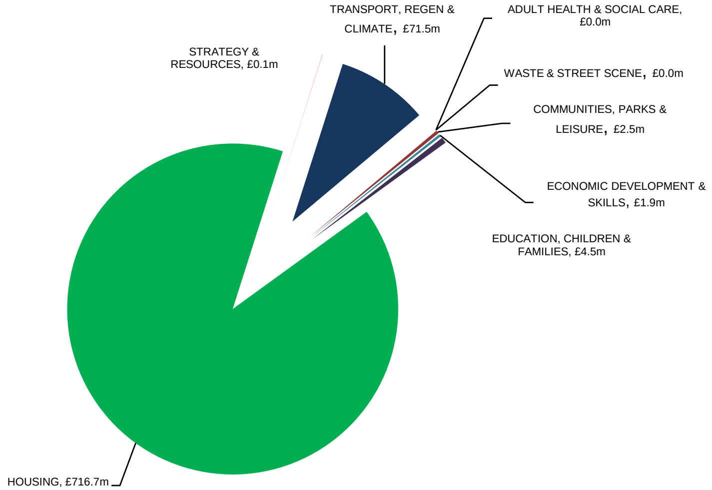
Our Capital Programme Priorities for the **next five years** are overleaf:

Capital Programme Committee Priorities 2024/25 to 2028/29 | £797.3m

Transport Regen & Climate	**£71.5m**
Housing	**£716.7m**
Communities Parks & Leisure	**£2.5m**
Education Children & Families	**£4.5m**
Adult Health & Social Care *	**£0m**
Economic Development & Skills	**£1.9m**
Strategy & Resources	**£0.1m**
Waste & Street Scene **	**£0m**



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*****Budget for Adult Health & Social Care currently under review based on Disabled Facilities Grant Activity
******No future projects currently allocated to Waste & Street Scene

These amounts represent headline figures for existing commitments within the Capital Programme and those currently within the approvals process. They do not, however, include allocations for potential pipeline projects which have not yet received approval or funding. This is why Housing appears disproportionately large – we have our own Housing Revenue Account funding (from rents), whereas many other areas of spend are dependent on external grant funding which has not yet been confirmed.

1.2 How this document is structured

This document is long. We want to be open and transparent about what we're spending and why – but for an organisation the size of the Council, there's a lot of information to share.

To make this clear and understandable, this document is split into the following sections:

Section A:	this **red section** is an Executive Summary that sets out the whole of the Capital Programme, summarising our areas of spend.
Section B:	the **yellow section** sets out the background to the Capital Programme, together with key financial information and how we ensure the Programme is delivered effectively.
Section C:	the **green section** sets out our overarching approach to sustainability and climate change; a cross-cutting priority which impacts every project we undertake.
Section D:	the **blue sections** set out the key investment priority principles for each of the eight Policy Committees, together with the highest value existing projects and high-level, potential 'investment pipeline projects' – some of which may be brought forward for approval following feasibility and consultation. These sections also set out potential developments over the next 30 years, together with some key challenges faced by each Policy Committee and how we are addressing them.
Section E:	the **purple section** provides background information relating to Corporate Investment Fund, together with our investment proposals.
Section F:	the **turquoise section** sets out a full list of projects in the Capital Programme for approval.

1.3 The Policy Committee areas in more detail

This section takes each of the priority areas (contained at sections B1-8) in turn, for the period 2024-2025.

1.3.1 Transport, regeneration & climate change: £68.2 million (m)

This Committee supports investment into Sheffield's infrastructure. We want a City that's easier to get around and better to navigate; a City that promotes active travel to its citizens. A City which attracts its residents to its centre; a destination for surrounding areas which builds on its proud heritage but is a forward looking, sustainable destination of choice. A City which is mindful of its environmental impact; a City which recognises the Climate Emergency and continually strives to do better to minimise its environmental impacts for the benefit of not only its residents, but the wider World.

1.3.2 Housing: £104.8m

This Committee exists to ensure the Council supports its aspiration to deliver – directly or indirectly - high quality, energy efficient housing for its citizens. It has two key areas of focus:

- **Housing growth -** this focuses on not only building new Council houses through its Stock Increase Programme (SIP), but also facilitating the delivery of housing through other routes to ensure sufficient housing stock for our residents.
- **Housing investment** - this area ensures existing Council housing is well maintained and as energy efficient as possible to minimise residents' cost of living.

1.3.3 Communities, parks and leisure: £2.5m

This Committee pulls together capital investment priorities from several areas. Investment in leisure facilities, crematoria and Sheffield's precious green and open spaces is now combined with an emerging priority of investing specifically in young people in our communities, centred on bids to the Youth Investment Fund.

1.3.4 Education, children & families: £4.5m

This Committee ensures the Council supports children, young people, and their families. Every single person in Sheffield should be able to achieve their full potential. But not all children and young people have the start in life that they deserve, and there are increasing numbers of vulnerable children whose safety we have serious concerns about. Despite huge strides over recent years, substantial educational inequalities remain in the City and are likely to have been exacerbated by the pandemic. This will be a key focus for our work.

1.3.5 Adult health and social care

Disabled Facilities Grant (DFG) is provided from government and is ringfenced to fund equipment and adaptations identified by Occupational Therapists for adults and children living in their owner occupied, private rented or registered provider homes. Increasingly, because of demand and inflation, the available budget for DFG is under significant pressure. Measures have been introduced to ensure DFG is used as efficiently and as effectively as possible to benefit the people of Sheffield. Despite pressures, good progress has been made on the DFG waiting list. A forward look to the 2050s covers two key areas where future capital resourcing would make a significant impact on the long-term sustainability of adult health and social care in Sheffield:

- **Older adults** – residential care
- **Working age adults** - supported living and short breaks

1.3.6 Economic development & skills: £1.9m

Our ambition is for Sheffield to be a flourishing, sustainable and inclusive City economy which creates opportunity, good jobs and better jobs for Sheffielders. As a strong partner alongside businesses, we want a City with a dynamic environment for development and enterprise with a culture of businesses able to start-up, scale up and innovate here in Sheffield.

A significant amount of the activity under the Economic Development and Skills area is revenue investment, rather than Capital. However, as we move forward with ambition on Advanced Manufacturing Innovation District (AMID), Business Support, Decarbonisation, Skills and Culture we expect there will be an increase in capital requirements and opportunities for capital bids, to add to the City's assets and underpin the capital infrastructure in these areas.

1.3.7 Strategy & resources: £0.1m

One of this Committee's roles is to oversee investment into Sheffield City Council's portfolio of around 807 establishments and 873 buildings, as well as land, assets, and monuments. This does not include Council Housing and Schools. These establishments are physical assets which need to be properly maintained to ensure they continue to function as efficiently and effectively as possible, comply with our statutory obligations and to support our delivery of a wide range of services. We have significant backlog maintenance and we will need a radical approach to ensure our corporate estate is sustainable in the medium to long term.

The Fleet Investment Programme commenced during 2019/20. By the end of 2023/24 we will be on track to replace almost a third of our fleet with 397 cleaner more efficient vehicles, including 42 fully electric vehicles. This has been a significant challenge during the last 2 years due to Covid-19 related supply chain issues. In the 4th year of the programme, we are looking to replace even more vehicles and plant to further reduce our emissions and maintenance costs.

1.3.8 Waste & street scene: £0m

The potential projects for future investment straddle the Waste and Street Scene Policy Committee (changes to the Energy Recovery Facility and household waste recycling centre) and the Transport, Regeneration and Climate Change Committee (District Energy Network development).

Two of the projects (Energy Recovery Facility and Waste Collection Changes) are driven by legislative changes so we have a clear mandate to implement. The Recycling Centre and District Energy Network projects reflect investments in the City's infrastructure to reduce our carbon impact.

1.4 How we will deliver these priorities

Two key cross-cutting themes run as a golden thread throughout our capital programme delivery:

- **Sustainability** is at the heart of our decision-making process. Over £169m of projects in our current capital programme have a direct or indirect impact on the City's sustainability, resilience, and carbon impact.

  Whether delivering electric vehicle charging points, promoting active travel, or further improving the environmental performance of our built assets, consideration of each project's impacts on 'net zero' is now embedded in our business cases. We're mindful of our environmental impact and have been investing for several years to begin to mitigate this.

  But there is always more we can do. We look forward to hearing the views of our residents and businesses on how we can do more to create a sustainable city for the future.

  Further details on our approach to sustainability are set out at sections B1.6 and C.

- **Ethical procurement practices** drive real social value for our City and maximise the benefits for the communities we serve.

  We have a strong tradition of delivering contractual employment and skills outputs for the communities we serve, and coupled with our focus on sustainability, we're driving social value through our contracts. We support our local economy wherever we can, prioritising Sheffield's businesses whenever we can legally do so. We promise to do what we can to keep Sheffield's economy moving, promoting the use of British Steel.

  See section 11 for more details on our progress in this area.

But underpinning this, **effective governance by Members and Officers** is the bedrock upon which the successful delivery of the Capital Programme is based. Robust priority setting and effective funding strategies - coupled with sound project and programme management – are key building blocks for successful delivery. See sections 9-14 more information on how we achieve this.

1.5 Purpose of this Strategy

- Set out the Council's key priority areas for capital investment;
- Provide an overview of current and anticipated specific projects included in the years 2024 to 2029, together with an overview of anticipated developments and challenges up to 2054;

- Set out the overall shape of the current Capital Programme for the 5 years to 2029 (at Section F) for approval. Block allocations are included within the programme for noting at this stage and detailed proposals will be brought back for separate approval as part of the monthly approval cycle;
- Set out our principles for how we invest in non-cash assets and how we use our capital receipts; and
- Provide background to our Corporate Investment Fund Policy at Section E.

Cllr Tom Hunt | Leader of Sheffield City Council | February 2024

B BACKGROUND AND KEY FACTS

The policy environment, how we fund the programme and how it is managed.

The Council's capital programme for 2024-29 totals £797.3m. We will ensure we spend this money in the best way possible to deliver the most benefits for the City's residents and the communities we serve.

This section B is split into three parts:

- **The policy environment:** this sets out the background and context to our Capital Programme – the key factors that shape what we do, how we do it and who we do it with
- **The financial context:** this sets out how we pay for our Capital Programme – where the money comes from and the principles which underpin how we spend it
- **The governance:** this sets out how we ensure our Capital Programme is well run – how Members are engaged, how we ensure we're spending money on the right things and buying them in the most efficient way that benefits our City.

This section will address each of these areas in turn.

A The Policy Environment

The background and context to our Capital Programme – key factors that shape what we do, how we do it and who we do it with.

1 The policy environment: external

The Chartered Institute of Public Finance and Accountancy (CIPFA) Prudential Code governs how the Council manages its finances. Councils must produce a Capital Strategy which:

- sets out a high-level view of how capital investment, capital financing and treasury management activities contribute to the provision of services; and
- provides an overview of how we manage the associated risks.

This Strategy takes a 30-year view of capital investment. The 5-year Capital Programme is supplemented by a 10-year 'investment pipeline', setting out potential projects or areas of activity for which we should prioritise seeking internal or external funding. This is then supplemented by a 30-year 'horizon scan' which, although speculative, provides some key pointers on the City's direction of travel over the coming decades.

Our Capital Strategy is shaped by several central government policies:

1.1 Devolving of capital spending allocations

Over recent years, many capital spending decisions have been devolved to City Region authorities and Local Enterprise Partnerships (LEPs). The Council anticipates that the trend to devolve capital allocations to regional and sub-regional bodies will accelerate.

1.2 Creation of revolving investment funds

The Council has seen a shift towards capital funding of economic regeneration projects which generate a financial return to repay the initial investment and create a revolving investment fund. For example, the Council has intervened to ensure regeneration schemes like 'New Era' and Heart of the City take place successfully, where the benefits of increased business rates or council tax repay the cost of that intervention many times over.

1.3 Rewarding economic development

We can no longer rely on historical levels of revenue support grant from Government. Places are increasingly reliant on their local tax base. This means that Sheffield needs a growing, resilient local economy that provides the income streams which can be re-invested – in things that promote new growth and in wider social and environmental goals. Funding streams that reward economic development - such as Community Infrastructure Levy – have been created.

Furthermore, we expect to see the creation of UK funds which focus upon investment, job creation and economic growth (including improving transport links). We anticipate that the Sheffield City Region Mayoral Combined Authority (SYMCA) will remain the principal body to seek and allocate this funding across the South Yorkshire authorities.

1.4 Austerity and the wider economy

The ongoing austerity programme has reduced resources by over 50% since 2010. The impact of the Government's austerity programme on the rest of the non-housing programme has not only led to less capital funding but is also reducing Revenue Budget funding. This has limited the scope for additional revenue contributions to the Capital Budget and to fund the revenue implications of capital decisions (such as Minimum Revenue Provision and Interest costs).

Uncertainty surrounding the wider economy – including the impacts of inflation and higher interest rates – means we must plan to continue to deliver more, to more people, with ever-decreasing resources.

The Council is not immune from the cost-of-living crisis. Inflation impacts all our costs. The wider challenges in the revenue budget impact on our ability to fund prudential borrowing, as we fund the repayments from revenue budgets. This puts further curbs on our capital spending power at a time of increasing demand.

1.5 Self-financing Housing Revenue Account (HRA)

The self-financing regime for the Housing Revenue Account (HRA) has historically provided for a relatively well-funded programme of investment in existing and new Council housing stock. However, the recently announced reductions in the permitted level of annual increases – together with the cost inflation seen over recent years – is putting considerable pressure on this source of funding at a time when our ambitions to build new council housing and improve the environmental performance and physical condition of our existing stock are increasing. These pressures are compounded by our continually losing stock through the 'Right to Buy' initiative, which continually reduces our rental base.

We want to increase the number of new Council houses and invest more money in upgrading our existing stock. But we must take tough decisions. We simply cannot afford to do everything we want to do ourselves.

The HRA ‘debt cap’ has been removed, which allows us more freedom. But we must still apply the principles of prudence, affordability, and sustainability (from the Prudential Code for Capital Finance in Local Authorities).

1.6 Climate Emergency

Sheffield City Council has declared a Climate Emergency. As part of our commitment to work towards Sheffield becoming ‘zero carbon’ by 2030, currently over £169m of projects are directly or indirectly related to sustainability and minimising our impacts on climate change. New projects which help us tackle this challenge will continue to be brought forward.

As well as directly funding projects relating to sustainability, central government has also introduced funding streams to support our work in this area. Grants which contribute to the costs of electric vehicle charging points, grants to support energy efficiency in our housing stock and corporate estate, and funds to improve air quality through reducing emissions from Sheffield’s bus fleet are coupled with our own investments to match-fund these grants when required. We are working with local businesses to help them trial and make the transition to electric vans. Similar pilots are underway with electric taxis. The scale of this challenge is considerable, and we all have our part to play.

We now actively consider the sustainability implications of all our projects across all Programme areas and will continue to improve our work in this area. We have embedded Climate Impact Assessments into our standard operating processes, and we’ll continue to engage with stakeholders throughout the City so we can work together to tackle not only our carbon emissions, but also improve our resilience to the effects of climate change.

1.7 The push to build new homes

Central government has announced new powers for councils to borrow money to build a new generation of council houses. Sheffield is already building new council properties and a Housing Growth Delivery Plan – amongst other initiatives - is now in place to stimulate the wider market. The Council is considering how best to use these new powers to increase the supply of housing in the City. It is clear that we cannot meet the scale of this challenge alone. We will work with partners across the City to increase our supply of housing – particularly affordable homes.

1.8 The drive towards academies

Education policy now mandates that all new schools should be academies. This transfers maintenance responsibilities away from the Council’s Local Education Authority (LEA) role. It will also subsequently reduce central grant funding (which is formula-driven based on pupil numbers). However, the LEA still retains responsibility for ensuring sufficient school places.

1.9 Streets Ahead

The Streets Ahead programme is providing massive investment in the City's roads and street lighting, funded via a Private Finance Initiative (PFI) and Council investment. This expenditure now sits outside the capital programme – we made the final capital contribution to the initial core investment period in 2017/18.

2 The policy environment: internal

Several current or anticipated locally developed policies will impact upon our Capital Strategy over the coming years. At the time of writing, these include the Council's new proposed Corporate Plan, proposed Local Plan, Treasury Management Strategy, Corporate Asset Management Strategy, Land and Property Plan, Infrastructure Delivery Plan, Infrastructure Funding Statement and Medium Term Financial Strategy.

We will review this Capital Strategy at least annually to ensure it supports the aims and objectives set out in those documents.

Further details on specific capital financing policies are provided at section 4 below.

3 Working in partnership

We will work proactively and in partnership with other public, third sector and private organisations - both locally and nationally - to deliver the best possible outcomes for the citizens of Sheffield, whilst ensuring that we remain accountable and responsible for the activities we deliver.

The Council must build effective partnerships to deliver its ambitions for the City, including:

- **Sheffield City Region Mayoral Combined Authority** (SYMCA)

  We continue to work closely with SYMCA to push for greater control over the things that matter to Sheffield and the wider City Region, with a focus on skills, transport, and jobs. The devolution deal unlocks further investment monies for our region, and we will continue to lobby hard to get the best possible deals for Sheffield from the funding allocations.

- **Core cities throughout the North**

  We are working with other northern cities with the hope of unlocking additional funding to drive economic growth. We are focussing particularly on opportunities for investment in transport to make Sheffield a more attractive place to live, work and invest.

- **Health and social care**

  We are collaborating with our partners in this area to take advantage of joint investment opportunities, co-location and more efficient working.

- **Other public sector partners**

  We participate in a Strategic Estates Group which brings together the Integrated Care Board, NHS Property Services and both Universities to consider the establishment of integrated public sector hubs, mapping existing estates and developing proposals to improve utilisation to deliver ever-increasing value to the public purse.

- **Other private sector partners**

  To be ambitious for Sheffield, we must all work together to drive our City forward. An example of this is our work to improve the City's sustainability through our Green City Strategy, which requires both public and private sectors to work together to create an environment where sustainable development can thrive and we can tackle the threats from the Climate Emergency.

How we pay for our Capital Programme – where the money comes from and the principles which underpin how we spend it

4 Our key capital planning and investment principles

4.1 Capital planning principles

We will use our capital spending to support the delivery of the Council's aims and objectives. We must also ensure we comply with all the rules and regulations which govern how local authorities can spend public money. To this end, we will always ensure that:

- Capital planning is **integrated into the Council's overall strategic planning**, ensuring capital activities are considered in relation to the Council's overall corporate plans, its revenue budget, its financial strategies and our strategic goals
- We **maximise the external funding** of capital investments wherever possible to maximise the availability of the Council's scarce funds to support agreed activity, using our scarce funds as 'match' funding to lever in external investment
- Our capital investments are **affordable, sustainable, and prudent** (ensuring compliance with the CIPFA Prudential Code)
- Our capital projects **deliver value for money**, by ensuring that our governance processes for the appraisal and approval of capital projects are robust and challenging
- We ensure **effective risk management** through our governance, in accordance with best professional practice set out in the Treasury Management Code of Practice.

4.2 Investment principles for Non-Cash investments (Land and Property, Loans to third parties and Equity Investments)

4.2.1 Land and property

CIPFA define investment property as property held solely to earn rentals or for capital appreciation or both. Returns from property ownership can be both income-driven (through the receipt of rent) and by way of appreciation of the underlying asset value (capital growth). The combination of these is a consideration in assessing the attractiveness of a property for acquisition.

Some local authorities are speculatively investing monies in land and commercial property outside of their local areas – or other initiatives - purely to generate a return. This has led to several well-publicised issues in recent years when these investments have not paid off.

Sheffield City Council has made no such investments to date and currently has no intention to do so in the future. We will only acquire investment property when there is an ongoing service objective (such as the regeneration of our City).

4.2.2 Loans to third parties and equity investments

The Council has the discretion to make loans and equity investments for several reasons - primarily for service delivery, economic development, or regeneration. However, such investments are limited and only granted in exceptional circumstances.

In making loans, the Council is exposing itself to the risk that the borrower defaults on repayments. Therefore, in making these loans, the Council must therefore ensure they are prudent and has fully considered the risk implications of not only the individual loan, but also that the cumulative exposure of the Council is proportionate and prudent.

The Council will ensure that a full due diligence exercise is undertaken and, where appropriate, adequate security is in place. The business case will balance the benefits and risks.

4.3 Risk appetite

The Council's risk appetite to any such investments is low. Risk taken to date and going forward on such investments has been at the amount of risk that the Council is prepared to accept, tolerate, or be exposed to at any point in time. Risk will always exist in some measure and cannot be removed in its entirety.

A risk review is embedded within the **Investment Strategy Principles** below and will be considered in line with the risk management strategies we have in place. This risk review is commensurate with the Council's low risk appetite.

4.4 Investment Strategy Principles

Sheffield City Council will invest in Land and Property and provide loan / equity investments to third parties when:

- The **primary purpose of the investment is to benefit the people of Sheffield** – for example through regeneration or redevelopment – rather than income generation for its own sake;
- The investment **supports the delivery of an existing Council policy or strategy**;
- The investment will take place **within Sheffield City Council's boundary**;
- The investment adheres to **clear criteria** set for investment decisions and risk management both individually and cumulatively;

- A **full risk and return analysis of the investment** has been completed and Members and senior officers are content that any risks are appropriate for the Council to take and proportionate to the potential benefit being delivered;
- The investment has been taken through Sheffield City Council's **robust and transparent governance** procedures and been subject to **robust decision making and scrutiny** prior to approval;
- The investment would be subject to **ongoing monitoring and management** with reporting by exception to Full Council when necessary; and
- The loan to a third party/equity investment complies with the new, international obligations on **subsidy control**.

The government has also published reforms to the Public Works Loan Board intended to prevent the trend of some local authorities taking on debt to buy assets primarily for income. Sheffield has not done this and will adhere to the principles set out above.

4.5 New CIPFA guidance

CIPFA has recently issued new guidance which introduces a new requirement that every local authority sets a limit that cannot be exceeded for commercial income as a percentage of net service expenditure.

As set out above, our Heart of the City II investments are for regeneration purposes (as opposed to commercial activity) and are therefore not within the scope of this requirement. However, we do have some commercial income generated from commercial property rents, which is considered acceptable as the main purpose of Heart of the City II is regeneration.

We will therefore set a limit of commercial income not exceeding 3% of net budget. This is linked to the level of un-earmarked reserves maintained by the Council and enables us to subsume any shortfall in income in-year without affecting service delivery. We can then amend budget plans for the following year to account for the anticipated reductions in income, but also ensure the un-earmarked reserves are repaid to the required level, as determined by the Section 151 Officer.

5 Size and shape of the capital programme

The capital programme over the 5 years (2024-29) shows a broadly balanced position, with proposed expenditure totalling £797.3m. The full programme is set out at Section F.

Wherever possible, attempts are made to match the timing of the receipt of resources and the incurrence of expenditure to protect the Council's cash flow position. Where the levels of expenditure are significant, individual management arrangements are put in place to mitigate the impact as far as possible. The Director of Finance and Commercial Services oversees these (in conjunction with the respective Head of Service).

The funding of the programme comes from a diverse range of resources, such as government grants, other grants, and contributions from other public bodies or third parties, capital receipts, prudential borrowing and revenue contributions to capital. Section 6 overleaf contains further detail. The majority falls within either prudential borrowing or contributions from the revenue account to the capital programme, which together represent £632m (79.3 %) of the overall programme value.

The 2023/24 programme was set in March 2023, and at the time totalled £214.3m. This has been revised in-year. The effect of outturn slippage from 2022/23, in-year additions, variations slippage and re-profiles result in a current approved programme for 2023/24 of £246.7m (as at 31 December 2023). The Council's current anticipated capital investment profile for existing commitments (excluding potential pipeline projects) is:

	Committee area	2024/25 (£m)	2025/26 (£m)	2026/27 (£m)	2027/29 (£m)	TOTAL (£m)
1	ADULT HEALTH & SOCIAL CARE *	0.0	0.0	0.0	0.0	0.0
2	COMMUNITIES, PARKS & LEISURE	2.5	0.0	0.0	0.0	2.5
3	ECONOMIC DEVELOPMENT & SKILLS	1.9	0.0	0.0	0.0	1.9
4	EDUCATION, CHILDREN & FAMILIES	4.5	0.0	0.0	0.0	4.5
5	HOUSING	104.8	147.4	159.0	305.5	716.7
6	STRATEGY & RESOURCES	0.1	0.0	0.0	0.0	0.1
7	TRANSPORT, REGEN & CLIMATE	68.2	3.3	0.0	0.0	71.5
8	WASTE & STREET SCENE **	0.0	0.0	0.0	0.0	0.0
	TOTAL	**182.1**	**150.7**	**159.0**	**305.5**	**797.3**

*****Budget for Adult Health & Social Care currently under review ******No future projects currently allocated to Waste & Street Scene

6 How the capital programme is funded

The funding of the programme comes from a diverse range of resources. The table below gives a breakdown of how the overall Capital Programme is currently funded:

	Source of funding	2024/25		2025/26		2026/27		2027/29		Total	
		£m	%	£m	%	£m	%	£m	%	£m	%
1	Borrowing	40.0	22.0	35.8	23.7	42.0	26.4	60.2	19.7	178.0	22.3
2	Capital receipts	9.5	5.2	9.6	6.4	15.1	9.5	27.0	8.8	61.1	7.7
3	Government grants	38.8	21.3	2.7	1.8	0.0	0.0	0.0	0.0	41.5	5.2
4	HRA Contribution to Capital	55.5	30.5	91.0	60.4	97.7	61.5	209.8	68.6	454.0	56.9
5	Other grants and contributions	35.9	19.7	11.6	7.7	4.2	2.6	8.6	2.8	60.3	7.6
6	Community Infrastructure Levy	2.3	1.3	0.0	0.0	0.0	0.0	0.0	0.0	2.3	0.3
7	**TOTAL**	**182.1**	**100.0**	**150.7**	**100.0**	**159.0**	**100.0**	**305.5**	**100.0**	**797.3**	**100.0**

A further breakdown of each of these funding sources is set out overleaf.

6.1 Revenue budget contributions to Capital

The Council can use revenue resources to fund capital projects directly. However, ever-increasing pressures on the Council's revenue budget have reduced the scope of this. Revenue contributions to capital now largely reflect the contribution to the Housing Capital Programme of £454m.

6.2 Prudential borrowing

Prudential borrowing is used where no external funding is available to fund schemes which will generate a Revenue Budget saving. This saving then repays the principal debt and interest. The Council can often borrow funds at lower cost than its commercial sector partners because of its perceived higher credit rating. It therefore makes sense to inject such capital where there is a potential economic benefit.

Under the rules of the Prudential Code 2004 (revised in 2017), the Council has the power to finance capital schemes using prudential borrowing (borrowing that does not attract financial support from the Government, which is also known as 'unsupported borrowing'). The principles for entering into such borrowing were approved by Cabinet on 22 September 2004, and generally relate to 'invest to save' schemes (including land assembly and funding for major capital projects). These principles remain in accordance with the Prudential Code for Capital Expenditure for Local Authorities, namely that they adhere to the principles of affordability, sustainability, and prudence.

It remains the Council's current view that its best overall financial interest is served by substituting prudential borrowing for leasing. It is considered that borrowing in lieu of leasing can be undertaken as an element of 'invest to save' (where it is considered to be more cost effective over the whole life of the asset when compared to leasing) and can be contained within an overall annual limit established for such borrowing. However, this type of borrowing does have revenue implications for the Council in the form of financing costs, which include interest payable and an allocation for repayment of debt ('Minimum Revenue Provision') because of the borrowing.

Included within the 23/24 Capital Programme are the following amounts of prudential borrowing for projects funded in whole or part from prudential borrowing (last year's figures shown in (brackets)):

Project	Total Project Value £m
Heart of the City II	£10.645 (£38.060)
New Council housing	£29.386 (£34.834)
TOTAL	**£40.031 (£90.084)**

Any amendments to these limits will be approved by Finance Committee in line with the Prudential Code. There are other commitments outside of the capital programme and these are set out in the Revenue Budget report.

We expect the Heart of the City II programme to be fully completed in 2024/25. Most of the site is within the New Development Deal (NDD) area, where the Council can retain 100% of business rates above an agreed baseline. The uplift in the business rates is ring-fenced to the Heart of the City II scheme and contributes to the ongoing funding of the scheme.

The Council can borrow (using its prudential borrowing powers) to invest in the development of the scheme and will, in part, use the increase in retained business rates from the completed scheme to repay borrowing. £20m of the external grant funding has been secured to reduce prudential borrowing requirement. Capital receipts from a sale of Heart of the City II assets have also been applied to reduce the debt.

Based on the Exit Strategy for the scheme, we assume that most of the Blocks will be sold once completed and fully let. Capital receipts will be used to repay the debt (as previously stated in Cabinet reports). However, it was also agreed that the actual Exit Strategy will be considered for each of the Blocks individually on completion, considering the current economic outlook, real estate market conditions, market evidence, the Council's overall borrowing levels, and a wider commercial estate position. The Blocks could therefore be retained if that is determined to be the most appropriate course of action.

6.3 Government Grants

The largest proportion of external grant funding comes as grant allocations from Government departments. Although many of these grants are to support specific areas of investment, the Government removed capital ring-fencing in 2010. This enabled local authorities to prioritise grants to support local needs, pressures, and statutory responsibilities.

Capital Grant funding falls into two main categories: recurring annual allocations and project specific grants:

- The **major recurring allocations** relate to funding for schools' places and maintenance, Disabled Facilities Grants and Local Transport. Programmes of work are developed to obtain maximum impact from the funding received.

- In relation to **project specific grants**, officers usually bid against advertised funding streams following consideration of the terms by the Council's External Funding Team and its legal advisers. Requests to enter into funding agreements are considered by our Finance sub-committee prior to acceptance of the grant. Increasingly this funding is being channelled through the South Yorkshire Mayoral Combined Authority.

We endeavour to maximise our project specific grants to support our priorities, and we work in effective partnership to secure these. We have been successful in securing funds to improve the energy efficiency of council housing and our corporate buildings, together with investment into Attercliffe and several interventions in the City centre, amongst others. We have also been successful in our funding bids to rebuild several schools. In the new landscape, the Council must work across sectors and boundaries to drive collaboration and maximise our chances of success.

Sources of grant funding continue to evolve, with increased roles for:

- **Local Enterprise Partnerships** – working as part of Sheffield City Region, these are local, business-led partnerships between local authorities and businesses which play a role in determining local economic priorities and undertaking activities to drive economic growth and the creation of local jobs; and

- **Education and Skills Funding Agency** – this body provides direct support and grants to specific free school and academy build projects, as well as funding education and skills projects for children, young people, and adults.

6.4 Capital receipts

Capital receipts fall into two broad categories:

1. Those generated from the sale of land and buildings falling within the Housing Revenue Account (HRA) and council houses under Right to Buy schemes. There are legislative provisions in place governing the use of these receipts restricting it to investment in housing.

2. Those generated from the sale of general (non-HRA) Council assets. These funds are those over which the Council has full discretion over how to use and are incorporated into the Corporate Investment Fund.

These capital receipts can be reinvested in the Capital Programme or be used to reduce the Council's borrowing liability. Any projects in the Capital Programme funded by capital receipts can only be undertaken if the receipts are realised.

The receipts from the sale of surplus assets are used to fund the Corporate Investment Fund (CIF) – see Section E. This allows Members at their discretion to undertake projects for which there is no external funding. We often need to provide 'match' funding to secure project-specific external grants; the CIF can fund this. We also use it as a strategic reserve to cover to emergencies such as the total loss of a key piece of infrastructure e.g. as occurred in the 2007 floods.

As external funding sources reduce because of austerity cutbacks, the CIF assumes a greater significance in funding the Capital Programme. However, the CIF is only forecast to fund 2.1% of the Capital Programme. Its spending power is dwarfed by the HRA or Prudential Borrowing, for example.

But the Corporate Investment Fund is under pressure. Rising construction prices have presented real challenges bringing schemes in within budget – despite extensive value engineering. Our Accommodation Review is likely to require investment of over £200m – a sum which will not be able to be funded from the disposal of assets alone. The sheer scale of the climate emergency facing the City will require significant investment which we simply do not have. Every Committee area in this Capital Strategy has projects and programmes which will require investment over the next ten years. And we need to invest in organisational transformation.

We simply do not have sufficient funds to deliver our investment aspirations. But we must have maximum flexibility to use our monies where they can do the most good.

These huge challenges will require a balance of allowances for both risks and opportunities. The Council must maintain a prudent level of reserves to mitigate infrastructure failures, grant claw back, match funding requirements or project overspends. There is the potential opportunity to invest in growth (in accordance with our Capital Planning and Investment Principles set out at 2.4 above), which could potentially create new revenue streams for the Council. But our key principle is ensuring our statutory obligations are met. This is no small ask in the current financial climate.

