

	Executive 6 March 2019	Agenda Item No. 7
Title	Creative Quarter Masterplan and Next Steps	
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Wards of the District directly affected	Leamington Clarendon, Leam and Brunswick	
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?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	Executive 28 November 2018 (minute 103)	
Background Papers	Executive 5 April 2017 Creative Quarter tender documents, November 2016, Executive 4 November 2015, Creative and Digital Quarter Expression of Interest 18 September 2015; Executive 3 December 2014, outline endorsement of proposed Cultural Quarter and approval for soft-market testing, Executive 12 February 2014	

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 (If No state why below)
Equality Impact Assessments will be undertaken, if appropriate, for individual projects that emerge out of this Masterplan process.	

Officer/Councillor Approval		
Officer Approval	Date	Name
Chief Executive/Deputy Chief Executive		Bill Hunt
Head of Service	12/2/19	Dave Barber
CMT	12/2/19	Chris Elliott, Bill Hunt, Andrew Jones
Section 151 Officer	12/2/19	Mike Snow
Monitoring Officer	12/2/19	Andrew Jones
Finance	12/2/19	Mike Snow
Portfolio Holder(s)	15/2/19	Cllr. Mobbs; Cllr. Butler; Cllr Coker
Consultation & Community Engagement		
As set out in the report		
Final Decision?	Yes	
Suggested next steps (if not final decision please set out below)		

1. Summary

- 1.1 The Council has had long term aspirations to develop a Creative Quarter for Leamington and in November 2015 approved a Regeneration Brief for an OJEU compliant procurement exercise that led to Complex Development Projects (CDP) being appointed as the Council's regeneration partners in late 2017 and the Council entering into a collaboration agreement with them (Collaboration Agreement).
- 1.2 Since their appointment CDP have worked on the development of a document that is referred to in the Collaboration Agreement as a Masterplan for the Creative Quarter. The purpose of that document is to demonstrate how the Council and its partner can develop a long term strategy to deliver the aspirations for the Creative Quarter which were expressed in the Regeneration Brief as:
- Defining the character and a new purpose for the whole of the area;
 - Creating a deliverable, investable, vision for the Creative Quarter;
 - Developing and delivering new space for creative industries;
 - Opening up and improving the public realm and uniting this disjointed area, with specific references to the river corridor and linkages to the north of the town;
 - Unlocking the creative potential of the riverside, the Royal Pump Rooms and the iconic and historic buildings within the area;
 - Refurbishing, re-modelling and re-using Council owned assets as required to assist the delivery of the Creative Quarter
- 1.3 The Regeneration Brief also stated that the appointed partner should develop their proposals in respect of a wide range of creative uses, which could include the following:
- Cultural, artistic; educational; performance; training; food and craft based businesses; cafés and restaurants
 - The specific market demand from the digital industries including the potential for a new digital 'hub' for this growing sector.
 - Residential (including live-work) properties as part of an overall mixed-use vision.
 - Arts and Culture; Digital Games; Music; Performance; TV and Film; Publishing; Design & Craft businesses
- 1.4 The purpose of this report is to update members on the public consultation on the draft Masterplan, which was undertaken by CDP in December 2018 and January 2019, following approval by the Executive in November 2018. As a result of those responses a number of significant changes have been made to the draft Masterplan and it is proposed to amend the boundary of the proposed Creative Quarter as set out in section 3.3, including the removal of the Clublands area, off Adelaide Road, from the red line.
- 1.5 The report asks Members to approve a high level commitment to the principles of regeneration set out in the amended and renamed Masterplan document (now titled "Leamington Spa Creative Quarter: The Big Picture") as the overarching "vision" for the delivery of the Council's long-term aspirations for the Creative Quarter, which will form the basis of the Masterplan required to be signed off under the Collaboration Agreement to signify the completion of phase 1. Therefore, in approving the "Big Picture" document members are not being asked to formally sign off phase 1 of the Creative Quarter partnership. This will

require further detailed technical assessments and the report asks for delegated authority to complete this work.

