
Cabinet Member for Jobs, Regeneration and Climate Change

15th July 2021

Name of Cabinet Member:

Cabinet Member for Jobs, Regeneration and Climate Change – Cllr J O'Boyle

Director Approving Submission of the report:

Director of Transportation and Highways

Ward(s) affected:

St Michaels

Title:

Palmer Lane Regeneration

Is this a key decision?

No

Executive Summary:

Since 2019 the Council has transformed the city centre through a £44m programme of investment in the public realm. The impact of this work has been significant, attracting developers to invest in the city and preparing the city centre to become host of UK City of Culture 2021. This investment will be complemented by the next phase of the public realm improvements due to be completed later this year, using Coventry and Warwickshire Local Enterprise Partnership (CWLEP) Local Growth Deal grant and West Midlands Combined Authority funding.

Palmer Lane is a proposed regeneration scheme located within St Michaels Ward and within the City Centre boundaries, it is noted for being the point within the city that the River Sherbourne can be viewed. The regeneration scheme involves deculverting the River Sherbourne and hard and soft landscaping around the area to create a new city centre place for dwell time and supporting the establishment of a new business in the Illingworth building.

The scheme was approved in principle by Cabinet as part of the Public Realm Phase 5 report in March 2018. As a complement to the Public Realm 5 (PR5) works taking place in the city centre as a result of the approvals in that report, there is a need for an additional £950k to fund the regeneration of Palmer Lane and take advantage of external funding. This gap

funding of £0.95m has been identified from council corporate capital receipts. the delivery of the Palmer Lane scheme has a total cost of £1.659m.

Recommendations:

The Cabinet Member for Jobs, Regeneration and Climate Change is recommended to:

- (1) To approve the additional £950k to the capital programme to fund the overall estimated £1.6m scheme.
- (2) Delegate authority to the Director of Transportation and Highways to conclude negotiations and enter into legal agreements with various landowners for parcels of land to be acquired or leased by the Council and/or for licences to be entered into to enable works to be carried out and for agreements to be entered into and/or for leases to be granted by the Council to third parties over land in the Council's ownership in order for the scheme to be viable.
- (3) Note the exercise of the delegated authority to commence the procurement exercise to appoint a works contractor for the delivery of the infrastructure requirements of the project and to award the contract to the successful tenderer.
- (4) Delegate authority to the Director of Transportation and Highways following consultation with the Director of Law and Governance to approve grant expenditure to any such external body, third party or person as is deemed necessary for the delivery of the Palmer Lane project up to a maximum sum of £250,000.

List of Appendices included:

Concept design for the Palmer Lane project

Background papers:

Previous approval for the Palmer Lane project was given as part of the March 2018 Public Realm 5 Cabinet Report. 6th and 13th March 2018.

Other useful documents

None

Has it been or will it be considered by Scrutiny?

No

Has it been or will it be considered by any other Council Committee, Advisory Panel or other body?

No

Will this report go to Council?

No

1. Context (or background)

- 1.1 A series of transformational public realm improvements have been delivered as part of the Public Realm Phase 5 programme. These have been developed by mapping the main visitor attractions, likely venues for city of culture, arrival points like the railway station and car parks and completed public realm. The pipeline of schemes has been developed to ensure the links between venues, attractions and arrival points are seamless, high quality, greener and more accessible. The schemes have delivered enhancements to key strategic parts of the city and also enhance the setting of the key events venues and visitor attractions. As part of the PR5 Cabinet Report March 2018 Palmer Lane was identified as a key project to develop in line with a funding contribution towards a Heritage Lottery Funded scheme to de-culvert the River Sherbourne in Palmer Lane, as part of the wider improvements to the Burges area. Design has developed through the PR5 programme. The March 2018 Cabinet report also gave delegated authority to the Deputy Chief Executive (now the Chief Executive) in consultation with the Cabinet Members for City Services and Jobs and Regeneration and the S151 Officer to agree the detailed works
- 1.2 External resources are included in the current programme at a value of £709k. However, the scheme that has now been developed to take advantage of this funding is more costly than the resources available, estimated at £1.659m. At this late stage in the programme, it is not possible to divert resources from other projects, such that if additional resources cannot be identified, much of the external funding resource would be lost and the scheme could not progress.
- 1.3 In order to maximise the external funding, the report seeks approval to progress with the full cost scheme with an allocation from corporate capital receipts to bridge the financial gap.
- 1.4 The Palmer Lane regeneration aims to turn a part of the city centre into a visitor experience, deculverting the Sherbourne, supporting the repurposing of the Illingworth building and creating a new public space to spend time near the river. The project will include extensive landscaping, enhanced lighting and sustainability improvements to the area. It ties in with the works which have recently taken place on the Burges. Concept designs can be seen in the appendice.

