

OPEN REPORT
ASHBOURNE REBORN PROGRAMME BOARD

Ashbourne Reborn Programme Board – 30 January 2024

ASHBOURNE REBORN PROGRAMME UPDATE

Report of the Director of Regeneration and Policy

Report Author and Contact Details

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Wards Affected

Ashbourne North and South

Report Summary

The report summarises activity to progress the *Ashbourne Reborn* Programme, highlights key programme risks and sets out next steps.

Recommendations

1. That the Board considers progress to date and the position regarding programme, cost, deliverables and risks be received and noted.
2. That the Board notes partnership activity to consider a proportionate response to hostile vehicle mitigation, supported by the procurement of specialist support.
3. That the Board notes the key period for decisions following cost updates and work to understand any requirement for descoping should this prove necessary.

List of Appendices

Appendix 1 Minutes of the H&PR Project Control Board 09/01/24

Appendix 2 Minutes of the LCH Project Board 09/01/24

Appendix 3 Minutes of the H&PR Project Control Board 05/12/23

Appendix 4 Minutes of the LCH Project Board 05/12/23

Background Papers

Ashbourne Reborn Programme Board Update Report 27 September 2023.

Ashbourne Reborn Programme Board Update Report 26 October 2023.

Ashbourne Reborn Programme Board Update Report 12 December 2023.

Consideration of report by Council or other committee

No

Council Approval Required

No

Exempt from Press or Public

No

ASHBOURNE REBORN PROGRAMME UPDATE

1. Background

- 1.1 As set out in the papers of previous Programme Board meetings, Ashbourne Reborn is a £15.22m programme aimed at transforming Ashbourne town centre through significant improvements to highways and public realm and the development of the Link Community Hub. The programme is principally funded by the UK Government through a £13,373,509 funding allocation from the Levelling Up Fund, Round Two. The programme comprises the following projects:

Project 1: Public Realm & Highways Improvements led by Derbyshire County Council - £8.804m

Project 2: Link Community Hub led by Ashbourne Methodist Church - £6.418m

- 1.2 Derbyshire Dales District Council (DDDC) is the Accountable Body for Ashbourne Reborn. Matters that could have a significant impact on the programme, potentially resulting in a change to the approved bid / Memorandum of Understanding between the District Council and the Department for Levelling Up, Housing and Communities (DLUHC) in terms of deliverables, timescales, cost, outputs / outcomes and risk should be matters for decision by the strategic Programme Board and are required to be escalated by Project Boards.

2. Key Issues

Project Progress, Procurement and Risks:

- 2.1 Partners continue to work collaboratively to progress both projects. Brief project-based updates are set out below, with further detail provided in Appendix 1 – Minutes of the Highways and Public Realm Project Control Board 09/01/24, and Appendix 2 – Minutes of the Link Community Hub Project Board 09/01/24. Minutes of the previous Project Board meetings in December are also provided, following verbal updates at the December Programme Board in advance of the written Minutes being available.

Highways and Public Realm Project:

- 2.2 The DCC-led Highways and Public Realm Project is progressing through RIBA Stage 4 design including completion of Shrovetide Walk and Millennium Square designs to the required level of detail to enable updated cost estimates and subsequent construction. However, any associated increase in costs will need to be reviewed by the Project Board.
- 2.3 Early Contractor Involvement (ECI) continues with framework contractor Galliford Try (at risk) to enable a review of the estimated project cost and provide an indicative phasing plan as soon as possible. This work should also inform recommendations in March 2024 about the extent of any descoping that may be necessary to stay within the project budget. In the meantime, reflecting points raised by partners, the project team is preparing

further project finance information with the aim of sharing an update on the current position with members of the Project Control Board.