2. **Recommendations**

- 2.1 That Executive notes the work undertaken by Complex Development Projects Ltd (CDP) to date and the report on the outcome of the public consultation on the draft Creative Quarter Masterplan, attached as Appendix One and approve the publication of the consultation responses on the Council's website in addition to the dedicated Creative Quarter website.
- 2.2 That Executive notes that feedback from the Member Reference Group and Stakeholder Reference Groups was considered by the Creative Quarter Project Board and was invaluable in shaping revisions to the Masterplan document.
- 2.3 That Executive agrees (1) that the revised Masterplan document attached as Appendix Two should be re-named as "Leamington Creative Quarter: The Big Picture", (2) that this document should be approved as the basis for the future development of the Creative Quarter to be captured in the final Masterplan document required under the Collaboration Agreement, and (3) that the Creative Quarter's boundaries should be revised as set out in Appendix Three.
- 2.4 That Executive notes that the approval of the "Big Picture" document does not bring phase 1 of the Creative Quarter project with CDP to a close and delegates authority to the Deputy Chief Executive (BH) and s151 Officer, in consultation with the leader of the Council and the Finance and Business Portfolio Holders to agree the conclusion of phase 1 once further work on the Masterplan required under the Collaboration Agreement has been concluded.
- 2.5 That Executive notes that following the sign off phase 1, individual projects will be brought to future meetings for approval on an individual basis and a detailed business case will be included where the project involves Council assets.

3. **Reasons for the Recommendations**

3.1 Recommendation 2.1

3.1.1 Members will recall that in November 2017, the Council signed a Collaboration Agreement with Complex Development Projects Ltd (CDP) to form a partnership to bring proposals forward for a Creative Quarter. As a first project, in May 2018 member also agreed to a contract whereby CDP would secure the delivery of catering & events services in the Pump Rooms and at the Restaurant in the Park in the Jephson Gardens. More recently, Executive agreed in November 2018 that a draft masterplan document prepared by CDP should be put out to public consultation.

3.1.2 This public consultation took place between 3rd December 2018 and 21st January 2019. During this time CDP organised the following events:-

- Property Owners Group 4th Jan 2019
- Local Business & Community Organisations Forum 8th Jan 2019
- Drop in session: LOTT Bazaar, 37 Clemens Street 9th & 10th Jan 2019

- Leamington Business Forum 11th Jan 2019
- Creative & Digital Businesses Forum 11th Jan 2019
- Drop in session: Royal Priors Shopping Centre 11th Jan 2019
- Business & Community Forum 15th Jan 2019

3.1.3 In addition there was a static (unmanned) display in the Royal Pump Rooms from 7th December 2018 to 21st January 2019 and in the Royal Spa Centre from 7th to 30th December 2018. In response to specific invitations, CDP also held separate meetings with local landowners and agents, Leamington Town Council, Leamington Green Party, the Ahmadiyya Muslim Association and Action 21.

3.1.4 The public consultation invited respondents to complete an online survey and questionnaire. A number of respondents also chose to make separate written responses. A total of 267 responses were made to the online consultation and a further 38 written responses were received.

3.1.5 The majority of respondents agreed that:

- The Masterplan would support Warwick District Council in making this a great place to live work and visit (53%)
- The Masterplan would support economic growth (67%)
- The Masterplan would be positive for Leamington Spa (62%)

3.1.6 The consultation survey provided for a number of free text responses and, inevitably, these covered a wide range of issues and concerns. However, a number of key themes emerged that can be summarised as:

Free text question	Key themes from responses
Q8. Please describe your concerns	<ul style="list-style-type: none"> • Adelaide Road/ Clublands • Pump Rooms/ Library • Leamington Town Hall • The need for housing • Air quality/ environment • Parking • Canal corridor/waterside improvements
Q9. Are there any opportunities in the Creative Quarter that we have missed?	<ul style="list-style-type: none"> • The need for religious and community spaces • Sustainable transport
Q10b. Is there anything else you would like to see?	<ul style="list-style-type: none"> • Clarity of Masterplanning/ decision making process • Clarity of role of the community & voluntary sector • More on Housing • More on Infrastructure • More on Sustainability
Q11. Is there anything else you would like to say?	<ul style="list-style-type: none"> • Protections for Adelaide Road/ Clublands • Clarity of the purpose of

	<p>Masterplan and the decision making process</p> <ul style="list-style-type: none"> • Need to reference Housing, Infrastructure and Sustainability
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3.1.7 A number of common themes also emerged from the written responses:

- A recognition of the scale of ambition and vision.
- Invitations, and requests for further dialogue with key stakeholders.
- Clarification of the planning status of the masterplan.
- A request from two organisations that their property is removed from the Masterplan (Victoria Colonnade and the Post Office/ Sorting Office).

