CAPITAL STRATEGY

and

BUDGET BOOK

2021/22 - 2025/26

Sheffield City Council

- This page has been left intentionally blank -

CONTENTS

1 EXECUTIVE SUMMARY AND RECOMMENDATIONS

A succinct summary of priority areas and recommendations for approval

1.1 Headline summary of priorities

2020 has been a year of tremendous change and challenge for all of us. This pace of change will not diminish. We must rise to the new challenges we face. The COVID-19 pandemic has had a significant impact on our City and its people. Climate change affects us all, and the window for us to effect meaningful change diminishes with each passing year.

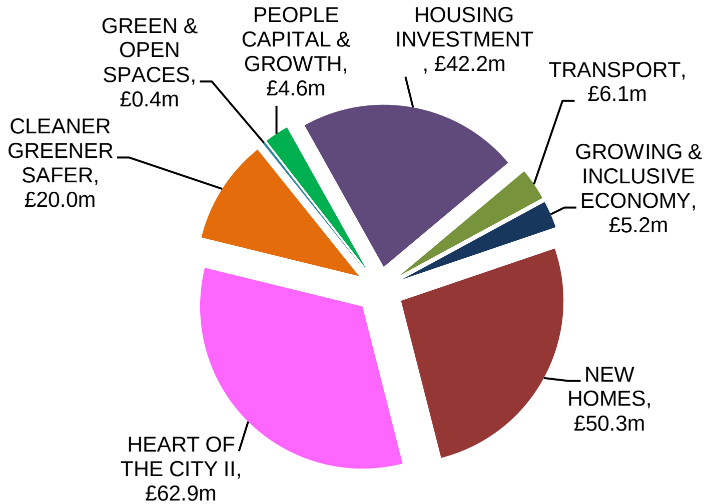
Against this challenging backdrop, we will spend our resources as effectively as we can to ‘build back better’, improving our resilience and sustainability for the long term. Our new administration will respond swiftly and with flexibility to emerging needs and trends to support the City in its recovery. As ever, we will strive to deliver the best possible value to the taxpayer.

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 the priorities and concerns of Sheffield people.

Capital Programme strategic priorities: 2021/22

The size of the proposed capital programme in 2021/22 is £191.7m:

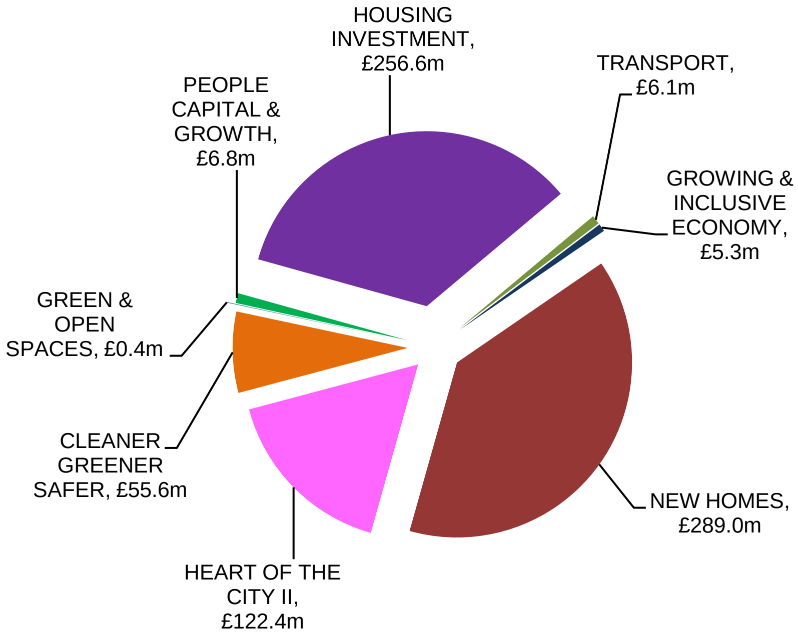
Growing and inclusive economy	**£5.2m**
Transport	**£6.1m**
New homes	**£50.3m**
Housing investment	**£42.2m**
Cleaner greener safer	**£20m**
Green and open spaces	**£0.4m**
People: capital and growth	**£4.6m**
Heart of the city II	**£62.9m**



Page 267

Capital Programme strategic priorities: 2021/26

Growing and inclusive economy	£5.3m
Transport	£6.1m
New homes	£289m
Housing investment	£256.6m
Cleaner greener safer	£55.6m
Green and open spaces	£0.4m
People: capital and growth	£6.8m
Heart of the City II	£122.4m



The size of the proposed 5-year capital programme for 2021/22 to 2024/25 is £742.2m. 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.

1.2 How this document is structured

This document is split into the following sections:

Section 2:	sets out the background to the Capital Programme, including its size, shape and how it is funded.
Sections 3 – 11:	set out the key investment priority principles for each of the priority areas, together with the highest value existing projects and potential pipeline projects – some of which may be brought forward for approval following feasibility and consultation. These sections also set out the key challenges faced by each priority area, together with how we are proposing to tackle these challenges.
Appendix 1:	provides background information relating to Corporate Investment Fund, together with our investment proposals.
Appendix 2:	sets out a full list of approved projects in the Capital Programme.

1.3 The priority areas in more detail

This section takes each of the priority areas (contained at sections 3-11) in turn, for the period 2021-2026.

1.3.1 Growing and inclusive economy: £5.3m

This priority is about getting more people into good jobs, helping them to earn more and live healthy lives, using and building their skills and knowledge. COVID-19 has accelerated the pace of change, and we must act decisively to support an environment where more businesses can set up, grow, innovate and create good jobs. We want to see a connected City with the transport and digital infrastructure to support the City's growth and help everyone to connect to economic opportunities.

1.3.2 Transport: £6.1m

Our Transport priority aims to deliver safe, well maintained streets which enable the City's ongoing development and helps every resident access jobs and local services. We want to see an attractive public transport offer and infrastructure which encourages other means of transport than the car to support our climate change objectives. We also want to improve the City's air quality to improve the quality of life for our residents. To this end, we are delivering projects which support Sheffield's existing Transport Policy.

1.3.3 New homes: £289m

Sheffield needs a housing market that delivers choice, quality, and affordability in every part of the City. The Council has set out its commitment to build between 2,000 and 2,300 new homes each year by 2022. 725 of these must be affordable. We must work in partnership across the City to deliver this, using a wide mix of measures to increase development.

The Council will also increase its own social housing stock. It will achieve this through the delivery of new Council homes, acquiring existing homes to bring into the Council's rental portfolio, and bringing empty properties back into use.

We want to increase the amount of quality housing provision for older people and are progressing projects to facilitate this. These projects should also release other housing stock throughout the City, thus relieving some pressures on other residents who are seeking accommodation.

We also want to ensure we are driving the highest environmental standards we can within our funding envelope.

1.3.4 Housing investment: £256.6m

Our tenants should live in warm, dry, safe, and secure properties which are as efficient to run as possible. To deliver this, the Council will continue to renovate and refurbish the Council's housing stock. We will build upon our sound work to date in improving energy efficiency and lever in external funding wherever possible to help us achieve this.

1.3.5 Cleaner greener safer: £55.6m

This priority is about creating places and spaces where people enjoy being, contributing to the quality of life for our citizens. It's about ensuring access to high quality facilities – whether libraries or sport and leisure facilities – which underpin our communities and support their mental and physical wellbeing. It's also about providing safe, well-maintained green and open spaces, creating environments which people are proud of and help them to thrive.

1.3.6 Green and open spaces: £0.4m

This priority focuses on a dedicated strand of works from the 'Cleaner greener safer" priority. Funded primarily from either S.106 contributions from developers (which are required to be spent in green spaces), Public Health monies, (with the aim of reducing health inequalities in the City) or from external funding grants (such as Sport England or Lottery Heritage Fund), this priority aims to restore and enhance civic pride in our parks, playgrounds and green spaces. Far from being left to slide into decline, we are ambitious for these precious assets. We know they have been a lifeline for many of our residents throughout the COVID-19 pandemic and will continue to invest as much as we can to ensure they remain relevant and well-used.

1.3.7 People – capital and growth: £6.8m

The People Portfolio supports children, young people and their families, and adults and communities. It focuses on providing a good standard of education from fit-for-purpose premises, together with an emphasis on early intervention and prevention to reduce demand for services. We want to support our residents at all stages of life, and underpinning this is an 'all age' approach to disability-related services across the portfolio which supports individuals from childhood through to old age in a consistent and seamless way, without barriers or difficult transition points.

1.3.8 Heart of the City II: £122.4m

Heart of the City II is one of Sheffield's key economic projects. Backed by Sheffield City Council alongside its strategic delivery partner Queensbury, the scheme will provide contribute positively in social and economic terms making the City centre a more dynamic place to live and work.

The scheme will bring 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 Fargate, providing a new home for Sheffield's cultural, commercial, and creative trailblazers. We're adopting a phased approach to development, enabling us to more effectively manage the risks arising from a development of this scale in this challenging climate.

1.4 How we will deliver these priorities

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

- **Sustainability** is at the heart of our decision-making process. Almost £140m of projects in our capital programme have a direct impact on the City's sustainability and resilience.

Whether delivering e-cargo bikes, clean bus technology, electric vehicle charging points, new cycle routes or further improving the insulation of our housing stock, consideration of each project's impacts on 'net zero' is now embedded in our business cases. We're mindful of the environmental impact of our own assets – namely our buildings and fleet – and have been investing for several years to begin to mitigate this.

But there is always more we can do. We have launched a Sustainability Programme Group to drive progress in this area and ensure our impact on climate change underpins consideration of everything we 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 section 2.1.6.

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

  We have a strong tradition of delivering 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'll support our local economy wherever we can and do what we can to keep Sheffield's economy moving.

- **Effective governance** is critical to the success of our capital programme.

  Robust priority setting and effective funding strategies - coupled with sound project and programme management – are the building blocks for successful delivery.

  Further details on procurement and governance are set out at section 2.8.2.

1.5 Purpose of this Strategy

- Set out the Council's key priority areas for capital investment;
- Provide an overview of specific projects included in the years 2021 to 2026;
- Set out the overall shape of the current Capital Programme for the 5 years to 2026 (at Appendix 2). 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
- Provide background to our Corporate Investment Fund Policy at Appendix 1.

Councillor Terry Fox
Deputy Leader / Cabinet Member for Finance
February 2021

2 BACKGROUND AND KEY FACTS

The policy environment, how the programme is funded and how it is governed

2.1 The policy environment: external

The Chartered Institute of Public Finance and Accountancy (CIPFA) Prudential Code governs how the Council manages its finances. Councils are required to 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 the associated risks are managed.

Our Capital Strategy is shaped by several central government policies:

2.1.1 Devolving of capital spending allocations

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

2.1.2 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' (the £66m development at St Mary's Gate) take place successfully, where the benefits of increased business rates and Council tax repay the cost of that intervention many times over.

2.1.3 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), at the expense of the 'place-making' and regeneration focus of recent years. We anticipate that Sheffield City Region will remain the principal body to seek and allocate this funding across the South Yorkshire authorities.

2.1.4 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 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 potential impacts of rising inflation and interest rates – means we must plan to continue to deliver more, to more people, with ever-decreasing resources.

2.1.5 Self-financing Housing Revenue Account (HRA)

The self-financing regime for the Housing Revenue Account (HRA) has 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 will put pressure on this source of funding. The HRA 'debt cap' has been removed, which allows more freedom. However, we must still apply the principles of prudence, affordability and sustainability from the Prudential Code – see overleaf for further details.

2.1.6 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 almost £140m of projects are directly related to sustainability and minimising our impacts on climate change. New projects to help us tackle this challenge will continue to be brought forward as the results of consultation with our Citizens' Assembly – and emerging funding streams – crystallise.

As well as directly funding projects relating to sustainability, central government has also introduced some 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, together with funding active travel from our own funds. We're 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'll 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.

2.1.7 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 Strategy is now in place. The Council will be considering how best to use these new powers to increase the supply of housing in the City.

2.1.8 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).

2.1.9 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 – the final capital contribution to the initial core investment period was made in 2017/18.

2.2 The policy environment: internal

A number of 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 Corporate Plan, Local Plan, Treasury Management Strategy, Corporate Asset Management Strategy, Tech2020 Strategy, Infrastructure Delivery Plan, Infrastructure Funding Statement and Medium Term Financial Strategy.

