



Cabinet

23 September 2020

Report Title:	Town Deal Accelerated Fund and LCR Town Centre Fund Update
Cabinet Portfolio	Cabinet Member - Economic Regeneration & Housing
Cabinet Member	Councillor Richard McCauley
Exempt Report	No
Reason for Exemption	Open
Key Decision	Yes Any decision of the Cabinet incurring expenditure or making savings in excess of 10% of the relevant portfolio or £250,000, whichever is the smaller, unless (i) the specific expenditure or saving has been previously agreed by full Council; or (ii) it is a decision taken in accordance with the Council's Treasury Management Policy.
Public Notice issued	Yes 25 August 2020
Wards Affected	Earlestown; Town Centre;
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Borough priorities Please mark X for any priority supported by this report NB Use Section 4 - Background Information to explain how each selected priority is supported	Ensure children and young people have a positive start in life	
	Promote good health, independence and care across our communities	
	Create safe and strong communities for our residents	X
	Support a strong, diverse and well-connected local economy	X
	Create a green, thriving and vibrant place to be proud of	X
	Be a modern, efficient and effective Council	

1. Summary

- 1.1 This report brings forward an opportunity for the investment of £2m into St Helens and Earlestown Town Centres to recognise the impact that covid pandemic has had on our town centre and to help and assist local businesses and the St Helens Economy to recover. It is anticipated that this significant level of investment will act as a catalyst for future investment and to accelerate delivery of the Council's regeneration programmes.

2. Recommendations for Decision

Cabinet is recommended to:

- i) Approve the acceptance of the £1m Liverpool City Region (LCR) Town Centre Fund to support the recovery of Earlestown and St Helens Town Centres and to approve the associated action plan for implementation.**
- ii) Approve the acceptance of the £1m Town Deal Accelerated Fund from Central Government to accelerate a key component of the Town Deal, for the demolition of Chalon Way Car Park to unlock a future development site in the St Helens Town Centre.**
- iii) Approve that in the event of the demolition costs exceeding the award of £1m, any gap in funding, up to a maximum of £100,000, to be funded from the Growth Reserve.**

3. Purpose of this Report

- 3.1 The purpose of this report is to highlight two significant funding opportunities that have been secured for the Borough's Town centres. The funding streams are the Liverpool City Region Combined Authority Town Centre Fund and the Government's Town Deal Accelerated Fund both of which will provide much needed financial support to aid the recovery of Town Centres and to unlock development potential.
- 3.2 The report seeks Cabinet approval to the re-purposed action plan for the £1m Town Centre Fund to support the recovery of the Town Centres post Covid requiring projects to be completed by October 2021 and to allocate the £1m Town Deal Accelerated Fund to proceed with the demolition of Chalon Way Car Park to unlock future development potential. The proposed capital grant fund is to be spent by March 2021.

4. Background /Reasons for the recommendations

LCR Town Centre Fund

- 4.1 On 29th January 2020 Cabinet agreed to accept grant funding of £1 million provided by the Liverpool City Region Combined Authority for investment in St Helens and Earlestown Town Centres with an agreed action plan.
- 4.2 The proposed action plan at that time focused heavily on grants to support the occupation of vacant units, completion of a Town Centre masterplan, public realm improvements and Town Centre events.
- 4.3 The Council has executed a Grant Funding Agreement with the Combined Authority to secure the funding. In the light of the unprecedented challenge facing town centres in the post Covid recovery the previously approved action plan is no longer appropriate. As part of its Economic recovery plan the Combined Authority have asked Local Authorities to propose amendments to better support existing businesses. It is proposed to facilitate proposed changes with an addendum to the grant funding agreement.
- 4.4 The fund was originally designed to enable local authorities to reimagine and reshape town Centre's. However, the impact of Covid19 has provided a huge challenge to the viability of Centres, and many existing businesses now need help and support. The re-purposing of the Town Centre Fund is designed to offer such assistance.
- 4.5 The re-purposed action plan was derived following consultation with Town Centre business owners and retailers. The Proposals will form a key part of the St Helens Economic Recovery Plan which is currently in development.
- 4.6 The projects proposed for the £1m LCR Town Centre grant funding are: -
- Project 1 - Small Business Grant Scheme - Suggested allocation £500,000. (minimum 100 businesses assisted)

This scheme is aimed at providing grants of up to £5,000 to support businesses to diversify, grow and make necessary adaptive changes to continue to trade through the Covid pandemic including the introduction of covid safe environments and physical improvements
 - Project 2 - St Helens and Earlestown Centre Hubs - Suggested allocation £60,000.