We will therefore take a balanced approach, ensuring adequate investment and reserves levels to mitigate risk and ensure our infrastructure remains fit for purpose and safe to use. In addition, an assessment of the Council's dependence on profit-generating investments (and the borrowing capacity allocated to funding these activities) to achieve a balanced revenue budget will be disclosed over the life cycle of the Medium-Term Financial Strategy.

6.5 Community Infrastructure Levy (CIL) / Section 106 (s.106) contributions

Elements of the Capital Programme are funded by contributions from private sector developments and partners. CIL supplements the current s.106 (Town and Country Planning Act 1990) arrangements.

CIL allows local authorities in England and Wales to raise funds from developers undertaking new building projects in their area. The money can be used to fund a wide range of infrastructure that is needed because of development. This includes new or safer road schemes, flood defences, schools, hospitals and other health and social care facilities, park improvements, green spaces, and leisure centres.

The Council has used CIL to develop strategic infrastructure projects such as roads and flood defences (such as the development of the Bus Rapid Transit North link and the Lower Don Valley Flood Defence Scheme). Further strategic infrastructure spend commitments via CIL will be informed by the Infrastructure Delivery Plan (IDP) which feeds into the Local Plan. The IDP identifies the strategic projects we should be delivering to manage impact of future growth on our infrastructure. We will always seek to use our funds most effectively to drive best value and reduce costs to taxpayers.

CIL Regulations now encourage more use of s.106 and introduce the ability to use both CIL and S.106 in delivering infrastructure priorities. Previously, the Regulations restricted this. Further details on the implications of this are given at Section E. However, broadly speaking, this is good news which enables us to pursue s.106 agreements on sites that will also be making a CIL contribution.

CIL and s.106 contributions are held in the Corporate Investment Fund (see Section E).

6.6 Private Finance Initiative (PFI) / Public Private Partnership (PPP) funding

Like many other councils, Sheffield has historically made use of government funding through the above schemes when this was often the only source of funding available. This includes some schools, waste management facilities, office buildings and, most recently, the Streets Ahead programme. Both main national political parties have signalled that new PFI / PPP initiatives are to end, and no further new funding will be allocated through this route.

Sheffield currently does not fund any PFI payments out of capital.

7 Capital financing strategies and associated policies

Several strategies and policies relate directly to capital financing:

7.1 Treasury Management Strategy

Treasury management is defined by CIPFA as: "The management of the organisations' borrowing, investments and cash flow; its banking, money market and capital transactions; the effective control of the risk associated with those activities; and the pursuit of optimum performance consistent with those risks."

The nature and scale of the Council's capital programme means that it is a key factor in the Council's Treasury Management Strategy. This includes the need to borrow to fund capital works.

The Council has operated within the CIPFA Prudential and Treasury Management Codes since their inception. The Codes contain a requirement for the Council to agree an annual Treasury Management Strategy, which is approved by the Executive and Council as part of the budget process. This defines the types of investments the Council will make during the year, together with the framework for decision-making around new debt. Treasury management decision-making and monitoring is devolved to various bodies and officers, with responsibility for the delivery of the treasury management function delegated to the Director of Finance and Commercial Services.

We also have regard to the Department of Levelling Up, Homes and Communities (DLUHC) Investment Guidance and are aware of the importance of security, liquidity, and yield in treasury management investment decisions.

Interim and outturn monitoring reports are provided to the Finance Sub-Committee throughout the year.

7.2 Asset sales and capital receipts

All land and buildings which are surplus to existing use will be reviewed by the Head of Property before any Executive decision is made. This will be in accordance with the 'Sheffield Land and Property Plan'. Any reuse or disposal must provide best value in supporting the Council's objectives. Any exceptions to this must be agreed by Finance Committee.

As a general principle, land no longer required for its existing use should be declared surplus so that options for its future use or sale can be considered by the Head of Property and relevant Members prior to proceeding for formal decision. Ongoing surveys of our corporate estate have been commissioned to support and evidence this process. In the context of ever-increasing budget pressures, difficult decisions will need to be made which balance the budget challenges and the needs of local communities.

The Council also encourages community involvement in the delivery of local public services using the Council's assets. The Council may therefore be prepared to sell or lease Council assets at less than best value to third sector organisations which have the capabilities to use the assets to provide agreed services in accordance with the arrangements set out for Community Asset Transfers of property. This will however reduce the capital receipts available to fund other Council needs and priorities, and therefore robust governance is in place to identify proposals which have a strong strategic alignment to the Council's priorities and a good chance of success.

Capital receipts will be used to finance capital expenditure, including capitalised revenue costs under the Government's capital receipts initiative. They are also used for debt redemption in accordance with the Council's Minimum Revenue Provision (MRP) Policy. They form part of the Corporate Investment Fund and are therefore subject to the governance for that Fund (see Section E). This year, we are also seeking approval from Full Council to request permission from the Department of Levelling Up, Homes and Communities (DLUHC) to use capital receipts for organisational transformation purposes. This will give us more flexibility to use our funds in the most effective way possible.

7.3 Prudential borrowing and debt; revenue budget implications

Local authorities may borrow to finance capital expenditure. The affordability of debt is the key constraint. The Council has used its prudential borrowing freedoms actively and successfully to deliver key outcomes (such as regeneration – for example, by its work to regenerate the City Centre as part of the Heart of the City II project). It continues to be an important way of funding our priorities where external funding cannot be obtained. The cost of borrowing is usually recharged to the borrowing service, thus recognising that borrowing is not a key asset, but has a revenue cost.

In approving the inclusion of schemes and projects within the Capital Programme, the Council ensures all the capital and investment plans are affordable, prudent and sustainable. In doing so, the Council will consider the arrangements for the repayment of debt, through a prudent MRP policy in line with MRP guidance produced by DLUHC.
The Council sets and monitors prudential indicators to manage its debt exposures. Forecast borrowing costs (including interest and repayment charges) are expected to peak in 2025/26 at 18.2% of net revenue (including PFIs) or 8.45% (excluding PFIs), before falling slightly in subsequent years.

The Treasury Management Strategy (TMS) sets out how the Council's borrowing will meet the prudential code and good practice to ensure borrowing does not exceed permitted limits. However, an overarching consideration of affordability of these costs must be addressed (given the Council's immediate and medium-term budget constraints). This assessment of affordability in relation to the total cost of borrowing for capital projects forms part of the Section 151 Officer's review of the sustainability of budgets and level of reserves.   Details of both the TMS and the Section 25 review of the sustainability of budgets and level of reserves can be found in the 2024/25 Revenue Budget report.

The Council will ensure the most cost-effective financing arrangements for the Capital Programme as a whole. Where possible, the Council aims to maximise the use of balance sheet assets so we can utilise cash balances derived from working capital and reserves, rather than borrowing externally.

We will also calculate the financing costs and interest payable for every individual scheme which is funded this way before any borrowing is sanctioned. This forms an integral part of the business case for each project.

The capital financing charges and any additional running costs arising from capital investment decisions are incorporated within the annual budget and medium-term financial plans. This enables Members to consider the consequences of capital investment alongside other competing priorities for revenue funding. As part of the appraisal process, the financing costs of prudential borrowing may be charged to portfolio budgets.

Different arrangements apply to Housing Revenue Account (HRA) borrowing. We have a self-financing HRA over a 30-year investment period. The HRA plans new prudential borrowing of £156.7m in the next 5 years (23/24 to 27/28) in accordance with our approved HRA Business Plan. HRA resources can only be applied for HRA purposes, and HRA receipts may only be applied to affordable housing, regeneration, or housing-related debt redemption. This is different from external borrowing, as they are under-borrowed. The Council will need to externalise some of this debt over the next few years.

We assume the Public Works Loan Board will be our primary source of borrowed funds, although we will maintain a watching brief over other sources of funding to ensure we deliver best value for money for local people.

7.4 Debt repayment

The Prudential Code requires the Council to make an annual Minimum Revenue Provision (MRP) for the repayment of debt. This revenue provision spreads the cost of repaying the debt for an asset over the useful economic life of the asset (in accordance with DLUHC guidance). This is done in accordance with the annual MRP Policy Statement which is approved by Council each year as part of the budget process.

MRP replaces other capital charges (such as depreciation) in the statement of accounts. It has an impact on the Council’s revenue outturn. It will increase and decrease throughout the capital programme and is sensitive to both expenditure and funding changes. Careful consideration is therefore given to this when considering prudential borrowing as a funding source – it bears a real cost.

C The Governance

Ensuring our Capital Programme is well run – how Members are engaged, how we spend money on the right things and buy them in the most efficient way that benefits our City.

8 The foundations of good governance

We maintain assurance of our capital investment priorities and projects through effective governance which runs throughout the organisation. This is underpinned by two key principles which drive everything we do:

- **Ensuring Members' leadership and engagement**

  Elected Members are responsible for setting the strategic direction for the Council. Our move to a Committee-based system of governance has increased Members' scrutiny and engagement of decision making. Therefore, in addition to setting the Council's approach through key strategies and policies, they are also responsible for signing off capital projects at key checkpoints:

  ✓ Endorsement at 'project mandate' stage by the relevant Policy Committee or Full Council (by way of this Strategy)
  ✓ Consultation and endorsement of the relevant Policy Committee Chairs at 'outline business case' stage
  ✓ Formal approval at Finance Committee.

  The ability for Members to inform – and be kept informed – of the capital programme is vitally important. They need to 'own' the capital programme, understanding the risks and opportunities facing the City. We must set the right priorities, so we invest public money in the right areas.

- **Delivering real value for Sheffield people**

  Value for money (VFM) is a key component of all capital projects. All projects must evidence economy, efficiency, and effectiveness. Projects must demonstrate that there is a valid business need, that all potential options to address the need have been considered and that the option selected is the most efficient and effective way of achieving the Council's aims.

  We have therefore built this into our core operating model and ensure VFM in five ways:

  ✓ The 'Capital Approval Process'

✓ Effective financial appraisal
✓ A fit-for-purpose commercial strategy
✓ Robust project, cost and contract management
✓ Proactive risk management.

The next five sections (9-13) take each of these in turn, with section 14 dealing with budget variances (or 'slippage').

9 The 'Capital Approval Process'

In accordance with good project management practice, the Council requires several "checkpoints" at which the validity of the project is tested:

- an **initial business case** to set potential parameters to the project and to test assumptions – often an 'options appraisal' to ensure that it's the right project and create an evidence base to inform how we will deliver the project.
- an **outline business case** which will set out the benefits of the project against our strategic objectives. It also sets out the commercial case, together with delivery and procurement recommendations for the project.
- a **final business case** once the procurement has been completed, showing all the anticipated project costs, actual benefits as the project progresses to delivery.

We have modelled each of these business cases on the Treasury's standard **'Five Case' model**, to ensure we are considering:

1. The **Strategic Case** – making the case for change and demonstrating how the project provides a strategic fit for the Council and aligns with the new proposed Corporate Plan
2. The **Economic Case** – identifying the proposal which provides the best public value (including environmental and social considerations)
3. The **Commercial Case** – demonstrating viable, efficient procurement and a sound deal between the public and private sectors
4. The **Financial Case** – demonstrating the affordability and funding of the project – both for the up-front capital investment and the ongoing revenue running costs
5. The **Management Case** – demonstrating that robust arrangements are in place for the delivery, monitoring and evaluation of the scheme.

The business cases are supported by a range of supplementary documents, including Climate Impact Assessments, Equality Impact Assessments, Commercial Strategy documents and General Data Protection Regulation (GDPR) Impact Assessments (if required).

We review the content of our business cases regularly to ensure they remain up to date and reflect lessons learned.

Each of these business cases goes through a rigorous project evaluation and challenge at several stages as projects are brought forward for approval each month:

- by **Business Case Review Group** – an initial review of the draft Business Case (and supporting documents) by a forum made up of Officers from the Finance Business Partnering Team (Finance and Procurement), Capital Delivery Service and the Sustainability Team – a 'high-level' review to ensure the projects appear to meet the Council's objectives, are affordable with the budget in place, are deliverable within the timescales with the right procurement route, and take account of the results of the Climate Impact Assessment
- by **Programme Groups** – these Officer Groups (made up of broader representatives from the relevant Service areas, Finance, Procurement and Capital Delivery Service) mirror the Policy Committee structure. They review and endorse the business cases, ensuring they meet the aims set out in this Capital Strategy. They also review emerging risks, issues and opportunities for their Policy Committee area
- by **Capital Programme Group** – this Officer Group (made up of predominantly Head of Service leads for each of the Service areas) reviews and endorses the suite of projects being brought forward for approval this month, together with consideration of the overall performance of the Capital Programme, slippage, risks, issues and opportunities.
- by **Policy Committee lead Members** who have early sight of proposed projects at monthly 'Knowledge Briefing' sessions for each Policy Committee
- by **Finance Committee Members** through the Finance Committee suite of meeting who then formally approve each scheme.

Embedding a capital governance process ensures that we use our scarce resources in the most effective way – on the projects that make the most difference, are funded and procured cost-effectively and deliver the greatest benefits for Sheffield people.

10 Effective financial appraisal

Investible propositions and funding strategy

It is the responsibility of the commissioning Service to satisfy itself that it is bringing forward investible propositions for approval. That said, robust challenge takes place at each of the Officer and Member fora above to ensure that the projects are contained within this Capital Strategy and are aligned with the Council's priorities and proposed Corporate Plan.

Funding strategy options are robustly evaluated to ensure the most effective use of the Council's resources.

Ensuring affordability

We will never bring a project forward for approval unless we have confidence that any resulting contract is fully funded. In this challenging financial climate, we also ensure that the revenue implications of capital projects are fully considered.

We will not bring capital projects forward for approval when ongoing revenue funding streams have not been identified and agreed.

11 An fit-for-purpose commercial strategy

Getting the right procurement strategy

We conduct robust options appraisals at both initial and outline business case stages to determine the most efficient and effective procurement route. We focus on how to most appropriately incorporate the principles and deliver the outcomes of the government's 'Construction Playbook'. This requires us to take a strategic approach to our procurement to drive the best possible outcomes for the Council and the wider City, including ensuring we:

- Use clear and appropriate **outcome-based specifications** that are designed with the input of industry to ensure we drive continuous improvement and innovation.
- Favour **longer term contracting** across portfolios (where it is appropriate), developing long-term plans for key asset types and programmes to drive greater value through public spending.
- **Standardise designs, components and interfaces** as much as is possible to improve quality, safety, performance and reduce environmental impact.
- **Drive innovation** and Modern Methods of Construction (where appropriate), through standardisation and aggregation of demand, increased client capability and setting clear requirements of suppliers.
- Create sustainable, win-win contracting arrangements that **incentivise better social, economic and environmental outcomes**, improve risk management and promote the general financial health of the sector.
- **Embed social value**, through improved quality, safety, performance and reduced environmental impact at the heart of programme delivery.

We will continue to embed these core principles over the coming year, building on them further with the implementation of the new Procurement Act 2023 in the latter part of 2024. We also anticipate a further iteration of the Construction Playbook in 2024.

Keeping the pound local and safeguarding jobs

We have introduced measures to prioritise Sheffield-based contractors and then contractors within the Sheffield City Region within the fullest extent permitted by law. This keeps money in our local area. We will do everything we can within the law to support local supply chains and local businesses to maintain the resilience of our economy and build back better from the challenges we currently face.

We particularly want to support local small to medium sized enterprises (SMEs) and social interest companies who contribute so much to the fabric of our City.

We also use regional frameworks and dynamic purchasing systems (DPSs) whenever we can to maximise the benefits of our spend to the Sheffield City and Yorkshire regions (whilst minimising both our internal costs and the administrative burden on contractors). We often need quick routes to market, and using frameworks and DPSs addresses this need (whilst also forming part of 'best practice' procurement strategies.

We are one of the founder members of the YORhub suite of construction frameworks (YORbuild, YORcivil and YORconsult) covering Yorkshire and the Humber. These frameworks exist to maximise the benefits we can deliver to the communities we serve.

We also regularly use – amongst others - the Efficiency North frameworks and Dynamic Purchasing Systems. Born out of Sheffield City Council some years ago, Efficiency North is a social interest company based in Sheffield whose values align with what we're trying to achieve for the City.

We want to make it easy for local companies to do business with us, and we will continually challenge how we do things to minimise the barriers they may face.

Upskilling our local economy through our procurement activity

The Council has required 'employment and skills' outputs from its construction contracts for the last 13 years. This has been a real success story for our City. Over the last year, we have worked with contractors to deliver over 235 work experience opportunities, nearly 50 project-initiated apprenticeships, over 6,500 upskilling opportunities and over 800 new employment opportunities through our capital programme – as well as over £25m of committed wider social value for the City.

Our Lifelong Learning and Skills Team will also work with businesses to signpost them to training and development to enable them to grow their businesses in key areas. And we will do what we can to ensure we links this with tendering opportunities in our Capital Programme - particularly in relation to growing the green economy.

Promoting British Steel

We have signed up to the ‘British Steel Charter’ to maximise our use of British steel in our construction projects and – although we don’t use much steel – in 2024-25 we will investigate the feasibility of tracking how much of the steel we use is made in the UK and, more specifically, in Sheffield. We make it clear in our tender documents that we want to prioritise the use of British Steel to the fullest extent permitted by procurement law.

Ensuring a fair deal for construction workers

We are signatories to the ‘Construction Minimum Standards Charter’, which promotes fair working practices for those in the construction industry.

Ensuring effective safeguarding and combatting modern slavery

We have recently introduced provisions relating to safeguarding in our tender documents, and this year we will build on these to ensure these provisions are strengthened where the risk level requires it.

We’re also introducing new requirements to help us combat the scourge of modern slavery. We know that the construction industry is a key risk area and we will be piloting a new approach to help our contractors tackle this.

Embedding wider social value and community wealth building

This year, we are redoubling our efforts to maximise the wider social value arising from our construction activity. Building on our strong track record for employment and skills, we are seeking wider social value outcomes from more of our contracts to drive the biggest benefits for the communities we serve.

Equality, diversity and inclusion (EDI)

Equality Impact Assessments are required for every single capital procurement we undertake. We need to understand the impacts of projects on our diverse communities and ensure that benefits are maximised and barriers minimised.

But we understand that EDI goes much further than this. We will act on the findings of the Sheffield Race Equality Commission and, in the first instance, will work with the Business Sheffield group to ensure that we are minimising the barriers that minority ethnic businesses can face.

Promoting sustainability and meeting net zero

Procurement and Capital Delivery Service colleagues are working together to pilot a more detailed climate options appraisal, which clearly sets out the carbon impacts of design choices at options appraisal stage. This builds on the standard practice of requiring Climate Impact Assessments for every capital project.

In short - we will maintain an unrelenting focus on doing things better and driving greater benefits for the City. We will listen to and act on feedback to ensure we're doing everything we can to maximise the benefits from our construction procurement activity.

12 Robust project, cost and contract management

Project, cost and contract management is carried out by our Capital Delivery Service (CDS). An ISO9002 accredited Service, their role is to work closely with both their clients and the Finance Business Partnering Team to ensure projects are procured and delivered successfully.

The **Programme Management Office** (PMO) within the Capital Delivery Service (CDS) provides information and guidance to continually strengthen project management skills within the Council. They ensure that lessons learned are fed back across the wider Council so we can continually improve our performance.

Cost management is an integral part of all CDS delivered projects. A CDS Cost Manager is assigned to all projects, and an integral part of their role is to monitor and control contractor payments. This includes robust assessments of works completed and claims for payment submitted by contractors.

All CDS Cost Managers and Project Managers are experienced in **contract administration**, including managing changes or variations to contracts, which is always done in accordance with the terms of the relevant contract.

During the construction / delivery of the project there are a number of mechanisms for **monitoring and managing Contractor performance**. Project Highlight reports are prepared monthly and regular site progress meetings are held and minuted. Inspections are undertaken on progress by either a Clerk of Works or other technically competent officer, and valuations and cost reports are prepared monthly.

From beginning to end, CDS acts as a 'centre of excellence' for the delivery of the Council's capital schemes.

13 Proactive risk management

Major capital projects require careful management to mitigate the potential risks which can arise. The effective proactive monitoring, management and mitigation of these risks is a key part of managing the Capital Strategy.

13.1 General Risks – Identification and Mitigation

General risks are those which are faced because of the nature of the major projects being undertaken. Most of these risks are outside of the Council's control, but mitigations have been developed as part of the business planning and governance process. Four key risks are set out below, along with key mitigations:

A Interest Rate Risk

At the time of writing, the Council is planning to externally borrow around £165m as set out in this Capital Strategy over the next three years. This will cover new capital investment and ensure internal borrowing is maintained at a sustainable level. Whilst the Council tends to borrow at fixed rates, interest rates in themselves are variable and a rate rise could mean that there would be an increase on the cost of servicing future debt to a level which is not affordable. To mitigate this, the Council has used interest rate forecasts which include a prudent provision against interest rate rises. In the event that interest rates rose beyond this forecast, the revenue cost to the Council would increase. A rise of an extra 1% in the interest rate would cost an extra £1.65m by the end of the 3-year period.

B Inflation Risk

Construction inflation impacts on the affordability of the capital programme. The construction market remains volatile. Whilst some material costs have begun to fall, availability challenges are keeping prices more generally high.

Construction costs are impacted by the economic landscape, interest rates, inflation and market demand. And whilst some are predicting a 12% recovery in the construction market due to strong development pipelines, increased materials costs will require mitigation. In 2021, steel prices rose by 77.4%, whilst timber prices rose by 80% in the first half of that year. And despite some recent trends hinting at a decrease in these prices, they remain stubbornly high.

A recent study revealed that 25% of construction business in the UK were experiencing skilled labour shortages, and resultant wage increases – whilst a good thing for the workers – impact construction costs.

The Council has encountered delays to existing projects on site due to materials and labour shortages. Contractors remain ever more selective about the opportunities they tender for, leading to poor returns and an even more challenging market.

Tender returns are still containing more qualifications, sometimes lacking fixed prices and transferring risks back to the Council. And the impact of rising prices and delays on projects on site gives rise to contract disputes as contractors seek to recover losses.

This situation is far from unique to Sheffield. We're taking several steps to address these challenges:

- Inflationary impacts continue to be built into the construction estimates / cost plans using relevant indices as usual - but we will now also include an additional inflation price risk of up to 5%, which will be included in the construction estimate / budget to reflect the possibility of higher tender returns.
- We will adopt a more flexible approach during the tender process if contractors are struggling to offer a fully fixed price on projects with longer programmes – whilst ensuring a level playing field for all tenderers.
- Clients should further increase their contingency to allow for additional price risks once on site. The standard project specific items should still be included in the priced risk register but an additional inflation / price risk should also be included to cover Contractor's seeking to recover losses through claims.

Together with the price risk included in the construction sum, this should mean a significant risk total is included.

Previous Capital Strategies have referred to prices levelling off, pressures easing and a 'return to normal'. But it instead appears as if this is the 'new normal'.

C Change in Law Risk

Capital schemes need to comply with the latest law and regulations which can change leading to an impact on construction costs. This is mitigated by awareness of pipeline legislative changes and through contingencies.

D Market Health / Commercial Values

The Council's Capital Programme relies on commercial activity as a key supporting strategy. This involves generation of income from property letting, generation of capital receipts from property sales (in some cases post development), attracting developers to projects based on a potential share of profits and other revenue/capital financial flows.

In some cases, it is likely that the Council will commit to large projects, property acquisitions or other forms of expenditure based on further business case assumptions about the market value of future asset or economic values. Should market movements mean that these assumptions are inaccurate, then the Council may suffer financially. This risk can be mitigated through carefully testing assumptions and allowing for contingencies in projects where necessary.

13.2 Management of Project Risks

Project risks are those which relate to the delivery of capital projects which in many cases can be controlled, influenced, or directly mitigated in ways other than making contingencies available. These risks would mostly be related to unforeseen project delays and cost increases which could arise from a range of circumstances. The effective management of these risks is primarily linked to the following five key strategies:

A Supplier Financial Stability

Construction companies and developers contracting with the Council would, if they experience financial instability, pose a significant risk. They may not be able to raise finance to cash flow operations. Insolvency processes could lead to a costly process of changing suppliers without any guarantee of remaining within overall budget. The Council could also suffer direct financial loss and any defects may not be resolvable as anticipated. To mitigate this, the Council carefully considers the financial robustness of any contractor and requests appropriate financial standing assurance and support wherever possible. Furthermore, the Council only pays contractors in arrears, minimising its exposure to this risk. That said, we have revised our financial evaluation processes this year in line with government guidance to ensure we do not unwittingly discriminate against new, often smaller businesses who may not be able to evidence long-term financial stability. This maintains a balance of encouraging new entrants to the market whilst effectively managing risk.

B Effective Business Case Development

This is set out at section 9 above.

C Risk Registers

Projects are required to maintain a risk register. Risk registers are aligned with general guidance on risk review. We have now introduced costed risk registers on projects managed by the Capital Delivery Service. This enables us to maintain appropriate levels of contingency.

D Highlight reporting

Monthly highlight reports are created for all projects to flag progress and risks of projects to Programme Groups, Project Sponsors and, ultimately, Policy Committees and Strategy & Resources Committee.

E Appointment of professional team

This ensures timely delivery of projects and robust planning and review. The Capital Delivery Service has a team of professionally trained project managers. Qualified roles are in place for key surveying and financial planning roles to give assurance on quality of work and project assumptions.

14 Budget variances and slippage

Historically, there has always been an underspend against the approved capital programme. The risk of slippage is present in all capital programmes, bearing in mind the size and complexity of the schemes. Subject to Finance Committee approval, funds are rolled forward into the next year to complete projects.

Slippage reflects re-profiling of funding or delays in physical progress of a project. It impacts not only our financial position, but also the services we provide:

- **Reputational damage** – if projects are not delivered as publicised, this can cause both internal and external damage to the Council's reputation. It means we haven't been able to deliver what we said we would do for Sheffield residents.
- **Financial planning** – inaccurate profiling makes it difficult for us to plan new investments and determine our borrowing requirements.
- **Revenue budget** – whilst slippage can have a positive effect through reducing our borrowing costs, it can also increase our costs when capital investment should result in reduced revenue running costs which are then delayed. There is also the risk that interest rates could rise in the intervening period, increasing our borrowing costs.
- **Construction inflation** – project delay can lead to increased tender costs as time progresses in a growing market. This is a high risk as supply chains and working practices continue to be impacted by the fallout from Covid-19 and the war in Ukraine.
- **Ancillary costs and consequential works** – delays to, for example, new school buildings can result in temporary accommodation being required at additional cost and disruption. Delays to planned maintenance can cause additional costs for short-term revenue repairs and increase the cost of the capital replacement in the longer term due to asset deterioration and the urgency of the repair.

Continually reducing the levels of slippage in the capital programme is a key priority for the Council. Spend on delivery demonstrates that projects are being delivered on the ground for the benefit of our residents. The current financial climate is placing unprecedented pressures on our – and our supply chain's – ability to deliver. We continue to learn from our experiences to respond with innovation and flexibility to tackle the issues we face.

What causes budget variances and slippage?

- **The Covid-19 pandemic and war in Ukraine** – whilst project delays due to sickness have fallen substantially, issues with the supply chain, rising costs and availability of materials remain. We hope the situation will improve over the next 12 months.
- **Delays in planning consent** – this can be lengthy and must follow due process.
- **Timing of third party funding contributions** – slippage can occur when a project is entered onto the capital programme and funding is then delayed.
- **Tender returns and value engineering** – if tender returns exceed budget, this can require a lengthy period of redesign, costing and validation to bring a scheme back within budget. This was identified as a risk two years ago and has materialised each year since.
- **Access issues** – if a delivery window is missed (such as school holidays), this can result in significant slippage until the next available window.
- **Final accounts and snagging** – where these are not resolved in a timely manner, we may need to retain monies for final payments and resolution of defects.
- **Project planning** – optimism bias, and the fact that funding may need to be made available if risks (such as planning consent) do not materialise, can lead to delivery slippage.

We've been taking action to tackle these issues over recent years with good success. We've provided clear guidance for project managers in how to forecast expenditure more accurately so we are all clear on what can be delivered and when. This remains a work in progress and we will redouble our efforts to improve our performance here this year.

'Slippage' and 'reprofiling'

In 2017/18, we confirmed the definitions of 'slippage' and 're-profiling' to draw a clear distinction between the two – they are not the same thing. This makes it easier to understand the difference between us proactively planning and re-evaluating projects and programmes, and responding to events which blow us off course. The helps transparency and clarity when interrogating the reasons behind levels of spend which may change from those originally planned:

- **'Slippage'** relates to spend below budget, which reflects a scheme in delivery falling behind programme. Stakeholders need to understand the reasons for this and take remedial actions to try and bring the project back on track.
- **'Re-profiling'** is the re-allocation of budget between years for projects which are not yet in delivery. Budget allocations are being moved which could be due to several reasons. For example, further feasibility work could be required to be undertaken, or further funding sought. Or we could minimise risk to Council taxpayers by splitting a project into a series of projects to spread delivery risk, such as on Heart of the City II.

Current levels of slippage and reprofiling

As at 31 December 2023, the value of **net slippage** approved to date is £26m which largely relates to challenges facing schemes delivering regeneration activity - including Levelling Up Fund and Future High Streets Fund funded projects.

£51.9m of allocations have been **re-profiled -** i.e. moved from current year into future years for schemes not yet in the delivery phase. These relate to revisions in the delivery timescales of the Housing Investment and Housing Stock Increase Programmes and land acquisitions for regeneration purposes.

Work is ongoing to benchmark our financial performance. Whilst it remains difficult to ensure we are 'comparing apples with apples', Sheffield appears to perform well against other comparable authorities.

C SUSTAINABILITY AND CLIMATE CHANGE

How we will navigate our way towards 'net zero' and adapting to climate change

1 Background and context

This year has seen continuing increases in the frequency of climate related disasters around the world, including flooding, wildfires, drought, and extreme heat. While progress was made at COP28 in some areas, the goal of limiting global warming to 1.5°C is hanging by a thread. The need to act remains urgent.

Sheffield experienced its own extreme heat event in July 2022, as well as extreme rain and wind events throughout the winter of 2023/4. This has included flooding events in February 2022 and October 2023 and notable surface water flooding events in August 2022 and June and July 2023. We have now operated the Lower Don Valley flood gates 5 times in the last 2 years.

In the face of these challenges, we have begun to build on the '10 Point Plan for Climate Action' (adopted in March 2022), which has seen the beginning of the development of decarbonisation routemaps for the City.

The decarbonisation routemaps define our vision and objectives for achieving net zero by 2030, outlining key actions that the Council and other partners will be taking over the next few years to move us forward and enable us to accelerate decarbonisation in the years to come. In July 2023, the first two decarbonisation routemaps were approved for 'Our Council' and 'The Way We Travel'. Future routemaps to be developed will cover:

- Our Businesses and Economy
- Our Homes
- Energy Generation and Storage
- The Way We Use Our Land
- What We Eat, Buy and Throw Away

Respect for the planet and our ambitions to achieve net zero by 2030 are key considerations of our Council Plan, adopted in December 2023. These are woven throughout the plan with a commitment to work towards creating a successful, accessible City which prospers - whilst protecting the environment for future generations.

Under this Capital Strategy, we will continue to bring projects forward which help us meet the significant challenge of responding to the climate emergency through investment in our domestic and non-domestic property, renewables capacity, transport network and land. We will focus on the wider positive benefits, increasing our resilience as a City and helping all our citizens to adapt and thrive.

2 Where we are now

In December 2023, our first Annual Climate Progress Report was published. This provided an update on progress against the net zero target, together with activity during 2022/23. The Report highlighted the scale and pace required to achieve net zero within the next seven years. The Climate Progress Report was followed by the publication of a suite of statements from all Policy Committees, committing to act to tackle climate change through their work programmes and identifying current items which can play a part.

We've continued to undertake Climate Impact Assessments (CIAs) on all capital projects throughout the Capital Gateway Process. All capital development has an impact on climate and the tool is helping us to deliver projects in a way which reduces upfront impacts and significantly reduces the lifecycle impacts of new build. CIAs cover:

- building construction and use
- demand for and type of transport
- renewable energy generation and energy efficiency
- potential for climate awareness-raising
- use of resources, products, and services
- production of waste
- land use and biodiversity
- climate resilience and adaptation
- impacts on sustainable businesses and green skills development.

Since June 2022, CIAs have been carried out for a variety of projects including housing, transport, parks, and schools, ensuring consideration is given to lower impact options. As carbon measurement techniques gradually develop and evolve nationally, we will be able to improve our data and begin to measure more accurately the likely emissions arising from our projects. We are currently delivering over £169m of projects with a direct, positive impact on sustainability.

