

BISHOP AUCKLAND STRONGER TOWN BOARD

At a Meeting of **Bishop Auckland Stronger Town Board** held in The Elgar Room - Bishop Auckland Town Hall and via Microsoft Teams on **Monday 5 September 2022 at 3.30 pm**

Present:

David Land – Chair

Board Members

Jonathan Ruffer	The Auckland Project
David Maddan	The Auckland Project
Nik Turner	Believe Housing
Rob Yorke	SDEA and Teescraft
Natalie Davison-Terranova	Bishop Auckland College
Geoff Paul	Interim Corporate Director of Regeneration, Economy and Growth, DCC

Officers/Also Present

Graham Wood	Economic Development Manager, DCC
Susan Robinson	Head of Corporate Property and Land, DCC
Craig MacLennan	Transport and Infrastructure Manager, DCC
Andrew Walker	AAP Co-ordinator
Tom Smyth	CLGU
Stephen Bowyer	The Auckland Project

1 Apologies for absence

Apologies for absence were received from Councillor Elizabeth Scott, Katy Severs, Bishop Paul Butler, Mike Matthews, Councillor Michael Siddle, Dehenna Davison MP and Mark Jackson.

2 Declarations of interest

Natalie Davison-Terranova declared an interest in the Springboard to Employment Project. The Board member noted she was employed by Bishop Auckland College, a delivery partner in the initiative.

On behalf of The Auckland Project (TAP) David Maddan declared an interest in the Durham Dales Gateway and the Town Centre Diversification Artists Hub projects which were at the land acquisition stage.

3 Minutes of the meeting held on 28 July 2022

The Minutes of the meeting held on 28 July 2022 were agreed as a correct record, subject to the following amendment:

Springboard to Employment and Enterprise and SME Support South Church Enterprise Projects

7.5 FTE jobs would be created and a significant building would be brought back into use.

4 Stronger Town Programme Update

Geoff Paul presented a report to the Board which set out the current progress being made in development assurance and mobilisation towards delivery of the Stronger Town Projects.

As agreed at the meeting on 28 July 2022, the two Business Cases in respect of the Springboard to Employment and Enterprise and SME Support, South Church projects were signed off and submitted to CLGU.

The Board also agreed to request an extension to the timeframe for submission of the Business Cases for Tindale Triangle and Heritage Walking and Cycling projects. Geoff Paul confirmed that the extension requests were submitted and had been approved by CLGU with the Walking and Cycling submission revised to the end of September 2022.

Table 1 of the report provided a schedule for submission of the Business Case summaries for the five remaining projects, which included a timeline for consideration by the Board ahead of the submission deadlines. This was in line with the Board's request at the last meeting.

To assist with this process a Business Case delivery timeline had been worked up with project leads, and a summary of the current position with each Business Case was set out in paragraph 6 of the report.

Following a query from David Land regarding the summary, Officers assured the Board that although the stages highlighted in red had not been reached at the current time, the overall timeframe for submission of the Business Cases would not be affected. At the request of the Board, Officers agreed to review how this information was presented in future.

Geoff Paul also provided an update on progress and key issues which could impact upon business case development, details of which were set out in the report.

A key risk was the potential impact of increased construction costs in the coming months. This was an issue which affected Stronger Towns nationally.

David Land invited questions of the report.

David Maddan referred to the update provided in respect of ESAC and referenced the clarification of the land corridor required to deliver the scheme.

In terms of the Town Centre Diversification schemes, David Maddan noted that as the Artist Hub project would not progress based at Vinovium House, the reserve project for the Mechanics Institute and Masonic Hall buildings should be costed as soon as possible.

Tom Smyth noted the issues around the Town Centre Diversification key projects and asked that the CLGU be informed when discussions were concluded to ensure that project changes were in line with delivery aims. He also noted that construction cost increases would be a challenge in the coming months.

