

For publication

Revitalising the Heart of Chesterfield (TV080)

Meeting:	Cabinet
Date:	17 May 2022
Cabinet portfolio:	Town Centres and Visitor Economy
Directorate:	Economic Growth
For publication This report is not exempt from publication	

1.0 Purpose of the report

- 1.1 To enable the alignment of key projects; 'Revitalising the Heart of Chesterfield' (RHOC) and the town centre projects of the successful 'Connecting Chesterfield' Levelling-Up Fund bid to create a single project called 'Revitalising the Heart of Chesterfield'.
- 1.2 To reference the progress made on the RHOC project including recent public engagement activity, which has informed updated proposals for the improvement of the Market Place and New Square.
- 1.3 To seek approval for the draft RHOC Master Plan (Appendix A) and the next phase of public engagement and consultation activity.

2.0 Recommendations

- 2.1 That Cabinet approves the recommendations of the Revitalising the Heart of Chesterfield public engagement report, (Appendix B).
- 2.2 That Cabinet approves the draft Revitalising the Heart of Chesterfield Master Plan, the associated supporting material and the approach for further public engagement and consultation.
- 2.3 That delegated authority is given to the Service Director for Economic Growth, in consultation with the Cabinet Member for Town Centres and

Visitor Economy, to make amendments and corrections to the draft Master Plan and associated supporting material to make it ready for public consultation.

- 2.4 That delegated authority is given to the Service Director for Economic Growth, in consultation with the Leader of the Council, the Cabinet Member for Town Centres and Visitor Economy and the Cabinet Member for Economic Growth to consider the feedback from the public consultation exercise, to incorporate any further changes, and to approve the final version of the Revitalising the Heart of Chesterfield Master Plan.
- 2.5 That delegated authority is given to the Service Director for Economic Growth, in consultation with the Cabinet Member for Town Centres and Visitor Economy, the Cabinet Member for Economic Growth and the Service Director for Finance to confirm the award of tenders for the procurement of the enabling works and construction of the Revitalising the Heart of Chesterfield town centre transformation project.

3.0 Reasons for recommendations

- 3.1 To deliver outputs at pace through the 'Levelling Up Fund' which, when combined with the match funding already secured, will support the physical changes required to revitalise Chesterfield town centre.
- 3.2 To contribute to the delivery of the council's economic recovery plan (Covid-19 pandemic) and growth strategy 2019-23.
- 3.3 To respond to the findings of the RHOC public engagement and consultation activities and maximise outcomes from the Vision Master Plan.
- 3.4 To transform the experience of those visiting the town centre, and help sustain the economic future of Chesterfield's high street.

4.0 Report details

Background and context

- 4.1 Chesterfield has been a flourishing market town for hundreds of years but like many town and city centres needs to rise to modern day challenges including Covid-19 pandemic impacts and recovery, shifting retail habits, decarbonisation, digitalisation and the need for an accessible

environment that looks inviting, feels safe and is animated for people of all ages and characteristics.

- 4.2 Due to these factors, footfall decline within Chesterfield town centre remains a concern. This can result in business failures, relocations and a reduction in inward investment, leading to the town's 'offer' shrinking and further decline.
- 4.3 During the period 2016 through 2021 footfall declined in Chesterfield town centre by around 30%, even after taking into account a 90% recovery by November 2021 of footfall to pre-covid levels.
- 4.4 The town centre vacancy rate has increased steadily over recent years from 7.0% in March 2016 to 9.9% in March 2020 (just prior to the first lockdown). The vacancy rate now stands at 12.2% (or 52 vacant units). However, the vacancy rate remains below the national average of 14.5%.
- 4.5 The outdoor market is highly sensitive to changing commercial conditions in the town centre and over the last 5 years has been generating less rental income each year. In 2019-20, the last full financial year prior to the Covid19 pandemic, income dropped from almost £550,000 in 2015-16 to £345,000 in 2019-20.
- 4.6 The reducing income from the market is an issue in itself, but it is also indicative of the year-on-year decline that has been seen in the number of traders and as a consequence the reducing appeal and 'offer' of the council's markets to residents and visitors.
- 4.7 Within just half a mile of the marketplace, hundreds of new homes, jobs, and students are set to arrive over the next 10 years, together with thousands of extra visitors connected by high-speed rail and drawn by the ground-breaking £250m Peak Gateway development. Without direct action to improve Chesterfield's appeal and offer, opportunities to boost the town's footfall will not be fully realised.
- 4.8 Chesterfield's 'offer' can be transformed to meet the modern needs and expectations that people have of town centres and drive footfall and growth. The town's heritage and distinctive characteristics are appealing qualities that provide solid foundations from which to build an experience for people that is uniquely 'Chesterfield', something which differentiates from and competes with other destinations, and also the internet.

4.9 There is a need to position and promote Chesterfield as a contemporary market town – a town which is the focus of a whole range of activities that can generate footfall, whether that's through more commercial and residential development in and around the town centre, or social, leisure and events related activity. There is a need to strengthen the overall town centre offer to ensure that both new and existing residents, workers, visitors, and students come into the heart of the town, whether this is during the daytime or the evening, or in more over-night stays.

Strategic approach to supporting Chesterfield town centre

4.10 Chesterfield Borough Council has developed plans to support a response to the challenges and opportunities presented by the current town centre, including the Council Plan 2019-2023 which includes the key priority of making Chesterfield a thriving borough. A key component of this is supporting and enhancing our vibrant town centres.

