

# Public Document Pack



**North East  
Derbyshire**  
District Council

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Date: Thursday, 14 March 2024

To: **All Members of the Clay Cross Town Deal Board**

You are invited to attend the next meeting of the Clay Cross Town Deal Board to be held on **Friday, 22 March 2024 at 10.00 am in Meeting Rooms 1 & 2**, District Council Offices, 2013 Mill Lane, Wingerworth, Chesterfield S42 6NG.

Yours sincerely

A handwritten signature in black ink that reads "Sarah Skuberg".

Assistant Director of Governance and Monitoring Officer

## **A G E N D A**

**1 Apologies for Absence**

**2 Declarations of Interest**

Members are requested to declare the existence and nature of any disclosable pecuniary interests and/or other interests, not already on their register of interests, in any item on the agenda and withdraw from the meeting at the appropriate time.

**3 Minutes of Last Meeting (Pages 3 - 7)**

To approve as a correct record and the Chair to sign the Minutes of the Clay Cross Town Board held on 1 December 2023.

**4 Programme Update (Pages 8 - 24)**

Presentation of Dashboard – Tris Burdett, Programmes Manager

**5 LCCF Update - NOW PUBLISHED (Pages 25 - 29)**

Presentation of Paper – Steve Lee, Assistant Director of Regeneration & Programmes

**6 Any Other Business**



**North East  
Derbyshire**  
District Council

**Access for All statement**

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## CLAY CROSS TOWN DEAL BOARD

### MINUTES OF MEETING HELD ON FRIDAY, 1 DECEMBER 2023

#### **Present:**

Lee Barnes (Chair) (in the Chair) – Inspire Design & Development Ltd  
Councillor Charlotte Cupit (Vice-Chair) – DCC

Councillor Nigel Barker - Leader NEDDC  
Councillor Pat Kerry - Deputy Leader NEDDC  
Councillor Kathy Rouse - Portfolio Holder for Health & Leisure  
Councillor Jayne Barry - Portfolio Holder for Growth & Assets  
Councillor Alex Dale - NEDDC  
Councillor Gerry Morley - Clay Cross Parish Council  
Lee Rowley - MP North East Derbyshire  
Andrew King - Clay Cross Town Centre Group  
Karl Apps - Assistant Director for Sustainable Growth DCC  
Bruce Hunter - Urban Design & Developments  
Adam Doyle - Derby University  
Henry Taylor-Toone - Chesterfield College  
Matthew Broughton - Director of Growth & Assets

#### **Also Present:**

J Dethick Director of Finance & Resources (S151 Officer)  
S Lee Assistant Director – Regeneration, Programmes & SIRO  
R O'Donoghue Town Centre Regeneration Manager  
C Mills Assistant Director Leisure  
S Stevenson Partnership Strategy & Support Officer  
T Burdett Partnership & Development Officer  
A Bond Governance Officer

#### **CXT Apologies for Absence**

**B/25/**

**22-** Apologies for absence were received from Becky Hunter.

**23**

Bruce Hunter attended the meeting as a substitute for Becky Hunter.

#### **CXT Declarations of Interest**

**B/26/**

**22-** There were no interests declared at this meeting.

**23**

#### **CXT Minutes of Last Meeting**

**B/27/**

**22-** Andrew King clarified that under the resolutions for the Town Regeneration  
**23** Planning Application at Minute: CXTB/21/23-24, it had also been resolved to amend the extension of the former Sunday School building. He highlighted that under the planning application, Block A had remained as drawn in the previous drawing.

Officers responded that after meetings had taken place with architects and planners, the height of the building had remained largely the same as when alternative options were explored with planners, another technical solution was not available. They informed Board that as such, the extension had been amended but not severely as to impact on the number of floors.

Andrew King moved the Minutes as a true record.

Lee Rowley MP expressed his belief that the minutes did not accurately reflect what had taken place at the meeting and requested that this and future meetings be recorded.

Town Deal Board held a vote and agreed to record the remainder of the meeting.

Board agreed that the Minutes were a true and accurate record.

RESOLVED – That the Minutes of the Clay Cross Town Deal Board held on Friday 29 September 2023 be noted.

**CXT** **Programme Update**

**B/28/**

**22-**

**23**

The Board received a programme update on all of the Clay Cross Town Deal projects to date. They heard that key milestones were progressing well and that the budget and the work plan would be closely monitored.

Members were informed that the project remained on target for programme spend and that a vast majority of this was attributed to Sharley Park.

Town Deal Board heard that planning for the main scheme of the Town Centre Regeneration had been agreed and that there was still a strong interest in the business units at the Broadley site. Members were informed that the outputs of this scheme would be monitored as they began to be delivered.

The Officer explained that five applications had been approved, totalling £51.5k for the Low Carbon Challenge Fund, primarily focussed on solar panels. The programme had also received five expressions of interest and two exemplar projects with a combined potential value of £340k. Energy audits were carried out using the UK Shared Prosperity Fund which may identify energy saving interventions for businesses in Clay Cross. Further updates on the programme would be brought to Board.

