

Report title: March Future High Street Fund and St Neots Future High Street Fund Projects

To: Highway and Transport Committee

Meeting Date: 26 April 2022

From: Steve Cox, Executive Director, Place and Economy

Electoral division(s): March North and Waldersey
St Neots Priory Park and Little Paxton
St Neots The Eatons

Key decision: Yes

Forward Plan ref: 2022/059

Outcome: To report progress of the March Future High Street Fund Project and St Neots Future High Street Fund Project and seek approval to the recommendations below to enable the project to progress to design and construction aligned with the funding constraints.

Recommendation: That the committee:

- a. note progress to date regarding the March Future High Street Fund project;
- b. agree that the Council accept £5,095,757 of funding from Fenland District Council to deliver the March Future High Street Fund project;
- c. delegate a Decision to enter into a Delivery and Funding Agreement with Fenland District Council to the Director of Highways and Transport;
- d. delegates a Decision to Award and enter into a construction contract for the construction works from an existing framework or open procurement process to the Director of Highways and Transport to enable the construction of the March Future High Street Fund Project to commence from early 2023 and the Market Square element from Summer 2022;
- e. note progress to date regarding the St Neots Future High Street Fund project;
- f. agree that the Council accept £7,870,685 of funding from Huntingdonshire District Council to deliver the St Neots Future High Street Fund project
- g. delegate a Decision to enter into a Delivery and Funding Agreement with Huntingdonshire District Council to the Director of Highways and Transport; and

- h. delegates a Decision to Award and enter into a construction contract for the construction works from an existing framework or open procurement process to the Director of Highways and Transport to enable the construction of the St Neots Future High Street Fund Project to commence from early 2023.

Officer contact:

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Member contacts:

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1. Background

March Future High Street Fund (FHSF) project background information.

- 1.1 March is a historic town that sits at the centre of Fenland District Council (FDC) on the course of the River Nene. March's heritage is rooted in the railway and the town is well connected through local and regional transport networks. The 2009 Fenland Retail Study and 2019 Growing Fenland Strategy identified March as one of Fenland's two major town centres, providing a range of facilities for an extensive rural catchment area. However, in common with many rural towns, March has suffered from the national trends affecting the way town centres are used.
- 1.2 FDC commissioned the development of the March FHSF Feasibility Study and developed a Full Business Case (FBC) to support the funding of the project. The FBC contains a Strategic review which is of relevance to the March FHSF bid and included the Cambridgeshire and Peterborough Local Industry Strategy, the Cambridgeshire and Peterborough Independent Economic Review, Fenland Local Plan Adopted 2014, Fenland Economic Development Strategy 2012-2013, Growing Fenland Strategy, and the March Neighbourhood Plan.
- 1.3 Early support from the Cambridgeshire and Peterborough Combined Authority (CPCA) including the Market Towns Programme supported a successful FHSF bid for March. This support including £200,000 of CPCA revenue funding provided to FDC to develop a Masterplan for the town of March.
- 1.4 A FHSF consultation process was conducted by FDC throughout 2019 and 2020 and included consultation with FDC local members through several All-Members Seminars, March Town Council members, online Community consultation process, and other stakeholders.
- 1.5 A bid was launched to the Ministry of Housing, Communities and Local Governance (MHCLG) for Future High Street Funding and was approved in May 2020 by FDC Cabinet prior to submission. The MHCLG has subsequently approved this submission in January 2021.
- 1.6 The March Future High Street project consist of a number of packages, all contributing to the regeneration and upgrade of the March Town centre and surrounding area. This report refers to three of these packages namely:
 - Broad Street
 - Riverside North
 - Market Square
- 1.7 The Council, as the highway authority, was approached in May 2021 by FDC to serve as a Delivery Agent in developing and delivering these packages beyond the outline design that formed part of the bid.
- 1.8 Monthly March FHSF Project Boards have been set up to manage and drive the project forward and will continue until the completion of the project. The project governance is consistent with other projects being delivered by the Council. This consists of a Project

Board where the Council are the “Delivery Agent” and the Project Sponsor are FDC. The CPCA are also represented, due to the linkages with the Broad Street element which is funded by the CPCA. FDC are leading all stakeholder engagements with local Members, business and residents. A good working relationship has been established between the parties.