An innovative hub created and maintained for communities and business to use as a shared space. The proposal aims to provide Wi-Fi and broadband enabled, have communication lines, businesses will be able to access, business advice, research facilities, and there will be facilities for community use for recreational/leisure activities, meeting rooms.

- Project 3 - Place Marketing and Public Engagement - Suggested allocation £100,000.

Place marketing & PR that promotes town centres and encourages residents to think and act local will support economic recovery, the sustainability of existing businesses and encourage new development.

- Project 4 - Introduction of Quality Accredited Schemes – Suggested allocation £20,000.

Relaunch of improving standards scheme with assistance from scheme organisers. Establishment of the new badge for quality establishments in the borough focused on the visitor experience. Providing opportunity to shape the future evening economy.

- Project 5 - Town Centre Animation – Suggested allocation £120,000.

This project will look at a key part of the recovery process where there is an increasing need for towns and cities to set themselves apart and present their urban centres as attractive places to visit. In light of covid safety we will need to improve the visitor experience of our town centres, develop cultural activities and art installations, making the best use of outdoor spaces within the town centres to attract an increased level of footfall, spend and profile. We will work with across the Council and with our cultural and town centre partners to ensure we maximise the monies available. This will complement existing events & activities in the town centre.

- Project 6 - Council Support / Ways to Work Hub - Suggested allocation £60,000.

Suggested combined with project 2 above - Proposal is to create a high-profile hub, located in vacant retail unit in Church Square, providing drop-in employment advice / guidance and access to vacancies. Branded as and staffed by Ways to Work. This opportunity will provide a gateway to wider Council services. Service will include one-to-one interviews, registrations for employers, and desk space for employment providers and recruitment. The intention is to provide additional drop in, community outreach sessions in Earlestown at a location, to be determined.

- Project 7 - Digital High Streets – Suggested allocation £140,000.

Project aims to provide for a well-established online marketplace with a digital place-based platform offering single click ordering, bookings and delivery across multiple businesses and business types. The Digital High Street will support businesses, self-employed people, hospitality and retail to continue to trade during these unprecedented times with online access and home delivery. It will build on the entrepreneurship of businesses demonstrated during the lockdown period. This will help local, independent businesses in local high streets and markets, return to trade and be more resilient and compete with larger global companies.

4.7 The funding is time limited and must be expended by October 2021. These projects will be

delivered within this timescale across both St Helens and Earlestown Town Centres.

Towns Fund – Accelerated Fund Grant

- 4.8 On 30th June Government announced that it would bring forward £5bn of capital investment projects, supporting jobs and the economic recovery. St Helens was identified as a qualifying town; with the support of the Town Deal Board we are currently preparing a bid submission. The Towns Fund aim is to create jobs and build stronger and more resilient local economies and communities. The Council has received confirmation from MHCLG that we are to receive a £1m Accelerated Town Deal fund grant. This is in advance of the Town Deal Fund bid which will be applying to access funding of up to £25 million.
- 4.9 The grant is for capital projects that can be delivered this financial year, as the funds must be expended by 31st March 2021. Government are particularly encouraging projects that lay the foundation for future investment, the guidance stated: -
- Demolition or site remediation where this will have benefit.
 - Improvement to, or new parks and green spaces and sustainable transport links.
 - Improvements to town centres including repurposing empty commercial properties.
- 4.10 The requirement to deliver projects this financial year presents significant challenge and narrows the field of deliverable projects. To be successful, projects must have indicative costs identified and an achievable delivery programme.
- 4.11 Officers conducted a review of a number of Town Centre projects and assessed them against the funding criteria. The demolition of the Chalon Way Car park has been assessed as meeting the guidance criteria and being deliverable within the budget and timescales.

Demolition of Chalon Way Car Park

- 4.12 The Chalon Way car park acts as a barrier to the Town Centre and conceals the Canal which is a key feature in the Towns heritage, this area has the potential to be enhanced as part of future regeneration proposals. The demolition of the car park would act as a “statement of intent” and would create a future development opportunity, in the interim it could, provide a platform for other meanwhile uses.
- 4.13 The future use of the car park site will be established through the Town Centre masterplan which is currently under development and will be made available for public consultation later this year. The loss of car parking may be a concern to users and the general public however, a recent car parking study has identified that there is sufficient capacity on all other Town Centre Car Parks to facilitate the displacement of vehicles and meet anticipated demand.
- 4.14 An initial feasibility study has been undertaken to establish the construction detail of the car park and to provide a cost estimate for the demolition. The initial estimate for the cost of demolition is £921,000 however, due to the absence of detailed information at this stage, this single point estimate has also been presented as a low and high range cost to reflect the degree of cost variance as the design detail is developed and the scope is refined. The low cost is £830,000 and the high cost would be £1,013,000 (inclusive of fees).
- 4.15 There is the potential that the demolition costs could exceed the £1m award of accelerated funding and it is therefore recommended that a further contingency sum of £100,000 be

earmarked from the Growth Reserve to cover any cost increase and risks associated with the project.