Andrew King drew attention to and applauded the condition 43 of the planning application which imposed on the Highways Authority to implement the Travel Plan approved in June 2023 and to monitor this in accordance with the regime contained within the Plan.

RESOLVED – That Board noted the Clay Cross Town Deal Programme Update.

**CXT** **CCA Project Progress Update**

**B/29/**

**22-**

Town Board received a progress update on the Clay Cross Active Project. They

**23** heard that good progress had been made to date and that 99% of the steel frame was in place. Members also heard that there was a good relationship with the contractor and design team.

Town Board were made aware that the project had been delayed by 7.2 weeks due to the discovery of asbestos as well as issues around the sports hall structure. The aim would be to open the facility towards the middle or end of December 2024 pending no further unexpected delays.

Members were made aware that the 3G pitch-works had gone out for tender and the planning application would be expected in early 2024. The funding partner, The Football Foundation, was due to make its funding decision in the summer of 2024. Members heard that the indications were positive that funding would be granted with an expected date to start the works at the end of October or start of November 2024.

Board heard that the financial spend on the project to date was just over £8 million.

Members were informed on the main tasks for the project throughout December as well as the expected risks. The risks included: DNO (District Network Operator providing power to the substation), demo and asbestos, weather, and intumescent spray during winter.

It was explained that the contingency budget remained tight due to delays and asbestos as outlined above. An additional £250k had been applied for from Sport England to de-risk the project and ensure key community elements (e.g. swimming timing) were not value engineered out of the scheme. A condition to the additional grant would be that NEDDC would be required to underwrite any further additional costs on the CCA project.

Members were made aware of a major risk on the DNO not providing a timescale to complete the enabling works.

Town Board congratulated the Officers on the progress that had been made to date.

Cllr A Dale enquired as to whether work on soft play and tag active could be completed alongside the other works instead of after the handover period. He also asked about the need to close the leisure centre for a period of 10 months and what impact this would have on the project overall.

He heard that the soft play and tag active work would be twin tracked alongside the main works if possible.

It was also explained that the closure period for the leisure centre was driven by the contractor as intrusive asbestos work could not take place with people within the building.

Board learned that during the closure period, residents would be encouraged to use other sites where possible and that sports clubs would still be supported during this time. Additional measures put in place during this period would include

increased opening hours at other pools and the continuation of fitness classes and swimming lessons. The Council would be working closely with Chesterfield Borough Council in order to deliver lessons at Queens Park Sports Centre.

Members were invited to attend a site visit at Clay Cross Active with the Assistant Director Leisure following the end of the meeting.

RESOLVED – That Town Deal Board noted the progress update on the Clay Cross Active Project.

**CXT** **Any Other Business (Open Session)**

**B/30/  
22-  
23**

Town Deal Board considered that it would be worthwhile to hold a refresher session on the roles and responsibilities of Board Members.

Members discussed the need for regular attendance of all Board Members where possible and heard that discussions on attendance would be held with external organisations represented on the Board.

RESOLVED – The Director of Finance & Resources would contact DLUCH with a view to arranging a refresh session on Board Governance including roles and responsibilities.

**CXT** **Exclusion of Public**

**B/31/  
22-  
23**

Lee Rowley MP and Cllrs C Cupit and A Dale argued against moving into exempt session. They were informed that advice had been taken from the Monitoring Officer that there were commercial sensitivities around an asset negotiation and it would not be appropriate to hold these discussions in an open session.

The Board noted the reasons for the exemption and took the decision to hold the remainder of the meeting in closed session.

RESOLVED – That the public be excluded from the meeting during the discussion of the following items of business to avoid the disclosure to them of exempt information as defined in Paragraph 3, Part 1 of Schedule 12A to the Local Government Act 1972, (as amended by the Local Government (Access to Information) (Variation) Order 2006).

**CXT** **A61 New Junction Options Paper**

**B/32/  
22-  
23**

Town Deal Board were presented with the options for town centre car parking directly accessible from the A61.

Members discussed the proposed options at length before taking a vote on the preferred approach.

RESOLVED – That:

1. A stand-alone Planning Application for the car park entrance directly accessible from the A61 within the Masterplan, shown as Option 1 in the papers, be submitted to Planning Committee.

2. The Accountable Body to pursue discussions on the potential acquisition of the identified site stated in Option 2 in the papers and to return to Board to discuss the viable options once costs are known.

**CXT Any Other Business (Closed Session)**

**B/33/**

**22-**

**23**

Members received a brief positive update from the Town Centre Regeneration Manager on the procurement process (ICT) and general progress and heard that the project was in a good place.

**CXT Date, Time and Venue for Next Meeting**

**B/34/**

**22-**

**23**

The next meeting of the Clay Cross Town Deal Board will be held on 22 March 2024 at 10.00 am.

# Clay Cross Town Deal Programme Report

March 2024



# PROGRAMME UPDATE

## MARCH 2024

### SUMMARY

The fourth quarter of this financial year has seen the following milestones being met for the programme.

- Clay Cross Active swimming pool pressure testing completed. Sharley Park Leisure Centre was officially closed at the end of February.
- The preferred contractor for the Town Centre regeneration and connections works have been selected.
- Low Carbon Challenge Fund: twelve applications have been approved and seven expressions of interest submitted.