- 2.4 There has been a delay in entering into a formal contract with Galliford Try, which was previously anticipated before the end of December 2023. This is now scheduled by the end of January 2024 to avoid any resultant delays to project development. A further verbal update will be provided at the Programme Board meeting.
- 2.5 The new working group to consider the management of event space during and following completion of Ashbourne Reborn met on 11 January 2024. Membership of this group includes representatives of key project partners alongside AECOM and Galliford Try, and is intended to be modified to bring in appropriate wider knowledge and expertise as the work develops. To reflect the urgent need to provide clarity for planned events, it was agreed that initial construction work will be managed to work around events in the early summer, with minimal anticipated disruption. Events later in the year are likely to be more influenced by the construction programme, which will be better understood over the next few months, prior to communication with events organisers.
- 2.6 The working group activities also include issues that may influence final detailed design. An action log was initiated and further sub-group workstreams will follow. These will take into account licensing arrangements, the extent of a potential canopy to support flexible use of the Market Place, a palette of materials for new street furniture allowed by future 'sitting out' type licences and associated work elements to ensure the enhanced event space can be used effectively. As advised by the District Council at bid submission stage, the management of event spaces upon completion of the works will be a matter for local partners. Local partners are asked to consider the approach to enable discussion as an agenda item at a future Board meeting.
- 2.7 Highest scored risks for the Highways and Public Realm Project currently include budget pressures, traffic management and phasing of delivery, disruption to traders and stakeholder management. A risk workshop is scheduled for 29 January to review and update project risks to reflect recent and planned activity.

Hostile Vehicle Mitigation:

- 2.8 A series of partner working group meetings (including a representative from Emergency Planning) have been held to consider a proportionate approach to hostile vehicle mitigation for Ashbourne Reborn, following feedback from the Police on the application for Listed Building Consent on the Market Place and Victoria Square. This includes but is not limited to consideration of the likely implications of Martyn's Law, alongside wider risks associated with hostile vehicles. However, following a fatality in Ilkeston Market Place in December as a result of hostile vehicle activity, and having identified a precedent in Chesterfield where the Borough Council has also needed to review the approach to hostile vehicle mitigation as part of their LUF programme, the

officer recommendation is to seek specialist advice. This approach was accepted at the Highways and Public Realm Project Control board on 9 January 2024 and a brief is currently being prepared to determine the costs of this work. The funding approach is to be agreed.

- 2.9 Procurement is proposed to be led by Derbyshire County Council, who need to consider other locations within the county. This will enable other partners / localities to 'call-off' services as required. Ashbourne Reborn will be prioritised within the brief, supported by Derbyshire Dales District Council.
- 2.10 The specialist advice will result in evidence-based recommendations being made regarding any implications to the design of the highways and public realm within Ashbourne Reborn. Resultant cost implications will also need to be reviewed by the Project and Programme Boards.

Link Community Hub:

- 2.11 The Link Community Hub Project, led by Ashbourne Methodist Church, continues to progress through RIBA Stage 4 detailed design. Planning consent was granted following consideration of the application at the December Planning Committee. Consideration of the responses to the application from consultees informed associated planning conditions, including those associated with strategies to protect bats.
- 2.12 The Procurement Guidelines/Strategy for the Link Community Hub has been updated and will be provided to the Programme Board for noting (to follow this paper reflecting an action from the previous meeting). The second stage of the main contractor procurement process is due to commence shortly, with good indications of interest in the project at PQQ stage.
- 2.13 Work continues to consider solutions to remain on budget and address the estimated 15% cost gap for the Link Community Hub identified by Greenwoods Projects Ltd on behalf of the Methodist Church Project Team. Confirmation of whether an element of descoping is likely to be required to remain on budget will be provided by March 2024 to inform any changes that need to be considered by the Programme Board prior to discussion with DLUHC.
- 2.14 Highest scored risks for the Link Community Hub Project continue to include project costs and unforeseen costs, the potential outcome from intrusive surveys e.g. building fabric / structure, worse than anticipated and failure to obtain sufficient tenders for the construction work within the budget.