4.11 The Council's Growth Strategy 2019-2023 details a programme of key activity and projects that the council will deliver to help secure the long-term growth of Chesterfield's economy. A specific part of the programme commits to 'strengthen the distinctive role of Chesterfield town centre to ensure its longer-term vitality and viability' including the following activities:

- Secure on-going investment and development of the town centre, building on the town's core functions and historic character, and guided by proposals set out in the Chesterfield Town Centre Master Plan.
- Seek to sustain and enhance the important role played by the outdoor market as the key asset in the town centre, including the introduction of additional evening and event markets.
- Provide a positive town centre experience for residents and visitors through the effective co-ordination and delivery of town centre services.

Development of the Revitalising the Heart of Chesterfield project

4.12 Chesterfield Borough Council has made numerous, successful funding bids to resource projects that aim to revitalise Chesterfield town centre through physical change. These include a successful bid to the Derbyshire Business Rates Pooling Initiative in July 2019, which enabled the council to assemble a £1.15m package of funding to deliver capital improvements in

the town centre through the RHOC project, focused on improvements to the outdoor markets. More recently, in June 2021, the council was successful in securing £8,98m of 'Levelling Up' funding, to enable the council to deliver a significantly more extensive transformational public realm project in the town centre than that which would have been delivered through the original RHOC project. This is part of a wider Levelling Up Fund programme worth almost £20 million, which will support this project and the renovation of Stephenson Memorial Hall.

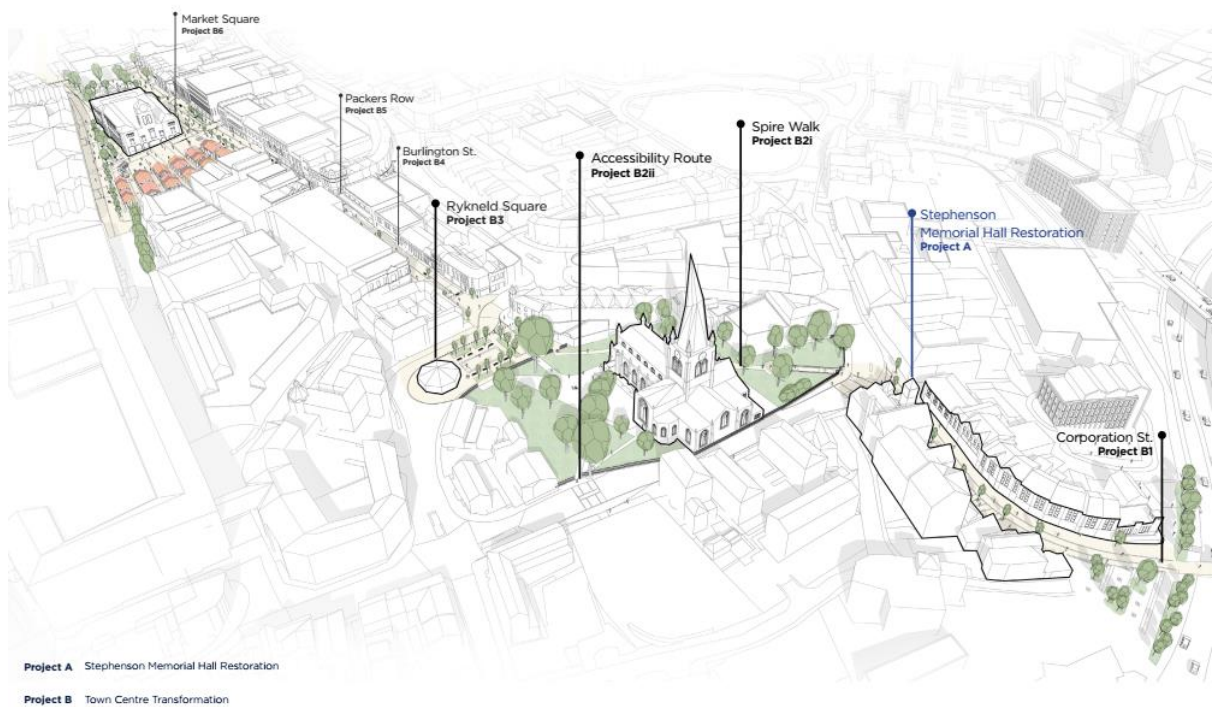
- 4.13 The Levelling Up Fund bid called 'Connecting Chesterfield' proposed transformational regeneration of the historic town centre core centred around four key public spaces, and the connectivity between them and Stephenson Memorial Hall, the iconic Crooked Spire and key visitor arrival points. These spaces would be re-imagined enabling a wide range of flexible uses including markets, festivals, events, cultural celebrations, and community gatherings in a programme that would complement the offer at Stephenson Memorial Hall. Residents, workers, visitors, and students would experience vastly improved access to these spaces and to the connections between them through a combination of high-quality public realm, landscaping, lighting, and wayfinding improvements and an enhanced digital experience.
- 4.14 To ensure the most efficient and effective delivery of the RHOC and 'Connecting Chesterfield' projects, the two have been brought together as one single town centre transformation project under the original badge of 'Revitalising the Heart of Chesterfield', given this term is already in general public use. The two projects have aligned outputs and outcomes and share an overlapping geography and delivery timescale. Managing the two as one, with single governance will also enable more efficient decision-making, smarter procurement, and reduce duplication of effort. The Delivery Plan below sets out the scope of the project and how the Council is planning to approach it.
- 4.15 The total funding available to deliver the RHOC project is £10,28m, including £1,3m match funding comprising £1m of the original RHOC project fund (£1.15m) and £300k of residual funding from Northern Gateway Public Realm scheme (Elderway) for Packers' Row. See the financial section (6.0) for more detail.
- 4.16 The RHOC project will achieve delivery against the 2015 Chesterfield Town Centre Master Plan by meeting the following objectives:

- Improving the public realm and providing a more pedestrian friendly environment.
- Improving green spaces and providing more opportunities for public events and celebration.
- Recognising and preserving our distinctive historic market town and our independent retail, leisure and hospitality offer.
- Improving accessibility.

