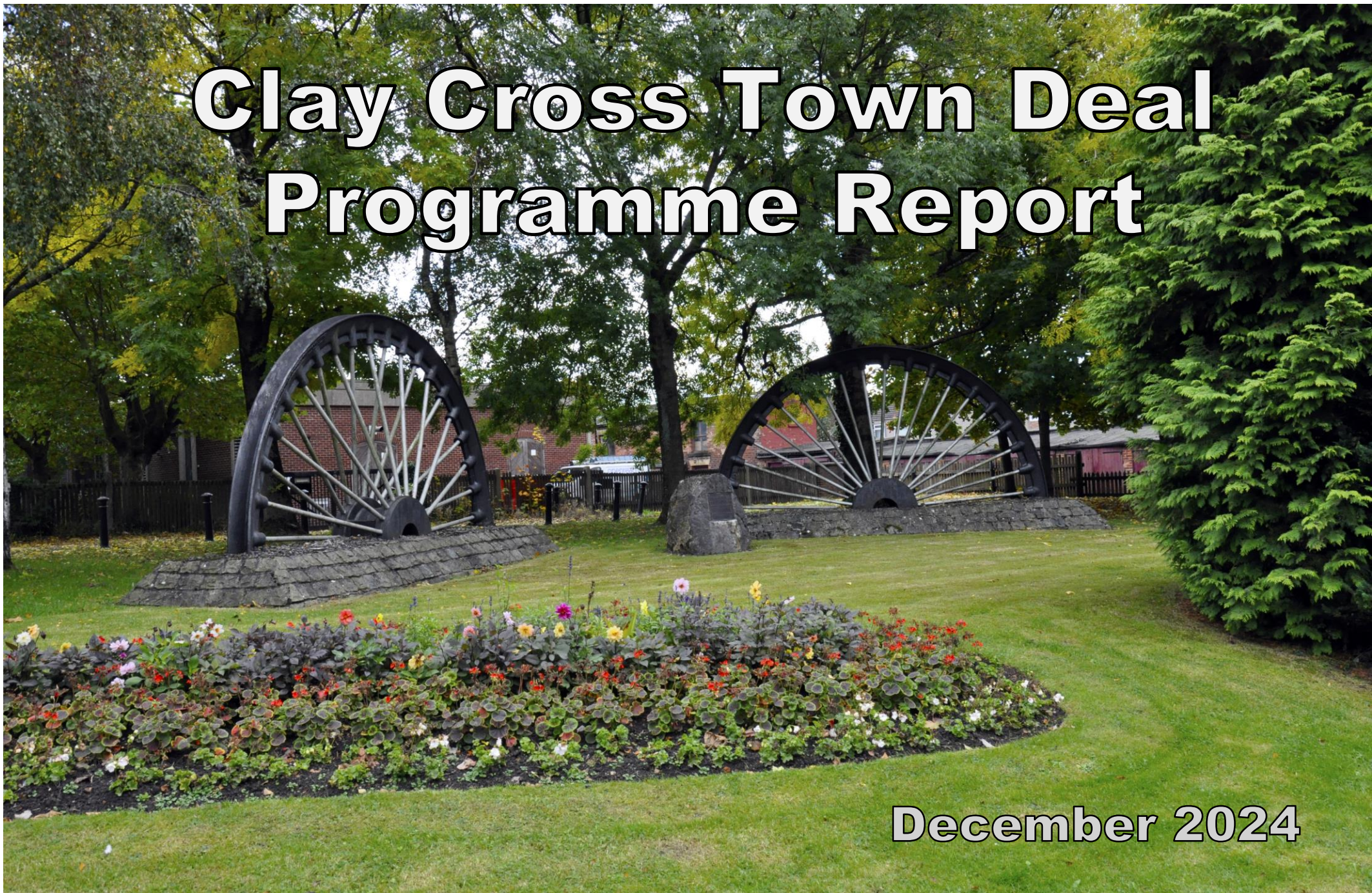


Clay Cross Town Deal Programme Report



December 2024

PROGRAMME UPDATE

DECEMBER 2024

SUMMARY

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

Clay Cross Active:

- Replacement contractor, Universal Civils and Building, have been appointed to as the principal contractor for Clay Cross Active, replacing ISG who went into administration.

