

Wednesday 02nd October 2024

Report of the Leader of the Council

FHSF Update

Purpose

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

Recommendations

It is recommended that:

1. The Committee note the progress and challenges of the programme of works

Executive Summary

Below is a summary of how each individual project within the Future High Street Fund is progressing. As we are now firmly in the delivery phase of the project, the contractor Speller Metcalfe and the TBC project team are working to progress works whilst still ensuring the town centre remains open and functional for businesses, residents and visitors.

Project Specific Updates

Middle Entry/FLEX:

Significant progress has been made in these areas since the last report in June 2024. The demolition of the vacant units to the south of Middle Entry is now complete with the Flex build underway. The contract for the Flex has been executed and the current anticipated completion date is April 2025.

The Middle Entry works have not yet commenced and are currently being re-programmed and re-costed. The legal agreement and works licence is currently being drafted and once jointly agreed with Peer Group will be signed and a programme for works established. The Ministry of Housing, Communities and Local Government are aware of the amendment and have consented to this. Works are currently programmed to start in the new year.

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 fall into Speller Metcalfe's scope of works. The contract for the Middle Entry works is targeted for end of September/start of October and is subject to Peer Group's approval of the works licence. The TBC project team are working with the Economic Development Team who are preparing the operational business case for the units, work to start attracting potential tenants is underway with marketing options to be reviewed.

Castle Gateway:

The Nationwide legal agreements are agreed and signed, with the handover of the former Peel Café to Nationwide's fit out contractor, ISG complete. Their fit out is estimated to take between 3-6 months. The TBC project team continue to liaise with Nationwide to see if they can complete this as soon as possible to facilitate the vacating of their existing unit. Until they have moved out of 26 Market St, we are unable to commence the demolition exercise. An application for the shopfront, made by Nationwide Building Society, was consented at the 02nd July 2024 planning committee .

The initial design and opening up works scope for Market Street properties has been prepared and has had conservation officer input. This is now with Speller Metcalfe to price and will be split into two stages: an enabling and opening up works package followed by the main works. This is necessary to understand the true condition of the building beneath the existing finishes. Upon the last visit to the site, it is clear that there are issues with water ingress and a pigeon infestation. The first phase of the enabling works has been completed, this consisted of an environmental clean and clearance of excess/overgrown vegetation at the rear of the building. Further enabling works are underway with opening up works (as agreed with Historic England and the conservation officer) to better understand the condition of the building before we progress to main works. The focus for the next phase of work will be ensuring the building is weatherproof with any holes/water ingress remedied. The stage one works contract is being prepared and the aim is for this to be sent out for signature by the second week of October.

Castle Gateway designs have been submitted for planning consent, which it is hoped will go to committee in October/November. 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 has been successful in securing 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. The Castle Gateway Pre-Construction Services Agreement has now been signed following approval from Programme Board to proceed earlier this year. The works to widen the bridge are due to commence after the fireworks event to ensure minimal disruption, appropriate notice for pedestrian diversions will be implemented closer to the time. Trial holes to determine foundations and structural investigations took place in July, following consent from Historic England to proceed, with additional input from the county archaeologist and conservation officer given this borders the Castle and is within the Scheduled Ancient Monument. The main works to the Castle Gateway area, Castle Bridge and the Grade 2 listed Market Street properties will also require planning and scheduled ancient monument consent.

College Quarter:

The second Tamworth Enterprise Centre is due to complete in November, although there will also be a fit out to complete. Similarly to the Flex, the TBC project team continue to work with the Economic Development Team to source tenants, with a potential lead for a tenant on the entire top floor currently in negotiation.

The St.Editha's Square planning application is currently pending responses to highways queries. A s111 agreement required with SCC for works to adopted areas is in progress and the works information has been issued to Speller Metcalfe for pricing. Early indications show that the cost is over the original budget and has been subject to a value engineering exercise. There is a contingency available following award of extra funding following the full council meeting on February 27th. Currently works are likely to start in Autumn. Speller Metcalfe and TBC are mindful of keeping the town centre pedestrian and delivery routes open and would need to factor in the works required to the Middle Entry bridge links whilst programming the works to the square.

The TBC project team are working with the Economic Development Team in regards to market and trader relocation and communications during the works. Initial engagement has taken place with further visits to be undertaken when commencement dates are agreed.

There is good progress on site and the new South Staffordshire College is adopting a phased approach to opening, with this anticipated to start from Easter 2025. The college manage their own build contract and have now spent the entirety of their portion of the Future High Street Fund which is positive. The rest of their funding is from the Department of Education and covers their build.