### Overview

- Total programme budget of £24.1m.
- Programme to be financially completed by March 2026.

### Aims

- **Urban Regeneration:** Thriving town and town centre for people to live and work.
- **Skills and Infrastructure:** Supporting investment, development of businesses and creating opportunities for training and skills development.
- **Connectivity:** Improving local transport links and improved connectivity.

### Projects

- **Clay Cross Active:** new leisure centre and community hub.
- **Town Centre Regeneration:** transport and connections improvements, new community/social spaces, learning hubs and business enterprise units.
- **Low Carbon Challenge Fund:** programme of support to help stimulate the transition to a low carbon economy.
- **Low Carbon Local Area Energy Plan:** outlining how Clay Cross can achieve net zero carbon by 2050.
- **Rail Station Feasibility:** identify the viability of a train station in Clay Cross.

# CLAY CROSS TOWN DEAL

## KEY MILESTONES

### KEY

● Achieved

■ Overdue

■ On Target

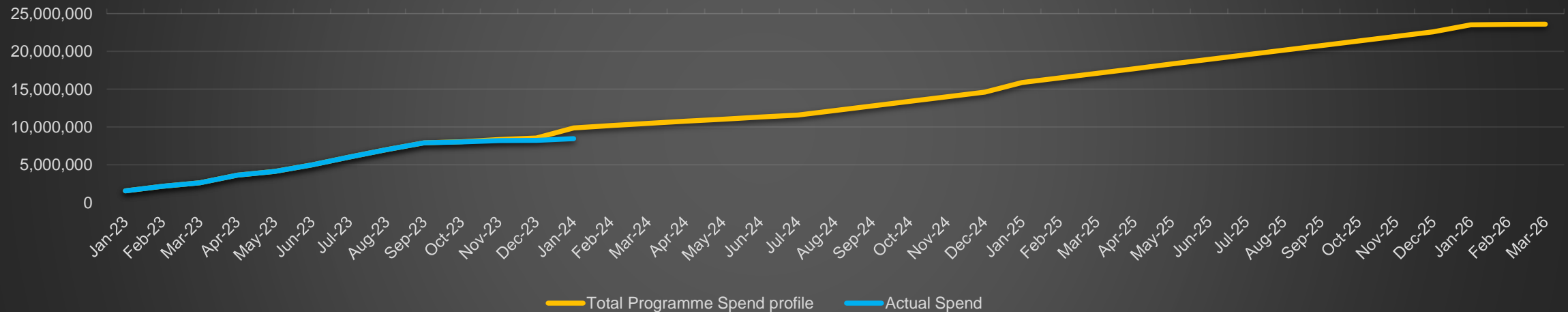


Project	£	Key Milestones					
		2023/24				24/25	25/26
		Apr – Jun Q1	Jul – Sept Q2	Oct – Dec Q3	Jan – Mar Q4		
<b>Clay Cross Active</b> Start: Jan 2023 End: Nov 2024	£7m	● Sports hall construction underway	● New pool excavation works commenced	● CCTD Funding spent	■ Construction continues	■ Construction Complete	
<b>Town Centre Regeneration</b> Start: Jan 2023 End: March 2026	£14.1m	● Planning application submitted	● EOI process for main contractor complete	● Planning app decision ■ Acquisition of Block A & former school land	■ Appointment of contractor	■ Work to commence on Broadleys Units and Block A	■ Works on Clock Tower to commence
<b>Low Carbon Challenge Fund</b> Start: June 2023 End: March 2026	£1.9m	● Commercial scheme launched	● Residential scheme launched	● Launch of Energy Audit Scheme	■ Continue business engagement	■ Continue business engagement	■ Programme complete March 26
<b>Local Area Energy Plan (LCENS)</b> Start: September 2022 End: June 2023	£148k	● Complete and published					
<b>Rail Station Feasibility</b> Start: September 2022 End: June 2023	£102k	● Complete and published					

# PROGRAMME – RISK AND FINANCE

Top Programme Risks	Mitigation
Rising costs continue to increase pressure in delivering projects to budget.	Regular cost plan reviews for each project reviewed weekly by contractors/clients). Value engineering conducted as and where necessary to bring projects within budget.
Failure to purchase or agree the workplan on externally owned assets within the time needed to deliver the programme to DLUHC deadline.	Regular review of project programme against the work breakdown structures. If elements need to be re-aligned, this is actively managed to ensure the overall programme is maintained.
Failure to meet the outputs/outcomes as specified in the Clay Cross Town Deal Business Cases.	To be closely monitored by SLT and project team level, put in place mitigating actions where necessary.

Clay Cross Town Deal Programme Overview



# CLAY CROSS ACTIVE - UPDATE



Timeframe	TD Budget	Project Summary
<b>Start: Jan 2023</b> <b>End: Nov 2024</b>	£7m	A new health and wellbeing community hub for the residents of Clay Cross and the surrounding area. State-of-the-art fully accessible and family friendly leisure centre. Facilities will include pool, sports hall, wellness centre, gym, soft play, tag active and a café. Local services including community health care and advice agencies will be located at Clay Cross Active.