Proposed draft Revitalising the Heart of Chesterfield Master Plan

- 4.17 Figure 1 shows the area of the town centre to be transformed and the individual projects, as part of Project B, with the other Levelling Up funded project, Stephenson Memorial Hall, shown as Project A.
- 4.18 A concept design – the draft Revitalising the Heart of Chesterfield Master Plan has been prepared to Royal Institute of British Architects, RIBA, Stage 2 to underpin the successful submission made to the Government for Levelling Up Fund funding. The lighting and data elements are to co-ordinate with the draft RHOC Master Plan and be fully integrated into future design stages. The draft RHOC Master Plan has been generated to align with the findings and recommendations of the public engagement exercise referenced in paragraphs 4.32 to 4.35 and Appendix B, and can be found at Appendix A.

Figure 1. Schematic showing the individual projects within RHOC



4.19 The aim of RHOC is to deliver transformative public realm interventions in Chesterfield town centre as shown above, to government defined timescales. These interventions include the following project areas (project code in brackets for reference):

- **Corporation Street** (B1) is part of the town centre conservation area and forms a key gateway into the town centre, particularly for pedestrians arriving via train. The Grade II listed Stephenson Memorial Hall (Project A) fronts onto Corporation Street, which rises steeply towards the Parish Church. The proposed public realm works incorporate a tree lined boulevard with a surface finish that is both contemporary and befitting of the local heritage. The public realm works also aim to bring Corporation Street to life, enhancing its importance as a pedestrian-friendly space linking the railway station and Stephenson Memorial Hall to Rykneld Square and the town centre.
- **Spire Walk** (B2) sits within the grounds of St Mary's and All Saints Parish Church (the Crooked Spire). The priority here is to conserve and emphasise the heritage of the space alongside the Grade I listed Parish Church. Interventions will comprise a light touch landscaping approach and the incorporation of a pocket square to act as a node which will assist wayfinding to / from the Parish Church and on to High Street. It

is also proposed to upgrade the external lighting provision to the Parish Church to allow greater flexibility for events, projections, and seasonal celebrations, and to incorporate a new crossing point to improve pedestrian access and flow.

- **Rykneld Square** (B3) holds a key position on the route connecting St. Mary's and All Saints Parish Church to / from the market square. The current square hosts a service zone / access road which is detrimental to pedestrians wishing to transition through and dwell in this space. Proposals for Rykneld Square include new landscaping and public realm treatments that will be consistent with those planned for Burlington Street and High Street. The design is also intended to be sympathetic to the architectural character of St. Mary's & All Saints Parish Church, whilst providing enhanced space for visitors to admire Chesterfield's most iconic feature.
- **Burlington Street** (B4) connects the Parish Church and Rykneld Square to High Street and the main Market Square. The proposals comprise new landscaping and public realm treatments that aim to create an aesthetically pleasing and seamless transition for pedestrians from the Parish Church to the main Market Square whilst emphasising the array of retail outlets flanking the north and south side of the street.
- **Packers' Row** (B5) provides a critical connection to / from the High Street to Elder Way and the Northern Gateway. Proposals comprise public realm treatments that complement those recently implemented at Elder Way, the use of creative lighting, feature seating, and sculptures that will draw their influence from the history of the town.
- The **Market Place** (B6) proposals are those described and shown in the draft Master Plan, and comprise soft landscaping and public realm treatments that protect the integrity of Chesterfield's historic markets whilst also establishing new spaces for festivals, events, and other leisure and cultural experiences. Other interventions include upgrades to the market stalls with new lighting and access to water and other utilities.

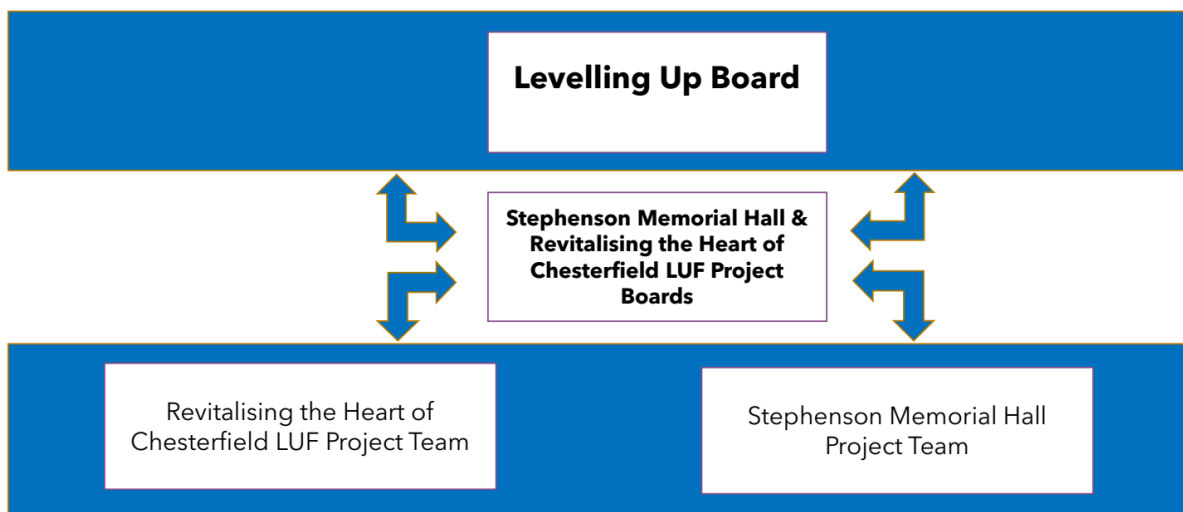
4.20 Other proposals include significant investments in **Lighting and Data infrastructure** spanning the whole project area. These investments are illustrated and described in Appendix J. The approach to these aligned interventions will use energy efficient technology and make our physical