This Capital Strategy will be regularly reviewed to ensure it supports the aims and objectives set out in those documents.

Further details on specific capital financing policies are provided at section 2.7 below.

2.3 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 –** we work closely with the Mayoral Authority 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 will unlock 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 working closely 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 Clinical Commissioning Group (CCG), 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 the threats from Climate Emergency can be tackled.

2.4 Our key capital planning and investment principles

2.4.1 Capital planning principles

Our capital spending will be used 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 budget, its financial strategies and the Priorities set out in this Capital Strategy;
- 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 funds as 'match' funding to lever in external investment as much as we can;
- 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; and
- We ensure **effective risk management** through our governance, in accordance with best professional practice set out in the Treasury Management Code of Practice.

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

Land and property

The Chartered Institute of Public Finance and Accountancy (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 to purely generate a return. 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).

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.

Risk appetite

The Council's risk appetite to any such investments is very 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. It is important to note that risk will always exist in some measure and cannot be removed in its entirety.

A risk review is embedded within the investment strategy principles 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.

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** (or immediate environs);
- 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 **robust and transparent governance** procedures and been subject to **enhanced 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**.

More work will be undertaken on these principles and their implementation to specific schemes over the coming year.

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.

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 advertising hoardings and 'incidental' commercial property rents.

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.

2.5 Size and shape of the capital programme

The capital programme over the 5 years (2021-26) shows a broadly balanced position, with proposed expenditure totalling £742.2m. The full programme is set out at Appendix 2.

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. These are overseen by the Director of Finance and Commercial Services (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 2.6 below contains further detail. The majority falls within either prudential borrowing or contributions from the revenue account to the capital programme, which together represent £630m (84.9 %) of the overall programme value.

The 2020/21 programme was set in March 2020, and at the time totalled £176.4m. This has been revised in-year. The effect of outturn slippage from 2019/20, in-year additions, variations slippage and re-profiles result in a current approved programme for 2020/21 of £209.6m (as at 31 December 2020). The Council's current anticipated capital investment profile for existing commitments (excluding potential pipeline projects) is:

	Priority	2021/22 (£m)	2022/23 (£m)	2023/24 (£m)	2024/26 (£m)	TOTAL (£m)
1	Growing and inclusive economy	5.2	0.0	0.0	0.0	5.3
2	Transport	6.1	0.0	0.0	0.0	6.1
3	New homes	50.3	72.9	99.4	66.4	289.0

4	Housing Investment	42.2	56.9	57.8	99.7	256.6
5	Cleaner greener safer	20.0	17.7	17.9	0.0	55.6
6	Green and Open Spaces	0.4	0.0	0.0	0.0	0.4
7	People: Capital and Growth	4.6	2.2	0.0	0.0	6.8
8	Heart of the City II	62.9	56.1	3.4	0.0	122.4
	TOTAL	**191.7**	**205.8**	**178.6**	**166.1**	**742.2**

2.6 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	**2021/22**		**2022/23**		**2023/24**		**2024/26**		**Total**	
		£m	**%**	**£m**	**%**	**£m**	**%**	**£m**	**%**	**£m**	**%**
1	HRA contribution to capital	-40.7	21.2	-55.6	27.0	-56.7	31.7	-98.2	59.1	-251.1	33.8
2	Prudential Borrowing	-114.0	59.5	-126.4	61.4	-93.1	52.1	-45.6	27.5	-379.1	51.1
3	Government Grants	-10.0	5.2	-2.2	1.1	0.0	0.0	0.0	0.0	-12.3	1.7
4	Capital receipts	-11.5	6.0	-8.3	4.0	-9.8	5.5	-13.9	8.4	-43.4	5.9
5	Other grants and contributions	-11.8	6.1	-13.3	6.5	-19.0	10.7	-8.4	5.1	-52.5	7.1
6	C.I.L.	-3.7	2.0	0.0	0.0	0.0	0.0	0.0	0.0	-3.7	0.5
7	Overall total	**-191.7**	**100.0**	**-205.8**	**100.0**	**-178.6**	**100.0**	**-166.1**	**100.0**	**-742.2**	**100.0**

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

2.6.1 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 £251.1m. In addition, £2.8m has been allocated from revenue budgets to support non-housing projects, relating mostly to the replacement of cremators at City Road and to support the scheme to develop the General Cemetery.

2.6.2 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 generally 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) as a result of the borrowing.

Included within the 21/22 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 *(bracketed italics)*):

Project	Total Project Value £m	Project	Total Project Value £m
Heart of the City II	£62.896 *(£53.030)*	Major sporting facilities financing	£15.570 *(£14.641)*
New Council Housing	£35.521 (£0)		
TOTAL	**£113.987 *(£71.417)***		
The Heart of the City II figure has increased, representing the current expected delivery profile of the scheme. The increase in major sporting facilities reflects the changing profile of the relevant bond payments. The New Council Housing represents the development of New Homes Delivery Plan			

Any amendments to these limits will be approved by Full Council and undertaken in line with the Prudential Code. There are other commitments outside of the capital programme and these are described in the Revenue Budget report.

Tax Increment Financing (TIF) was announced in September 2010. The principle is to allow the authority to borrow funds to undertake capital improvements in a geographic area. The money is then repaid from increased tax revenues (i.e. business rates) in the area as land values rise because of the capital investment. This scheme has been used successfully in the United States over the last fifty years, often for major transport, infrastructure, or regeneration projects.

A scheme to develop infrastructure required for Heart of the City II is partially complete and further enabling works are underway. Some of the borrowing will be repaid out of the anticipated additional rates revenue generated by the redevelopment of the City Centre.

Prudential borrowing does not receive any government support. If the Council enters into any prudential borrowing, it will incur additional capital financing costs. Prudential borrowing will only be entered into where it can be demonstrated that funding is available within the overall Council budget to meet the ongoing borrowing costs.

2.6.3 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 Cabinet prior to acceptance of the grant.

We endeavour to maximise our project specific grants to support specific priorities, and we work in effective partnership to secure these. We have recently secured £500,000 to work with Stocksbridge Leisure Centre to deliver a range of improvements to their site. We are also working with the Stocksbridge Town Deal Board to secure a £25m grant to rejuvenate the area. And we have just received notification that our £15m bid to the Future High Streets fund to rejuvenate revitalise Fargate has been successful. 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.

2.6.4 Capital receipts

Capital receipts also 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 utilise 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 Appendix 1. This allows Members at their discretion to undertake projects for which there is no external funding. We are also often required to provide 'match' funded in order to secure project-specific external grants; the CIF can fund this. It is also used by the authority 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 are reduced because of austerity cutbacks, the CIF assumes a greater significance in funding the Capital Programme. However, the CIF only funds 4.7% of the Capital Programme. Its spending power is dwarfed by the HRA or Prudential Borrowing, for example.

Proposals are currently being developed with the new Leader and Cabinet Members to ensure the CIF is deployed to deliver maximum advantage to the Council and wider City. This requires 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. That said, 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. Furthermore, we must ensure our statutory obligations are met.

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.

2.6.5 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 which fund many of the local neighbourhood facility improvements.

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 as a result 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 commitments will be considered and included in the Integrated Infrastructure Delivery Plan which will feed into the Local Plan. We will always seek to use our funds most effectively to drive best value and reduce costs to taxpayers.

New CIL Regulations have been introduced. They 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 Appendix 1. 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 Appendix 1).

2.6.6 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.

2.7 Capital financing strategies and associated policies

Several strategies and policies relate directly to capital financing:

2.7.1 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 Ministry of Housing, Communities and Local Government (MCHLG) 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 Cabinet Member for Finance and Resources throughout the year.

2.7.2 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 forthcoming Corporate Asset Management Plan (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 Cabinet.

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 Appendix 1).

2.7.3 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 the Ministry of Housing, Communities and Local Government.

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 2021/22 at 17.8/% of net revenue, 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 2020/21 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 £175.6m in the next 5 years (21/22 to 25/26) 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 not the same as 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.

2.7.4 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 Ministry of Housing, Communities and Local Government 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.

2.8 Programme governance

We maintain assurance of our capital investment priorities and projects through effective governance which runs throughout the organisation:

2.8.1 Ensuring Members' leadership and engagement

Elected Members are responsible for setting the strategic direction for the Council. 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:

- Individual consultation with the relevant Members at 'project mandate' stage.
- Individual consultation and endorsement of relevant Executive Member at 'outline business case' stage.
- Formal approval at Cabinet.

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.

2.8.2 Delivering real value for Sheffield people

Value for money (VFM) is a key component of all capital projects. All projects must evidence a level of economy, efficiency and effectiveness in order to be approved. Projects must therefore demonstrate that there is a valid need to be addressed, 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 four key ways:

2.8.2.1 The Capital Approval Process

The Council requires several "checkpoints" at which the validity of the project is tested by the Programme Groups and then the Capital Programme Group. These are:

- Approval of a **mandate** to ensure that all projects are linked to the Council's priorities so scarce resource is not wasted on irrelevant projects.
- Approval of an **initial business case** to set potential parameters to the project and to test assumptions.
- Approval of an **outline business case** which will set out the benefits of the project against our strategic objectives. It also sets out the delivery and procurement options for the project. The Programme Groups will test if the proposal is value for money.
- Approval of a **final business case** once the preferred option has been selected and procurement completed, showing all the anticipated project costs, benefits and savings.

The Council's Capital Delivery Service (CDS) and Finance and Commercial Services (F&CS) functions advise on the financial, procurement and operational deliverability of the proposed project plan and procurement route at every stage. They participate in each Programme Group to provide effective challenge throughout the process.

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.

2.8.2.2 Effective financing

Funding options are constantly reviewed to ensure the most effective use of the Council's resources.

2.8.2.3 Effective procurement

Robust options appraisals are carried out at outline business case stage to determine the most efficient and effective procurement route. We have introduced new measures to prioritise local contractors within the fullest extent permitted by law to keep the Sheffield pound within Sheffield. We also use regional frameworks whenever we can to maximise the benefits of our spend to the Sheffield City and Yorkshire regions (whilst minimising our internal costs).

As well as procurement routes, we also ensure the most appropriate forms of contract are used which deliver the best VFM for local people, protect the Council's interests and enable the market to respond with cost-effective tender submissions.

Post-COVID, this assumes even greater significance. 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. We will also contribute fully to the Government's latest consultation on the UK's new procurement rules following our departure from the European Union, lobbying for maximum flexibility to prioritise the local economy. We have signed up to the 'British Steel Charter' to maximise our use of British steel. And we are also signatories to the 'Construction Minimum Standards Charter', which promotes fair working practices for those in the construction industry.

We will also continue to build on our Ethical Procurement Policy, maximising the social value we generate from our spend. We will continue to require employment and skills outputs for the communities we serve, building a workforce fit for the future. We will also seek to minimise the environmental impacts of our capital programme wherever we can, across all our programme areas.

In short - we will maintain an unrelenting focus on doing things better and driving greater benefits for the City and our residents.

2.8.2.4 Effective project management

The Programme Management Office within the Capital Delivery Service 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.

2.8.3 Cabinet

Every capital project will be brought to Cabinet (or delegated processes) for consideration and approval. Officers will consult with Cabinet Members (and Ward Councillors where appropriate) to ensure that projects have broad support, prior to investing time in developing them further.

2.9 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 Cabinet 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. In most cases the work is delivered in the next financial year.

However, our current reporting system has provided greater transparency and identified instances where money appears to be repeatedly carried forward from earlier years. This allows Members to test if the funding is really needed and could be reallocated to other priorities. It also shows the delivery performance on the capital programme.

As at 31 December 2020, the value of net slippage approved to date is £4.6m. This relates to the delay in programmes to replace cremators at City Road, extend Aldine House Secure Unit and complete the Broadfield Road Junction Improvement scheme.

£13.8m of allocations have been re-profiled - i.e. moved from current year into future years for schemes not yet in the delivery phase:

- £8.5m of this relates to the Heart of The City II project, reflecting the policy decision to pursue a phased (rather than "Big Bang") approach to this development. This will mitigate project risks and safeguard taxpayers' money. In the light of COVID-19, this gives us greater flexibility to ensure our City Centre solutions take account of the structural changes likely to result from the pandemic.
- £3.8m relates to the delay in the award of the contract for Phase 2 of the Council Housing Roofing programme and £1.4m to delays in commencement on the Daresbury New Build Council Housing site.

