



Title	Supporting Leamington Town Centre	
For further information about this report please contact	Dave Barber Head of Development Services Dave.barber@warwickdc.gov.uk	
Wards of the District directly affected	All	
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?	No	
Date and meeting when issue was last considered and relevant minute number	N/A	
Background Papers	Future of the High Street Fund Bid 2019 Leamington Town Centre Vision and Strategy 2018	
Contrary to the policy framework:	No	
Contrary to the budgetary framework:	No	
Key Decision?	Yes	
Included within the Forward Plan? (If yes include reference number)	No	
Equality Impact Assessment Undertaken	No	
Officer/Councillor Approval		
Officer Approval	Date	Name
Chief Executive/Deputy Chief Executive	11/9/19	Bill Hunt
Head of Service	2/9/19	Dave Barber
Section 151 Officer	9/9/19	Mike Snow
Monitoring Officer	2/9/19	Andy Jones
Finance	9/9/19	Mike Snow
Portfolio Holder(s)	9/9/19	Cllr Alan Rhead
Consultation & Community Engagement		
The Future of the High Street Fund Expression of Interest was subject to engagement with a range of key partners and received a number of letters of support from those partners. The Expression of Interest built upon the Leamington Town Centre Vision and Strategy which was subject to extensive partnership working, engagement and consultation during 2016 and 2017		

1. **Summary**

This report sets out proposals to supplement the seed funding agreed as part of the successful Future of the High Street Fund Bid through funding arrangements that will allow projects for Leamington Town Centre to be developed over a two-year period.

2. **Recommendations**

- 2.1 That members note that Warwick District Council's Expression of Interest to the Future of the High Street Fund for Leamington Town Centre has been successful and that specific projects for funding can now be developed. As part of this, members should note, that seed funding, expected to be in the region of £75,000, will be provided to support the development of specific proposals over the coming year that deliver the vision set out in the Expression of Interest (see appendix 1)
- 2.2 That the Executive agrees to underwrite funding to enable project proposals for Leamington Town Centre to be progressed over a two-year period, noting that first year's costs of up to £75,000 will be covered by the Future of the High Street Fund and that funding of £75,000 for the second year's costs will only be required if other sources of funding are not forthcoming.

3. **Reasons for Recommendations**

- 3.1 **Recommendation 2.1:** In March 2019, the Council made an Expression of Interest to the Future of the High Street Fund (FHSF). This is a Government fund which seeks to support the transformation of town centres in the context of changing consumer patterns and changing expectations about the role of Town Centres. Originally the total fund was for £675m, although in a recent announcement it has been confirmed that this has now been extended to £1bn.
- 3.2 The process for accessing the funds is in two stages:
 - The first stage is the Expression of Interest. At this stage town centres are assessed on the need for funding by looking at nature of the challenges the Town Centre faces and the strength of a shared vision for the future of the town centre. Essentially this stage is about the challenges faced by the Town Centre and the strength of the vision for addressing those challenges. It does not set out specific proposals or projects, nor does it request a specific sum of money. Warwick District Council made an Expression of Interest (EIO) for Leamington Town Centre in March 2019 and has had confirmation in August 2019 that this EIO has been one of approximately 100 that have been successful. This gives the green light to progress to the second stage.
 - The second stage will require specific proposals to be developed through to project plans and business cases. These will be assessed to allocate the £1bn fund to each Town Centre that was successful in the first stage. To help work up proposals, projects and business cases, Warwick District Council will be allocated some seed funding. At present we have not had confirmation as to how much this will be. It is expected that it will be at least £75,000, but could be as much as £150,000.