3.1.8 A summary of the full outcomes of the consultation is set out at **Appendix One** (please note there are two parts to this appendix). Every consultation response has been considered and analysed and the proposed responses are set out in the appendices to the attached document. It is recommended that the Report on the Public Consultation and the responses to the issues raised are made publically available via both the dedicated Creative Quarter website and the Council's own website.

3.2 Recommendation 2.2

3.2.1 The governance structure of the project, set out in the Collaboration Agreement, included the establishment of a Project Board. The Project Board includes member and officer representatives of the Council, representatives from CDP and an external representative nominated by the Stakeholder Reference Group (see paragraph 3.2.7). The role of the Project Board is to:-

- be the key decision making body for the Creative Quarter programme.
- provide strategic and operational oversight for the programme and (in the future) for any projects within it.
- approve any reports to be submitted to the Council (including planning applications to be submitted to the Planning Committee).
- support the delivery of the programme and projects by the Creative Quarter Team.
- provide feedback on emerging projects.

3.2.2 It is important to note that the Project Board has no formal decision making powers and cannot make decisions that are binding on the Council. Where formal Council approval is required (such as the approval of individual projects) the Project Board will agree the content of proposals but will then submit these to the Executive for approval. The Project Board has agreed the Big Picture document that is now presented for Executive approval.

3.2.3 At the November 2018 meeting of Executive it was also agreed that a cross Party Member Working Group be established. This has subsequently been established as a cross-party and cross-Council Member Reference Group, chaired by the Business Portfolio Holder and supported by officers. The membership of this group is:

Warwick District Council: Councillors H Grainger, Boad, Naimo, Heath, Davison
 Warwickshire County Council: Councillor Seccombe (Leader)
 Leamington Town Council: Councillor Norris

3.2.4 The Group has met on two occasions and has made a range of comments on the suggested changes to the draft Masterplan which were fed back to the Project Board. In summary, the views of the Member Reference Group were as follows:-

- The Masterplan needs to present a clear, coherent vision that links key sites
- The Masterplan should identify 'big themes' for the delivery of the Creative Quarter vision
- The Masterplan should present a clear phasing of ideas.
- The Masterplan should focus on Council assets but that the Clublands area should be removed from the Creative Quarter red line boundary.
- The term Masterplan is confusing and should not be used.
- The Masterplan should be clear about the planning status of the document, and should reference its relationship with both the Local Plan and (emerging) Neighbourhood Plan for Leamington.
- The Masterplan should make clear the importance of delivering infrastructure, particularly transport infrastructure, to help deliver the vision for the Creative Quarter.
- The Masterplan should reiterate the significant partnership working that will be required before any decision can be made on any future relocation of the library from the Pump Rooms.
- The accompanying Executive report should re-iterate the Council's Vision for the Creative Quarter and how the Masterplan will enable it to be delivered.

3.2.5. The Project Board considered these views carefully. It decided that pre-determining the phases and solely focusing on Council assets would significantly limit the capability of the Masterplan and that it would be better for this to be high-level visioning document that leaves leaving scope and flexibility for projects to develop as opportunities arise. However, the views on the other issues were accepted and supported and have helped shaped the document that is now presented with this report.

3.2.6 Regarding transport infrastructure, it is not the role of the Big Picture document to identify major projects, however the document has been amended to require that as transportation improvements within and affecting the Creative Quarter are developed, these reflect and respect the Creative Quarter vision. Members should also note that elsewhere on this agenda is a report on the Community Infrastructure Levy (CIL) and specifically the Regulation 123 list of projects that CIL will fund. Two of the projects on this list will specifically benefit the Creative Quarter.