The impact of the COVID 19 pandemic has presented many challenges for delivery of capital schemes. Sites have been forced to close, and many of those which have reopened have incurred additional costs resulting from social distancing requirements and stretched supply chains. We expect significant further reprofiles and slippage will be brought for approval before the end of the financial year.

2.10 Effective risk management

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

2.10.1 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. These risks are set out below along with key mitigations:

Interest Rate Risk – the Council is planning to externally borrow £211m 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 £2.11m by the end of the 3-year period.

Inflation Risk – construction inflation over and above that budgeted by the Council's professionals and advisors and built into project budgets could impact on the affordability of the capital programme. A 1% rise in the cost of the programme would increase the cost of the programme. This is mitigated through the provision of contingencies, updating estimates regularly as they change and monitoring the impact through governance processes. This may also be mitigated (post contract signature) through fixed price contracts when we consider this represents best value. We are ever mindful of the potential for increased costs resulting from COVID-19 – whether arising from social distancing requirements on site, or higher material costs which may be in short supply.

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.

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.

2.10.2 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 strategies:

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.

Effective Business Case Development – as set out at section 2.8.2.1 above.

Risk Management - 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.

Highlight reporting – monthly highlight reports are created for all projects to flag progress and risks of projects to Programme Groups, Project Sponsors and, ultimately, Cabinet.

Appointment of professional team - to ensure 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.

2.11 Skills and knowledge

Those involved in decision-making must have the appropriate skills and knowledge to take those decisions. The Council has many years' experience delivering capital programmes, and uses this experience to evaluate new proposals, monitor on-going capital investment and manage any risks that may arise.

Capital investments are reviewed under a robust approval process that receives input from appropriately qualified and skilled finance professionals and receives scrutiny from Elected Members. Information, advice, and guidance on these processes are made available for Officers and Elected Members.

If additional skills and knowledge requirements are identified, the Council will source appropriate specialist skills and knowledge to supplement and, where possible, upskill Members and in-house staff.

3 GROWING AND INCLUSIVE ECONOMY

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.

1 Background and context

This year has been economically challenging. No sector has remained untouched by the Covid-19 pandemic. Those in sectors most reliant on social interaction or visits deemed non-essential - such as retail, hospitality and culture - have faced dramatic reductions in demand, with many closing temporarily or operating at significantly reduced levels. The longer-term impact remains uncertain.

Even with the prospect of a Covid-19 vaccine on the horizon, our businesses have had to learn to live within the restrictions that keep us COVID-safe and evolve to the economic challenge. Many businesses have looked for new ways to operate, open and trade safely, exploring new products and markets, working more digitally and remotely and investing in new equipment to increase productivity. But for many, this has not been sufficient to regain pre-COVID levels of economic activity.

Most business sectors are experiencing lower demand due to increased uncertainty. Over 40% of businesses recently surveyed are looking to scale down their operations in the coming months. Those businesses able to make adaptations and flex to changing consumer needs have a more positive outlook. However, restoring consumer confidence to enable people to re-engage in economic activity is critical to retain jobs and maintain incomes in the medium term.

COVID 19 has presented the city with new challenges but, in some cases, the pandemic has highlighted - and even accelerated - pre-existing trends. Increased automation was already posing challenges in terms of adapting workforce skills to changing employment demands. COVID has brought about an acceleration of digital transformation and contact-free services, remote working and distance learning. The impact on the high street of declining retail expenditure in physical shops has led to a number of leading high street brands falling into administration. More office workers have set up at home. Our urban centres face real and significant challenges at a time of real uncertainty.

All these things impact our pipeline of capital projects. The office market may change, with demand for traditional office space reducing. However, we expect increasing demand for flexible and quality managed workspace – as employers seek for more hybrid working and ‘hub models’ that demand greater quality and circulation space.

Sheffield’s significant assets and strengths will continue to provide opportunities to produce sustainable economic activity to pull the city and region out of the COVID-generated recession. These must be leveraged appropriately:

- The University of Sheffield's Advanced Manufacturing Research Centre (AMRC) and Sheffield Hallam University's Advanced Wellbeing Research Centre (AWRC)
- The city's burgeoning digital and tech sectors
- A city centre that was already adapting to the changing role of the high street
- The developing Central Area Strategy, focusing on housing-led growth in the city centre, alongside catalytic employment projects like West Bar and Castlegate
- The ongoing development of Heart of the City II
- Sheffield's unique offer as 'The Outdoor City', sitting within the Peak District National Park

all present opportunities for growth and renewal, allowing us to present the City as an attractive and safe place to visit, live and work within the context of COVID.

We will of course work alongside Sheffield City Region in delivering their Strategic Economic Plan and Renewal Action Plan. This will maximise our funding opportunities.

2 Projects completed in 2020/21

	Project and value	Impact
1	Grey To Green 2	Safer and more sustainable transport through segregated cycling and footpaths Sustainable Urban Drainage New urban meadow planting providing enhanced public spaces
2	IRR Junctions Scheme	1. Improved junction operation on Inner Relief Road 2. Reduced journey times 3. Reduced congestion and attendant air pollution 4. Increased cycling and walking connectivity to city centre
3	Culvert Renewal Programme	5. Homes, businesses, development sites, educational facilities, medical, emergency and rescue facilities and utility substations protected from flooding

3 Current projects already in delivery

	Project	Budget (£) (all years)	Year(s)	Invest to save?	Funding source(s)	Outputs	Outcomes for Sheffield people
1	Upper Don Valley Flood Scheme	Anticipated 9,250,000	18/19-21-22	No	Sheffield City Region Investment Fund (SCRIF)	The Scheme will provide a comprehensive linear flood defence to three	63 homes and 152 commercial properties will have much reduced likelihood of flooding

	Project	Budget (£) (all years)	Year(s)	Invest to save?	Funding source(s)	Outputs	Outcomes for Sheffield people
					Environment Agency	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.	£30.179 million of damages avoided £8.657 million in Gross Value Added (GVA) that would otherwise be lost to the local economy over a 10-year appraisal period due to flood risk disruption to businesses (estimated using the Frontier Methodology) At least £18.1 million GVA in potential growth due to the removal of one of the key constraints to business development and job creation in the flood risk area Potential generation of 98 Full Time Equivalent jobs to the local economy 12.5 Full Time Equivalent construction job years 1,900 jobs in the area will benefit from reduced flood risk (calculated using the Frontier Methodology) 2 A roads protected (A61 and A 6101) 2 Tram routes protected – City centre routes through to Malin Bridge and Middlewood
2	Grey To Green 2 (Angel Street)	£768,000	2021/22	No	ERDF Corporate Investment Fund	Construction of segregated cycling lane (two way) to connect Grey to Green to City Centre cycling route and to Upper & Lower Don Valley Implementation of Sustainable Urban Drainage (SUDs) and planting	Safer and more sustainable transport through segregated cycling and footpaths Sustainable Urban Drainage Enhanced public spaces

4 Potential priority areas / projects under consideration

We will assess our economic plans across our pillar strategies: the economy, transport, housing and sustainability in the context of COVID recovery and this will guide priority investments. Projects from each of the areas will form part of the capital programme to make appropriate investments that:

- Connect people to jobs and training, particularly young people and disadvantaged groups

- Businesses have the confidence, information, support and infrastructure they need to operate through and beyond the current crisis, to adapt to changing circumstances to enable them to grow and create more good jobs for Sheffield people
- Champion the City's key sectors, including advanced manufacturing, creative and digital industries, and energy and the environment
- Prioritise the development of skills at all levels, to not only enable people to access and progress in work, but also to drive productivity benefits for Sheffield businesses
- Develop the City's business districts and economic hubs, strategic neighbourhoods and sites, and cultural assets
- Provide transport infrastructure that enables and sustains growth in jobs and visitors, whilst ensuring people can travel and work in COVID-safe conditions.
- Support the climate change aspirations of the City.

Working with Sheffield Museum's Trust and other partners, we will also review the future of the Graves Building / Central Library with the aim of developing a costed plan for these facilities. We will aim to address digital inclusion and attract visitors from outside Sheffield to grow the City's economy and help its communities to thrive.

5 Key challenges and how we are addressing them

	Challenge	Actions to address
1	Lack of revenue funding for early development and feasibility works for capital projects. Lack of funding for wider Economic Development activity	Corporate Investment Fund to ensure investment in development of projects that are best aligned to Member priorities and strategic objectives for the City
2	Availability of match funding for capital investments	As above - and continue to explore and identify options for external funding
3	Uncertainty about future availability of Central Government 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 SCR to maximise access to Government funding.
4	Uncertainty about the impact of Covid-19 on the medium and long-term needs of business and their infrastructure requirements	Ongoing dialogue with the business community and the City Growth Board leading to a post COVID-19 Economic Strategy.

4 TRANSPORT

Safe, well maintained streets which do not restrict the City's ongoing development. An attractive public transport offer and infrastructure which encourages other means of transport than the car. Promoting improvements in air quality to improve the quality of life for our citizens.

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. On a practical level, the publication of government advice around sustainable transport infrastructure design, 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. 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 improved active travel 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 undertaken several recent public consultations. 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 covers a wide range of Council functions to help understand from the public's perspective what the Council should be prioritising and investing in. Now complete, 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 the Clean Air Zone mandate. Investment in active travel and public transport should be positively received.

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 – amongst, businesses, communities, and individuals.

2 Projects completed in 2020/21

	Project and total value	Impact
1	Ultra Low Emission Vehicle Rapid Chargers (£1.2m)	Increased access to electrical vehicle charging points. Improved air quality
2	Electric Van Scheme (£0.9m)	Opportunity to businesses to trial electric vehicles Improved air quality
	Provision of E-bikes and E-Cargo Bikes (£0.6m)	Provision of e-bikes for social prescribing and businesses Improved health outcomes Improved air quality
5	Various 20mph Schemes	20mph speed limit to reduce traffic speeds within the City to improve road safety and the environment for walking and cycling

3 Current projects already in delivery

	Project	Budget (£) (all years)	Year(s)	Invest to save?	Funding source(s)	Outputs	Outcomes for Sheffield people
1	Broadfield Road junction	£3,442,000	2018/19 – 2021/22	No	NPIF LTP	Remodelled junction to improve bus journey times and reliability	Bus journey time improvements; bus journey time reliability
2	Clean Bus Technology	£4,947,000	2019/20 – 2021/22	No	Clean Bus Technology Fund	Catalytic Reduction Technology Retrofitted to Bus fleet	Improved Air Quality
3	Clean Air Zone Implementation	£3,800,000	2019/20 – 2021/22	No	NO2 Plan Implementation Fund	Infrastructure to implement Clean Air Zone Charging	Improved Air Quality Delivery subject to Government approval of Outline and Final Business cases; additional funding required.
4	City Centre Cycle Routes	£1,502,000	2019/20 – 2021/22	No	Transforming Cities Fund	Improved Cycle Connectivity across City centre	Improved infrastructure, reduced congestion.
5	Neepsend Kelham Parking Scheme	£624,000	2021/22 – 2022/23	Yes	Section 106 Future Parking Income	Regulated parking improvements	Improved traffic flow

4 Potential priority areas / projects under consideration

	Priority	Impacts
1	Managing the existing highway network	Improve 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
2	Reducing the number of accidents	Improved road safety through a range of interventions City-wide
3	Increasing active travel (cycling and walking)	To be inclusive and open up the City's opportunities to all and improve health outcomes
4	Improving the public transport offer	Helping to underpin sustainable growth and promote a City that is open for business

5	Infrastructure investment	Ensuring the benefits of investment in transport infrastructure continue year after year; including supporting the introduction of alternative fuel technologies where appropriate
6	Improving Air Quality and supporting the decarbonisation of the transport system	To reduce levels of air pollution across Sheffield to improve the health of people in Sheffield and the move to zero carbon transport through a range of interventions

5 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	The lack of revenue funding for this activity has been escalated within the Council and is being considered for funding from the Corporate Investment Fund. 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. In particular, 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.
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	Constrained timescales to meet the Government direction for Air Quality and associated Clean Air Zone (CAZ) development and delivery Transforming Cities Fund (TCF) constrained timescales – still subject to decision	Funding from Government is available to resource the associated Clean Air Zone Feasibility Study, business case development and (subject to approval) implementation, but the scale and required speed of delivery is a significant challenge. Resources from across the Council have been brought into a virtual team during 2019/20 and this will be kept under review. Early 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.
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 TCF by using new ways of consultation and setting a new blueprint for consultation procedures, including specific communications resource.

