

Subject:	Spinning Point Development	Status:	For Publication
Report to:	Cabinet	Date:	6 th July 2017
Report of:	Chief Executive	Portfolio Holder:	Leader of the Council
Key Decision:	<input type="checkbox"/> Forward Plan <input type="checkbox"/>	General Exception	<input type="checkbox"/> Special Urgency <input type="checkbox"/>
Equality Impact Assessment:	Required:	Yes /No	Attached: Yes /No
Biodiversity Impact Assessment	Required:	Yes /No	Attached: Yes /No
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1.	RECOMMENDATION(S)
1.1	To note progress with delivering the Spinning Point development.
1.2	That delegated authority is granted to the Chief Executive and Leader of the Council to finalise the Project Specific Agreement ('PSA') to be put in place to deliver phase 2, together with any subsequent amendments to the Joint Venture Agreement and the Local Growth Fund conditions to release funding, as set out in section 5.8 and to report back progress in due course.

2. PURPOSE OF REPORT

2.1 To provide an update on progress with the delivery of the Spinning Point development, following the recommendations agreed by Full Council on 6th July 2016.

3. CORPORATE PRIORITIES

- 3.1 The matters discussed in this report impact directly on the following corporate priorities:
- **Regenerating Rossendale:** This priority focuses on regeneration in its broadest sense, so it means supporting communities that get on well together, attracting sustainable investment, promoting Rossendale, as well as working as an enabler to promote the physical regeneration of Rossendale.
 - **Responsive Value for Money Services:** This priority is about the Council working collaboratively, being a provider, procurer and a commissioner of services that are efficient and that meet the needs of local people.
 - **Clean Green Rossendale:** This priority focuses on clean streets and town centres and well managed open spaces, whilst recognising that the Council has to work with communities and as a partner to deliver this ambition.

4. RISK ASSESSMENT IMPLICATIONS

4.1 All the issues raised and the recommendation(s) in this report involve risk considerations as set out below and were included in the report to Council of 6th July 2016.

5. BACKGROUND AND OPTIONS

Funding, Governance and Legal framework

5.1 Through the Rossendale, Together Housing and Barnfield (RTB) Joint Venture Partnership, a Development Agreement between the Council and Barnfield Investment Properties underpinned by a fixed price offer from Barnfield, at their risk - aligned to the available budget and will deliver a new Rawtenstall bus station, old town hall refurbishment and external works, including new car parking and landscaped areas. Members will recall the funding approved for the project as follows:

- LCC Grant funding agreement for construction on new bus station: £3.5m
- RBC Capital for refurbishment of Old Town Hall £900k (financed from future rental income)
- £1.9m Local Growth Fund, with c.£1.1m set aside for pre-construction and infrastructure costs in phase 1
- **Total funding to support delivery of phase 1, £5.3m**

5.2 The Governance arrangement for the management of the project have been established with a new RTB Spinning Point Programme Board put in place with responsibility for delivery to the agreed project programme, in accordance with the approved budget and specified quality standards and reporting to the full RTB Board. The full governance and reporting arrangements are as follows:

- RTB Board
- RTB Working Group (Programme Board)
- RBC Chief Officer Steering Group
- RBC Quarterly progress and performance reports to Cabinet
- RBC Elected Member updates and briefings
- Progress reports to LCC Local Growth Fund Management Board
- Spinning Point – Operational Site meetings

5.3 The Council has a designated lead senior officer for the project reporting to a chief officer steering group and has also formally commissioned a professional Employers Agent (Construction Cost Consultant) Donald Lomax and Partners to protect the interest of the Council through a schedule of services including project management, quality and cost control and to ensure progress of the works are maintained to the master programme and, report on a monthly basis to both the Programme Board and the chief officer steering group.

5.4 All the requisite legal, security and funding agreements have been completed including:

- LCC to RBC, Grant Funding Agreement
- RBC to Barnfield, Development Agreement
- RBC to Together Housing, Agreement to lease
- LCC to RTB, funding agreement
- RTB to RBC to LCC, funding agreement
- LCC to RTB, security assignment
- MR01 companies house security registration
- RTB security notification to RBC
- RBC security notification acknowledgment to RTB

Phase 1

5.5 The full programme plan for phase 1 is in place and attached as appendix 1, with completion of the refurbishment of the old town hall expected in April 2018 and the construction of the new bus station completed by November 2018, with the demolition of the existing bus terminal to then follow. Hoardings are in place to secure the site for the first phase of the demolition works and will extended to include the police station building as work progresses (details are set out in appendix 2 and 3). At this stage it is expected that the demolition works will be

completed by end of August - to compensate for a small number of lost car parking spaces off Lords Street, the new car park to be developed on the site of the old police station is to be prioritised and established as soon as practically possible following demolition and will provide approximately 30 spaces.

Details are currently finalised with the LCC highways team and Rosso buses to establish an agreed highway scheme to manage the impact of the hoardings line to the front of the existing old town hall building, in order to provide a secure pedestrian footpath on Bacup Road. Discussions are also progressing well with the Post Office legal representatives on their objection to 'stopping up' orders – officers are working closely with their representatives, a proposal has been agreed in principle and the arrangements for implementation are currently being finalised.

- 5.6 The design for layout for the new bus station has been agreed and included as appendix 4, and includes for four retail units and services for pop-up kiosk and all the toilet and changing facilities you would expect from a modern and efficient bus station, serving residents and visitors alike. The tender process to appoint Retail Agents to work in partnership with the Council and RTB to secure end users for the retail units in bus station and 45,000 sq. ft. of retail and leisure space in phase 2, is progressing and being led by the Council on behalf of partners and is expected to be complete by mid - July.