CURRENT RAG	KEY ACHIEVEMENTS	PROGRESS SUMMARY
Amber	<ul style="list-style-type: none"> <li>Construction well underway.</li> <li>Steel frames and concrete flooring in place.</li> <li>Swimming pool walls have now been pressure tested.</li> </ul>	<ul style="list-style-type: none"> <li>Construction progressing despite inclement weather. Ground floor slabs, roof decking, dividing wall in sports hall underway.</li> <li>Work now underway to construct wet change and pool area.</li> <li>Discussions continue with NHS and Citizens Advice to formally agree leases for new space.</li> <li>Work now underway to explore leasing options for TAG Active, Soft Play and Fitness Suit.</li> <li>Following correspondence sent by the Council Leader, National Grid have now confirmed that power connection to the leisure centre will be undertaken by early June 2024. This reduces impact to the programme schedule and the risk has now significantly reduced.</li> <li>Project on track, 50% spend and 60% work achieved against the overall contract.</li> </ul>
PREVIOUS RAG	<ul style="list-style-type: none"> <li>Sharley Park Leisure Centre closed at the end of February.</li> </ul>	
Amber		

# CLAY CROSS ACTIVE - UPDATE



Overall Progress



Sports Hall



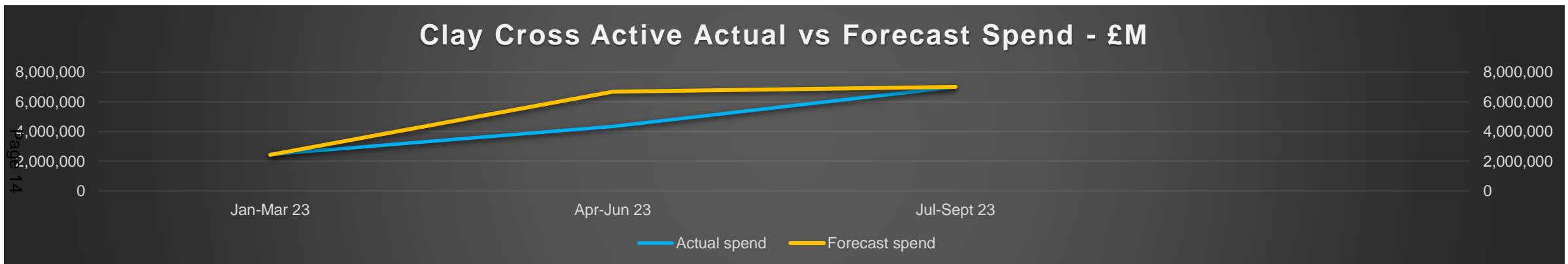
Learner and Main Pool



# CLAY CROSS ACTIVE - RISK & SPEND



TOP THREE RISKS	MITIGATION
Exceptionally adverse weather delays the project and provides an opportunity for the contractor to claim an extension of time.	Maximise off site construction, and limit wet trades, to ensure less pressure on programme. The contractor has had a few months of severe weather that has complicated the programme and required mitigation. This is ongoing and being monitored but should improve moving into Spring 24.
Asbestos is found in the existing building to a greater extent than expected.	Retain a substantial contingency sum to the end of the demolition of the swimming pool hall to expend, if required, against this item in the future.
National Grid's failure to commit to a programme with the potential risk of a significant delay to the required 'power on' date because of offsite electrical reinforcement works.	A specific risk workshop was held as part of the January 24 Project meeting. A letter was subsequently prepared that was issued by the leader of the Council and Managing Director to National Grid in early February 24. National Grid have responded positively to commit to the required power on date in early June 24.




# CLAY CROSS ACTIVE – DLUHC OUTPUTS AND OUTCOMES

Outputs and Outcomes	Target	To be achieved by	On target to achieve?	Progress
New/upgraded protected sports centre	1	Nov 24	Yes	Completion of Clay Cross active will achieve this output.
New /upgraded cycle/walking path km/Total length of pedestrian paths improved	3	Mar 26	Yes	Will be achieved by improvements to existing and the creation of new paths around the leisure centre. Other elements of the Town Deal Programme, including Broadley, pedestrianisation of Market Street could also contribute to achieving this output if required.
Amount of new 'other' enterprise space sqm	4,800	Nov 24	Yes	This will be achieved by creation of a new café, tag active, soft play and community/commercial hire and lease opportunities.
Number of full-time equivalent (FTE) permanent jobs safeguarded through the projects	20	Nov 24	Yes	There is high confidence that the number of jobs safeguarded will be met.
Number of full-time equivalent (FTE) permanent jobs created through the projects	5	Nov 24	Yes	There is high confidence that the number of jobs created will be met.

# TOWN CENTRE REGENERATION - UPDATE

Timeframe	Budget	Project Summary
Start: Jan 2023 End: March 2026	£14.1m	The Town Centre Regeneration project is supporting several changes being made to revitalise the centre of Clay Cross. Four key elements include transport and connections to enhance connectivity by foot and car, create a learning and skills hub in the Clock Tower building, create a community space and social area through a new town square and refurbished heritage building and utilising Broadleys to provide flexible accommodation for start-up and pop-up enterprise units and providing a space for community activities.