- 4.16. An essential element of qualifying for the grant is the ability to demonstrate how the Council will build on this initial accelerated fund within its future submission of a Town Investment Plan which is due for submission in January 2021. The proximity of the car park site to both the Canal and the Town Centre provides a significant development opportunity that could see a mixture of commercial, leisure and housing uses coming forward within an overall Town Centre masterplan.
- 4.17 This project aligns with the guidance and demolition could commence early 2021. This project will be subject to submission and subsequent approval by MHCLG to allow a release of Accelerated Capital funding allocation

5. Community Impact Assessment

The Community Impact Assessment identified the following key implications

- To ensure a fair and transparent allocation of business grants
- To promote walking and cycling
- To promote a key site for green space, links with heritage and community engagement
- To be a catalyst for the regeneration of the Town Centre
- To remove a site that has been associated with previous suicide attempts resulting in fatalities.

6. Consideration of Alternatives

- 6.1 There is an option to continue with the previous plan however given the significant changes and threats to existing businesses this was discounted as it was clear that support for the existing business base was required if they are to survive the dramatic change in the trading environment. Officers have reviewed best practice and consulted with national trade bodies and local businesses to identify the preferred approach.
- 6.2 The requirements of the Town Deal Accelerated Fund is specific in its request for projects and more so in delivering capital spend this financial year. Officers considered several options including CCTV and Improvements to the Gamble building to deliver the capital spend however, these were discounted as the specialist nature of the projects meant that anticipated delivery programme exceeded the available timescales.

7. Conclusions

- 7.1 This report seeks approval to accept the Liverpool City Region Town Centre Fund and the Town Deal Accelerated Fund and to use these funds to commission the demolition of Chalon Way Car Park and provide a package of support for existing businesses.
- 7.2 These funds offer an excellent and timely opportunity to support the economic recovery in our Town Centres and to demonstrate our commitment to future regeneration. The long-term effects of the pandemic are as yet are unknown, but the proposed use of the Town Centre Fund will provide much needed support and opportunity for businesses to adapt to this changing environment.

- 7.3 The projects will be delivered across St Helens and Earlestown Town Centres and will help businesses to begin to build back better providing them with the support and facilities to innovate and adapt.

8. Implications

- 8.1 Legal Implications - What are the legal implications? Has the relevant Legal Officer confirmed that the recommendations within this report are lawful and comply with the Council's Constitution?

- 8.1.1 The repurposed action plan for the Town Centre Fund, once approved will become an addendum to the existing Grant funding agreement which has been agreed with the Combined Authority.

8.2 Community Impact Assessment (CIA) Implications

What are the implications for the following areas identified from the CIA?

The Community Impact Assessment identified the following key implications. There are key aspects focused on ensuring this investment creates opportunity for growth, the unlocking of key heritage assets, the promotion of a key area for regeneration. Other aspects raised cover the need for fairness on the allocation of business grants and ensuring the eligibility criteria is checked and monitored for allocation of grants. It is also to be noted that Chalon Way Car park is used to accommodate match day parking during the rugby season with on average 200 additional vehicles using the venue. Alternative parking provision currently exists within the Town Centre to meet this level of match day parking and to hopefully encourage linked trips.

- 8.2.1 Social Value - How does the proposal support employing local people, spending in the local economy, and local procurement?

- 8.2.1.1 The aim of the funds is to sustain and secure local businesses, to provide facilities and encourage new local business ventures. This will help to safeguard local employment and develop new employment opportunities. The Town Centre hub is aimed to link residents to these opportunities. It is intended the projects will also encourage footfall to support the local economy.

- 8.2.2 Sustainability and Environment - How does the proposal impact on sustainability and the environment?

- 8.2.2.1 The chosen option for the accelerated fund will be the demolition of the car park. The car park demolition process will have to comply with all environmental requirements for dust, noise and contamination both in the process of demolition and the removal of debris from the site in a controlled and regulated manner. The removal of the car park will also reduce the Council's energy costs by £30,000.