spaces feel more alive by increasing the offer, destination appeal and community engagement with the town. There is an opportunity to deliver more 'wow factor' as well as raising the significance of our heritage landmarks and increasing safety and the general ambience of the town after dark. A data connectivity layer will support beneficial engagement and interactivity between people and the environment

Internal governance arrangements

4.21 Internal governance arrangements have now been established to oversee the whole Levelling Up Fund (LUF) programme (see Appendix C). This comprises a LUF Board and two project boards to individually oversee the two Levelling Up funded projects – Stephenson Memorial Hall and Revitalising the Heart of Chesterfield – which will report to the LUF Board. The Terms of Reference for the LUF Board accord with the Government's Levelling Up Fund requirements. The following organisation chart shows the relationship between the LUF Board and project boards.

4.22 Organogram



4.23 RHOC LUF Project Board decisions to date include agreeing:

- The Project Initiation Document
- Procurement Strategy
- Appointment of the Initial Design Team
- The Lighting Strategy Brief
- Governance Structure and Terms of Reference

- 4.24 Individual project board meetings have been taking place weekly since 9 November 2021. These have importantly agreed ownership for the key tasks required to bring the project forward in accordance with the delivery programme (see below), Government requirements and best practice.
- 4.25 A Project Initiation Document (PID) has been drafted to inform the management of the project through to project completion. It will be updated as necessary through an agreed change control process.
- 4.26 A delivery programme for the project has also been established as per Figures 4 and 5.

Figure 4. LUF overarching timeline:

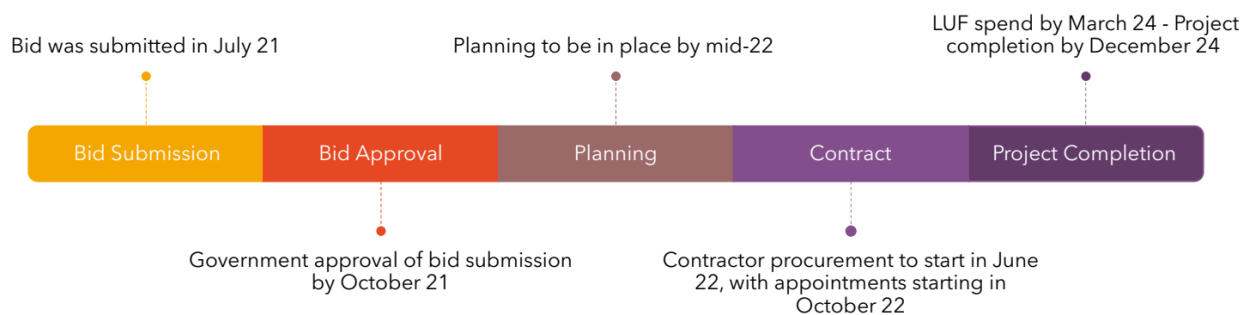
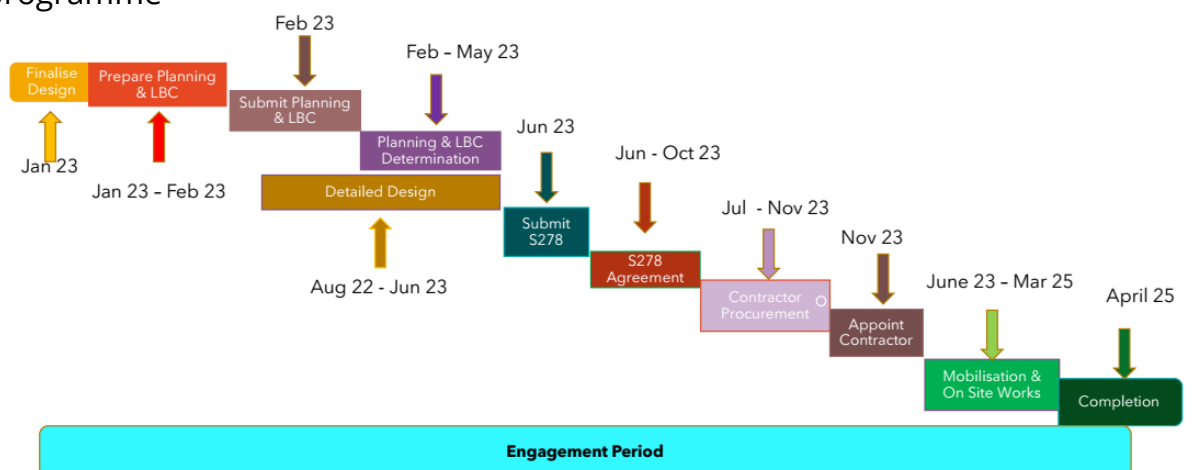


Figure 5. Revitalising the Heart of Chesterfield town centre transformation programme



4.27 Work completed to the start of 2022 comprises:

- Detailed updates provided to Government, Memorandum of Understanding signed and first claim (circa £1.9m) made and payment received