Programme:

The programme remains challenging with such an ambitious suite of projects. As a reminder the requirements of the government funding originally was to ensure that money is contractually committed by the end of March 2024, actual delivery can continue after this date. However, The Department of Levelling Up Housing and Communities (now superseded by The Ministry of Housing , Communities and Local Government herein MHCLG) in 2023 communicated that an extension to the spend deadline has been awarded to delivering authorities, with funds needing to be committed by September 2024 and spent by March 2025. It is clear that some of the projects whilst moving along well are likely to extend beyond this date, this has been flagged in our monitoring reports to the Department of Levelling Up, Housing and Communities. At a recent meeting with MHCLG the delivery officer has no concerns about the progress that Tamworth Borough Council are making and has suggested that there will be a further extension granted for delivering authorities beyond March 2025, as yet there has been no further guidance on this.

The current position is that the team are working hard to get FHSF grant money spent by the end of March, and work towards this is progressing well.

Budget:

As the project continues to move forwards the budget monitoring currently indicates that the forecast spend is within the budget set at Full Council in February 2024.

As mentioned in the programme section above, some projects are due to extend beyond the March 2025 spend date. For the most part, the projects affected have match funding from the Borough Council and so the aim would be to spend the grant portion of the budget before March 2025 and use our own funds beyond this date as this is not bound by the same spend deadline.

It should be noted that draft costs have not yet been received for the Middle Entry works or Market Street properties. The condition of the Market Street properties was 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 and exceed budget, given the extent of repairs required. Future meetings will provide updates on this position as the project progresses. Should the project come in overbudget and cannot be met with contingency funds , value engineering and scope will need to be reviewed with programme board.

Below table indicates the budgets for the Future High Street Fund Programme of works. The table illustrates spend to date from the beginning of the scheme, current commitments and accruals, year to date spend and current year budgets.

Since the beginning of the programme and award of the funds, the programme has been split down into three cost centres : College Quarter, Middle Entry and Castle Gateway. College Quarter consists of : the refurbishment of the Victorian Co-op building into the second enterprise centre , the new college building and St Editha’s Square landscaping. Middle Entry includes Middle Entry works, the new Flex building and landscaping. Castle Gateway

consists of Castle Bridge replacement, Nationwide's relocation to the former Peel Café, the demolition of the old Nationwide building, refurbishment of the Market Street properties and landscaping of the Castle Gateway area.

Project/ Cost Centre	Total Commitments	Total Accruals	2024/25 Year to Date Actuals	Sub Total	2024/25 Budget	Total Spend to Date
College Quarter	1,640,864.57	1290.75	955,329.05	2,597,484.37	3,197,960.00	14,820,976.62
Middle Entry	2,242,613.70	0	462,527.81	2,705,141.51	5,842,790.00	2,337,059.00
Castle Gateway	3,163,486.01	303	664,431.74	3,828,220.75	5,784,050.00	1,878,428.99

Communications:

Communications to date have been challenging because the programme timetable keeps changing as the design process continues. Speller Metcalfe and the Borough Council continue to engage directly with affected businesses, street traders and market stall holders. Affected market stall traders have been moved further down George St whilst works are underway to the Flex, Middle Entry and Peel Café following successful negotiation with the market provider LSD. The communications plan is in place consists of a communications activity timetable which shows planned activities and milestones as well as individual , detailed engagement plans for site specific plans for communications for stakeholders directly affected by site specific works. Hoarding wrap designs are displayed on the Enterprise Centre and Flex hoardings. Additional designs can be added to the Castle Gateway and Market Street hoardings once these go up. Advertising consent was obtained via planning by the FHSF Officer, applications will be made for the remaining sites. The FHSF officer will work with the communications team to produce some informative video content that is available to the public. The first video has been published, detailing a behind the scenes look at the TEC2 development in the former Co-op.

Resource Implications

Budget constraints as currently known have been met following Full Council awarding additional funding.

Legal/Risk Implications Background

Legal- Outstanding contract/ works licence with Peer Group for works to Middle Entry and contracts with Speller Metcalfe for remaining sites.

Risk- Risk is reported monthly by our project management and cost consultant to the project team via risk register and monthly client review update. The TBC project team also attend the Audit and Governance committee quarterly to report on FHSF risks. The last meeting of this committee was 26th June 2024, the report and accompanying risk register was exempt.

Equalities Implications

See CIA that refers to this report directly.

Environment and Sustainability Implications (including climate change)

TBC continues to review with the contractor, Speller Metcalfe to monitor if any adverse impact or opportunities to mitigate potential impact if any are identified As there is new builds and demolition taking place there is a potential for negative carbon impact and emissions. Several of the projects within the FHSF scheme are refurbishments designed to restore

original buildings in favour of demolish and rebuild. Additionally, additional planting and greenery will be added to new public realm areas and has potential to positively increase biodiversity.

Whilst Tamworth Borough Council are not managing the college build, it should be noted that the influx of new students and staff into the town centre presents an opportunity to promote cycling and use of public transport as a more sustainable form of travel. However, it is to be expected that additional car users will be present in town centre, thus potentially resulting in a small increase in emissions in the town centre.

Background Information

N/A

Report Author

Anna Miller- Assistant Director – Growth & Regeneration
Alice Poulton- Regeneration Project Officer

List of Background Papers

N/A

Appendices

Community Impact Assessment

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