As regards the Springboard to Employment and Enterprise and SME Support, South Church projects, Tom Smyth confirmed that the Business Cases were undergoing final assessment by the CLGU. The CLGU had also urged the Board to monitor progress following the submission of the Business Cases. David Land confirmed that this was being discussed.

AGREED that

- (i) the progress in developing project business cases for further assurance and confirmation to Government, be noted;
- (ii) the approved submission extensions for remaining Business Case summaries, be noted;
- (iii) the ongoing work in preparing for mobilisation to delivery of Springboard to Employment and South Church SME Support / Enterprise Workspace.

5 STF Project: Tindale Triangle

Geoff Paul presented a report to the Board which provided an update in relation to planned and emerging development opportunities near the location of proposed Tindale Triangle junction improvements.

The Board had at previous meetings received updates in respect of the Tindale Triangle project as set out in the Town Improvement Plan, to undertake significant works to increase critical capacity to enable future development and to address traffic problems in the area.

More recently the Board had considered the progress made by the developer in respect of Auckland Retail Park, and the priorities and outcomes to be secured using Stronger Town Funding.

At the last meeting the Board agreed to request an extension to the Business Case submission deadline to 1 December 2022 to allow full consideration of matters relating to Auckland Retail Park and other growth opportunities in the area.

The Business Case summary would address the challenges highlighted at the last meeting:

- The proposed highway works required as part of the planning consent for the Retail Park and the S278 application by the developer to mitigate the impact of the development;
- whether there was an identified funding gap to provide financial support to secure the delivery of the scheme, and that
- current subsidy control considerations would be satisfied.

Officers had assessed the S278 agreement and were satisfied that the proposed highway works would discharge the planning condition. However the S278 proposal would not provide the long term network capacity improvements sought through the original Tindale Triangle project.

In terms of the Auckland Retail Park subsidy control considerations, scheme viability had been tested and following due diligence deliberations it was considered that there was an identified viability gap and a case for providing public sector financial support. Recent discussions had highlighted an overall viability gap of up to £3m to deliver the scheme. If the Board was minded to agree in principle to provide gap funding support it was suggested that the grant be capped at £3m, with the developer required to meet any additional costs.

Geoff Paul noted that the Board would be supporting retail and leisure in an out of town location which, although considered to be minimal, may have an impact on the town centre.

Graham Wood explained that to deliver the Retail Park development and the longer-term network solution an allocation in excess of the £2.75m that was available for the original Tindale Triangle project would be required. The original Heads of Terms agreement provided for a maximum of £4.75m, and to achieve this would require a re-allocation of funds.

David Land noted the point made regarding the potential impact of the Auckland Retail Park upon the town centre, however this was an important development in a location that was already developed as a retail centre. He envisaged that the town centre proposals would attract increased visitor numbers, and the retail development would be used by locals in the main.

Following a question from Natalie Davison-Terranova who asked which projects would be affected by the re-allocation of Funds, the Board was advised that budget re-allocation would be the subject of a further report.

David Land informed the Board that Bishop Paul Butler and Mike Matthews had confirmed their agreement to the recommendations in the report.

Following discussion the Board **AGREED** that

- a) the current position regarding consideration of the proposed highway works associated with the new retail/leisure development, be noted;
- b) the additional network capacity requirements required to meet projected traffic flows around the town, including housing trips, tourism trips and general background traffic growth, be noted;
- c) the approach to progressing Tindale Triangle as an enhanced network solution beyond the current development mitigation, be endorsed;
- d) the considerations in respect of the retail and leisure scheme regarding subsidy control, be noted;
- e) Gap funding support of up to £3 million for the Auckland Retail Park be agreed in principle, subject to
 - Any necessary change approvals
 - Project budget reprofiling
 - Business case assurance
 - Developer agreement to meet any additional costs beyond £3million support
- f) a further report outlining proposed project budget allocations to allow the enhanced interventions at Tindale Crescent to come forward.

6 Any Other Business

There were no other items of business raised.

7 Date of Next Meeting

The date of the next meeting would be circulated to the Board.