DLUHC Information and Processes

- 2.15 An online meeting was held with DLUHC on 20 December. DLUHC officers confirmed again that current changes to the funding profile and completion date should not require a formal Project Adjustment Request (PAR). However, further changes beyond those identified and changes outside permitted thresholds for outputs and outcomes may still trigger a PAR. Further guidance is expected but there was no information about likely timeframes for this.

- 2.16 DLUHC officers were requested to confirm the process to formal agreement of the proposed changes to date, especially to ensure that the anticipated Memorandum of Understanding for the 2024/25 financial year is not based on obsolete information. A mechanism was also sought to identify that further changes may be required, informed by activity expected to conclude in March to confirm the extent of any descoping that may be required to remain within the Programme budget.
- 2.17 The next monitoring requirement for DLUHC is the Quarter 3 Monitoring Report, which is required to be submitted by 2 February 2024. An online survey was also submitted on 10 January following a request on 21st December for information about project delays and what support might help to unlock barriers. This was informed by discussion of the approach at partner project boards, with additional LUF funding identified as the most helpful possible support, although this was not included within the available options. The target for physical completion was confirmed as Q3 (October) 2025.
- 2.18 As explained earlier in this section, both projects within the Ashbourne Reborn programme will prepare indicative information about the need for any descoping over the next few months to support recommendations in March/early April. It is possible that recommendations from Project Boards will need to be reviewed outside the current schedule of Programme Board dates to enable discussion with DLUHC and inclusion of the outcome within the Quarter 4 monitoring return in April.

3. Options Considered and Recommended Proposal

- 3.1 Not applicable.

4. Consultation

- 4.1 To support agreed priorities for programme-wide communication and engagement, Anna Paxton has been appointed by the District Council as the Communications officer for Ashbourne Reborn. Anna joined the team in the first week of January and has spent time meeting partners, attending Project Boards and reviewing comms and engagement work to date, alongside issuing the first newsletter of 2024, reflecting work in the 12 months since the LUF funding announcement.
- 4.2 Alongside regular comms updates, next steps will include a review of the Communications and Engagement Plan, the setting of the 2024 meeting schedule for the partnership Communications Group and the maintenance of the Comms Grid as a live document to identify opportunities and requirements for comms activities through the remainder of the Ashbourne Reborn programme. A meeting is also to be arranged with main contactor (once in contract) for the Highways and Public Realm project to plan / co-ordinate local engagement activities.

5. Timetable for Implementation

- 5.1 The latest update on progress against milestones will be included in the presentation to Programme Board.

- 5.2 Programme delivery currently remains on track for defrayal of the LUF grant by Quarter 3 2025/26, as set out in the October 2023 Quarterly Monitoring Return to DLUHC. This remains subject to a formal agreement mechanism to be determined DLUHC, as set out on Section 2 of this report, but with acceptability of the approach confirmed by DLUHC in December 2023.

6. Policy Implications

- 6.1 Ashbourne Reborn is one of the District Council's Corporate Plan priorities within the 'prosperity' theme. The LUF proposals are closely linked to the Council's Economic Recovery Plan and Economic Plan. They support the Corporate Plan priority of '*Prosperity*'. In particular, the proposals directly contribute to the corporate target area: *Promote investment to stimulate the economy of our market towns*.

7. Financial and Resource Implications

- 7.1 The latest financial position will be provided within a presentation at the Programme Board meeting, reflecting information provided at Project Board meetings on 9 January and to support the Quarterly Monitoring Return to DLUHC on 2 February.
- 7.2 As set out for previous Programme Board meetings, cost plans were updated for both projects following the completion of RIBA Stage 3 design. Costs have risen considerably since the LUF bid, with much higher than predicted levels of inflation and challenging market conditions. Alongside rising construction costs and costs of materials, project fees have also increased from the original estimates prepared by the consultant bid team.
- 7.3 Ashbourne Reborn Project Boards continue to consider value engineering, prioritisation and, as a last resort, potential de-scoping activities to remain within budget. Any resultant recommendations that could have direct or cumulative implications for commitments made to the DLUHC will be escalated to the Programme Board for consideration when confirmed, with updates and related recommendations likely to be available for review in March/early April, as set out in Section 2 of this report.
- 7.4 The cost implications of specialist hostile vehicle mitigation advice and resulting recommendations will need to be considered at subsequent board meetings.
- 7.5 The financial risk is assessed as High.