Town Centre Regeneration:

- Site clearance and cut/fill complete to Bailey Square with drainage and ground works commencing. Block B demolition works complete with façade retention progressing.

Low Carbon Challenge Fund:

- Applications to scheme have slowed.

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
- On Target
- Overdue
- ▲ Unlikely To Meet Target



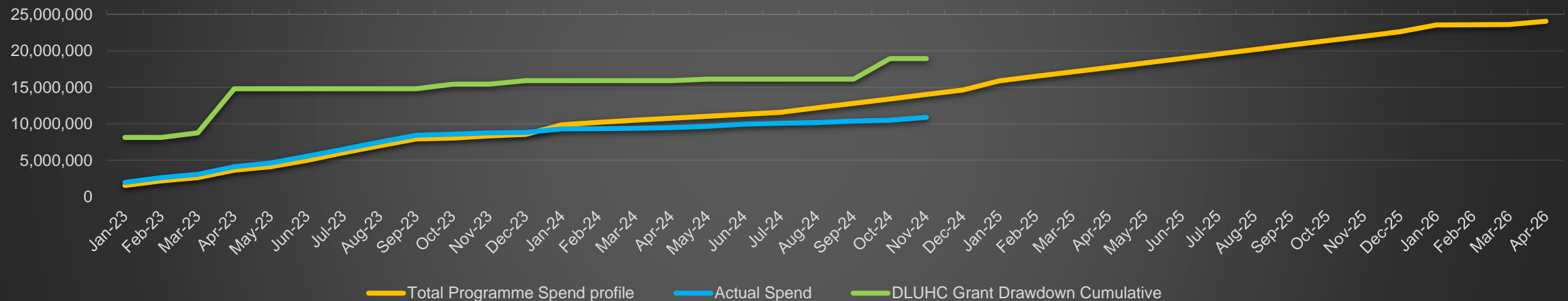
Project	£	Key Milestones					
		2024/25				2025/26	
		Apr – Jun Q1	Jul – Sept Q2	Oct – Dec Q3	Jan – Mar Q4	Apr-Sept H1	Oct-Mar H2
Clay Cross Active Start: Jan 2023 End: Jan 2025 (Programme slipped to early summer 25)	£7m	<ul style="list-style-type: none"> ● Construction underway 	<ul style="list-style-type: none"> ● Construction underway 	<ul style="list-style-type: none"> ▲ Construction due to complete ● New contractor procured 	<ul style="list-style-type: none"> ▲ CCA re-opening ■ Construction underway 	<ul style="list-style-type: none"> ■ CCA to re-open 	
Town Centre Regeneration Start: Jan 2023 End: Mar 2026	£14.8m	<ul style="list-style-type: none"> ● A61 planning app approved ● Acquisition of Block A ● Block A & Broadleys units construction underway 	<ul style="list-style-type: none"> ● Broadleys Prelims work continue 	<ul style="list-style-type: none"> Construction underway – ■ Bridge St ▲ Market St 	<ul style="list-style-type: none"> ▲ Block A works complete 	<ul style="list-style-type: none"> ■ Landscaping starts – Broadleys ■ Bridge St works complete ■ Market St works start 	<ul style="list-style-type: none"> ■ Works on Block B to commence ■ Block A, Broadleys and Baileys Square works complete
Low Carbon Challenge Fund Start: June 2023 End: March 2026	£1.9m		<ul style="list-style-type: none"> ● Continue business engagement 	<ul style="list-style-type: none"> ● Continue business engagement 	<ul style="list-style-type: none"> ▲ Continue business engagement 	<ul style="list-style-type: none"> ▲ Continue business engagement 	<ul style="list-style-type: none"> ■ Programme complete March 26

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 possible and necessary to bring projects within budget.
The Town Regen contract has yet to be signed with Inside Limited, who continue to work under a letter of intent.	Work progressing and being invoiced against formal purchase orders whilst the overall contract is finalised.
Failure to meet the outputs/outcomes as specified in the Clay Cross Town Deal Business Cases.	To be closely monitored by Senior Leadership Team and project team level, to put in place mitigating actions where necessary.