5 NEW HOMES

Increasing the City's stock of new housing – for both sale and rent - through delivery by the Council, Registered Providers or private developers

1 Background and context

Cabinet set out a commitment as part of its New Homes Delivery Plan to increase the number of new homes between 2,000 and 2,300 new homes each year by 2022 as part of its new Homes Delivery Programme (approved by Cabinet November 2018) to meet the growing need for homes in the City. This commitment is set out in the Council's Housing Strategy 2013-2023, which is due to be updated in 2021.

The 2020 Strategic Housing Market Assessment that informs this strategy and programme advised that 902 of these new homes each year should be affordable to meet the shortfall of affordable homes for rent and sale in the City. The Council will work in partnership with the public and private sector to deliver this objective, using a wide mix of measures and utilising Government Grant Funding Programmes to increase the supply of new homes.

The Council will also increase its own social housing stock through its Stock Increase Programme. This will increase the number of new affordable homes for rent over the next 10 years to 3,100 by 2028. It is aiming to add 1,600 new properties up to 2023, funded from our Housing Revenue Account and external grant funding. This will also enable us to increase the use of local supply chains and boosting local employment and apprenticeship opportunities through housing capital contracting. We will deliver this through building new Council homes, appropriating or acquiring land to build on and acquiring existing homes to bring into the Council's rental portfolio improving the range of homes available for our customers.

2 Projects completed in 2020/21

	Project	Impacts
1	Council Housing Stock Acquisitions	Acquisition of approximately 75 existing properties into Council Housing Stock, increasing supply of homes at affordable rent.
2	New Council Housing Phase 2 (Weakland)	36 units of accommodation delivered
3	Onsite Acquisitions (Ox Close)	Additional 25 Units of Council Housing provided
4	Knutton Crescent (Modern Methods of Construction)	4 units of accommodation delivered

3 Current Projects In Delivery

These are existing projects which have already received Council approval. Their delivery spans a number of years.

	Project	Budget	Year(s)	Invest to save?	Funding source(s)	Outputs	Outcomes for Sheffield people
1	Council existing housing acquisitions programme	£55.7m	2021-26	N	Housing Revenue Account	TBC in programme	Increased Council housing stock to address housing register demand
2	Older Persons' Independent Living (OPIL) Phase 4a (Adlington)	£20.9m	2017-22	Y	Housing Revenue Account	132 units of OPIL accommodation delivered	Increase quality OPIL stock, reduce care costs and enable homes to be brought back into use for young people and families
3	Learning Disabilities Accommodation Phase 4b (Adlington)	£1.4m	2017-20	Y	Capital receipts and Housing Revenue Account	8 units of learning disabilities (LD) accommodation delivered	Increase quality LD stock, reduce care costs and enable homes to be brought back into use of young people and families
4	New Build Council Housing Phase 10	£13.8m	2019-22	N	Capital receipts, Housing Revenue Account, Homes England Grant	92 new affordable homes	Increased Council housing stock to address housing register demand
5	New Build Council Housing Phase 5 (Newstead General Needs)	£14.5m	2020/21-2023/24	N	Capital receipts, Housing Revenue Account, borrowing	Up to 93 new affordable homes	Increased Council housing stock to address housing register demand

4 Top priority areas for consideration

These are initiatives which we are currently considering before we develop business cases and bring them forward for consideration for approval. They will be subject of separate Cabinet reports if, as and when they are brought forward.

Page 299

	Project	Value	Year(s)	Funding source(s)	Outputs	Outcomes for Sheffield people
1	Land acquisition to increase pipeline of affordable housing	£3.0m	2018-2023	Housing Revenue Account	Ha of brownfield land acquired to increase SIP pipeline	Increased council housing stock to address significant shortfall of Council affordable homes for rent.
2	Strategic Site Assembly in Priority investment areas	£9.0m	2018-2023	Corporate Investment Fund	Ha of brownfield land acquired to increase pipeline	Increase number of housing of all tenures to meet identified needs
3	Private Sector Interventions	£13.0m	2021 - 2023	Corporate Investment Fund	Interventions implemented to increase pipeline	Increase number of housing of all tenures to meet identified needs
4	SCC shared ownership model to retain SCC equity in land and to provide affordable housing for home ownership	TBC	2019-2023	Corporate Investment Fund	Model formulated for an off plan shared ownership model that is self-financing or can access external grants such as HRA	Increase number of family dwellings
5	Newstead (Older Persons Independent Living)	£24.5m	2021-2024	Housing Revenue Account	130 unit scheme of OPIL accommodation	Increase quality and range of homes available for learning disabilities and older people, reduce care costs and release stock to wider market.
6	Temporary Accommodation	£14.4m	2021-2025	Housing Revenue Account	80 units to provide temporary accommodation for families and single people	Accommodation provided funded by SCC to support vulnerable people.
7	Viking Lea	£16.5m	2021-2024	Housing Revenue Account	87 general needs units	Increased Council housing stock to improve quality and choice of homes available to address housing register demand
8	Hemsworth	£16.3m	2021 - 2024	Housing Revenue Account	80 unit scheme of OPIL accommodation	Increase quality LD and OPIL stock, reduce care costs and release stock to wider market
9	Algar	£22.5m	2021 - 2024	Housing Revenue Account	121 general needs units.	Increased Council housing stock to improve quality and choice of homes available to address housing register demand
10	Scowerdons Shared Ownership	£11.5m	2021 - 2024	Housing Revenue Account	56 Council shared ownership units	Increase affordable housing and within the city

5 Key challenges and how we are addressing them

	Challenge	Actions to address
1	Reductions in nationally funded programmes and capital receipts (caused by economic climate and changes to Right to Buy legislation) have limited our ability to invest	Our introduction of the self-funded business model has created greater freedom for the Council to invest and increase the supply of good quality affordable homes through contributions from the Housing Revenue account.
2	Identifying and releasing sites for private sector development in a timely manner, balancing delivery against commercial risks of flooding the market	Identification of priority sites pipeline and introduction of Key Account Holder Role.
3	Potential declining land values / capital receipts (linked to 2 above) limit our ability to invest	New project to support investment in sites to de-risk them.
4	Private sector development does not provide the required breadth of housing needed for Sheffield people	SCC to support private sector to develop housing to meet identified needs in neighbourhoods across the city.
5	Welfare budget reforms – impact on SCC rent	Work underway within the housing service to support tenants to ensure they can continue to pay rent, without fear of losing their homes due purely to delays in receipt of Universal Credit
6	The increasing capital costs of building new homes may limit the number of new homes that can be funded through the HRA – increased emphasis on environmental and space standards, plus the councils desire to build to lifetime homes standards put pressure on the budget	The appropriate specification / procurement routes / funding options are considered for the whole programme and each project individually to mitigate impacts
7	Ability to balance finance borrowing with rent policy	Examining funding and borrowing options and how we model payback to make schemes viable

6 HOUSING INVESTMENT

Quality Council-owned housing stock for our tenants on well-managed estates

1 Background and context

This priority covers housing investment and asset management priorities for our Council-owned properties within the context of the wider business plan. The Council wants to deliver well-maintained homes, investing in priorities which improve the quality of our existing homes and tenants' quality of life. We also want to minimise the volume of (comparatively expensive) responsive repairs.

Council tenants should live in warm, dry, secure and modern properties in attractive neighbourhoods. These overarching principles inform our investment priorities. We will also continue to invest in keeping our residents safe, putting in place a number of fire prevention and fire safety measures for high rise blocks and high-risk properties and will be consulting on these works in the coming year. We are proposing to close waste chutes in tower blocks, provide modern waste facilities and install fire suppression systems.

We will continue existing planned work programmes already identified as priorities with tenants, such as roofing, kitchens and bathrooms. We will also continue to increase the number of homes in the Council's stock and develop a clear plan for environmental improvements across the city. A key priority for Sheffield is 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. This will be a challenge that needs external grant funding.

2 Projects completed in 2020/21

	Project and value (all years)	Impact
1	Adamfield Tower Block Re-Roofing (£0.1m)	Safe watertight building
2	Kitchen & Bathroom Replacements (£31m)	Approximately 4000 Kitchens & Bathrooms uplifted.
3	Adaptations (£1.4m in-year)	Approximately 200 properties adapted to meet accessibility requirements

3 Current projects already in delivery (over £1.000m)

	Project	Budget (all years) (£m)	Year(s)	Invest to save?	Funding source(s)	Outputs	Outcomes for Sheffield people
1	Roofing Replacements Programme	£38.6m	2020-25	Yes	HRA	New roofing to approx. 6,400 properties.	Safe, water-tight, structurally sound properties.
2	Electrical Upgrades Phase 2	£22.5	2021-24	Yes	HRA	22,500 properties included for electrical rewiring	Safe homes which are compliant with electrical safety regulations and meet modern day standards
3	Adaptations (ongoing programme)	£10.9	20-25	Yes	HRA	2,400 properties anticipated to receive adaptation works	Accessible and fit for purpose homes
4	Obsolete Heating	£5.9	20-24	Yes	HRA	3,100 replacement boilers and / or heating systems installed	Warm and energy efficient homes
5	Heating Breakdowns	£1.8	18-24	Yes	HRA	3,924 appliances	Warm and energy efficient homes
6	Lift Maintenance	£2.2	18-24	Yes	HRA	25 new lifts fitted	Reliable and safe access to properties

4 Potential priority areas / projects under consideration (over £1m)

These are initiatives which we are currently considering before we develop business cases and bring them forward for consideration for approval. They will be subject of separate Cabinet reports if, as and when they are brought forward.

	Project	Value £m	Year(s)	Funding source(s)	Outputs	Outcomes for Sheffield people
1	Walls, Pointing, Render	£2.4	2021-25	HRA	Render, improved cladding and rainwater goods.	Watertight, warm homes
2	Health and Safety Environmental Works	£11	2020-25	HRA	Improved communal spaces, walls / steps pathways	Contribute to a safe environment, improved access.
3	Kitchens and Bathrooms	£14.5	20-25	HRA	Replacement of Kitchens and bathrooms	Modern Homes

4	Fire Safety	£8	22-25	HRA	New sprinkler and fire suppression systems	Safe homes which are compliant with fire safety assessments
5	External Wall Insulation Packages 2&3	£9.2	21-25	HRA	Council dwellings	Warm and energy efficient homes
6	Environmental Works (including Boundary Walls and Fencing)	£0.5	22-25	HRA	Attractive and safe environment around homes	Attractive and safe environment to live.
7	Community (District) Heating	£5.8	2021-25	HRA	Council dwellings	Warm and energy efficient homes
8	Single Staircase Tower blocks	£10	2021-25	HRA	Installation of fire suppression systems, upgrade to communal areas, window replacement, reroofing works and new waste management facilities	Safe, warm and dry homes
9	Windows & Doors	£1.0	21-25	HRA	Council dwellings	Warm and energy efficient homes
10	Waste Management	£2.1	2021-25	HRA	Accessible and clean waste facilities that support recycling	Contribute to the City's waste management strategy and improved environment for residents
11	Carbon Reduction	£4.3	2021- 25	HRA	Energy efficient homes	Contribute towards the city's net zero Carbon priority and warm, efficient, greener homes

Page 303

5 Key challenges and how we are addressing them

	Challenge	Actions to address
1	Impact and implications of the COVID-19 Pandemic	Work with our contractors, delivery teams and customers to maintain COVID-Safe working practices and to understand the potential implications on project programmes and costs.
2	Inflation and increase in interest rates	Modelling inflation / interest rates through the Housing Revenue Account (HRA) Business Plan and the effect of changes on the programme
3	The implementation of Welfare Reform and Universal Credit in late 2018	Work will continue to support tenants who are affected by changes to welfare reform changes and Universal Credit to ensure they can afford to manage their home,

		continue to pay rent and other charges, without evicting any tenants due purely to delays in receipt of Universal Credit
4	Any future impact of changes to national policies including the Social Housing White Paper	Working directly with Government to address any future policy changes and, impacts on the HRA Business Plan and increasing tenant engagement and scrutiny role. Prioritising as part of the changes and increased regulation to prioritise investment in homes to improve fire safety.
5	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
6	Implications of Brexit on procurement and construction supply chain activities	Work with the Commercial Teams to understand and minimise the implications to ensure continues smooth delivery of project programmes and services, working with local supply chains.

