

APPENDIX D



Report To:	CABINET	DATE:	20TH SEPTEMBER 2021
Heading:	TOWNS FUND AND FUTURE HIGH STREETS FUND		
Portfolio Holder:	CLLR MATTHEW RELF, PORTFOLIO HOLDER FOR REGENERATION AND PLANNING		
Ward/s:	ALL KIRKBY AND SUTTON		
Key Decision:	YES		
Subject to Call-In:	YES		

Purpose of Report

To agree actions to support delivery of the Towns Fund project programme and to provide an update to Cabinet on the Towns Fund and Future High Streets programmes.

Recommendation(s)

- 1. To recommend that Council accept the Early Release Towns Fund Capital Funding, includes the funding within the Capital Programme and delegates allocation of the funds to the Portfolio Holder for Regeneration and Planning and S151 Officer, in consultation with the Discover Ashfield Board**
- 2. To delegate the approval of the Towns Fund project business cases to the Portfolio Holder for Regeneration and Planning and S151 Officer in consultation with the Discover Ashfield Board**
- 3. To note progress on the Towns Fund and Future High Streets programmes.**

Reasons for Recommendation(s)

Early Release Towns Fund Capital Funding

To support project delivery the Ministry of Housing, Communities and Local Government (MHCLG) will be releasing an early payment of 5% (£3.13m) of the total Heads of Terms offer of £62.6m. The funding will need to be included within the Capital Programme so that the funding can be used to develop the projects and business cases.

Alternative Options Considered

Not to accept the Early Release Towns Fund Capital Funding and not to delegate allocation of the funds – not recommended as the funding is required to be able to progress with project and business case development to ensure efficient delivery of the project programme. Delegating authority will ensure that decisions can be made as and when needed to avoid delays to the programme. Not recommended

Not to delegate the approval of the Towns Fund project business cases to the Portfolio Holder for Regeneration and Planning and S151 Officer in consultation with the Discover Ashfield Board. Delegating authority will ensure that decisions can be made as and when needed to avoid delays to the programme. Not recommended

Detailed Information

- **Early Release Towns Fund Capital Funding**

To support project delivery MHCLG will be releasing an early payment of 5% (£3.13m) of the total Heads of Terms offer of £62.6m. The payment will be made once MHCLG has approved the project confirmation documents. This process is anticipated to take up to two months following submission of the documents.

It is proposed to nominally allocate 5% of the Towns Fund offer to each project which has a capital allocation as per the table below. The £3.13m will need to be spent before further funding can be released by MHCLG. For projects which require more than the 5% a report will be taken to the Discover Ashfield Board for consideration. The funding can be spent on business case development and on direct project delivery. MHCLG will bear the risk for any of the 5% spent on project development should the project not be realised and will not seek to claw back the funding. The funding would be taken off the Towns Fund Deal value and the introduction of a replacement project would require a negotiation and assessment process.

Project	Capital TF offer £m	5% £m
Ashfield Civil Engineering Centre	2.103	0.11
Ashfield Construction Centre	6.981	0.35
Automated Distribution and Manufacturing Centre	19.000	0.95
Cycling and Walking Routes	1.938	0.10
Enterprise in Ashfield	Revenue	
Green Ashfield	2.200	0.11
High Street Property Fund	0.900	0.05
Kings Mill Reservoir Leisure Development	2.544	0.13
Kingsway Sports Hub	0.734	0.04
Library Innovation Centres	0.588	0.03
North Kirkby Gateway	10.539	0.53
Portland Square Refurbishment	0.730	0.04
Portland Street Sustainable Housing	0.759	0.04
Science Discovery Centre & Planetarium	2.250	0.11
Sutton Lawn Sports Hub	1.533	0.08
Visitor Digital Offer	0.215	0.01
West Kirkby Gateway	4.462	0.22
Total	57.476	2.87
Early Release Towns Fund Capital Funding		3.13
Unallocated		0.26

- **Project business cases**

Business cases are being developed for each of the projects and summaries of the business cases will be submitted to MHCLG in batches once they have passed through the Local Assurance process. In order to maintain an efficient process it is recommended that approval of the project business cases is delegated to the Portfolio Holder for Regeneration and Planning and S151 Officer in consultation with the Discover Ashfield Board.

- **Towns Fund and Future High Streets programmes update**

3.1 Future High Streets Fund

The Memorandum of Understanding for the funding has been signed and the Monitoring and Evaluation information prepared and sent to MHCLG.