3.2.7 The consultation responses and the revised draft documents were also shared with the Stakeholder Reference Group established by CDP. The membership of this group is:

James Childs – Super Spline Studios
Craig Spivey – Craig Spivey Creative
Roger Twiney – Action 21
Alan Heap * – Purple Monster
Carole Sleight – Art in the Park
Adrian Gains – Temperance Café
Louise Richards – Motionhouse
Ruth Leary – University of Warwick

Stacy O'Connor – Warwickshire Investment Partnership (WCC)
Sarah Windrum – Emerald Group & CWLEP Board Member

(*stakeholder representative on the Project Board)

3.2.8 The Stakeholder Reference Group strongly supports the aspirations within the Big Picture document and the proposed amendments to the red line boundary, as set out in section 3.3. In particular, they felt that the inclusion of Jephson Gardens and the East Lodge would ensure that the Leamington artistic community can be directly involved in supporting the development of the Creative Quarter and that the economic impact of the Art in the Park event can be maximised.

3.3 Recommendation 2.3

3.3.1 As a result of the public consultation and the considerations of the various groups outlined above a number of significant changes have been made to the draft Masterplan document that was put out to consultation.

Revisions to the contents of the document

3.3.2 The revised document is attached as **Appendix Two**.

3.3.3 The main changes to the content of the document are:

- In response to the comments from the Members Reference Group the format of the document has been altered to provide greater clarity on its purpose and over-arching vision
- Clear statements on key concerns:
 - The vision
 - Purpose of the document
 - What the Creative Quarter is and who it is for
 - Where it is
 - How consultation has shaped the document
 - Key projects and opportunities
 - Timeline/ process for future decision making
- New images have been added
- Appendices have been added to streamline the document and make it easier to understand
- The red line has been amended in response to the public consultation, as detailed below and shown in appendix three.
- Specific commentary on the rationale for the retention of the Town Hall within the red line has been added in response to the various comments received from the public consultation in respect of this building. This includes a commitment that no projects will be developed until the two Councils currently using the building have determined its future use for civic purposes.

3.3.4 It is recommended that this revised document is approved as the basis for the Council's commitment to the regeneration of the area within the red line as Leamington's Creative Quarter, to form the basis of the Masterplan required under the Collaboration Agreement. This commitment will allow the detailed exploration of individual projects and accompanying business cases to be worked on.

- 3.3.5 It should be noted that approval of this document does not mean that phase 1 of the Council's Collaboration Agreement is brought to an end. Before this can be done, further work is required to form the Masterplan required under the Collaboration Agreement and this is set out in section 3.4 below.
- 3.3.6 The approval of the document will not just cover a commitment between the Council and its regeneration partner CDP to consider how Council owned assets can be utilised to deliver the Creative Quarter. The vision recognises that the purpose of the Creative Quarter is to provide opportunities for the whole community. CDP will, therefore, work with landowners, businesses and investors to facilitate projects and proposals for land and buildings that are not within public ownership, provided these are consistent with the principles enshrined within the Big Picture document and in line with the requirements of the Collaboration Agreement.

The title of the document

- 3.3.7 The title has been changed to the "Leamington Spa Creative Quarter: The Big Picture". The consultation exercise and subsequent discussions with the groups within the project governance structure demonstrated that the term Masterplan was confusing and unhelpful, given that the term has a specific meaning within a planning context. In particular, there were a number of comments from the public consultation exercise seeking further clarity on the master-planning process.
- 3.3.8 It is, therefore, recommended that the name of the document presented with this report is changed from Creative Quarter Masterplan to "Leamington Spa Creative Quarter: The Big Picture" given that there has never been an intention for the Masterplan to become a Supplementary Planning Document as with other Masterplan documents that have been produced.
- 3.3.9 However, members should note that the Big Picture document will carry some weight as supplementary planning guidance and may therefore be referred to when considering planning applications within the Creative Quarter area. As such, it will need to be read alongside the Local Plan and, in due course, the Leamington Neighbourhood Plan. The Big Picture document has been amended to make this clear.

