

## **D2N2 INFRASTRUCTURE AND INVESTMENT BOARD (IIB)**

**23 March 2017**

### **Derby Cycling and Placemaking**

#### **1.0 Background**

In February 2015 DCLG awarded D2N2 Grant Funding to deliver the approved schemes on the Local Growth Fund (LGF).

The LGF comprises of 36 schemes and runs until March 2021.

In March 2015 D2N2 and Derbyshire County Council issued the LGF Local Assurance Framework which sets out the procedures for managing and approving projects.

In April 2015 D2N2 appointed Derbyshire County Council as the Accountable body to administer the Local Assurance Framework.

#### **2.0 Scheme Overview**

There are a number of structural difficulties and problem locations that are limiting economic growth in Derby city centre. These include macro-economic changes to consumer behaviour and declining 'high street' footfall alongside more local challenges including vacant land and buildings, limitations to pedestrian and cyclist movement into and around the city centre and a fragmented public realm. Footfall in St Peter's Street has seen a particular decline in the last 5 years, which is of particular concern given the pivotal role of this route as the traditional 'high street' within the city centre linking north and south boundaries, and linking the might of Intu Derby with the niche and character of the Cathedral Quarter.

In response to these challenges, Derby City Council has defined a 15-year City Centre Masterplan which refreshes previous strategic approaches to city centre regeneration and identifies high quality public realm and encouraging active travel as two key activities influential in creating a fit-for-purpose city centre. Both of these strands are complementary means of 'Placemaking', within the direct control of the Local Authority, and highly deliverable on the back of many years of project experience in these fields.

The detailed programme of works is as follows:

### **Phase 1-Placemaking and Connected Cycle City ‘St Peters Street’**

- Delivers a further element of the City Centre Masterplan under the theme of ‘Connected City’.
- Transforms the public space to enhance and maximise the potential for placemaking.
- Cycle access legalised for time period before 10am and after 5pm to manage vehicle access into the pedestrianised area.
- New street furniture zones to include, seating, litter bins, street lighting and cycle parking, on slightly raised platforms to provide a ‘tapping edge’ for blind and partially sighted people, 5 in total containing 10 cycle stands
- Extends the enhanced public realm from St Peters Cross providing harmony of design approach between Babington Lane and Victoria Street, equating to

### **Phase 2-Placemaking ‘Albion Street’**

- Investment will attract new major retailer, securing jobs and leverage.
- Strengthen physical connectivity between intu and the Market Hall
- Cycle access legalised for time period before 10am and after 5pm to manage vehicle access into the pedestrianised area.
- Establish Derby’s ‘Walk of Fame’ route, celebrating the people of Derby
- New street furniture zones to include, seating, litter bins, street lighting and cycle parking, on slightly raised platforms to provide a ‘tapping edge’ for blind and partially sighted people, 2 in total containing 4 cycle stands

### **Phase 3-Placemaking ‘Exchange Street’**

- Strengthen physical connectivity between intu and the Market Hall
- Establish Derby’s ‘Walk of Fame’ route, celebrating the people of Derby.
- Cycle access legalised for time period before 10am and after 5pm to manage vehicle access into the pedestrianised area.
- New street furniture zones to include, seating, litter bins, street lighting and cycle parking, on slightly raised platforms to provide a ‘tapping edge’ for blind and partially sighted people, 2 in total containing 4 cycle stands..

#### **Phase 4-Placemaking ‘Osnabruck Square’**

- Enhances the setting of the Grade 2 listed Market Hall
- Creates a new ‘on-street’ food and retail space, to include a new permanent structure and flexible space for ‘pop up’ market stalls
- Maximises the visual image of the Market Hall
- First of other phases of development in this area of the city centre
- Strengthen physical connectivity between intu and the Market Hall
- Cycle stands for at least 20 cycles, up to 10 in total.

#### **Phase 5-Placemaking, East Street Bridge**

- DCC capital investment used to encourage the new owner of the Audley Centre to invest in a new bridge as part of its overall re-development, thus enhancing a key DCC asset.
- Improve the visual image of this unsightly, but necessary over bridge
- Help accelerate investment in improving the Audley Centre, bringing new retail and job opportunities to this strong ‘anchor’ location at St Peters Cross

#### **Phase 6-Connected Cycle City ‘World Heritage Site’ gateway**

- Strengthen cycle connectivity and access between the Derwent Valley and City Centre

The cost of the project is £1.9m and funded as follows:

<b>Phases</b>	<b>LGF</b>	<b>Derby City Council</b>	<b>TOTAL</b>
St Peters Street (Start May 2017)	725,000	50,000	£775,000
Albion Street	50,000	50,000	£100,000
Exchange Street	50,000	50,000	£100,000
Osnabruck Square	705,000	40,000	£745,000
East Street Bridge	0	30,000	£30,000
WHS Gateway	120,000	30,000	£150,000
<b>TOTAL</b>	<b>£1,650,000</b>	<b>£250,000</b>	<b>£1,900,000</b>

### **3.0 Approvals**

The St Peter's Street, Albion Street and Exchange Street works not require planning permission and can be delivered under permitted development. Osnabruck Square may require some form of permissions, however this will only be known when a full design process has been carried out.

### **4.0 Procurement**

For the St Peters Street phase, the Council will use the Derby and Nottingham City Council's Framework services Contract. For the other 5 phases, Derby City Council resources will be used, where capacity allows and where it doesn't they will use another EU compliant Framework.

### **5.0 State Aid**

The promoter has confirmed that the project is State Aid compliant.

