

S-PA Members Meeting Minutes [17 July 2018]

Location: CMS Cameron McKenna Nabarro Olswang LLP | 1 South Quay | Victoria Quays | Sheffield S2 5SY

Time: 5:00pm-7:00pm

Attendees:

1. Ackroyd & Abbott – Tom Rusling
2. Anderton Gables – John MacMillan
3. Arup – Jim Bell
4. BAM Construction – Paul Cleminson
5. BDP – Rod Vann
6. British Land – Jonathan Brookes
7. Bond Bryan Architects – Tomasz Romaniewicz
8. Cheyne Capital – Owain Thomas
9. CMS – Tanya Holt
10. Colloco – Tim Bottrill
11. Coda Planning – William Marshall
12. Counter Context – Alexis Krachai, Christof Turzynski, Leigh Bramall
13. Crossbow Investments – David Cross
14. CTP – David Topham
15. ENGIE – Jake Fellows
16. Graham_Fit Out – Sue Blanche
17. Henry Boot - David Anderson
18. HLM Architects – Nick Beecroft, Alan Taylor
19. Jefferson Sheard Architects – Mike Hall, Clare Ailward
20. J F Finnegan – Nick Gillott
21. Irwin Mitchell – Andrew Wallis
22. ISG – Craig Battye
23. KPMG – Matt Wilcox
24. Kier – Garry Bowker
25. Morgan Sindall – Rob Hall
26. Mott MacDonald – Ian Hurst
27. Network Space – Simon Peters
28. NG Bailey – Chris Catterick, Ian Marron
29. Quest Property – Matt Stephens
30. RLB – Matt Summerhill
31. Scotfield Group – Gerald Duniec
32. Sheffield Property Association – Martin McKervey (Operational Chair)
33. South Yorkshire Housing Association – Miranda Plowden
34. Turners Investments – Jonathan Vardy
35. Vinci Construction – Keith Shivers
36. Wake Smith – Neil Salter

Guests:

1. Chief Executive, Sheffield City Council – John Mothersole
2. Stuart Howard – Aberdeen Standard Investments
3. Max Marrison – Freeths

Agenda:

1. Apologies
2. Introduction

Martin McKervey in his new position as Chair, opened the meeting and welcomed the new members that joined since the previous meeting in May which included:

- Kier
- Morgan Sindall
- Graham Interior
- Turners Investments
- BDP
- ISG PLC

Martin also noted that the following members had renewed for a second year of membership.

- Sheffield Hallam University
- University of Sheffield
- CTP
- Wake Smith

Martin provided a brief overview of the various successes of the Association over the last few weeks, including the collation of a collective response to the City Council masterplan and engagement with the London Property Alliance. His closing remarks centred on defining the relationship with the City Council and maintaining a relationship of trust, respect and understanding, hence why he was so pleased to welcome John Mothersole to the meeting.

3. Talk by John Mothersole

The Chief Executive of Sheffield City Council, John Mothersole, provided an insight into the Council's strategy, his opinions on issues affecting the built environment and construction industry and how the public and private sector could better work together.

John began with an overview of his perception of Sheffield against the national backdrop, especially with regards to metrics such as rents and housing prices.

John suggested that it was increasingly important to maintain the momentum of the rising tide of development but this had to be balanced against the restructuring of the economy to ensure an economy of significant value. He broke down the strength of the economy into 4 main sectors and 3 places in the city. These included:

Sectors

- | | |
|--|--------------------|
| 1. Advanced Manufacturing | 3. Digital |
| 2. Business, Professional and Financial Services | 4. Outdoor Economy |

Places

- | | |
|---|-------------|
| 1. Advanced Manufacturing Innovation District | 3. Outdoors |
| 2. City Centre | |

In terms of challenges, John noted the following were also particularly pertinent for Sheffield:

- Ensuring ambition is rebased on 2018 targets as opposed to those set in 2008.
- Ensuring that demand gets even stronger.
- Addressing all issues that are at a tipping point, with particular emphasis on PRS schemes.

- Making sure that affordable housing is addressed.

John also commented on how he believed the S-PA could help the Council. This included:

- Giving the S-PA a deeper understanding of the rationale and information behind key decisions so that the S-PA could take an informed view on policy debates.
- Helping out with challenging issues including with PRS schemes (e.g providing advice and suggestions on what the Council should do to get the developments of this nature over the line in Sheffield and make them an automatically viable option for residential development in the city centre).

