



FOR PUBLICATION

DERBYSHIRE COUNTY COUNCIL

CABINET

23 February 2023

Report of the Executive Director - Place

Regeneration Programme Pipeline – Levelling Up Projects
(Cabinet Member for Infrastructure and Environment)

1. Divisions Affected

1.1 County-wide.

2. Key Decision

2.1 This is a key decision because it is likely to be significant in terms of its effect on communities living or working in an area comprising two or more electoral areas in the County.

3. Purpose

3.1 To provide Cabinet with a progress update on the current programme of regeneration projects and set out additional projects to be added to the programme; to seek approval for the Council acting in a delivery role for Ashbourne Reborn; adding public realm and highway works to the capital programme, approving the initiation of procurement of contractors and authorising the making of planning applications and the carrying out of consultation, and to seek approval to the acceptance of grant funding to deliver walking and cycling infrastructure within Markham Vale.

4. Information and Analysis

- 4.1 At its meeting of 13 October 2022, Cabinet received an update on the Council's active regeneration programme (Minute No. 180/22 refers) consisting of a pipeline of 50+ major projects, framed around four broad programme areas which are:
- Market Towns
 - Enabling Infrastructure
 - Growth Zone South
 - Growth Zone North
- 4.2 Projects within the programme have been initiated either by the County Council (e.g. transport schemes such as Ashbourne Relief Road), by Government (e.g. town deal proposals) or by district/borough councils (e.g. Hollis Lane Link Road).
- 4.3 The projects which make up the regeneration programme are at varying stages of preparation; some, such as Swarkestone and Shirebrook Access, are at very early stages of development (Stage 0) whilst others are more advanced at either outline business case stage (Stage 2 to 3) or beyond (detailed design and construction etc).
- 4.4 The Council has a key role to play either as a direct sponsor or as a delivery partner in any of these projects, some of which have been subject to separate reports and approvals (e.g. for match funding of submission of business cases to Government); others may not have needed approvals to date due to their state of preparation i.e. the projects are at an early stage of development. Also, the Council's role in a project may vary over time; for example, from lead sponsor and enabler to 'delivery partner' when perhaps a district authority may pick up lead responsibility.
- 4.5 Given the inevitable changes over time in the release of Government grant funding, plus the emergence of district and borough council policies and priorities, the exact content of the pipeline will always be fluid. In order to ensure that Cabinet remains sighted on the entire regeneration programme, it is proposed that each project update (such as this report) also provides an overview of the programme as it stands at that point in time, with all committed and anticipated projects tabulated (see below). NB: Cabinet will note that some projects are close to completion with regard to the Council's delivery role but will be retained in the programme update to report on the achievement of wider project outcomes such as the delivery of homes or commercial premises.

4.6 The current programme overview is provided in the table below:

Project (and approximate gross infrastructure cost)	Current Position	Decision Required	Status Rating
Stage: Delivery (DCC role as lead sponsor)			
Woodville-Swadlincote Regeneration Route (£13.4m)	New 1km road to facilitate development and relieve traffic congestion at Clock Island. Now open to traffic and complete.	N	G
Ashbourne Airfield Expansion (£6m)	New roundabout and link road to bring forward employment and housing site; now substantially complete.	N	G
Hollis Lane Link Road Phase 1 (£10.8m)	Enabling work (land assembly and relocation of builders' merchant) complete. Tender process for highway construction on phase 1 link road has commenced and due to be completed during June 2023. Go/ no go' gateway decision to progress construction anticipated mid 2023. RAG rating reflects the status of on-going work.	N	A
Stage: Project Preparation (DCC role as specified)			
Fairfield/Hogshaw Enabling Infrastructure (£2.4m)	Led by High Peak Borough with DCC support as advisor. New roundabout and access to facilitate housing development. Provides section of White Peak Loop. Now substantially complete.	N	G
Chesterfield-Staveley Regeneration Route (£165m)	In Large Local Majors funding pipeline with DCC as sponsor. Highly complex scheme. Outline Business Case formally submitted to Government in January and dialogue with DfT continuing pending formal feedback and confirmation of grant request. Land assembly and site access discussions progressing, along with negotiations of private sector collaboration agreements. RAG rating reflects the complex nature of the project and the critical pressures to ensure timely progress and pending confirmation of grant funding	N	A/R
South Derby Growth Zone (£55m)	Part of Levelling Up funded project with DCC as sponsor. Outline Business Case submitted to Government and dialogue with DfT continuing, pending	N	A