### **6.0 Business Case**

The business case has been assessed by Regeneris who have confirmed that project represents good value for money. Only the first phase is fully compliant with the LAF and therefore the recommendation is to approve the whole project and release funding for the first phase. Any future years funding will only be released once evidence of the outstanding requirements to satisfy Stage 2 of the LAF is provided to the LEP and Accountable body.

### **7.0 Delivery Programme**

Phase 1 St Peters Street

Phase 2 Albion Street

Phase 3 Exchange Street

Phase 4 Osnabruck Square

Phase 5 East St Bridge

Phase 6 WHS Gateway

### **8.0 Outputs and Outcomes**

-over 1000m of new and improved cycle route

- legalised cycling through the city centre via St Peter's Street, before 10am and after 5pm
- 3000m<sup>2</sup> of public realm improved
- support the creation of 35 net additional jobs

## 9.0 Spending profile

	2017-18	2018-19
Phase 1- St Peters Street	£0.725m	
Phase 2 Albion Street	£0.050m	
Phase 3 Exchange St	£0.050m	
Phase 4 Osnabruck Square		£0.705m
Phase 6 WHS Gateway	£0.010m	£0.110m
Total	£0.835m	£0.815m

## 10.0 Local Assurance Framework

Stage 1 approval was granted on the 9<sup>th</sup> July 2015 and a Business Case was submitted in line with Stage 2 of the approval process. The Accountable Body and D2N2 have assessed the Business Case submission and approval is recommended subject to the project achieving a good VFM report.

The IIB are asked to approve the project and release funding for Phase 1. Any future years funding will only be released once evidence of the outstanding requirements to satisfy Stage 2 of the LAF is provided to the LEP and Accountable body.

Sarah Wainwright, Accountable Body, Derbyshire County Council  
Tom Goshawk, D2N2 LEP

## Local Assurance Framework

### Stage 2 Approval Check List:

<p>1. A Value for Money assessment carried out in accordance with the Local Assurance Framework and concluding that the project overall provides at least a good value for money score</p>	<p>A Value for Money assessment has been completed by Regeneris who have confirmed the project represents good value for money.</p>
<p>2. Evidence supporting the need for the project and the how the outputs in the Business Case will be delivered/guaranteed. This will also include evidence identifying when the outputs will be delivered.</p>	<p>There are a number of structural difficulties and problem locations that are limiting economic growth in Derby City Centre. These include macro-economic changes to consumer behaviour and declining 'high street' footfall alongside more local challenges including vacant land and buildings, limitations to pedestrian and cyclist movement into and around the city centre and a fragmented public realm. Footfall in St Peter's Street has seen a particular decline in the last 5 years, which is of particular concern given the pivotal role of this route as the traditional 'high street' within the city centre linking north and south boundaries, and linking the might of Intu Derby with the niche and character of the Cathedral Quarter.</p> <p>The outputs are as follows:</p> <ul style="list-style-type: none"> <li>-over 1000m of new and improved cycle route</li> <li>-legalised cycling through the city centre via St Peters Street, before 10am and after 5pm</li> <li>-3000m<sup>2</sup> of public realm improved</li> <li>-support the creation of 35 net additional jobs</li> </ul>
<p>3. A statement confirming that the funds are in place and that adequate safeguards have been taken in regards to</p>	<p>All match funding for the project is coming from the City Council's Regeneration Capital Programme.</p>

any cost over-runs. Examples of this could be confirmation that contingency has been secured for the project and/or that all risk have been passed to the contractor/developer.	
4. A statement confirming that the project is State Aid compliant.	The promoter has confirmed the project is State Aid Compliant.
5. Full design and specification to RIBA Stage 4 (if applicable)	Phase 1 of the project is at RIBA stage 4
6. A detailed Business case submitted by the Section 151 officer, Finance Director or Chief Executive Officer.	The business case was submitted by Derby City Council's Section 151 officer
7. Confirmation that all Planning consents and other consents in relation to the delivery of the project have been granted. The promoter is also required to confirm that all pre-commencement conditions have been met along with details regarding how and when the remaining planning conditions will be discharged.	Planning permission is not required for 5 phases out of the 6. The Osnabruk Square phase may need planning permission, this will be confirmed in 17/18.
8. A statement from the promoter confirming how the project aligns with the LEP'S sustainability and local procurement framework (if applicable)	The promoter has confirmed the project aligns with the LEP's sustainability and local procurement framework.
9. Confirmation that all funding is approved and in place	All match funding for the project is coming from the City



to deliver the project along with written confirmation from the other funders confirming the funds are agreed and available.	Council's Regeneration Capital Programme.
10. Confirmation that a delivery contract is in place (JCT or equivalent) and confirmation of how cost/programme overruns to be managed. The LEP will require promoters to either confirm that any cost over-runs are the risk of the developer or additional funds have been set aside.	For the St Peters Street phase, the promoter will use a contractor from the Derby and Nottingham City Council's Framework Services contract. For the remaining 5 phases, where possible internal Derby City Council resources will be used. If capacity does not allow, they will use an established EU compliant Framework.
11. All land assets purchased and vacant possession obtained (if applicable)	All land is in ownership of the promoter
12. Value for Money report carried out by a suitably qualified and experience professional with at least a 'Good' score. The LEP and the Accountable body will seek confirmation on the conclusions of the report from external consultants.	A Value for Money assessment has been completed by Regeneris who have confirmed the project represents good value for money.
13. How the risks will be managed?	A full Risk Log is in place and will be developed for each project phase in collaboration with the principal contractors selected. Derby City Council's Risk Management approach is to categorise all risks according to likelihood and impact, with clear mitigation measures for each. This Risk Log is then maintained by the Project Manager and owned by the Project



	Delivery Board.
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