

Agenda Item No. 7 (k)

DERBYSHIRE COUNTY COUNCIL

CABINET MEETING

26 May 2015

Report of the Strategic Director – Economy, Transport and Environment

POTENTIAL GROWTH DEAL PROJECTS (HIGHWAYS, TRANSPORT AND INFRASTRUCTURE)

(1) **Purpose of Report** To seek Cabinet approval to the carrying out of preparatory work on Derbyshire projects to maximise their chance of success in the allocation of future Growth Deal funding.

(2) **Information and Analysis** The Growth Deal initiative has been the Government's principal response to Lord Heseltine's "No Stone Unturned" report which made recommendations stabilising the economy, creating the conditions for growth and maximising the performance of the UK.

A commitment has been made to provide a minimum of £2 billion annually between 2015-16 and 2020-21, and each Local Enterprise Partnership (LEP) area has now received offers of funding in several tranches; some Department for Transport funding was allocated in 2013 to specific schemes, Growth Deals awards (either project-specific or in the form of a 'programme funds') were issued in July 2014 and then enhanced through further funding announcements in January 2015.

As Cabinet is aware, Derbyshire sits within the Derby, Derbyshire, Nottingham and Nottinghamshire (D2N2) LEP, although four district and borough council areas also sit within the Sheffield City Region. Derbyshire projects therefore appear in the Growth Deal programmes of both LEPs (although only the Seymour Link is drawing down funding from both).

Those D2N2 projects with confirmed funding to date are:

- A61 Growth Corridor
- A61 Whittington Moor Roundabout
- Seymour Link, Markham Vale
- D2N2 Sustainable Transport Programme (Chesterfield and Ilkeston)
- Ashbourne Airfield
- Drakelow Park
- Buxton Crescent and Thermal Spa
- Chesterfield Waterside

- Chesterfield Centre for Higher Level Skills
- Chesterfield Northern Gateway
- High-Speed Broadband (subject to funding becoming available from underspends).

These projects are intended to result in significant uplift to the delivery of jobs and skills in Derbyshire and will improve the ability of local infrastructure to accommodate the impacts of growth, in particular on highways and transport. At this stage, projects are at various states of readiness, with some being close to the commencement of construction and others requiring more preparation work. Of those for which the County Council would act as promoter, the A61 Growth Corridor, Whittington Moor roundabout and the sustainable travel projects need design and preparation work and business case development to confirm their funding.

Development of the strategy for the A61 growth Corridor was the subject of a separate report to Cabinet on 24 March 2015 (Minute No.129/15 refers). Access to Ashbourne Airfield will involve the provision of roads which are intended to be adopted as highway in due course and it would be sensible for the County Council to play a role in the design of these schemes. Although the same situation applies at Drakelow Park, designs are already in place.

The Government commitment to Growth Deals (of at least £12 billion over six years) is not yet fully allocated. The incoming Government in May could choose to either issue further calls for projects or assume a different route to economic growth. However, it would be prudent to assume the availability of resources in some form or other for those projects demonstrating the best outcomes and readiness.

D2N2's Deal Sheet (its proposal to Government ahead of the first Growth Deal) listed some 28 projects in priority order and to a large extent, these have been included in either the original Growth Deal or in the subsequent addition of projects. Those yet to be supported include:

- Some D2N2-wide projects;
- Elements of a sustainable travel package (although some elements have been supported);
- A proposed connectivity and resilience package; and
- Resource funding to maximise local connectivity to High Speed Rail (HS2).

The only projects specific to Derbyshire yet to be funded are (in priority order):

- Land North of Denby – highway works
- Woodville-Swadlincote Regeneration Route
- Broomfield Hall (Derby College) redevelopment.

Of these, the proposal for Land North of Denby is for the construction of highway works which could be contained within available land and would not require any consents. Broomfield Hall is a skills project in which the County Council has yet to commence/develop its role.

The Woodville-Swadlincote Regeneration Route is at relative disadvantage in that it requires planning consent and the assembly of land, either by negotiation or through compulsory purchase. The scheme is contained within the current Local Transport Plan and has the potential to facilitate regeneration and provide a partial solution to long-standing, local highway problems. Growth Deal funding would therefore provide a means to deliver a project with significant benefits but which has been held back to date by concerns over its readiness.