8. Procurement Implications

- 8.1 The Procurement Strategy/Guideline document for the Link Community Hub is due to be circulated in advance of the Programme Board meeting. The Procurement Strategy for the Highways and Public Realm Project was received and noted at the September 2023 Programme Board meeting. Delivery partners are required to follow these procedures in procuring project activity.

- 8.2 Procurement of Stage 4 Design for the Highways and Public Realm project has now been progressed in line with the agreed Procurement Strategy and ECI contractor appointment by DCC is anticipated by the end of January.
- 8.3 As indicated, procurement of the main contractor for the Link Community Hub is ongoing, with a promising response to the initial PQQ stage before Christmas.

9. Legal Advice and Implications

- 9.1 Key legal agreements and required methodologies are now in place, including grant funding agreements, procurement strategies and Terms of Reference to support governance arrangements. Partner responsibilities with regard to these agreements and active management of agreed processes and methodologies will continue to be essential through the remaining phases of design and delivery. The legal risk is assessed as medium.

10. Equalities Implications

- 10.1 None additional at this stage, but equalities remain an important consideration for detailed design. An Equality Impact Assessment (EIA) was prepared for the *Levelling Up Fund* bid and was submitted to the Derbyshire Dales District Council C&E Committee meeting on 29th June 2022. A further equalities assessment will be required on final scheme proposals to assess the implications of any significant changes to the project.

11. Climate Change Implications

- 11.1 None additional at this stage, but Climate Change Implications remain an important consideration for detailed design. A Climate Change Impact Assessment was prepared for the *Levelling Up Fund* bid and was submitted to the Derbyshire Dales District Council C&E Committee meeting on 29th June 2022. A further climate change assessment may be required on final scheme proposals to assess the implications of any significant changes to the project.
- 11.2 In terms of other environmental considerations, there are synergies between the traffic management element of Ashbourne Reborn and the air quality considerations for the area. Where the delivery of Ashbourne Reborn can contribute to and complement activity to improve air quality, this will be reflected in the Air Quality Action Plan.

12. Risk Management

- 12.1 Project level risks have been highlighted within the report in section 2, with further detail to be presented at the Programme Board meeting. The highest strategic risk is currently considered to be Project Costs.
- 12.2 Current programme level risks reflect:

- Early cost challenges, consistent with the national picture. Mitigation at this stage includes working with delivery partners to reduce fee expenditure (where possible), early contractor involvement and value engineering.
- Stakeholder expectations. Mitigation at this stage includes early stakeholder engagement and regular communications, expectation management and quality control.
- Programme and Resources. Delivery timeframes are challenging, and the programme is resource-intensive at all levels. Ongoing consideration of resources is required, including any related challenges facing delivery partners.
- As set out in section 2 of this report, work is ongoing to understand the formal mechanism for agreeing the timing of delivery and funding profile of the Ashbourne Reborn Programme within 2025/26. This includes reflecting changes to date that have already been identified by DLUHC as acceptable and any potential further changes identified through detailed design and ECI.

11.2 Project and Programme risks continue to be monitored actively, including to enable required quarterly reporting to Government on Ashbourne Reborn. A high level review will inform the Quarter 3 return to DLUHC in advance of the outcome of risk workshops and more detailed consideration in advance of the Quarter 4 return, also to be influenced by the outcome of work to update cost plans and determine the extent of any potential descoping.

Report Authorisation

Approvals obtained from:-

	Named Officer	Date
Chief Executive	Paul Wilson	23/01/2024
Director of Resources/ S.151 Officer (or Financial Services Manager)	Karen Henriksen	23/01/2024
Monitoring Officer (or Legal Services Manager)	Helen Mitchell	23/01/2024