



Civic Centre, Riverside, Stafford

Contact Jim Dean
Direct Dial 01785 619209

Email jdean@staffordbc.gov.uk

Dear Members

Cabinet

A meeting of the Cabinet will be held on **Thursday 5 October 2023** at **6.30pm** in the **Craddock Room, Civic Centre, Riverside, Stafford** to deal with the business as set out on the agenda.

Please note that this meeting will be recorded

Members are reminded that contact officers are shown at the top of each report and members are welcome to raise questions etc in advance of the meeting with the appropriate officer.

A handwritten signature in black ink, appearing to read "I. Curran".

Head of Law and Governance

CABINET - 5 OCTOBER 2023

Chair - Councillor A T A Godfrey

AGENDA

- 1 Minutes of 7 September 2023 as circulated and published on 8 September 2023.
- 2 Apologies
- 3 Councillors' Question Time (if any)
- 4 Proposals of the Cabinet Members (as follows):-

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(a) ENVIRONMENT PORTFOLIO	
(i) Future Summer Planting Provision	3 - 9
(b) LEISURE PORTFOLIO	
(i) Beech Road Play Area, Eccleshall	10 - 14
(c) ECONOMIC DEVELOPMENT AND PLANNING PORTFOLIO	
(i) Future High Streets Fund - Programme Change - PART CONFIDENTIAL	15 - 21

Report contains information relating to the financial or business affairs of any particular person (including the authority holding that information).

Membership

Chair - Councillor A T A Godfrey

A T A Godfrey	- Leader
R Kenney	- Deputy Leader
A N Pearce	- Climate Change Portfolio
J Hood	- Community Portfolio
A F Reid	- Economic Development and Planning Portfolio
I D Fordham	- Environment Portfolio
G P K Pardesi	- Leisure Portfolio
R P Cooke	- Resources Portfolio

Agenda Item 4(a)(i)**Future Summer Planting Provision**

Committee:	Cabinet
Date of Meeting:	5 October 2023
Report of:	Interim Head of Operations
Portfolio:	Environment Portfolio

1 Purpose of Report

- 1.1 For Cabinet, in light of increased utility costs and Streetscene Riverway Nursery gas boiler lifespan coming to an end, to consider options for the future provision of the growing of summer plants for the Borough.

2 Recommendation

- 2.1 That Cabinet considers options available for the annual summer provision of planting across the Borough and agrees to the commercial procurement of mature plants, ready for planting, as their preferred option.

Reasons for Recommendations

- 2.2 Cabinet is asked to consider the options around the future provision / growing of summer plants in relation to the increased costs and risks, to ensure best value and a more sustainable approach, from an economic, environmental, and operational viewpoint.
- 2.3 The move towards the procurement of mature plants, ready-to-plant, will provide a reduction in costs to the Council of £46,632 per annum.

3 Key Issues

- 3.1 The Council currently grows its plants on site, at the Riverway Nursery ready for planting at locations across the Borough each summer. Seedling plants are purchased as 'plugs' and are grown-on in the two glasshouses and polytunnels. The Council is responsible for all associated costs and risks, such as heating, compost, pots, watering, and crop failure / losses.
- 3.2 Increases in utility costs over recent years have resulted in this practice becoming considerably more expensive year-on-year.

- 3.3 Furthermore, the two gas boilers that serve the glass houses are coming to the end of their lifespan and require replacement, either this financial year, or early next, at a significant cost.

4 Relationship to Corporate Priorities

- 4.1 This report is most closely associated with the following corporate business objectives:

- Corporate Business Objective 2 - To improve the quality of life of local people by providing a safe, clean, attractive place to live and work and encouraging people to be engaged in developing resilient communities that promote health and wellbeing.
- Corporate Business Objective 3 - To tackle Climate Change by implementing our Climate Change and Green Recovery objectives.
- Corporate Business Objective 4 - To be a well-run, financially sustainable and ambitious organisation, responsive to the needs of our customers and communities and focussed on delivering our objectives.