St Neots FHSF Background Information

- 1.9 St Neots is a well-connected town with good transport links and an attractive riverside location. Footfall in the town centre however is falling, in common with other UK towns, due to the competition from on-line shopping and a move to out-of-town areas. Currently limited cultural and leisure offerings in the town centre limit its pull as a destination for families.
- 1.10 In 2019 HDC commissioned the development of the St Neots Future High Street Fund Feasibility Study and formed part of the final submission to the Ministry of Housing, Communities and Local Governance (MHCLG).
- 1.11 HDC received a range of letters of support from across the political and businesses communities prior to the submission of the original FHSF bid.
- 1.12 HDC was successful in securing funding from the MHCLG, CPCA and National Highways.
- 1.13 The St Neots FHSF project consist of a number of packages, all contributing to the regeneration and upgrade of the St Neots Town centre and surrounding area. This report refers to three of these packages namely:
 - St Neots Road Bridge Improvements
 - Market Square Improvements
 - High Street Improvements
- 1.14 The Council, as the Highway Authority, was approached by HDC in May 2021 to serve as a delivery agent in developing and delivering these packages on their behalf.
- 1.15 Monthly St Neots FHSF Project Boards have been set up to manage and drive the project forward and will continue until the completion of the project. The project governance is consistent with other projects being delivered by the Council. This consists of a Project Board where the Council are the “Delivery Agent” and the Project Sponsor are HDC. HDC are leading all stakeholder engagements with local Members, business and residents.

2. Main Issues

March FHSF Project

- 2.1 The March FHSF project is a public realm improvement scheme, providing more access to open spaces in the town centre. It transforms the town centre from a vehicle dominated space to a place of destination which the community can enjoy. This initiative will attract increased footfall and benefit local business.
- 2.2 The project consists of three packages:

There is a strong desire from FDC’s stakeholders and Members to deliver the more simple Market Square section of the project within the calendar year of 2022. Again, this is a demanding programme, and the works would need to be completed by end November 2022, to avoid the Christmas period which commences in early December. This design work is being progressed by the Council’s Term Service Contractor Milestone, who would also be commissioned to deliver construction for expediency avoiding a lengthy procurement process.

- 2.4 FDC have a budget of £6,022,292 to deliver these March FHSF projects. Of this budget FDC will directly spend £926,535 on the early design, site investigation and FDC associated costs. Subject to committee accepting the recommendations within this report, the remaining balance of £5,095,757 will be received by the County to deliver the March Future High Street Fund projects. A high-level budget breakdown to deliver the project is shown below.

Item	Value
Design, Site Investigation and FDC Associated Costs	£926,535
Project Delivery (Management and Supervision)	£718,652
Construction	£3,427,331
Risk	£624,222
Optimism Bias	£325,552
TOTAL	£6,022,292

- 2.5 The FHSF funding conditions under which FDC are required to deliver this project dictates that the project must be completed in terms of construction by the end of March 2024. It is therefore essential that the construction of this project commences early 2023. This project is aligned geographically and logistically with the March Access Transport Strategy Broad Street project and are required to be constructed at the same time. Please see Appendix A illustrating the physical relationship between the projects.
- 2.6 The preliminary design has already been developed, having been well received by local stakeholders, and will move into the detailed design. See Appendix B for the March FHSF general layouts that will be developed further.

