
Subject: DOVER MARKET SQUARE PUBLIC REALM IMPROVEMENTS PROJECT

Meeting and Date: Cabinet – 2 December 2019

Report of: Roger Walton, Strategic Director (Operations and Commercial)

Portfolio Holder: Councillor Nigel Collor, Portfolio Holder for Transport and Licensing

Decision Type: Key Decision

Classification: Unrestricted

Purpose of the report: To seek Cabinet approval for the Council to act as the accountable body in a project that will deliver improvements at the Market Square, Dover by accepting a grant of £2.44 million from the Ministry of Housing, Communities and Local Government (MHCLG) on behalf of Dover Town Team.

Recommendation: Cabinet is requested to:

1. Approve the project in principle, permit the Council to receive the grant of £2.44 million and act as accountable body to MHCLG in relation to the grant.
2. Approve the expenditure of £350,000 allocated within the current capital programme as match funding for this project.
3. Authorise the Strategic Director (Operations and Commercial), in consultation with the Portfolio Holder for Transport and Licensing, to:
 - Enter into any agreements necessary to deliver the project
 - Take all necessary steps to work with Kent County Council to deliver the highways elements of the project
 - Expend the grant for the purpose of delivering public realm improvements at the Market Square Dover

1. Summary

1.1 In January 2019 the Council submitted a bid on behalf of Dover Town Team Ltd to the Ministry of Housing Communities and Local Government (MHCLG) Coastal Communities Fund for improving access and public realm at the Market Square and Old Town from the St James development in Dover. The objective of the project being to repurpose Dover's historic Market Square as a hub connecting the local community and tourists alike with the town, and the proposals were subject to public consultation in 2018. A grant of £2.44m was awarded on 1st October 2019. The project itself is considered a non local authority project by the funder MHCLG, but the grant will be

paid to the Council who are acting as the accountable body for the project under powers contained in section 31 of the Local Government Act 2003. The Council will therefore lead and administer the project to enable and deliver the physical works, liaising with the Town Team as the grant applicant. An associated programme of seasonal events and activities in the Market Square and Old Town will be delivered by the Town Team.

- 1.2 As part of the application the Council committed to providing a funding contribution of £500k, £350k of which is allocated within the current year's budget. A £150k has been requested through the 2020/21 Mid Term Capital P bidding process.

2. Introduction and Background

- 2.1 On 15th January 2018 Cabinet resolved to work with the Dover Town Team to enable a resubmission of an improvement scheme centred on the Market Square through any relevant future funding programmes, as part of a wider objective of supporting a comprehensive approach to capture benefits and opportunities that the St James town centre regeneration scheme will bring to the locality.

- 2.2 Dover Town Team had previously prepared a submission to the Ministry of Housing Communities and Local Government (MHCLG) Coastal Community Fund for improvements to the town centre in 2017, which was seen as the first phase of a wider improvement in the town centre. Unfortunately, while being received with positivity, the scheme did not have sufficient assurance to attract funding. Key issues included the need to demonstrate partnership working, planning consent, highway approvals, land ownership and the economic case.

- 2.3 Following receipt of advice from the MHCLG and the Town Team, the bid was reviewed and resubmitted in 2018 by the Council on behalf of the Town Team. The following were included in the bid: plans, letters of support from the MP, Stagecoach and KCC Public Transport, topographical survey, road safety audit, activity timetable, capital cost plan, business plan, transport review, Dover public realm corridor studies, public realm fabric and infrastructure options, Dover Market Square Valuing Urban Realm Toolkit (VURT) assessment.

- 2.4 As part of the application the Council committed to providing a funding contribution of £500k, £350k of which is allocated within the current year's budget. A further £150k has been requested through the Mid Term Capital Plan (MTCP) bidding process and is therefore subject to approval by Full Council in March 2020. Should the MTCP bid not be approved, then the project specification will be reviewed to identify cost savings that will reduce the budget by £150k. Initial discussions with the Council's Quantity Surveyor have established this will be possible and MHCLG has agreed the approach provided that the objectives and outcomes of the project are not adversely affected.