7 CLEANER, GREENER, SAFER

Making our neighbourhoods good places to live and ensuring that all our communities are treated with respect

1 Background and context

We care about making Sheffield's neighbourhoods good places to live. We are committed to listening to our citizens about the things that matter to them, making improvements and getting the basics right. Every part of our City should have a clean physical environment with well-maintained roads, green and open spaces, and sports, leisure and play facilities that are open to all. We want people to feel secure in their local area and, working with residents and local groups, we want to build communities that are safe and sociable, and where people are protected from the dangers of things like rogue traders, environmental or housing hazards, and neighbour nuisance.

A major proportion of the Council's revenue spending is invested in maintaining the City's neighbourhoods on a day-to-day basis including services like waste management, licensing, parking services, pest control, trading standards, health and environmental protection, parks and green estates, public health, neighbourhood housing management, tenant support and housing repairs and maintenance.

Our decisions about where to invest capital funding need to enhance the significant investment that the Council already makes to support our Cleaner, Greener, Safer ambition. We can achieve this by putting investment into activities that:

- Improve public health by ensuring that people live in neighbourhoods that are safe, clean and sustainable
- Deliver green and open spaces which are well-managed and maintained
- Provide people with access to quality sports, leisure and play facilities
- Support people to influence and shape where they live so that our neighbourhoods are safe and sociable.

2 Projects completed in 2020/21

	Project and value	Impact
1	Grant for Manor Lodge £330,000	To support site operator, secure further grant funding to upgrade visitor facilities at the site

3 Current projects already in delivery

	Project	Value	Year(s)	Funding source(s)	Outputs	Outcomes for Sheffield people
1	Replacement Cremators City Road	2,478,000	2019/20 – 20/21	Prudential Borrowing	Renewed Infrastructure at Crematorium	Improved infrastructure / reduced environmental impacts
2	General Cemetery Phase 2	3,881,420	2019/20 – 23/24	Heritage Lottery Fund, S106, Revenue Contribution, Capital Receipts	Address structural / infrastructure repair issues. Conserve and interpret the heritage Create a safe and more accessible public park	Provision of improved public space.

4 Potential priority areas / projects under consideration

In addition to the projects that are already being delivered, a programme of new projects for 20/21 is being developed in response to our Cleaner, Greener, Safer priorities and matters that are of most concern to our citizens.

This will involve developing business cases and Cabinet reports as required for specific initiatives, setting out the benefits of investment and bringing these forward for approval. The current 5-year allocation covers the capitalisation of bond payments regarding our major sporting facilities.

	Project	Value	Year(s)	Funding source(s)	Outputs	Outcomes for Sheffield people
1	Leisure review	TBC	2021-2024 Cabinet report due March 2021	TBC	A review of Sport, activity, Leisure Centre, swimming and entertainment assets to ascertain investment need and funding strategies.	A fit-for-purpose, well maintained and accessible leisure centre and entertainment offer.

5 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	Review of governance of the Corporate Investment Fund to ensure investment in development of projects that best fit with strategic priorities and that are most likely to deliver financial and non-financial benefits
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

8 GREEN AND OPEN SPACES

Parks, playgrounds and green spaces which are enjoyed, well-used and our residents are proud of.

1 Background and context

This priority focuses on a dedicated strand of works from the 'Love Where You Live' priority. Funded primarily from either s.106 contributions from developers which are required to be spent on green spaces - or from Public Health monies committed to reduce health inequalities in green spaces - this priority aims to restore and enhance civic pride in our parks, playgrounds and green spaces. Far from being left to slide into decline, we are ambitious for these precious assets and are investing as much as we can to ensure they remain accessible, safe, enjoyable, and well-used.

The Council undertakes a wide range of improvements, including replacing damaged, worn and dated playground equipment, restoring green spaces, enhancing biodiversity and promoting accessibility for all our citizens – by repairing footpaths, replacing stiles, aiding interpretation and reducing vandalism and fear of crime.

Local authorities have a statutory duty to improve the health of the people who live in their areas under the 2012 Health and Social Care Act. The importance and significance of well designed, safe, and accessible green space in achieving this duty should not be underestimated. Sheffield has a proud tradition of varied and beloved parks and green spaces, and this priority demonstrates our commitment to ensuring the high quality of those spaces is maintained and improved upon, even in challenging financial circumstances. The link between health and green spaces has become evident over recent years with GPs prescribing outdoor activities in nature to promote as an alternative to traditional medicines in some cases.

In more recent times, the importance of access to quality outdoor spaces was brought to the forefront of the nation's mind through the COVID-19 pandemic. During national (and local) lockdowns residents visited green spaces for their daily exercise and to help their mental wellbeing during a time of crisis with record numbers seen in many parks and countryside spots.

2 Projects completed in 2019/20

	Project and value	Impact
1	Parson Cross Skate Park	Improved the active use of Parson Cross Park by children, young people and adults by providing a new all wheels facility on the site of the existing skate ramps. Improved and maintained site quality and Sheffield Standard Score by replacing the deteriorating skate ramps with a new facility suitable for a wider range of users.

Page 308

2	Ecclesall Woods	Improved the path network throughout the woods, improving access and reducing damage done to woodland floor by woodland users. Chestnut fencing for the development of wildflower protection areas installed.
3	Bannerdale Phase 1	Parkland paths installed to improve connectivity and links across the amenity grassland. Woodland access improvements including paths and 18 steps to aid accessibility in the steepest parts of the woodland area. The entrance at Springfield Close has been redesigned to create a separate vehicle and pedestrian entrance; site furniture and new signs have also been installed.
4	Oxley Park Play and Access	New children's playground with fixed equipment and a natural play theme in a prominent location adjacent to the Leisure Centre. Infrastructure including paths, access routes, landscaping and additional bike and car parking provision to encourage sustainable travel, as well as cater for car users of the Leisure Centre and Oxley Park due to restricted public transport links
5	Millhouses Playground	Installed a replacement multi-play unit for Millhouses Park playground after the old one was removed because of irreparable damage. Improved accessibility and play value of the new unit as it has been designed with inclusive elements.
6	Arbourthorne Pond	Improved quality of the pond through the light removal of some pond vegetation and removal of any debris. Refurbished site container to allow the storage of community equipment. Improved accessibility of the pond through the provision of an accessible perimeter path.
7	Philadelphia Gardens Phase 2	Added trim trail and trampoline near the swing to provide some play opportunities for older children. Removed embankment slide and the area around it made safe
8	Hillsborough Play Project	Snake's head play feature created for the grass embankment snake. New embankment play feature with new equipment created, old slide removed and agility trail added.
9	Colley Park Improvements Phase 2	Play area for younger children installed. Mini bike and scooter track with bumps and line markings installed. Steel and concrete Parkour Area for older children installed, together with repairs made to the Multi Use Games Area fencing. Car park resurfaced; seating and bins installed throughout all play areas.
10	Ponderosa Active Parks Improvements	Improved paths network and site-lines through thinning of vegetation. 4 pieces of play equipment and associated surfacing installed, including resurfacing under exiting play units. Benches, signage, bins, installed, together with improvements to 2 entrances which had been highlighted as a barrier to site usage.

3 Current projects already in delivery

	Project	Budget (£) (all years)	Year(s)	Invest to save?	Funding source(s)	Outputs	Outcomes for Sheffield people
1	Play Improvement Projects Phase 4 (Phase 5 to follow)	£95K (Total all phases £444K)	2020/21 – 21/22	No	S106, Public Health, Parks Investment Fund & Third Party Contributions	Improved play & recreational opportunities Green Space Quality Play Value	Works to Mortomley Park, Upper Hanover Playground, Osgathorpe Park, Angram Bank, Bole Hill Recreation Ground & Worral Recreation Ground Improved Health and Wellbeing for children and families Increase in community pride and value
2	Norton Woodseats Cricket Pavilion	£421K	2019/20 – 21/22	No	S106 & Sport England	Improved sporting facilities	Increased number of users of site; improved health and wellbeing
3	Sheffield Lakeland Partnership	£196K	2019/20 – 21/22	No	Heritage Lottery Fund & Timber Sale Income	Improve access, biodiversity and resilience to trees in NW Sheffield Generate new timber income for SCC Move from commercial forestry toward a sustainable woodland	A more connected and resilient landscape. A better landscape for all to learn about, value, experience, and enjoy; more joined up natural environment for people and wildlife
4	Hillsborough All Wheels Park	£266K	2020/21 – 21/22	No	British Cycling, Access Sport, Public Health & Third Party Contributions	High quality bike park facility, associated infrastructure and landscaping	Provide a sustainable facility supporting children and young people's physical activity. Increased number of users of site; raise the overall quality of the site
5	Westfield Playground	£183K	2020/21 – 21/22	No	Westfield Big Local, Public Health, Parks Investment Fund & Housing Services	New playground Green Space Quality Play Value	Improved health and wellbeing. Increase in community pride and value. Increased number of users of site. Raise the overall quality of the site.

4 Potential priority areas / projects under consideration

There are a number of initiatives which we are currently considering before we develop business cases and bring them forward for consideration for approval. They will be the subject of separate Cabinet reports if, as and when they are brought forward. Several additional potential projects are also currently being considered by Members. However, funding will need to be sought and agreed for any projects that are to be taken forwards, and this will be discussed over the coming months.

	Project	Value	Year(s)	Funding source(s)	Outputs	Outcomes for Sheffield people
1	Masterplan development and implementation projects	£1m +	2021/23	Various including s.106, external funding including HLF .	A ‘whole site’ approach taken to a number of sites, including Ponderosa Park, Mather Road Recreation Ground, Ecclesfield Park, Parkwood Springs and Hillsborough Park, Parson Cross Park, Graves Park	Sites which, following consultation with local people, are well used by all sections of the local community.
2	Access and environmental improvements	c. £300k	2021/23	s.106	Delivering safe, clean, welcoming and accessible sites at Sky Edge, Arbourthorne Playing Fields, Manor Playing Fields, Gleadless Valley Woodland Complex, plus a range of small-scale environmental improvements	Sites which, following consultation with local people, are well used by all sections of the local community.
3	New park and new recreational facilities developments	c.700k	21//24	s.106 and external funding such as Towns Fund (Stocksbridge)	Delivery of sustainable new recreational assets at sites such as Oxley Park (potentially skate park and 3G pitch), Owlthorpe ‘new park’ as part of proposed housing development. New recreational facilities in areas such as Gleadless Valley, Handsworth Rec, Heathlands Park, Steel City and Hollinsend Park	Sites which, following consultation with local people, are well used by all sections of the local community.

5 Key challenges and how we are addressing them

	Challenge	Actions to address
1	Section 106 monies are quickly becoming depleted and are likely to be exhausted by 2021.	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.
2	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.
3	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.

9 PEOPLE: CAPITAL AND GROWTH

Improving and maintaining the quality of provision and services for all our citizens, ensuring we are meeting the needs of our diverse communities; improving the quality of life for our citizens for the whole of their life.

1 Background and context

The People Services Portfolio supports children, young people and their families, adults and communities. It has four key areas of focus:

- Ensuring there is sufficient and good quality education provision.
- Improving demand for services by shifting from crisis response to a greater focus on early intervention and prevention, ensuring we listen to the people who use our services and work with our partners to do the right thing at the right time.
- Ensuring that there is high-quality, diverse and robust care and support for our customers, providing good value for money for the Council.
- Developing our workforce, making sure we have the right-sized staff groups, enabled by effective systems and supported to develop their skills.

Underpinning this is an 'all age' approach to disability-related services across the portfolio. This supports individuals from childhood through to old age in a consistent and seamless way, without barriers or difficult transition points.

The quality of children's school experiences is fundamental to their later life chances. Children who experience high quality teaching and learning are much more likely to experience positive outcomes, such as sustained employment, good mental and physical health, and avoidance of poverty and increase social mobility.

A significant element of the People: Capital and Growth Programme has been prioritised around ensuring the Council meets its statutory duty to provide sufficient good quality school places in environments that are fit for purpose. This has resulted in over £100m programme of new schools and refurbishment projects. Oasis Don Valley, Astrea Academy, Mercia Academy and the expansion of Ecclesall Primary are shining examples of the new state of the art education facilities available to Sheffield children.

The Council has a responsibility to ensure the school estate for which it is responsible (community schools) is fit for purpose. The backlog of maintenance is still significant. However, 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, progress is being made. The need far outweighs the funding allocated annually and continues to present a significant challenge.