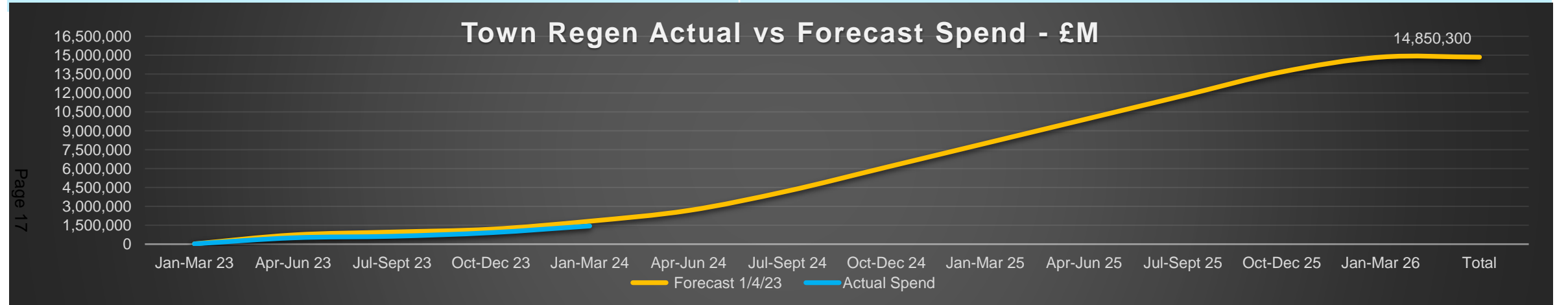
CURRENT RAG	KEY ACHIEVEMENTS	PROGRESS SUMMARY
<b>Amber</b>	<ul style="list-style-type: none"> <li>The preferred Contractor for the works has been selected.</li> <li>The Former Junior School land has been procured by the Accountable Body.</li> </ul>	<ul style="list-style-type: none"> <li>Inside Limited have been selected via the procurement tendering process. The scope of service being provided is to be agreed and contracts signed. The Contractor will be invited to meet the Accountable Body in due course.</li> <li>The project team is working with the NEDDC planning dept to find a solution to address the conservation issues highlighted within the A61 access application prior to it being formally submitted to the planning team at the end of March.</li> <li>External commercial agents have been approached to promote the business spaces, Block A and the current library once vacated.</li> <li>DCC, Chesterfield College and the University of Derby have been asked by the Accountable Body to clarify their delivery strategy and methods for the delivery of the learning outcomes/outputs as agreed with DLUHC. A final decision is required by the partners to enable the project to progress. It is recommended to Board that an update is received at the next Board meeting.</li> <li>The branding has been designed for the new square and public realm area, this will be used when promoting the new space.</li> </ul>
<b>Amber</b>	<p><b>PREVIOUS RAG</b></p> <ul style="list-style-type: none"> <li>Purchase of the Block A building from DCC by Accountable Body in the final stages.</li> </ul> 	



# TOWN CENTRE REGENERATION – RISK AND SPEND



TOP RISKS	MITIGATION
<p>The 278 connection works technical approval from DCC are outstanding and the delay may impact the programme further. TRO's currently have a six month plus approval time which may impact the programme.</p>	<p>DCC to advise on timeline for technical approval to be granted and how the TRO's can be expedited.</p>
<p>The delivery of the skills/learning outputs/outcomes not delivered as agreed with DLUHC.</p>	<p>Discussions between the Accountable Body and learning providers underway. Strategy and delivery models to be agreed. It is recommended to Board that an update is received at the next Board meeting.</p>
<p>A61 planning submission is not approved.</p>	<p>The programme team to work with the planning dept to resolve issues to get to the point that the planning team are able to recommend to approve.</p>



# TOWN CENTRE REGENERATION – DLUHC OUTPUTS



Outputs	Target	To be achieved by	On target to achieve?	Progress
Community Hub/ F&B (m <sup>2</sup> )	367	Mar 2026	Yes	Refurbishment of Block A will achieve this output.
Skills Hub & Library (m <sup>2</sup> )	1,394	Mar 2026	Yes	Refurbishment of Block B will achieve this output.
Workspace/Retail Units (m <sup>2</sup> )	420	Mar 2026	Yes	Creation of pop up units and refurbishment of Block A will achieve this output.
New net additional jobs (FTE)	55	Mar 2029	Yes	The creation of the Community hubs/F&B, workspace and retail units will achieve this output.
New public realm (m <sup>2</sup> )	3,241	Mar 2026	Yes	The Broadleys development and Market Street improvements will achieve this output.
Wider public realm improvements (m <sup>2</sup> )	9,490	Mar 2026	Yes	The new Leisure Centre, improved traffic/pedestrian spaces and event space will achieve this output.
Enterprises using commercial spaces	14	Mar 2029	Yes	The new pop up units on Broadleys and Block A will achieve this output.