- Project Governance established
- PID written
- Procurement strategy approved
- Rhythm for weekly Project Board meetings established
- Cash Flow forecasts developed
- Delivery programme and timescales agreed
- Project Resource Plan developed
- Lighting Strategy Tender in assessment (prices returned)
- RIBA Stage 2 concept design completed
- Topographical & Utilities Surveys (PAS 128) completed
- Design workshop series commissioned with DCC Highways
- Discussions held with Conservation & Heritage officers
- Tree Survey completed
- Existing cobble construction and reuse options evaluated

4.28 The Council will be obliged to monitor and evaluate the project whilst it is in progress and complete regular assurance reports to the Government to evidence that the various project objectives are being met and have been met at project end. Our approach will:

- Build on the agreed approach to Monitoring and Evaluation as set out in the LUF Bid to Government
- Involve collecting and collating baseline data against which progress can be monitored
- Ensure measurement of key outputs and outcomes
- Be further developed once we receive further guidance from the UK Government on the LUF Assurance and Performance Management Framework

Communication and engagement

4.29 Effective, timely and open communication and engagement with a broad range of stakeholders will be essential to the successful delivery of this programme. The council's vision is to create a town centre that is transformed and thrives for generations to come, but these improvements will inevitably bring some short-term disruption and it is important that local residents, businesses and other key stakeholders are aware of what is happening, buy in to the future vision for Chesterfield town centre, and have regular opportunities to maintain a dialogue with the Council as the project progresses.

- 4.30 The input of stakeholders will also enable the council to adjust the delivery programme as appropriate to more inclusively reflect the needs of the different communities of interest e.g., the market traders.
- 4.31 The council has been actively progressing such engagement activities since December 2020 and as part of the approach a more formal consultation exercise was undertaken between 2 August 2021 and 12 September 2021, post Cabinet's consideration of the original RHOC design plans. The outcomes of these engagement activities have been consolidated into a single report (see Appendix B) and the following recommendations made:
- 4.32 **Recommendation 1;** In line with the support received and comments made during the consultation process, take the following Public Realm elements of the draft Vision Master Plan through a detailed design process:
- Paving upgrade
 - Street furniture and other structural features
 - Lighting
 - Trees and soft landscaping
 - WiFi
 - Utilities upgrade
- 4.33 **Recommendation 2;** In view of the high level of support, but also recognising the concerns about increased Anti-Social Behaviour (ASB), take the following Public Realm elements through a detailed design process with extra focus on reducing potential ASB and undesirable activity:
- Seating areas
 - Playful aspects

In addition, the council will work constructively with partners to seek to reduce issues associated with ASB.

- 4.34 **Recommendation 3;** Referencing the support received during the consultation process for adjustments to be made to the customer-facing aspects of the Market Place proposals, take the following Market Place elements through a further design process with traders to ensure best fit between trader needs and the town centre adaptations required to support more people choosing Chesterfield as a destination, visiting more often, and staying in the town for longer.
- Market stall re-design

- Market stall and 'events' spatial layout, including an assessment of the layouts proposed to the Council as mentioned above.

4.35 **Recommendation 4;** That the council will draw up a schedule of speciality markets and events / activities to support the animation of the town centre and will work with partners to effectively promote this offer.

4.36 These recommendations have been incorporated into the draft RHOC Master Plan (Appendix A)

4.37 Keeping the broad range of stakeholder groups informed and involved as work progresses is at the heart of the planned communications and engagement activities which the council intends to take forward through a variety of communications channels (including digital, online and in print) and in-person forums / exhibitions to ensure that everyone has an opportunity to be involved. These activities include:

- Developing a comprehensive communications and engagement plan which mirrors the delivery programme. The plan will also seek to maximise opportunities for stakeholders to engage in the future vision for the town centre, while managing the reputational risks which such a large-scale and complex project can present.
- A web-based information portal will be launched and promoted as a key engagement channel for the different stakeholder groups. It will primarily be used for 'Q&A', communication and information purposes – stakeholders will be able view the plan via the portal and engage and ask questions about the programme via a feedback form. At appropriate points the portal will be used to obtain stakeholder feedback on live parts of the design process in order to give the different work packages a public test ahead of commissioning. Accessible alternatives will be developed for those stakeholders without or with limited digital access.
- Opportunities for regular in-person information and engagement events will also be built into the plan. The planned re-launch of the Town Centre Business Partnership will also act as a key forum for effective in-person engagement with the town's retailers and businesses, as the project progresses.

- A further consultation exercise (see paragraphs 4.38 to 4.46 below) in relation to the final draft of the Revitalising the Heart of Chesterfield Master Plan which covers the whole town centre transformation area.

Further consultation exercise

- 4.38 A Consultation Pack will be prepared for public use from the proposals contained in Appendix A – “the draft Revitalising the Heart of Chesterfield Master Plan”
- 4.39 The draft RHOC Master Plan will be the subject of a minimum of six weeks’ public consultation between 24 May 2022 and 8 July 2022.
- 4.40 Appendix D contains an outline communication and engagement plan for the proposed public consultation.
- 4.41 The aim is to seek the opinions of a range of people including the public, retailers, other town centre businesses, market traders, landowners, and statutory bodies such as Derbyshire County Council on the proposals in the draft Vision Master Plan.
- 4.42 The plan is to carry out an online consultation using a ‘virtual’ exhibition space, and in parallel arrange a physical exhibition in at least one prominent place in Chesterfield town centre, such as the Market Hall or the Town Hall. The latter exhibition will be staffed for at least part of the consultation period. The council will also signpost interested stakeholders to a webpage with an introduction and explanation of the consultation process, and a link to the ‘virtual’ exhibition space.
- 4.43 The consultation may include a narrated video presentation with downloadable plans and images from the draft Vision Master Plan. Respondents will be able to provide feedback through accessing an online questionnaire. An email address will also be provided to allow stakeholders to ask questions to which the project team will respond.
- 4.44 In-person workshops will be held during the consultation period for key stakeholders such as Market Traders, Derbyshire County Council, and the Parish Church
- 4.45 Hard copies of the questionnaire will be made available for those unable to access / fill in the online version.