- 3.3 **Recommendation 2.2:** Working up proposals to ensure the Council is successful in attracting funds through stage 2 of the Future of the High Street Fund (FHSF) process will be a high priority. These proposals will need to:
- deliver the vision (summarised in Appendix 1)
 - be based on extensive engagement so that support for proposals is shared with our partners
 - be feasible and viable
 - tie in with other Council priorities.
- 3.4 The Council has been given some guidance on preparing Business Cases and will be provided with support from MHCLG over the coming months, with an inception meeting in October 2019. The guidance indicates the following timetable:
- Capacity and resource grant to be paid September 2019
 - Further business case guidance circulated September 2019
 - Commence inception meetings October 2019
 - Early draft business case submission 15 January 2020
 - Final business case submission date 30 April 2020
 - Successful bids announced Summer/autumn 2020
- 3.5 The key date in this is that the business case submission needs to be made by 30th April 2020. This is a tight timescale. Ahead of this it will be necessary to undertake stakeholder engagement to help us shape project proposals; work up detailed proposals; consider costs, delivery mechanisms, viability and sources of funding; and gain approval for specific business cases.
- 3.6 To achieve the work required within this timescale means the submission will need to be a high priority for the Council over the coming months. This will be time consuming and challenging work and will require extensive partnership work. The Council does not have the capacity to do this through existing staff resources, and indeed the government money provided for this stage implicitly recognises that new resources are likely to be needed. Therefore, part of the money that the Council will receive to prepare the stage 2 proposal will be utilised to bring in additional support either through recruiting to a post or by entering in to a contract with an experienced consultant.
- 3.4 Whilst the Council will be keen to ensure that any proposal aligns with a range of related ambitions and initiatives for the Town Centre, delivering a stage 2 proposal is likely to be the sole focus until April 2020 to ensure proposals that have a strong prospect of success.
- 3.5 However, officers consider that the FHSF bid should be a launch pad for a range of inter-related proposals for Leamington Town Centre. Recognising this, any proposals that are supported by the FHSF will form only part of the Council's ambitions for Leamington Town Centre and it is therefore important that resources are available beyond the submission of proposals for stage 2. In particular, there will be a need for ongoing engagement with stakeholders and coordination of projects and proposals as diverse as Bath Street Transport Improvements; Covent Garden Regeneration; the Creative Quarter; Air Quality Initiatives; Sustainable Transport Options; The Commonwealth Games; Revised Parking Strategy; Wayfinding and the Local Plan review. At this stage it is not possible to prioritise initiatives for inclusion in the FHSF bid, but what is clear is that whatever funding is agreed through the bid will be no more than a starting point for investment in the Town Centre.

3.6 At this stage, agreement only in principle is sought for the second year funding. The source of this funding is still be finalised. It will be part of the remit of the postholder/consultant to identify possible sources of funding for the second year including the potential for further funding from the FHSF and other grants. However, if no external funding is available, the fall-back position will be for the Council to fund the second year. Recommendation 2.2 therefore seeks agreement for the Council to effectively underwrite the costs for the second year up to a total cost £75,000.

4. Policy Framework

4.1 Fit for the Future (FFF)

The Council’s FFF Strategy is designed to deliver the Vision for the District of making it a Great Place to Live, Work and Visit. To that end amongst other things the FFF Strategy contains several Key projects.

The FFF Strategy has 3 strands – People, Services and Money and each has an external and internal element to it. The table below illustrates the impact of this proposal if any in relation to the Council’s FFF Strategy.

FFF Strands		
People	Services	Money
External		
Health, Homes, Communities	Green, Clean, Safe	Infrastructure, Enterprise, Employment
<u>Intended outcomes:</u> Improved health for all Housing needs for all met Impressive cultural and sports activities Cohesive and active communities	<u>Intended outcomes:</u> Area has well looked after public spaces All communities have access to decent open space Improved air quality Low levels of crime and Anti-Social Behaviour (ASB)	<u>Intended outcomes:</u> Dynamic and diverse local economy Vibrant town centres Improved performance/productivity of local economy Increased employment and income levels
Impacts of Proposal		
The proposals will support the transformation of Leamington Town Centre with a particular focus on being a hub for our communities and on health and wellbeing (particularly active lifestyles)	The proposals will support initiatives that seek to improve public spaces, address air quality issues and improve sustainable transport options	The proposals will support initiatives to improve the employment offer in Leamington Town Centre, with a focus on grow-on space. They will also support improve infrastructure, particularly relating to connectivity
Internal		
Effective Staff	Maintain or Improve Services	Firm Financial Footing over the Longer Term