D2N2's assessment of projects for the 'enhanced' Growth Deal (through which the Drakelow Park, Ashbourne Airfield and Buxton Crescent projects were supported) highlighted the importance of this. The Woodville-Swadlincote Regeneration Route was given a low score against the 'deliverability case' element of the assessment. It has been agreed the same criteria will be used in the selection of projects for further Growth Deals and, at present, the project would retain the same weakness. It is therefore proposed the County Council proceeds with securing planning consent for the road and with negotiations over land assembly.

Sheffield City Region has recently begun a process of selecting schemes which could (subject to the availability of funding) be added to its Infrastructure Fund (SCRIF) programme. Those submitted include the following proposals within Derbyshire:

- Mill Lane, Wingerworth (Avenue Site)
- Chesterfield Town Centre (Co-op building)
- Peak Resort cycling connections

All of these appear to have the potential to attract funding in due course, having been recommended to proceed to a second-stage assessment. However, they will require preliminary design of the infrastructure to be delivered and further work to identify and reduce project risks, such as land availability. The County Council's support would certainly be welcomed by North East Derbyshire District Council on the Mill Lane project and by Chesterfield Borough Council on Peak Resort. In both cases, the infrastructure is likely to be adopted into the public highway or maintained by the County Council and it is therefore in the Authority's own interests to be actively involved at an early stage.

In due course, there will be further projects which the County Council and partners across D2 (Derby and Derbyshire) would wish to see delivered. It is intended the D2 Joint Committee for Economic Prosperity (and in due course the D2 Combined Authority) oversees a staged process of selecting priority

projects and ensuring their readiness to make successful applications for Growth Deal or other resources. In the meantime, it is recommended that Cabinet authorises (from resources already allocated) preparation work to be carried out on the Mill Lane and Peak Resort projects. In both cases, it is expected that costs incurred can be recovered from project partners. Also, officers will be involved in other projects with the intention of securing their final funding approvals. However, except for those specified above, there is no identified need at present for any work which cannot be carried out in-house through existing resources. Where external resources are required, these will be procured in accordance with Cabinet approval granted on 14 April 2015 for the provision of highways and transport professional consultancy services (Minute No. 167/15 refers).

(3) **Financial Considerations** The approved Economy, Transport and Environment Department Service Plan 2015-16 includes a budget of £500,000 (Scheme 02 08 01) for the development of Growth Deal projects and a contribution towards construction. Costs incurred in the development of projects listed in this report can be met from this budget. Where appropriate, these will be recovered from other funding sources linked to the relevant project as part of the project implementation process.

(4) **Property Considerations** The Woodville-Swadlincote Regeneration Route will require some land currently outside the control of the partners; this report seeks authorisation for negotiations to be carried out over its acquisition. A further report to Cabinet will be required as appropriate to approve either its purchase or the initiation of compulsory purchase procedures. Elements of other projects, notably the A61 Growth Corridor and the Peak Resort cycling connections, may also require further reports in due course over land assembly or the undertaking of necessary agreements.

Other Considerations

In preparing this report the relevance of the following factors has been considered: legal, prevention of crime and disorder, equality and diversity, human resources, environmental, health and transport considerations.

(5) **Key Decision** No.

(6) **Call-In** Is it required that call-in be waived in respect of the decisions proposed in the report? No.

(7) **Background Papers** The D2N2 and Sheffield City Region websites provide information on the Growth Deals for each LEP and the governance processes associated with these. Officer contact details - Jim Seymour, extension 38557.

(8) OFFICER'S RECOMMENDATIONS That Cabinet:

- 8.1 Authorises preparatory work to be undertaken (in-house or through professional consultancy services) on the Ashbourne Airfield, Mill Lane (Avenue Site) and Peak Resort cycling links projects.
- 8.2 Authorises the Strategic Director – Economy, Transport and Environment and the Director of Property to proceed with securing planning consent for the Woodville-Swadlincote Regeneration Route and with negotiations over land assembly.
- 8.3 Notes that a further report will be submitted to Cabinet in due course concerning the acquisition of land for the Woodville-Swadlincote Regeneration Route.
- 8.4 Authorises costs incurred against development of the schemes on 8.1 and 8.2 above to be met from the Economy, Transport and Environment Department's Service Plan 2015 – 2016 scheme number 02 08 01.

Mike Ashworth
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