The "red line" boundary of the Creative Quarter

- 3.3.10 One of the major changes made to the draft Masterplan as a result of the public consultation is a proposed revision to the red line boundary for the Creative Quarter as shown at **Appendix Three**.
- 3.3.11 A significant number of concerns were expressed around the inclusion of the Clublands area to the west of Adelaide Road and it is now proposed that this area is removed from the red line.
- 3.3.12 The area was originally included within the red line to allow the potential for new development to be explored. Any new development was intended to benefit the community organisations currently housed in the area but would also potentially cross-subsidise development elsewhere within the Creative Quarter.
- 3.3.13 It is clear that the first aspiration was misunderstood and a range of comments were received before and during the consultation period that any future

development of the area would be to the detriment rather than the benefit of existing tenants and leaseholders.

- 3.3.14 The initial work undertaken by CDP has also demonstrated that the development potential of the area is likely to be significantly constrained by the structure of the existing leasehold arrangements. Given that there would also be a need to ensure that development came forward in a piecemeal manner so as to ensure the continued operation of the existing tenants and leaseholders, rather than a comprehensive development of the whole area, the potential to create significant investment returns for cross-subsidy purposes is unlikely to be as great as first anticipated.
- 3.3.15 Whilst the loss of a potential source of cross-subsidy could have an impact on the pace of development elsewhere in the Creative Quarter it is considered this can be effectively mitigated through the detailed exploration of alternative funding options when individual projects are being developed.
- 3.3.16 It is, therefore, proposed to remove this area from the red line. Officers will now hold individual discussions with the various clubs and organisations based in the area to discuss their future aspirations and support that might be available to deliver them. It is likely that some organisations currently based in the locality may still wish to explore potential opportunities that might become available within the Creative Quarter.
- 3.3.17 In contrast, a number of consultation responses actually suggested that the red line should be expanded, by including East Lodge, home of Leamington Studio Artists (LSA) at the eastern end of Jephson Gardens, core venue for Art in the Park within it. Currently the North and South Lodges and the Glasshouse are included within the red line but not the whole of the park.
- 3.3.18 It is now recommended that all of the Gardens are included within the Creative Quarter red line boundary. This will ensure that the vibrant and dynamic local artistic community, identified as key stakeholders in the future Creative Quarter in the Regeneration Brief, can be better engaged in its development. It will also enable opportunities to support and enhance the development of the work of LSA and the regionally important Art in the Park event to be fully explored and ensure that their work and economic impacts is harnessed to further the development of the Creative Quarter.
- 3.3.19A number of consultation comments also focused on the importance of an enhanced canal corridor at the southern end of the Creative Quarter and suggested that it would be beneficial to include the current Rangemaster site within the red line boundary. Consideration of these comments received has highlighted that there are a number of buildings on the Rangemaster site that could potentially assist in the achievement of enhanced public realm and community access in this key corridor and which could, potentially be developed for alternative uses that complement and directly support the Creative Quarter.
- 3.3.20 However, it has to be recognised that the site is not only in private ownership but is also a key employment site. The Council is committed to supporting Rangemaster in its current operations and future development, so it is not recommended that any changes are made to the red line on the southern boundary of the Creative Quarter. It is, however, recommended that officers continue to engage with the company and that a 'watching brief' is maintained in respect of the site so that is any part of it were to become surplus to the

current need to maintain employment use of the site its potential to complement works within the Creative Quarter can be assessed. In such a scenario any future developments in respect of the site would be reported back to members as set out in section 3.5.

3.4 Recommendation 2.4

3.4.1 The proposed approval of the Big Picture document will determine the list of sites which are to be investigated in more detail to enable specific projects to be brought forward for approval. However, whilst the Big Picture document will set the vision, scope and context for further more detailed work, it will not mark the end of Phase One of the Creative Quarter partnership, a requirement defined in the Collaboration Agreement.