	<p>formal feedback and confirmation of grant allocation.</p> <p>Land assembly discussions progressing, along with negotiations of private sector collaboration agreements.</p> <p>RAG rating reflects the complex nature of the project and the critical pressures to ensure timely progress</p>		
Elvaston Castle (£35m)	<p>Business case in preparation with DCC as sponsor. Planning application for access and car park to enable wider regeneration awaiting determination – now due in March 2023.</p> <p>Work now being undertaken to develop commercial business case</p> <p>RG rating reflects the need to resolve project funding over the medium to long term</p>	N	A
Ashbourne Relief Road (>£20m)	<p>Work being undertaken by DCC to prepare more detailed design and planning application</p>	N	G
Access to Shirebrook (c£50m)	<p>Option assessment work currently ongoing by DCC in liaison with Bolsover District Council.</p>	N	G
Swarkestone Bridge (c£50m)	<p>Early assessment of size and scale of problem being undertaken by DCC.</p>	N	G
A61 South of Chesterfield	<p>Assessment of scheme options to improve connectivity. Public consultation exercise just completed and subject to a separate (Cabinet Member) report.</p>	N	G
Ashbourne Reborn	<p>Newly confirmed Levelling Up project for Derbyshire Dales District Council. Made of three separate projects – one of which is a highways and public realm project with DCC as proposed sponsor. No issues at present but RAG rating reflects need for formal agreements to be reached over funding, roles and responsibilities</p>	Y (DCC role in delivery)	A
Key Cycle Network	<p>Strategy and implementation plan for a number of walking and cycling routes across the County. All subject to separate approvals.</p> <p>Progress/ construction is dependent on availability of funding</p> <p>RAG rating reflects lack of funding certainty for full implementation of whole KCN.</p>	Y (grant acceptance)	A

Long Eaton Town Investment Plan (£25m)	Town Deal for Long Eaton consists of a number of separate projects, two of which have DCC as sponsor (subject to previous decisions by Cabinet). Both projects are at design and business case development stage which also includes testing of value for money. This work is ongoing. Long Eaton Town Deal Board on 27 January agreed to delete The Green from the programme of works due to very low cost/ benefit ratio. RAG rating reflects the time critical nature of remaining work.	N	A
Staveley Town Investment Plan (£25m)	Town Deal for Staveley consists of a number of separate projects, two of which have DCC as sponsor (subject to previous decisions by Cabinet). i These are Staveley Basin and Wheels to Work. Both projects are at the stage of pre-contract (funding) compliance RAG rating reflects the time critical nature of the delivery programme	N	A
Clay Cross Town Investment Plan (£25m)	Town Deal for Clay Cross consists of a number of separate projects some of which may be proposed for DCC as sponsor. This includes the Skills Hub, relocation of the library and Clay Cross Connection. The RAG rating reflects the time critical nature of the work and the need for formal agreements over roles and responsibilities in delivery. Connection	N	A
Revitalising the Heart of Chesterfield (£20m)	Levelling Up funded project. DCC acting in advisory role to assist Chesterfield Borough Council	N	G
East Midlands Freeport (£25m seed funding)	DCC has role in delivery of enabling infrastructure in the form of walking and cycling routes around a key site RAG rating reflects lack of progress in finalising funding as awaiting Government sign off of the Full Business Case for the Freeport	N	A
Stage: Project Assessment (DCC role to be confirmed)			
Chesterfield Station Masterplan (costs to be established)	Proposal includes Hollis Lane Link Road Phase 2 . Delivery & funding plan to be agreed with Chesterfield BC	N	G
Market Towns Programme – Mobility Hubs	DCC role in preparation and delivery of hubs to cluster active and public transport infrastructure, information and services.	N	G

Projects Requiring Cabinet Approvals

- 4.7 To enable progress on projects within the programme, there are recommendations made to Cabinet on two of these:

Ashbourne Reborn

- 4.8 In response to Government's call for a second round of Levelling Up Fund projects, Derbyshire Dales District Council (DDDC) submitted a package of projects for Ashbourne which are of significant interest to the County Council:

- A community hub operating within the town's Methodist Church - incorporating 'mobility hub' components.
- Public realm and connectivity improvements across the town centre, which include improvements to key spaces and the routes between them.