5 Report Detail

- 5.1 Historically, the Council has grown its plants on, onsite at its Streetscene Riverway Nursery, for planting across the Borough each summer, in formal display bedding, hanging baskets, stands, etc.
- 5.2 The Council prides itself on the high-quality of its summer planting and considers that it provides huge aesthetic appeal for residents, visitors, and businesses across the Borough.
- 5.3 The seedling plants are purchased as 'plugs', with the Streetscene team being responsible for ensuring they are successfully grown-on in the glass houses and polytunnels at the nursery site. This includes the responsibility for all operational risks and associated costs such as staff time, compost, watering, heating, potting, etc.
- 5.4 Operational risks include partial or full plant / crop failure, poor flowering shows, or attacks by pests or diseases during the growing cycle. These can be influenced by several factors, including seedling quality, propagation, soil quality and growing conditions, and pest and/or human interaction.
- 5.5 On reaching maturity plants are taken from the nursery site to be planted and are then maintained at a number of locations across the Borough, including in parks and formal bedding areas, in raised beds, cauldrons, hanging baskets, barrier boxes, etc.

- 5.6 Both of the boilers providing heat for the glass houses at the nursery are at the end of their working lives, they frequently breakdown, which increases the risk of plant / crop failure. Should the current growing methodology be maintained they will require urgent replacement ready for next year's growing / planting season.
- 5.7 The ongoing increases in utility costs and the need to replace both gas boilers which are at the end of their working lives has led to the consideration of other options to provide the quality and quantity of appropriate planting, in a cost-effective and sustainable manner.
- 5.8 To renew the two boilers and continue operating in accordance with the current practice, the capital cost of the gas boiler replacements would be circa **£72,400**.
- 5.9 The estimated full cost of continuing to operate in the current growing method, per plant, are given below:

Item	Cost per plant
Plug (average)	27p
Labour cost	38p
Heating	16p
Compost	3p
Pots	3p
Water	2p
Building maintenance	1p
Total	90p

- 5.10 The Council purchases approximately 51,084 plugs per year, which equates to an estimated total cost of **£45,975 per annum**.
- 5.11 The main alternative option available would be the purchase of flowers ready for planting, from an established commercial nursery specialising in municipal plants. With this option, the supplier would be responsible for all the associated costs and risks of growing-on the plants. Mature plants would be delivered to the Streetscene Riverway Nursery and stored in the existing polytunnels before planting takes place across the Borough.
- 5.12 The above option would remove the Council's liability for the ongoing costs of growing the flowers onsite, the risk of plant failure, and remove the requirement for the replacement of both gas boilers. It would also mean that the Streetscene nursery / depot site would become gas free, as all other space and water heating is undertaken via different energy sources.
- 5.13 Only a small number of Councils across the country currently operate their own nurseries, with the vast majority opting to use commercial nursery procurement of mature plants (as detailed above).

- 5.14 The cost to the Council of buying in mature plants from a supplier, ready to plant, has been estimated (via an established supplier) at £0.28p per plant. At this price per plant, it would equate to a cost of £14,303 for the current planting requirement of 51,084 plants. This gives a saving of **£31,672 per annum** and negates the need to replace the gas boilers. The Council will ensure due diligence takes place when buying the plants, ensuring value for money is achieved for our residents and that plants are sourced from a UK supplier.
- 5.15 The total 5-year costs and savings are given below:

	Current Growing Method	Mature Purchase Option
Current annual costs	£45,975	£14,303
5-Year Costs	£229,875	£71,515
One off cost (Capital)	£72,400	-
Boiler Servicing and Maintenance (4-years £300 per boiler p.a.)	£2,400	-
Total 5-Year Costs	£304,675	£71,515
Savings	-	£233,160

- 5.16 The move to the procurement of mature plants will free up the two nursery-based operatives, to undertake work that is currently being completed by agency staff on a seasonal basis. The two operatives will also be tasked with taking on the horticultural maintenance of the new planting schemes at the Westbridge Park development, Stone, which is currently unresourced. The agency savings is effectively built into the labour costs already accounted for within Table 5.9.