Clearly it is important to maximise all capital grant funding available to the Council. Existing strategies and policies around investment opportunities such as Disabled Facilities Grants (DFG) are being reviewed to ensure the impact is improving the quality of life for residents of all ages.

2 Key projects completed in 2020/21

	Project and value	Impact
1	Disabled Facilities Grants (£3.2m)	Adaptations to private properties to allow people to remain in their own homes
2	SEND Provision Expansion (Gleadless Site) (£0.8m)	Additional Special Educational Needs Provision places
3	Shooters Grove Electrical works (£0.5m)	Upgraded electrical infrastructure
4	Mossbrook Special School Expansion (£0.3m)	Additional Special Educational Needs Places
5	SEND Provision Investment (Various sites) (£0.5m)	Additional Special Educational Needs places and enhanced facilities

3 Projects in delivery

	Project	Budget (£) (all years)	Year(s)	Invest to save?	Funding source(s)	Outputs	Outcomes for Sheffield people
1	Disabled Facilities Grants	Approx £2.8m p.a.	On going	No	Department of Health	Adapted properties	Suitably adapted properties which meet people's needs
2	Minor Works Grants	Approx. £150k p.a.	Ongoing	No	Department of Health	Improvements to private homes	Improved homes for local people
3	Aldine House 2 Bed Extension and MUGA	£2.5m	2019/20 – 20/21	No	Department For Education	Increased beds and facilities for looked after children	Improved facilities for looked after children
4	FRA Works 4 x sites	£2m	2020/21 – 21/22	No	Department For Education	Improved fire safety	School facilities fit for purpose
5	Pipworth Dining Hall	£1m	2020/21 – 21/22	No	Department For Education	Improved Dining Facilities	School facilities fit for purpose
6	Aspire Hubs	£0.3m	2020/21 – 21/22	No	Corporate Resources	Improved facilities for vulnerable young people	Increased support for young people and families

7	Care Leaver Accommodation	£1m	2020/21 – 21/22	No	Corporate Resources	Improved accommodation for young people	Increased support for vulnerable young adults

4 Potential priority areas / projects under consideration

These are initiatives which we are currently considering before we develop business cases and bring them forward for consideration for approval. They will be subject of separate Cabinet reports if, as and when they are brought forward.

	Project	Value	Year(s)	Funding source(s)	Outputs	Outcomes for Sheffield people
1	Specialist provision	£TBC	2021-2023	Capital Grant – Education & Skills Funding Agency (ESFA)	Further school expansion to accommodate increasing demand	Supporting the increasing needs of children and young people with special educational needs and disabilities (SEND).
2	Children's Social Care Capital Investment	c.£3.5m	2020 onwards	Strengthening Families – Invest to Save	Appropriate Residential Care for young adults and children on the edge of care.	Improved ability to accommodate young adults and children on the edge of care within the City.
3	Building condition	TBC	2020 onwards	Capital Grant – Education & Skills Funding Agency	Programme of repairs and upgrades to a range of schools	Maintaining schools to ensure they are safe, warm and dry.

5 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.	An ongoing review of all pupil places
2	**Specialist Provision:** Significant growth in need and complexity of special education provision.	SCC has been successfully included in the Specialist Provision Free School Programme which will result in 2 new schools (160 places) funded and delivered by the DfE by 2022.

		A modest capital grant to support the delivery of specialist education provision has been allocated to SCC by DfE. The challenge will be to manage all of the emerging requirement within the budget allocated.
3	**Building Condition:** Backlog maintenance is currently estimated at £95m. Existing resources of around £3m annually are largely absorbed by reactive maintenance and essential programmes such as Fire Risk mitigation. 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.	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.
4	**Children's Social Care:** Increase in demand for Children's services with higher referrals into social care system. There is a clear strategy to manage demand, improve supply of provision and performance.	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.
5	**Adult Social Care:** Keeping people out of hospital and accessing the right care in their own homes and communities. Increasing the independence of adults of working age	Work closely with colleagues in Health and Social Care and Housing to enable people to remain in their homes as long as possible and avoid unnecessary hospital admissions. Work closely with colleagues in Health, Social Care and Housing to ensure the right type of accommodation is available in the right areas.

10 HEART OF THE CITY II

A vibrant and attractive 'destination' City Centre which creates more good jobs for Sheffield people, attracting new investors, visitors and residents to the City Centre.

1 Background and context

Heart of the City II is one of Sheffield's key economic projects. Being delivered by Sheffield City Council, the scheme will contribute positively in 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 will provide Grade A office space, including the City's first net zero carbon workspace, a quality hotel, new homes, restaurants and cafes, leisure destinations and stunning public realm including a new "pocket park" right in the city centre – all creating the type of high quality city centre development that helps attract jobs and investment.

The scheme will bring 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 Fargate, providing a new home for Sheffield's cultural, commercial and creative trailblazers.

2 Projects completed in 2020/21

	Project and value	Impact
1	HoCII Block F Trafalgar Works - £6.2m capital receipt	Following a competitive tender process the site has been secured by developer Angelo Gordon who will build circa 300 residential properties of varying size. This will increase the residential offer in the City centre and provide a link with HoC2 and the Division Street/ Devonshire Green areas. The site sale had been expected to complete in 19/20 but C19 impact meant that completion was deferred until December '20.
2	John Lewis Partnership Lease Re-gear - £3.4m	Surrender of existing lease with John Lewis Partnership and enter into a new lease. This will retain a key retail operator in the City and safeguard jobs. The store will be refurbished to modern retail standards.

3 Current projects already in delivery

	Project	Budget (£)	Year(s)	Invest to save?	Funding source(s)	Outputs	Outcomes for Sheffield people
1	HoCII Land Acquisitions and Feasibility work	£2.8m remaining expenditure	Oct 13 - Mar 22	No	Prudential Borrowing	All land interests secured and final payments settled.	The HoCII projects are collectively providing a high-class, mixed-use development in the heart of Sheffield City Centre, enabling Sheffield to have an improved retail and leisure offer and increased vibrancy through the creation of Office and Residential accommodation. This very first stage of the project was to bring the land ownership into the Council's hands so that it can control the quality and pace of development and to carry out initial feasibility work to develop a viable delivery masterplan. The £2.6m is the remaining forecast expenditure of a £69.5.4m total budget.
2	HoCII Block A 'Radisson Blu / Gaumont Building'	£47.4mm	Sep 18 - Mar 24	No	Prudential Borrowing	Development of mix of Hotel, Leisure unit. Hotel pre-let to Radisson Blue satisfied to move the project into the construction phase with necessary budget approval	Bringing increased vibrancy to the buildings in key corridor in the City centre attracting visitors, jobs and residents.
3	HoCII Block B Laycock House / Burgess House	£20.4m	Sep 18 – Mar 22	No	Prudential Borrowing	56 residential units, small office and ground floor retail	Increased residential offer in the City centre helping to make the City centre a more vibrant city neighbourhood.
4	HoCII Block C Issac's Building	£20.7m	Sep 18 – Mar 22	No	Prudential Borrowing	Office accommodation and ground floor retail	Increased quality office capacity in the City centre attracting inward investment.
5	HoCII Block E Telephone House	£2.8m	Sep 18 – Jun 21	No	Prudential Borrowing	Asbestos removal and refurbishment of retail units and car park cladding replacement. Further budget will be drawn down for final fit out of retail/leisure	Bringing back into life a number of previously vacant properties and improved exterior of the multi-story car park. Secure storage of Bikes to enable more active travel options for users of the City.

	Project	Budget (£)	Year(s)	Invest to save?	Funding source(s)	Outputs	Outcomes for Sheffield people
						units including for use as a Bike Hub .	
6	HoCII Block G Wellington Street / ‘Pound’s Park’	£5.2m	Sep 18 – Jun 22	No	Prudential Borrowing & Get Building Fund	Development of a pocket park “Breathing Spaces” funded by GBF Grant. Remainder of site to be sold as development plots for private development of commercial space.	High quality public space providing attractive environment for visitors, workers and residents of the surrounding city centre. Environmental and well-being benefits from more greening. This will make the remainder of the site a very unique and attractive location for commercial development which will in turn create increase high quality office hotel and /or residential capacity in the City centre.
7	HoCII Block H Formerly Henrys now, Elshaw House, Cambridge Street Collective and Bethel Chapel	£60.1m	Sep 18 – Sep 23	No	Prudential Borrowing	Development of mix Leisure, Food, Zero-carbon Office and retail	Increased leisure offer in the City in a cutting edge food hall concept combined with further grade A Zero Carbon office space attracting inward investment and Jobs.
8	HoCII Block H1 Leah’s Yard	£4.4m	Sep 18 – Dec 21	No	Prudential Borrowing	Stabilisation phase of development of Listed building with pre-conditions satisfied to move the project into the construction phase with necessary budget approval	Bringing back into life an iconic heritage building.
9	HoCII Infrastructure & Public Realm	£1.5m	Oct 18 – Mar 22	No	Prudential Borrowing	Development wide planning and delivery programme for the infrastructure and public realm	Improved street grid and high-quality public spaces.

4 Future phases

These specific projects form an integral part of future phases of the Heart of the City II project. Further work will be required to develop these individual business cases in order to finalise the design and ascertain the cost of these elements. Once that work is complete, they will be the subject of separate Cabinet reports to formally add them to the Capital Programme in the years indicated in the table overleaf.

	Project	Value	Year(s)	Funding source(s)	Outputs	Outcomes for Sheffield people
1	HoCII Block E Telephone House Retail	£1.5m	Jul 21- Mar 22	Prudential Borrowing	Final unit fits outs for retail / leisure spaces.	Bringing back into life several previously vacant properties.
2	HoCII Block H1 Leah's Yard	£4m	Jan 22 – Sep 22	Prudential Borrowing	Fit-out phase of development of Listed building subject securing tenants and obtaining necessary budget approval	Bringing back into life an iconic heritage building.
3	John Lewis Partnership Capital Contribution	TBC	Sep 21- Sep 23	Prudential Borrowing	Comprehensive refurbishment of key anchor retail store	Bringing an underperforming store up to modern retail standards. Safeguarding jobs and attracting wider inward investment.

5 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 amplified by COVID-19 pandemic.	Review and manage procurement routes to secure most competitive appointments. Pass risk on 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.	Analysis and review of office market demand. Consideration for finalised design of each of blocks to maximise market appeal. Consider pace of development to ensure there isn't oversupply. Targeting occupiers needing modern fit for purpose space and promoting the net zero carbon workspace within the scheme. Also targeting a wider market where Sheffield can benefit from locations away from the South East of England and elsewhere. As of December 2020, enquiries are already picking up with targeting activity for Q2 2021.

11 ESSENTIAL COMPLIANCE AND MAINTENANCE

Ensuring legal and regulatory compliance for our corporate accommodation estate, improving its fitness for purpose for the customers we serve and our workforce when budgets allow. Spending on essential maintenance works to avoid further deterioration in the building fabric which will then cost more to repair. Improving the energy efficiency of our estate to reduce our carbon footprint and save money on energy bills. Investing in our fleet to lower emissions and reduce maintenance costs.

1 Background and context

Sheffield City Council has a portfolio of over 900 built assets - many of which are buildings - from which it delivers services to the community.

These buildings are physical assets which need to be properly maintained to ensure that they continue to function as efficiently and effectively as possible – and comply with our statutory obligations - to support our delivery of a wide range of services.

The deterioration of buildings due to the lack of maintenance can lead to future financial burdens, pose health and safety risks, create legal liabilities and a range of other issues that affect the delivery of services. The maintenance of buildings is critical to the proper management of physical assets, ensuring we provide an appropriate environment for customers, staff and other users of our buildings.

An ongoing programme for the management of maintenance is required to provide a consistent approach to the planning, management and reporting of building maintenance within the current challenging financial environment. Works funded via this programme are primarily aimed at maintaining the existing fabric of the estate. Where possible, as part of that process, works will seek to address the decarbonisation agenda by improving the efficiency and sustainability of our assets.

Linking into the "Sheffield Land and Property Plan", the aim of the Essential Compliance and Maintenance Programme is to set out what short, medium, and long-term investments are needed to co-align with the outcomes signposted in that Plan. We must ensure we prioritise our spend effectively and have already rationalised our corporate estate. This is particularly important as we seek to recover from the COVID–19 pandemic and re-set our asset strategy to reflect new norms.