- 4.9 On 19 January 2023, Government confirmed the Ashbourne bid had been successful in securing LUF 2 monies. In advance of this, DDDC had been proactive in building up project proposals and governance and through early discussion, there is clarity about its preference for the County Council's role in delivery, described below.

- 4.10 The context for this project is the significant amount of work already taking place on various Ashbourne projects and the strong working relationships between the County Council and DDDC. These include:

- Completion of enabling infrastructure for the Ashbourne Airfield Industrial Estate and the delivery of associated housing and commercial development.
- A response to the town's Air Quality Management Area, for which a number of highways and transport proposals are under investigation.
- Preparation of the Ashbourne Relief Road, with a planning application programmed for submission towards the end of 2023.
- Highway works already within the capital programme, building upon traffic management and connectivity measures originally undertaken during the Covid-19 pandemic.

- 4.11 Given there is such a significant degree of synergy with existing projects, both DDDC and County Council officers consider it would be sensible for the County Council to lead on delivery of the public realm and highway works (with a combined budget of £8.8 million). Adding these projects to the capital programme, as recommended through this report, will reduce the need for legal agreements over adoption and allow permitted development rights to be exercised for some works.

4.12 This approach will require a collaboration agreement with DDDC to ensure that all relevant fees are covered and that the County Council is not placed at financial risk. It is recommended that delegated authority be granted to enter into this and any other required agreements. Cabinet's approval is also sought to initiate procurement of design and construction contractors and to the making of planning applications and the carrying out of public consultation.

4.13 Given the close interaction between the projects set out in Paragraph 4.11, there are clearly both opportunities and threats, including:

- the potential for efficiencies in design and delivery
- the need to ensure the coordination of works in the public domain to minimise disruption
- the potential for virement of funding between projects
- the need for clear communications.

4.14 To ensure the above are addressed as efficiently as possible it is proposed to convene an Ashbourne Town Centre Programme Control Board at officer level, with a dedicated senior executive and a programme manager, plus representatives of key interested parties. Within the scope of this programme will be:

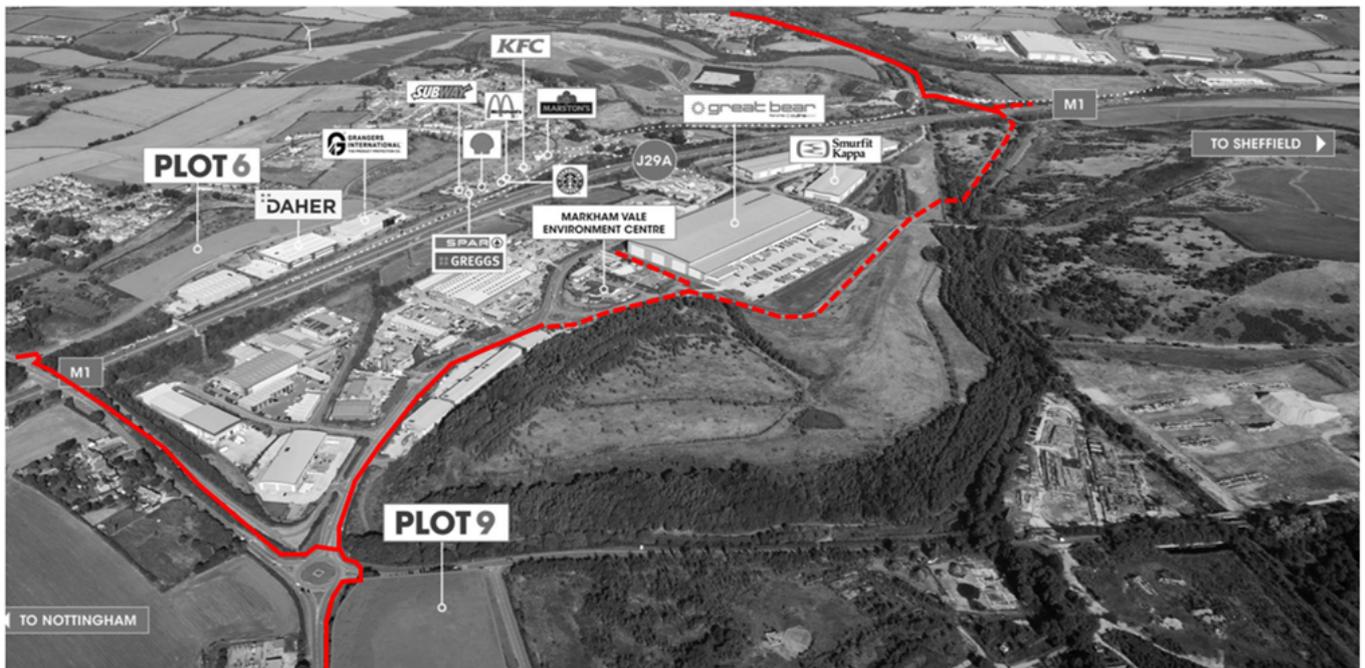
- the Ashbourne Reborn public realm and highway projects
- potentially, those elements of the Ashbourne Reborn community hub which involve County Council assets
- other town centre traffic management works, including any added to the programme to address air quality problems
- potentially, relevant projects from the Bus Service Improvement Plan on mobility hubs and traffic management and bus priority
- also potentially, preparation of the Ashbourne Relief Road.

4.15 The recommendation in this report for delegated authority to be granted to the Executive Director – Place to manage Ashbourne town centre programmes follows the model used for other major regeneration projects and will be exercised through liaison with relevant Cabinet members. Given the broad scope described above, including the potential for financial virement, it is proposed that this Member liaison takes place through convening an oversight board including the portfolio holders for Infrastructure and Environment, Highways, Clean Growth and Finance.

Markham Vale – Walking and Cycling Infrastructure

- 4.16 During the later stages of negotiating the East Midlands Devolution Deal, Government made available an amount of capital funding for housing and low-carbon projects, the major constraint being that as much as possible had to be drawn down during the financial year 2022-34.
- 4.17 An assessment of the Council’s infrastructure pipeline identified that only one project was able to meet the restrictive spend criteria; this is a walking and cycling route within Markham Vale linking the Environment Centre to the Seymour Link, which already benefits from full planning consent and sits on the capital programme.
- 4.18 It is also genuinely additional in that it was, up to this point, unfunded and would therefore only be made feasible by a grant funding. Officers therefore submitted a business case to the D2N2 MCCA programme office and were advised at the end of December 2022 that it had been successful in securing £750,000 to construct the route. The alignment (dotted red line) and location are shown on Figure 1 below:

Figure 1



- 4.19 The grant funding covers, in full, all required activity on the project including fees and contingency. Cabinet will wish to note though, that acceptance of the grant will require the Council to commit to cover any cost overruns should these arise during construction. In this event, funding would need to be vired from within the capital programme.

Future Anticipated Decisions

- 4.20 Having regard to the wider regeneration pipeline of activity Cabinet is advised that future updates in 2023 are likely to include recommendations for:
- 4.21 Approval to procure a contractor for the Hollis Lane Link Road Phase 1.
- 4.22 Approval to make Compulsory Purchase and Side Road Orders for the South Derby Growth Zone.
- 4.23 Approval to consult and then submit a planning application for the Chesterfield-Staveley Regeneration Route, along with a potential compulsory purchase exercise.

5 Consultation

- 5.1 No public consultation is required relating to the recommendations of this report, but Cabinet will note that public consultation is likely to take place on elements of Ashbourne Reborn. The walking and cycling infrastructure, within Markham Vale, has planning consent and as such, has been subject to previous consultation processes.