Energy Reduction and Climate Change

- 5.17 As the glasshouses are the only buildings at the Street Scene Nursery / Depot site that are heated by natural gas, there will be an immediate reduction on energy (gas) usage and cost, with an average annual reduction of 261,117kWh at a cost of £19,050 (2022/23). Approximately £9k of this saving is accounted for within the heating cost (£0.16p per plant (Para 5.9), with the other £10k arising following the permanent move of tropical plant growing, from the nursery site to Victoria Park, earlier this year.
- 5.18 The above also equates to a reduction of the Council's carbon equivalent emissions of approximately 48 tonnes per annum of CO²e, which should not be ignored.
- 5.19 The move to an alternative provision for planting also mitigates against the future impact of energy price volatility / increases, as experienced at the site over recent years, with a £7,500 (200%) increase over the last 12-month billing period alone. One glass house would be retained for use as a backup, should either of the tropical glass houses in Victoria plant temporarily fail. It is intended that the retained glasshouse will be heated using portable LPG gas heaters should it ever be required to be bought back into use.

- 5.20 Following the removal of the glass houses the remaining polytunnels will not require any additional heating for the storage of the more mature plants on the site. The removal will allow for the area to be cleared and operationally re-purposed.

Shared Service and Commercial Opportunity

- 5.21 The shared service arrangement with Cannock Chase Council creates the opportunity for the joint procurement of plants in the future, allowing potential economies of scale and for the short-term cost of storage and cultivation to be shared. To enable this however, it may require some capital investment in the existing polytunnels and some reconfiguration. Early estimations of this work are suggesting a capital cost of approximately £18k, however, that is subject to a further review and a feasibility study being undertaken.
- 5.22 During 2022/23 the Council received a marginal income (£2,495) from two parish Councils outside the Borough, from the sale of its surplus plants. It is not considered that the buying in of more mature plants will have any detrimental impact upon the opportunity to sell on any surplus plant stock to local authorities or other public bodies in the future.

6 Implications

6.1 Financial

- 6.1.1 As referred to in para 5.15 the savings from switching to a Mature Purchase Option are estimated to be as follows for a 5-year period:

Estimated Savings 5 Year period - Per Para 5.15	-233,160
Est One Year Equated Savings	-46,632

- 6.1.2 As referred to in Para 5.22 In 22/23 income of £2,495 was received from the sale of plants to Norton Canes and Cheslyn Hay parish Councils respectively. This may continue in the future; however it is anticipated that the profit will be higher as the plants will be purchased for less.
- 6.1.3 As referred to in Para 5.21 in future it may be possible to achieve further economies of scale through Shared Services with CCDC. This will need to form part of a further report in the future when revenue costs and capital investment figures can be more accurately quantified.
- 6.1.4 As referred to in para 5.19 there may be less of an inflationary impact on costs due to the removal of energy price fluctuations, however, such variations and other inflationary increases may be passed on by the plant supplier by an increase in plant costs.

- 6.1.5 A referred to in para 5.20 the clearing and repurposing of the site is currently expected to involve minimal work with any additional finance being contained within the existing Streetscene budgets. Any major changes to the depot site will only be undertaken following a future report to Cabinet.
- 6.1.6 As referred to in para 5.16 the move to alternative provision will remove the need for agency cover as the existing operatives will be redeployed and any saving will be the difference between the cost of the operatives time freed up and the cost of existing agency.

6.2 Legal

The procurement of the mature plants option will need to comply with the Public Contracts Regulations 2015, as well as the Council's internal financial and procurement regulations.

6.3 Human Resources

- 6.3.1 Currently, two full time equivalent (FTE) horticulturalists are employed to oversee the growing of the bedding plants and are based at the Riverway Nursery site.
- 6.3.2 The option to procure mature plants would have implications upon the two FTE employees, as they would not be required to spend as much time at the nursery as they currently do.
- 6.3.3 The Council's intention would be for the employees to be redeployed on a permanent basis, subject to formal consultation, onto horticultural work across the Borough, while retaining their links to the nursery-based work as required, at certain times of the year.
- 6.3.4 It is anticipated that the employees would take on responsibility for horticultural work, maintenance, and watering of plant beds throughout the season at locations across the Borough. These duties are currently carried out by agency staff from June to September each year.