Clay Cross Town Deal Programme Overview



CLAY CROSS ACTIVE - UPDATE



Timeframe	TD Budget	Project Summary
Start: Jan 2023 End: Jan 2025 Revised to early summer 2025	£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
Red	<ul style="list-style-type: none"> A replacement contractor has been selected to complete the CCA project. 	<p>Following ISG's administration the Council, through its development partner Alliance Leisure (& UK Leisure Framework), have selected Universal Civils and Build as the principal contractor and have provided NEDDC with a new proposal to complete the development.</p> <p>NEDDC are considering the proposed increase in cost and funding options. An expected completion date has been identified early summer 2025. This has impacted on the budget for Clay Cross Active.</p>
PREVIOUS RAG		
Amber/Red		<p>Several partners have been engaged, and options are being looked at to explore funding opportunities. An Extraordinary Town Board meeting was held on 27th November 2024 to review the current budget position and discuss next steps for resolution.</p>

CLAY CROSS ACTIVE - RISK & SPEND



Top Three Risks	Mitigation
<p>Project cost-The financial impact to the Council of ISG failing has been considerable.</p>	<p>NEDDC Cabinet approved to progress and fund the project to completion at its meeting on 21st November 2024. However, this financial strain necessitates urgent additional support to cover the unexpected costs and mitigate further delays. In light of this situation, the Council's Assistant Director – Leisure wrote to the Clay Cross Town Deal Board requesting further financial support. The Council also wrote to Sport England, another funder of Clay Cross Active, to request further funding support. This request is being considered favourably, and a meeting is arranged on 28th November 2025 with Sport England to progress this further.</p>
<p>Programme-Completion for the project will be extended from 20/12/24 to early summer 2025 due to ISG administration.</p>	<p>Following Cabinet approval contracts will be finalised with Universal Civil and Build and works will re-start on site in the coming weeks. Design Team meetings will re-start so the programme and quality of works can be monitored and challenged frequently.</p>
<p>Sub-contractor engagement and defects period.</p>	<p>Universal, Hadron and Alliance Leisure will continue to engage with sub-contractors to return to site wherever possible and complete their works within the set budget. Some key contractors have been secured (Pool plant, Tiling, Doors, Lifts, etc.) providing continuity and warranties for some high-risk items. On-going risks remain from potential defects which could result in additional costs due to changes in sub-contractors, however, further financial support from funding partners will help mitigate (or de-risk) this element if secured.</p>

CLAY CROSS ACTIVE – MHCLG OUTPUTS AND OUTCOMES

Outputs and Outcomes	Target	To be achieved by	On target to achieve?	Progress
New/upgraded protected sports centre	1	TBC	Yes	Completion of Clay Cross active will achieve this output.
New /upgraded cycle/walking path km/Total length of pedestrian paths improved	3	TBC	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 (m ²)	4,800	TBC	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	TBC	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	TBC	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	£14.8m	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, enhancement of the 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 the Broadleys area (now known as Baileys Square) to provide flexible accommodation for businesses.	
Current RAG	Key Achievements	Progress Summary	
Amber	<ul style="list-style-type: none"> Site clearance and cut/fill complete to Bailey Square with drainage and ground works commencing. 	<ul style="list-style-type: none"> Workshop complete for Block A Design Building survey complete of contentious party wall to Bailey Square. S278 agreement for Market Street awaiting final sign off (minor item to close out only). Traffic Regulation Orders consultation has closed, awaiting feedback from DCC. 	
PREVIOUS RAG	<ul style="list-style-type: none"> Block B demolition works complete with façade retention progressing. 	<ul style="list-style-type: none"> Project team working with the contractor and aiming to be in contract December 2024. 	
Amber		<ul style="list-style-type: none"> Design workshops pending for Block B and Baileys Square Units. DCC Library staff are feeding into the scope for the new library. Discussions underway between learning providers to agree future delivery models which will achieve the outputs. 	