The Council's financial position is extremely challenging. The resources we have available within our existing budgets to drive this forward are extremely limited. We are proactively engaging and exploring innovative funding options to close this gap. This includes a combination of bidding for central government's funds, the UK Infrastructure Bank, the private sector, and other patient capital opportunities, and partnering with social and community enterprises such to help resource our ambitions.

Our investment strategy will help us to prioritise and identify funding and investment routes for our decarbonisation programme. Revenue funding is required to commission feasibility and commercial business case development, and we will be seeking a budget to fund this activity. This work will enable the Council to pursue external capital investment, as several core cities are already on this pathway and actively engaging with funders and investors.

Whilst the focus of most of the Council's work to date has been on reducing our greenhouse gas emissions, work is now taking place to understand the implications of the changing climate on the Council and on the City. It is likely that the increasingly extreme weather will increase demands on some services, particularly Highways, Parks and Countryside, Flood and Water Services and adult social care services. It will potentially increase both revenue and capital costs, with storm damage restitution providing very significant challenges. Flood and Water Services have seen increasing frequency of flood events, with the Lower Don Valley flood gates being closed five times between February 2022 and January 2024. They have only previously been closed three times since the scheme's completion in 2017.

All services are being supported to consider and plan to be resilient in the face of the changing climate. This work may bring to light additional capital requirements. The suitability of buildings for use in increasingly extreme heat, and the potential risk to the structural integrity of buildings and highways due to increasingly frequent and varied extreme weather events (drought, followed by flood, followed by extreme cold) all have potential capital implications. Designing capital projects with future weather in mind – such as high levels of insulation, natural cooling, natural flood management and rainwater harvesting - may have up-front initial cost implications. But these interventions may result in buildings which have lower maintenance costs in the long term, as well as health and wellbeing benefits.

3 A snapshot of key projects

Our £3.5 million Local Renewable Energy Programme is now up and running. This will deliver increased renewables capacity on Council-owned buildings that will also benefit community users, such as schools, libraries, and community spaces. This Fund has contributed to the delivery of six self-contained single person dwellings using low energy modular construction system and will be Sheffield's first "net zero in operation" council homes.

We are continuing to deliver energy efficiency improvements to Council homes through a range of projects, including external wall insulation (which is supported by Social Housing Decarbonisation Funding (SHDF)). We are also exploring opportunities for Energy Company Obligation (ECO) 4 funding to help address some of our worst energy-performing homes. We will be undertaking a pilot of smart monitoring technology in homes that will be used to assess the impacts of retrofit and help households optimise their energy usage, reducing costs and creating a more comfortable, healthier environment.

In the private sector we are delivering Homes Upgrade Grant (HUG) 2 and ECO4 'Flex' schemes. Over the coming year we will be working on prospects for a one-stop-shop, retrofit accelerator project in the 'able-to-pay' space.

Our ‘Connecting Sheffield’ programme continues to deliver a £50m+ programme of active travel and public transport improvements across the City. We’re also installing charging points for electric vehicles (EVs) to encourage air quality improvements and this summer approved a strategy for wider roll out of EV charging across the city.

We’re continuing to work with the Government’s Department for Energy Strategy and Net Zero (DESNZ) on a Heat Network Zoning Pilot Programme and Advanced Zoning Programme. This has identified areas where existing or new heat networks can provide the lowest cost, lowest carbon form of heat to large domestic, industrial, commercial, and public sector buildings. We were successful in securing revenue funding from DESNZ Heat Network Delivery Unit (HNDU) to undertake techno-economic feasibility studies on opportunities to expand existing networks, the results of which will inform future investment and financing routes.

The City’s £100m+ Flood Protection Programme continues, building on the success of the Lower Don Valley Scheme (which has prevented flooding on at least 3 occasions since completion in 2017). In October 2023, we completed Phase 1 of the Upper Don Scheme on the Loxley. This prevented flooding in October 2023.

We have completed a demonstrator project on nature-based flood risk reduction solutions on Limb Brook, in partnership with the Environment Agency and Sheffield and Rotherham Wildlife Trust. We are looking to expand nature-based solutions to other areas of the City and are seeking funding for this.

Our programme will move on now to the next phase of the Upper Don. This will open up key investment and housing in the Neepsend and Shalesmoor areas and across the Sheaf and Porter Catchments. Significant funding has been secured from Defra Flood Risk Grant - but funding gaps remain to secure the delivery of these projects.

4 How we will engage with the wider City

Sheffield has a vast range of people and organisations with a wealth of skills, knowledge, experience, and passion for acting on climate change. Many more want to act but may not have the skills or confidence to do so.

We held a second City-wide climate engagement event in Autumn 2022 to bring City partners together to showcase the exciting work already being done, identify where we can better work together and accelerate the pace of action. The development of the decarbonisation routemaps has included consultation and engagement throughout. It will continue to do so - as will work on adapting to climate change. Individual projects will also involve engagement and consultation with people, businesses, and organisations (as appropriate), as well as empowering people and communities to take action themselves to both reduce their emissions and to be prepared for the changing climate.

We have been working in partnership with Defra and the Environment Agency on flood awareness campaign work to encourage sign-up to flood warnings, and to educate residents and businesses on flood resilience actions. During 2023, the City Goals consultation - involving the Council and City partners - has delivered a large-scale engagement process and has demonstrated that tackling the climate and nature emergency and protecting future generations is important to Sheffielders.

D CAPITAL STRATEGY SPLIT BY POLICY COMMITTEE

This section sets out the strategic context for capital investment in each of the Policy Committee areas.

This section covers each of the following Policy Committee areas in turn (in no particular order):

D1 Transport, regeneration & climate change
D2 Housing
D3 Education, children & families
D4 Communities, parks & leisure
D5 Adult health & social care
D6 Economic development & skills
D7 Strategy & resources
D8 Waste & street scene.

Each section is first broken down by themes of activity within each Policy Committee area – such as Transport, Regeneration and Climate Change. Each section follows the same format, covering the following five key areas:

1) Background and context
This sets the strategic context for each area; key policy drivers and strategic goals we wish to achieve.

2) How do these activities contribute towards 'net zero'?
This sets out how we are promoting positive impacts and minimising negative ones.

3) Projects completed in 2023/24
This sets out the projects which have fully completed by the 'lock down' date of this Strategy – 31 December 2023.

4) Current projects already in delivery
Ongoing projects which have not completed as at 31 December 2023. These are projects which have had an outline business case approved and full funding is in place; these projects are either out to tender or contracts have been awarded and the work are – or almost are – on site. Unless otherwise indicated, this section does not include a number of projects which are only at feasibility stage – many feasibilities are funded through revenue until the options appraisal has been

completed. Projects only formally enter the capital programme once Members have agreed to progress the project and allocated capital funding.

5) **Potential investment pipeline for the next ten years**
This sets out our potential 'investment pipeline' – key projects, themes of activity or funding streams we will need to pursue over the coming years. It is subject to continual review and can be amended at any time by each Policy Committee.

6) **Our forward look to the 2050s**
A section for 'horizon scanning'. Whilst necessarily more speculative due to the longer timeframe, we need to start thinking about managing our assets and investing our capital over a longer timeframe – such as the lifespan of each asset.

7) **Key challenges and how we are addressing them**
A section that sets out how we are tackling – or proposing to tackle – some of the largest impediments to our success.

Each Policy Committee area effectively 'owns' it's part of the Capital Strategy. Although the formal approval of all capital schemes rests with the Finance Committee, each Policy Committee will revisit its priorities and investment pipeline throughout the year.

D1 TRANSPORT, REGENERATION & CLIMATE CHANGE

Fit-for-purpose transport infrastructure which encourages other means of transport than the car. A thriving City Centre which is a destination of choice for residents, businesses and visitors alike. Delivering our net zero commitments to mitigate the worst impacts of climate change.

Directors: William Stewart (Investment, Climate Change & Planning) | Sean McClean (Regeneration & Development)

This Committee supports investment into Sheffield's infrastructure. We want a City that's easier to get around and better to navigate; a City that promotes active travel to its citizens. A City which attracts its residents to its centre; a destination for surrounding areas which builds on its proud heritage but is a forward looking, sustainable destination of choice. A City which is mindful of its environmental impact; a City which recognises the Climate Emergency and continually strives to do better to minimise its environmental impacts for the benefit of not only its residents, but the wider World.

The Capital Strategy for this Committee area is split into three key areas of focus:

A. Transport
B. Regeneration; and
C. Climate Change.

This section will address each of these areas in turn.

A Transport

Head of Service: Tom Finnegan-Smith | Head of Strategic Transport & Infrastructure

1 Background and context

The key principles which underpin our investment strategies are set out in Sheffield's Transport Strategy. This is further complemented by the regional and national transport agenda, whereby improvements in sustainable and inclusive connectivity will be key to ensuring a strong recovery from the Covid-19 pandemic.

The 'Way we travel' Transport Decarbonisation Routemap - adopted by the Council in June 2023 - further reinforces the approach and actions required to provide the services and infrastructure to support a Net Zero transport network in the City. On a practical level, the publication of government advice around sustainable transport infrastructure design and implementation, the consultation on long standing requests for legislative changes to highway powers to Highway Authorities outside of London and the funding allocations for transport further outline an ongoing commitment to transport improvements.

On a local level, the City's Transport Strategy outlines the policy position for this investment:

A City that's easier to get around

- Faster, better integrated and simpler bus services
- Securing the future of Supertram and supporting its expansion
- New mass transit routes and services creating more public transport capacity for a growing City
- An inner ring road that has more capacity and is easier to cross into the City centre

A better connected Sheffield

- Faster, longer and more frequent train services to other cities and to the rest of the City region
- A transformed Sheffield Station bringing High Speed rail services into the heart of the City
- Improved major road network, keeping Sheffield connected to motorways, airports, and other cities

A safer and more sustainable Sheffield

- Sustainable safety, safe walking and cycling as standard
- Improved air quality and working to manage congestion

- Improving poor health and poor access to jobs and services

All our projects are focused upon delivering these priorities for the City.

It is the Council's ambition that public transport, cycling, and walking are natural choices for making journeys within our City, whether this be to the local shops or for journeys to work. We believe that by working closely with our communities, the third sector, and the wider public and private sector, a strong basis for achieving our sustainable transport ambition can be developed, and ultimately delivered.

The Council wants to support the transformation of local areas through this ambition to promote sustainable forms of transport. Making the change away from private car ownership will tackle congestion, improve physical and mental health through mobility, support local economies whilst being a fundamental cornerstone to achieving local and national climate change resilience. Specifically, capital delivery of an improved and seamlessly connected active travel network will see employers benefit from a healthier workforce, whilst at the same time creating more opportunities by delivering thriving streets which are made more accessible with reduced severance caused by car movements.

As this ambition is bold and will require a significant change in behaviour, the Council has previously undertaken public consultations to inform our approach. Specific questions were asked about people's perceptions of active travel, the barriers of use and associated expected outcomes and benefits.

The Big City Conversation survey covered a wide range of Council functions to help understand from the public's perspective what the Council should be prioritising and investing in. The findings from this survey identified that traffic congestion, poor air quality and the need to improve local streets are all key areas of public concern. This further outlines the importance of the investment associated with the Transforming Cities Fund and implementation of the Clean Air Zone and wider Clean Air Plan measures. Investment in active travel and public transport should be positively received. Further work to ensure that our consultation and engagement provides an opportunity for local views at an early stage of project development, and that benefits of schemes are communicated in a meaningful way at an individual and community level as well as at a City level is underway.

Realising the Council's ambition to create an environment without reliance on the private car will take sustained investment in supporting infrastructure. It will take long-term transport planning and will require a change in attitudes, specifically amongst, businesses, communities, and individuals.

2 How do these activities contribute to 'net zero'?

Transformation of our transport system to achieve net zero emissions mobility is one of the most significant challenges the City and the country faces in the prevention of extreme climate change and the achievement of environmental sustainability objectives. Yet transport decarbonisation also offers us a powerful opportunity to achieve positive change at a global scale, improving the quality of mobility for all is an outcome we should pursue as part of decarbonisation. This has been clearly recognised in the Pathways to Zero report, but also more strategically through the Department for Transport and Transport for the North Decarbonisation Plans.

The 'Way we travel' Transport Decarbonisation Routemap, reinforces the scale of the challenge and changes required to address emissions from transport across the City. The immediate actions over the next 2-3 years are set out in the Routemap as is the wider approach required to provide the services and infrastructure to support a Net Zero transport network in the City and support alternatives to individual motorised journeys. For example, the Connecting Sheffield investment programme is seeking the designing and delivering public realm enhancements with a movement strategy that improves integration of transport modes and supports the behavioural shifts needed to encourage more people to travel using sustainable modes. This will inherently alter how we use carbon in the transport system.

The decarbonisation agenda creates a fantastic opportunity to drive other beneficial outcomes, from better connected communities to cleaner air for Sheffield. Transport is becoming a flywheel for change, not only within the transport sector itself, but by catalysing wider change in energy systems and other operational functions of the Council. This includes the roll out of electric vehicles for the in-house fleet, but also how charging points are deployed across the Council's estate, such as housing provision, car parks and the highway itself.

Transport decarbonisation is about far more than vehicle choice and modal mix. System-wide decarbonisation is also about the carbon implications of transport infrastructure design, construction, and operation. In particular, minimising embodied carbon in both infrastructure and vehicles must be tackled to achieve credible, comprehensive transport decarbonisation, as is operational emission reduction across supply chains.

3 Projects completed in 2023/24

	Project and total value	Impact
1	Broadfield Road junction (£4m)	Remodelled junction to improve bus journey times and reliability
2	Clean Air Zone Implementation (£4.3m)	Infrastructure to implement Clean Air Zone Charging

3	Electric Vehicle Charging Points (4 x schemes) (£2.2m)	Provision of electric vehicle charging infrastructure
4	16 x 20 MPH Zones (£1.6m)	Improved road safety
5	Various Road Safety Schemes (£2.1m)	Improved road crossings and pedestrian accessibility measures
6	Kelham Parking Scheme (£0.5m)	Regulated parking improvements
7	City Centre Bike Hub (£0.4m)	New cycle storage and maintenance facilities

4 Current projects already in delivery

	Project	Budget (£) (all years)	Year(s)	Outputs
1	Clean Air Zone Grants HGV / Bus /Coach	£6.4m	2023/24 – 2024/25	Increase in CAZ compliant vehicles
2	20 MPH Zones x 6 sites	TBC at feasibility stage only	2023/24 – 2024/25	Improved road safety
3	Transforming Cities Kelham Island and Neepsend Connecting Sheffield	£16m	2020/21 – 2024/25	Bus and Active Travel improvements
4	Transforming Cities City centre Connecting Sheffield *	£14m (estimate only still at design stage)	2019 – 2024/25	Improved Cycle Connectivity across city centre including major public realm enhancement. Improved bus infrastructure
5	Transforming Cities Attercliffe to Darnall Connecting Sheffield *	£18m (estimate only still at design stage)	2020/21 – 2024/25	Bus and Active Travel improvements
6	Transforming Cities South West Bus Corridors Connecting Sheffield *	£1.4m (estimate only still at design stage)	2020/21 – 2023/24	Bus and Active Travel improvements
7	Transforming Cities Magna Tinsley Connecting Sheffield *	£5.4m (estimate only still at design stage)	2020/21 – 2024/25	Creation of a joined-up cycle network from Meadowhall to Rotherham via Tinsley. Also, access to new tram stop at Magna.

	Project	Budget (£) (all years)	Year(s)	Outputs
8	Transforming Cities Nether Edge Connecting Sheffield *	£12.5m (estimate only still at design stage)	2020/21 – 2024/25	Creation of a cycle route from Sharrow Lane Crossroads to the City centre and the Broomhall
9	Shalesmoor Gateway *	£22.5m (estimate only still at design stage)	2021/22 – 2025/26	Remodelled junction to improve bus journey times and reliability and introduce access improvements to the wider area.
10	A625 Safer Roads Scheme	£1.4m (estimate only still at design stage)	2023/24-2024/25	Suite of safety improvements on route

*Transforming Cities Fund Schemes (with the exception of Transforming Cities - Kelham Island and Neepsend Connecting Sheffield) and Shalesmoor Gateway Scheme currently approved for feasibility works only, budgets shown are indicative for full project delivery awaiting confirmation of external funding.

5 Potential investment pipeline over the next 10 years

The transport investment landscape is changing radically, with Department for Transport (DfT) guidance specifically highlighting the need for a step change in both active travel provision and bus priority. Funding criteria is moving away from the previous ‘predict and provide’ ethos of road capacity enhancements, with a clear focus on how highway schemes must demonstrate a benefit for public transport and provide improvements to pedestrian and cycling facilities. This follows the backdrop of the need to manage the demand of private car trips, related to the decarbonisation and environmental initiatives.

In addition to this, the Levelling Up agenda places transport and connectivity at the heart of economic recovery post Covid-19. Therefore, the focus on the next 10 years’ of pipeline transport projects is how interventions can support the City’s regeneration aspiration, linked to the emerging Local Plan objectives and where congestion and modal shift is currently restricting growth. Improved journey time reliability and improving access from growing neighbourhoods to jobs, education and training as well as improving conditions for business through effective network management are critical outcomes to be achieved.

The design of new transport schemes will seek to introduce a safer approach to scheme implementation from the outset. This will follow the Safe Systems Approach which is being proposed by the South Yorkshire Safer Roads Partnership. The standards for providing the correct type of infrastructure are established, with new guidance now in place from the Department for Transport. This will contribute towards an inclusive transport network and improve health outcomes.

There is a need for greater monitoring and evaluation post scheme implementation. This will ensure the benefits of investment in transport infrastructure continue year after year and we will seek to understand the impacts of the project as well as highlight where retrospective improvements can be made. This will also include how we plan for the introduction of alternative fuel and automotive technologies where appropriate.

	Priority	Impacts
1	City Region Sustainable Transport Settlement (CRSTS)	The CRSTS is the capital funding allocation for all transport spend. The allocation and settlement will contain the next 5 years allocation of the Integrated Transport Block, as well as the final year instalment of the Transforming Cities Fund and the future 5-year major scheme transport funding. This fund will therefore deliver the day-to-day improvements on the local network, as well as provide the funding for larger scale strategic interventions. This will build upon the work currently in progress to further develop a joined up and seamless network.
2	Active Travel Fund and Mini Holland	The Active Travel Fund and Mini Hollands schemes will deliver the national commitment to travel behavioural change at a local level. Active Travel is a regional priority through the South Yorkshire Mayor and the Active Travel Commissioner. The impacts of this will be providing the correct infrastructure, with supporting revenue activity to promote walking and cycling as an attractive travel alternative.
3	Electric Vehicle Charging	There are several outstanding issues related to the delivery and management of electric vehicle charging infrastructure. Challenges around third-party venture, including private sector mobilisation are yet to be understood, as well as some of the practical issues like cables on the highway and the management of kerbside availability. Ensuring that we consider opportunities for commercial investment in public EV charging in the City to maximise value for money from Government grant funding opportunities and minimise the maintenance liabilities on the future highway assets will be essential. A City concession partner opportunity is currently in development. This will be aligned with the submission of funding bids to the Government's LEVI Fund. The impact of this approach, will be a programme of work which seeks to ensure that Sheffield isn't left behind in this revolution and there will be a network across the City that serves the needs of the population.
4	Infrastructure investment	Continued investment in the maintenance of the transport system will ensure its safe and secure purpose. The other element to this is making sure that effective monitoring and evaluation takes place to inform future schemes and develops a strong case for further investment through local, regional, and national funding sources.
5	Improving Air Quality and supporting the decarbonisation of the transport system	Decarbonisation and a move towards a sustainable City is very much at the forefront of funding decisions. Schemes must contribute towards both reducing carbon through design as well as delivering schemes that support the transition to a low carbon future. The impact of this will inevitably be a cleaner, greener, and more efficient living environment, that supports the needs of residents and business.

6 Our forward look to the 2050s

By 2050, the transport network is predicted be a very different offer. Innovate UK have recently published a paper regarding how the transport system could look in 2050 and what investment needs to take place to get there. There is much uncertainty on the transport system, with travel habits altering substantially through different working patterns and consumer habits post Covid-19.

The 2050 vision of transport enables the movement of people and goods from one location to another through seamless, safe, net zero, connected, cost effective, accessible, and reliable means. However, there are attitudinal, technical, and economic challenges to be addressed. Understanding these will be paramount to any progress being made.

The way people travel and behave will change and this will be accelerated by advances in technology that will improve transport services, reduce costs, and revolutionise business models. We expect to see an increase in the use of most travel modes, a push for travel reduction, and a trend towards alternative forms of mobility. There will be some shifts in travel use between modes - such as less bus use and more use of shared services - and some shift from road and rail freight to short-sea shipping. Walking and cycling are expected to grow, as is the use of electric bicycles and scooters. However, it is difficult to predict transport use beyond 2025 because of the large number of variables in future scenarios. The growth in transport is a challenge to plans to reduce carbon emissions. We expect to see efforts directed towards demand reduction, zero emission technologies, and a shift away from more polluting modes of transport.

Improved communicators and data connectivity will create opportunities for greater efficiency, new services for travellers (access to information, fares, and ticketing), and new business products and amenities. We expect all road vehicles to be capable of fully cooperative driving by 2050. Road maintenance, traffic planning and routing, traffic management, refuelling systems, freight operations, train operations and air traffic management will all benefit significantly.

The move to net zero by 2050 will require a complete shift from fossil fuels to sustainably produced electricity, hydrogen, and other alternatives. Fossil fuels will still be the dominant energy source in 2025, and even 2030. However, electric will need to be the dominant by 2050 if we are to achieve net zero. We also expect hydrogen to be a significant fuel for heavy goods vehicles, buses, and aircraft by 2050.

Connectivity and autonomy will make road vehicles smarter, create opportunities for new services such as last-mile delivery by drone and deliver fully autonomous urban transport. Certain predictions anticipate that the urban transport system, air transport, rail freight and 90% of motorway HGVs will be fully autonomous by 2050.

Advances in technology and new government policies will transform business models and lead to bundling of services, better use of resources and mass customisation. The growth of online retail, improved logistics, use of drones, greater understanding of insurance and risk and improved connectivity will all have an impact on business models.

Regionally, the implications of investment taken - or not - by national bodies in the Sheffield area will have major bearing over the next 20 years. Recent announcements from DfT on the Integrated Rail Plan for the North have concluded with a poor rail offer for the City with minimal investment in inter-regional rail connectivity for Sheffield. This demonstrates another setback for rail provision on a strategic level, with the likely impact being the retention of private cars trips for journeys to Leeds, Manchester and the Midlands area and with associated impacts on the potential agglomeration benefits to our City and regional economy.

On a more local level, the Amey PFI contract will have expired and decisions around future highway maintenance would need to have been resolved. This is large undertaking and has the discharge of several statutory functions attached to the decision. Although there are many more years left on the contract, it would be prudent to begin exploring the implications of this as soon as possible.

The continued operation of Supertram is a key risk over the coming years, as the significant asset replacement programme is yet to be approved. From March 2024 Supertram operations will transfer from Stagecoach to a NewCo as part of bringing the Tram back to public operation and ownership under SYMCA. The tram is clearly an asset for the City and the wider region, and the failure to operate is a major economic, social and environmental risk. To help address this, the City is seeking to work with the South Yorkshire Mayoral Combined Authority to outline a support package, both in terms of how the capital costs for asset renewal can be funded but also setting out a clear Vision for the future of Tram with future extensions and operating models developed.

The bus network is undergoing fundamental change following the introduction of the Bus Service Act (2017) and the requirement for a change of operating model. An Enhanced Partnership is currently in place, but SYMCA are currently exploring the potential for a Franchised network. However, currently with the commercial revenue risk of bus operations falling to private bus companies - and the need for SYMCA to fill appropriate gaps in service provision through supported (publicly funded) services - there is the potential for systemic changes to the bus network.

Currently with the reductions in Central Government funding support for bus services, further commercial reductions are planned with increasing pressure on the public purse to offset the impacts of cuts. Ensuring that bus networks are operating as efficiently as possible and targeting infrastructure improvements, including bus priority measures, will be one way of potentially attracting more patronage but also reducing operational costs. The need to invest in appropriate infrastructure to drive efficient operations will be essential.

The resilience of the transport network, particularly in relation to flooding and the environmental challenges of climate change, is a major feature for 2050. How we design, maintain, and operate transport functions in response to these implications will need consideration. This is already happening to some extent, with schemes like Grey 2 Green and the proposed Connecting Sheffield work. Highway designers are considering how greenery, biodiversity and sustainable drainage can be integrated into design solutions. These changes - when combined - will provide an extra level of protection of the highway and improve resilience.

7 Key challenges and how we are addressing them

	Challenge	Actions to address
1	Lack of appropriate funding to develop 'pipeline' schemes identified in the Sheffield Transport Strategy	Without development funding we will not be able to develop a business case for projects to effectively secure external funding to assist in delivering our Transport Strategy adopted in 2019. This has the potential impact on the Council's ability to develop significant infrastructure projects that are required to support the City's Housing and Economic ambitions. The opportunity to use revenue funding allocated to the development of CRSTS programme (once these schemes reach SOBC approval) to then develop future pipeline schemes is currently being pursued.
2	Ongoing maintenance of the highway infrastructure (commuted sums)	Agreement on way forward required to provide confidence in our ability to address infrastructure required to support economic growth. There are constraints on the majority of Sheffield City Region (SCR) funds and Government funds that mean these cannot be used to fund the commuted sums associated with projects. This acts as a constraint, as either Local Transport Plan (LTP) funding or local revenue funding needs to be identified to pay the commuted sum. Wherever possible, we seek to reduce the upfront cost of the commuted sum through design and aligning projects to Amey's programmed maintenance work, but these opportunities are limited following the Core Investment Period. A review of commuted sum liabilities will be undertaken for all projects at an early stage of project development to inform implications on future programmes.
3	Transforming Cities Fund (TCF) constrained timescales – still subject to decision	Ongoing engagement with key stakeholders and the public to clearly articulate the programme of work and its benefits. There has also been discussion around design and build contracts to ensure that the programme of works is delivered on time and within budget. Each scheme has been designed to be scalable, therefore opposition and scope creep can be managed within the programme. Confirmation that programme funding will be considered across TCF and CRSTS funds has recently been received which provides some flexibility to funding pressures.
4	Public engagement and acceptability	As described in point 3, funding for major transformative projects has stringent funding deadlines which are controlled by associated legal agreements. With all projects of this nature, consultation needs to be meaningful and engaging with the public and stakeholders is critical to obtaining success and delivering a project that meeting competing demands and expectations. Doing this under funding specific deadlines means a focused approach to obtain and address any matters arising. This has been mitigated through Transforming Cities Fund (TCF) by using new ways of consultation and setting a new blueprint for consultation procedures, including specific communications resource.
5	HS2 and the Integrated Rail Plan for the North (IRP)	The IRP has published several future rail investments that do not include the transformational improvements for Sheffield. The commitments in the IRP are still yet to be fully understood, however, the challenge is how to reverse some of these omissions from the IRP and secure rail improvements for the City. Further work to influence the High Speed Rail study to Leeds study which will include reference to the Leeds-Sheffield connectivity challenge is to be undertaken over the next 12-18mths.

6	Post Covid-19 bus and tram market recovery and operating model	The impact of the removal of the Bus Recovery Fund is potentially going to result in reduced bus services. This will need to be brought into the spotlight and highlighted in respect of other improvements to the bus offer, including our existing capital investment. Continued engagement in the BSIP development will be critical to understand the local authority commitments as well as how we can harness SYMCA funding for these projects. This will feed into discussions with the operators around their investment packages to support the capital investment. The SYMCA budget setting process for 2023/24 and beyondwill need to consider these funding risks as a key issue.
7	Ceasing operation of Supertram	There is an immediate focus to work with the other South Yorkshire Local Authorities on the funding position and how to mitigate the risk of not renewing the Supertram asset. In the first instance a business case to fund the major maintenance of the network is to be submitted to the Department for Transport in late 2023 will be critical, and in the longer term a ‘vision piece’ around future expansion is critical for wider partner buy in.

B Regeneration

Director: Sean McClean | Director of Regeneration & Development

1 Background and context

Heart of the City II is one of Sheffield's key regeneration projects being delivered by Sheffield City Council. The scheme will contribute positively to social and economic terms, making the City centre a more dynamic place to live and work.

In addition to encouraging new retailers to the City Centre, the scheme is providing Grade A office space (including the City's first 'net zero' carbon in-use office accommodation), a 4* hotel, new homes, restaurants and cafes, leisure destinations and stunning public realm - including the new Pounds Park right in the City Centre. These all create the type of high-quality place-based regeneration of the City Centre that helps attract jobs and investment.

The scheme brings together the old and the new, maintaining the existing street patterns and balancing heritage with striking new architecture and unique outdoor squares and spaces. Rooted in the City's unique character, it will help knit together The Moor, the Devonshire Quarter and the regeneration scheme underway on Fargate and at Castlegate - providing a new home for Sheffield's cultural, commercial, and creative trailblazers.

Sheffield has significant assets that will continue to provide opportunities for development, investment, and growth to produce sustainable regeneration activity to support the City and region. We have been working with partners to create investable propositions around these assets:

- The City Centre Vision, will create a thriving City centre, with a strong focus on housing-led growth in the City centre, alongside catalytic employment projects like West Bar and Castlegate, and the ongoing development of Heart of the City II
- District centres and communities.

We will work alongside South Yorkshire Mayoral Combined Authority and will also seek to partner with the public and private sector partners, including the Sheffield Property Association, Chamber of Commerce, University of Sheffield, Sheffield Hallam University and Homes England. This will maximise our effectiveness and ability to unlock funding opportunities.

2 How do these activities contribute to 'net zero'?

Wherever possible the development will be to the lowest environmental impact including:

- Retaining as much existing building as possible
- Buildings designed to meet Building Research Establishment Environmental Assessment Method (BREEAM) rating of excellent
- Connection to District Heating network
- Use of photovoltaic arrays at rooftop level
- H1 office development has achieved an "excellent" five-star NABERS UK rating, putting Elshaw House in the top 1% of office buildings in the UK.

3 Projects completed in 2023/24

	Project and total value	Impact
1	Former JLP Building Asbestos Strip-out and enabling works (£3m)	Stripped out and safe building enabled for future development.
2	HoCII Block G 'Pound's Park' (£7.5m)	Delivery of City Centre Park
3	Upper Don Valley Flood Scheme (£10.6m)	Comprehensive linear flood defence to three discrete flood 'cells' within an area at high risk of flooding on the River Loxley (a tributary of the River Don) and at the confluence of the Loxley and the River Don.

4 Current projects already in delivery

	Project	Budget (£) (all years)	Year(s)	Outputs
1	HoCII Block H1 Leah's Yard	£12m	2021-2025	Bringing back into life an iconic heritage building. Operator now secured.
2	HoCII Block H - Formerly Henrys, now Elshaw House, Cambridge Street Collective and Bethel Chapel	£57.9m	2021-2025	Increased leisure offers in the city in a cutting-edge food hall concept combined with further grade A Zero

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	Project	Budget (£) (all years)	Year(s)	Outputs
				Carbon office space attracting inward investment and Jobs. Food Hall operator now secured.
3	HoCII Block A 'Radisson Blu / Gaumont Building'	£48.6m	2021-2024	Development of mix of Hotel, Leisure unit. Hotel pre-let to Radisson Blue.
4	HoCII Infrastructure & Public Realm	£1.4m	2018-2024	Improved street grid and high-quality public spaces and public art.
5	HoCII Block G Development Plots	£0.9m	2021-2025	Remainder of Block G site to be sold as development plots for private development of commercial space
6	Future High Streets Fund Public Realm	£14.5m	2022-2024	Improved City Centre Public Realm & Infrastructure
7	Future High Streets Fund Events Central (refurbishment element)	£6.6m (current approval but increase anticipated)	2022-2024	A new cultural venue that will host up to 184 events annually, attracting a total of 55,600 attendees
8	Future High Streets Fund Front Door Scheme	£3.7m	2022-2024	Landowners to benefit from grant assistance to repurpose vacant/underused space for new work and residential accommodation. The public investment will secure £26.1m of private sector investment for improvements to existing buildings on Fargate and High Street
9	Levelling Up Fund - Attercliffe - Centre for Child health technology *	£8.8m	2022-2025	4100 m2 Floorspace, 100+ jobs, healthcare facility
10	Levelling Up Fund - Attercliffe - Connection and Movement *	£4m	2022-2025	2 Improved tram stops, 5km of highway improved Secure storage for 100 bikes Site preparation for Innovation centre
11	Levelling Up Fund - Attercliffe - Adelphi Square *	£4.2m	2022-2025	1200m2 Floorspace improved 2 heritage buildings saved
12	Levelling Up Fund - Castlegate – Castle Site *	£15.7m	2022-2025	Site preparation 8120sq m public realm

	Project	Budget (£) (all years)	Year(s)	Outputs
13	Levelling Up Fund - Castlegate Harmony Works *	£1.7m	2022-2025	Collaborative music and education centre 200m2 commercial space
14	Stocksbridge Towns Fund Community Hub *	£11.7m	2022-2026	30,000 sq. ft. Community hub containing a modernised library service.
15	Stocksbridge Towns Fund Place Making *	£5.5m	2022-2026	400 sq. meters of new public realm and public spaces
16	Stocksbridge Towns Fund Shop Fronts Arcade *	£0.6m	2022-2026	Improved shop frontages
17	Stocksbridge Towns Fund High St Accessibility *	£0.35m	2022-2025	Improved accessibility to high street services and a wayfinding scheme
18	Stocksbridge Towns Fund Sports Pavilion *	£0.7m	2022-2025	Improved sporting facilities
19	Stocksbridge Towns Fund Oxley park Improvements	£0.7m	2022-2024	A new skate park and an improved footpath network, connecting the leisure centre directly to the park
20	Stocksbridge Towns Fund Bus Improvements	£0.7m	2024/25	A new local bus service
21	Stocksbridge Towns Fund – Sports Grants	£0.2m	2024/25	Grants to Rugby & Football Clubs to improve sporting facilities

*Elements of Levelling Up Fund & Stocksbridge Towns Fund schemes show indicative budgets awaiting formal submission of Business Cases / confirmation of tender prices.