Sutton Academy Theatre: Stage Right theatre consultants have now been appointed to steer the project scoping, detailed design and delivery. Stakeholder workshops are planned for early September whilst the procurement phase for an architectural theatre consultant is progressed.

Low Street purchase, refurbishment and re-purposing of properties: A consultant has now been appointed to lead the design development and construction delivery stage of the former

Yorkshire Bank and YMCA properties. The design development stage commenced at the end of August. Early discussions are progressing for potential ground floor tenants of both properties.

Options are being explored for working in partnership with the landowner of 2-4 Low Street. A consultant has been engaged to undertake an options appraisal to inform the next stages.

Fox Street pop-up food area & car park: Site surveys are progressing including ecology, topographical and geotechnical. A consultant has been appointed to progress the management of invasive plant species which have been identified on the site. The ecology survey identified nesting birds on site therefore all remediation work and invasive ground investigation work has been postponed until after the nesting season. The project programme and risk log are being reprofiled accordingly.

Maker Space and business units: The offer for the building was agreed and the conveyancing of the property is progressing. The completion of the sale is anticipated in early September, subject to contract.

A consultant has been procured to lead the design development and construction delivery stage.

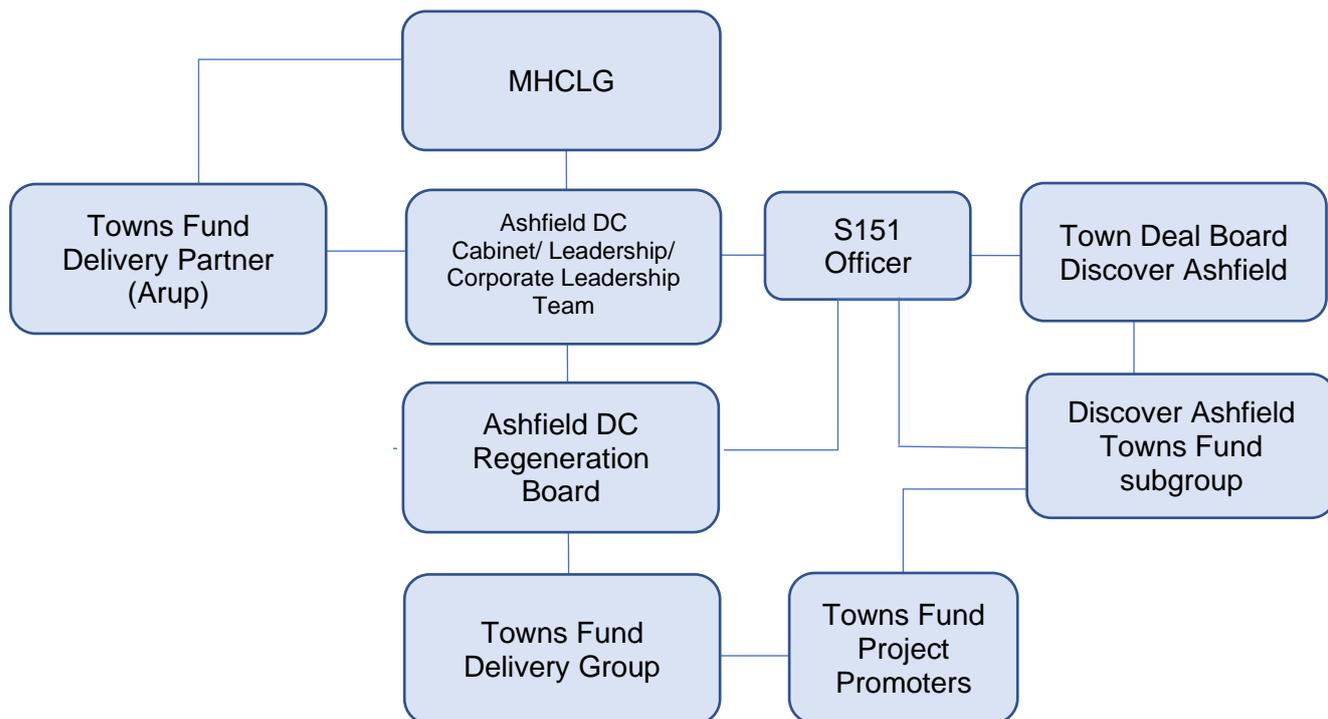
There has been some initial interest in the business units. Next stages include exploring options and developing partnerships and the operating model for the maker space.