6 Alternative Options Considered

- 6.1 Option 1: The Council can decline to accept grant funding for the walking and cycling infrastructure. However, this would result in the planned scheme remaining unfunded and retain pressure in the Council's capital programme.
- 6.2 Option 2: the Council can decline to take a role in the delivery of Ashbourne Reborn but as the highway and transport authority for the area, this into considered appropriate.

7 Implications

- 7.1 Appendix 1 sets out the relevant implications considered in the preparation of the report.

8 Background Papers

- 8.1 Cabinet Report, Regeneration Programme Pipeline, dated 10 March 2022 (restricted) (Minute No. 80/22 refers).
- 8.2 Cabinet Report, Regeneration Pipeline, dated 16 June 2022 (partially exempt) (Minute No. 118/22 refers).

8.3 Cabinet Report, Regeneration Programme Pipeline, dated 13 October 2022 (partially exempt) (Minute No.180/22 refers).

9 Appendices

9.1 Appendix 1 – Implications.

10 Recommendations

That Cabinet:

- a) Notes the continued progress made across the current regeneration pipeline and the addition of Ashbourne Reborn.
- b) Approves the County Council acting in a delivery role for highway and public realm works under the Ashbourne Reborn programme.
- c) Agrees to the addition of Ashbourne Reborn works to the capital programme and, in principle, to the Council acting as applicant for planning consent, carrying out procurement of contractors and carrying out public consultation as required.
- d) Authorises the Executive Director – Place, in liaison with the Cabinet Member for Infrastructure and Environment and the Director of Legal Services, to enter into legal agreements with Derbyshire Dales District Council over Ashbourne Reborn.
- e) Approves the receipt of £750,000 of grant funding for delivery of walking and cycling infrastructure within Markham Vale.

11 Reason for Recommendations

11.1 To enable the receipt of resources to bring forward projects supporting connectivity within Markham Vale and regeneration benefits for Ashbourne.

12 Is it necessary to waive the call in period?

12.1 No.

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Implications

Financial

- 1.1 The portfolio of projects set out in this report is supported in a number of ways, through grants including the Local Growth Fund, Large Local Major schemes programme, Towns Fund, Housing Infrastructure Fund and Levelling Up Fund. Collaboration agreements will be required for Ashbourne Reborn to ensure that the Council is at no financial risk and, as stated in the body of the report, there will be a need to commit to meet cost overruns on the walking and cycling infrastructure within Markham Vale. For this project, though, the tender documents and design incorporate significant flexibility which allows the scope to vary (increase or decrease) the range of works without impacting on the length of route being constructed. It also includes a suitable level of contingency.

Legal

- 2.1 Director of Legal and Democratic Services will advise as necessary in relation to the collaboration agreements with Derbyshire Dales District Council for Ashbourne Reborn. Further reports to Cabinet will be required to seek approval for further steps required for each of the projects and to update Cabinet generally as to progress.

Human Resources

- 3.1 The portfolio of regeneration projects has significant implications for the workload of staff within the Economy and Regeneration Service and for supporting legal, property, finance and highways functions in particular. External support is commissioned for individual projects within their confirmed budgets, but additional in-house capacity is being established (as was reported to Cabinet through the Regeneration Kick Start Fund approval referred to in 1.1 above).

Information Technology

- 4.1 None.

Equalities Impact

- 5.1 Individual projects within the portfolio will be subject to equalities impact assessment at the appropriate stages of their development.

Corporate objectives and priorities for change

- 6.1 The regeneration portfolio addresses directly a number of objectives and priorities set out in the Council Plan.

Other (for example, Health and Safety, Environmental Sustainability, Property and Asset Management, Risk Management and Safeguarding)

Property and Asset Management

- 7.1 No direct implications arise from the recommendations of this report.

Environmental Sustainability

- 7.2 Under the Council's Climate Change Strategy and Action Plan all infrastructure projects sponsored by the County Council will now be subject to a Climate Impact Assessment covering the whole-life carbon cycle and impacts upon resilience.