

Time Commenced – 6.00pm
Time finished – 7.29pm

Communities Scrutiny Review Board
12 September 2022

Present: Councillor Dhindsa (Chair)
Councillors Atwal, Hezelgrave, Cooper and Prosser

In Attendance: Catherine Williams – Head of Regeneration and Major Projects
Melanie Elliot - Regeneration Manager
Simon Riley – Strategic Director of Corporate Resources & S151 Officer
Phil Derbyshire - Head of Property Projects and Technical Services
Richard Thomas - Major Projects Manager

10/22 Apologies for Absence

Apologies were received for Councillor T Pearce and Councillor Pattison.

11/22 Late items introduced by the Chair

There were none.

12/22 Declarations of Interest

There were none.

13/22 Minutes of the meeting held on 11 July 2022

The minutes of the meeting held on 11 July 2022 were agreed as an accurate record.

14/22 Eastern Gateway update

The Board received a presentation on the Eastern Gateway project. This was presented by the Head of Regeneration and Major Projects and the Regeneration manager.

The Board noted that the Council had been successful in securing Future High Streets Fund (FHSF) to deliver transformational change on the high street, drive economic growth, increase vibrancy, and support the recovery of the city centre. It was reported that in February 2021, Cabinet approved the FHSF programme and allocations to projects. It was noted that DLUHC had confirmed the FHSF award of £15M FHSF grant to the Derby Programme and that a Memorandum of Understanding was in place to govern the use of this funding.

It was reported that on 6 October 2021, Cabinet approved the addition of the Eastern Gateway project budget of up to £5.097m (£5m grant to the owners of Derbion Centre and £0.097m DCC costs) to the Council's capital programme, to be funded wholly by FHSF, and subject to PMO approval of the grant agreement terms and conditions.

It was noted that the owners of the Derbion Centre had continued with the scheme design and had reviewed their development appraisal and cost estimates to reflect current market conditions. This had resulted in an estimated scheme cost increase due to construction cost inflation along with an increase in land assembly and acquisition costs.

It was reported that the estimated revised total cost of the scheme was £14.295m, resulting in a funding gap identified as a result of the cost increases. It was noted that a maximum additional grant funding contribution of £1.639m was being sought from the Council to contribute to funding this gap together with the owners of the Derbion Centre.

It was noted that the PMO Board would review the terms of the grant agreement between the Council and the owners of the Derbion Centre prior to it being entered into. There would be one grant agreement covering both FHSF and Council funding and covering both Stages 1 and 2 of grant drawdown. It was reported that the Project SRO and Project Manager would bring a report to the PMO Board that detailed the terms and conditions of the grant agreement, progress on achieving the conditions of the agreement, a project programme, grant spend profile and risk register for the Board's consideration. This review would then inform the final delegated decision to enter into the grant agreement.

It was noted that the Board would be provided with an update on this project once the next milestone had been met.

A councillor commented that the Eagle Market and the theatre were being demolished. The councillor questioned where the proposed new ramp into the Derbion would lead to. It was noted that the owners of the Derbion were in dialogue with the Council and that the Derbion would be utilising this space in some form.

A councillor asked whether a staircase would be fitted alongside the new ramp. The Regeneration Manager agreed to look into this.

The Board Resolved:

- 1. to note the report and presentation.**
- 2. to recommended that no further additional costs to this project are borne by the Council and that the £1.639m grant is only spent once all conditions have been met.**

- 3. to recommend that the Council holds discussions with the owners of the Derbion on what the new ramp entrance will lead to.**

15/22 Market Hall update

The Board received a presentation on the Market Hall project. This was presented by the Head of Property Projects and Technical Services and the Major Projects Manager.

The Board noted that the first phase of work to transform Derby's historic Market Hall into an attractive retail and leisure destination fit for the future was now complete. It was reported that work was set to start soon on the second phase, which would focus on refurbishing the interior and developing the exterior public space at Osnaburck Square – a key entrance to the Grade II listed building.

It was noted that Wates Construction, which had an extensive track record of heritage restoration projects around the UK, had been leading an expert project team of local architects and engineers on the flagship project, comprising Latham Architects, Rogers Leask, and Clancy Consultants.

It was reported that when it reopened, the Market Hall would include both traditional and themed markets, events, one-off or pop-up uses, make and trade spaces, and small performances – with a greater emphasis on food and drink to attract a wide range of businesses and visitors. Located at the heart of the city centre, linking Derbion and St Peter's Quarter to the Cathedral Quarter and Becketwell, it would also play a key role in widening the diversity of the city centre economy.

The Board noted that the work completed so far included masonry repairs to the building envelope, internal cleaning of the roof structure, and removing lead paint before the challenging and extensive heritage glazed roof replacement works. This included increasing ridge height to accommodate natural ventilation for the building, copper roof replacement, gutter and rainwater works, access equipment, localised electric works, lightning protection, and decoration.

It was reported that as part of the second phase of the transformation, which was due to start later this year. Raised concrete floor plinths that currently housed individual market stalls would be removed to create a more airy, open and accessible space. The ground level was intended to provide space for up to 32 market stalls, which would be portable for flexibility.

A councillor questioned whether there would be options for small traders to trial running stalls in the refurbished Market Hall. It was noted that it was important to get the right mix of traders in the Market Hall and that this included creative small traders.

A councillor asked whether the Lockup Yard would be improved as part of the refurbishments. It was noted that the Council did not plan to spend a large amount on the Lockup Yard but did plan to make this space more attractive.

A councillor commented that it was important for the history of Derby to be highlighted by the Market Hall. It was noted that one of the units on the first floor of the Market Hall could be used to showcase the history of Derby.

The Board noted that Phase 1 A and Phase 1 B had both come in under cost. It was noted that, despite inflationary pressures, Phase 2 was expected to be completed on time and within budget.

The Board resolved:

- 1. to note the report and presentation.**
- 2. to recommend that creative ideas are used to promote the history of Derby through the Market Hall.**

16/22 Work Programme 2022/23

The Board considered a report setting out the Terms of Reference and Remit of the Board.

The report provided Members of the Board with the opportunity to consider its terms of reference and remit for the forthcoming municipal year, its work programme for 2022/23 and any topic reviews.

The Chair informed the board that the following three items had been added to the work programme for the January 2023 meeting.

- Communities recovery from lockdown
- 2021 Census update – future demands on the city
- Impact of inflation on communities in Derby

The Board resolved to note the information provided within the report.

Minutes End.