Rather than trying to spread money across the entire corporate estate – which would leave no money for other priorities – we must ensure we invest according to our new mantra: "Right asset, right place, right time, right decision". An Asset Management Strategy has been developed and a rolling programme of condition surveys is in the final stages to support this activity to identify where we should focus our efforts.

The Council's Strategic Objectives are all supported by services that deliver them - working from the Council's Operational Estate. If parts of that estate are no longer able to remain open due to failures in the fabric or infrastructure of a building, it will impact directly on the ability of those services to deliver these objectives.

The five-year Fleet investment programme commenced during 2019/20 and by the end of 2020/21 we will have replaced more than a third of our fleet with 353 cleaner more efficient vehicles, including 24 fully electric vehicles. This has been a significant challenge during 2020 due to COVID-19 related supply chain issues. In the third year of the programme, we are looking to replace a further 111 vehicles and 18 items of plant to further reduce our emissions and maintenance costs.

2 Projects completed in 2020/21

	Project	Value	Impact
1	Transport Fleet Renewal	£5.8m	Fit for purpose, low carbon fleet
2	Fire Risk Assessment red tape Studio	£0.9m	Safe premises for our customers and staff.
3	Paths and Surfacing	£0.18m	Maintenance of paths and hard surfacing in Parks and Cemeteries, mitigating potential injuries and claims from slips, trips and falls
4	Dams and Water Courses	£0.15m	Maintenance of dams and watercourses to prevent potential breaches and subsequent flood risk

3 Current projects already in delivery

	Project	Budget (Future years)	Year(s)	Invest to save?	Funding source(s)	Outputs	Outcomes for Sheffield people
1	Bolehills Pavilion Reinstatement	0.32m	2020/21/—21/22	No	Insurance/ Sports England / Revenue Contribution	Delivery of new bowls pavilion	Fit for purpose recreational facilities
2	Ecclesfield Depot	£0.23m	2020/21/—21/22	No	Revenue Contribution	Upgraded welfare facilities	Cash saving through mothballing of Concord facilities

4 Potential priority areas / projects under consideration

These are initiatives which we are currently considering before we develop business cases and bring them forward for consideration for approval. They will be subject of separate Cabinet reports if, as and when they are brought forward and represent those minimum essential elements of building maintenance required to keep the Council's estate compliant.

	Project	Value	Year(s)	Funding source(s)	Outputs	Outcomes for Sheffield people
1	Fire Risk Assessment Mitigation	£0.476m	21/22 to 24/25	Corporate Investment Fund	Delivery of suitable fire precautions to meet statutory compliance	Safe premises for our customers and staff.
2	Site Security/CCTV	£0.462m	21/22 to 24/25	Corporate Investment Fund	Compliant Security Installations	Increased safety and security
3	Protection and Care	£0.045m	21/22 to 24/25	Corporate Investment Fund	Address the most serious internal and external defects	Ensure buildings in relation to supporting the most vulnerable within Sheffield are suitable for their and service needs.
4	Statutory Service Delivery	£1.795m	21/22 to 24/25	Corporate Investment Fund	Proposed works will address a range of identified defects particularly the need to keep many of the buildings watertight through roof work and window replacement as well as the need to address failing heating and electrical systems.	Ensuring that the operational building from which SCC delivers its statutory public facing services are fully functional with no interruption to service delivery being encountered through building failure. Buildings include our Crematoria, Mortuary& Coroner services and the sites through which our adult and children's statutory protection and care services are delivered.
5	Priority Non-Statutory Service Delivery	£2.195m	21/22 to 24/25	Corporate Investment Fund	Address the most serious external defects	These investment priorities cover the wider range of SCC service delivery, which whilst non statutory contribute directly to improving the quality of life for our neighbourhoods through services for early years, youth and the elderly together with citywide services delivered through our green space and depot infrastructure. Whilst the requirement to maintain a functioning network of Library and neighbourhood services across the city has been delivered through the recent Library Services Review both our core libraries and volunteer delivered services are operating in the majority from old and deteriorating buildings with a range of defects. A programme for these buildings is therefore proposed to address the most serious external defects to ensure that these buildings can remain operational and allow our volunteer libraries to concentrate more resources on sustainable long term service delivery.

						Investment is also required in our early years, respite, heritage and depot provision to ensure these services remain functional
6	Heritage Investment	£0.215m	21/22 to 24/25	Corporate Investment Fund	Address the most serious defects and maintain the building fabric	Ensuring that our responsibilities for maintaining the City's heritage and cultural assets, the buildings that define our history and our neighbourhoods are met
7	Respite Review	£0.356m	21/22 to 24/25	Corporate Investment Fund	Reviewing our respite care arrangements and seeking opportunities to improve future provision with our public sector partners, eg Sheffield Children's Hospital Trust	Improved care
8	Contractual Obligations	£0.246m	21/22 to 24/25	Corporate Investment Fund		Meeting our commercial estate leasehold repair obligations
9	Emergencies/Unknowns	£1.0m	21/22 to 24/25	Corporate Investment Fund	Address catastrophic failure in elements of building fabric outside of planned preventative maintenance	Safe premises for our customers and staff.
10	Town Hall	£5.9m		Corporate Investment Fund	Fire precautions, electrical installation, mechanical installation	Safe premises for our customers and staff.
11	Central Library	£9m		Corporate Investment Fund	Structural Repairs, fire precautions, mechanical installation	Safe premises for our customers and staff.
12	Moorfoot	£5.6m		Corporate Investment Fund	Mechanical installation, thermal performance	More efficient premises to minimise our environmental impacts.
13	Howden House	£0.8m		Corporate Investment Fund	Fitness for purpose	Safe and efficient premises for our customers and staff.
14	Millennium Gallery	£1.1m		Corporate Investment Fund	Lifecycle maintenance	Proper lifecycle maintenance for a City centre asset.

5 Key challenges and how we are addressing them

	Challenge	Actions to address
1	Obtaining granular data on the Condition, Utilisation, Suitability and Quality of buildings that make up the Council's estate	We have established a rolling programme of Condition Surveys and are currently undertaking Condition Surveys to gather this data. This has progressed during 2020 and has provided valuable data to enable the potential projects listed in 4 above to move forward.
2	Strategic review of the core 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 and the wider Council to understand and implement the Corporate Asset Management Strategy.
3	Insufficient funding to adequately maintain the existing corporate estate in a satisfactory condition	Identify available funding and judiciously invest it to maintain the core estate in a satisfactory condition utilising the data from the Condition Survey programme. Accept that lack of funding will lead to the closure of non-core property due to lack of maintenance investment.
4	Insufficient funding to impact on the aim of decarbonisation of the estate	Utilise the existing funding to maximise the impact on decarbonisation and look to draw down available loan or grant funding if and when it becomes available.

A1 CORPORATE INVESTMENT FUND (CIF) POLICY

This appendix 1 sets out our proposed policy 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 is comprised of a range of individual funding streams – New Homes Bonus, Community Infrastructure Levy (CIL), section 106 and elements of the 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 European Union, Heritage Lottery Fund, Sport England etc. in order to lever in funding to replace that lost from Central Government.

Demand for CIF funding exceeds supply. The CIF currently represents only 4.7% 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 also provide funding for growth projects – whether as core funding or feasibility funding – which generate sustainable growth for everyone in the City.

3 Risks and demands on 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, New Homes Bonus 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, although potential reductions may be partially offset by future Council Tax and New Homes Bonus (although New Homes Bonus is now coming to an end). 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.

4 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:

A Funding

Projects requesting CIF 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 2.4.2 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 portfolio'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 also to provide match funding at short notice to lever in additional grant funding from central government and others.

Cabinet Members are currently engaged in investment priority setting, whereby they are reviewing all potential capital projects and deciding where best to invest the Council's resources. A number of these projects will require CIF funding. We anticipate that this will be completed early in the new financial year.

5 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 will soon publish an **Infrastructure Funding Statement** (IFS), delivering greater transparency of CIL and S.106 receipts and spending. Going forward, it will also require us to set out a list of priorities for projects to be funded by CIL. This replaces the previous 'Regulation 123 List'. Our next iteration of this list will be informed by our Local Plan consultation.

When determining our proposed priorities, we will have to have regard to the **Infrastructure Delivery Plan** (IDP) – which is being prepared to support the Local Plan- together with the **Corporate Integrated Infrastructure Delivery Plan** (IIDP) which will set out the Council's infrastructure priorities. This may also need to dovetail with the Corporate Investment Fund (CIF) priorities for funding. All these Plans will be considered as part of the ongoing development of the Council's overarching Capital Strategy.

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 **Local Development Scheme** sets out the timetable for producing the new Local Plan (the 'Sheffield Plan'). A revised Local Development Scheme, setting out the steps involved in producing the plan, came into effect on 20 November 2019.

A new 'Issues and Options' consultation (under Regulation 18 of the Town and Country Planning (Local Planning) Regulations (2012)), took place from September to October 2020. An IDP will be required for the Publication Draft Plan (Regulation 19) consultation, due to take place a year later between October and November 2021.

A2 PROJECT LIST SPLIT BY PRIORITY

This appendix 2 sets out the full list of projects, which have either been approved or approval has been requested, split by priority area.

ECONOMIC GROWTH

				Expenditure				Expenditure
Values in £'000s	Project Start	Project End	Approval Status	2021-2022	2022-2023	2023-2024	2024-2026	Total
94024, DIGITAL INCUBATOR (NAQNO)	SEP 2016	MAR 2024	Approved - Active	10	10	22		42
94014, UDV FLOOD SCHEME PHASE 1 (NAQNO)	MAR 2019	AUG 2022	Approved - Active	4,245				4,245
94028, GREY 2 GREEN PH2 (NAQNO)	APR 2017	NOV 2021	Approval Requested	715	18	18		751
94120, M1 GATEWAY PUBLIC ART PROJECT (NAQNO)	MAR 2014	MAR 2022	Approval Requested	219				219
Total				5,189	28	40	-	5,257

TRANSPORT

Values in £'000s	Project Start	Project End	Approval Status	Expenditure 2021-2022	2022-2023	2023-2024	2024-2026	Expenditure Total
90703, BLACKBURN VALLEY CYCLE ROUTE (NAQNO)	JAN 2009	JUL 2021	Approval Requested	53				53
92888, MIDLAND STATION CONGESTION (NAQNO)	MAY 2019	JUL 2019	Approval Requested	21				21
93079, CAZ BACK OFFICE (NAQNO)	JAN 2009	DEC 2009	Approval Requested	25				25
93081, CAZ SIGNAGE (NAQNO)	JAN 2018	MAR 2021	Approval Requested	309				309
93082, CAZ ANPR INFRA (NAQNO)	JAN 2008	JAN 2009	Approval Requested	2,790				2,790
93085, TCF NETHER EDGE WEDGE CYCLING (NAQNO)	AUG 2019	MAR 2020	Approval Requested	7				7
93086, TCF MAGNA MHALL CYCLING (NAQNO)	SEP 2019	MAR 2020	Approval Requested	10				10
93087, TCF AMID CORRIDOR (NAQNO)	SEP 2019	MAR 2020	Approval Requested	11				11
93089, TCF SW BUS CORRIDORS (NAQNO)	SEP 2019	MAR 2020	Approval Requested	19				19
93121, CLEAN BUS TECHNOLOGY (NAQNO)	APR 2018	SEP 2020	Approval Requested	807				807
93134, EFFINGHAM PARKING SCHEME (NAQNO)	APR 2020	MAR 2021	Approval Requested	18				18
93168, WORTLEY CROSSING (NAQNO)	OCT 2020	JUL 2021	Approval Requested	60				60
93372, ITS NETWORK MANAGEMENT (NAQNO)	SEP 2016	MAR 2020	Approval Requested	182				182
93376, BROADFIELD ROAD JUNCTION (NAQNO)	JAN 2018	MAR 2022	Approved - Active	1,323				1,323
93381, EM ELECTRIC TAXI TRIAL (NAQNO)	DEC 2020	JUL 2021	Approval Requested	465				465
Total				6,100	-	-	-	6,100