4. Questions and discussion

Questions were then invited from the attendees. Leigh Bramall from Counter Context posed questions relating to the Council's budget challenges and need to find the appropriate balancing between density, height and conservation policy in the city centre.

John confirmed that in a few years the Council would see revenue streams almost exclusively from council tax, fees and charges and business rates. He also confirmed that the issue of height and its relationship with conservation policy would be addressed by the Council, with them being in favour of well-designed and appropriate height.

Andrew Wallis from Irwin Mitchell LLP posed a question relating to whether there was a message that could be used to help sell the planning process to investors. John suggested using the example of Boeing's factory being approved in 5 weeks as something that could be demonstrated to potential investors. John also noted that it was important to ensure discussions remained transparent so that the council and developers remained on the same page during negotiations.

Simon Peters from Network Space asked about PRS based on his own experiences from Nottingham and whether Sheffield was able to leverage other cities experiences in how planning has helped to realise schemes and developments. John noted the comments and said that he would discuss it with the Chief Executive of Nottingham Council when they next met.

Jim Bell of Arup raised that as well as offering incentives such as subsidies (relaxation of CIL/Affordable Housing), whether a link to the Tier 2 cities concept could be found, in how Sheffield positions itself on a global stage to boost

occupier and employer demand. John noted that a discussion needed to be had about stimulating demand. He also agreed that the Tier 2 cities link was an interesting concept and one that should be explored further.

Nick Beecroft from HLM raised the issue of safety in the city centre. John noted that this was an important issue and one that had caused problems in other cities such as Nottingham in terms of public perception. He outlined that in terms of attracting people to the city, safety was one of a number of factors including education and air quality that people considered important.

Jonathan Vardy of Turner Investments closed the round of questions by focusing on the PRS issue, suggesting that a scheme would need to be delivered to set a benchmark for the others as exit values were currently the largest issue. John suggested that issues around the schemes could be resolved, as had been with the Park Hill developments. He confirmed that he would like to see the S-PA put together a consolidated response to the PRS issue which the Council could use to help inform their decision-making.

It was agreed that members wishing to get involved in the PRS response would come forward and express any interest in the coming days.

5. Work plan Update

Alexis Krachai closed the meeting with an update of the work plan for the rest of the year, based on the outcomes of the last members meeting and input from the Executive. He noted that Year 2 felt more challenging, and the organisation needed to build on what it had showcased at MIPIM and through discussions and the building of relationships with the London Property Alliance.

He noted that this would reveal itself predominantly through awareness and engagement:

Awareness

- Working with Yorkshire Insider and sponsoring the investment prospectus.
- Building commercial, strategic and tactical relationships with the local press (including a supplement in the Sheffield Star, which members were invited to contribute towards).
- Building relationships with local organisations such as the Cutlers Company, Museums Sheffield and Sheffield Theatres.

Engagement

- Leveraging of relationships with key Council figures

- Building the relationship with the London Property Alliance and using these links as an opportunity to raise profile on a national stage (including putting Sheffield at the centre of national debate surrounding the balancing of the UK economy)
- MIPIM 2019 and ensuring the city has a strong profile at the event
- Building on the Tier 2 cities concept with a follow-up dinner
- Creation of a Challenge Team

Alexis Krachai agreed to send a note outlining the full list of actions to the wider membership.

6. Conclusion

Alexis concluded by reflecting on the evening's discussions, noting the importance of continuing to leverage relationships with the Council and encouraging collaboration between the public and private sector.

He also noted the importance of the PRS issue that had been brought up and it was agreed that an output would be produced from a joint engagement of the wider membership and the Executive which would be submitted for the consideration of John Mothersole as soon as possible.

Actions:

1. Send note detailing work plan to wider membership. **(Alexis Krachai to action)**.
2. Expressions of interest to be made by members regarding PRS response. **(All to action)**.
3. Create S-PA group for PRS response. **(Secretariat to action)**.
4. Collate S-PA PRS response. **(Working Group to action)**.

Next meeting: 19.09.2018, 5-7pm. CMS Cameron McKenna Nabarro Olswang LLP | 1 South Quay | Victoria Quays | Sheffield S2 5SY