TOWN CENTRE REGENERATION – LOOKING AHEAD

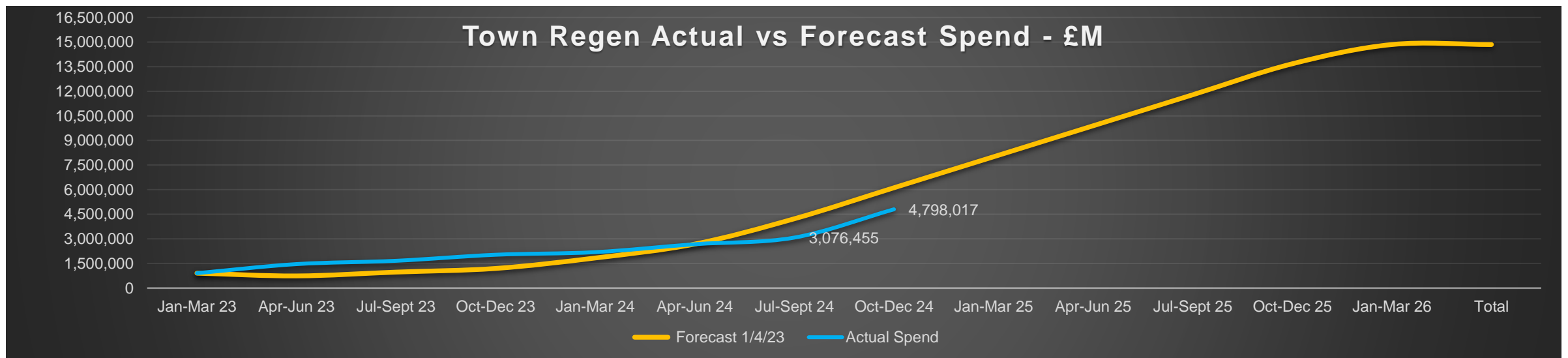


NOVEMBER 24	DECEMBER 2024	JANUARY 2025
<ul style="list-style-type: none">• Preparation for incubation slab• Drainage trenches commenced• Block A front façade demolition• Block A roof removal• Façade retention	<ul style="list-style-type: none">• Incubation units - slab pours to 1 and 2 units• Drainage and service ducting• Block A basement infill• Service ductwork	<ul style="list-style-type: none">• Piling to start block A• Steel erection unit 1 and 2• Incubation units - Slab pours to 3,4 and 5 units

