

## EXECUTIVE 19<sup>th</sup> May 2022

<b>Report Title</b>	<b>Corby Town Centre to Station Link (Oakley Road) and Smart and Connected Corby combined Summary Business Case Document</b>
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<b>Lead Member</b>	Cllr David Brackenbury, Executive Member for Growth and Regeneration

<b>Key Decision</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<b>Is the decision eligible for call-in by Scrutiny?</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<b>Are there public sector equality duty implications?</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Does the report contain confidential or exempt information (whether in appendices or not)?</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Applicable paragraph number/s for exemption from publication under Schedule 12A Local Government Act 1972</b>	

### List of Appendices

None

### 1. Purpose of Report

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- 1.1. To approve the submission of a Business Case Summary Document for the Corby Town Centre to Station Link (Oakley Road) and Smart & Connected Corby (combined projects), two of the four projects of the Corby Town Fund to the Department of Levelling Up, Communities and Housing (DLUHC). If approved by North Northamptonshire Council (NNC) and subsequently approved by DLUHC, the £8.9m of combined allocated funds for these projects will be available for drawdown and the commencement of these projects.

### 2. Executive Summary

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- 2.1. Corby Borough Council applied for funding to the government's Towns Fund. This application was accepted by DLUHC and in June 2021, the Executive considered and agreed the Heads of Terms for the Corby Town Fund, which were then submitted to DLUHC.

- 2.2. The funding bid accepted in principle was to the value of £19.9m for four projects detailed within Corby's Town Investment Plan (TIP) allocated as below:

<b>Project</b>	<b>Allocation (m)</b>
Sixth Form College	£9.50
Corby Town to Station link road	£8.59
Multi-use building	£1.50
Smart and Connected Corby	£0.31

- 2.3. Acceptance of these projects by DLUHC means that NNC is now required to develop individual business cases for each of the four projects. Each of the business cases must follow the guidelines set by government through "The Green Book 2020"<sup>[1]</sup>.
- 2.4. The Corby Town Centre to Station Link (Oakley Road) and Smart & Connected Corby projects are being combined into one summary business case due to their similarities around active travel etc. This amalgamation has potentially saved time and money in relation to business case development.
- 2.5. These projects are being planned and developed as intended. They are scheduled to commence the next stage which is detailed design in September 2022. Acceptance of the Business Case Summary Document by DLUHC will unlock the £8.9m funds allocated for these projects.

<sup>[1]</sup> The Green Book: appraisal and evaluation in central government - HM Treasury guidance on how to appraise and evaluate policies, projects, and programmes - [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/938046/The\\_Green\\_Book\\_2020.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/938046/The_Green_Book_2020.pdf)

### **3. Recommendations**

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- 3.1. It is recommended that the Executive:
- a) Delegate to the Executive Director of Finance, in consultation with the Executive Director of Place & Economy, and Executive Member for Growth & Regeneration authority to prepare and submit the Business Case Summary Document to DLUHC for;
    - Corby Town Centre to Station Link (Oakley Road); and
    - Smart & Connected Corby
  - b) Approve the drawdown of funding for these projects once released by the DLUHC.
- 3.2 Reasons for Recommendations –
- The submitted Business Case Summary Document, if approved by DLUHC will unlock the funding for these projects to the sum of £8.9m.

- Once funds are received, each project can commence. It is estimated these projects will commence their next stage in September 2022.

3.2. Alternative Options Considered - The only alternative option would be to not submit the Business Case Summary Document and therefore not to drawdown the remaining funding of £8.9m (less the 5%, approx. £445k already received from DLUHC). The consequences of this would mean that the Corby Town Centre to Station Link (Oakley Road) and Smart & Connected Corby projects could not be delivered. These projects are deliverable projects which benefits Corby and the surrounding area. The link road project proposes to provide improvements to this road from the train station, past Tresham College to the town centre encouraging active travel. The sensor network aims to provide valuable data to build a picture of pedestrian and cyclist use to develop future schemes in the area. This option is, therefore, not a viable alternative to consider.

#### **4. Report Background**

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- 4.1. In September 2019, DLUHC (formally the Ministry for Housing Communities and Local Government (MHCLG)) announced 101 towns who were eligible to bid for up to £25m each through the Towns Fund. The objective of the Towns Fund is to drive the economic regeneration of towns for long-term economic and productivity growth. This was approved by Corby Borough Council's (CBC) One Corby Policy Committee in December 2019 (stage 1) and January 2021 (stage 2) to:
- 1) Establish a Town Investment Plan for Corby - by the formation of the Town Deal Board and to produce a Town Investment Plan (TIP).
  - 2) Use the TIP to bid for Town Deal funding – bid for £25m for the four projects selected by the Town Deal Board.
- 4.2. On 8<sup>th</sup> June 2021, government confirmed that the Corby Town Deal had been successful in securing £19.9m for the four projects detailed in the TIP.
- 4.3. On 22<sup>nd</sup> June 2021, the Executive agreed to delegate authority to the Leader and Portfolio Holder for Growth and Regeneration, in consultation with the Chief Executive and Executive Director of Place and Economy, to approve and sign Heads of Terms in connection with Corby's Town Fund from DLUHC. Following this, the Heads of Term were reviewed by the Leader and Portfolio holder for Growth and Regeneration and signed by the Chair of the Town Deal Board and North Northamptonshire Council's (NNC's) Section 151 Officer.
- 4.4. Following the submission of the signed Heads of Terms on 29<sup>th</sup> June 2021 to DLUHC an Options Appraisal paper was taken to the Town Deal Board on 6<sup>th</sup> August 2021 to approve the relocation, phasing and scaling back of the projects to bridge the £5.1m funding gap between the bid amount of £25m and the awarded fund amount of £19.9m.
- 4.5. DLUHC confirmed that it would automatically release a payment of 5% of the approved £19.9m funding, which is £995,000, to allow the development of the