5 Potential investment pipeline over the next 10 years

	Priority / Project	Impacts	Potential funding source(s)
1	City Centre Vison and Catalyst Sites	Development and delivery of the City Centre Vison and progression of catalyst sites.	TBD
2	Parkwood	Creation of a country park in the City and improved access to an investment site for an adventure operator	Gain Share
3	Sheaf Valley Masterplan	Regeneration of key City Centre site	TBD
4	Heeley	Creation of community workspaces, hubs and public realm improvements	TBD

6 Our forward look to the 2050s

With a population set to increase to over 600,000 by 2043, it is important that the City fulfils its role as an economic driver for the City Region, presenting opportunities for growth and renewal. Sheffield should be seen as the place to live, work and play, with a successful City centre, and vibrant and thriving district centres serving their local communities. Across the City there will be a need to accommodate a wide range of activities and amenities which encourage footfall and provide a reason for people to visit the City centre and their district centres.

The City centre itself will become an important driver of housing growth. Bringing more people into city centres - and creating new city centre neighbourhoods - will support other components that will develop as city centres transform from places traditionally associated with employment and retail into a broader offer to benefit the wider economy.

Delivering this strategic vision will not happen if we rely solely on market forces. Public sector intervention will be needed, working alongside strategic partners and key stakeholders. Key areas of investment in transforming the City will include:

- Placemaking, public realm and ‘grey to green’ type initiatives
- Providing a diversified City centre offering
- Creating sustainable communities across the City
- Infrastructure

- Transport and active travel
- Homes of a variety of types and tenures
- New office developments and places to work
- Culture, arts and leisure
- City centre animation and Outdoor City.

7 Key challenges and how we are addressing them

	Challenge	Actions to address
1	Managing costs within budget and keeping to programme in an increasingly challenged construction sector with inflationary and supply pressures	Review and manage procurement routes to secure most competitive appointments. Pass risk on to the contractors when/where appropriate. Strong project management.
2	Changing UK retail market leading to lack of demand for physical retail space alongside more aggressive commercial terms being demanded.	Constant review of leasing strategy, focussing on elements that cannot be digitised such as experiential retail, food and drink, and competitive socialising. Targeting the right mix of international, national, and local brands who are adapting their business models to suit the changes in shopper behaviour and the digital world.
3	Changing requirements for office space following the Covid-19 pandemic and the move to hybrid working.	Continual review of emerging trends.
4	Lack of revenue funding for early development and feasibility works for capital projects.	Corporate Investment Fund to ensure investment in development of projects that are best aligned to Member priorities and strategic objectives for the City. Feasibility funding held to be utilised for project and bid development.
5	Availability of match funding for capital investments.	As above - and continue to explore and identify options for external funding.
6	Uncertainty about future availability of Central Government funding and the replacement of European funding	Work with European funding partners to maximise current opportunities for funding, minimising risk of clawback and keep implications of Brexit under scrutiny. Work closely with the SYMCA to maximise access to Government funding.

C Climate change

Director: Wil Stewart, Director of Investment, Climate Change & Planning

1 Background and context

The Council has continued to make progress towards its goal of becoming a net-zero organisation and City by 2030 through a range of activities and programmes.

In July, the Transport Regeneration and Climate Policy Committee agreed our first tranche of decarbonisation routemaps, setting out actions that the Council will take to decarbonise the way it works and operates (alongside wider plans to decarbonise how residents and visitors travel within the City).

As noted in last year's Capital Strategy, the transition towards a net-zero City and Council will require significant long term financial resources, as well as an acceleration in both the pace and scale of investment being made. It will also mean the Council using its (limited) resources to leverage and attract considerable private sector investment into the City.

Two areas that demonstrate this well are energy generation and storage, and housing decarbonisation. These are covered by our second tranche of routemaps. The costs associated with decarbonisation in these two areas is well-beyond the resources of local government and will require new approaches to be adopted.

As part of our work to establish the investment requirements of the energy transition, the Council has secured internal funding from our 'Gainshare' funding to develop a Local Area Energy Plan (LAEP), to be developed over the next 12 months. This Plan will set out the most effective route to transition our City's energy system to net-zero, helping to identify the interventions for investment that will be required from both the public and private sectors.

The Council will need to continue to invest in other feasibility studies and develop outline business cases and project proposals, that enable us to secure much greater investment and funding such as private sector capital (see next section). The Council will continue to seek additional resource over the next 2-3 years to fund this activity, as well as seeking further allocations of capital funding to enable the transition to net-zero carbon to move forward.

2 How do these activities contribute to ‘net zero’?

The activities delivered through this programme constitute the Council’s core climate action programme. But there will also be a wide range of other programmes and investment that are being delivered across other parts of the organisation that will contribute positively towards our climate goals. Since last year, we have developed the Climate Oversight Board that brings together Directors from across the organisation to ensure that climate is embedded into all our activities and that opportunities are maximised.

Part of this work will include refining our investment opportunities in areas such as neighbourhood decarbonisation, taking a place-based that brings together some of the challenges such as financing large-scale domestic retrofit, energy provision and vehicle recharging.

The £3.5m Local Renewable Energy Programme is helping to progress our understanding of opportunities to expand heat networks in the City. This includes investigating the potential to utilise waste industrial heat, to be captured and then re-used to heat homes and buildings in the City. Combined with the heat network zoning pilot - a government-funded study to establish how new legislation can support the expansion of heat networks - this area has the potential to also support the creation of new job opportunities directly in the City. In addition, a portfolio of community-assets has been surveyed over the last 9 months to identify the most suitable locations to invest in local renewable energy.

Revenue funding is being sought to support the activities identified in section 1 (Feasibility and scoping studies, primarily related to renewable energy opportunities and energy system resilience), as well as revenue to support wider engagement activity. There is also a role for the Council’s city partners in climate change mitigation projects. Work to develop collaborative strategies and joint funding opportunities is underway, as there is a need for City-wide strategy that recognises that the Council is just one of a range of partners and institutions that will need to develop and invest in projects over the coming years.

3 Projects completed in 2023/24

None.

4 Current projects already in delivery

	Project	Budget (£) (all years)	Year(s)	Outputs
1	Community Renewable Energy Fund	£3.5m	2022-2025	A range of community renewable energy projects

5 Potential investment pipeline over the next 10 years

The transition to net zero will require significant capital investment. This level of investment is beyond the reach of public finances, particularly at a local government level. Sheffield - along with other cities - is exploring alternative approaches to secure investment, such as with the UK Infrastructure Investment Bank or partnerships such as the Cities Commission for Climate Investment (3Ci) - an innovative collaboration of local government and the private sector. The Council has already put forward a proposal to 3Ci as part of its Net zero neighbourhoods programme, which aims to create a 'pitch-book' to be shared across government departments and potential investors.

Further work and revenue funding will be required to develop a robust investment pipeline for the City.

Revenue funding is required to commission feasibility and commercial business case development. Capital funding will then be needed to develop a series of pilot projects and investable propositions that build credibility and capability within the Council. A revenue budget of **£1-2m** will be needed to develop the programme and a capital allocation of **£5-10m** over the next 10 years is needed to invest in projects around the City.

Our existing capital programmes are also being flexed wherever possible to support this agenda. But whilst additional capital investment will be sought, match-funding may be required to support funding applications.

6 Our forward look to the 2050s

We must prepare for the significant climate risks associated with changes to our weather, particularly if the goal of limiting global warming to 1.5°C is missed. Meteorological Office data forecasts predict that the City will face very significant climate risks, including heat wave, fire and drought, as well as increased risk of flood. An increasing demand for energy, combined with other external factors may lead to further price increases and potential power shortages. Our work to develop resilient and decarbonised energy systems is of particular importance.

The Council is already participating in a Yorkshire and Humber Climate Commission programme which is supporting Local Authorities to develop Climate Adaptation Plans. But significantly more investment will be required to ensure that the Council and wider City is prepared for potential impacts. This includes both revenue as well as capital funding required to develop and deliver climate-resilient infrastructure across the City.

Adaptation costs for infrastructure must be built into our programmes now, and plans for mitigating the social / health impacts will also need to be developed as projects and programmes are designed.

7 Key challenges and how we are addressing them

	Challenge	Actions to address
1	No revenue funding – unable to undertake further engagement activity with stakeholders	Seek Flexible Development Funding (FDF) and other sources of revenue.
2	No revenue funding – unable to undertake feasibility or scooping studies, required to provide commercial investment case, funding bids etc.	Seek Mayoral Combined Authority (MCA) place-based revenue.
3	Future energy system resilience – unknown risks to future growth sites / EV / Residential / Commercial / Industrial.	Funding has been secured from Place Feasibility Fund from the Gainshare pot. Initial planning work is progressing and we are awaiting the appointment of resources.
4	Climate Resilience Plan - no plan in place – risk to City / businesses / residents – insufficient resources to complete this.	Seek MCA place- based revenue and private sector capital. Capital funding requirements to follow.
5	No capital to deliver schemes which are identified in 2, 3 and 4 above.	Seek capital funding as soon as feasibilities completed – including a potential request to the Corporate Investment Fund. Develop investable propositions to attract institutional and private sector investment.

D2 HOUSING

Increasing the City's stock of new housing – for both rent and sale - through delivery by the Council, the Council's Joint Venture, Registered Providers or private developers. Ensuring the Council's existing housing stock is well maintained for our tenants.

Directors: Janet Sharpe, Director of Housing | Sean McClean, Director of Regeneration & Development

Sheffield City Council wants to deliver – whether directly or indirectly - high quality, energy efficient housing for its citizens. It has two key areas of focus:

A. **Housing growth**: building new Council houses through its Stock Increase Programme (SIP) and facilitating the delivery of housing through other routes to ensure sufficient high-quality housing stock for our residents; and
B. **Housing investment**: ensuring existing Council housing is well maintained and as energy efficient as possible to minimise residents' cost of living and ensure a safe living environment.

This section will address both these areas in turn.

A Housing Growth

Head of Service: Kerry Bollington

1 Background and context

Sheffield is England's fourth biggest city. In mid-2018, around 583,000 people lived in the City and by 2043 this is projected to increase to around 648,000. Over 60,000 students now live in the City. In common with other UK cities, there are very significant disparities in the housing market. The City offers some of the highest quality and most affluent neighbourhoods in the country, but it also has some of the most deprived areas: 8 wards fall into the 10% most deprived in the U.K.

Sheffield currently faces significant housing challenges. We recognise that developing new homes in Sheffield is not without challenge: an industrial past combined with topographical challenges and segmented land ownership can mean development - particularly on brownfield sites - will not always come forward through market forces alone. We have to do things differently.

The emerging Sheffield Plan illustrates a spatial strategy which supports around 35,500 new homes over the next 17 years, of which over half will be in the City centre and half in the suburbs. Whilst the City is delivering against its current housing need target of around 2,000 units per annum, one of the biggest challenges we face is our ability to deliver our affordable housing need of around 900 new affordable homes each year.

The Council's response to this challenge is the planned delivery of the new Housing Growth Plan 2024+ - and our continued commitment to partnership working across the sector through our Sheffield Housing Growth Board (chaired by the Council's Chief Executive).

The Housing Growth Plan 2024+ will focus on the short, medium, and longer-term housing growth plans for the City over the next 17 years (in alignment with the Sheffield Plan). The plan will feature the Integrated Affordable Housing Programme and The City-Wide Housing Growth Plan. These are supported by the emerging Housing Strategy, the City Centre Strategic Vision, and the Sheffield Land and Property Plan.

The Sheffield Housing Board is a joint executive of Homes England, Sheffield Property Association, and representatives of Registered Providers and housing associations who, by working together, will focus efforts on achieving housing targets and implementing key placemaking, environmental, and carbon reduction principles.

2 How do these activities contribute to 'net zero'?

The Council will encourage high quality construction and architecturally sound designs in new developments. We also support the retrofit of existing buildings where conversion and reuse is being considered. Encouraging higher density developments - both in the City centre and beyond - and investing in infrastructure and place-based design, will encourage lifestyles that are less carbon-intensive.

New homes built through the Council's own stock increase programme (SIP) help move Sheffield City Council along the path to carbon neutrality. Prior to the 2021 Building Regulations update to Parts L and F, our thermal performance was higher than the statutory requirements. We achieved this by employing a 'fabric first' strategy of construction techniques and fitting mechanical ventilation and heat recovery (MVHR) units. These recover heat from outgoing stale ventilation air and use it to warm incoming fresh air, saving energy and making the dwellings healthier by doing so.

For new properties subject to the 2021 Building Regulations update, we will be removing fossil fuel use by eliminating gas boilers in favour of electrical alternatives (such as air-source heat pumps). We will also be further improving the thermal performance of our windows and doors, increasing our construction air tightness requirements, and providing EV chargers in line with Regulations. The proposed 2025 Building Regulations update (to meet the Future Homes and Building Standards) will also require the addition of solar panels and battery storage to reduce electricity bills and demand on the grid. In 2029 - in readiness for hitting the Council's net-zero target of 2030 - our plans are to introduce further increased air tightness requirements in construction.

To future proof our current new builds for future electrification of heat and hot water, the master planning of estates and designs of each building will ensure the predominate roof plane of each house or communal building faces south or south-west. This will allow easy and effective future fitment of photovoltaic (solar) panels to generate solar power for each dwelling. Internally, additional space will be allowed for future fitting of electrical gear, hot water storage cylinders and battery storage. Pipework and radiators will be sized to allow for future low temperature systems aligned with electrification.

To further reduce environmental impacts, we have introduced a Biodiversity Net Gain on all developments of +10% and are also including sustainable drainage systems in our plans.

3 Projects completed in 2023/24

	Project and value	Impact
1	Newstead Enabling Works - £4m	Major groundworks to prepare site for housing development

2	'Move On' Accommodation - £1.7m	9 New Housing Units
3	Owlthorpe Shared Ownership Acquisitions £2.6m	15 New Housing Units
4	Local Authority Housing Fund Acquisitions (Refugee Scheme) - £8m	Approximately 55 units acquired
5	General Council Housing Acquisitions - £2.1m	Approximately 20 units acquired
6	Infield Land Apartments Acquisitions - £0.8m	6 x New Housing Units
7	Main Road / Whitwell St. Acquisitions - £1.2m	6 x New Housing Units

4 Current projects already in delivery

	Project	Budget (£) (all years)	Year(s)	Outputs
1	Corker Bottoms General Needs Acquisitions	£8.3m	2022-24	47 New Housing Units
2	Main Street Hackenthorpe Acquisitions	£4.5m	2023-25	15 New Housing Units
3	Handsworth General Needs Acquisitions	£4.7m	2022-24	28 New Housing Units
4	Local Authority Housing Fund 2 Acquisitions (Refugee Scheme)	£3.1m	2023-24	Approx 20 units acquired

5 Potential investment pipeline over the next 10 years

The Housing Growth Plan 2024+ will feature The Integrated Affordable Housing Programme and The City-Wide Housing Growth Plan. The table below illustrates the currently known capital asks of Sheffield City Council. All the workstreams in the Plan are seeking capital and revenue asks from several external sources to support the delivery of new homes in Sheffield.

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Planned and Potential Integrated Affordable Housing Programme Capital asks over the next 10 years

	Workstream	Value	Year(s)	Funding source(s)	Outputs	Outcomes for Sheffield people
1	Newstead OPIL	£27.0m	2024/25-2027/28	Housing Revenue Account	Approximately 70 OPIL units to enable older people to continue to live independently	Increased specialist council housing stock to improve quality and choice of homes available to address housing register demand
2	Newstead General Needs	£27m	2024/25-2026/27	Housing Revenue Account	Approximately 77 units of Council housing	Increased general needs council housing stock to improve quality and choice of homes available to address housing register demand
3	Bolehill View General Needs	£8m	2024/25–2026/27	Housing Revenue Account	Approximately 36 general needs units	Increased general needs council housing stock to improve quality and choice of homes available to address housing register demand
4	Algar General Needs	£34m	2025/26-2028/29	Housing Revenue Account	Approximately 90 general needs units	Increased general needs council housing stock to improve quality and choice of homes available to address housing register demand
5	Viking Lee General Needs	£34m	2027/28-2029/30	Housing Revenue Account	Approximately 90 general needs units	Increased general needs council housing stock to improve quality and choice of homes available to address housing register demand
6	Scowerdons General Needs	£26m	2024/25-2029/30	Housing Revenue Account	Approximately 68 general needs units	Increased general needs council housing stock to improve quality and choice of homes available to address housing register demand
7	Scowerdons Shared Ownership	£10m	2024/25-2029/30	Housing Revenue Account	Approximately 27 shared ownership units	Increased housing stock to improve quality and choice of homes available to address need for new homes
8	Stock Increase Programme 1 - SCC Acquisitions	£88m	2024/25-2029/30	Housing Revenue Account	Over 437 new build units acquired directly from developers	Increased affordable housing and tenure mix

9	Stock Increase Programme 2 - Continuation	TBC	2028/29 onwards	Housing Revenue Account	Determine and deliver the level of stock increase required to maintain the HRA business plan and spend restricted funding	Increased affordable housing
10	Small Sites	TBC	2024/25 onwards	TBC	Disposal of SCC owned small sites outside of the Stock Increase Programme but suitable for affordable housing units	Increased affordable housing
11	SCC Owned Sites – Affordable Housing Delivery Pipeline	TBC	2024/25 onwards	TBC	Explore the potential for affordable housing delivery on SCC owned land	Increased affordable housing
12	Registered Providers – Affordable Housing Delivery	TBC	2024/25 onwards	TBC	Continue to work with and build relationships with RP's, intervening where required to ensure affordable housing viability	Increased affordable housing
13	Specialist accommodation	TBC	2024/25 onwards	TBC	Scope our future needs for specialist accommodation (e.g. OPIL and Temporary Accommodation) and consider delivery route.	Increased specialist provision to meet needs identified in Strategies currently under development.

City Wide Housing Programme over the next 10 years

	Workstream	Value	Year(s)	Funding source(s)	Outputs	Outcomes for Sheffield people
1	Strategic Site Assembly in priority locations	£10.0m	Ongoing	Corporate Investment Fund (revolving brownfield fund – sales of previous acquisitions will replenish fund)	Ha TBC of brownfield land acquired to increase pipeline	Regeneration of City centre neighbourhoods and creation of new homes to meet demand
2	Catalyst Housing Sites: • Moorfoot • Neepsend • Furnace Hill • Sheffield Station Priority housing sites sites: • Central area; and • Outside central area	£100m	2023/24 onwards	SYMCA Brownfield Housing Fund and successor funds Homes England	Site assembly and preparation to enable private sector delivery of c 7,000 homes	Kickstart creation of sustainable neighbourhoods in the City centre, and enable housing on priority sites Citywide

6 Our forward look to the 2050s

Long term, our ambition is to create neighbourhoods that are of mixed types and tenures, that provide well-designed, high quality new homes catering for all segments of the community including young professionals, families, the elderly, and downsizers. This will create a more balanced, diversified residential population and achieve vibrant, sustainable communities. The investment in housing should be coupled with the provision of supporting services, facilities, and amenities to support local communities.

7 Key challenges and how we are addressing them

	Challenge	Actions to address
1	**Funding challenges** RTB 141 spending rules changes Homes England Affordable Housing Programme funding restrictions Responding to declaration of Climate Emergency and meeting requirements of Future Homes Standards Building Regulations changes Sourcing, obtaining, appropriating, and purchasing land required to maintain delivery of affordable homes Maintaining strategic requirements and statutory obligations i.e. Nationally Described Space Standards, adaptability, specialist and supported accommodation Meeting political desire to increase number of SCC units whilst balancing HRA Borrowing versus income and associated risks Absorbing changes in construction market conditions – price increases	Close monitoring of legislation changes with ability to quickly model the impact and flex programme accordingly Continue with ongoing land assessments and work with Property to identify SCC land opportunities initially and pick up market opportunities Close monitoring of programme, financial reporting suit and funding matrix Close monitoring of programme, financial reporting suit and funding matrix Include current industry inflation models in SIP refresh and HRA Business Plan, update models when new tenders take place and continue to work on discovering and using efficient delivery models as per point 1 above
2	**Future design challenges** Reducing Embodied Carbon in Design, Future Homes Standard Government implementation 2025 via Building Regulations update Sheffield's Climate Emergency Declaration – Carbon Neutral City by 2030 Balancing political priorities, budgets and legislation with strategic housing requirements	Continue with New Build Carbon Assessments at early development stage to inform decisions and outcomes. Design team already working on new ideas to reduce embodied carbon in design and specification Consult with different frameworks and contractors to assess and find the most efficient ways to deliver the programme incorporating the Future Homes Standard. Current SCC new build standard already partly way to delivering the required standard On top of the above actions, work with Transport Planners to deliver sustainable transport and EV charging strategies for Housing in line with government guidance Review design and space standards for all types of new build to ensure correct standard is achieved that matched strategic priorities and Local Plan aspirations

3	**Site assembly challenges**	
	Key sites in priority locations under a variety of ownerships	Homes England acquisitions team engaged to assemble catalyst sites
	Existing businesses require relocation	Support businesses in finding suitable alternative premises
	Designation of land for housing in Local Plan will increase 'hope value' of landowners	Comprehensive master planning will help establish clear basis for land assembly, helping to achieve purchases by agreement

B Housing Investment

Head of Service: Dean Butterworth | Head of Housing Investment

1 Background and context

This priority covers housing investment and asset management priorities for our Council-owned properties within the context of the wider Housing Revenue Account (HRA) business plan. The Council wants to deliver well-maintained homes that are safe and decent which will improve the quality of our existing homes and tenants' lives. We also want to minimise the volume of (comparatively expensive) responsive repairs.

The refreshed capital programme proposals have considered:

- The application of inflationary factors anticipated over the next 5 years
- Ongoing works identified through our in-house Repairs and Maintenance Service
- Priorities identified working with local neighbourhood teams
- The current position on investment needs through the decent homes' standards.

The investment proposals will need to be agile and consider - as a minimum - the following emerging challenges which, whilst rightly delivering benefits for our tenants are likely to also have significant cost implications, creating further pressure on our Housing Revenue Account (HRA) funds:

- **The Building Safety Act**

  On 1st October 2023, the new regime of the Act came into law, including changes to the requirements for higher-risk buildings, increased responsibilities for building owners, and changes to the fire safety legislation.

- **Stock Condition, Energy and Housing Health and Safety Rating (HHSRS) Surveys**

  Over the next 2 years, we will be boosting our current stock data information through procuring additional external surveying resources to provide either new or updated information on 15,000 properties. This will further inform investment priorities for the housing stock in the future.

- **Changes to the Decent Homes Standard proposed by Government (Decent Homes Standard 2)**

  The Decent Homes Standard (DHS) was established in 2003, setting an initial target for housing quality to be achieved by the end of 2010. It continues to apply as a performance measure in England. Its objective was to improve housing stock and to provide better accommodation standards for tenants. Given that the definition of a 'decent home' has not been updated since 2006, the government is now reviewing the Standard's requirements. The consultation on this has now closed and the new standards are anticipated to be published in summer 2024.

- **Net Zero Carbon**

  There will be some challenges in meeting EPC C for all housing Stock and achieving the longer-term Net Zero Carbon ambitions set by the Council.

- **Addressing Damp and Mould concerns**

  Housing conditions specifically relating to damp and mould information will be through the ongoing internal and external surveying resources where there are specific patterns that would link.

Council tenants should live in safe, warm, secure, and modern properties in attractive neighbourhoods. These overarching principles inform our investment priorities. Keeping our residents safe, we are putting in place over the next five years **several fire prevention and fire safety measures for high rise blocks** and high-risk properties and **upgrading electrics** within our homes. We are nearing the completion of the installation of fire suppression systems on four single staircase high rise tower blocks. Work on developing the fire safety work proposals to the remaining high-rise blocks during 2022 is ongoing and we will be consulting with residents of these blocks into 2024/25. The proposals will include closing waste chutes in tower blocks, **providing modern day waste facilities** and **installing fire doors** to flats and communal landings.

We will continue planned work programmes already identified as priorities with tenants, such as **roofing, windows and doors, kitchens, bathrooms,** and **heating**. These activities contribute towards maintaining homes to the government decent homes standard. The consultation on the social housing white paper commissioned a review of the Decent Homes standard has now closed, and the new revised standards are anticipated to be published in summer 2024. On publication, we will need to revisit our level of compliance against any new decency standards and check that our investment plans are fit for purpose.

2 How do these activities contribute to 'net zero'?

We will also continue to increase the number of homes in the Council's stock and develop a clear plan for neighbourhood environmental improvements across the City. A key priority for Sheffield is working towards the net zero carbon target for 2030, and we will be investigating the contribution we can make in Council housing to reduce the carbon emissions in our stock.

Our current funded investment plans aim to bring all homes to EPC level C by 2030. We have been successful in obtaining grant funding to support this target through the SHDF 2.1 (Social Housing Decarbonisation Funds Wave 2.1) and further pipeline bids for external grant funding through ECO4, Home Upgrade Grant Phase 2 and Social Housing Decarbonisation Fund Phase 2.

Currently within the 5-year housing investment plan 2024 to 2029, there is £80m funding that will contribute to reducing carbon emissions and improving the energy efficiency in the Council stock. When compared with other peer social landlords, the energy efficiency of the Council stock is very good, but we know we need to do more. Our plans include bringing the estimated 6900 homes that are below EPC level C up to a minimum of EPC level C by 2030. Sheffield is going beyond the government guidance on this (which is that all social housing must meet this standard by 2035).

The Housing Service will support carbon reduction through:

- Improving the fabric of homes
- Reducing energy consumption in homes
- Reducing or removing fossil fuels where practicable
- Improving ventilation in homes to reduce or eliminate mould and/or damp.
- Providing energy efficiency advice to customers
- Generating renewable electricity
- Delivering net-zero ready Council homes (for when the grid decarbonises) from 2025/6 onwards, and will go further to deliver net-zero properties by 2030 and
- Undertaking a second pilot on installation of Solar PV on several blocks of flats and houses where roofing works in planned in the programme.

Each of the above actions are being adopted in varying scales. The most significant areas of investment with developed delivery plans are several external wall insulation projects. These homes are some of our worst performing homes that also require remedial works to property structures. We will continue to prioritise other investment in energy efficiency homes on a 'worst first' basis.

Across the council housing stock, 99% of homes have their heating and hot water supplied by gas boilers. Since 2008, we have installed 'A-rated' energy efficient boilers in approximately 33,000 homes. In addition, we have 130 community heating boiler schemes powered by gas that will need replacing in the next 5 years. These are currently less efficient than new products on the market. We have identified several community heating sites that require boiler updates, and the proposals will reduce carbon emissions at those sites.

The investment we have made in heating has already led to a significant reduction in emissions. We are now revisiting our heating strategies and will be bringing forward revised strategies in 2024. We recognise the need to reduce our reliance on gas, but we do anticipate that gas boiler replacement will still figure in some way in any revised heating plans for at least the next 5-10 years. The heating obsolescence within the housing stock will require replacement before technologies – such as hydrogen or air source heat pumps - are able to deliver viable and affordable solutions on some of our archetypes. There are also technical and spatial reasons why gas will still be the most viable solution for some sites. However, we will ensure that any new gas boilers have higher levels of efficiency and are combined with other measures so that a net reduction in carbon emissions is still achieved overall.

For each project we bring forward we will look at all options and weigh up the social, financial, and net zero issues and benefits. For example, nationally an important concern amongst social landlords is that the switch to electric heating at this time will place additional financial burdens on those already in fuel poverty. Our future plans for net zero need to ensure that proposals do not increase fuel poverty amongst council tenants through the works that may be proposed, particularly in the current climate of global increases in energy prices.

Estimates of the cost of the net zero challenge for the housing stock indicate that it cannot be funded from a balanced HRA business plan. External grant funding or increases in income will be needed to support further investment beyond the current plans. The Net Zero Carbon Road Map is currently being finalised by our strategic partners is anticipated to inform the investment options and solutions available to the us and of the likely costs. The outcome of this work and its implications will be reported to the appropriate Council Committees.

3 Projects completed in 2023/24

	Project and value	Impact
1	Single Staircase Tower Blocks (SSTB's) - £11.6m	4 Tower Blocks Fire and Health & Safety Measures
2	Manor House Older Persons Independent Living Fire Prevention works - £0.5m	Fire safety works installed – safer accommodation

4 Current projects already in delivery

	Project	Budget (£) (all years)	Year(s)	Outputs
1	Heating Breakdowns	£3.2m	2023-25	Ongoing programme of heating breakdown replacements
2	EWI Package 2	£13.2m	2022-26	117 Airey properties refurbished
3	EWI Package 3	£11.9m	2022-25	External Wall insulation to 255 non-traditional properties
4	Electrical Upgrades Phase 2	£21.8m	2021-27	18,000 properties included for electrical rewiring
5	Private Sector Homes Upgrade Grant 2	£4.1m	2023-25	Energy efficiency works to private sector housing via grant regime
6	Adaptations (ongoing programme)	£10.7m	2023-26	2,400 properties anticipated to receive adaptation works
7	Stairlifts (Adaptations)	£1.5m	2022-25	631 stairlifts installed

5 Potential investment pipeline over the next 10 years

	Priority / Project	Impacts	Potential funding source(s)
1	External Fabric Upgrades	Render, improved cladding, external wall insulation solutions, roofing / rainwater goods, replacement of windows and doors – Warm and weathertight homes	Housing Revenue Account (HRA) / External Grant funding
2	Asbestos Works	Ongoing Surveys and Removal Works – Safe Homes	HRA
3	Fire Safety – High, medium and low-rise flats, sundry properties and Older Persons Independent Living (OPIL) Schemes	New sprinkler and fire suppression systems, new compliant fire doors to individual flats and communal areas as required to meet the Building Safety Regulations - Safe homes	HRA

4	Environmental Works (including Boundary Walls and Fencing)	Attractive and safe environment around homes	HRA
5	Door Entry Upgrades	Replacement of old systems and door upgrades providing safe and secure homes	HRA
6	Community (District) Heating	Boiler and network upgrades, new radiators and insulation – efficient and warm homes	HRA
7	Gleadless Valley Regeneration	A range of work to regenerate housing and HRA owned land. This includes refurbishment, remodelling and replacement housing, environmental and green space improvements	HRA
8	Lifts	Replacement lifts across the housing assets estate – Well maintained facilities	HRA
9	Waste Management	Accessible and clean waste facilities that support recycling.	HRA
10	Carbon Reduction Projects	Energy efficient homes	HRA / External Grant funding where available
11	Edward Street Flats Refurbishment	Warm, weathertight and safe homes	HRA
12	Internal improvement works	Replacement of kitchens, bathrooms and electrical upgrades to provide modern and safe homes.	HRA
13	Adaptations and Access	Meeting our obligations under the Equality Act 2010 to provide accessible homes.	HRA

6 Our forward look to the 2050s

Investing in stock condition surveys has allowed us to build an asset management database of stock needs beyond 2050. Regular updates to the data will build confidence when further reviews are undertaken. Lifecycle modelling within the database indicates that typically the existing stock of around 38,400 will require annual investment of £50m per annum (unadjusted for inflation) to stand still. To maintain the existing Decent Homes Standard, investment in elements such as kitchens, doors, bathrooms, heating, windows, and doors will need a significant slice of the investment plan. The new build housing currently in progress will also require further capital investment as the stock ages.