TOWN CENTRE REGENERATION – RISK AND SPEND



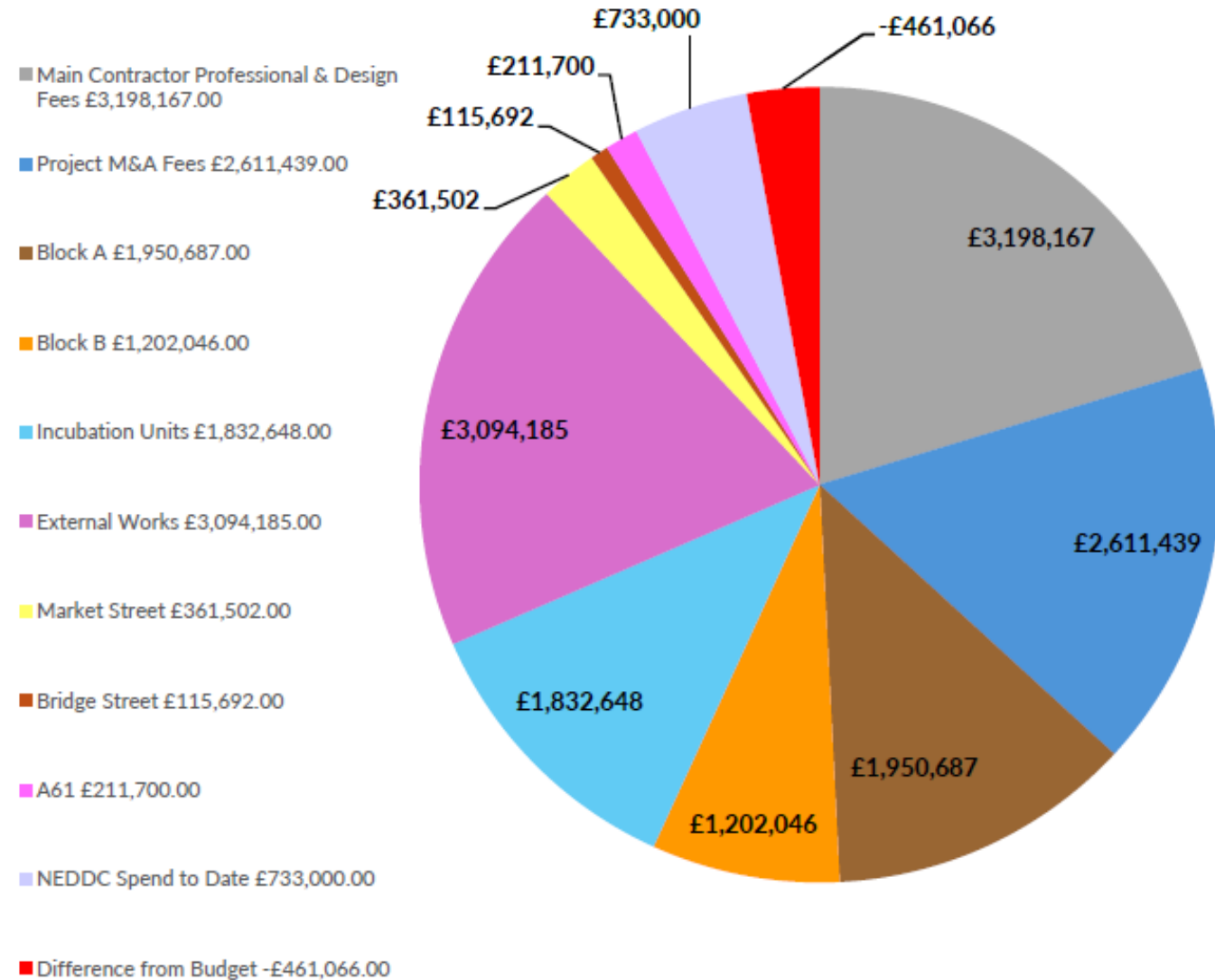
Top Risks	Mitigation
Objections raised from the TRO consultation may cause delays to the project.	No mitigation at present until the results are known.
The 278 connection works technical approval from DCC are outstanding and the delay may impact the programme further. Traffic Regulation Order (TRO) currently have a six month plus approval time which may impact the programme.	DCC to advise on timeline for technical approval to be granted and how the TRO's can be expedited. Deadline for TRO consultation has passed, awaiting feedback from DCC.
Key stakeholders will not confirm/commit their skills delivery provision as agreed with DLUHC due to external economic influences.	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.



TOWN CENTRE REGENERATION – BUDGET

The pie chart illustrates current budget allocations to various elements of the project.

These figures are subject to adjustments due to ongoing value engineering exercises currently taking place.



TOWN CENTRE REGENERATION – MHCLG OUTPUTS



Outputs	Target	To be achieved by	On target to achieve?	Progress
Community Hub/ F&B (m ²)	367	Mar 2026	Yes	Refurbishment of Block A will achieve this output.
Skills Hub & Library (m ²)	1,394	Mar 2026	Yes	Refurbishment of Block B will achieve this output.
Workspace/Retail Units (m ²)	420	Mar 2026	Yes	Creation of business/commercial 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 ²)	3,241	Mar 2026	Yes	The Broadleys development and Market Street improvements will achieve this output.
Wider public realm improvements (m ²)	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 business units on Broadleys and Block A will achieve this output.

TOWN CENTRE REGENERATION - MHCLG 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.