3.4.2 The sign-off of Phase One will require a high-level technical appraisal of the potential use of Council owned assets. It is proposed that this work is signed-off by the Council under the recommended delegated authority after the satisfactory completion of a high level desk-top appraisal to form the basis of the Masterplan required under the Collaboration Agreement. This appraisal will include:

- The list of Council owned assets which might be required to support the regeneration principles set out in the Big Picture (including but not limited to the examples contained in Appendix Six of that document).
- An initial, high-level business case and risk analysis for any projects involving these assets which sets:
 - Potential alternative uses
 - Potential funding arrangements to deliver these alternative uses
 - Any potential requirement for changes to ownership or tenure (i.e. would a future freehold disposal be required for any asset on the list, which might require revised leasehold arrangements and at what indicative rent e.g. market or peppercorn etc.)
 - Potential returns on investment and how these would be distributed.

3.4.3 This high level technical appraisal will fulfil the requirements of the Collaboration Agreement and provide both partners with the basis on which future projects involving Council assets would be developed. It will also form the baseline for members' consideration of the individual business cases that would subsequently be developed, as set out in section 3.5 below.

3.5 Recommendation 2.5

3.5.1 Subject to the approval of the recommendations in this report it is anticipated that the technical work described above can be completed quickly. Once Phase One of the project has been signed-off, detailed project plans and business cases would then be developed. At this stage it is not possible to define a programme and agree initial priorities or a longer term phasing plan as regeneration is a complex process, sometimes requiring a long term approach but sometimes moving extremely rapidly as opportunities arise (for example, as land or properties become available or new funding options present themselves).

3.5.2 It is clear that the Council landholdings within the red line could potentially become a catalyst for future regeneration. Subject to the approval of the Big Picture the examples set out in Appendix Six of the Big Picture document will be

an early focus of work, with dialogue held with adjoining property owners to understand their aspirations and how these could constrain or enhance the possible options under consideration. However, it is equally important to recognise that all opportunities will be explored, regardless of whether these involve land or assets in public ownership, provided they are consistent with the principles enshrined in The Big Picture.

3.5.3 All individual projects will be brought to future Executive meetings for consideration on an individual basis based on the document agreed under the Collaboration Agreement and where these involve the potential use of Council assets it will include a detailed business case for approval.

4. Policy Framework

4.1 Fit for the Future (FFF)

4.1.1 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. This report shows the way forward for implementing a significant part of one of the Council's Key projects.

4.1.2 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 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		
Approval of the proposals in this report would enhance the ability of the Council to deliver its Creative Quarter aspirations and add to Leamington's already impressive cultural offer.	Regeneration of land and properties will have a benefit to the environment and will improve walking and cycling.	Taken together the proposals in the Masterplan offer a 'game-changing' opportunity to ensure that the Council's aspirations for the development of the Creative Quarter can be achieved, supporting a wide range of creative businesses and the wider

		economy of the town and district.
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 development of the proposals, in collaboration with CDP, of the schemes in the draft Masterplan will provide significant development opportunities for staff.	The proposals will allow the Council to deliver new opportunities for customers within the digital and creative sectors.	The proposals in the Masterplan will allow the Council to consider afresh how a positive use can be made for a number of currently un or under-used assets.

4.2 Supporting Strategies

- 4.2.1 Each strand of the FFF Strategy has several supporting strategies. The impact of the recommendations within this report will have a substantial impact on the Council's ability to deliver its desired outcomes for the underpinning economic (Prosperity) strategy. This strand includes a commitment to the "promotion of tourism activities to attract visitors to spend within the district" and a report elsewhere on this agenda makes recommendations in relation to the continuation of Council funding for the sub-regional Destination Management Organisation, Shakespeare's England. The development of the Creative Quarter will provide additional opportunities for the promotion of the district as a destination for visitors and for their spending power to be harnessed to the benefit of the local economy. Cultural tourism in the region is expected to boom during the City of Culture year in 2021, as well as attracting tourists to events during the build-up years. In order to maximise the economic impact of this upon Warwick District the Council must intervene and use its thriving creative sector to ensure that there is a competitive offer to bring visitors to the town and the development of the Creative Quarter will significantly assist the achievement of that goal.
- 4.2.2 The proposals in the Big Picture are in accordance with those set out in the Warwick District Local Plan (2011 / 2029) adopted by the Council in September 2017. Specifically, the Plan delivers a Spatial Strategy that, amongst other things, focusses employment, retail, leisure and cultural activities in town

centres. The proposals for the Creative Quarter is consistent with this strategic approach.