The operating model for the new bus station for the day to day management, operation and delivery of services has been agreed in principle with Rosso Buses and will provide full staffing cover for all operational hours with experienced and qualified staff supporting customers and working with bus operators. In accordance with the Partnership Agreement signed between the Council and Transdev, guaranteeing use of the new bus station by the x43 and X42 and agreement on departure charges work, is progressing in partnership with Rosso and Transdev to develop opportunities for improving services for customers, plus smart ticketing, a proposed single 'Rossendale connect' covering journeys in within Rossendale, transport information, Plus bus options and complementary routes and services.

In addition the Council is leading an officer group with representatives from Transdev, Transport for Greater Manchester, Lancashire County Council and Highways England to progress issues that affect the performance of the A56/M66 corridor and to look at how improvements can be made. As much of the Study area is outside the Borough, working with partners is essential. The Group performs an important data sharing role. For example, Transdev and Highways England are sharing congestion data to try and identify the reason behind delays. It also gives the opportunity to discuss the current options for improvements, such as at Junction 18 of the M60 (Simister Island) and to influence Partner thinking, for example on plans for the proposed "Northern Gateway" development in Bury/Rochdale.

Phase 2

- 5.7 The Council is commitment to involving and engaging with local residents and businesses, the Chamber of Commerce and key partners and stakeholders in developing the vision for Spinning Point Phase 2, along with the master plan for the town centre and car parking proposals and it is intended to begin this work in September 2017, following the appointment of retail agents and further work by RTB partners.

Early and outline timescales at this stage suggest that work on site for phase 2 will begin as phase 1 is completed in autumn 2018 and is expected to be completed by summer 2020.

5.8 In accordance with the requirement of Local Growth Fund for the Spinning Point, the RTB Board on 31st May formally agreed to proceed with the Phase 2 Project Element and that the scheme is to be delivered by the three participating partners. A Project Specific Arrangement (PSA) is to be formed in accordance with the RTB Joint Venture Agreement (JVA) and that subject to independent company advice by each partner organisation and any subsequent amendments to the JVA, a company limited by shares shall be formed. In addition, the detailed funding requirements for the Local Growth Fund have now been confirmed through the Grant Funding Agreement for Phase 2, between LCC and RTB - the conditions to secure release of the funding are to be finalised between the participating partners.

Programme and project management

5.9 The project management and delivery teams will work to a detailed programme to ensure work is to plan and timescale, key decisions are taken in a timely manner by all parties and that the key milestones and outcomes for the project are achieved. The programme will be managed through the RTB Spinning Point Working Group (the Programme Board) and report progress directly to the RTB Board.

Key areas of the design development and legalities include:

- Appointments of the professional team
- Design development
- Public consultation
- Planning application submission
- Statutory agreements - Planning conditions, Building control plan approval, Utility providers, Stopping up of highways, Section 278, Section 38, Section 104, Section 106,
- Legal agreements - Long leasehold transfer of land from RBC to RTB, form of PSA agreement between partners
- End users secured for retail units
- Funding structure for phase 2
- Cost plan, tender return cost from contractor, proportionate split of cost
- Outcomes achieved

Communications

5.10 Since the last report, a number of communication and engagement activities have taken place including information sessions held at Kay Street Baptist Church. The sessions included a virtual reality representation of the finished project. The sessions were successful and a number of people dropped in to ask questions about the project.

There have been a number of personnel changes at the RTB Partnership Communications Group. Membership has been refreshed and a review of the communications for the project and the wider RTB Partnership is underway. Part of the review will look at the detailed communication plan, current communications channels and information sharing protocols.

The revamped communications plan will incorporate a number of photo opportunities to show progress linked to key milestones including a sod cutting picture. This will include all partners involved in the project. A video production is also being planned. Content will be produced by the communications group will be available to send out on partners' direct channels of communications such as partners' website and social media channels and the RTB's channels such as the new website. We would encourage members who use social media to share this content as well.

A primary focus of the communications will be ensuring local residents are kept informed. As well as utilising local channels as described above, the partnership have commissioned hoardings. The hoardings are due to be installed imminently. They will provide information on the RTB Partnership, how to find out more about the work being carried out and public viewing holes so that people can see phase 1 of development taking shape over the next 12 to 18 months.

COMMENTS FROM STATUTORY OFFICERS:

6. SECTION 151 OFFICER

- 6.1 Financial matters and their associated risks are noted in the report.
- 6.2 Given the funding and financial arrangements the Council will be entering into a fixed price contract with Barnfield Investment Properties currently valued at £5,254,111.

7. MONITORING OFFICER

- 7.1 All necessary legal agreements will be executed as outlined in the body of the report. A continual review of the governance arrangements as the project progresses will be in place in order to mitigate the identified risk and to avoid legal challenge.

8. POLICY IMPLICATIONS AND CONSULTATION CARRIED OUT

- 8.1 There are no policy implications

9. CONCLUSION

- 9.1 The Spinning Point development is underway with good progress on all elements of phase 1, which is due for completing in November 2018 – the vision for phase 2 and Rawtenstall town centre as a whole is developing, with the wider involvement and engagement of residents, business and stakeholders planned for late summer and early autumn 2017.

Background Papers

Document	Place of Inspection
Report to Full Council 6 th July 2016	Council website