NEW HOMES

Values in £'000s	Project Start	Project End	Approval Status	Expenditure 2021-2022	2022-2023	2023-2024	2024-2026	Expenditure Total
97497, INTERIM TA REFURBS (NAQNO)	APR 2020	MAR 2022	Approval Requested	474				474
97498, INTERIM TA ACCOMMODATION (NAQNO)	APR 2020	MAR 2022	Approval Requested	3,250				3,250
97551, COUNCIL HSG ACQUISITIONS PROG (Q0067)	APR 2014	MAR 2026	Approval Requested	8,220	8,446	8,678	18,079	43,424
97555, NBCH-P04A-ADLINGTON RD-OPIL (NAQNO)	MAR 2017	OCT 2022	Approval Requested	12,296				12,296
97556, NBCH-P04B-ADLINGTON RD-LD (NAQNO)	APR 2016	MAR 2022	Approval Requested	655				655
97559, NBCH-P05-NEWSTEAD-GN (NAQNO)	JAN 2020	MAR 2024	Approval Requested	1,372	12,337	278		13,987
97564, NBCH-P10-DARESBURY/BERNERS-GN (NAQNO)	APR 2019	MAR 2023	Approval Requested	8,614	778			9,392
97571, NBCH-P15-GAUNT RD-GN (NAQNO)	APR 2019	MAR 2022	Approval Requested	1,905				1,905
97572, NBCH-P16-NEWSTEAD-ENABLE (NAQNO)	AUG 2020	MAR 2023	Approval Requested	4,060	71			4,131
00140591Q0087 STOCK INCREASE (CHS)	APR 2014	MAR 2028	Approval Requested	8,088	49,859	88,957	45,276	192,180
97444, GENERAL/RTB ACQUISITIONS CHS (Q0069)	APR 2015	MAR 2025	Approval Requested	1,392	1,431	1,470	3,062	7,356
Total				50,327	72,921	99,383	66,418	289,049

HOUSING INVESTMENT

Values in £'000s	Project Start	Project End	Approval Status	Expenditure 2021-2022	2022-2023	2023-2024	2024-2026	Expenditure Total
00100000Q0094 HRA REGENERATION	APR 2019	MAR 2025	Approval Requested	2,500	4,000	4,000	4,000	14,500
00100000Q0095 IT UPGRADE (HSG)	APR 2019	MAR 2026	Approval Requested	430	1,570	1,750	1,250	5,000
90136, CHAUCER SQUARE MAINTENANCE (NAQNO)	JAN 2009	DEC 2030	Approval Requested	18	18	18	36	90
97222, PSH EMPTY PROPERTIES (NAQNO)	JAN 2008	MAR 2026	Approval Requested	120	120	120	240	600
97390, PHS ACTIVITY (NAQNO)	APR 2010	MAR 2026	Approval Requested	25	25	25	50	125
97150, RHB LOANS HAL (NAQNO)	JAN 2008	MAR 2023	Approval Requested	220	225			445
97162, RYEDALE LANDLORD LOANS (NAQNO)	APR 2020	MAR 2022	Approval Requested	12				12
97166, WAKEFIELD HAL (NAQNO)	APR 2020	MAR 2022	Approval Requested	100				100
97394, HULL - HUMBER SUB REGION HAL (NAQNO)	JAN 2008	MAR 2022	Approval Requested	225				225
97451, REGIONAL ENERGY HAL (NAQNO)	APR 2016	MAR 2022	Approval Requested	120				120
97452, REGIONAL ERL (NAQNO)	APR 2016	MAR 2022	Approval Requested	120				120
97507, SHEFFIELD REPAYMENT LOANS (NAQNO)	APR 2018	MAR 2022	Approval Requested	85				85
97520, KIRKLEES RF FUNDS HAL(2) (NAQNO)	APR 2014	MAR 2022	Approval Requested	119				119
97338, PROGRAMME MANAGEMENT COSTS RTB (NAQNO)	JAN 2008	MAR 2025	Approval Requested	312	312	312	624	1,560
97348, HRA PROGRAMME MANAGEMENT (NAQNO)	JAN 2008	MAR 2026	Approval Requested	250	250	250	500	1,250
97127, OBSOLETE HEATING (NAQNO)	APR 2010	MAR 2024	Approval Requested	2,000	2,000	1,257		5,257
97131, ASBESTOS SURVEYS (NAQNO)	APR 2010	MAR 2024	Approval Requested	180	79			259
97139, LANSDOWNE AND HANOVER CLADDING (NAQNO)	JAN 2008	MAR 2022	Approval Requested	69				69
97148, S H MGMT FEES COMMISSIONED (NAQNO)	APR 2011	MAR 2024	Approved - Active	2,530	2,555	2,581	2,633	10,299
97264, H & S ELECTRICAL REWIRES (NAQNO)	APR 2010	MAR 2024	Approval Requested	33	33			66
97269, EMERGENCY DEMOLITIONS (NAQNO)	JAN 2008	MAR 2024	Approval Requested	40	40	40		120
97404, HEATING BREAKDOWNS (Q0069)	APR 2012	MAR 2024	Approval Requested	600	550			1,150
97459, GARAGE STRATEGY-IMPROVEMENT (NAQNO)	APR 2017	MAR 2022	Approval Requested	253				253
97464, ROOFING REPLACEMENTS PROG (NAQNO)	MAY 2019	MAR 2025	Approved - Active	9,884	9,142	9,171	9,171	37,367
97468, DEMOLITION PROGRAMME (NAQNO)	DEC 2019	MAR 2023	Approval Requested	456	358			814
97470, ADAPTATIONS 2020-25 CONTRACT (NAQNO)	JUL 2020	MAR 2025	Approval Requested	2,611	2,611	2,823	2,823	10,869
97475, ELEMENTAL REFURBS 2021-26 (NAQNO)	SEP 2020	MAR 2026	Approval Requested	2,445	2,986	3,236	5,687	14,355
97476, ADAPTATIONS - STAIRLIFTS (NAQNO)	APR 2021	MAR 2026	Approved - Active	300	300	300	600	1,500
97477, ELECTRICAL UPGRADES PH 2 (NAQNO)	SEP 2020	MAR 2027	Approved - Active	2,892	5,784	5,784	14,460	28,920
97480, CITYWIDE TOWER BLOCKS - FS (NAQNO)	SEP 2019	MAY 2023	Approved - Active	3,221	6,280	454		9,955
97968, LIFT REPLACEMENTS (NAQNO)	APR 2011	MAR 2024	Approved - Active	537	450			987
97989, SPRINKLERS - FIRE SAFETY (Q0069)	JUL 2013	MAR 2022	Approval Requested	2				2
97990, SHELTERED FIRE ALARM LINKING (NAQNO)	JAN 2016	MAR 2025	Approval Requested				23	23
98002, ELECTRICAL STRATEGY (NAQNO)	AUG 2016	MAR 2022	Approval Requested	1,227				1,227
00140653Q0079 HEATING, ENERGY EFFIC & CARBON RED	APR 2014	MAR 2026	Approval Requested	3,551	5,765	6,597	7,074	22,988
00140653Q0080 ENVELOPING & EXTERNAL WORK	APR 2014	MAR 2026	Approval Requested	250	750	2,932	16,428	20,360
00140653Q0082 ADAPTIONS & ACCESS (CHS)	APR 2021	MAR 2026	Approval Requested				3,645	3,645
00140653Q0083 WASTE MGT & ESTATE ENVIRONMENTALS	APR 2014	MAR 2026	Approval Requested	615	2,323	3,075	5,510	11,523
00140653Q0084 H & S ESSENTIAL WORK	APR 2015	MAR 2026	Approval Requested	801	2,337	6,142	11,675	20,955
00140653Q0085 COMMUNAL AREAS INVESTMENT	APR 2014	MAR 2025	Approval Requested	2,500	5,500	6,432	6,000	20,432
00140653Q0086 INTERNAL WORKS	APR 2014	MAR 2026	Approval Requested				5,288	5,288
00140653Q0089 OTHER ESSENTIAL WORK	APR 2014	MAR 2026	Approval Requested	520	507	507	1,999	3,534
Total				42,174	56,871	57,807	99,716	256,567

CLEANER, GREENER, SAFER

Values in £'000s	Project Start	Project End	Approval Status	Expenditure 2021-2022	2022-2023	2023-2024	2024-2026	Expenditure Total
94122, NEW CREMATORS CITY ROAD (NAQNO)	SEP 2019	MAR 2022	Approved - Active	2,407				2,407
94531, GENERAL CEMETERY HLF PH2 (NAQNO)	JAN 2008	MAR 2024	Approved - Active	1,995	1,153	280		3,427
94119, MSF FINANCE (NAQNO)	FEB 2017	MAR 2023	Approval Requested	15,570	16,559	17,608		49,737
Total				19,972	17,711	17,888	-	55,571

Page 333

GREEN & OPEN SPACES

Values in £'000s	Project Start	Project End	Approval Status	Expenditure 2021-2022	2022-2023	2023-2024	2024-2026	Expenditure Total
94523, PLAY IMPROVEMENT PROJECT (NAQNO)	AUG 2017	MAR 2022	Approved - Active	104				104
00120461Q0093 GREEN AND OPEN SPACES S106 STRATEGY	APR 2016	MAR 2022	Approved - Active	341				341
Total				445	-	-	-	445

Page 334

PEOPLE CAPITAL & GROWTH

Values in £'000s	Project Start	Project End	Approval Status	Expenditure 2021-2022	2022-2023	2023-2024	2024-2026	Expenditure Total
90761, DON VALLEY SCHOOL (Q0061)	JAN 2014	MAR 2022	Approved - Active	245				245
90797, MERCIA SCHOOL (Q0061)	AUG 2015	APR 2023	Approved - Active	2	2	2		6
90927, SHOOTERS GROVE - PHASE 2 (NAQNO)	JAN 2020	AUG 2022	Approved - Active	176				176
90944, HALFWAY INFANTS OFFICE BLOCK (NAQNO)	JAN 2020	MAR 2023	Approved - Active	272	10			282
90906, ALDINE HSE- 2 BED EXTN & MUGA (NAQNO)	JAN 2008	MAR 2022	Approved - Active	1,233				1,233
90898, CARFIELD AVE - CARE LEAVERS (NAQNO)	JAN 2008	MAR 2022	Approved - Active	543				543
97333, MINOR WORK GRANTS (NAQNO)	JAN 2008	MAR 2023	Approved - Active	150	150			300
97334, DISABLED GRANTS (NAQNO)	JAN 2008	MAR 2023	Approved - Active	2,000	2,000			4,000
Total				4,620	2,162	2	-	6,784

Page 335

HEART OF THE CITY II

Values in £'000s	Project Start	Project End	Approval Status	Expenditure				Expenditure
				2021-2022	2022-2023	2023-2024	2024-2026	Total
94050, SHEFFIELD RETAIL QUARTER 2 (NAQNO)	OCT 2013	MAR 2022	Approval Requested	2,077				2,077
94054, SRQ OFFICES (NAQNO)	JAN 2017	MAR 2022	Approval Requested	1,268				1,268
94055, SRQ - STRATEGIC DEV PARTNER (Q0078)	JAN 2008	MAR 2022	Approved - Active	356				356
94057, A PALATINE CHAMBERS BLOCK (NAQNO)	APR 2018	MAR 2024	Approval Requested	10,630	31,652	1,468		43,749
94058, B LAYCOCK HOUSE NEW BUILD (NAQNO)	APR 2018	MAR 2022	Approval Requested	7,890				7,890
94060, C PEPPER POT BUILDING (NAQNO)	APR 2018	MAR 2022	Approval Requested	7,453				7,453
94063, G WELLINGTON ST CAR PARK (NAQNO)	SEP 2018	DEC 2024	Approval Requested	4,057	328			4,384
94064, G1 38 CARVER STREET (NAQNO)	APR 2018	MAR 2023	Approved - Active	2	0			2
94065, H HENRYS BLOCK (NAQNO)	APR 2018	MAR 2025	Approval Requested	26,019	24,082	1,974	3	52,079
94066, H1 LEAHS YARD (NAQNO)	APR 2018	MAR 2022	Approval Requested	2,143				2,143
94067, HOC II INFRASTRUCTURE & PR (NAQNO)	APR 2018	MAR 2022	Approval Requested	1,003				1,003
Total				62,896	56,062	3,442	3	122,403

ESSENTIAL COMPLIANCE & MAINT

Values in £'000s	Project Start	Project End	Approval Status		Expenditure 2021-2022	2022-2023	2023-2024	2024-2026	Expenditure Total
Total					-	-	-	-	-

Page 337

ICT

Values in £'000s	Project Start	Project End	Approval Status	Expenditure 2021-2022	2022-2023	2023-2024	2024-2026	Expenditure Total
Total				-	-	-	-	-

Page 338