By 2053, elements of fire safety work currently in progress will need to be replaced - as will new heating solutions if we are aiming to meet the challenges of net zero by 2030. These items of investment are not one-off costs to homes.

Most of the housing stock in 2053 will be 80-110 years old and inevitably will require substantial investment. This may not be sustainable or adequate to meet the housing needs of the City. Appraisals of the housing stock at an estate and property type basis will need to be proactively undertaken and it is likely that regeneration in some areas is the right solution for the City. This will require funding through a structured investment programme.

7 Key challenges and how we are addressing them

	Challenge	Actions to address
1	Construction industry cost inflation and increase in interest rates	Modelling inflation / interest rates through the asset management database and Housing Revenue Account (HRA) Business Plan and the effect of changes on the programme. Reviewing levels of contingency and risk at project level. Maximising economy of scale principles through smart procurements. Reprogramming works to maximise advantage of gaps in trade work in the construction industry.
2	Fire Safety legislation and skills shortages	Work with the South Yorkshire Fire and Rescue Service, Fire Safety Board, government bodies to ensure the full implications are understood and planned for. Investment in staff recruitment and training.
3	Social Housing White Paper indicates greater regulation of the social housing sector	Prioritising investment in safety compliance works and decency works. Increasing tenant engagement and scrutiny role.
4	Increase in the number of ‘right to buys’ which reduces the levels of Council-owned stock	Modelling within business planning to mitigate funding pressures; build and acquire new Council houses (see ‘Housing Growth’ section) and maximising grant from the Government to reduce costs for the HRA Business Plan.
5	Funding to achieve net zero in housing	Complete roadmap work to have certainty on the funding needed and maximise grant bid submissions for Sheffield City Council
6	Lack of trained / accredited skilled personnel within Sheffield City Council and contractors in the field of retrofit work	Investing in staff training and working with government and contractors to develop the skills and knowledge in the sector

B3 EDUCATION, CHILDREN & FAMILIES

We want all people in Sheffield to feel safe, happy, healthy, and independent: to love living here. We want them to have access to a wide range of educational opportunities to support and enable them to achieve their full potential.

Director: Meredith Dixon-Teasdale (Strategic Director of Children's Services)

This Committee ensures the Council supports children, young people and their families. It has six key areas of focus:

1. Giving everyone the best start in life
2. COVID-19 recovery for children and young people
3. An exemplar in children's services and support our Children Looked After to achieve their full potential
4. Delivering effective Special Educational Needs and Disabilities (SEND) services
5. Reducing exclusion in all its forms
6. Maintaining schools to ensure they are safe, warm, and dry.

Every single person in Sheffield should be able to achieve their full potential. However not all children and young people have the start in life that they deserve, and there are increasing numbers of vulnerable children whose safety we have serious concerns about. Despite huge strides over recent years, substantial educational inequalities remain in the city and are likely to have been exacerbated by the pandemic – this will be a key focus for our work.

As in the rest of the country, we face a significant and unresolved crisis in children's social care, with the complexity and demand for services increasing, an increasingly stretched workforce, and a decade-long underfunding of services by central Government.

In the longer term, we want people to be able to take charge of their wellbeing and support them to stay fit and healthy throughout their lives, so fewer people reach crisis point. That should mean more children able to live safely at home, more children who have had an excellent start in life, more people with physical and learning disabilities able to play a full part in society. This does not mean that we will stop being a council that provides excellent quality care and support for those who need it – that will always be a core part of who we are – but if we are able to make that shift it will result in fewer people needing that intensive support.

A significant element of our Capital Programme must be prioritised around ensuring the Council meets its statutory duty to provide sufficient good quality school places in environments that are fit for purpose. Over the years we have delivered state of the art education facilities, including Oasis Don Valley, Astrea Academy, Mercia Academy, and the expansion of Ecclesall Primary. These are shining examples of the new education facilities available to Sheffield children.

Our capital investment strategy is currently centred on four key areas:

A. **Building condition** of our school estate
B. **Basic need** – ensuring there are enough mainstream school places to meet demand
C. **SEND sufficiency** – ensuring the right provision in the right place for pupils with special educational needs and disabilities
D. **Children Looked After** – ensuring the right facilities are in place for children in residential care.

This section will address each of these areas in turn.

A Building condition – maintaining our school estate

Head of Service: Mark Sheikh | Head of Business Strategy

1 Background and context

The Council has a responsibility to ensure the school estate for which it is responsible - i.e. community schools - is fit for purpose. The backlog of maintenance remains significant. However, progress is being made with a programme of projects to address key issues, prioritised through a survey programme and funded by the annual Schools Condition Allocation (SCA) of capital grant funding. The need far outweighs the funding allocated annually and continues to present a significant challenge. The maintenance backlog is estimated at £45m for 64 maintained schools.

It is important to maximise all capital grant funding available to the Council. This includes successful application to the Department for Education School Rebuilding Programme to rebuild Brunswick, Pipworth, Lydgate Junior, Carfield, Ballifield, and Lowfield Primary schools. The Capital Strategy has been amended to reflect this new investment programme.

2 How do these activities contribute to 'net zero'?

The primary environmental impacts of this area centre on our key assets – buildings and transport.

The environmental impact of our school estate is a key concern for the Council. However, the high levels of both essential and backlog maintenance mean there is limited funding to also increase environmental performance. We will tackle this by seeking external grant funding wherever possible to supplement our own funds, and by considering whether we can improve the environmental performance of our buildings at the same time as undertaking repairs or planned replacements. The scale of this challenge cannot be underestimated. Further information is contained in the 'Essential compliance and maintenance' priority later in this Strategy.

3 Projects completed in 2023/24

	Project and value	Impact
1	Nether Green Junior Roof - £2.2m	Safe secure and water tight building
2	Waterthorpe Roof - £0.3m	Safe secure and water tight building
3	Abbey Lane RAAC Roof planks - £0.62m	Safe secure and water tight building
4	FRA Works x 4 sites - £1.6m	Fire safety enhancements to properties
5	Heating Programme x 5 sites - £1m	Warm / energy efficient buildings

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4 Current projects already in delivery

	Project	Budget (£) (all years)	Year(s)	Outputs
1	Window and Door Replacement works 2 x sites	£0.95m	2023-25	2023-25
2	FRA Works x 4 sites	Costs TBC at feasibility stage only	2023-25	Fire safety enhancements to properties
3	Roofing works 3 x sites	Costs TBC at feasibility stage only	2023-25	2023-25

5 Potential investment pipeline over the next 10 years

	Priority / Project	Impacts	Potential funding source(s)
1	Building Condition	Programme of repairs and upgrades to a range of schools. Maintaining schools to ensure they are safe, warm, and dry. This includes ongoing monitoring of asbestos, radon gas and RAAC.	Capital Grant – Education and Skills Funding Agency

2	School Rebuilding Programme	Programme to rebuild schools in the highest condition need. Providing new state of the art buildings that are built to meet net zero targets	Department for Education funded project
3	PfI Expiry	Programme to revert asset control to the relevant responsible body, either Academy Trust or Local Authority, for the first 6 schools built via PfI contract. The contracts expire in 2026.	
5	School Condition Survey Programme	Programme of ongoing school condition surveys of all maintained schools across the school estate to inform prioritisation within the capital programme.	Revenue funded

6 Our forward look to the 2050s

We envisage a critical tipping point in building repairs will be reached if a target baseline on mounting backlog of maintenance is not set and achieved. The condition of our school estate continues to decline, with insufficient funding to tackle the backlog of maintenance and repairs.

There is also a possibility that all schools could be transferred to Academy status.

7 Key challenges and how we are addressing them

	Challenge	Actions to address
1	Backlog maintenance is currently estimated at £45m for 64 maintained schools.	Prioritise repairs on a ‘worst first’ basis, whilst aggregating requirements wherever possible to maximise efficiency of delivery. Continue to lobby DfE for additional funding. Consider making funding requests to the Corporate Investment Fund to tackle this backlog, Opportunities for SCC Schools to be included in DfE funded significant refurbishment and rebuild programmes will be maximised
2	Existing resources of around £3m annually are largely absorbed by reactive maintenance and essential programmes such as Fire Risk mitigation. Using current SCA allocation it would take us over 12 years to fully implement lifecycle maintenance.	
3	Annual reduction to the Building Condition Grant allocated to Local Authorities as more schools’ transfer to Academy Status. Demands on the capital budget will also decrease proportionately. However, significant challenges relating to the condition of the primary estate remain.	

B Basic need – ensuring sufficient mainstream places

Head of Service: Matthew Peers, Head of Commissioning – Education and Childcare, Integrated Commissioning Service

1 Background and context

A significant element of our Capital and Growth Programme must be prioritised around ensuring the Council meets its statutory duty to provide sufficient good quality school places in environments that are fit for purpose. In previous years we have delivered state of the art education facilities, including Oasis Don Valley, Astrea Academy, Mercia Academy, and the expansion of Ecclesall Primary.

The total funding available to support any primary and secondary expansions as outlined in the expansion strategy (approved by the Committee in July 2023) is approximately £31.8m. For the primary school projects, we estimate that approximately £2.6m will be utilised for the expansion proposals. For the secondary expansions, we cannot provide any estimates until the Capital Delivery Service have undertaken site-based feasibility studies at several schools. Assuming the costs of primary places are as initially estimated, this leaves £29.2m for secondary places. The above capital will be supplemented by any Section 106 developer contributions secured as part of the Local Plan.

Solutions to meet demand for school places may be temporary or permanent, depending on whether the demand is sustained for five+ years or only required for one or two years. Over the next five years we estimate we need to provide the following mainstream school places:

Year	Planning Area	Number of Forms of Entry	Number of Places	Funding
2024/25	5 (East)	0.5 (permanent)	105 (15 x 7)	We estimate that approximately £2.6m will be utilised for the Primary expansion proposals.
2024/25	2 (North)	0.33 (permanent)	70 (10 x 7)	

Year	Planning Area	Number of Forms of Entry	Number of Places	Funding
2024/25	1 (Southwest)	2 (permanent)	300 (2 x 30 x 5)	Assuming the costs of primary places are as initially estimated above, this leaves £29.2m for secondary places. **Funding for school places up to 2024/25:** £9.8m of Basic Need funding for the purposes of school places expansion is due to be received by the Council this year for the creation of school places up to 2024/25. Existing commitments from this and
2024/25	5 (East)	2 (permanent)	300 (2 x 30 x 5)	
2024/25	2 (Northwest)	1 (permanent)	150 (1 x 30 x 5)	

<table>
<tr><td>2025/26</td><td>NA</td><td>NA</td><td>NA</td><td rowspan="6">balance brought forward from previous years leaves £5.7m available for investment. Please note: the planned expansions in 2024/25 are likely to exceed the £5.7m capital available, so funding available for future years (2025/26 onwards) will need to be utilised. We are unable to provide accurate estimates of the total Capital requirement until the Council’s Capital Delivery Service have undertaken site-based feasibility studies.

Funding for school places from 2025/26 onwards:
£26.09m of Basic Need funding for the purposes of school places expansion from has been announced. This funding would be used to support any building refurbishment, temporary or permanent expansion projects</td></tr>
<tr><td>2026/27</td><td>3 (North)</td><td>1 (temporary)</td><td>30 (minimum)</td></tr>
<tr><td>2027/28</td><td>1 (Southwest)</td><td>2 (temporary)</td><td>60 (minimum)</td></tr>
<tr><td>2027/28</td><td>7 (South)</td><td>2 (temporary/permanent)</td><td>300 (2 x 30 x 5)</td></tr>
<tr><td>2028/29</td><td>1 (Southwest)</td><td>3 (temporary)</td><td>90 (minimum)</td></tr>
<tr><td>2028/29</td><td>5 (East)</td><td>2 (temporary)</td><td>60 (minimum)</td></tr>
</table>

Any expansions are subject to change dependent on the forecast position.

The Department for Education’s formula for funding the creation of new secondary school places grants approximately £22k per place. The £29.2m that is estimated to be remaining following primary school expansions, therefore, would be expected to deliver 1,327 places. Current estimates of secondary places required are between 1,050 and 1,500, dependent on assessments into current capacity of existing sites. This would indicate that funding allocated is of a reasonable magnitude to accommodate the likely expansion requirements. However, until detailed feasibility work is completed on specific sites these figures only represent an estimate based on average costings. Once the figures for secondary expansions are confirmed, this will be presented to the Finance Committee and processed as part of the business cases for individual expansion projects as they progress.

Primary Sufficiency

Most of our primary schools will be experiencing falling rolls and have surplus places due to a period of low birth rates. We are working with the sector to manage this decline in demand and remain sustainable. Since the 2012 peak, births have been falling resulting in an increasing number of surplus places across Sheffield’s primary schools since 2015/16. This has begun to impact on some schools’ budgets and continues to worsen with each year’s lower cohort. Reception cohorts are expected to continue to decrease, reaching a low point in 2025/26.

However, there are some pockets of primary place deficits, especially in areas where there has been regeneration and substantial new housing development. Increased demand for Primary places in Planning Areas 2 (North) and 5 (East) as new housing developments are completed and homes occupied, means that intervention is necessary to ensure that children can access a place at a local school within statutory walking distance (2 miles) of their home. Two small projects are therefore being considered for small scale expansions to meet localised demand in these areas. Section 106 monies are available to contribute towards these projects, however until feasibility studies are complete, we will not know if the Section 106 funding will cover all the costs, so other funding will be required.

Secondary Sufficiency

Following the 2022/23 data review, forecasts are showing a sustained deficit of secondary school places from 2024/25 up until the end of the decade. This recent citywide data review forecasts another peak year in 2027/28. Increased housing developments within specific planning areas, including those within the city centre, and increasing inward migration are leading to high levels of population change throughout the forecast period.

We estimate we will need to build a minimum of approximately 7 Forms of Entry / 1,050 places (7 x 30 places x 5 year groups = 1,050) and potentially up to a maximum of approximately 10 Forms of Entry / 1,500 places (10 x 30 places x 5 year groups = 1,500) to address the forecast deficits. However, we will need to keep reviewing the data as forecasting is relatively dynamic and housing, inward migration, and other factors will influence the total number of places needed.

Without intervention, there will be a sustained shortfall of secondary school places across specific areas of the city from 2024/25 until the end of the decade and beyond. Further additional capacity, via temporary and permanent refurbishment and/or new build expansions, is needed to accommodate the demand.

- Planning Area 1 (Southwest) – approximately 2 Forms of Entry / 300 places (2 x 30 places x 5 year groups = 300) will be required from 2024/25.
- Planning Area 5 (East) – approximately 2 Forms of Entry / 300 places (2 x 30 places x 5 year groups = 300) will be required from 2024/25, rising to a one off peak of 4 Forms of Entry in 2028/29, before dropping back to 2 Forms of Entry.
- Planning Area 2 (Northwest) – approximately 1 Form of Entry / 150 places (1 x 30 places x 5 year groups = 150) will be required from 2024/25.
- Planning Area 7 (South) – approximately 2 Forms of Entry / 300 places (2 x 30 places x 5 year groups = 300) may be required from 2027/28.
- Planning Area 3 (North) – potential need for a temporary expansion of approximately 1 Form of Entry / 30 places (1 bulge class only) for 2026/27.

After 2028/29, surpluses are then forecast to develop across the city and we will need to plan for this, so we make effective use of the school estate. For example, we may seek to utilise surplus space for Post 16 or SEND provision, and there may be a capital requirement for this.

New Housing

Sheffield’s Local Plan aims to deliver 2,100 new homes per year between 2019 and 2039. We need to plan for and potentially provide additional primary and secondary places where new housing developments increase the pupil yield. We will seek to maximise developer contributions where additional school places are necessary, but other funding may also be required.

2 How do these activities contribute to ‘net zero’?

Climate Impact Assessments are completed for all school expansion proposals. Expanding schools in areas of high demand means children can access a local school and thus reduces travel needs. The Capital Delivery Service, Finance and Commercial Services and the Sustainability Team will ensure that climate impacts are considered and mitigated wherever possible.

3 Projects completed in 2023/24

	Project and value	Impact
1	Silverdale School Expansion - £7.5m	Permanent expansion to accommodate additional 60 mainstream pupils per year group plus additional Post 16 and SEND places
2	King Ecgbert School Expansion - £6.5m	Permanent expansion to accommodate additional 47 mainstream pupils per year group plus additional Post 16 and SEND places

4 Current projects already in delivery

	Project	Budget (£) (all years)	Year(s)	Outputs
1	Manor Lodge Primary School Expansion	£1.25m	2022/23 – 2024/25	Permanent expansion to accommodate additional 15 pupils per year group
2	Wharncliffe Side Primary School Expansion	£1.47m	2022/23 – 2024/25	Permanent expansion to accommodate additional 10 pupils per year group

5 Potential investment pipeline over the next 10 years

	Priority / Project	Impacts	Potential funding source(s)
1	Statutory Delivery of mainstream school places	Expansion of secondary school places within the city, particularly in the East and Southwest for sustained peaks in demand. Further expansions outlined above are also being explored. Expansion of primary school places within the city, particularly in localised hotspots of high demand.	Department for Education (DfE) / Education & Skills Funding Agency (ESFA) / Sheffield City Council Section 106 funding to be utilised where possible
2	Post 16 Sufficiency Review	Potential consideration of capital investment to support Post 16 sufficiency depending on outcome of review.	DfE / ESFA / Council

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6 Our forward look to the 2050s

- Local Plan ambition to deliver 2,100 new homes per year between 2019 and 2039 – we need to analyse the plans and calculate likely pupil yield as we may need to provide additional primary and secondary school places where pupil yield is increased.
- Uncertain migration patterns as a result of Brexit, climate change and continued significant global events such as Ukraine, Hong Kong and Afghanistan, impacting demand for school places.

7 Key challenges and how we are addressing them

	Challenge	Actions to address
1	**School Places:** The Local Authority has a statutory duty to provide sufficient pupil places. However, there is a risk that the Basic Need capital grant allocated to support expansion projects will be insufficient – the allocation for the city is fully committed until 2024/25.	An ongoing review of all pupil places. A review of the current 3% uplift in secondary forecasts. Continue to raise the profile of statutory duties and to lobby national government.

	The DfE provide updated capital allocations annually. We are expecting the next funding allocation confirmation in Spring 2024. We will then receive the funding allocation in 2026/27.	The Local Plan has improved our opportunities to secure developer contributions through Section 106.
2	**Post 16 Capital:** Following Post 16 Sufficiency Review there may be insufficient capital to intervene in the market if required.	Ongoing capital discussions linked to sufficiency review and any future Post 16 capacity fund that may be implemented by DfE to support capital investment and growth of Post 16 places.
3	**Inward Migration:** High levels of inward migration into the city, both from within the UK and overseas. Increasing inward migration trends will lead to higher than forecast pupils within the city, across all year groups.	Review of migration trends and population changes across the city. A review of the current 3% uplift in secondary forecasts.

C SEND provision – ensuring appropriate provision for children with special needs

Director: Joe Horobin, Director of Integrated Commissioning

1 Background and context

Under the 2014 Children and Families Act, the Local Authority has a statutory duty to provide sufficient school places for children and young people with special educational needs and disabilities (SEND). Since 2014, Sheffield has seen significantly increasing demand for specialist places for children and young people with SEND.

Since 2018, the number of special school places in Sheffield has been increased by 20%. Looking ahead, continued pressure is expected, with 300 additional special places forecast to be needed in the next five years (there are currently approximately 1500).

This rising demand presents key risks, include the potential for an increase in high-cost independent placements due to lack of physical capacity in Sheffield. Capital investment must be managed carefully, as the allocation from the Department for Education does not appear to be sufficient.

To do this, strategic work is focusing on long-term sustainable solutions, this includes focusing on mainstream, developing special free school bids to provide sustainable special school places, and improving post 16 provision.

2 How do these activities contribute to 'net zero'?

The primary environmental impacts of this priority area centre on our key assets – buildings and transport.

The environmental impact of our school estate is a key concern for the Council. However, the high levels of both essential and backlog maintenance mean there is limited funding to also increase environmental performance. We will tackle this by seeking external grant funding wherever possible to supplement our own funds, and by considering whether we can improve the environmental performance of our buildings at the same time as undertaking repairs or planned replacements.

For SEND, a key contributor is the significant use of buses and taxis outside the Council's own fleet for transportation for SEND pupils. These issues are being considered when identifying the location of new schools and targeting activity in mainstream – to reduce travel across the city.

3 Projects completed in 2023/24

	Project and value	Impact
1	Malin Bridge Integrated Resource (IR) - £0.5m	20 Integrated Resource places
2	Stannington Infant IR - £0.36m	10 Integrated Resource places
3	Greenhill Primary IR - £0.15m	12 Integrated Resource places
4	Hallam Primary IR - £0.08m	16 Integrated Resource places
5	Adaptations – £0.1m	Ensure children's access to education

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4 Current projects already in delivery

	Project	Budget (£) (all years)	Year(s)	Outputs
1	Special Free School 2	£0.8m (contribution to DfE delivered scheme only)	2026-27	80 special school places for SEMH
2	The Sheffield College Peaks Campus Post 16 SEND Provision	TBC (feasibility on-going)	2024-25	Up to 300 post 16 SEND places
3	Primary Integrated Resource Growth	£0.8m	2024-25	77 Primary Integrated Resource Places
4	Secondary and Post 16 Integrated Resource Growth	£1m	2024-25	73 Secondary and Post 16 Integrated Resource Places

Capital values shown are subject to change.

5 Potential investment pipeline over the next 10 years

	Priority / Project	Impacts	Potential funding source(s)
1	Integrated Resource (IR) and Special Led Hub Growth	Double number of IR places in the city – 300 place increase, reduce demand on special through mainstream places. Some places may be delivered via special led hubs which see a special school satellite based in a mainstream.	High Needs Capital
2	Joint Special Free School bid with Barnsley	100 additional special school places for children with complex autism. Profile of school matched to high-cost independent settings to reduce expenditure on independent and out of area places.	High Needs Capital
3	Alternative Provision Free School bid	100 new alternative provision school places – places will be designed to prevent exclusion and escalation of needs to settings such as Social, Emotional Mental Health special school or independent places.	High Needs Capital
4	Relocation of Kenwood School	Need to relocate as Moncrieffe and Kenwood buildings not suitable in long-term. Impact of high quality local special school provision, possible capital receipt from Moncrieffe and Kenwood.	High Needs Capital Capital receipt
5	Reconfiguration of Special Schools to support sufficiency	Changes in the presenting needs of children and young people with SEND mean that some special schools may need capital investment to reconfigure spaces to better meet the needs of young people and provide places.	High Needs Capital
6	Adaptations	Accessible maintained schools for children with complex needs.	High Needs Capital

6 Our forward look to the 2050s

It is likely that pressure relating to SEND will continue for the foreseeable future, growth in demand for SEND places is currently bucking wider trends such as falling birth rates. This doesn't appear likely to change in the immediate future.

The national policy direction in this area is unclear, The Government has produced a Green Paper, with a greater emphasis on inclusion, but the timing of implementation is not clear. A possible change of Government in 2024 may also impact on the policy direction in this area.

The legacy of Covid-19 in relation to SEND should become fully apparent in the next few years. There is a risk of greater demand relating to SEND, due to significant periods of missed school, as well as other factors such as family loss and trauma.

Despite the uncertainty, through all our work we are looking to bring the SEND system onto a stable footing, with a clear focus on delivering sustainable, long-term schemes, whilst managing day to day pressures.

7 Key challenges and how we are addressing them

	Challenge	Actions to address
1	High demand for SEND places	Development of integrated resources and special led hubs to meet need earlier in mainstream settings. Long term sustainable developments to increase special places in a controlled manner – Free School bids, post 16.
2	Insufficient capital funding from the Department for Education	Strategic modelling of capital funding demands for next five years. Close working with corporate colleagues to identify opportunities to exploit other funding sources outside DfE to meet needs of SEND and the city.
3	Below average mainstream inclusion	Working with Education and Skills on Inclusion Strategy and Belonging. Working with sector to understand barriers to inclusion and address. Strategic emphasis on mainstream through developments of integrated resources.

D Children Looked After – supporting Children Looked After to achieve their full potential

Director: Sally Williams, Director of Children and Families

1 Background and context

We want to be an exemplar in children's services and support our Children Looked After to achieve their full potential. Underpinning this are five key sufficiency principles:

1. Children stay at home, wherever it is safe to do so.
2. Children are reunified with their families wherever it is safe to do so
3. Where children cannot live at home they live with connected carers
4. Only when children cannot live with connected carers they live in family-based care (foster care) which might be foster care or adoption
5. Only when children cannot live in family-based care, they live in high quality residential placements that meet their specific needs

As part of our strategic response to sufficiency, we need maximise the use of family-based care and have appropriate access to the necessary amount of residential provision, including our own in-house residential provision. This will enable Council to meet its statutory duty 'to secure, so far as reasonably practical, sufficient accommodation for looked after children [in their local authority area] in order to enable a child to stay at the same school and near to family where contact can easily take place' (Section 22G, The Children Act 1989).

Nationally, numbers of Children looked after (CLA) are increasing. At the end of March 2022, they stood at 82,170 - up 2% on 2021. As a result of successful early intervention and a strong edge of care response, Sheffield has lower rates of CLA than both national and statistical comparators. We have 55 looked after children per 10,000 children, our statistical neighbours have 94 looked after children per 10,000 children and nationally the rate is 70. However, we are seeing increased complexity and need across our looked after children cohort.

There is a clear increase in demand for residential placements for children with increased complexity, who we struggle to find suitable placements for in private sector accommodation. Over the last 24 months we have experienced increasing challenge in sourcing placements for young people with a high complexity and levels of need, making matching children in larger homes unrealistic and unsafe. Young people who have high levels of complexity are often rejected by private providers as too complex, or, if accepted, there are swift placement breakdowns. The unit cost of in-house provision is heavily influenced by occupancy levels which averaged 74% in 2021/22 and 2022/23.

There is a clear business case for a change to the children's social care residential estate, moving towards smaller homes with higher occupancy rates which are able to meet the needs of our most complex children. However, challenges around the revenue costs of existing in-house residential provision make the case for prudential borrowing very challenging.

To ensure that we develop in-house provision that meets the long-term needs of Sheffield children in the complex financial climate we will:

- undertake a full assets review, looking at the disposal of existing provision which does not meet service need
- refine the current residential estate
- develop a refined workforce strategy, strategically placing children's homes close enough together to maximise workforce/management oversight to ensure best value for money.

This approach will maximise funding for any potential development opportunity, and best enable us to access prudential borrowing, external grants or the Council's Corporate Investment Fund as appropriate. Changes to our internal residential estate will be done in several stages.

2 How do these activities contribute to 'net zero'?

First and foremost, buildings to increase provision of children's social care residential placements within the City will reduce the need for out-of-city travel.

The main climate impacts associated with increasing Sheffield's children's homes residential estate are the building construction specification, including energy efficient design and impact of materials used. It is proposed to take a 'fabric first' approach to ensure the building envelope is as efficient as possible. Air source heat pumps will be considered for heating, which will have a significant impact on carbon emissions (especially as grid electricity decarbonises more and more over time).

We will trial methodologies to investigate the embodied carbon of materials used in construction as any design develops and understand the scope to use lower embodied carbon materials used where possible. Full Climate Impact Assessments - specifying suitable mitigation measures - will of course be conducted as projects move into more detailed business case and design.

3 Projects completed in 2023/24

	Project and value	Impact
1	Aldine House Improvements (Security upgrades and Corner infill) - £0.9m	Improved facilities and additional teaching space

4 Current projects already in delivery

	Project	Budget (£) (all years)	Year(s)	Outputs
1	2/3 bed smaller group living children's home for young people with complex needs	£590K	22/23/24	Deliver a new build 2-bedroom children's home that can scale up to provide support for 3 young people with additional vulnerabilities

5 Potential investment pipeline over the next 10 years

	Priority	Impact	Potential funding source
1	Extend current provision to open 1 bed children's home/unit on site for children with complex disabilities.	• Ensure we fulfil our statutory duty • Provide much needed capacity in the estate for highly complex children and young people who require a solo placement • Reduce reliance on independent provision • Stabilise placement overspend • Care for young people in Sheffield, reducing out of city placements	Current external placement costs for residential placements for children with very complex disabilities exceed the cost of renovation of this property. Therefore the immediate costs will be met by the sufficiency budget
2	2 bed children's home for young people with complex need.	• Improve our placement choice for children and young people • Increase the number and range of local, in city care placements, including	Department for Education (DfE) capital match funding, in conjunction with a proposal to utilising

		improved occupancy across existing residential estate • Care for young people closer to home • Support a return for children and young people to Sheffield in line with their Care Plan • Reduce reliance on independent provision • Stabilise placement overspend • Alleviate future year pressures • Provide stability for children and young people • Ensure that children and young people's Care Plans are progressing particularly in relation to step-across into fostering, with residential being an intervention not a destination	land value and identified capital funding via the Corporate Investment Fund.
3	2 bed placements for children with exceptionally complex needs requiring smaller group living. We anticipate opening one two-bedroom home in phase one. Upon completion - and review of need and market - it is likely that we will seek to open another two bed provision during phase two.	• Meet our sufficiency duty • Increase the number and range of local, in-city care placements, including improved occupancy across existing residential estate • Care for young people closer to home • Support a return for children and young people to Sheffield in line with their Care Plan • Reduce reliance on independent provision where this does not best meet need • Stabilise placement overspend • Alleviate future year pressures • Provide stability for children and young people • Ensure that children and young people's Care Plans are progressing - particularly in relation to step-across into fostering, with residential being an intervention not a destination	Current revenue costs for in-house placements are high as a result of low occupancy rates and young people who cannot be placed in private provision – this makes the comparison of in-house and private delivery costs misleading. If in-house residential delivery costs can be reduced, or if the external residential costs continue to increase, then there may be a case for prudential borrowing against savings to the placement budget. Alternative Corporate Investment Fund (CIF).
4	Loans for carers who provide family-based care, to support maintaining placements, or	• Increase number of stable placements for young people in family-based care.	The cost of this measure is anticipated to be met by diverting funding from the placement budget by

	increasing the number of children that a carer is able to provide a placement for.	• Reduce the use of Independent Fostering Agencies (IFAs) and residential placements where the barrier to family based care is the home • Maximise available beds from our current foster carer cohort. • Under the scheme carers may apply for a loan to extend or adapt their home to support additional foster / Special Guardianship Order (SGO) placements or prevent placement breakdown. Loans are secured as a legal charge for 5 years, after which the loan will not be repaid if conditions have been adhered to.	reducing the need for IFAs and residential placements. There may also be a case for prudential borrowing when the loan prevents an inevitable movement of the child into a residential setting.

6 Our forward look to the 2050s

It is difficult to predict longer-term changes in the area of Children Looked After. However, we anticipate we will not be immune from the Council-wide challenges of maintaining our corporate estate and achieving net zero.

7 Key challenges and how we are addressing them

	Challenge	Actions to address
1	**Increased complexity** - there is an increased demand for placements that meet the needs of looked after children with very complex needs, including increasingly poor emotional wellbeing among young people, presenting with complex and challenging behaviours, requiring placements that provide an intensive trauma informed approach and young people with extremely complex learning difficulties and disabilities.	Long-term sustainable developments that provide care closer to home. Increased sufficiency will reduce the reliance on the external placement market. Ensure children in residential care have the same access to reunification opportunities as children in family-based care settings. Consider development of further in-house provision realigned to meet the needs of our cohort.
2	**Lack of market capacity** - the capacity in both the in-house placements and the independent sector has not kept pace with demand. This has resulted in reduced choice of placements and therefore proportionately more young people being placed in residential accommodation and proportionately fewer children placed in foster	

	families. This can be further impacted by providers exiting the market leaving the LA in a position to identify alternative provision at little or no notice. The Placements Team are searching for a high number of placements from the external sector, competing with other Local Authorities.	Current residential overspend to be addressed through review and realignment of staffing structures. A clear business case approach to capital investment will focus on ensuring the impact of any changes is effectively monitored and achieving the outcomes set out.
3	**A 'dysfunctional' market** - the Competition and Markets Authority (CMA) report, March 22, confirms that the market in care placements has become increasingly 'broken'. It found: • a shortage of appropriate places in children's homes and with foster carers, • children are not getting the right care from their placement, • children are being placed too far away from where they previously lived, • children being placed away from their siblings • lack of placements means that high prices are often being paid by local authorities. • the total income of the largest 20 providers was more than £1.6bn. • the top 10 children's homes providers make up 33% of private homes • the top 10 providers of children's social care placement made more than £300m in profits in the last year. Currently 83% of the children's residential care market is owned and operated by the private sector. The recently published Independent Review of Children's Social Care May 2022 identified • Weak Oversight - the Competition and Markets Authority (CMA) has expressed concern about the risk of unmanaged exit by large children's home providers due to their levels of debt and dominance of the market. • High cost and Profiteering - the average operating profit made by private residential children's home providers has increased over time. The CMA found that profits in the children's residential home sector increased from £702 to £910 per child per week, between 2016 and 2020 averaging 22.6%.	