- 2.5 Following a substantially over subscribed and competitive response to the Coastal Community Fund Programme, MHCLG notified the Town Team that the application was successful in September 2019. The offer of match funding was central to the decision to award funding to the project. A formal response from the Town Team is now required to complete the 'Starting your grant' form that will trigger payment of the first tranche of funding to DDC. Subject to Cabinet approval of the project, this letter will be submitted early in 2020.

- 2.6 The Town Team has established an 'Oversight Group' for the purpose of providing advice to the Market Square refurbishment project, comprising three of the company's directors. Monthly meetings will be held between the Oversight Group, Council

portfolio holders and the project delivery team, to review progress, share information and seek feedback. The relationship between the Council and the Town Team will be formalised through execution of a partnership agreement, which will set out a decision-making process for the project and address matters such as procurement arrangements.

- 2.7 The Council will be responsible for reporting on project progress to MHCLG's monitoring contractor Groundworks. This will be achieved by preparing a standard format report each October and April throughout the project period.
- 2.8 Next steps include a review of the project programme, submission of a report to the Joint Transportation Board (JTB), securing any necessary statutory consents and procurement of construction contractor. A further report to Cabinet will be required before appointing contractors. The project concept has been already subject to public consultation, but further engagement is likely to be required to support any applications for statutory consent. This will also provide an opportunity to liaise with stakeholders to identify suitable access arrangements during construction.

3. **Identification of Options**

- 3.1 Option 1: To approve the project in principle, permit the Council to receive the grant of £2.44m and act as accountable body to MHCLG in relation on behalf of Dover Town Team and undertake the works to enable and deliver the project

This is the preferred option as it will enable the Council to deliver part of a wider objective of supporting a comprehensive approach to capture benefits and opportunities brought forward by the St James town centre regeneration scheme. In addition, it will assist with place making by enhancing the locality, facilitating and encouraging more footfall and complimentary investment into the area. It will also support the recent highway improvements undertaken elsewhere in Biggin Street while improving the ambience for residents, businesses and visitors alike.

- 3.2 Option 2: Not to approve the project in principle and to decline to receive the grant of £2.44m and act as accountable body to MHCLG in relation on behalf of Dover Town Team

This option is not recommended because the current appearance and functionality of the Market Square does not meet the aspirations of the Council, residents, businesses and visitors alike. It would also send out the wrong message to Government in relation to other funding bids that have been progressed in the current Brexit related environment.

4. **Resource Implications**

- 4.1 The grant of £2.44m plus £350k match funding already allocated in the current capital programme and £150k additional funding from DDC resources which is subject to the approval of the 2020/21 MTCP is forecast to be sufficient to cover the costs of delivering the project. Given that the Council will be the accountable body and will manage the project, it will be possible to refine the specification, if necessary, to meet the budget.
- 4.2 The longer-term cost implication concerns maintenance of the fountain. It is anticipated this cost can be absorbed within the Corporate Property Maintenance Budget, given that the previous fountain was maintained using this budget. However, given the constrained budget environment, estimated maintenance costs will be obtained prior to commissioning the works and a contribution will be sought from the Town Team and / or Dover Town Council.

4.3 As with any major project there is a risk of tenders coming in higher than budgeted resulting in a capital overspend. The budget will be closely monitored throughout the project and any requirements for additional resources will be reported to Members as appropriate.

5. **Corporate Implications**

5.1 Comment from the Section 151 Officer: Accountancy has been consulted and has no further comment. (DL)

5.2 Comment from the Solicitor to the Council: The Head of Governance has been consulted during the preparation of this report and has no further comment to make. (BD & LM)

5.3 Comment from the Equalities Officer: This report does not specifically highlight any equality implications however in discharging their duties members are required to comply with the public sector equality duty as set out in Section 149 of the Equality Act 2010 <http://www.legislation.gov.uk/ukpga/2010/15>.

6. **Appendices**

None.

7. **Background Papers**

None.

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