4.2.3 The development of a Creative Quarter is also supported by the "Leamington town centre: vision & strategy" which was prepared by the Leamington Town Centre Forum and approved by the Council in March 2018. One of the six "big ideas" in this vision & strategy was for a "hub for creativity" and the Creative Quarter proposals in the Big Picture document seek to address this issue. The creative economy is widely recognised as being one of the unique strengths of the District, extending beyond the current success of the gaming industry and the Creative Quarter vision seeks to ensure that whole creative sector is supported and developed.

4.3 Changes to Existing Policies

4.3.1 Not applicable.

4.4 Impact Assessments

4.4.1 Not applicable.

5. Budgetary Framework

5.1 The costs of all work undertaken to date have been borne by CDP as agreed in the Collaboration Agreement.

5.2 Subject to the approval of the recommendations in this report CDP will continue to bear the cost of technical work to develop specific schemes that will be presented to Executive for approval, including the examination of the potential sources of funding that may be available to assist their delivery. However, after the completion of sign-off of Phase One of the project the Council will be committed to the principles of regeneration of the area, including the potential use of its own assets. Whilst, this does not commit the Council to making funding available to support any individual project the potential impact on assets will have been determined as set out in section 3.4 above.

5.3 The financial implications to the Council will, therefore, require careful and detailed consideration as part of that process.

6. Risks

6.1 There will be risks associated with specific development projects within the Creative Quarter as and when these come forward. These risks could be financial and/or reputational. This is, however, a matter that will be fully addressed as specific projects are considered with a full Risk Register being presented to members.

6.2 As set out in sections 3.4 and 5 above approval of the recommendations in this report does not commit the Council to sign-off Phase One of the project as defined in the Collaboration Agreement. There is a risk that the Council could, in agreeing the subsequent sign-off, be making a commitment that has unforeseen or adverse financial implications for the Council. That risk can be addressed by ensuring that the high-level business cases, as described in section 3.4 are developed through the partnership with CDP and the implications of each subsequent project brought forward are carefully

considered, including by the s151 Officer and Finance Portfolio Holder, before specific commitments by the Council (over and above what has already been agreed through the final Masterplan) are agreed in respect of its assets.

- 6.3 There is a risk that the long term nature of regeneration schemes creates uncertainty amongst local stakeholders or means that property owners or developers defer decisions that could bring community benefits. These risks can be mitigated by the approval of the Big Picture document which will allow the Council to articulate to local stakeholders and the wider community how it intends to work in partnership with CDP to deliver the Creative Quarter aspirations. It will also provide CDP with the certainty of the Council's commitment to the regeneration principles, allowing them to hold detailed discussions with local land and property owners. Where appropriate, the Council and CDP will explore whether there are any joint venture partnerships that could further the delivery of the vision (as has already been suggested in respect of some localities via the consultation process).

7. Alternative Options considered

- 7.1 The Council could decide not to support the Big Picture. This has been discounted as the document has gone through a detailed consultation process and been amended as a result of it. This means that it is considered to provide a good basis for taking specific proposals forward for further detailed examination. It is recognised that many of the examples, set out at Appendix Six of the Vision documents, are currently only at a high level at this stage, and will require considerably more work before a formal proposal for any scheme can be put before the Council again for consideration.
- 7.2 The Council could ask that further consultation is undertaken before the Big Picture is approved. This is not considered appropriate as despite initial concerns as to the timing of the consultation the high level of responses indicates that its length and the breadth of the events detailed in paragraph 3.1.2 was sufficient to allow stakeholders and interested parties to make their representations. It is not considered likely that undertaking further public consultation would identify much that had not already been highlighted in the consultation. However, a further safeguard is available as approval of the recommendations will allow CDP to begin much more detailed dialogue with stakeholders in respect of specific projects under the umbrella framework of the principles set out in the Big Picture document.
- 7.3 The Council could decide not to proceed with the partnership with CDP. This has been discounted for the reasons set out in paragraphs 7.1 and 7.2 above. It is considered that CDP has carried out sufficient initial work to produce a vision that offers an exciting opportunity to regenerate this part of the town, which can be developed for sign off under section 3.4.