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D4 COMMUNITIES, PARKS & LEISURE

Improving people's quality of life by investing in local communities. Every part of our City should have a clean physical environment with well-maintained green and open spaces, sports, leisure and library facilities that are accessible to all. We also want to see happy, safe young people who have the start they need for the future they want.

Lead Directors: Lisa Firth (Culture and Environment) | Lorraine Wood (Communities)

This Committee area pulls together capital investment priorities from several areas. Investment in leisure facilities and green and open spaces is now combined with the priorities for delivering service for our communities, including investing specifically in young people in our communities, centred on bids to the Youth Investment Fund.

This section of the Capital Strategy is therefore split into two main areas:

- Parks, leisure and libraries; and
- Communities

This section will address both these areas in turn.

A	Parks, Leisure and Libraries

Heads of Service: Ruth Bell (Parks and Countryside) | Tammy Barrass (Sport, Leisure and Major Events) | Ellie Fraser (Bereavement and Coronial Services) | Hilary Coulson (Libraries, Archive and Information)

1 Background and context

Parks, Leisure, and Library Services deliver a range of services, with the aim of making Sheffield a place where people choose to live, work, visit and invest. We work with a range of partner organisations to deliver Sheffield's sporting, physical activity, parks & countryside, events, libraries and archive services and facilities. We also look after bereaved families through our Bereavement Services and work with the South Yorkshire West Senior Coroner to provide the medico legal centre and coroner's court.

A key role of the service is to ensure that public health is integrated into every area of the Council and ensuring that the importance of taking a public health approach is fully embedded within all policy and procedure.

The Service will be underpinned by several principles which will be considered in designing, planning and delivering all the work that we do:

- **Community involvement and engagement**

  This is critical to delivering facilities and services which meet the needs of our residents. We know that communities have a vital role to play in making all our services a success and we will continue to work closely with community partners and residents to ensure they are able to contribute and get involved in the way that best suits them and to help us deliver services in the way they want to receive them.

- **Carbon Net Zero**

  Our role is to reduce our own emissions and to do what we can to enable change across the City. We will contribute towards this through the investment, refurbishment and rebuild of our sport and leisure facilities and through work to encourage active travel alongside developing our green spaces and natural habitats to address our nature emergency. The natural environment will be at the centre of our decision making.

- **Covid-19 Recovery**

  The pandemic has changed people’s behaviour relating to how they want to get active, it has left an impression on the physical activity, sport and leisure sector and has further exacerbated the inequalities that were already present. We will ensure our facilities, green spaces and library services are re-shaped to enable our communities to recover from these impacts.

- **Levelling Up**

  We know it is easier to be active and access services in some communities than others. Tackling inequalities in access to facilities and services and focusing resources in the areas where they can have the biggest impact on health and wellbeing outcomes will be at the forefront of our planning. Collaboration is at the heart what we do and is essential to the successful delivery of our ambitions. We will work with all partners and citizens; providing leadership and support where it’s needed and enabling others to deliver in their areas of expertise.

- **Inclusivity**

  Ensuring everyone in our communities and neighbourhoods can access facilities and services that enable them to benefit from active lifestyle, green spaces and libraries and have an opportunity to attend events, whatever their age, ability or background. And when needed, our Bereavement and Coronial Services will provide a compassionate, dignified and efficient service for the bereaved and their families.

- **Equality, Diversity and Inclusion**

  The Race Equality Recommendation 5: Celebrating Sheffield through Sport and Culture, Past, Present and Future and the associated actions 28,29 and 30 set out how Sheffield can design sporting and cultural activity, events and investment that promotes antiracism and increases representation of Black, Asian and Minoritised Ethnic groups both in terms of participation and delivery of our sport and cultural services.

  As a starting point, our teams are working alongside colleagues across the region to tackle racism in sport, encouraging sport and community organisations to ensure their values, practice and conduct align to an anti-racism pledge. A working group, including professional Sports Clubs, Local Authorities, Active Partnerships and Sports Charities have come together to address racism which unfortunately still exists within community sport across the country. The Sheffield Sport, Leisure and Health team have contributed toward a collective commitment to tackling racism and created an ‘Anti-Racist Pledge’, which organisations across the sport and community environment will be invited to pledge their commitment to. Organisations across Sheffield will be invited to pledge their support and more importantly, ensure sport and physical activity is a safe space for everyone. We will continue to champion and support organisations to work towards:

- Being open and responsible
- Being strong Allies
- Creating change locally
- Enabling communities
- Developing a more reflective workforce
- Delivering activity inclusively

Project funding is primarily from contributions from developers (which must be spent on green spaces), Public Health monies (committed to reduce health inequalities in green spaces) and external funding (through bidding processes such as National Lottery Heritage Fund).

2 How do these activities contribute to ‘net zero’?

Investment in our leisure facilities will not only improve the financial viability and long-term sustainability of our services, ensuring that facilities are up to date, relevant and based on evidenced need. It will also support delivery of the Council’s commitment to the climate emergency by improving the environmental sustainability of facilities.

For example, we know that swimming pools utilise a significant amount of energy. The water needs to be constantly heated, circulated and filtered. We will look at options to improve energy efficiency, such as installing systems to control the flow of water through pumps which can help to cut down on the power used. Further detailed work will be undertaken to inform an Environmental Impact Assessment for each site. But we envisage that investment in new facilities will improve energy efficiency and enable more environmentally friendly management.

The cremators at City Road Crematorium were recently replaced after they were unable to meet the latest environmental standards and became difficult (and increasingly expensive) to maintain. The replacement of this important facility helps ensure that Sheffield has an appropriate, sustainable cremation service in the City that caters to the needs of bereaved families.

In partnership with the Football Foundation, the Woodbourn Road project will enable us to undertake research into recyclable carpets with organic infill materials. Although a range of materials are available, we have limited experience of them in the UK climate and on pitches with high levels of use. The Woodbourn Road Testbed Project will enable us to test the performance, durability, longevity and availability of a range of sustainable pitch surfaces. Investing into a multi-pitch site for the purpose of ‘real-life’ research of different pitch systems would provide a unique opportunity to gather objective ‘live’ performance data. The Sheffield Test Hub would provide a platform for innovation and incentivise the industry to push forward with better performing and more environmentally sustainable artificial pitches. In partnership with the Football Foundation, the Woodbourn Road project will enable us to undertake research into recyclable carpets with organic infill materials. Although a range of materials are available, we have limited experience of them in the UK climate and on pitches with high levels of use. The Woodbourn Road Testbed Project will enable us to test the performance, durability, longevity and availability of a range of sustainable pitch surfaces. Investing into a multi-pitch site for the purpose of 'real-life' research of different pitch systems would provide a unique opportunity to gather objective 'live' performance data. The Sheffield Test Hub would provide a platform for innovation and incentivise the industry to push forward with better performing and more environmentally sustainable artificial pitches.

Across our green and open space activity:

- Quality recreational spaces locally reduce the need to travel further afield to access the great outdoors.
- Habitat enhancement works within green and open spaces including quality management of woodland estates, tree planting, meadow creation, peatland restoration in the eastern moors, wetland management and creation all contributes to carbon capture.
- Improved health and wellbeing through access to local natural sites and recreational spaces reduces demands on NHS and Health Service resources.
- Active travel is encouraged and where possible supported as part of improvement projects within green and open spaces.

Within our Library estate many of our buildings are older and requiring maintenance. We will work with others across the Council as we review our community buildings to ensure these are fit for purpose and sustainable, acting as a focal point for local communities to come together as well as providing access to books, computers, and community events.

3 Projects completed in 2023/24

	Project and value	Impact
1	General Cemetery Phase 2 £3.5m	Addressed structural / infrastructure repair issues. Conserved and interpreted heritage of the site Create a safe and more accessible public park
2	Parkwood Springs Active Urban Country Park £1.1m	Improved sporting facilities Improved recreational facilities Toilets and refreshments provision
3	Ecclesfield Park – Site wide improvements (and Hollinsend Park – tennis renewal) £0.5m	2 x Tennis court provision 1 MUGA reprovision Play improvements

		Access and environmental improvements
4	Skye Edge Playing Fields £0.2m	Access controls and improvements to make the site feel safe and useable
5	Woodbourne Road Football Hub Project £3m	Refurbishment of Woodbourn Road Stadium and 3G pitches including 3G pitch sustainability pilot
6	Forge Dam Pond Restoration £0.8m	Improved quality of site and accessibility infrastructure Heritage infrastructure restoration – support civic pride. Improved opportunities to engage in physical activity to support health and wellbeing
7	New entrance at Hillsborough Library £0.34m	Easier access to the library for families, particularly those with prams and buggies. Better access to the library for people visiting the nearby café.
8	Frecheville Park. Recreational improvements including play and ball court. £0.14m	Renewal of play facilities Gym creation and environmental improvements
9	Ellesmere Park Public Health Improvements £0.24m	New playground equipment Refurbished Basketball Court Landscaping Improvements

4 Current projects already in delivery

	Project	Budget (£) (all years)	Year(s)	Outputs
1	Parkwood Springs Active Park Work Packages 3 and 4	£0.22m	2023/24-24/25	Site access & infrastructure improvements; boundary works, signage, access routes and paths
4	Small scale playground & recreational improvements and feasibility works at around 14 sites	£0.43m	202324-24/25	Improved health and wellbeing. Increase in community pride and value. Increased number of users of site. Raise the overall quality of the sites.

5 Potential investment pipeline over the next 10 years

	Priority / Project	Impacts	Potential funding source(s)
1	Leisure Investment Review	Improve core sport and leisure facilities so they are modern, welcoming, inclusive, and meet the needs of everyone in Sheffield helping more people to be more active which will benefit health and wellbeing and contribute to reducing health inequalities. Investment in facilities will support Climate Action by contributing to carbon net zero targets	Will include SCC reserves and borrowing, external grants / investments
2	PlayZones (multi-use games areas enhancement and creation)	Enhancement of quality of sites, and the 'ball court' recreational provision at several public open spaces across Sheffield. This will benefit the health and wellbeing of communities across Sheffield. Community Engagement underway to support 'Test and Learn' applications at Ecclesfield Park and Jubilee Site.	Football Foundation S106 Public Health
3	Football Foundation Portfolio of Projects	Invest in improvements to pitches and ancillary facilities at keys sites across the City, as outlined in the Playing Pitch Strategy, improving the quality of the sites and providing improved opportunities to improve health and wellbeing through sport and physical activity. Sites include Parson Cross Park, Bents Green Playing Fields, Mather Road Recreation Ground, Coleridge Road Pitches and Stocksbridge 3G pitch.	S106 Football Foundation
4	Green and Open Space Improvement Projects (see Green and Open Spaces Priority)	Improve the quality, accessibility, biodiversity and recreational value of green and open spaces across Sheffield to support health and wellbeing and contribute positively to the climate & ecological emergencies. The aim within the next 10 years will be to ensure all sites are managed to a good level of quality - the Sheffield Standard. And that there are sites of exceptional quality for communities across Sheffield – assessed by Green Flag award scheme.	Public Health Funding, S106, CIL Revenue Contribution, Capital Receipts, Local Fundraising, External Funding Streams, BNG
5	Refurbishment and new investment in cemetery infrastructure e.g., review of chapel locations and other income generating opportunities	Investment in existing and new infrastructure to improve our offer to bereaved families as they say goodbye to loved ones at a variety of sites across the City. Improving and modernising our offer to the bereaved helps improve mental health and wellbeing across the City whilst having the potential for new income generating opportunities.	Income from fees
6	Review of burial provision across the City leading to new cemetery space and associated infrastructure	Existing burial provision is running low. New burial space is needed across the City to ensure people can have access to burial space which is suitable and accessible.	TBC

7	Review of (and increase in) body storage capacity	Ensure that the Senior Coroner and associated coronial teams can maintain the dignity of the deceased and provide an appropriate and scalable service to the bereaved following sudden and unexpected deaths. To develop Sheffield as the Regional Centre of Excellence and ensure it can respond to winter pressures, a mass fatality incident and pandemic or post-pandemic demands.	TBC
8	Bents Green Playing Field Pavilion, pitches and access Improvements	Redevelopment of the currently disused pavilion on the playing field site for football and cricket and wider community use, along with wider site improvements that aim to increase accessibility to and from the site as well as site safety, deliver the aims of the Playing Pitch Strategy and improve the health and wellbeing of communities.	Football Foundation, Pitch Compensation funding
9	Access and environmental improvements including Biodiversity Net Gain and Nature Recovery investment.	This will make a positive contribution to the climate & ecological emergencies. Enhancements and developments of Nature Recovery Networks will also contribute to enhancing green links important for ecological resilience and active travel networks development (important for health and wellbeing and net zero ambitions)	s.106 and Public Health Funding, developer contributions, Defra, Natural England, Utilities & Infrastructure companies
10	New park and new recreational facilities developments	Improve the quality, accessibility, biodiversity and recreational value of green and open spaces across Sheffield to support health and wellbeing and contributes positively to the climate & ecological emergencies.	s.106, Public Health and Stocksbridge Towns Fund (and possibly further external funding), developer
11	Better Parks investment – to provide quality P&C services and support income generation targets. A key project currently in development is the Hillsborough Park Activity Hub.	Improve the quality, affordability, accessibility and provision of attractions and services that support the health and wellbeing of communities across Sheffield.	Prudential borrowing, LTA, private investment, Sport England plus other external funding.
12	Parson Cross Sports Hub	Continue with improvements to Parson Cross Park and Pavilion to develop sports, social, alternate provision and youth provision of building including the completion of a Cruyff Court and delivery of Phase 2 pavilion works to reconfigure changing provision, so it meets modern standards, develop social space and provide toilet facilities for site users.	S106, possible Football Foundation The Cruyff Foundation
13	Sports Improvements Projects	Work with partners on a range of sport pitch and ancillary facility improvements aimed at improving site quality and access and providing opportunities for communities to get active. Including new Non-Turf Cricket Pitch (NTP) plus renovations to the grass wickets at Totley Bents Green;	S106. External funding sources tbc

		resurfacing of kick about pitch at Tinsley Green and improving the pitch at Wadsley Park Village.	
14	Burngreave Cruyff Court	Deliver a Cruyff Court at Osgathorpe Park in Burngreave to create a high quality, lit playing surface.	Cruyff Foundation, Local CIL
15	Hillsborough Library Entrance Improvements	This project will build a new entrance and accessible toilet and changing facility at the junction of the children's library and the back of the old hall, replacing the existing crude brick toilet block and facing the new coach house café across a courtyard which would be re landscaped to incorporate outside reading and access to story-time friendly green spaces.	ACE
16	Central Library / Graves Building	Central Library structural repairs, fire precautions, mechanical installation to provide safe premises for our customers and staff.	TBC
17	Stocksbridge Library Development	30,000 sq. ft. Community hub containing a modernised library service	Stocksbridge Towns Fund

6 Our forward look to the 2050s

- Replacement of cremators at Sheffield City Council sites (Hutcliffe Wood potentially before 2040 and City Road potentially before 2050) - cremators have an estimated lifespan of 20 – 25 years.
- Closed landfill infrastructure – the ongoing requirements to manage our closed landfill sites / leachate are being explored.
- Refurbishment of infrastructure / facilities within green and open spaces – ongoing investment will be required in sites across the City to ensure that they remain safe, accessible and appropriate for the residents of Sheffield.
- Refresh of Medico-Legal Centre – building refurbishment was last completed in 2017/18
- As part of creating a Climate and Ecologically (and flood) resilient City, the design and management of landscape scale networks of green spaces to maximise benefits for wildlife and people will be important.
- Access to high quality local green space will continue to be important for everyone and a priority for Sheffield. The spaces themselves are likely to change as we meet the challenges presented by both the climate and ecological emergencies. Those spaces will also be significant parts of the solution to these emergencies as habitats for wildlife, flood storage and alleviation and carbon sequestration. Ongoing investment in these spaces to meet changing needs will be vital. Maintenance regimes will need be adapted to remain appropriate and responsive.
- Ensuring our Library estate is sustainable and meets changing needs of communities – whilst communities will grow and change over time access to information and digital access will remain a priority as will spaces where communities can meet, and local events can take place. We will need to work with others in the Council to ensure our estate is in the right places as communities change and provides access to services near where people live and work.
- Ensuring our leisure estate is fit for purpose, sustainable and encourages residents to live healthier, more active lives.

7 Key challenges and how we are addressing them

	Challenge	Actions to address
1	Limited revenue funding for initial project development and feasibility work to assess things like return on investment and likelihood of achieving benefits	Ongoing review of Corporate Investment Fund priorities to ensure investment in development of projects that best fit with strategic priorities
2	Identifying and securing match funding for capital investments and complying with match funding requirements	Explore and identify options for external funding working with finance and legal services to ensure that the match funding requirements are understood and can be complied with
3	Ensuring alignment with delivery partner priorities where this is relevant	Collaborative working with delivery partners at strategic and operational levels
4	Section 106 monies are quickly becoming depleted and are likely to be exhausted by 2023.	Proactively seek alternative funding sources to replace section 106; ensure we can evidence benefits to maximise our chances of success. Progress the 'Better Parks' initiative to selectively seek out and secure appropriate increases in income (such as more and better catering opportunities, increased social value initiatives and new franchises and activities/events) on appropriate sites. We must however ensure we maintain the balance between people's desire for open green space and income generating activity.
5	Quantifying the outcomes for our communities.	This is required in order to evidence benefit to current (e.g.Public Health) and future funders. A project is underway to scope measurable metrics, such as activity levels and usage.
6	Prolonging asset life in challenging financial circumstances.	Engagement of, and consultation with, local communities at the planning stage pays dividends in reducing vandalism when the works are complete. We also often undertake improvements to sightlines and boundaries as part of our works, minimising the potential for vandalism and ensuring people feel safer using the facilities. We allocate funds for maintenance (currently five years) as part of our project approvals. And we are currently developing an asset management strategy for our play equipment to strike the right balance between efficient and effective asset management whilst ensuring that the equipment choices of funders (such as local 'Friends Of' groups) can be accommodated where possible.
7	Dealing with backlog maintenance in existing buildings	Working closely with Facilities Management as part of the accommodation review to ensure community buildings are fit for purpose and sustainable, and align with the needs of local communities

B Communities

Heads of Service: Chelsea Renehan (Youth Services) | Jason Siddall (Community Safety), Carl Mullooly (LACs) | Zania Stevens (Community Services)

1 Background and context

The Communities Directorate's purpose is to:

- Engage, empower, enable, and seek the active participation of residents and community organisations and
- Work with local communities and make positive contributions to their wellbeing and sustainability so that our neighbourhoods are great places to live and thrive for Sheffielders of all ages.

'Communities' covers a wide variety of community-based functions that provide support and guidance to all members of the community. Our work covers all aspects of supporting people to live their lives well and independently; from support to new families, their children and young residents to vulnerable adults through ensuring access to inclusive services, which are co-produced and co-designed, and delivered locally. We work with individuals on a one-to-one basis, at group level and at neighbourhood level, ensuring that all experts are connected to ensure effective help and support for all residents.

Our teams:

- Local Area Committee (LAC) support
- Community Youth Services
- Community Safety
- Early Intervention and Prevention Services (Community Support Workers (inc. Team Around the Person & Family Centres)
- Cost of Living Support Hub
- Cohesion and Migration (inc. Asylum Seekers and Refugees)

We work with all Council services and many partners including the voluntary, community and faith sectors, the NHS, Integrated Care Services, South Yorkshire Police, South Yorkshire Fire Service and businesses to ensure residents live in clean, vibrant, caring communities where they feel respected and safe, engaged, empowered and enabled. Access to services is inclusive and local and provides the right support at the right time to those that need it.

Key to delivering services is to have the right community buildings in the right places where we can bring multi-disciplinary teams together to deliver individually tailored solutions that treat people holistically rather than multiple separate interventions. The approach taken by Team around the Person (TAP) brings different services together in one place to ensure that interventions are holistic resulting in significant cost avoidance to all partners and result better health and wellbeing outcomes for those involved.

Applying this approach to wider service delivery based in neighbourhoods could result in similar positive outcomes, particularly in reducing failure demand and breaking down the barriers that result from working in silos. The purpose of LACs is to engage, empower and enable local people and local communities. Bringing services together in Locality Hubs will further develop the role of the LACs but this will depend on having the right facilities in the right places.

Youth Investment Fund

The Youth Investment Fund (YIF) is a £368m Government commitment to young people to transform and level up the out-of-school youth sector. It will provide innovative youth facilities in levelling up priority areas, and early-stage / seed resource funding to underpin them, enabling more positive activities that deliver improved outcomes for young people. Grants can be used on the cost for building, renovating or refurbishing youth facilities as well as the associated costs - although applicants must either own or have a long lease on the land or buildings proposed. The minimum application threshold is £300,000 and all projects must be fully delivered and money claimed by March 2025.

Many factors have been considered in compiling a shortlist of sites that stand the best chance of being successful. These include (but are not limited to):

- New or renewed youth facilities will significantly expand the number of universal youth activities that are carried out and the number of young people engaged.
- The investment needed is of sufficient size - funding guidance is that it would not be possible to deliver a sufficient level of additional youth services desired for a budget below £300,000 for each site.
- Priority to invest in existing Council owned buildings where these exist and are suitable with new-build only where needed or to replace an existing building that is at or near the end of its useful life.
- Areas where there is a lack of suitable community facilities and a lack of existing youth club provision. Youth services already utilise non-council community facilities in a number of locations in the City where there are few or no Council community buildings but in some areas there is a lack of locations to deliver the universal services that young people need and deserve.
- Areas of the City where there is a known need for new and/or additional activity for young people and a known demand from young people for activities.
- Prioritising locations (for example parks) where there is other investment planned that will provide additionality to YIF investment and/or there is an aspiration for new or existing facilities that can co-exist with youth facilities.
- Practicability of completion within the funding timeframe (before December 2024)

In addition to the sites submitted for Youth Investment Funding, there is also a commitment in the Youth Strategy to invest in youth facilities across the City to make them safe, secure and with the right equipment to meet young Sheffielders' expectations of modern, contemporary, welcoming spaces. Refurbishment grants are available from the Youth Investment Fund for up to £150,000 per site which, combined with capitalised revenue, will contribute to delivering the goal of improving and modernising youth spaces across the City.

2 How do these activities contribute to 'net zero'?

A key principle of the YIF funding is to improve the environmental sustainability of existing buildings, using modern methods of construction and retro fitting to existing buildings wherever possible. The programme will fund new buildings that are designed to minimise environmental impact (including CO_2 emissions) from both the construction and operation of the buildings. Alongside this the financial sustainability of providing Universal Youth Services in the buildings will be paramount with opportunities for co-location and enterprise.

Consultation with young people demonstrates their commitment to reducing environmental impact. New and improved facilities will demonstrate how climate impact can be mitigated in everyday life and, through the informal education that is an intrinsic part of universal youth work, will inspire this generation to be able to do more, both as our future leaders and in their everyday lives, to reduce the harm done by previous generations.

We will work with colleagues and communities to support the ongoing review of community buildings. It is important that the Council has well-maintained, energy efficient Hubs in the right place for communities to fully benefit from them.

3 Projects completed in 2023/24

None.

4 Current projects already in delivery

	Project	Budget (£) (all years)	Year(s)	Outputs
1	Youth Investment Fund – Stocksbridge Youth Club	£0.64m	2023/24-24/25	Internal Remodelling of sections of the building to improve youth activities on the site.

				Internal refurbishment of the existing building including improvements to the energy performance by the addition of new M&E services and improved ventilation. Improvements to the building's external areas through the provision of car park resurfacing, wheelchair access and soft landscaping to consist of informal social areas that incorporate paved areas with seating & picnic benches and new wildflower/shrub & tree planting.
2	Youth Investment Fund – All Saints Youth Club	£1.55m	2023/24-24/25	Internal Remodelling of sections of the building to improve youth activities on the site. Internal refurbishment of the existing building including replacement of the kitchen and main WC facilities. Improved energy performance such as additional loft insulation, new double-glazed windows and solar panels

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5 Potential investment pipeline over the next 10 years

	Priority / Project	Impacts	Potential funding source(s)
1	All Saints Youth Club Refurbishment	Modernisation. Increased/improved storage access. Environmental improvements. Improved links with adjacent Ellesmere Park and its facilities.	Youth Investment Fund
2	Stocksbridge Youth Club Refurbishment	Accessibility improvements – internal and external to improve disabled access into and throughout the building. Reconfiguration of spaces. Revamped/ improved kitchen. Creation of office facilities for SCC staff working in the North of the City (including non-youth service staff). Improvements could include solar energy generation and other environmental improvements such as air-source heat pump to replace boiler. Modernisation of internal areas to generate a more inviting and useful space for young people and community organisations	Youth Investment Fund
3	Potential New build Youth and Community Centres	Potential for two new build facilities using modern methods of construction. Possible environmental factors include solar panels (orientation of roof space to maximise solar generation) and ground source heat pump. New	Youth Investment Fund

		facility will provide a community and youth space putting young people in the heart of their community.	
4	Upgrade and modernise existing youth spaces	Invest in youth facilities across the City to make them safe, secure and with the right equipment to meet young Sheffielders' expectations of modern, contemporary, welcoming spaces. Smaller scale improvements to existing facilities • Centre in the Park Youth Club • Darnall Education Centre Youth Club • Tinsley Pavilion Youth Club • Woodthorpe Youth Club • Osgathorpe Pavilion Youth Club • The Milan Centre Youth Club • Earl Marshall Youth Club • Herdings Youth Club • Greenhill Youth Centre	Youth Investment Fund, Capitalised Revenue
5	Locality Hub buildings	Review the provision of community buildings to provide locations for co-delivery of services both to the individual, in terms of Health and Wellbeing and to communities as a whole leading to improved outcomes from Teams around the Person and Teams around the Place.	Potentially asset strategic review
6	Upgrade and modernise existing Family Hubs	Invest in Family Hub services across the City to make safe secure and welcome. The project will result in: • Improved IT access for services utilising the buildings • Improved accessibility • Improved internal furniture and • Reasonable adjustments made to facilitate access for all • Minor building changes to accommodate wider services such as Midwife Services We will continue to adapt existing buildings improving accessibility and enabling multiagency working (which could include: IT upgrades, signage, improving building space, new furniture to ensure suitability for older children, and new equipment to support the co-location of the start for life workforce, such as desks, phone systems and sinks or specialist flooring for clinical use by midwives or health visitors)	Family Hub & Start for life programme

6 Our forward look to the 2050s

We want to be ambitious and present plans which take Sheffield further towards the vision of a seamless, integrated offer of support for all residents and their neighbourhoods delivered through a locality hub model, with tailored support available for those who need it most. Continuing the opportunity to improve the lives of everyone. Working together with delivery partners and local communities to ensure everyone in every area receive the support and services they need. The evidence and best practice gathered from past programmes will inform the case for future investment and support transformation in the delivery of services across the City.

Increased delegation of powers to the Local Area Committees will lead to services being increasingly delivered locally. Applying this further, co-locating with partners, will lead to more sustainable communities and better outcomes for both individuals and their communities.

Universal youth work is a distinct educational process adapted across a variety of settings to support a young person's personal, social and educational development in order to:

- Explore their values, beliefs, ideas and issues.
- Enable them to develop their voice, influence and place in society.
- Facilitate the learning of a set of practical or technical skills and competencies that enable them to realise their full potential.

Delivering universal youth work needs the right facilities in the right places to ensure their needs are met. There will be a continuing need to modernise our estate to provide the safe spaces for our young people and to support them to achieve their life goals. Young people are our future. Investing in them, through modern youth practice in contemporary spaces is essential to these aims.

Our goal should be to ensure that our youth spaces are also spaces for the whole community bringing young people together with other members of the community. The investment plans above will make a start in this process, but long-term planning is needed to give young people and their communities to come together in one place, enhancing the longer term sustainability and cohesiveness of all the City's communities.

7 Key challenges and how we are addressing them

	Challenge	Actions to address
1	Ensuring that all YIF funded projects are deliverable within the funding time period.	Larger refurbishment projects have been shortlisted based on deliverability. New build projects are all utilising modern methods of construction and will utilise

		existing frameworks for procurement reducing the time needed for some elements of the programme.
2	Potential for resource implications linked to multi-site projects within the YIF funding and deadlines for completion of the work	Delivery programme for each site is realistic with all targeted to be completed before the end of 2024, at least 3 months before the funding hard stop.
3	Delivery within the timescales is dependent on being able to undertake our own internal decision making in a timely way to ensure that there are no delays to commencing the work	Advanced preparation for decision making will mean that, if we are successful, our internal decision making is planned in as part of the project programme.
4	Accommodating all users of existing facilities while the improvements take place	Advanced discussions with known users about their requirements and the options for temporary relocation for the duration of the build.
5	Ensuring support for increased youth activity and the resources to deliver these, including a known lack of trained youth workers in the City	Engagement with community groups and young people as part of the process. Training of new youth workers throughout the City to increase the pool of fully qualified youth workers.
6	Enable Family Hub model to link in with other community hub initiatives	Engage VCS and develop vision for developing network
7	Availability of facilities to deliver integrated and multi-disciplinary services to individuals and to communities	Ongoing review of community buildings and other infrastructure assets

D5 ADULT HEALTH & SOCIAL CARE

We will make optimal use of Disabled Facilities Grant to support people to be active and independent, and to live a fulfilling life at home, connected to the community and resources around them.

Director: Alexis Chappell | Director of Adult Health and Social Care

Assistant Director: Liam Duggan | Assistant Director Care Governance and Inclusion

1 Background and context

Disabled Facilities Grant (DFG) is provided from government and is ringfenced to fund equipment and adaptations identified by Occupational Therapists for adults and children living in their owner occupied, private rented or registered provider homes.

Delivery and use of the DFG is governed by legislation in the Private Sector Housing Policy, the Housing Grants, Construction and Regeneration Act 1996, the Disabled Facilities Grants Delivery: Guidance for local authorities in England (2022), and Sheffield City Council's Private Sector Housing Policy.

In January 2020 changes to the local private sector housing policy were agreed to supplement the DFG legislation governed by the Housing Grants, Construction and Regeneration Act 1996. This policy change was to streamline the DFG process, pre pandemic, and to support the delivery of adaptations which the DFG team were not able to deliver through the Covid pandemic, and to enable adaptations recommended by Occupational Therapists to be delivered to people who had already waited up to 18 months for necessities of life, like a wash, or being able to get safely in and out of their home.

In accordance with government guidance, during the Covid-19 pandemic, the DFG team were only able to deliver critical need adaptations to children and adults. This subsequently resulted in both a waiting list and a DFG underspend. The DFG underspend was used to support the Integrated Community Equipment Loans contract to support hospital discharge, and City-Wide Care alarms to support digital transfer of alarm systems.

Through a programme undertaken by Occupational Therapists in the Equipment and Adaptations Team the waiting list has been reduced. For example, in 2023/24, 309 people have been assessed since April. Addressing the waiting list and the subsequent increase in provision of equipment and adaptations has in turn generated additional financial pressure on the DFG grant as opposed to previous underspend.

In July 2021 there were over 2,900 people waiting for an occupational therapist assessment - some of whom had been waiting for over 18 months. As of October 2023, there were 1,300 adults on our waiting list - with the majority waiting for 4 months or less. This is set against an 81% increase in demand. Our improvement activity is having an impact.

In 2021/22, the DFG spend on Critical Need Accelerated Adaptations Grants (AAG) was £400k. But this spend is forecast to be £2.5 million in 2023/24. This increase in demand is also placing pressure on the mandatory statutory DFG spend. This limits the funding available to meet the demand for level access showers and extensions for people needing major adaptations living in owner-occupied and private rented households.

Construction costs and building materials have also increased significantly since the pandemic. The average cost of major works has increased significantly as a result.

As the recovery plan aimed at working through the waiting list for DFG gains momentum, more equipment and adaptations are likely to be recommended to the DFG team. Due to this, it is likely that between addressing the waiting list, responding to increased demand and complexity there is a risk of an overspend on the Grant.

To respond to the financial pressure, a financial recovery plan was agreed on 16 November 2022 through the Adaptations, Housing and Health Update to Committee. The Equipment and Adaptations Delivery Plan was endorsed to enable fair and equitable provision of equipment and adaptations across all tenures but within the current available resources.