6.4 Risk Management

While not a corporate risk, the key risk relates to the financial implications of continuing with current practice of growing plants on site, as outlined in the report.

6.5 Equalities and Health

None

6.6 Climate Change

See the Energy Reduction and Climate Change section, contained within the main body of the report.

7 Appendices

None

8 Previous Consideration

None

9 Background Papers

None

Contact Officer: Lee Booth
Telephone Number: 01785 619896
Ward Interest: Nil
Report Track: Cabinet 5 October 2023 (Only)
Key Decision: Yes

Agenda Item 4(b)(i)**Beech Road Play Area, Eccleshall**

Committee:	Cabinet
Date of Meeting:	5 October 2023
Report of:	Head of Wellbeing
Portfolio:	Leisure Portfolio

1 Purpose of Report

- 1.1 To consider leasing a play area located at Beech Road, Eccleshall, to Eccleshall Parish Council

2 Recommendation

- 2.1 To lease a play area located at Beech Road, Eccleshall to Eccleshall Parish Council to enable the Parish Council to invest in and maintain the facility for the benefit of local residents;
- 2.2 To advertise the 'disposal' of this open space in accordance with Section 123(2A) of the Local Government Act 1973.

Reasons for Recommendations

- 2.3 Eccleshall Parish Council has expressed an interest in purchasing and maintaining the described play area. It is currently considered that leasing the land would be an appropriate way forward, which would lead to maintenance cost savings for Stafford Borough Council.

3 Key Issues

- 3.1 Eccleshall Parish Council has allocated an open space used for play purposes at Beech Road, Eccleshall, as Local Green Space within the Eccleshall Parish Neighbourhood Plan 2011-2031. This aligns with the same designation for the said open space contained in the Plan for Stafford Borough 2011-2031.
- 3.2 In accordance with normal practice and prior to a review of all the Council's assets taking place via work on an Asset Strategy, it is recommended that a lease of a minimum of 30 years be offered to Eccleshall Parish Council for the open space which would allow for the Parish Council to maintain the facility.

4 Relationship to Corporate Priorities

- 4.1 Leasing the site would support the Corporate Business Plan 2021-2024 Objective 2 of providing an attractive, safe and healthy place to live, work and enjoy and Objective 4 which is to be a self-sustaining organisation, that is financially sustainable.

5 Report Detail

- 5.1 A play space on Beech Road, Eccleshall (see plan attached as an **APPENDIX**) is designated as a Local Green Space in both the Plan for Stafford Borough 2011-2031 and the Eccleshall Parish Neighbourhood Plan. This designation is supported by the National Planning Policy Framework and it allows areas of local green space important to local communities to be protected from alternative uses.
- 5.2 Within the Eccleshall Parish Neighbourhood Plan Policy 4: Local Green Space states that no development will take place on identified sites other than in very special circumstances.
- 5.3 It has been suggested by local residents that due to the development of a new play space as part of a new development off Shaw's Lane, Eccleshall that the play area at Beech Road will no longer be required.
- 5.4 Although Beech Road is a smaller play space than the one at Shaw's Lane, it is still viewed as a valuable resource serving the local community and is classed as a 'Doorstep' facility serving 104 properties situated within 100 metres. If it were to be removed the nearest play area at Shaw's Lane would be over 500m (as the crow flies) and would involve crossing the A519. There are no valid arguments for removing the Beech Road site as a play area nor reasons why the Borough Council would want to.
- 5.5 The Borough Council regularly receives requests like that of Eccleshall Parish Council seeking to acquire control over open spaces where they play a valuable local role in meeting amenity and play needs. The Council has previously determined that it would make sense to lease land rather than sell it, pending a future review of all its assets. This is the case here. Allocating a lease of 30 years would provide the Parish Council with the necessary control to maintain the facility. Additionally, the Parish Council would be able to draw down funding that is not accessible to the Borough Council to invest in and improve the site.
- 5.6 Transferring the maintenance of the land would mean that the Borough Council would no longer undertake this work, thus resulting in a non-cashable efficiency saving of about £1.088.
- 5.7 This lease transfer is supported by the Council's Streetscene service.
- 5.8 Conditions would be attached to any lease preventing the construction of buildings or other erections or carry out any development of any description unrelated to the use of the site as public open space.