- 4.46 All responses will be collected by the council and assessed in line with data protection regulations.

Next Steps after consultation

- 4.47 The responses received will be reviewed and used to inform the development of any proposed revisions to the draft RHOC Master Plan. These will initially be presented as recommendations to the LUF Board.
- 4.48 As part of this report it is recommended that delegated authority is approved for the Service Director for Economic Growth, in consultation with the Leader of the Council, Cabinet Member for Town Centres and Visitor Economy and Cabinet Member for Economic Growth to approve the final version of the Revitalising the Heart of Chesterfield Master Plan. Should the LUF Board consider the proposed revisions to be so significant that approval would fall outside the Board's Terms of Reference, then the proposed revisions and final version of the draft RHOC Master Plan would be escalated for final approval to the council's Cabinet.

5.0 Alternative options

- 5.1 Alternative options for the Market Place project (B6) have already been considered by the council's Cabinet on 20 July 2021 as part of the 2021 version of the RHOC draft Vision Master Plan report. These were described as a series of market layout options with a recommendation to proceed with the one that scored the highest following evaluation against a specific set of project criteria.
- 5.2 The projects now proposed as part of the RHOC project deliver specific commitments made in the Council Plan, Growth Strategy and Chesterfield Town Centre Masterplan. These are directions for action that have already been subject to options appraisals and scrutiny.
- 5.3 The council's bid to the Government's Levelling Up Fund was developed to meet the Government's bid criteria for which no alternative options were provided. The council submitted a compliant bid. If the council chooses to not adhere to the conditions of the bid – including what was set out in the council's proposals – then we place at risk the ability to realise a once in a generation grant funding opportunity.

6.0 Implications for consideration – Financial and value for money

- 6.1 The Revitalising the Heart of Chesterfield project does not require the council to borrowing any money to invest into the project as the sources of grant funding detailed below are considered sufficient to cover the expenditure required to complete the proposed works. A rigorous cost control process is also in place to ensure costs are kept within budget as the various work packages are commissioned.
- 6.2 A detailed project budget was assembled to support the council's bid to the Government as well as a Cash Flow Forecast by a Chartered Member of the Royal Institute of Chartered Surveyors (RICS) following the latest RICS approved methodology.
- 6.3 These documents have been updated since the LUF bid was submitted and were sent back to the Government on 14 January 2022 to form the basis of the funding contract. Further changes or updates will be subject to change control processes and require LUF Board approval (subject to remaining within the original project budget envelope).
- 6.4 More recently, a further detailed cost appraisal has been completed of the RIBA stage 2 design by a Chartered Member of the Royal Institute of Chartered Surveyors, which shows a minimal rise in the construction costs (2.5%) against the original project budget following more detailed design. However, it is felt within the scope of future detailed design stages to target a 2.5% reduction to maintain a balanced project budget.
- 6.5 The project detail is not sufficiently advanced at present to undertake a value engineering exercise. However, the plan, at the appropriate time, is to identify a schedule of value engineering opportunities to aid the mitigation of any potential cost overruns. In addition to this, periodic reviews of inflation will be specifically undertaken to monitor changing market conditions.
- 6.6 A Quantitative Risk Assessment is also currently being carried out to give a more accurate assessment of the potential costs of addressing specific project risks. However, when the council made its bid to the Levelling Up Fund, a £1.9m allowance was included to provide contingency and to cover potential construction price inflation above the benchmarked construction prices used to prepare the original project budget.
- 6.7 A procurement strategy has been put in place in concert with the council's procurement team to properly evaluate the options available, mitigate risks and achieve value for money. The strategy aims to support the

project to keep on programme and describes an approved framework that will enable the council to consider early risks in respect of lack of detailed design information, construction material scarcity and uncertain delivery timeframes whilst also ensuring the right skill sets are available to the project to ensure vital progress is made early enough to ensure that later procurement exercises have all the options available to them to achieve value for money. The strategy is there to guide the whole Levelling Up Fund programme and has a section specifically for the two flagship projects as well as for the commissioning of the lighting and data infrastructure projects.

- 6.8 The council secured £8.98m of LUF funding on the basis of £1.3m match funding also being available to the town centre transformation project, which gives a total project budget of £10,28m.
- 6.9 The match funding is provided from the funding package assembled in 2019 to support the original Revitalising the Heart of Chesterfield (RHOC) project and the Packers' Row extension (part of the Northern Gateway Public Realm works). The funding package was assembled from 4 sources:
- i. Sheffield City Region Investment Fund - £1.2m
 - ii. Derbyshire Business Rates Retention Fund - £1.08m
 - iii. CBC - £0.36m (funder requirement of CBC)
 - iv. D2N2 LEP Local Growth Fund - £0.65m (totally spent by March 2021)
- 6.10 The above funding package of £3.29m was split between the market reconfiguration project (RHOC - £1.15m) and 'Northern Gateway' public realm improvement works to Elderway and Knifesmithgate (£2.14m, now completed with £438k remaining to complete Packers' Row scheme extension). The £1.3m match funding does not require any further approvals and is apportioned as follows:
- i. £1m Derbyshire Business Rates Retention Fund, committed to the Market Place project (B6) via the Revitalising the Heart of Chesterfield project and also to the Packer's Row project (B5)
 - ii. £300k Chesterfield Borough Council match funding committed to the Market Place project (B6)