# TOWN CENTRE REGENERATION - DLUHC OUTCOMES



Outcomes	Target	To be achieved by	On target to achieve?	Comment
Capacity of new/improved training facilities (additional learner p.a)	544	Mar 2026	Yes	Refurbishment of learning space and library will achieve this.
Additional number of learning/students/trainees completing courses (p.a)	252	Mar 2029	Yes	Learning through the Adult Education Centre, library and at Clay Cross Active will achieve this outcome.
Number of learners enrolled in new education and training courses (p.a)	224	Mar 2029	Yes	Learning through the Adult Education Centre, library and at Clay Cross Active will achieve this outcome.
Number of close collaborations with employers (p.a)	5	Mar 2029	Yes	Collaborations with employers at key sites including Block B, library and Clay Cross Active will achieve this outcome.

# LOW CARBON CHALLENGE FUND - UPDATE



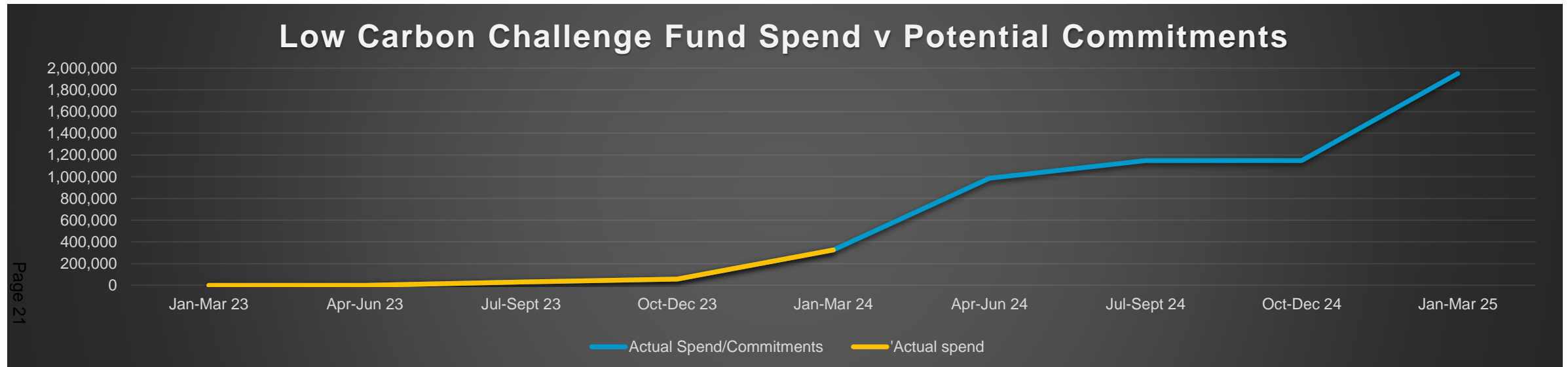
Timeframe	Budget	Project Summary
June 2023 - March 2026	£1.9m	Low Carbon Challenge Fund is a programme of support to help stimulate the transition to a low carbon economy and is targeted at developers of new homes and also at developers or tenants/owners of commercial property in the Clay Cross Town Deal area.

CURRENT RAG	KEY ACHIEVEMENTS	PROGRESS SUMMARY
Green	<ul style="list-style-type: none"> <li>6680 sq.m of commercial buildings have already been improved against the target of 6000 sq. m</li> </ul>	<ul style="list-style-type: none"> <li>Three case studies published in the Clay Cross News magazine and will be included in Clay Cross Matters newsletter to be delivered to all businesses in April 2024.</li> <li>12 applications have been approved totalling £325,128.</li> <li>7 Expressions of Interest received with a potential value of £455k.</li> <li>5 potential EOI's in development, not yet submitted totalling £205,890k.</li> <li>Energy appraisals have been carried out by PEP progressing the two exemplar schemes in development.</li> <li>Ongoing dialogue with NEDDC estates regarding energy efficiency benefits for existing tenants at Coney Green.</li> <li>Energy audits carried out on businesses in Clay Cross may identify energy saving interventions that could be funded through LCCF.</li> </ul>
PREVIOUS RAG		
Green		

# LOW CARBON CHALLENGE FUND RISKS AND SPEND



TOP THREE RISKS	MITIGATION
Low uptake results in failure to spend budget within programme time scales.	Significant marketing campaign undertaken and ongoing. Use of case studies to publicise benefits with regular contact with local businesses to promote the fund.
Failure to deliver contracted DLUHC outputs within programme time scales.	Targeted discussions with potential applicants to ensure the correct mix of projects are developed. This will ensure projects are able to deliver DLUHC outputs and outcomes.
Poor value for money for the work funded by LCCF.	Appointment of Professional Energy Purchasers now in place for appraisal of full applications to ensure value for money.