<u>Intended outcomes:</u> All staff are properly trained All staff have the appropriate tools All staff are engaged, empowered and supported The right people are in the right job with the right skills and right behaviours	<u>Intended outcomes:</u> Focusing on our customers' needs Continuously improve our processes Increase the digital provision of services	<u>Intended outcomes:</u> Better return/use of our assets Full Cost accounting Continued cost management Maximise income earning opportunities Seek best value for money
Impacts of Proposal		
The proposals will enable additional staff resources to support the delivery of corporate priorities	The needs of customers and partners will be at the heart of transformational proposals for the Town Centre	The proposals will seek to identify external funding that could be used to supplement any Council to deliver priorities for Leamington Town Centre

4.2 Supporting Strategies

The proposals in this report align with a range of strategies, including the emerging car parking strategy, the Local Plan (and any review of this), the Creative Quarter Big Picture.

5. Budgetary Framework

- 5.1 Recommendation 2.2 seeks agreement to underwrite up to £75,000. The cost will be spread across two financial years, 2020/21 and 2021/22. It is hoped that this cost will be resourced from external funding and will therefore have no direct impact on the Medium Term Financial Strategy. Possible sources of funding including the FHSF or other themed external grants. In the event that no external sources of funding are available, the Medium Term Financial Strategy will need to be adjusted for each of the two years (with the £75,000 costs being split more or less equally between the two years). Consideration of the potential funding of this £75,000 will need to be included within 2020/21 Budget report in February.
- 5.2 The successful Expression of Interest to the FHSF does not commit the national fund to providing any resources beyond the year 1 seed funding. However, if the Council is successful in its case for funding at stage 2, there is potential to attract millions of pounds worth of investment for the Town Centre. The amount of this is unknown at this stage. However, it should be noted the total national fund amounts to £1bn and that, to date, 100 Town Centre have been successful at the Expression of Interest stage. This could suggest that a typical grant from the fund would be in the region of £10m. One further point to note is that the FHSF should be seen as launch pad for investment. It is therefore possible that there will be projects which require further capital investment from the Council. If that is the case, these will be subject to separate business cases and consideration.

6. Risks

- 6.1 There is a risk that there will be no alternative sources of funding for the second year's costs. If this occurs, the costs will fall on the Council's Medium Term Financial Strategy.
- 6.2 There is a risk that the wide range of potential priorities that could emerge from stakeholder engagement will significantly exceed available funding. This will therefore require careful prioritisation with associated risks that some stakeholders will feel alienated from the outcome.

7. Alternative Option(s) considered

- 7.1 An alternative option would be limit funding to 1 year only. This would have the advantage of being affordable within the seed funding allocated from FHSF. However, this option is not recommended principally because the FHSF initiatives should be seen as a starting point to encourage investment in other initiatives and as a result, funding for one year is likely to have only a limited impact. The work involved in the first year will inevitably require significant further work in future years and it is suggested that this should be recognised from the start.
- 7.2 Consideration has been given as to whether the additional capacity required to support this work should be through the establishment of a new post, through a contract with a consultant or a mixture of both. There are pros and cons of all these options and officers have been mindful of the need to gain momentum quickly; to retain expertise within the Council; to ensure initiatives are perceived in a spirit of cooperation at the same time as ensuring the Council demonstrates leadership; to ensure value for money and affordability; and to ensure the level of expertise and resilience delivers the outcomes needed. Taking these factors in to account, it is suggested that initially an internal recruitment exercise is undertaken to assess whether there are existing Council employees who could undertake this work and who could ensure early momentum. If this is unsuccessful, then consideration may be given recruiting an external consultant.