- 6.11 The new RHOC project is vulnerable to losing its match funding should the council decide to not proceed with either the Market Place (B6) or Packer's Row (B5) projects, however Packers' Row is due to start on site once the S.278 Agreement is settled (expected April 2022) and the council remains fully committed to delivering the Market Place project, including committing financial resources to it.
- 6.12 The council has been in regular dialogue with the Derbyshire Business Rates Pooling Initiative (DBRPI). Following the Government's agreement to the updated cash flow in February 2022, the council has confirmed with DBRPI the new timeline for completing the investment of their grant funding, and this has been agreed.
- 6.13 The Government will pay the LUF grant to the council in portions every 6 months across the project period, in relation to which the council has to demonstrate expenditure and progress. The Government will pay the grant based on the council's submitted cash flow statement for 3 months in arrears and for 3 months in advance. The first claim has been submitted (circa £1.9m) and paid to the council covering expenditure calculated back to April 2021. The Project Team has prepared a cash flow analysis for the whole amount over the project term and is liaising with the council's Finance Team to ensure plans are put in place to properly resource the claims process.
- 6.14 Procurement of all services and construction contracts will be carried out in conjunction with the council's Procurement Team and the contract law team and guided by the LUF procurement strategy to ensure value for money is achieved.
- 6.15 Those elements of the town centre transformation project that will form part of the highway maintained at the public's expense are expected to require a Section 278 agreement with the Highways Authority (DCC). These agreements ordinarily include the payment of a bond (120% of the works value) to the Highway Authority as well as other costs. The bond can be waived by the Highways Authority when works are carried out by another local authority. Such a waiver will be requested by the council in good time to ensure that the council is not required to resource the bond.

7.0 Implications for consideration - Legal

- 7.1 There are two funding agreements relevant to the project, one with the Government and the other with the Derbyshire Business Rates Pooling

Initiative, which create a legal relationship between us and the funders in respect of the conditions under which the funding is granted.

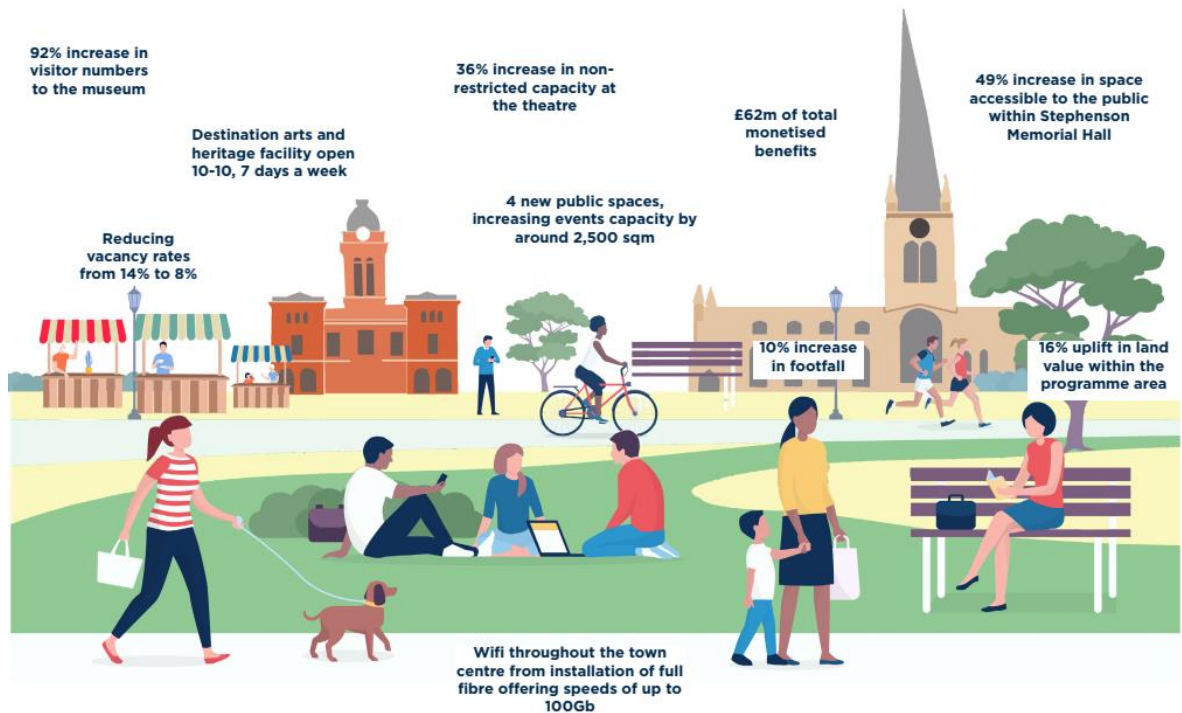
- 7.2 The project will require legal input from council staff to settle and conclude any necessary Section 278 agreements with Derbyshire County Council for the project team to be able to implement adjustments to land under the control of the highway's authority.
- 7.3 The project will also likely require input from the council's contract and property law team in relation to adjoining landowners, should the project require the establishment of legal relationships in relation to access to, impacts on or acquisition of land and / or property within their respective ownerships.