St Neots FHSF Project

- 2.7 The St Neots FHSF project is a public realm improvement scheme, providing more access to open spaces in the town centre for visitors to enjoy. This initiative is also designed to benefit local business.
- 2.8 The project consists of three packages:

St Neots Road Bridge Improvements – Improved footway surface and lighting will be introduced on this project, improving pedestrian experience when walking from the Riverside carpark and residences on the west side to the Town Centre;

Market Square – This project aims to change the look, feel and use of the current parking area which are used certain days of the week for market days. The proposal will consider the removal of parking from this area, transforming it into a public space, where market days, concerts and other community activities can be held. Hard and soft landscaping will be introduced. It also opens up greater access to the shops and businesses on the outer edges of the market square, benefitting business and patrons. This will be a place of arrival and congregation with less traffic;

High Street Improvements – This project improves the space and access that pedestrian have through this area, focusing on the B1428 High Street/B1041New Street junction, the B1428 High Street/B1043 Huntingdon Street, and the Moore’s Walk/Church Walk connectivity;

2.9 The delivery programme is set out below. The FHSF funding of £929,000 and CPCA funding of £3.1m, totalling £4.029m both expire in March 2024, and as such construction of the project must commence in early 2023 to ensure the funding criteria is met. Additional funding from National Highways of £3.5m was secured by HDC in early 2022 which needs expenditure by September 2024. A further HDC contributions of £993,000 has been made available for the project that expires in March 2025. These funding constraints are reflected in the programme below.

St Neots FHSF	2021/2022				2022/2023				2023/2024				2024/2025					
	October	November	December	January	February	March	April	May	June	July	August	September	October	November	December	January	February	March
Commissioning																		
Preliminary Design																		
Detailed Design																		
Works Info and Contract Info																		
Construction Procurement																		
Mobilisation																		
Construction																		
																		CONTINGENCY

The programme is challenging, driven by the requirement of the FHSF/CPCA funding criteria, which requires completion of a high proportion of the works by end March 2024.

2.10 HDC have an overall budget of £8.55m to deliver the project. From this budget HDC will directly spend £679,315 on the early design, site investigation and their associated costs. Subject to this committee accepting the recommendations within this report, the remaining balance of £7,870,685 will be received by the County to deliver the St Neots Future High Street Fund project. A high-level budget breakdown to deliver the project is shown below.

Item	Value
Design and Site Investigation	£679,315
Project Delivery (Management and Supervision)	£975,324
Construction	£5,320,662
Risk	£1,013,411
Optimism Bias	£561,288
TOTAL	£8,550,000

2.11 Early engagement on these projects has taken place in consultation with local Members and stakeholders, and initial designs will be developed following consultation in May 22 which will lead to the detailed design stage.

1. St Neots Bridge Improvements
2. St Neots Market Square
3. St Neots High Street Improvements

These locations are shown in Appendix C.

2.12.1 Key risks for both Future High Street projects are:

- a) The compressed design program is reliant on appropriate resourcing, performance and delivery in a challenging market place;
- b) Delayed Delivery/Funding Agreement between the Council and the District Councils may impact the overall programme;
- c) Delays within HDC or FDC for approvals, commissions and decisions as the Project Sponsor is a risk to the overall programme;
- d) Significant design amendments requested from HDC, FDC, Members or 3rd party stakeholders is a significant risk to the programme;
- e) Construction cost and utility protection and /or diversion cost are estimates only and not based on contractual Target Costs or actual utility company diversion estimates, although risk and inflation has been included to mitigate this cost risk during initial costing review Summer in 2021;
- f) Impact of COVID, Brexit, lack of supply chain now exacerbated by the conflict in the Ukraine on construction – potential to be a significant resource, material, construction cost and programme risk;
- g) Mobilisation – upon confirmation to commence construction it is approximately four weeks programmed for mobilisation which is very challenging for the supply chain;
- h) Long lead items – items cannot be ordered until instructed to commence and may potentially delay the overall programme;

The risks are managed through project governance, where the Council are the Delivery Agent and FDC, HDC and the CPCA are the Project Sponsors, who make the key decisions and hold the financial and programme risks, and are ultimately responsible for the successful delivery of the projects to cost and programme, and maintaining stakeholder satisfaction.

2.13 For the programmes to be maintained and delivered on time meeting the March 2024 spend deadline for the Future High Street Funding criteria, all parties including the Council, HDC, FDC the CPCA and stakeholders need to be aware of the significant challenges with delivering to the programme. Prompt decisions are required and some design work will be required to be taken at risk, while consultation and engagement is undertaken.