Sheffield Adult Social Care Equipment and Adaptations Eligibility Criteria was approved at Committee on 19 December 2022, alongside endorsement of use of the Private Sector Housing Policy (approved at Committee on 17 November 2021) and endorsement of a scrutiny function in relation to use of the mandatory DFG grant for major adaptations and approval of any high value decisions over £50k through a budget update report to each Committee.

A further update was provided to Committee on this recovery plan in November 2023. Pre-pandemic, the team received on average 4100 applications per year (342 per month). In 2023, the service has been averaging 619 referrals per month, equating to around 7,430 each year.

The reasons for this increased demand are a 21% increase from health services for occupational therapy assessments, combined with a 177% increase in referrals from individuals.

In November 2023, further updates were also made to the Equipment and Adaptations Eligibility Criteria to provide clarity over funding routes.

Between October 2023 and February 2024 we have implemented the following provisions:

- All requests for use of the mandatory DFG grant for major adaptations which will be over £50k are subject to scrutiny by the Strategic Director and Operations Director.
- The use of Accelerated Adaptations Grant is prioritised where the costs of providing the adaptation is less than the ongoing care costs would be.
- A review of the discretionary payments, systems, and processes to maximise use of grant and efficiency of delivery.
- A review of the joint equipment provision, systems and prescribing arrangements as a partnership with health and providers.

2 How do these activities contribute to 'net zero'?

Whilst the opportunity to address net zero issues is limited when implementing small adaptations, we will wherever possible ensure that building construction specifications include energy efficient design and that we will consider the impact of materials used. As with all Council buildings, we will take a 'fabric first' approach to ensure the building envelope is as efficient as possible. The embodied carbon of materials used in construction would be investigated further as any design develops and lower embodied carbon materials used where possible.

3 Projects completed in 2023/24

	Project and value (Forecast outturn 23/24)	Impact
1	Accelerated Adaptations Grants - £2.5 m	Minor adaptations/equipment provided to support independent living
2	Mandatory Disabled Facilities Grants - £3.6 m	Major adaptations to properties to support independent living
3	Disabled Facilities Grants Top Up- £ 0.41 m	Major adaptations to properties to support independent living
4	Minor Works - £0.28m	Provision of support for minor remedial works to homes to support independent living
5	Disabled Persons Relocation Loans - £0.23 m	Provision of loans to support disabled people relocate to suitable properties to retain independence
6	Disabled Persons Home Appreciation Loan- £0.11 m	Provision of loans to undertake enhanced works to meet a disabled person's needs or pay towards the contribution towards mandatory DFG works

4 Current projects already in delivery

	Project	Budget (£) (all years) *	Year(s)	Outputs
1	Accelerated Adaptations Grants	Approx. £4.6m	Ongoing Activity	Minor adaptations/equipment provided to support independent living
2	Mandatory Disabled Facilities Grants	Approx. £0.9m	Ongoing Activity	Major adaptations to properties to support independent living
3	Minor Works	Approx. £0.2m	Ongoing Activity	Provision of support for minor remedial works to homes to support independent living
4	Disabled Persons Relocation Loans	Approx. £0.3m	Ongoing Activity	Loans to support disabled people relocate to suitable properties to retain independence

* Budget figures are annual estimates based on potential demand for services. The 2023/24 allocation of Disabled Facilities Grant from Government of £5.5m (including additional grant from government in September 2023) will not be sufficient to meet this, requiring either additional resources or review of services.

5 Potential investment pipeline over the next 10 years

	Priority / Project	Impacts	Potential funding source(s)
1	DFG	Efficient and effective use of DFG to maximise benefits for people of Sheffield	DFG and TBC
2	Transforming Care Homes Commissioning Strategy	Quality requirements set out for all care homes Phase 2 includes potential capital development as part of market development (2024 onwards)	TBC
3	Short Break provision	Provision of short break sites which meet the needs of people with care needs including for emergency short break provision.	TBC

6 Our forward look to the 2050s

Our forward look focuses on three key cohorts / sectors where capital resourcing would make a significant impact on the long-term sustainability of adult health and social care in Sheffield:

- **Older adults** – residential care
- **Working age adults -** supported living
- **Working age adults -** short breaks

A Older Adults – residential care

The publicly funded independent sector residential care market in Sheffield (and elsewhere) is facing two key challenges;

1. **A dependency on aging stock** that will need significant modernisation or replacement to ensure accommodation that it is fit for purpose.

   There are a high number of former Council-owned residential care homes in the City which are increasingly difficult to maintain, do not meet modern design standards and expectations and will become unfit for purpose. There is also a dependency on historic buildings repurposed as care homes some years ago which are not appropriate by today's standards, and which require major investment.

   Such care homes typically include shared bathrooms and toilets, small bedrooms, limited scope to use modern assistive technology and a lack of outdoor space. They tend to be isolated from their community and not conducive to a quality care offer or opportunities for social inclusion and activity. These issues create a growing risk of increasing voids / vacancies, increasing repair costs and reducing viability.

2. **Low level of Council investment in capital costs** resulting from Council budget pressures resulting from over 10 years of Government austerity.

   Sheffield City Council has a relatively low fee rate for care homes and funds an annual fee increase each year following consultation with the sector. The Council's ambition is for fee levels to be sufficient to improve the wage of front-line workers to meet the Foundation Living Wage.

The Council is aware from its engagement with the sector - and from research papers - that the fee income is often required by providers to fund the servicing of debt in relation to care home financing and staffing costs. These factors together can inhibit the ability of some providers to develop long term investment plans and capital improvements.

The objectives of the Council are to develop a range of means by which it can value and support the care home provider market to meet its objectives without sole reliance on the annual fee increase.

B Working age adults - supported living and short breaks

The number of adults with disabilities requiring social care support is growing, and the rate of new requests from working age adults for adult social care support is increasing nationally.

The City must develop the right accommodation for people with disabilities now so that it is able to properly meet the housing need of the future.

Key areas of new demand which will need to be accommodated by the City in the coming years include:

- **Young people coming through the system** – there has been a significant increase in the number of people coming through to adults' services and a growing need for appropriate housing. This is the most pressing demand area for Adults with a disability
- **Increasing numbers of 30–50 year-olds living with aging parents** in the family home who are likely to need supported living accommodation in the future
- **People requiring intensive support are returning to the City from institutional care** as part of the transforming care programme. Consideration needs to be given to their housing needs as well as the housing needs of people who might be prevented from needing hospital admission in the future.

The accommodation required in the City is likely to be self-contained flats with their own front door so that people have their own tenancy. Clustered accommodation with shared some community space promotes social interaction and allows for some efficiency of care. The CQC recommends increasingly smaller cluster sizes to prevent care feeling institutional. Clusters of 6 units are ideal.

The Council's preferred model is a separation of housing / landlord from support to avoid conflict of interest and to promote transparency.

Some people with disabilities in Sheffield live in houses of multiple occupation or larger (deregistered) schemes. But these can feel institutional, can be inefficient when not fully occupied and are likely to be harder to fill in the future as younger people increasingly aspire to live independently alone.

If the Council doesn't actively plan and commission the development of the accommodation it needs to meet future need, then it will be more dependent on ad-hoc approaches from private developers. These will be less likely to deliver the accommodation needed and will typically result in higher rents and bigger clusters in smaller spaces.

C Working Age Adults - Short Breaks

Planned overnight short breaks enable unpaid carers and family members to have a break from their caring role and provide individuals in receipt of support and care to have a break away from home. Emergency overnight short breaks provide short to medium term support and accommodation options for individuals:

- in crisis
- and / or who are experiencing a breakdown in care and support, or
- where carers are unable to provide support for any reason.

They also facilitate hospital discharges, with a focus on equipping the individual with the skills to move on to a permanent placement.

For working age adults with disabilities, there have been market challenges in sourcing emergency short breaks from local providers. Individuals with needs for emergency short breaks may require not only additional support, but also an environment which is above and beyond a standard respite service - to ensure individuals cannot harm themselves or others. It can also be challenging to find appropriate locations for emergency short break sites.

This has significant cost implications. Adult care are required to fund emergency provision at a significantly higher rate than standard to address the shortfall. Subject to Member approval, a two-strand approach will be taken to remedy this:

- an overnight emergency short breaks Commissioning Strategy; and
- developing Council provision for short breaks.

Over the past year, our Transitions Service have developed a new in-house respite provision called Norfolk Lodge, which was launched in October 2023. This has presented a foundation for developing further similar respite provision. Members have been briefed on this model and development.

As a next step, the Adult Future Options Team will implement a dedicated project to build additional Sheffield City Council delivered provision as a partnership with individuals and families, partners, and colleagues across the City. This will include the development of Emergency Overnight Short Breaks, personalised to individuals' circumstances. As part of the project, proposals will be brought forward for approval which set out the investment, anticipated outcomes and impact for individuals, together with value for money efficiencies established through the project. This 'invest to save' will also include provision for a dedicated project manager to coordinate, source and reconfigure the accommodation, including seeking the relevant planning, legal and CQC permissions required for the developments and recruitment.

7 Key challenges and how we are addressing them

	Challenge	Actions to address
	The DFG Grant is now insufficient to meet commitments because of:	
1	Increases to building costs/ materials	1. Means test for major adaptations 2. Stronger governance/ senior officer scrutiny in relation to use of the mandatory DFG grant for major adaptations and approval of any high value decisions over £50k. 3. Review of DFG spend other than use of adaptations. 4. Eligibility Criteria for equipment and adaptations agreed by Committee in December 2022 and November 2023. The Criteria sets out proposals for what will be funded, timescale for when equipment and adaptations are provided, information on funding streams and alternative provision so that we are managing our finite resources in a fair, equitable and transparent way
2	A backlog which emerged during Covid-19 because of national restrictions and the use of grant during that period to support other priorities such as hospital discharge	
3	An increase in demand and complexity	

D6 ECONOMIC DEVELOPMENT & SKILLS

We will seize opportunities to rebuild and renew our economy whilst becoming a cleaner and more sustainable City. Supporting our City centre and district centres to adapt to the changing economic circumstances to build future resilience and growth.

Director: Diana Buckley | Director of Economy, Skills and Culture

Head of Service: Ben Morley | Head of Programmes and Accountable Body

1 Background and context

Our ambition is for Sheffield to be a flourishing, sustainable and inclusive City economy which creates opportunity, good jobs and better jobs for Sheffielders. As a strong partner alongside businesses, we want a City with a dynamic environment for development and enterprise with a culture of businesses able to start-up, scale up and innovate here in Sheffield.

The last 3 years have been challenging for Sheffield businesses and the City’s economy in general. The Covid-19 pandemic and more recently the cost-of-living crisis have had a significant impact on jobs, businesses and livelihoods. Structural changes in the global and national economy continue to be felt locally, such as the shift to digital in work and in retail, and increased automation. The trend of home working appears to have become a permanent feature for some sectors of the economy with knock effects such as reduced footfall numbers in the City Centre. These developments create new opportunities, but also have the potential to exacerbate existing inequalities and bring significant uncertainty to different sectors in our economy.

The process of addressing some of these trends continues, with major innovation assets focused on advanced manufacturing and life sciences. Work is underway to reinvigorate the City centre and diversify its offer by focusing on culture and entertainment as well as retail and work.

Whilst this activity must accelerate, the ability to do so has been seriously impacted upon by the cost of living crisis. Businesses are facing very significant increases in energy and other overhead costs at the same time as consumers are facing net reductions in their disposable income. Inflation is impacting on investment choices and public funding is constrained - it has never been more important for Local Authorities to invest wisely and back winners.

The Council declared a climate emergency in 2019 and a nature emergency in 2021. We have published an independent assessment of the steps needed to get to Net Zero by 2030, much of which is concerned with the fundamentals of our economy. Responding to the climate emergency gives new and unique opportunities for innovation – in manufacturing businesses, in energy generation, in quality of housing and transformation of our transport systems – on a city scale. By creating a more sustainable economy we will support our City and its businesses to thrive. We can create community wealth by accelerating the business and economic opportunities that will arise from the move towards a low carbon future, including renewable energy, sustainable transport, smart technologies, research, and development.

Sheffield has significant assets that will continue to provide opportunities for development, investment, and growth to produce sustainable economic activity to support the City and wider region. We will be working with partners to create investable propositions around these assets:

- The developing innovation assets in the Advanced Manufacturing Innovation District (AMID), including The University of Sheffield's Advanced Manufacturing Research Centre (AMRC) and Sheffield Hallam University's Advanced Wellbeing Research Centre (AWRC). In July 2023, South Yorkshire was awarded Investment Zone status with a focus on Advanced Manufacturing. This will only enhance Sheffield's innovation assets and encourage investment into the City
- The developing City Centre Strategy, to create a thriving City centre, with a strong focus on housing-led growth in the City centre, alongside catalytic employment projects like West Bar and Castlegate, and the ongoing development of Heart of the City II
- The City's burgeoning digital and tech sectors
- The vibrancy of the City's culture sector
- District centres and communities
- Our Universities and Colleges
- Sheffield's unique offer as 'The Outdoor City', sitting within the Peak District National Park.

These assets will become the cornerstone of a City Investment Plan setting out our ambitions for the short and medium term within the context of a new City strategy – 'City Goals'. The City Goals were commissioned by the City Partnership Board and is a genuinely collaborative process to identify the City's priorities through extensive stakeholder and community engagement. Once agreed, the Goals will be collectively owned by the City and create a framework through which to align resources and expertise.

We will work alongside the South Yorkshire Mayoral Combined Authority (SYMCA) in delivering their Strategic Economic Plan ,and make use of 'Gainshare' funding to deliver our priorities. The Gainshare Programme will be overseen by the Economic Development and Skills Committee, who will monitor progress of both capital and revenue activity.

We will also seek to partner with the public and private sector partners, including the Sheffield Property Association, Chamber of Commerce, University of Sheffield, Sheffield Hallam University and Homes England. This will maximise our effectiveness and ability to unlock funding opportunities.

A significant amount of the activity under the Economic Development and Skills area is revenue investment, rather than capital. However, as we move forward with ambition on AMID, Business Support, Decarbonisation, Skills and Culture we expect there will be an increase in capital requirements and opportunities for capital bids, to add to the City's assets and underpin the capital infrastructure in these areas.

2 How do these activities contribute to 'net zero'?

Reducing the impacts of climate change will help stabilise and mitigate significant impacts on our local economy. Supporting efforts that recognise the valuable contribution the natural environment makes will help our local economy.

Analysis shows that in 2017 the emissions from the City's commercial and industry sector contributed 801ktCO2 - equivalent to 35% of Sheffield's emissions. Commercial buildings accounted for 54% of these emissions, whilst industrial buildings accounted for 46%. 92% of EPCs for non-domestic buildings in the City are below level B, with 57% at D or below.

To address this the following actions are in delivery:

- Continuation of Economic Renewal Fund that has previously looked to support 'green' projects in district centres.
- Continuation of a low carbon business support project support capital investment in businesses. European Regional Development Fund funding being replaced with United Kingdom Shared Prosperity Fund (UKSPF).
- Continuation of the South Yorkshire 'JESSICA' investment fund to promote low carbon development with an expectation of Excellent BREEAM rating and EPC ratings of 'A'.
- A grants programme for energy efficiency measures in community and cultural buildings.
- Implementation of the Project Feasibility Fund to develop Council-led concepts and projects in the low carbon.

There are opportunities to create a growing green sector. By embracing sustainable development, we create demand for businesses and skills in the green economy, as well as making our developments and businesses more attractive and resilient.

3 Projects completed in 2023/24

None.

4 Current projects already in delivery

	Project	Budget (£) (all years)	Year(s)	Outputs
1	Tinsley Art Project	£0.9m	2022-2025	Art installation at Tinsley Marina
2	Sustainable Community & Cultural Assets	£2.2m	2023-2025	Grant regime to improve the energy efficiency and environmental performance of public facing buildings and spaces in across the City Region
3	Low Carbon Project	£1.1m	2023-25	Grant regime to improve the energy efficiency of Small & Medium Enterprises

5 Potential investment pipeline over the next 10 years

	Priority / Project	Impacts	Potential funding source(s)
1	Sustainable Community/Cultural Spaces	• Reduced running costs for community and cultural buildings. • Reduced CO2 emissions	UK Shared Prosperity Fund (UKSPF)
2	Improved Growth Facilities across South Yorkshire	• Increased start up numbers • Growth potential for existing firms • Increased R&D • Increased GDP • Job creation	UKSPF
3	Low Carbon and Productivity Grant programmes	• Reduced CO2 emissions • Job creation • Increased GDP • Firm survival rates improved	UKSPF

6 Our forward look to the 2050s

With a population set to increase to over 600,000 by 2043, it is important that the City fulfils its role as an economic driver for the City Region, presenting opportunities for growth and renewal. We will need to be flexible and responsive to emerging funding pots to enable the continued investment in our City.

Moving to a more resilient economy will be critical for future success, ensuring that growth is both sustainable and improves the health and living standards of the people within the City. Looking forward, we want to focus on inclusive growth and ensure that the benefits of growth are shared across the City.

To aid the future vision for Sheffield, we have embarked on a new long-term goal setting process, called 'Sheffield City Goals'. This is led by the Sheffield City Partnership Board, and bring together public, private and third sector partners to work collective on a new long-term vision and set of priority actions to underpin future collaboration and investment. This will also inform the City Investment Plan which will be the bedrock of future projects for this Strategy.

7 Key challenges and how we are addressing them

	Challenge	Actions to address
1	Lack of long-term vision	Development of City Goals and City Investment Plan Application to the Feasibility Fund
2	Capacity to develop projects	Application to the Feasibility Fund
3	Economic performance of the region	Implement and support others to implement the City Investment Plan
4	Access to funding	Develop funding strategy alongside City Investment Plan

D7 STRATEGY & RESOURCES

Ensuring that our operational estate and vehicle fleet comply with all legal and regulatory requirements, improving their functionality for our customers and employees wherever possible and maintaining them effectively through necessary repairs, investment, and renewal. We also want to reduce our environmental impact, energy, and fuel costs by prioritising energy efficiency at every opportunity, making the best use of the latest available technologies.

Director: Tom Smith (Operational Services)

Heads of Service: Nathan Rodgers (Facilities Management) | Mick Barlow (Transport Services)

1 Background and context

Facilities Management

The operational estate of Sheffield City Council is used by both the Council and the community to provide services and achieve strategic objectives. The estate consists of around 807 establishments and 873 buildings, as well as land, assets, and monuments. It does not include Council Housing and Schools.

Proper estate maintenance is essential to ensure that the sites function efficiently, meet statutory obligations, and support the delivery of various services. If a building's infrastructure or fabric fails, it can directly impact the ability of services to meet their objectives and impede service delivery. Neglecting maintenance can lead to financial burdens, health and safety hazards and legal liabilities.

Due to insufficient funding over many years, the Council struggles to provide necessary estate maintenance. The allocated amount is not proportionate to the size and condition of the estate, which presents a significant issue. As a result, the Council cannot take a life cycle approach to estate maintenance, which could ensure that the estate is kept in reasonable condition over the long term. This lack of adequate maintenance leads to further deterioration of the estate's infrastructure and facilities, potentially impacting the quality of life for residents and visitors alike. The limited budget has been used to support compliance with legal and regulatory requirements and urgent repairs, and as a result, the general condition of the estate has deteriorated.

Based on a range of data, an estimated amount of £200m is required to address building condition needs, while £48m is required to address the most pressing condition issues. However, it is possible that the actual costs could be higher due to a variety of factors, such as increased logistics costs, a resurgence in industry workload, and higher material expenses.

As well as the funding challenges, the Covid-19 pandemic has changed how the Council, our partners, and the community use our buildings. With the rise of hybrid working and the development of online systems, the usage of many Council buildings has significantly reduced. As a result, many of our buildings are now under-occupied and underused, presenting the Council with a significant opportunity to re-evaluate the size of the operational estate and move to a more affordable and sustainable model, including adopting a life cycle approach. On the 7th of November 2022, the Finance Sub-committee approved a series of recommendations to support the resetting of our asset strategy via a Strategic Accommodation review to reflect new norms, including a 25% reduction in the size of the estate, which may need to go further depending on the results of more detailed work.

As we evaluate and adjust our operational properties to match the Council's strategic objectives, we focus on using our limited budget wisely and efficiently. In March 2023, the Finance Sub-committee approved an approach of prioritisation via an Essential Compliance and Maintenance programme to ensure our decision-making is grounded in data obtained from condition surveys and risk assessments to ensure compliance with legal and regulatory requirements while also investing in the aesthetic appearance of significant assets such as historic and sensitive buildings and maximising carbon reduction initiatives.

The Essential Compliance and Maintenance Programme has an approximate budget of approximately £8 million up to March 2028 for urgent condition and compliance items. This amount is insufficient to cover all the necessary investments, so the programme prioritises short, medium, and long-term investments alongside the Strategic Accommodation review to avoid unnecessary spending and bids for external funding to maximise carbon reduction projects.

The Essential Compliance and Maintenance Programme will provide critical information to aid decision-making to support strategic property decisions with disposals, retentions, and budget setting to arrive at an operational estate the Council can adequately maintain to support the delivery of essential services.

Fleet

In 2019/20, we initiated a six-year investment programme to upgrade our fleet and plant to a more reliable, cleaner, greener fleet. Decarbonising the fleet refers to the process of removing carbon emissions from vehicles. By transitioning to electric or hybrid vehicles, we can significantly reduce the number of harmful pollutants released into the air, which is a major contributor to poor air quality in Sheffield. This will not only benefit the environment, but it will also positively impact public health, reducing the number of deaths caused by respiratory illnesses associated with air pollution. By taking action to decarbonise our fleet, we can help create a cleaner and healthier future for Sheffield.

Unfortunately, the programme is one year behind schedule due to Covid-19 related supply chain delays. However, by March 2024, we expect to replace 62% of our fleet, which amounts to 572 vehicles/units, including 72 fully electric vehicles. This will enable the Council fleet to comply with Sheffield's clean air zone standards. We are evaluating options with our services and finance colleagues before finalising the replacement of 161 vehicles and 34 plant items due for replacement in 2024/25.

2 How do these activities contribute to 'net zero'?

The Essential Compliance schemes identified will be developed on a like-for-like replacement basis plus a 'most deliverable' green option based on the funding available to contribute towards net zero. Green technologies cannot deliver carbon savings in isolation. A 'whole building' approach is often required to achieve net zero. Due to the age and construction of a significant amount of the estate, there will be occasions where a 'gas for gas' heating replacement will be the greenest option available for the building because the replacement heating plant will be considerably more efficient than the one being replaced.

Operating a £480k ring-fenced fund within the Essential Compliance and Maintenance programme continues for energy efficiency projects to maximise opportunities. The fund has provided £1.6 million worth of projects with over 1800 tonnes of CO2e reduction per annum. The next planned scheme is the Town Hall, which is projected to achieve a reduction of 185 tonnes of CO2e emissions and £60k revenue savings per year starting on-site in late 2023.

Several operational community sites will be identified to install renewable technologies, focusing on solar PV and wind turbines. These projects will be financed using the £3.5 million Local Renewable Energy Fund approved by the Committee in November 2022 to implement community renewable technologies.

We have a successful track record of securing funds bid from the Public Sector Decarbonisation Scheme for the operational estate. Thanks to these funds, we have executed Heat Decarbonisation works worth £1.4 million at three sites in the city. This has resulted in a significant reduction of CO2 emissions by 187.58 tonnes per annum and a saving of around £39k per annum in energy revenue. We surveyed 30 additional sites to expand the programme, and we are currently developing proposals for these sites to advance to the feasibility and design stage. This will allow for bidding when future funding rounds become available in 2024 and beyond.

The fleet replacement has been identified in the Council's 10-point plan for climate action: section 4, "We will work towards reducing Council emissions to net zero by 2030." By decarbonising our transport, we can improve air quality and health and reduce the number of deaths associated with poor air quality in Sheffield.

3 Projects completed in 2023/24

	Project and value	Impact
1	Transport Efficiency 23/24 £1.8m (of total budget of £2.5m)	Replacement of vehicle fleet reducing emissions and maintenance costs
2	Public Sector Decarbonisation Schemes (3 x sites) £1.4m	Implementation of energy saving measures at Acres Hill, Moor Market and Town Hall
3	Town Hall Fuel Tank Replacement £0.16m	Safe, fit for purpose emergency fuel storage to support business continuity
4	Corporate Buildings Fire Risk Assessment Works x 6 sites £0.9m	Installation of Fire Safety Compliance measures at sites
5	Town Hall Emergency Lighting £0.2m	Improvement of emergency facilities at key corporate site

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4 Current projects already in delivery

	Project	Budget (£) (all years)	Year(s)	Outputs
1	New GP Hubs	TBC Feasibility stage only	2023-2026	4 x new GP Hubs to be leased to health care providers
2	Corporate Buildings Fire Risk Assessment Works x 2 sites	£0.1m	2021-24	Installation of Fire Safety Compliance measures at sites
3	Abbeydale Dam Repairs	£0.6m	2021-24	Enhancement of infrastructure to prevent flooding

5 Potential investment pipeline over the next 10 years

	Priority / Project	Impacts	Potential funding source(s)
1	Fire Risk Assessment Mitigation	Deliver suitable fire precautions identified from periodic Fire Risk Assessments to meet statutory compliance and provide safe premises for our customers and staff.	Capital Investment Fund / Prudential Borrowing / Revenue
2	Essential Compliance & Refurbishment	Deliver a solution to identified defects from the annual compliance programme, for example, fire precautions, electrical installation, mechanical installation, structural repairs, and general refurbishment to provide safe premises for our customers and staff.	Capital Investment Fund / Prudential Borrowing / Revenue
3	Energy Efficiency and Renewable Energy Projects	Various energy efficiency and renewable energy projects on council buildings are working towards net zero for the start of the next decade.	Grant Funding / Capital Investment Fund / Prudential Borrowing / Revenue
4	Redecorations	Internal & external decoration to ensure our buildings are clean and provide a welcoming environment for our customers and staff	Capital Investment Fund / Prudential Borrowing
5	External Areas	Repairs to hardstanding, drainage systems, gates, etc., to ensure it is safe for customers and staff to access our buildings	Capital Investment Fund / Prudential Borrowing
6	Central Library	To address significant building defects to the Structure, Fabric, Accessibility, Mechanical, Electrical and Fire Safety	Grant Funding / Capital Investment Fund / Prudential Borrowing / Revenue
7	Town Hall	To address significant building defects to the Structure, Fabric, Accessibility, Mechanical, Electrical and Fire Safety	Grant Funding / Capital Investment Fund / Prudential Borrowing / Revenue
8	Staniforth Rd & Manor Lane Depots	To address significant building defects to the Structure, Fabric, Accessibility, Mechanical, Electrical and Fire Safety and explore consolidation on one site.	Grant Funding / Capital Investment Fund / Prudential Borrowing / Revenue
9	Building Energy Management Systems (BEMS)	Investing in BEMS to improve efficiency and improve the environment for building users.	Grant Funding / Capital Investment Fund / Prudential Borrowing / Revenue
10	Abbey Industrial Hamlet	Repair the dam wall back to a decent condition to stop water escape into the adjoining listed properties.	Grant Funding / Capital Investment Fund / Prudential Borrowing / Revenue
11	Reinforced Autoclaved Aerated Concrete (RAAC)	A survey program is needed to identify RAAC presence in the operational estate. If RAAC is found, conduct risk assessments and either replace or manage it.	Grant Funding / Capital Investment Fund / Prudential Borrowing / Revenue

12	Transport	Further charging infostructure to enable us to transition to a fully electric Fleet of vehicles in order to meet the councils net zero target Continue with the year 5 and 6 vehicle replacement strategies	Capital investment fund/Prudential Borrowing/Revenue

6 Our forward look to the 2050s

The Covid-19 pandemic has brought about changes in the way organisations use buildings and how employees work. This means that the way the Council estate is used will be different. The Council will have more shared flexible space, with public bodies and the voluntary and private sectors. As a result, the requirements of those using the space will change. Therefore, the Council must continue to review its property requirements and factor this into future maintenance and investment programmes.

The Accommodation Review will determine which buildings the Council will require in the medium to long term. These buildings will receive focused attention in maintenance, including planned preventative and lifecycle maintenance, to ensure they are compliant and maintained to the required standard. The selected buildings will also receive the latest green technology installations and building fabric changes to support the 2030 net-zero targets.

We are making impressive strides towards the modernisation of our fleet, with a strong focus on reducing emissions. As we move towards the future, it is essential that our fleet is equipped with cutting-edge technology that ensures net-zero emissions, paving the way for a cleaner and more sustainable environment.

7 Key challenges and how we are addressing them

	Challenge	Actions to address
1	Continuing to obtain granular data on the Condition, Utilisation, Suitability and Quality of buildings that make up the Council's estate	We have established an ongoing rolling programme of Condition Surveys, and the first round of these has contributed to identifying schemes for the first round of the investment programme. A cyclical programme is to be established in 24/25.
2	Strategic review of the Council estate to concentrate maintenance investment in viable buildings and divest those buildings that are surplus to core delivery	Working with Members and officers in Property Services and team undertaking the accommodation review to understand and support a Corporate Asset Management Strategy.

3	Insufficient funding to adequately maintain the existing corporate estate in a satisfactory condition	Ensure resources for the next five years are used to deliver works in line with our approach set out in section one, to prioritise works based on those elements with the highest probability for failure and where the consequences of that failure would have a significant or severe impact on service. We will continue to identify additional funding and judiciously invest it to maintain the core estate in a satisfactory condition, continuing to utilise the data from the Condition Survey and Compliance programmes.
4	Insufficient funding, resources, and expertise within SCC to impact the aim of achieving Net Zero and the decarbonisation of the estate	Utilise the existing and new funding streams and opportunities to maximise the impact on decarbonisation and draw down available loan or grant funding if it becomes available. Net Zero building schemes will be developed on the shelf to enable immediate funding applications and improve delivery timescales.

D8 WASTE & STREET SCENE

Ensuring our waste and street scene services receive the investment they need to deliver high quality and efficient services to the communities we serve.

The Sheffield Delivery Plan strategic objectives include 'strong and connected neighbourhoods which people are happy to call home'. Having efficient waste services is a key element to keeping our neighbourhoods clean and attractive; and appropriate safety measures in our public realm is a key element to people feeling safe. The Energy Recovery Facility, Recycling Centre and District Energy Network investment reflect the further objective of 'clean economic growth'.

Director: Richard Eyre | Director of Street Scene and Regulation

Leads: Ben Brailsford, Head of Streetscene Services | Neil Townrow - Waste Strategy Officer

1 Background and context

The projects for future investment straddle the Waste and Street Scene Policy Committee (changes to the Energy Recovery Facility, waste collection and household waste recycling centre, hostile vehicle mitigation, CCTV improvement) and the Transport, Regeneration and Climate Change Committee (District Energy Network development).

Three of the projects (Energy Recovery Facility, Waste Collection Changes and Hostile Vehicle Mitigation) are driven by legislative changes so we have a clear mandate to implement. The Recycling Centre and District Energy Network projects reflect investments in the City's infrastructure to reduce our carbon impact. CCTV equipment investment reflects our ambitions to maintain a safe City centre for residents.

2 How do these activities contribute to 'net zero'?

The changes to waste collection services will contribute to increasing recycling and reducing the carbon impact from our waste.

The Household Waste Recycling Centre development will also contribute to increasing recycling and with the new reuse offer will actively prevent waste maximising resource/ material use. The investment in District Energy is to reduce dependency on gas and electric for heating. Whilst the National Grid continues to de-carbonise with our investment in the Energy Recovery Facility it is the most efficient heat source for the City. The network provides the opportunity for other heat sources to be added and can be future proofed in this way.

3 Projects completed in 2023/24

	Project and value	Impact
1	Musical Pocket Park (£63k)	12 Musical instruments available for public use
2	Fly Tipping & graffiti prevention (£100k)	Improved fencing, barriers and landscaping at sites across the city to reduce incidences of fly tipping.