8.0 Implications for consideration - Human resources

- 8.1 The funding for the project is for the delivery of capital improvements. The funding does not allow for the resourcing of additional staff where their input cannot be tied to the practical delivery of capital works.
- 8.2 When the project approaches the construction phase, it is expected that a Clerk of Works or similar position will be required to manage and provide quality assurance of the multiple works contracts that will need to be progressed.
- 8.3 Outside of this additional resource, there is felt to be suitable and sufficient staff resources to bring the Revitalising the Heart of Chesterfield project through to fruition. The scheme will also require the specialist expertise from time to time of other council directorates and teams.

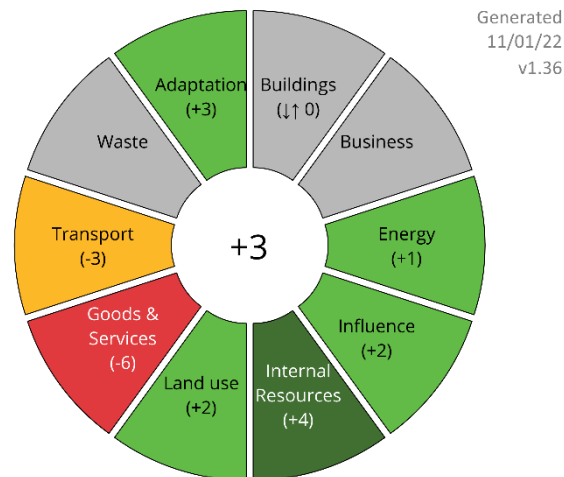
9.0 Implications for consideration - Council plan

- 9.1 As detailed in Section 4, the Revitalising the Heart of Chesterfield project will undoubtedly have a positive impact on the council's priorities of 'making Chesterfield a thriving borough' and 'improving the quality of life of local people'.
- 9.2 The strategic and economic impacts of the project were exemplified throughout the Levelling Up Fund funding bid and also in the bids made to the other funding streams, and are further summarised in the following infographic:



10.0 Implications for consideration – Climate change

- 10.1 There are some aspects of the project that are known at this time e.g., there will be lots of trees planted, improvements made to the energy efficiency of street lighting etc.; what is not known is the exact way that these elements will be designed and implemented. We will need to know this information for a full and proper assessment to be made of the impact of the project on climate change.
- 10.2 The RIBA stage 2 design has been socialised with the council's climate change officer and subjected to the council's Climate Change Impact Assessment tool. The outcomes, though provisional at this juncture, have then been taken into account in preparing the ground for the procurement of services (such as engineers and construction partners).
- 10.3 A Climate Change Impact Assessment tool pie chart is shown below to communicate pictorially the current climate change impact of the project, based on the current status of information.



Chesterfield Borough Council has committed to being a carbon neutral organisation by 2030 (7 years and 11 months)

10.4 *A copy of the completed spreadsheet and accompanying text has been sent to climate@chesterfield.gov.uk as required.*

11.0 Implications for consideration – Equality and diversity

11.1 See Appendix F

12.0 Implications for consideration – Risk management

12.1 The efficient and effective delivery of the project requires all risks to be identified, assessed and then removed, reduced or managed. The process of risk management has been live since the start of the RHOC project in 2020 and through the period of developing the LUF bid. This gives a foundation of risk management to move the new RHOC project forwards. The following commitments to risk management are in place.

- i. Initial assessment of project risks through the LUF bidding process.
- ii. Key risks have been identified, risk owners allocated, and initial mitigation measures agreed.
- iii. A Quantitative Risk Assessment process that will accurately define the likely financial impact of the risk profile is close to completion.
- iv. Risk Management Strategy in the early stages of development.
- v. A programme of regular Risk Review Meetings is in place as part of wider project governance.

- vi. A risk log has been drafted and will be actively monitored by the project team.

Description of the Risk	Impact	Likelihood	Mitigating Action	Impact	Likelihood
The project is not approved for consultation by Cabinet	HIGH	LOW	Clearly set out the positive impact the delivery of the project will have and how the risks to the council can be properly removed, mitigated or managed	HIGH	VERY LOW
Securing Permissions and agreements required to implement the works takes longer than planned (Planning Consent / S.278 for example)	HIGH	HIGH	Early engagement with the right people at CBC and DCC and putting an effective plan / resources into place at the right times to smooth process and avoid delays	HIGH	MEDIUM
Funding Claw-back / deadlines	HIGH	MEDIUM	Speak with funders to understand requirements. Diligent and competent project management and assurance arrangements, with regular check and challenge through the LUF Board	HIGH	LOW
Effectively managing public and stakeholder expectations, needs and aspirations.	HIGH	MEDIUM	Develop an effective communications and engagement plan; and ensure that it is properly	HIGH	LOW

			resourced and delivered.		
Overspending / under delivering / governance	HIGH	MEDIUM	Put strong project governance, financial management and reporting into place and regularly review and manage	HIGH	LOW
Project specific liabilities and risks, in H&S / CDM / contracts etc..	HIGH	HIGH	Put an effective Risk Management Plan in place and regularly review and manage	HIGH	LOW
Town centre business continuity / disruption	HIGH	HIGH	Pay heed to the opinions of key stakeholders in ensuring that all works are effectively sequenced and that disruption mitigation plans are put in place to proactively deal with any risks and concerns	HIGH	MEDIUM

Decision information

Key decision number	1095
Wards affected	ALL

Document information

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Appendices to the report	
Appendix A	DRAFT RHOC Master Plan

Appendix B	RHOC Engagement and Recommendations Report
Appendix C	Governance Summary
Appendix D	draft Communication and Engagement Plan
Appendix E	Financial Detail
Appendix F	draft Equalities Impact Assessment
Appendix G	RHOC Consultation #1 Report
Appendix H	RHOC Consultation #2 Report
Appendix J	Data and Lighting