- 5.9 As the land is held as open space, Section 123(2A) of the Local Government Act 1973 requires the Council to advertise its intention to dispose of the land and consider any objections received. This is the case even though the land would remain as open space after transfer. If any objections to the transfer were received following advertisement the matter would need to return to Cabinet to consider these before proceeding.

6 Implications

6.1 Financial

There would be some nominal costs involved in arranging a lease with the Parish Council, with the one off cost to advertise the intended disposal of £600 and an annual peppercorn rent provided by the Parish Council. The nominal costs to the Borough Council would be off-set by the removal of maintenance responsibilities and costs to the authority. The savings which would accrue to the Council from maintenance passing to the Parish Council are detailed in the main body of the report

6.2 Legal

The land is held as public open space and the intention to lease it to the Parish Council for a period of over 7 years would mean the proposal would need to be advertised in accordance with Section 123(2A) of the Local Government Act 1972 and any objections considered before the transfer takes place

6.3 Human Resources

None

6.4 Risk Management

No specific risks of continuing to own, maintain and inspect this area of land beyond those already accommodated by the Council in its duties. There may be some risk in terms of the Parish Council being able to sustain the inspection and maintenance costs on an on-going basis. If this was the case the Council may need to consider appropriate action, where necessary

6.5 Equalities and Health

None

6.6 Climate Change

None

7 Appendices

Appendix: Beech Road Play Area, Eccleshall – Site Map

8 Previous Consideration

None

9 Background Papers

None

Contact Officer: Jenny Boulton
Telephone Number: 01785 619514
Ward Interest: Eccleshall
Report Track: Cabinet 5/10/2023 (Only)
Key Decision: Yes

Appendix

Beech Road Play Area, Eccleshall – Site Map



Agenda Item 4(c)(i)**Future High Streets Fund - Programme Change**

Committee:	Cabinet
Date of Meeting:	5 October 2023
Report of:	Head of Economic Development and Planning
Portfolio:	Economic Development and Planning Portfolio

1 Purpose of Report

- 1.1 To recommend approval to amend the capital programme to reflect a change in the regeneration schemes within the Stafford Town Centre Transformation Programme supported by the Future High Streets Fund and investment from Stafford Borough and Staffordshire County Councils.

2 Recommendation

- 2.1 That Cabinet agree:
- (a) That the capital programme be updated to reflect the inclusion of the development scheme identified at the former Co-Op premises, Gaolgate Street, Stafford subject to approval from the Department for Levelling Up, Housing and Communities (DLUHC);
 - (b) To delegate authority to the Head of Economic Development and Planning in consultation with the Deputy Leader, the Cabinet Member for Economic Development and Planning, the Council Section 151 Officer to take all necessary steps to complete the acquisition of the former Co-Op premises, Gaolgate Street, Stafford;
 - (c) To delegate authority to the Head of Economic Development and Planning in consultation with the Deputy Leader, the Cabinet Member for Economic Development and Planning, the Council Section 151 Officer and the Stafford Town Centre Transformation Programme Board to progress the proposals in accordance with the Future High Streets Fund (FHSF) change request documentation submitted to DLUHC. This will include appointment of external contractors, preparation and submission of regulatory approval applications, conducting relevant surveys and entering into any necessary license agreements to deliver the programme as a whole;

- (d) To delegate authority to the Head of Economic Development and Planning in consultation with the Cabinet Member for Economic Development and Planning and the Council Section 151 Officer to develop and implement a business case for the future use and management of sites within the FHSF programme.

Reasons for Recommendations

- 2.2 In February 2021 Council resolved to include the FHSF approved projects within the capital programme. Due to circumstances outside of the Council's control one of the approved projects cannot progress and as such Cabinet approval is required to change the use of the capital expenditure scheme.
- 2.3 Officers have also requested formal approval from DLUHC to amend the FHSF programme as set out in 5.8 below.