3. Alignment with corporate priorities

3.1 Communities at the heart of everything we do

Both FHSF projects creates opportunities for the local community to congregate and spend more time within the town centre due to the development of the market square areas,

providing a pleasant environment to meet, shop and sit. These areas will also be used for other outdoor activities and events, for example concerts, exhibitions, market days and such.

3.2 A good quality of life for everyone

The influx of pedestrian and visitors into the town centres will benefit local businesses through increased footfall. The ability for more people to use the large public spaces will also drive and enable more community activities and engagement.

3.3 Helping our children learn, develop and live life to the full

See wording under 3.1 and 3.2 above

3.4 Cambridgeshire: a well-connected, safe, clean, green environment

See wording under 3.1 above. The aspiration to improve public realm at both FHSF projects could further encourage non-car use with associated benefits in air quality.

3.5 Protecting and caring for those who need us

There are no significant implications within this category.

4. Significant Implications

4.1 Resources Implications

Resources have been made available to deliver these projects and will be funded from HDC and FDC respectively.

4.2 Procurement/Contractual/Council Contract Procedure Rules Implications

The Project Team and Procurement and Commissioning team will identify and undertake the procurement process through the available compliant mechanisms, ensuring competitive submissions and value for money.

4.3 Statutory, Legal and Risk Implications

The FHSF projects will be commissioned providing a suitable Grant Funding Agreement can be set up between HDC and CCC, and FDC and CCC. The FHSF projects will be managed robustly using risk registers and other mechanisms within the Governance processes.

4.4 Equality and Diversity Implications

Equality Impact Assessments for both FHSF projects are being developed whilst stakeholders and impacted groups are engaged throughout the process.

4.5 Engagement and Communications Implications

There are no significant implications in this category.

4.6 Localism and Local Member Involvement

Local Members are being engaged through presentation sessions. This is driven by FDC and HDC officers respectively. MATS Local Member Steering Group meetings have been occurring for some time and the March FHSF project elements are also discussed at this forum.

4.7 Public Health Implications

Both FHSF projects will improve access in the town centres area which will assist with providing better links to employment, health and education.

4.8 Environment and Climate Change Implications on Priority Areas

4.8.1 Implication 1: Energy efficient, low carbon buildings.

Positive/neutral/negative Status: Neutral

Explanation: The proposed schemes will not impact on any buildings.

4.8.2 Implication 2: Low carbon transport.

Positive/neutral/negative Status: Neutral

Explanation: No positive or negative

4.8.3 Implication 3: Green spaces, peatland, afforestation, habitats and land management.

Positive/neutral/negative Status: Positive

Explanation: Although the projects will be developed in brownfield sites soft landscaping will be introduced, increasing the number of trees and green areas in the project footprint.

4.8.4 Implication 4: Waste Management and Tackling Plastic Pollution.

Positive/neutral/negative Status: Neutral

Explanation: The proposed schemes will produce some waste however any impact will be minimised from recycling striving to achieve a neutral end position.

4.8.5 Implication 5: Water use, availability and management:

Positive/neutral/negative Status: Neutral

Explanation: The proposed schemes are not anticipated to affect water use

4.8.6 Implication 6: Air Pollution.

Positive/neutral/negative Status: Positive

Explanation: More open space environment for members of public to use which was previously traffic dominated.

4.8.7 Implication 7: Resilience of our services and infrastructure and supporting vulnerable people to cope with climate change.

Positive/neutral/negative Status: Neutral

Explanation: No expected impact

The contacts for the sign off process are as follows:

Have the resource implications been cleared by Finance? Yes or No

Name of Financial Officer: Sarah Heywood

Have the procurement/contractual/ Council Contract Procedure Rules implications been cleared by the LGSS Head of Procurement? Yes

Name of Officer: Clare Ellis

Has the impact on statutory, legal and risk implications been cleared by the Council's Monitoring Officer or LGSS Law? Yes

Name of Legal Officer: Fiona McMillan

Have the equality and diversity implications been cleared by your Service Contact?