# LOW CARBON CHALLENGE FUND

## DLUHC OUTPUTS AND OUTCOMES



Outputs and Outcomes	Quantity	To be achieved by	On Target	Progress
New houses with improved (exemplar) energy consumption	60	March 26	Yes	Ensuring a minimum of 60 homes benefit from LCCF. Possible project with high profile residential developer will significantly contribute to the this output.
Enterprises receiving grant support	37	March 26	Yes	Ensuring a minimum of 37 enterprises are supported through LCCF. 12 supported to date.
Enterprises with improved energy consumption (production process)	37	March 26	Yes	Total number businesses/enterprise receiving grant funding, 12 supported to date.
Floor space with improved carbon performance M2	6,000	March 26	Achieved	Need to ensure enough businesses with adequate floor space are supported to help meeting this target. 6680 sq.m of commercial buildings have already been improved.
Sites generating electricity from renewable sources	2	March 26	Yes	Work underway to identify potential businesses that could meet outcome.
Innovative projects developed	5	March 26	Yes	Work underway to identify potential projects that could meet outcome, 1 EOI received.

# RAIL & ENERGY STRATEGY PROJECT UPDATES



PROJECT NAME	PROGRESS UPDATE	FUTURE ACTIVITY
<b>Local Area Energy Plan (Low Carbon Energy Network Strategy)</b>	<p>The Low Carbon energy network strategy now renamed the Local Area Energy Plan has been published.</p>	<p>The plan has fulfilled the primary purpose of shaping the Low Carbon Challenge Fund, however, it will be key to maintain visibility of the plan to help identify future opportunities.</p> <p>The Economic Development Unit visited an innovative mine water heating system at Gateshead in September. Further work underway to identify other innovative projects that may benefit Clay Cross.</p>
<b>Rail Station Feasibility</b>	<p>The Rail Feasibility Study has been published which completes the Town Deal funded project. Further work will be undertaken going forward to ensure that it remains on the agenda for the decision-making authorities.</p>	<p>Watching brief - Will maintain an overview of the Barrow Hill project and periodic contact with Network Rail and DFT to identify future opportunities.</p> <p>Potential to work with local partners to lobby central government to progress.</p>

## FOR THE BOARD TO NOTE:

**Clay Cross Active:** That the project is progressing well and remains on track. Demolition of the existing pool has commenced.

**Town Centre Regeneration:** The preferred main contractor for the works have been selected and work continues in readiness for the formal contract signing.

**Low Carbon Challenge Fund:** Interest from businesses continues to be high. Two innovative schemes are being explored.

**Rail Feasibility:** Maintain a watching brief.





## Clay Cross Town Board

22<sup>nd</sup> March 2024

## Clay Cross Town Deal

## Low Carbon Challenge Fund

Report By: Steve Lee, Assistant Director – Regeneration and Programmes

Contact Officer: Steve Lee, Assistant Director – Regeneration and Programmes

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### **PURPOSE / SUMMARY**

- To present to Clay Cross Town Board the progress of the Low Carbon Challenge Fund (LCCF).
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### **RECOMMENDATIONS**

That the Clay Cross Town Board note:

1. The progress made following the launch of the Low Carbon Challenge Fund (LCCF) in June 2023.
2. The need to release the second tranche funding, £500k, to cover the value of applications in assessment, in development and future projects.
3. The extension of the scheme closing date from December 2024 to December 2025.
4. The ratification of investment into NEDDC properties, subject to them meeting all LCCF assessment criteria.

### **IMPLICATIONS**

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Finance and Risk: Yes  No

#### **Details:**

The LCCF will be developed within budget for the grants element and the administration costs allocated to the facilitation and administration of the scheme.

On Behalf of the Section 151 Officer

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Legal (including Data Protection): Yes  No

#### **Details:**

The Council is the accountable body for the Clay Cross Town Deal and whilst the spirit of the Towns Fund and its intent, to be private sector- and community-led,

should be reflected in the governance and assurance framework, the Council and S151 Officer more specifically are responsible for ensuring robust process to protect the interest of the public.

On Behalf of the Solicitor to the Council

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**Staffing:** Yes  No

**Details:**

No staffing issues arising from this report. Primary delivery will be undertaken through existing officers identified to lead in the delivery of the Clay Cross Town Deal and supported by external advisors funded within the Town Deal budget.

On behalf of the Head of Paid Service

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## REPORT DETAILS

### 1 Background

- 1.1 Launched in June 2023, the aim of the Low Carbon Challenge Fund (LCCF) is an initiative to help accelerate the deployment and take-up of energy efficiency and renewable energy technologies in Clay Cross, reducing carbon emissions and stimulating and demonstrating innovation, ensuring Clay Cross becomes an example of community best practice within Derbyshire. The first tranche of funding of £645k has been received out of a total budget of £1.95m.
- 1.2 Applications from private enterprises and public sector organisations are within scope. Types of activity supported could include improved insulation, lighting, heating and renewable energy as well as exemplar technologies.
- 1.3 The following outputs will be delivered through LCCF, as agreed an contracted with the Department of Levelling Up, Housing and Communities (DLUHC):

Output	Quantity
New houses with improved (exemplar) energy consumption	60
Enterprises receiving grant support	37
Enterprises with improved energy consumption (production process)	37
Floor space with improved carbon performance m <sup>2</sup>	6,000
Sites generating electricity from renewable sources	2
Innovative projects developed (Exemplars)	5

- 1.4 The Board has previously requested that the funding is released in stages, or tranches, to meet demand and in consideration of overall programme budget, particularly in light of high inflation in recent years.