- 8.2.3 Health and Wellbeing - How does the proposal support and promote public health and wellbeing?

- 8.2.3.1 Helping to mitigate the economic impacts will help to improve the health and well-being of our citizens. In providing advice and support for business adaptation local businesses can trade whilst adhering to social distancing and Covid guidelines which will also help to minimise infection rates. Providing a more welcoming environment will also help to support the well-being aim of addressing mental health.

- 8.2.4 Equality and Human Rights – What are the Equality and Human Rights implications? If there is an adverse impact what mitigation has been put in place?
- 8.2.4.1 Within the Community Impact assessment the fairness and transparency of the allocation of business grants within the Town Centre Fund has been highlighted as a key consideration which will be monitored as part of the grant application process.
- 8.3 Customers and Resident - What are the implications for our customers/residents?
- 8.3.1 The businesses and residents will benefit from the investment of the Town Centre Fund. Support to businesses will be given for recovery. There will be a need to ensure that residents and visitors to the Town Centre are fully informed of these changes and the availability of parking provision is appropriately signposted and promoted health protection with the use of cycling and walking.
- 8.4 Asset and Property - What are the issues? Does the report propose and reduction, addition or change to the council's asset base or its occupation?
- 8.4.1 Chalon Way is a council owned asset and due to its age has significant maintenance liabilities which will be offset by the need to utilise the site for regeneration purposes. Current liabilities include annual maintenance and utility costs of £36,872 per year. The removal of the car park will unlock land with a potential elevated land value that will be advantageous to the Council in promoting investment and regeneration to the key location.
- 8.5 Staffing and Human Resource - What are the workforce implications? Have Senior HR Officers been consulted?
- 8.5.1 Several of the projects are cross cutting with existing Council programmes or officer roles and therefore the expenditure can be accommodated with no need for additional human resource, there may be a need to reprioritise existing work programmes to accommodate the delivery timescales. The Place Directorate is currently recruiting project support to help deliver the town deal programme and this resource will be utilised to monitor progress and ensure key milestones are achieved. Chalon Way car park is predominately used for permitted council staff parking, there will be a need to relocate this to other Town Centre locations. Given the new flexible way of working the need will be reduced and therefore there will still allow capacity for public use on the remaining car parks.
- 8.6 Risks - What are the issues? How are we mitigating them?
- 8.6.1 The delivery of projects within the funding timescales is identified as a key risk. Consideration will need to be given to prioritisation of internal resources and additional external resource to add capacity.
- 8.6.2 Delivery and implementation of projects could be impacted upon by any future Covid outbreaks.
- 8.6.3 The costs of the car park demolition in relation to the allocated grant figure. Additional costs up to a further £100,000 will be covered in a contingency from the Growth Reserve.
- 8.6.4 Procurement of the projects for the Town Centre Fund will need to comply with procurement requirements but there will be a need to ensure the outputs from the projects assist and deliver as early as possible to assist in the economic recovery from the pandemic. The car park

demolition contract will need to be executed in a timely manner to ensure project timescales are met.

- 8.7 Finance - What are the financial implications – Revenue and Capital? VAT and Insurance? Contract and Procurement? Have the relevant Finance and /or Procurement Officers confirmed that any expenditure referred to within this report is consistent with the Council's budget?
- 8.7.1 The grant allocations require no match funding and can be added to the Council's revenue and capital budgets. Both projects are fully grant supported, subject to the confirmed demolition costs of Chalon Way Car Park.
- 8.7.2 The £1m LCR Town Centre Fund will be allocated to projects as identified in para 4.6.
- 8.7.3 The estimate for the demolition of Chalon Way Car Park is between £0.83m and £1.013m. It is requested that a contingency of up to £100,000 be earmarked to fund any additional costs over the £1m Accelerated Towns Fund, to be funded from the Growth Reserve. Chalon Way Car Park generated income of £219,000 in 2019/20. The budgeted net surplus in 2020/21 is £116,000. It is anticipated at this stage, that existing users of Chalon Way will take up capacity on other car parks in the Town Centre thereby minimising any loss of income. There is sufficient capacity in other existing Town Centre car parks to absorb demand resulting from the loss of Chalon Way car park.
- 8.8 Policy Framework Implications Are the recommendations within this report in line with existing council policies? If not, how is this to be addressed?
- 8.8.1 There are no implications in respect of the Policy framework.
- 9. Background papers**
- 9.1 29th January 2020 Cabinet report - Liverpool City Region Combined Authority investment in St. Helens and Earlestown Town Centres
- 10. Appendices**
- 10.1 None.