

## **For publication**

### **East Midlands HS2 Growth Strategy (R000)**

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Meeting:	Cabinet
Date:	11 <sup>th</sup> July 2017
Cabinet portfolios:	Leader, Economic Growth, Town centres and Visitor Economy
Report by:	Michael Rich, Executive Director

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### **1.0 Purpose of report**

- 1.1 An East Midlands HS2 Growth Strategy is due to be submitted to government at the end of July. This report provides an update to Cabinet on the work that has been done by the council and its partners to contribute to that strategy. It seeks delegation to the Leader to sign-off the final strategy.

### **2.0 Recommendations**

- 2.1 That Cabinet note and endorse the work undertaken by the council and its partners to support the production of an East Midlands HS2 Growth Strategy.
- 2.2 That Cabinet delegate to the Leader of the Council sign-off of the final strategy on behalf of the council.

### **3.0 Report details**

#### **Background**

- 3.1 Cabinet received a report on 7<sup>th</sup> March 2017 that included an update on the latest route proposals for HS2. That report also set out the partnership approach being taken by the council and the transformational opportunities for the borough and beyond that flow from the proposals for a station at Chesterfield and depot at Staveley.
- 3.2 As endorsed by Cabinet, work has continued with partners to develop a full contribution to the East Midlands strategy. This is aimed at showing how benefits for our residents, businesses and visitors can be maximised.
- 3.3 The work has been overseen by the HS2 Chesterfield and Staveley Delivery Board, chaired by the Leader of the council. At the Board meeting on 18<sup>th</sup> May, the following were endorsed as key components of the growth story that needs to set the context for the specific development proposals:
- The transformational, once-in-a-generation, impact that HS2 could have, for our places, our people, our businesses and our workforce.
  - The potential for a world-class offer and destination, building on the assets, sectors and places we already have
  - How our geography in relation to the line(s) and our connectivity give us a unique opportunity and how partners are committed to ambitious plans that maximise that opportunity to benefit both the local area and wider economy
  - The wide scope of where benefits will be realised, driving growth across the whole of the 'northern growth zone'
  - At the same time, how the specific changes directly linked to HS2 will change the nature of some of our places, in particular allowing Chesterfield to fulfil its potential as a gateway (through connectivity to a wide and diverse visitor offer) and destination in its own right, by bringing the station 'into' the town.
  - The inclusive nature of growth desired by partners, so that local communities benefit from the new jobs created, directly at key sites and indirectly through the wider sub-regional supply chain
- 3.4 To support the work required for Chesterfield's contribution to the growth strategy, D2N2 Local Enterprise Partnership funding of £60k has been allocated by the East Midlands HS2 Strategic

Board (from a total of £933k). Three particular studies have been commissioned through Derbyshire County Council to develop (a) an outline masterplan for the area around Chesterfield Station; (b) options for improving the accessibility of the station; and (c) proposals for maximising the value of the depot site in Staveley, in particular its use as a construction base prior to a maintenance depot.

- 3.5 These areas were identified as current 'gaps' where additional work was needed in order to support the East Midlands strategy in July. Other areas, such as funding mechanisms and skills, are being covered through work underway for the whole of the East Midlands.

### **Emerging work**

- 3.6 The outputs from the studies listed above are now largely complete having been reviewed by officers. The outline masterplan was also presented to the HS2 Chesterfield and Staveley Board in May.
- 3.7 A short presentation will be provided to Cabinet that summarises the key outputs from the studies and initial proposals for development at the station and depot sites. Feedback from Cabinet will shape how this material is then used to form part of the East Midlands strategy.
- 3.8 A Scrutiny Special Project Group has also been formed to support the work underway on HS2. It has already made some site visits and will receive further briefing, ahead of looking in more detail at the proposals once the East Midlands Strategy is finalised.

### **Next steps**

- 3.9 The East Midlands Strategic Board is due to meet again on 28<sup>th</sup> July. It is likely that the final strategy will be close to completion at this point and that subsequent to that meeting the council will be required to agree the final version.
- 3.10 In order to provide a timely sign-off, it is proposed that the Leader is able to sign-off the final strategy on behalf of the council.