3 Key Issues

- 3.1 The deadline for spending the FHSF element of funding for this programme is March 2024. Due to the complexities of regeneration projects and land acquisition in particular, this was always going to be challenging and in June 2023 DLUHC invited local authorities to request an extension until September 2024 which the Council have done.
- 3.2 Alongside that request the Council have also submitted a change request to DLUHC to reflect the new project being proposed. Due to the short timescales it is therefore necessary to submit a request to amend the capital programme at the same time as requesting approval from DLUHC.
- 3.3 The award of FHSF grant was dependent on certain gateway criteria being met. This included meeting the strategic aims of the Fund, demonstrating good value for money and addressing the issues specific to our high street. The maximum threshold for funding directed towards public realm improvements had already been met which precludes any further works to the high street either side of Market Square. It is important that the amended programme of works offers the same level of benefits as the original.
- 3.4 Officers have reviewed a number of alternative sites but the former Co-op is most appropriate in terms of value for money, timescales and redevelopment potential alongside meeting the strategic aims of the Fund.

4 Relationship to Corporate Priorities

- 4.1 The Stafford Town Centre Transformation Programme supports delivery of all four Business Objectives in the Council's Corporate Business Plan 2021-2024 by focussing significant public sector investment at the northern end of the town centre. It also delivers against the five Growth Priorities in the Economic Growth Strategy for Stafford Borough 2020-2025.

5 Report Detail

- 5.1 On 26 December 2020 it was announced that Stafford Borough Council had been successful in receiving a provisional funding award of £14,377,723. The final award was confirmed and Council approval was sought in February 2021 for inclusion in the capital programme and also to secure the necessary co-funding from the Council.
- 5.2 As the funding award was publicised by Government as far back as December 2020 two elements of the programme that involve negotiations to acquire property from the private sector have been extremely challenging. To complete an acquisition that represents value for money to the public purse when site owners are aware of the amount of money the Council was awarded is extremely difficult. The funding is intended to support not only site acquisition but enabling the Council to then bring forward the regeneration schemes designed to transform the town centre.
- 5.3 Despite extensive negotiation with the relevant landowner it has not been possible to secure acquisition of the former Marks and Spencer's unit in Gaolgate Street, Stafford. As such all possible alternative options have been explored and have resulted in the Council negotiating to acquire the former Co-Op department store on Gaolgate Street, Stafford for a sum that represents value for money.
- 5.4 The Co-Op site was not available for acquisition prior to October 2022 but when agents were instructed to market the site for sale in October contact was made, an initial site visit and valuation was undertaken and a dialogue opened with the site owners. The Council's offer has been accepted, subject to Council approval and planning permission being granted.
- 5.5 The original plan for the former M&S building was to create a mews style walk from the bus station to Gaolgate Street, providing a new location for Stafford Indoor Market and a mixture of residential and commercial uses to encourage footfall within the Northern part of the Town Centre.
- 5.6 The Co-Op site can replicate much of this transformation, retaining commercial uses including market provision and a food and beverage offer around the ground floor area with around 20 apartments above. The commercial market appraisal contained within the appendix reviews comparable local development schemes to understand the development values of the proposed Co-op scheme and applies industry standard estimates to calculate the associated construction costs. This information has then informed the Benefit Cost Ratio (BCR) calculation within the DLUHC project adjustment request and which exceeds the minimal ratio required for FHSF funding.