business cases and the initial progression of these projects.

- 4.6. In November 2021, a paper was taken to Executive to approve the early release of this fund (£995,000) award to the Capital Programme to fund the design work, feasibility studies and business case development.
- 4.7. KierWSP was appointed by the Council to conduct initial design works and to formulate a combined business case for these two projects. KierWSP have completed their business case, and this has been reviewed by officers who are specialists in their fields. Therefore, it is proposed that the Business Case Summary Document is submitted within the set deadline of June 2022. This will, once approved by DLUHC, unlock the balance of the £8.9m funds allocated by DLUHC for these projects. The DLUHC approval processes will take approximately 2 months.
- 4.8. On 17<sup>th</sup> March 2022, a similar report was approved by Executive on the Corby Town Fund - Sixth Form College Summary Business Case Document (also part of this funding pot). This report delegated authority to prepare and submit the Business Case Summary Document to the Executive Director of Finance, in consultation with the Executive Director of Place and Economy. Approval was also given to submit this document to DLUHC and the subsequent drawdown of these funds.
- 4.9. The final project in this programme is the Multi-use Building. This project has been granted a six-month extension by DLUHC from June 2022 to the end of December 2022. Executive will be presented with a similar report for approval before this time.

## **5. Issues and Choices**

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- 5.1. Throughout the development of the Town Fund various options have been considered which have been in line with the governments 'Green Book' guidelines and NNC's Constitution. It is proposed to submit the Business Case Summary Document to DLUHC within the timeframe given. This business case delivers two of the schemes identified in the Corby Town Fund bid.
- 5.2. The only alternative option would be to not submit the Business Case Summary to DLUHC, the consequence of this would be that both the Corby Town Centre to Station Link (Oakley Road) and Smart & Connected Corby projects could not be delivered. These projects are deliverable projects and benefit the residents of Corby and the surrounding area. The link road project proposes to provide improvements to this road from the train station, past Tresham College to the town centre encouraging active travel. The sensor network aims to provide valuable data to build a picture of pedestrian and cyclist use to develop future schemes in the area. This option is, therefore, not a viable alternative to consider.

## **6. Next Steps**

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- 6.1. The next stage in the process is for the Council to submit the Business Case Summary document to DLUHC. This document is required to be signed by the Council's Section 151 Officer; therefore, it is proposed that authority to sign the submission be delegated to the Council's Section 151 Officer (that is the Executive Director of Finance) in consultation with the Executive Director for Place and Economy. The Summary Business Case document will also be submitted to the Town Deal Board's Chair for comment.
- 6.2. If Executive approval is granted for the Summary Business Case document to be submitted to DLUHC, it will be submitted on time in June 2022. This document will then be reviewed by DLUHC. Once the assessment is complete and the summary business case approved, the Council will be able to draw down the balance of the funds.
- 6.3. It is anticipated that the projects will move to the next stage in September 2022 shortly after DLUHC approval is given. This next stage will see the commencement of the detailed design work for these projects.

## **7. Implications (including financial implications)**

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### **7.1. Resources, Financial and Transformation**

- 7.1.1. This funding was awarded to the Council on 8<sup>th</sup> June 2021 by government. Corby TIP proposed a range of projects as part of its submission to government. This included the Corby Town Centre to Station Link (Oakley Road) and the Smart and Connected Corby projects, which were allocated a combined £8.9m. The Corby Town Centre to Station Link has a match funding of £0.8m from S106 monies.
- 7.1.2. The investment, if approved by DLUHC, into a new link road and smart sensor network would revitalise this area of Corby. It would be transformational in terms of supporting the active travel agenda set by government. It would see this busy 1950's designed road regenerated to meet the current needs for all road users. It would follow the governments guidelines (LTN 1/20) where possible to provide separate lanes for pedestrians, cyclists and motorists running safely alongside each other.
- 7.1.3. The sensor network aims to provide data which will give invaluable information on how these roads are being used, such as, which direction people are travelling into the town centre and by which mode of travel. This information can then be utilised to inform further initiatives.
- 7.1.4. These combined projects are due to go to Strategic Capital Board on 23<sup>rd</sup> May 2022 to seek approval for the setting up of the two budgets, one for each funding allocation.