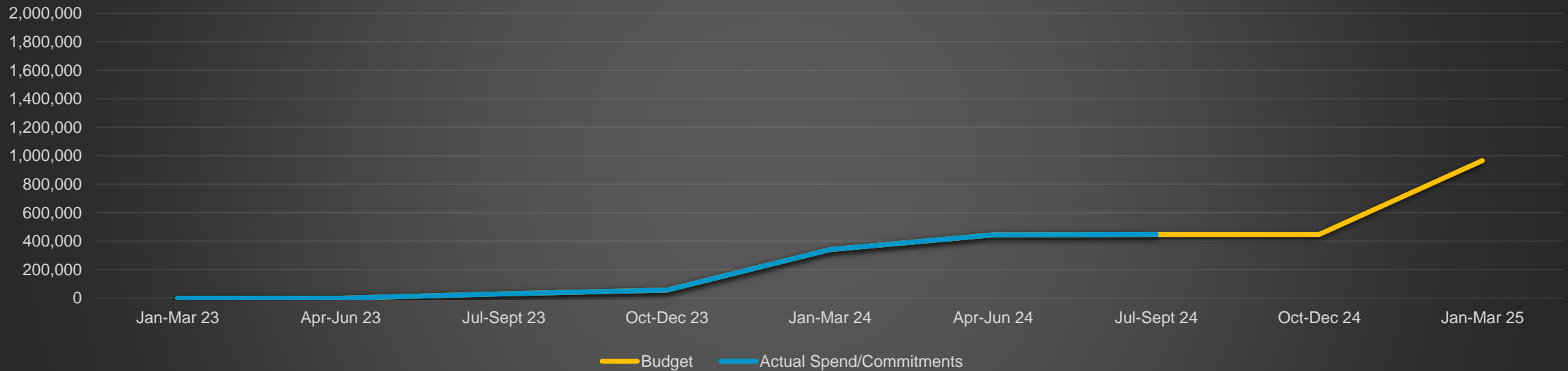
Current RAG	Key Achievements	Progress Summary
Amber	<ul style="list-style-type: none"> Current allocation £1.145m out of a total budget of £1.9m budget Total Spend and commitments £538,322k 	<ul style="list-style-type: none"> 18 applications have been approved supporting 22 enterprises. £538,322 currently spent and committed to date. Unlikely that any further residential schemes will be developed, despite previous discussions with potential developers.
Green	<p>PREVIOUS RAG</p> <ul style="list-style-type: none"> EOI potential value £183,678k 	<ul style="list-style-type: none"> Energy appraisals have been carried out by PEP progressing the two exemplar schemes in development, one of which has been supported. 10 projects benefiting from support from LCCF are generating electricity from renewable sources.

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 MHCLG 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 MHCLG outputs and outcomes.

Low Carbon Challenge Fund Budget v Potential Commitments



LOW CARBON CHALLENGE FUND

MHCLG OUTPUTS AND OUTCOMES



Outputs and Outcomes	Quantity	To be achieved by	Achieved to date	Progress
New houses with improved (exemplar) energy consumption	60	March 26	11	Unlikely further opportunities to achieve this output will be identified.
Enterprises receiving grant support	37	March 26	22	Total number businesses/enterprise receiving grant funding.
Enterprises with improved energy consumption (production process)	37	March 26	22	Total number businesses/enterprise receiving grant funding.
Floor space with improved carbon performance (m ²)	6,000	March 26	15,321	Target exceeded.
Sites generating electricity from renewable sources	2	March 26	10	Target exceeded. 10 projects received LCCF support to generate electricity via renewable sources.
Innovative projects developed	5	March 26	1	Global Brands: installation of HVO refuelling station and other energy efficient interventions including lighting, solar panels and battery storage.

FOR THE BOARD TO NOTE:

Clay Cross Active: Appointment of Universal Civils and Build as the principal contractor. Slippage to programme timetable, centre now expected to open early summer 2025.

Town Centre Regeneration: Preliminary works progressing with contract expected to be signed later this month.

Low Carbon Challenge Fund: Interest from businesses has slowed.

Rail Feasibility: Maintaining a watching brief.