- 5.7 The proposed mixture of residential, retail and leisure encourages increased and sustained town centre footfall. Work is now underway to develop detailed plans for the site ahead of applying for planning permission. Officers need to move at pace with the procurement of design experts and in developing the delivery strategy that will set out how the proposed development will be managed in the future.
- 5.8 An initial programme has been drafted that would see public engagement starting later this year ahead of submission of a detailed planning application with demolition works to follow in the new year.
- 5.9 The Feasibility Assessment, Valuation Report and Project Adjustment Request are enclosed as a **CONFIDENTIAL APPENDIX** to support the recommendation to acquire the site.
- 5.10 The existing governance arrangements remain in place whereby the Stafford Town Centre Transformation Programme Board oversee the delivery of the regeneration schemes.
- 5.11 As the FHSF award was made based on specific projects it is necessary to also secure approval from DLUHC to replace one of the schemes. Officers are required to demonstrate that the Co-Op project is within the scope of the FHSF scheme, meets the gateway eligibility criteria¹ and delivers the appropriate outputs to justify public sector intervention. The Project Adjustment Request has been submitted to DLUHC therefore if Members are minded to approve the Co-Op project this will be subject to DLUHC approval.
- 5.12 Members will be aware that the first phase of the transformation programme started on site in January with the refurbishment of Market Square with those works due to complete in the Autumn. The £1m investment will enable the area to be equipped to hold more events and specialist markets. It will include enhancing the look of the Square with new paving, furniture, and planting but also significant infrastructure changes such as improvements to utility supplies and drainage.
- 5.13 Phase 2 of the programme involves refurbishment of the area outside of Stafford Railway Station, improving the first impression we give to visitors that arrive by train and encouraging them to experience the award winning Victoria Park on their way into the town centre.

¹ Details of the eligibility criteria are set out in the FHSF prospectus:
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/783531/Future_High_Streets_Fund_prospectus.pdf

- 5.14 Officers will report updates across the programme to Cabinet on a quarterly basis, in addition to any reports within the Economic Development and Planning Scrutiny Committee Work Programme.
- 5.15 This significant project forms part of a much wider, multi million pound investment programme in Stafford Town Centre with the Staffordshire History Centre works already underway, the business hub at Shire Hall reaching full capacity and plans taking shape around the Stafford Station Gateway and Eastgate areas.

6 Implications

6.1 Financial

There has been significant change to the original programme, with the removal of the former Marks and Spencer building from the project and its replacement with the former C-op building.

The costings used to support these changes are based on best estimates provided by experts in their respective fields and as such the council can have confidence in them. In the recently submitted project adjustment request the funding has been adjusted to reflect the work done and changes to the project as below:

Planned usage	£ m
FHSF grant	13.399
Public sector co - funding	7.240
Total	20.639

The usage of the FHSF grant is less than the total allocation (£14.378m) at present due to the concerns around spending the grant before the deadline for its usage as per the grant conditions. At present there is a potential return to government of funds of £0.979m. This is at a moment in time however for the return. Officers will endeavour to spend this money in full before the deadline in an appropriate manner in line with the grant conditions to minimise the return to government of grant to ensure maximum investment in the schemes.

The main financial risks around the projects are around the potential unknowns which may arise during demolition/construction and the Council's ability to utilise the grant quickly enough before the spend deadline. As the unknowns are determined during the development of the scheme and tendering process they will be reported on and the finances updated accordingly.

6.2 Legal

The Future High Streets Fund programme is already identified within the Council's capital programme but Cabinet approval is required to change the use of a previously approved capital expenditure scheme in accordance with the Financial Procedure Rules paragraph 4.5.

6.3 Human Resources

N/A

6.4 Risk Management

The key risks associated with the programme are as follows:

Deliverability within the FHSF timescales and risk of clawback of FHSF funding

Mitigation: Confirmation from DLUHC in June 2023 that clawback on incomplete projects will not apply

Securing planning and other regulatory consents

Mitigation: Early dialogue with relevant officers to highlight any policy or technical issues with proposals

Revenue implications of acquiring the Co-op (Business Rates and insurance liabilities)

Mitigation: The Council will apply for a prior approval for initial work ahead of full planning permission to enable site preparation work to start swiftly, limiting the revenue costs

The Council are acquiring the Co-op as a regeneration opportunity and not on a commercial basis.

A detailed risk assessment forms part of the project change request to DLUHC and is actively monitored as part of the wider FHSF programme.

6.5 Equalities and Health

N/A

6.6 Climate Change

Climate change and sustainability will be considered as part of the design work associated with this project.

7 Appendices

Appendix: **CONFIDENTIAL**

8 Previous Consideration

Council 23 February 2021 - Minute No C100/21

9 Background Papers

None

Contact Officer: Michelle Smith
Telephone Number: 01785 619335
Ward Interest: Forebridge
Report Track: Cabinet 5 October 2023
Key Decision: Yes