4 Current projects already in delivery

	Project	Budget (£) (all years)	Year(s)	Outputs
1	City Centre Safety	£2m	2018-25	Installation of barriers to increase pedestrian safety

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5 Potential investment pipeline over the next 10 years

	Priority / Project	Impacts	Potential funding source(s)
1	New Legislation: Changes to Emissions permitted from Energy Recovery Facility	Veolia are required to reduce the daily average levels of SOx (suphur oxides) emissions from the Energy Recovery Facility. The Environment Agency has issued a new permit for the plant from December 2023. Veolia will need to retro fit the plant with the technology to neutralise the Sox emissions to the permitted levels.	Veolia capital – but borrowing costs may be higher than SCC
2	New Legislation: Changes to Waste Collection to meet new Environment Act (date to be confirmed by Government, but after Oct 2025)	Introduction of new weekly food waste collections (new collection vehicles and containers needed) Increase materials collected for recycling may mean changes to existing containers and collection vehicles. Awaiting confirmation if required to provide free garden waste collections, requiring new collection vehicles and containers.	New burdens funding from Government (but unlikely to meet full costs). Veolia can capitalise some costs – but borrowing costs may be higher than SCC
3	New Legislation: Hostile Vehicle Mitigation. Martyn's Law and the Protect Duty requires us to install physical	We have identified areas of risk in the City centre. Some measures have been implemented as part of existing capital schemes (eg Future High Street Fund, Connecting Sheffield), However there remain sites where we have temporary measures in place. Replacing these with permanent measures would have a positive	Funding sources have not been identified.

	safety measures outside buildings to ensure public safety.	impact on our revenue budget – as the temporary measures are hired in; and enable us to design appropriate measures that are in keeping with our ambitions for the City centre streetscene.	
4	New Waste Recycling Centre offering reuse opportunities and pay as you go for commercial waste	New waste recycling centre as we do not have space on our existing sites to offer the full range of materials we need to separate for recycling. We also do not have space for reuse, preventing waste or for offering services for commercial waste. We are also seeking to handle the Council's waste through this site, such as Parks and Repairs and Maintenance again providing increased opportunity for recycling and resilience for our services.	Veolia can capitalise some costs – but borrowing costs may be higher than SCC
5	District Energy Resilience and Development	Thermal storage would offer the opportunity to increase the number of customers on the network reducing the City's carbon footprint and resilience from gas and electric networks for heat. Further investment in pipe network would also contribute to this.	Veolia can capitalise some costs – but borrowing costs may be higher than SCC Grant Funding – but will be a max of 33% of cost
6	CCTV Camera Improvement	Our CCTV camera network is ageing and in some cases the technology is becoming obsolete. Replacing these cameras with newer technology would enable better quality imaging which will result in more effective services, and a safer City centre.	We will bid for funds through the Safer Streets Project (South Yorkshire Police) but this will not cover the full costs.

6 Our forward look to the 2050s

Our Highways Maintenance PFI Contract culminates in 2037. Capital investment is likely to be needed for depot refurbishment, including the salt dome, future schemes and operational delivery such as investment in fleet.

Our Veolia Integrated Waste Contract culminates in 2038. Capital investment is likely to be needed for exit costs of buy-back of facilities, equipment, and fleet. We may also need to invest in either a new treatment / recycling facility or alternatively require capital monies for the refurbishment of the existing facilities.

7 Key challenges and how we are addressing them

	Challenge	Actions to address
1	Energy Recovery Emissions Legislation Change	Veolia are testing a range of solutions to reduce the SOx (suphur oxides) emissions. Meetings to take place with Veolia from September to understand options to ensure compliance with the new requirements post December 23.

2	Environment Act changes to Waste Collection	Modelling options with Veolia and externally with Local Partnerships (a government agency).

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E CORPORATE INVESTMENT FUND (CIF) POLICY

This Section E sets out our proposed policies for the Corporate Investment Fund (CIF)

1 Background

The Corporate Investment Fund (CIF) was created in 2017/18 to provide a single co-ordinated fund to prime economic and housing growth activity in the City. It's made up of a range of individual funding streams – New Homes Bonus, Community Infrastructure Levy (CIL), section 106 and elements of the old Corporate Resource Pool (CRP). It is the Council's structure for managing discretionary capital funding.

Historically, the CRP had been made up largely of capital receipts from the sale of surplus Council land and assets. It was used to fund investment needs not met by Government funding, such as backlog maintenance demands / core repairs and unplanned failures of large critical assets or other property losses caused by natural disasters (such as the floods in 2007).

CRP was also used to demolish empty properties to redevelop land for sale. This brought benefits to the Revenue Budget by reducing the costs of safeguarding vacant properties, as well as replenishing the CRP.

With the advent of the New Homes Bonus and Community Infrastructure Levy as further "unrestricted" funds available for investment at the discretion of the authority, it was decided to combine the income from these new funding streams with those previously included in the CRP (i.e. non HRA Capital Receipts). Together, these create the Corporate Investment Fund (CIF). It is therefore a blend of restricted and unrestricted funds.

The national programme of expenditure reductions has increased the importance of this facility as central government support has decreased. We may be required to use our own resources to fund essential infrastructure. And we also need to maintain sufficient funds to match - often at short notice - those available from external funders like the Heritage Lottery Fund, Sport England etc. in order to lever in funding to replace that lost from Central Government.

Demand for CIF funding vastly exceeds supply. The CIF currently represents only 2.3% of the Capital Programme.

2 Purpose of the Corporate Investment Fund (CIF)

The CIF is intended to fund investment projects which cannot attract other sources of funding. This may include maintenance of our corporate buildings, or projects which have attracted external funding but require an element of matched funding to proceed. It may provide funding for growth projects – whether as core funding or feasibility funding – which generate sustainable growth for everyone in the City. We may need to 'underwrite' schemes, where external funding has been promised but is not yet formally approved for acceptance. Or we may need to use capital receipts for organisational transformation purposes – the Council faces significant challenges and we need the maximum flexibility of our funding sources to achieve our objectives.

3 Known demands on the CIF

The need for a new vision and strategy for Sheffield's City Centre has been identified as part of our wider recovery plans following the impact of Covid-19. However, the City Centre is one of several key areas where a lack of funding and/or agreement on the way forward has prevented progress for some time – such as in relation to the Town Hall and the Central Library/Graves Art Gallery. And our wider corporate estate needs urgent rationalisation, followed by investment in our remaining buildings.

We anticipate that our Accommodation Programme alone will require around £200m of investment.

Each of the Policy Committees has several key priority projects within their ten-year investment pipeline contained within this Strategy; many of these will require CIF investment to proceed.

And we should maintain a prudent level of CIF reserves to mitigate the risks of unexpected spend, such as project overspends or urgent emerging priorities.

We simply do not have the money to invest in everything we need to. We have very difficult decisions to take over the coming months and years.

4 Key risks for the CIF

Key risk factors on the ability to allocate the CIF relate to the uncertainty surrounding the income flows from the key components of capital receipts and Community Infrastructure Levy.

Payment of Capital Receipts will continue to be subject to the inherent risk in all property and land transactions, such as local / national economic factors and the housing market. Furthermore, the application of the Affordable Housing Policy - to address the city-wide affordable housing shortfall - will affect the level of capital receipts generated (even though potential reductions may be partially offset by future Council Tax).

The Council will also receive S.106 commuted sum (on and off site) contributions for the provision of new affordable housing. This income will be used to increase the number of affordable homes in the Affordable Housing Programme.

Community Infrastructure Levy income will be dependent on the level of development taking place in the City which is subject to the levy. While estimations can be made of potential receipts, again, wider economic factors can quickly impact on the level of development in the City.

Last year, we received around £500k of capital receipts. Whilst we may receive more in years to come, it’s clear that this in no way comes close to meeting the demands placed upon the CIF.

5 CIF allocation policy

Our previous policy was that Members approved capital expenditure commitments no more than one year in advance. Lower levels of capital receipts put considerable constraints on the CIF. However, in the current difficult financial circumstances, the Council must be ambitious and bolder in its vision to progress the City’s development. We will therefore agree allocations up to a ten-year lifespan. Anything beyond this would be on an exceptional basis.

Consideration of the granting of CIF funds will only be given to projects which meet the following criteria set out in both A and B:

A Funding

Projects requesting CIF capital funding will:

- Have no other available funding sources from central government, internal investment funds (e.g. Housing Revenue Account) or other grant funding bodies; or
- Already be in receipt of external funding and require an element of match funding to proceed; or
- Are strategic projects which require cash flow support until a funding package can be arranged.

B Suitability

Projects requesting CIF funding will:

- Be in line with corporate priorities; and

- Have a robust business case; and
- Where applicable, be necessary to make an asset compliant with legislation; or
- Where applicable, be an emergency requirement not capable of prior notification and a failure to undertake the project as an emergency will result in a threat to life and limb.

Non-cash investments (such as in land or property) will comply with the Investment Strategy Principles set out at section 4.4 of this Capital Strategy.

Outcomes and benefits will, as ever, be robustly assessed. And if any project does not proceed, abortive project costs will have to be financed from the sponsoring Directorate's Revenue Budget.

Alongside the funding of key development and investment priorities, a suitable reserve level will be maintained within the CIF to allow swift response to emergency situations such as the floods of 2007 and to provide match funding at short notice to lever in additional grant funding from central government and others.

6 Future developments – s.106, CIL and the Local Plan

New CIL Regulations that impact on the operation of CIL and s.106 came into force in September 2019.

The Council continues to publish its annual Infrastructure Funding Statement (IFS), delivering greater transparency of CIL and s.106 receipts and spending. The Council has also set out a list of priorities for projects to be funded by CIL via the Infrastructure Delivery Plan (IDP) which has been produced to support the Local Plan. This replaces the previous 'Regulation 123 List'.

The new CIL Regulations encourage more use of s.106 and introduce the ability to use both CIL and s.106 in delivering infrastructure priorities. Previously, the Regulations restricted the ability to ask for both s.106 and CIL for the same project and restricted how many s.106s could be used for the same item of infrastructure. These restrictions have now been removed.

The viability assessments that underpinned the setting of the CIL rates always allowed for s.106 contributions, so the Council should now be able to pursue s.106 agreements on sites that will also be making a CIL contribution, where a s.106 is required to make an application acceptable in planning terms.

The Local Plan

The draft Sheffield Local Plan, an ambitious vision for the City, was approved at Full Council in September 2023 for submission to Government for formal examination across 2024. This will pave the way for investment and development across the City's communities.

The draft Local Plan brings together proposals around housing, environment, development, economic growth and transport, looking at these as one big picture, addressing the challenges of how they each impact the other, and how they will bring benefits for everyone in Sheffield.

The Council's aim is to adopt the Local Plan in 2025.

F PROJECT LIST SPLIT BY COMMITTEE

This Section F sets out the full list of projects, which have either been approved or approval has been requested, split by Committee

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Summary Report / Annual Cabinet 1

Cycle: 472 - Forecast Cycle November 23 Month End, Status: Closed, Type: Forecast
Company: 001 SHEFFIELD CITY COUNCIL
Programme: ADULT HEALTH & SOCIAL CARE
Directorate: * ALL
Service: * ALL
Division of Service 1: * ALL
Division of Service 2: * ALL
Division of Service 3: * ALL
Management Area: * ALL
Manager: * ALL
Business Unit / Project: * ALL
Approval Status: Approved or Requested Approval Versions
Stage: 10 Project Planning - 90 Disposal

ADULT HEALTH & SOCIAL CARE

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				Expenditure				Expenditure
Values in £'000s	Project Start	Project End	Approval Status	2024-2025	2025-2026	2026-2027	2027-2029	Total
Total				-	-	-	-	-

Summary Report / Annual Cabinet 1

Cycle: 472 - Forecast Cycle November 23 Month End, Status: Closed, Type: Forecast
Company: 001 SHEFFIELD CITY COUNCIL
Programme: COMMUNITIES, PARKS & LEISURE
Directorate: * ALL
Service: * ALL
Division of Service 1: * ALL
Division of Service 2: * ALL
Division of Service 3: * ALL
Management Area: * ALL
Manager: * ALL
Business Unit / Project: * ALL
Approval Status: Approved or Requested Approval Versions
Stage: 10 Project Planning - 90 Disposal

COMMUNITIES, PARKS & LEISURE

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Values in £'000s	Project Start	Project End	Approval Status	Expenditure 2024-2025	2025-2026	2026-2027	2027-2029	Expenditure Total
94554, FORGE DAM POND RESTORATION (NAQNO)	DEC 2020	MAR 2024	Approval Requested	27				27
94560, HIGH HAZELS PARK SHELTER (NAQNO)	JUL 2021	MAR 2025	Approval Requested	87				87
94567, FRECHEVILLE PARK IMPROVEMENTS (NAQNO)	JUN 2022	MAR 2025	Approval Requested	80				80
94576, PARKWOOD SPRINGS WORK PACK 3&4 (NAQNO)	JUN 2023	MAR 2025	Approval Requested	47				47
94578, LONGLEY PARK PLAYGROUND (NAQNO)	NOV 2023	MAR 2025	Approval Requested	4				4
94160, YIF - ALL SAINTS YOUTH CLUB (NAQNO)	AUG 2023	MAR 2025	Approval Requested	576				576
94161, YIF - STOCKSBRIDGE YOUTH CLUB (NAQNO)	AUG 2023	MAR 2025	Approval Requested	1,422				1,422
94133, FAMILY HUBS TRANSFORMATION (NAQNO)	JAN 2023	MAR 2025	Approval Requested	107				107
Total				2,349	-	-	-	2,349

Summary Report / Annual Cabinet 1

Cycle: 472 - Forecast Cycle November 23 Month End, Status: Closed, Type: Forecast
Company: 001 SHEFFIELD CITY COUNCIL
Programme: ECONOMIC DEVELOPMENT & SKILLS
Directorate: * ALL
Service: * ALL
Division of Service 1: * ALL
Division of Service 2: * ALL
Division of Service 3: * ALL
Management Area: * ALL
Manager: * ALL
Business Unit / Project: * ALL
Approval Status: Approved or Requested Approval Versions
Stage: 10 Project Planning - 90 Disposal

ECONOMIC DEVELOPMENT & SKILLS

				Expenditure				Expenditure
Values in £'000s	Project Start	Project End	Approval Status	2024-2025	2025-2026	2026-2027	2027-2029	Total
94120, M1 GATEWAY PUBLIC ART PROJECT (NAQNO)	MAR 2014	MAR 2025	Approval Requested	361				361
Total				361	-	-	-	361

Summary Report / Annual Cabinet 1

Cycle: 472 - Forecast Cycle November 23 Month End, Status: Closed, Type: Forecast
Company: 001 SHEFFIELD CITY COUNCIL
Programme: EDUCATION, CHILDREN & FAMILIES
Directorate: * ALL
Service: * ALL
Division of Service 1: * ALL
Division of Service 2: * ALL
Division of Service 3: * ALL
Management Area: * ALL
Manager: * ALL
Business Unit / Project: * ALL
Approval Status: Approved or Requested Approval Versions
Stage: 10 Project Planning - 90 Disposal

EDUCATION, CHILDREN & FAMILIES

				Expenditure				Expenditure
Values in £'000s	Project Start	Project End	Approval Status	2024-2025	2025-2026	2026-2027	2027-2029	Total
90894, ASTREA - SPORTS PITCH (NAQNO)	JAN 2008	MAR 2025	Approval Requested	1,179				1,179
90967, SW SEC SCH FEAS - SILVERDALE (NAQNO)	JAN 2008	MAR 2024	Approval Requested	200				200
90983, SW SEC SCH FEAS - KG ECGBERTS (NAQNO)	JAN 2008	MAR 2024	Approval Requested	330				330
90999, LIMPSFIELD J WINS & EXT WALLS (NAQNO)	APR 2021	MAR 2025	Approval Requested	513				513
91000, MOSSBROOK SS WINS & EXT WALLS (NAQNO)	APR 2021	MAR 2025	Approval Requested	288				288
91021, WHARNCLIFFE SIDE PMY EXPN (NAQNO)	JAN 2008	MAR 2023	Approval Requested	1,269				1,269
91023, MANOR LODGE PMY SCH EXPANSION (NAQNO)	JAN 2008	MAR 2023	Approval Requested	1,055				1,055
91026, WATERCLIFFE MEADOW RET WALLS (NAQNO)	JAN 2008	MAR 2024	Approval Requested	131				131
91028, PEAKS POST-16 SEND PROVISION (NAQNO)	JAN 2008	MAR 2025	Approval Requested	89				89
91030, STOCKSBRIDGE HUB (NAQNO)	JAN 2008	MAR 2025	Approval Requested	335				335
91024, RUSHEY MEADOWS CRH (NAQNO)	JAN 2008	MAR 2024	Approval Requested	464				464
Total				5,852	-	-	-	5,852

Summary Report / Annual Cabinet 1

Cycle: 472 - Forecast Cycle November 23 Month End, Status: Closed, Type: Forecast
Company: 001 SHEFFIELD CITY COUNCIL
Programme: HOUSING
Directorate: * ALL
Service: * ALL
Division of Service 1: * ALL
Division of Service 2: * ALL
Division of Service 3: * ALL
Management Area: * ALL
Manager: * ALL
Business Unit / Project: * ALL
Approval Status: Approved or Requested Approval Versions
Stage: 10 Project Planning - 90 Disposal

HOUSING

				Expenditure				Expenditure
Values in £'000s	Project Start	Project End	Approval Status	2024-2025	2025-2026	2026-2027	2027-2029	Total
00100000Q0094 GV MASTERPLAN DELIVERY	APR 2019	MAR 2027	Approval Requested	7,227	10,963	20,162		38,352
90136, CHAUCER SQUARE MAINTENANCE (NAQNO)	JAN 2009	DEC 2030	Approval Requested	27	18	18	18	81
97995, PS HOMES UPGRADE GRANT PH.2 (NAQNO)	JAN 2023	MAR 2025	Approval Requested	2,309				2,309
97498, LAHF ACQUISITIONS (NAQNO)	APR 2020	MAR 2025	Approval Requested	871				871
97548, LAHF2 ACQUISITIONS (NAQNO)	SEP 2023	MAR 2025	Approval Requested	2,000				2,000
97551, COUNCIL HSG ACQUISITIONS PROG (Q0067)	APR 2014	MAR 2028	Approval Requested	2,169	2,220	2,274	2,329	8,991
97560, NBCH-P06-NEWSTEAD-OPIL (NAQNO)	JAN 2020	MAR 2027	Approval Requested	16,693	8,019	1,526		26,238
97566, NBCH-P11-HEMSWORTH-OPIL (NAQNO)	DEC 2019	MAR 2026	Approval Requested	9,848	9,618			19,466
97572, NBCH-P16-NEWSTEAD-ENABLE (NAQNO)	AUG 2020	MAR 2024	Approval Requested	3				3
97585, NBCH-P25-CORKER BOTTOMS-GN (NAQNO)	JAN 2022	MAR 2025	Approval Requested	3,755				3,755
97586, NBCH-P26-MOVE ON PROV PHASE 1 (NAQNO)	MAY 2022	MAR 2025	Approval Requested	17				17
97587, NBCH-P27-HANDSWORTH-GN (NAQNO)	JUN 2022	MAR 2025	Approval Requested	4,251				4,251
97591, NBCH-P31-NEWSTEAD REINSTATE (NAQNO)	AUG 2023	MAR 2024	Approval Requested	1,083	127			1,211
00140591Q0087 STOCK INCREASE (CHS)	APR 2014	MAR 2028	Approval Requested	2,774	31,922	52,607	50,595	137,898

97338, PROGRAMME MANAGEMENT COSTS RTB (NAQNO)	JAN 2008	MAR 2029	Approval Requested	377	377	377	377	1,508
97348, HRA PROGRAMME MANAGEMENT (NAQNO)	JAN 2008	MAR 2027	Approval Requested	250	250	250		750
97131, ASBESTOS SURVEYS (NAQNO)	APR 2010	MAR 2026	Approval Requested	157	57			214
97139, LANSDOWNE AND HANOVER CLADDING (NAQNO)	JAN 2008	MAR 2025	Approval Requested	67				67
97148, S H MGMT FEES COMMISSIONED (NAQNO)	APR 2011	MAR 2027	Approval Requested	2,900	2,950	3,000		8,850
97264, H & S ELECTRICAL REWIRES (NAQNO)	APR 2010	MAR 2027	Approval Requested	96	30	30		156
97269, EMERGENCY DEMOLITIONS (NAQNO)	JAN 2008	MAR 2025	Approval Requested	40				40
97404, HEATING BREAKDOWNS (Q0069)	APR 2012	MAR 2025	Approval Requested	1,215				1,215
97444, GENERAL/RTB ACQUISITIONS CHS (Q0069)	APR 2015	MAR 2028	Approval Requested	855	1,040	364	415	2,674
97468, DEMOLITION PROGRAMME (NAQNO)	DEC 2019	MAR 2025	Approval Requested	193				193
97469, FIRE SUPPRESSION SYSTEMS (NAQNO)	AUG 2020	MAR 2025	Approval Requested	440				440
97470, ADAPTATIONS 2020-25 CONTRACT (NAQNO)	JUL 2020	MAR 2026	Approval Requested	2,824	5,038			7,861
97472, EWI NON-TRADITIONAL 2 (NAQNO)	JAN 2018	MAR 2026	Approval Requested	7,620	2,024			9,644
97473, EWI NON-TRADITIONAL 3 (NAQNO)	JAN 2018	MAR 2025	Approval Requested	1,821				1,821
97475, ELEMENTAL REFURBS 2021-26 (NAQNO)	SEP 2020	MAR 2026	Approval Requested	3,365	3,145			6,509
97476, ADAPTATIONS - STAIRLIFTS (NAQNO)	APR 2021	MAR 2026	Approval Requested	414				414
97477, ELECTRICAL UPGRADES PH 2 (NAQNO)	SEP 2020	MAR 2027	Approval Requested	4,369	4,369	1,539		10,278
97480, SINGLE STAIRCASE TOWER BLOCKS (NAQNO)	SEP 2019	MAR 2025	Approval Requested	181				181
97483, TOWER BLOCK FLAT ROOFING (NAQNO)	APR 2021	MAR 2026	Approval Requested	1,096	399			1,495
97485, STAIRLIFTS CONTRACT 2 (NAQNO)	DEC 2022	MAR 2025	Approval Requested	99				99
97488, ROOFING REPLACEMENT 2024-29 (NAQNO)	JUL 2023	MAR 2029	Approval Requested	8,164	8,791	9,564	20,119	46,638
97490, OPIL LAUNDRY UPGRADES (NAQNO)	APR 2022	MAR 2025	Approval Requested	99				99
97492, MANOR HOUSE OPIL FRA (NAQNO)	SEP 2023	MAR 2024	Approval Requested	8				8
97496, GLEADLESS VALLEY ACQUISITIONS (NAQNO)	JUL 2021	MAR 2025	Approval Requested	1,943				1,943
97968, LIFT REPLACEMENTS (NAQNO)	APR 2011	MAR 2025	Approval Requested	287				287
00140653Q0079 HEATING, ENERGY EFFIC & CARBON RED	APR 2014	MAR 2027	Approval Requested	8,307	9,390	13,450		31,148
00140653Q0080 ENVELOPING & EXTERNAL WORK	APR 2014	MAR 2027	Approval Requested	391	1,682	1,682		3,755
00140653Q0082 ADAPTIONS & ACCESS (CHS)	APR 2021	MAR 2027	Approval Requested			683		683
00140653Q0083 WASTE MGT & ESTATE ENVIRONMENTALS	APR 2014	MAR 2027	Approval Requested	3,475	3,365	3,515		10,355
00140653Q0084 H & S ESSENTIAL WORK	APR 2015	MAR 2027	Approval Requested	12,816	17,424	16,026		46,266
00140653Q0085 COMMUNAL AREAS INVESTMENT	APR 2014	MAR 2027	Approval Requested	2,950	2,500	2,927		8,377
00140653Q0086 INTERNAL WORKS	APR 2014	MAR 2027	Approval Requested			5,193		5,193
00140653Q0089 OTHER ESSENTIAL WORK	APR 2014	MAR 2027	Approval Requested	1,982	1,332	1,482		4,796
00140653Q0090 GARAGES & OUTHOUSES	JAN 2008	MAR 2027	Approval Requested	250	250	250		750
Total				122,077	127,301	136,919	73,852	460,150

Summary Report / Annual Cabinet 1

Cycle: 472 - Forecast Cycle November 23 Month End, Status: Closed, Type: Forecast
Company: 001 SHEFFIELD CITY COUNCIL
Programme: STRATEGY & RESOURCES
Directorate: * ALL
Service: * ALL
Division of Service 1: * ALL
Division of Service 2: * ALL
Division of Service 3: * ALL
Management Area: * ALL
Manager: * ALL
Business Unit / Project: * ALL
Approval Status: Approved or Requested Approval Versions
Stage: 10 Project Planning - 90 Disposal

STRATEGY & RESOURCES

				Expenditure				Expenditure
Values in £'000s	Project Start	Project End	Approval Status	2024-2025	2025-2026	2026-2027	2027-2029	Total
95675, TRANSPORT EFFICIENCY 22-23 Y4 (NAQNO)	JAN 2008	MAR 2025	Approval Requested	679				679
95648, PSDS - TOWN HALL (NAQNO)	JAN 2008	MAR 2025	Approval Requested	12				12
95676, ABBEYDALE DAM LEAKS (NAQNO)	JAN 2008	MAR 2024	Approval Requested	231				231
95681, CLOSED CHURCHYARD BDRY WALLS (NAQNO)	MAR 2023	MAR 2024	Approval Requested	115				115
Total				1,037	-	-	-	1,037

Summary Report / Annual Cabinet 1

Cycle: 472 - Forecast Cycle November 23 Month End, Status: Closed, Type: Forecast
Company: 001 SHEFFIELD CITY COUNCIL
Programme: TRANSPORT, REGEN & CLIMATE
Directorate: * ALL
Service: * ALL
Division of Service 1: * ALL
Division of Service 2: * ALL
Division of Service 3: * ALL
Management Area: * ALL
Manager: * ALL
Business Unit / Project: * ALL
Approval Status: Approved or Requested Approval Versions
Stage: 10 Project Planning - 90 Disposal

TRANSPORT, REGEN & CLIMATE

Values in £'000s	Project Start	Project End	Approval Status	Expenditure 2024-2025	2025-2026	2026-2027	2027-2029	Expenditure Total
94029, DEVONSHIRE QUARTER (NAQNO)	APR 2018	MAR 2025	Approval Requested	858				858
94030, BROWNFIELD SITE (NAQNO)	APR 2018	MAR 2025	Approval Requested	3,747				3,747
94145, CASTELAYN DEMOLITION (NAQNO)	SEP 2023	MAR 2025	Approval Requested	331				331
94146, PADDOCK HILL DEMOLITION (NAQNO)	SEP 2023	MAR 2025	Approval Requested	185				185
94147, ATTERCLIFFE WATERSIDE (NAQNO)	NOV 2023	MAR 2025	Approval Requested	1,710				1,710
94050, SHEFFIELD RETAIL QUARTER 2 (NAQNO)	OCT 2013	MAR 2025	Approval Requested	9				9
94054, SRQ OFFICES (NAQNO)	JAN 2017	MAR 2026	Approval Requested	266	422			688
94055, SRQ - STRATEGIC DEV PARTNER (Q0078)	JAN 2008	MAR 2025	Approval Requested	459				459
94057, A PALATINE CHAMBERS BLOCK (NAQNO)	APR 2018	MAR 2025	Approval Requested	3,436				3,436
94058, B LAYCOCK HOUSE NEW BUILD (NAQNO)	APR 2018	MAR 2025	Approval Requested	770				770
94060, C PEPPER POT BUILDING (NAQNO)	APR 2018	MAR 2025	Approval Requested	1,108				1,108
94063, G DEVELOPMENT PLOTS (NAQNO)	SEP 2018	MAR 2025	Approval Requested	118				118
94065, H HENRYS BLOCK (NAQNO)	APR 2018	MAR 2025	Approval Requested	2,705				2,705

94066, H1 LEAHS YARD (NAQNO)	APR 2018	MAR 2025	Approval Requested	1,626				1,626
94067, HOC II INFRASTRUCTURE & PR (NAQNO)	APR 2018	MAR 2025	Approval Requested	176				176
94070, G POCKET PARK (NAQNO)	FEB 2021	MAR 2025	Approval Requested	253				253
94018, THREE BROOKS ENV SCHEME-MANOR (NAQNO)	OCT 2020	MAR 2025	Approval Requested	23				23
94036, SHEAF PORTER FLOOD DEFENCE (NAQNO)	MAR 2023	DEC 2028	Approval Requested	201				201
94042, FHSF PUBLIC REALM & INFRA (NAQNO)	MAY 2021	MAR 2025	Approval Requested	7,146				7,146
94043, FHSF FRONT DOOR INTERVENTIONS (NAQNO)	APR 2021	MAR 2025	Approval Requested	1,101				1,101
94044, FHSF EVENTS CENTRAL BUILDING (NAQNO)	APR 2021	MAR 2024	Approval Requested	4,729				4,729
94046, STF WALKING & CYCLING TRAILS (NAQNO)	SEP 2021	MAR 2024	Approval Requested	34				34
94047, STF MANCHESTER RD PM (NAQNO)	AUG 2021	MAR 2026	Approval Requested	4,290	868			5,158
94048, STF MANCHESTER RD HUB (NAQNO)	SEP 2021	MAR 2026	Approval Requested	9,065	1,828			10,893
94049, STF SPORTS HUB (NAQNO)	MAR 2022	MAR 2025	Approval Requested	606				606
94071, STF HIGH ST ACCESSIBILITY (NAQNO)	MAR 2022	MAR 2025	Approval Requested	519	141			660
94074, STF OXLEY PARK PH 2 (NAQNO)	MAR 2022	MAR 2025	Approval Requested	378				378
94077, LUF CASTLE SITE (NAQNO)	APR 2021	JUN 2025	Approval Requested	11,346	391			11,737
94078, STF SHOP FRONTS (NAQNO)	NOV 2022	MAR 2025	Approval Requested	960	672			1,633
94080, LUF ENTERPRISE CENTRE (NAQNO)	JAN 2008	JAN 2009	Approval Requested	6				6
94084, STF SPORTS HUB GRANT (NAQNO)	MAR 2022	MAR 2025	Approval Requested	223				223
94094, LUF ATTERCLIFFE CAR PARKS (NAQNO)	SEP 2022	MAR 2024	Approval Requested	247				247
94135, UPPER DON PHASE 2 (NAQNO)	MAR 2023	DEC 2027	Approval Requested	485				485
93350, STREETS AHEAD OPPORTUNITIES (NAQNO)	APR 2015	MAR 2023	Approval Requested	250				250
93079, CAZ BACK OFFICE (NAQNO)	JAN 2009	DEC 2009	Approval Requested	359				359
93081, CAZ SIGNAGE (NAQNO)	JAN 2018	MAR 2021	Approval Requested	97				97
93083, TCF CITY CENTRE (NAQNO)	SEP 2019	JAN 2025	Approval Requested	92				92
93085, TCF NETHER EDGE WEDGE CYCLING (NAQNO)	AUG 2019	MAR 2020	Approval Requested	316				316
93086, TCF MAGNA MHALL CYCLING (NAQNO)	SEP 2019	MAR 2020	Approval Requested	542				542
93087, TCF-DACC (NAQNO)	SEP 2019	MAR 2020	Approval Requested	121	198			319
93090, TCF HOUSING ZONE NORTH (NAQNO)	SEP 2019	MAR 2026	Approval Requested	5,944	395			6,339
93163, CAZ BUSES & COACHES (NAQNO)	JAN 2008	JAN 2009	Approval Requested	1,394				1,394
93165, CAZ HGV (NAQNO)	JAN 2009	DEC 2009	Approval Requested	1,440				1,440
93173, ROTHER VALLEY PARKING (NAQNO)	APR 2021	MAR 2025	Approval Requested	222				222
93178, DISABLED PARKING BAYS (NAQNO)	JUN 2021	MAR 2024	Approval Requested	33				33
93251, HIGH GREEN 20MPH (NAQNO)	JUL 2021	MAR 2023	Approval Requested	88				88
93256, SHALESMOOR GATEWAY (NAQNO)	DEC 2022	OCT 2023	Approval Requested	1,490				1,490
93299, MANOR LANE CROSSING (NAQNO)	APR 2022	AUG 2024	Approval Requested	79				79
93306, HERRIES RD CROSSING (NAQNO)	APR 2022	DEC 2024	Approval Requested	91				91
92945, BARKBY ROAD STEPS (NAQNO)	APR 2019	NOV 2023	Approval Requested	82				82
Total				71,753	4,916	-	-	76,668

Summary Report / Annual Cabinet 1

Cycle: 472 - Forecast Cycle November 23 Month End, Status: Closed, Type: Forecast
Company: 001 SHEFFIELD CITY COUNCIL
Programme: WASTE & STREET SCENE
Directorate: * ALL
Service: * ALL
Division of Service 1: * ALL
Division of Service 2: * ALL
Division of Service 3: * ALL
Management Area: * ALL
Manager: * ALL
Business Unit / Project: * ALL
Approval Status: Approved or Requested Approval Versions
Stage: 10 Project Planning - 90 Disposal

WASTE & STREET SCENE

				Expenditure				Expenditure
Values in £'000s	Project Start	Project End	Approval Status	2024-2025	2025-2026	2026-2027	2027-2029	Total
Total				-	-	-	-	-

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