

<b>MEETING:</b>	<b>COMMUNITY SERVICES SCRUTINY COMMITTEE</b>
<b>DATE:</b>	<b>6<sup>TH</sup> DECEMBER 2010</b>
<b>TITLE OF REPORT:</b>	<b>UPDATE ON THE EDGAR STREET GRID PROJECT</b>
<b>REPORT BY:</b>	<b>Economic Development Manager</b>

**CLASSIFICATION:** Open

### **Purpose**

To receive a report on the progress made with the Edgar Street Grid (ESG) project.

### **Recommendation(s)**

**THAT: the report be noted;**

### **Key Points Summary**

- The Local Growth White Paper gives an indication of possible new financial instruments available to Local Government.
- The detailed implications of any changes in structure of finance are not yet known.
- A Compulsory Purchase Order (CPO) Inquiry has been held for the Flood Alleviation Scheme and a report from the Planning Inspectorate is anticipated to be received after Christmas.

### **Reasons for Recommendations**

1. To update the Community Services Scrutiny Committee on the Edgar Street Grid project.

### **Introduction and Background**

2. The ESG area is a 100 acre redevelopment site to the North of the existing Hereford City Centre. Bounded by Edgar Street to the West, the Cardiff to Shrewsbury railway line to the North, Commercial road to the East and Newmarket and Blueschool Streets to the South.
3. The Scrutiny Committee Members received an update on ESG progress in April, June and October 2010, and all Members had further opportunity to be involved in the recent Scrutiny Report into the ESG proposals in November 2010.

### **Key Considerations**

4. The Government White Paper on Local Growth includes a number of new financial mechanisms available to Local Authorities. The potential impact on Council led projects has yet to be determined but may increase the number of financial options available to deliver ESG related projects.
5. The Government have announced the launch of a £1.4B Regional Growth Fund, a number of projects within the Hereford Futures portfolio have been submitted to the Marshes Local Enterprise Partnership (LEP) Shadow Board as project ideas for RGF funding.

## **Business Relocations**

6. Given that progress is being made on advancing the Retail Quarter development the businesses located within the current Livestock Market were contacted in early October regarding their tenancy and with details of available property that may have suited their business requirements.
7. The Scrutiny Committee was informed in June that due to the uncertainty over funding, the Hereford Futures Board had decided to pause the negotiations with businesses in the second and third phases of the Link Road project. The funding situation is still not clarified although the Regional Growth Fund and other new Local Authority financial instruments may offer options to resolve this situation. The pause in negotiations is still in effect.

## **Flood Alleviation Scheme**

8. Planning permission and funding for the Flood Alleviation Scheme (FAS) was gained in autumn last year. Heads of Terms are in the process of being agreed with the National Trust., and agreement has been reached with regard to the scope of the accommodation works and value of the compensation package.
9. It is anticipated that the Inspectors report from the Compulsory Purchase Order (CPO) will be received after Christmas.

## **Communication**

10. Hereford Futures and Herefordshire Council met with a number of key businesses from across the ESG site in late November to discuss the conduct and content of future relocation negotiations.

## **Community Impact**

11. Not Applicable.

## **Financial Implications**

12. No alteration since the previous report.

## **Legal Implications**

13. None Identified.

## **Risk Management**

14. No alteration since the previous report.

## **Consultees**

15. None Identified.

## **Appendices**

16. None identified.

## **Background Papers**

21. None identified.