Yes

Name of Officer: Elsa Evans

Have any engagement and communication implications been cleared by Communications? Yes

Name of Officer: Sarah Silk

Have any localism and Local Member involvement issues been cleared by your Service Contact? Yes

Name of Officer: Sue Proctor

Have any Public Health implications been cleared by Public Health? Yes

Name of Officer: Kate Parker

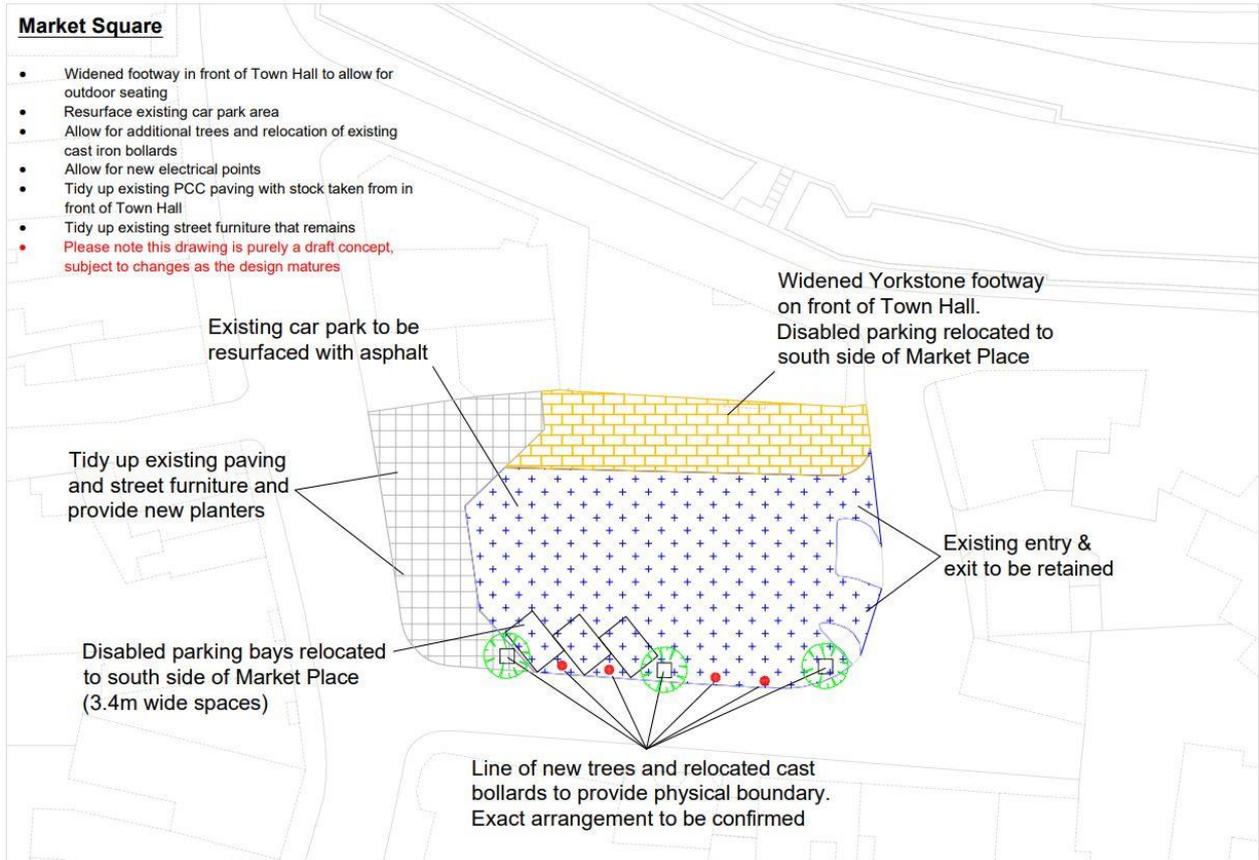
If a Key decision, have any Environment and Climate Change implications been cleared by the Climate Change Officer? Yes

Name of Officer: Emily Bolton

5. Source documents

5.1 None

Appendix B: March Future High Street Fund General Layout



Appendix C: St Neots Future High Street Project Elements

1. St Neots Bridge Improvements
2. St Neots Market Square
3. St Neots High Street Improvements