#### 4.0 **Human resources/people management implications**

- 4.1 There are no direct implications of the proposals at this stage. The strategy will make no firm commitments to developments or services that might give rise to human resources impacts.

#### 5.0 **Financial implications**

- 5.1 The strategy will include some high level costs and some asks of government by way of funding. It may propose some options for funding mechanisms, recognising there is likely to be a gap between what HS2 itself will fund in developing the depot or station, and the infrastructure that is needed to maximise development. The strategy will not commit the council or any of its partners to any funding commitments, nor to any funding mechanisms. It will be for each individual council to consider these at a later stage once more detailed plans are developed.
- 5.2 As noted above, there has been funding allocated by D2N2 Local Enterprise Partnership to support consultancy work commissioned through Derbyshire County Council. It is anticipated that further studies will be required after July and funding is available for these from Sheffield City Region (c. £100k) and may also be available from D2N2.
- 5.3 As covered in the Cabinet report in March, the council has approved the use of up to £100k from reserves in order to fund a dedicated HS2 Programme Manager post to support this work. The postholder began on 3<sup>rd</sup> July.

#### 6.0 **Legal and data protection implications**

- 6.1 There are not considered to be any specific implications at this point in time. However, depending on the delivery approach taken, particular legal powers held by the council may be required in order to successfully assemble, fund and deliver development at the station and/or depot site.

#### 7.0 **Consultation**

7.1 There are no plans for a consultation exercise on the East Midlands strategy. A draft strategy was published in September 2016 and since then local stakeholders have been engaged through the HS2 Chesterfield and Staveley Delivery Board. The HS2 route proposals have themselves been subject to widespread public consultation.

## 8.0 **Communication**

8.1 Following publication of the East Midlands strategy there will be significant stakeholder engagement undertaken. This should increase the support for the work to maximise the benefits of the proposals and also shape the next phase of work required.

8.2 An announcement from government regarding the HS2 route is expected before recess. If the announcement confirms the proposals made by HS2 Ltd, then it is planned to use this as an opportunity to welcome the benefits those proposals will bring for Chesterfield and Staveley. More detail regarding the potential development linked to the station and depot will then be set out in the East Midlands strategy, around which further communications will be planned.

## 9.0 **Risk management**

9.1 As noted in the March Cabinet report, the key risk has been that Chesterfield is not able to contribute fully to the work required to develop plans for a station and depot, leading to significant reputational damage and potentially undermining the overall case for the proposed route and wider Eastern leg and damaging the future economic prospects of the borough and beyond.

9.2 This has been mitigated through officer time spent on this project over the last few months and close working with a number of partners, in particular Derbyshire County Council. It will be further mitigated by capacity added through the new Programme Manager.

## 10.0 **Equalities Impact Assessment (EIA)**

10.1 An assessment of the proposals and potential impact on Chesterfield has not been completed at this stage. As specific

proposals are developed to deliver the growth strategies, it is likely that impact assessments will be required.

#### 11.0 **Alternative options and reasons for rejection**

11.1 The main alternative is that the council no longer supports work to maximise the benefits from HS2. This is not recommended given the transformational nature of the opportunity.

11.2 More specifically, there are a number of alternatives to the current proposals in the studies commissioned to date. Given that no decisions are being taken at this stage regarding those development proposals – they are there to outline the potential that HS2 could bring –there are still opportunities to consider a wide range of alternatives before decisions are taken.

#### 12.0 **Recommendations**

12.1 That Cabinet note and endorse the work undertaken by the council and its partners to support the production of an East Midlands HS2 Growth Strategy.

12.2 That Cabinet delegate to the Leader of the Council sign-off of the final strategy on behalf of the council.

#### 13.0 **Reasons for recommendations**

13.1 The recommendations are made in order to ensure that the plans for HS2 bring maximum benefits for the borough and beyond.

#### **Decision information**

<b>Key decision number</b>	<i>732</i>
<b>Wards affected</b>	<b>All</b>
<b>Links to Council Plan priorities</b>	Thriving Borough

#### **Document information**

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**Background documents**

These are unpublished works which have been relied on to a material extent when the report was prepared.

*This must be made available to the public for up to 4 years.*