## 2 Report

- 2.1 The table below summarises LCCF already committed, proposal's at EOI stage and projects in development:

Status	Budget	Number Enterprises Benefitting/ Improved Energy Consumption	Floorspace with Improved carbon performance m <sup>2</sup>	Exemplars
LCCF currently allocated (approved)	£216,662	9	5,490	0
Endorsed EOIs in progress	£734,078	78*	Tbc	5
EOIs in development	£40,000	4	Tbc	1
Energy Advisor fees**	£40,000	-	-	-
<b>Total</b>	<b>£1,030,740</b>			
<b>Current LCCF monies</b>	<b>£645,000</b>			
Funding required to cover shortfall	£385,740			

\* Includes assumption of at least 5 enterprises supported through the Town Centre Regeneration Scheme, 3 from Clay Cross Active and up to 60 from Coney Green Business Centre.

\*\* Technical support provided by [Professional Energy Purchasing](#) to assess bids to ensure the proposal is effective and will deliver the proposed outputs.

- 2.2 The technical support to the programme has calculated that to date the approved projects have benefited from a collective total of £42,399.84 per annum energy savings from their interventions, with a carbon reduction of 37.14 tonnes per year. The current approved projects have benefitted from the following interventions: solar panels (6 businesses), internal heating and insulation, air source heat pump/solar/batteries and a new heating system. Publicity of these projects will roll out as installations complete.
- 2.3 At present the support for new housing element of the fund has not yet been publicised. Significant housebuilding has already taken place in Clay Cross, which limits opportunities for new investment, with a watching brief maintained for new developments. To mitigate the risk of not achieving any housing outcomes the accountable body approved an emerging opportunity of supporting enhancements at a development of 11 units for a total of £132,000. At £12,000 per unit the output cost is notably lower than the £15,000 per unit identified in the LCCF's business case.
- 2.4 As previously stated, applications from public sector organisations are eligible, to show good practice and maintenance of efficient public buildings and services. In order to maintain transparency NEDDC as the accountable body

wishes the Board to note that it has three applications in various progress of development all of which would qualify as exemplar projects. The projects are:

- Clay Cross Active - to increase the extent of solar panels to reduce running costs: £108,465.82. Additional benefits will also be achieved for the NHS and Citizen's Advice tenants. Board will note that when allocating £7m to Clay Cross Active, £1m was to support low carbon technologies. This has funded the installation of Air Source Heat Pumps, Solar PV and associated improvements to the fabric and building infrastructure. Following this investment there remains the roof space to increase the amount of solar panels from 120 to 360 (240 additional).
- Town Centre Regeneration Scheme - installation of solar panels on several of the new units: £161,896. To directly benefit tenants by reducing their ongoing running costs. The funding level may be refined as the application is developed, with between 5 and 16 businesses to benefit, depending on whether businesses letting the premises take multiple units.
- Coney Green Business Centre - a number of energy efficiency measures to significantly reduce the centre's utility bills and carbon footprint: £162,249. Investment would help reduce the centre's annual CO<sub>2</sub> emissions by over 105 tonnes and result in annual energy cost savings of circa £60,000, which will directly benefit approximately 60 enterprises based in the building.

2.5 The Council's projects are subject to the same level of external scrutiny and assessment as all other applications and although NEDDC owned buildings, as the premises are let to businesses, it is businesses that will indirectly benefit from the funding. Board ratification provides transparency when the accountable body assesses their own applications. The projects would deliver significant LCCF output and outcome numbers.

2.6 The Board originally requested that projects receiving funding from the initial release of £645,000 should be completed by December 2024. It should be noted that if this deadline is not extended beyond this date it will exclude the LCCF allocated to the new town centre units, and potentially a number of the EOIs not yet fully developed. Therefore, it is proposed to extend the deadline for project completion for all current and future proposals to December 2025, which will meet the Town Deal financial deadline date of March 2026.

2.7 Demand from businesses is good, with a potential shortfall of £385,740 if all applications in progress and development are approved. It is therefore felt prudent to release an additional £500,000 at this time to ensure current and future activity is funded. The remaining unallocated funds would be released in due course subject to consideration against demand elsewhere in the programme. Unallocated funds are sufficient to balance overall programme risk, should it be required.

#### **4. Reasons for Recommendations**

4.1 The recommendations will allow for the retention of overall programme flexibilities should demands arise from other areas of the Town Deal Programme, whilst maximising outputs and outcomes, and allowing for greater development and delivery time for emerging proposals.

## 5 Alternative Options and Reasons for Rejection

- 5.1 In order to deliver the outcomes and outputs agreed with DLUHC through the Low Carbon Challenge Fund business case it is difficult to identify alternative options. Naturally the board could decide not to support the recommendations which would create the risk of not being able to deliver the agreed outputs and outcomes. This would likely result in NEDDC, as accountable body, considering the risk with DLUHC.

### DOCUMENT INFORMATION

Appendix No	Title
<b>Background Papers</b> (These are unpublished works which have been relied on to a material extent when preparing the report)	