## 7.2. Legal and Governance

7.2.1. A working group has been assembled within the Council which contains various subject matter experts to advise and review the Business Case and the Business Case Summary document to ensure all documents are robust and give assurances of the content contained within.

## 7.3. Relevant Policies and Plans

7.3.1. The Corby Town Fund projects and in particular, these combined projects will help to deliver our vision for North Northamptonshire “*We will help people live healthier, more active, independent, and fulfilled lives.*”

7.3.2. This scheme will contribute to 3 out of 6 of NNC’s key commitments:

1. *Active, fulfilled lives: We will help people live healthier, more active, independent, and fulfilled lives.* - Active travel is at the core of both of these projects.
2. *Safe and thriving places: We will enable a thriving and successful economy that shapes great places to live, learn, work and visit.* – These projects will help to drive the economic regeneration of the area which aligns with the criteria set out in the Town Fund guidance.
3. *Green, sustainable environment: We will take a lead on improving the green environment, making the area more sustainable for generations to come.* – Public realm improvements of this busy road are another aim of the link roads objectives, to make this a pleasant journey for both the residents and visitors to Corby. Both projects will encourage active travel which, over time, will potentially see a reduction in motorised use in these areas.

7.3.3. The Corby Town Fund projects also bring forward the principles identified in the North Northamptonshire Joint Core Strategy and Part 2 Corby Local Plan formally adopted at North Northamptonshire’s Full Council Meeting on 29<sup>th</sup> September 2021. Both plans are underpinned by extensive consultation and a robust evidence base, which has further helped to inform and shape the preparation of the TIP and the projects within.

## 7.4. Risks

7.4.1. The main significant risk associated with these projects are the initial costs. The link roads costs are higher than the allocated funds available. To mitigate this risk the scheme will be reduced and phased. An options paper was taken to the Town Deal Board to approve this planned action. Another risk for both projects is the risk of missing funding as a consequence of missing DLUHC timescales. This is alleviated by allowing significant time buffers to counter act any delays.

7.4.2. The risks regarding the delivery of these projects are considered as part of the project management process and are recorded and monitored in the Risk Register. These are regularly reviewed and discussed at the Corby Town Deal Working Group.

7.4.3. Further risks identified are the rising costs of materials impacting most projects due to the increased demand in the construction sector, combined with the impacts of the pandemic and logistic issues, which has resulted in unprecedented shortages, delays and ultimately, increased prices. This has been mitigated with a risk allowance of 30% and an inflation calculation of 3.7%. This will be monitored, and further work will be undertaken to assess the risk in more detail in the next stage, the detailed design works.

## **7.5. Consultation**

7.5.1. The Town Fund involved a range of engagement with Corby residents through several platforms. Engagement has been ongoing with various stakeholders through the Town Deal Board Members and ongoing discussions with other partners.

7.5.2. Engagement will continue throughout this project with residents and businesses in the Corby area, such as, workshops, market research and online surveys.

7.5.3. Statutory consultation will be conducted in accordance with planning guidelines.

## **7.6. Consideration by Executive Advisory Panel**

7.6.1. This scheme has been considered by the Executive Advisory Panel for Climate Change, Environment & Growth on 27<sup>th</sup> April 2022. Key points raised regarding the stair access to the train station and their accessibility, this will be looked at again in depth in the detailed design phase. Consultation will also be conducted with various stakeholders.

## **7.7. Consideration by Scrutiny**

7.7.1. As the project and work progresses there will be opportunities for scrutiny to look at and scrutinise this important regeneration project for Corby.

## **7.8. Equality Implications**

7.8.1. There are no specific equality implications relating to this business case. However, equality is something that has been considered to ensure both these projects are, once funding is secured, able to provide where feasible projects which are accessible to all.

## 7.9. Climate Impact

7.9.1 These projects will seek to minimise climate/environmental impact and will strive to encourage active travel which, over time will potentially see an improvement to the air quality in this area. A small number of sensors are being considered to be for the purpose of air quality monitoring, this will allow these areas to be monitored over time including the link road.

## 7.10 Community Impact

7.10.1 This intervention will potentially drive the sustainable economic regeneration of the area for long-term economic growth which meets local need, has local support, and aligns with the criteria set out in the Town Fund guidance.

## 7.11 Crime and Disorder Impact

7.11.1 There are no specific crime and disorder implications relating to this business case. The link road project will need a planning application which will include the consultation with statutory bodies including the police to ensure that any crime and disorder issues are addressed.

## 8 Background Papers

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8.1 Towns Fund Prospectus

<https://www.gov.uk/government/publications/townsfund-prospectus>

8.2 Towns Fund Further Guidance

<https://www.gov.uk/government/publications/towns-fund-further-guidance>

8.3 Executive report – Corby Town Fund 22<sup>nd</sup> June 2021

<https://northnorthants.moderngov.co.uk/ieListDocuments.aspx?CId=142&MIId=537&Ver=4>

8.4 Executive Report – Corby Town Investment Plan Programme of projects 18 November 2021

<https://northnorthants.moderngov.co.uk/ieListDocuments.aspx?CId=142&MIId=326&Ver=4>