3.2 Towns Fund

The Heads of Terms have been signed by MHCLG and returned. The next step of the process is to confirm details of the projects being taken forward and a plan for addressing the conditions. As part of this work we are reviewing the project programme and will confirm the target date for submission of the business cases which will be submitted in a number of batches.

The Town Investment Plan for Kirkby and Sutton which was submitted to MHCLG is being updated and condensed, the revised plan will be brought to Cabinet and Full Council in November and December respectively for approval and adoption. The plan is also required to be published as part of the Towns Fund process.

The Towns Fund governance structure is as follows:



Project sponsors and project managers have been invited to attend the monthly Towns Fund Delivery Group meetings from September onwards to report on the progress of projects and business case development.

Two Q&A sessions have been held with Council Members to discuss the Towns Fund projects. The sessions were well attended and there was positive feedback about the overall programme.

Following review by MHCLG a final draft of the Local Assurance Framework (LAF) has been produced which sets out the process of approval for the business cases.

The procurement process to appoint a project management company for the delivery of the project programmes for Towns Fund and Future High Streets is currently out to advert.

Project development is progressing including partnership development and stakeholder engagement with the NHS for North Kirkby Gateway, private sector developers for North Kirkby Gateway and West Kirkby Gateway and project development with Nottinghamshire County Council for the Kings Mill Reservoir project.

The business case for NTU's Enterprising Ashfield project is being prepared. Work is progressing well with the development of the ADMC (Automated Distribution and Manufacturing Centre). The project team is meeting monthly and a meeting was held with the MTC Catapult Centre on 31st August to discuss joint working. The project manager continues to meet local and regional employers to promote the project and gain market insight, and work has begun to engage a marketing consultant.

Accelerated Towns Fund projects

Kirkby

Moor Market: The main construction works to create the new market have been completed. A bespoke café counter has been commissioned and was installed at the end of the August. A tenant has been secured for the café and dialogue with other prospective traders is ongoing. The new café is due to open on Saturday 25th September.

Cycle network – The construction phase of the network improvements is now being procured. Some adjustments have been made to the routes linking Sherwood Business Park to Nuncargate due to landowner consent issues. The works are due to commence October / November.

Hornbeam Park: The play area construction is near completion with the safety surfacing installation works complete. The landowner / developer have been progressing slowly with the infrastructure and landscaping works which has delayed the completion of the play park and adoption of the site by the Council. An action plan for the completion and adoption has been agreed which includes opening the park to the public whilst the adoption process is progressed.

Sutton

Low Street: The purchase of 14 Low Street was completed on 2nd June. Initial work to tidy up the building signage is progressing. The conveyancing of an additional property is near completion, the purchase has been delayed due to minor contract clarifications.

Newstart Hall: Works have been completed to the Portland College building. Work is progressing to complete works to the upstairs floor of the Portland Pathways building on Outram Street.

Implications

Corporate Plan: Economic Growth and Place, Key Projects, Programmes and Initiatives;

- Town Centres. We will:- 1. Deliver key masterplans, including town centres and railway stations 2. Revitalise and re-purpose town centres by:- a. Bringing empty buildings back into use b. Diversifying the town centre economy c. Capitalising on external funding
- District Wide Physical Regeneration. We will:- Support economic growth by:- 1. Delivering the Future High Streets and Towns Fund programmes 3. Continue working with proprietors of dilapidated and empty buildings to help bring them back into use.

Legal: [RLD 02/09/2021]

No legal issues identified in respect of the recommendations in this report. Legal advice and support will be / is being provided in respect of each project.

Finance:

Budget Area	Implication
General Fund – Revenue Budget	No implications at this stage

General Fund – Capital Programme	Early Release Towns Fund Capital Funding to be added to the Capital Programme to support development and delivery of the business cases. (£3.13m)
Housing Revenue Account – Revenue Budget	No implications identified
Housing Revenue Account – Capital Programme	No implications identified

Risk:

Risk	Mitigation
Lack of funding to develop projects and business cases for the Towns Fund programme	The confirmation of 5% of the Towns Fund offer means that there will be sufficient funding for the design and development of all of the Towns Fund projects.

Human Resources:

No HR issues identified.

Environmental/Sustainability

Environmental sustainability is a key requirement for Towns Fund and projects will be designed and delivered in the most sustainable way possible.

Equalities:

No equalities issues identified.

Other Implications:

Not applicable

Reason(s) for Urgency

Not applicable

Reason(s) for Exemption

Not applicable

Background Papers

Not applicable

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