

20<sup>th</sup> July 2023**Report of the Leader of the Council****FHSF Update****Not Exempt****Purpose**

To provide an update on the Future High Streets Fund (FHSF) programme of works.

**Recommendations**

It is recommended that:

1. The Committee endorse the report.

**Executive Summary**

The Programme has progressed well since the last update with Speller Metcalfe appointed as main contractor to undertake works. The college have also appointed Kier as their contractor.

**Project Specific Updates****Middle Entry:**

The Planning application for the Flex building and Middle Entry bridge link and glazed canopy demolitions has been consented by the Local Planning Authority. Speller Metcalfe have been appointed to undertake the works contract following a robust tendering process throughout Feb/March and April. Unfortunately there are significant budget pressures on this particular project and as such officers have made recommendations to the Programme Board to consider project scope to reduce the cost by c.£1.5m with the aim to bring the total estimated programme cost within budget. At the time of writing it is not yet known what the outcome is. As a consequence, the Pre-construction Services Agreement (PCSA) is yet to be signed due to the potential change in scope of the project, however, it is expected that this will change as soon a decision is made which should be week commencing 5 June. A stopping up application for the highways to the rear of the Middle Entry units is being progressed with support from Staffordshire County Council. The stopping up order is important because the construction of the new Flex building is on Highways land. Utilities diversions around the middle entry units are being identified and will fall into Speller Metcalfe's scope of works. The TBC project team are working with the Economic Development Lead who is preparing the operational business case for the units, this will crystallise the routes to market and tenancy model.

**Castle Gateway:**

The Nationwide legal agreements are agreed with a final documents check to be

completed by Nationwide Building Society Surveyors prior to execution. Speller Metcalfe are due to start on site at the Peel Café in June/July. Due to the unavailability of access at the rear of the Peel Café, the front of the building on Market street will be the main thoroughfare in and out of that building for all materials and people. The seating area at the front of the building will need to be temporarily removed to allow for the hoarding and safety of pedestrians.

Initial design and opening up works scope for Market Street properties has been prepared and has had conservation officer input. This will now go to Speller Metcalfe to price.

Castle Gateway designs have been submitted for planning consent. The TBC project team are in dialogue with Staffordshire Highways with regards to plans for the public realm in this area. The TBC project team have applied for UK Shared Prosperity Funding to aid with improvements to the Castle Gateway area and Scheduled Ancient Monument as these elements are outside the scope of the original FHSF scheme.

Once Speller Metcalfe have completed their pricing exercise and have drafted the PCSA for Caste Gateway and the Market Street Properties it will go to Programme Board for sign off. It is anticipated that these projects will start on site later in the year.

**College Quarter:**

TBC have appointed Speller Metcalfe to undertake the refurbishment of the Victorian Co-op building and South Staffordshire College have appointed Kier as their contractor for the college build. Demolition of the 1960s Co-op department store is complete with Kier now on site. The application for the St Editha’s Square landscaping works has been submitted to the Local Planning Authority for determination.

It is anticipated that the refurbishment of the TEC will start in the Autumn.

**Programme:**

The programme remains challenging with such an ambitious suite of projects. As a reminder the requirements of the government funding is to ensure that money is contractually committed by the end of March 2024, actual delivery can continue after this date. It is clear that some of the projects whilst moving along well are likely to extend beyond this date.

Programme and Progress					
Milestone	Coop Demolition	Enterprise Centre	Middle Entry/Flex	Peel Café	Market St
Planning Submission	Complete	Complete	Complete	Complete	To be confirmed
Planning Determination	Complete	Complete	Complete	Complete	To be confirmed
Tender Documents Ready	Complete	Complete	Complete	Complete	To be confirmed
Commence Tender	Complete	Complete	Complete	Complete	To be confirmed
Select Preferred Contractor	Complete	Complete	Complete	Complete	In Progress
Start on Site	Complete	31/07/2023	21/08/2023	03/07/2023	To be confirmed
Practical Completion	23/04/2023	25/04/2024	29/06/2024	28/03/2023	To be confirmed

- St.Edithas Square / Castle Gateway and Public Realm - Following agreement of the PCSA's for Peel Café and TEC and the impending agreement of the Flex PCSA, we are now planning to share the public realm, Castle Gateway and Market St Properties works with Speller Metcalfe for initial pricing and to agree PCSA's for each.

**Budget:**

Like the programme the budget is also challenged, with the majority of increases seen in the draft costs as a result of inflationary pressures. That said, Middle Entry has come in significantly higher for a number of reasons, which is the basis of a review by Programme Board. Unfortunately there are significant budget pressures on this particular project and as such officers have made recommendations to the Programme Board to consider project

scope to reduce the cost by c.£1.5m with the aim to bring the total estimated programme cost within budget. It should also be noted that draft costs have not yet been received for the Castle Bridge or Market Street properties. The condition of the Market Street properties were considerably worse than anticipated when the bid was pulled together due to specialist reports that have subsequently been commissioned. There is potential that the costs for the project may be higher than anticipated, given the extent of repairs required.

### **Communications:**

Communications to date have been challenging because the programme timetable keeps moving forwards and backwards as the design process continues. As a starting point there will be more comms around the Peel café project as the start on site is imminent. The economic development team were in dialogue with the market, as recently as the week commencing 5 June. Leafletting also took place with businesses that week. The plan is to start moving those market pitches directly impacted upon by the Peel construction works. Market stall holders will be asked to move to St Editha's Square in the first instance.

### **Resource Implications**

N/A

### **Legal/Risk Implications Background**

N/A

### **Equalities Implications**

N/A

### **Environment and Sustainability Implications (including climate change)**

N/A

### **Background Information**

N/A

### **Report Author**

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### **List of Background Papers**

N/A

### **Appendices**

N/A

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