2. Options considered and recommended proposal

- 2.1 Option 1 – Agree to use £950k of the Council's own corporate capital receipts and continue with the delivery of the scheme building upon the shovel ready design in place and capitalising on the match funding opportunity
- 2.2 Option 2 – Leave the project design 'on the shelf' and seek future external funding, meaning the Council misses the opportunity of match funding arising from the Historic Coventry Trust regeneration of the Burges.
- 2.3 It is recommended that the Council proceeds with Option 1.

3. Results of consultation undertaken

- 3.1 The project team have engaged with Historic Coventry Trust (HCT) and affected businesses and landowners in order to gauge the appetite for regeneration of the space. This has been successful and there is verbal support for repurposing the space, opening-up the river and driving-out anti-social behaviours.

4. Timetable for implementing this decision

- 4.1 Following a decision by the Cabinet Member for Jobs, Regeneration and Climate Change we are able to proceed quickly to detailed design and use reasonable endeavours to secure the necessary legal documentation with the landowners to facilitate the construction phase with the project aiming to be a live site early 2022.

5. Comments from Director of Finance and Director of Law and Governance

5.1 Financial implications

Existing resources within the programme are as follows:

- | | |
|---------------------------------|-------------|
| • S106 | £205k |
| • HCT Grant | £379k |
| • CWLEP | £50k |
| • S106 Biodiversity offset fund | £75k (SUDS) |
| • Total | £709k |

The scheme as designed has an estimated cost of £1.659m, a gap of £0.95m

- The report seeks approval to progress with the scheme, allocating £950k from corporate capital receipts to bridge the funding gap.. The Palmer Lane de-culverting project was previously approved in principle by members in March 2018, forming part of the draft scheme list approved by Cabinet.
- Subject to approval by the Cabinet Member for Jobs, Regeneration and Climate Change, approval will be sought to add the additional resources to the Councils approved capital programme as part of the next quarterly capital monitoring report for 2021/22

5.2 Legal implications

- 5.2.1 The Council has the power to enter into the arrangements within this report pursuant to its power contained within section 1 of the Localism Act 2011 (“General Power of Competence”)
- 5.2.2 All services and works contracts required for the delivery of the project, will be entered into following the conclusion of a compliant procurement processes in accordance with the Public Contract Regulations 2015 (where applicable), the Council’s constitution and the Council’s Rules for Contracts.
- 5.2.3 All grant agreements necessary to deliver this project will need to be compliant with the Subsidy Control Regulations (to prevent distortion to the market) and the Council’s constitution.
- 5.2.4 All land transactions (leases/ licences/ transfers) will need to be entered into in compliance with the Council’s constitution and the Council’s fiduciary duty to achieve best value.

6. Other implications

Any other specific implications

6.1 How will this contribute to the Council Plan (www.coventry.gov.uk/councilplan/)?

6.1.1 The Public Realm Phase 5 programme will indirectly or directly provide jobs across the city and sub-region. The Economic Growth and Property Strategy specifically acknowledges the importance of infrastructure to help create growth and connect people to jobs.

6.1.2 The schemes also support the City Centre Area Action Plan and Local Plan, which identifies the importance of public realm and these key areas for development.

6.2 How is risk being managed?

6.2.1 In order for this project to be delivered, landowners are required to enter into legal agreements to provide the Council with the use of areas of land adjoining the River Sherbourne. Progress to agree the terms and legal documentation has been difficult and the Council have given a deadline to one of the landowners by which the legal documentation is required to be completed.

6.2.2 There is a robust governance structure in place for the public realm programme whereby risks are managed by project team level and reported to project board. Regular risk workshops are undertaken on all projects to ensure active monitoring and management.

6.2.3 The maximum budget available for the scheme is as stated in the report. Although the design of the scheme is considered deliverable within this, there is a risk that prices tendered could exceed the budget available. In these circumstances, the scheme would be value engineered and/or re-scoped in conjunction with cabinet member to deliver on an affordable basis.

6.3 What is the impact on the organisation?

None

6.4 Equality Impact Assessment (EIA)

6.4.1 The Palmer Lane project will undertake an Equality Impact Assessment as part of project development and impact. The public realm proposals will make movement around the city centre easier for everyone. Discussions with the Access Groups and representative organisations are underway and will continue through scheme development, to ensure that the design of all schemes to be developed properly reflects access needs.

6.5 Implications for (or impact on) climate change and the environment

6.5.1 The project will have a positive impact on the environment in the city centre. More green spaces will be introduced into the city centre. The Palmer Lane de-culverting scheme will create an open water-course in the city centre, water-courses in urban locations have been linked to public health benefits.

6.6 Implications for partner organisations?

6.6.1 The Council will need to work with the Environment Agency as part of the Palmer Lane de-culverting work.

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Appendices