

Housing & Land Delivery Board

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| Date | 21 February 2019 |
| Report title | Town Centre Programme Update (including Future High Streets Fund) |
| Portfolio Lead | Cllr Mike Bird (Chair, WMCA Housing & Land Board) |
| Accountable Chief Executive | Jan Britton (Chief Executive, Sandwell Metropolitan Council) |
| Accountable Employee | Gareth Bradford, Director of Housing & Regeneration, WMCA Pat Willoughby, Senior Reporting Officer, WMCA Tom Podd, Report Author, WMCA |
| Report has been considered by | This report was considered by the Housing & Land Delivery Steering group on 1 February 2019, its contents agreed, subject to amendments, and approved for submission to the Board. The report has been amended in light of feedback from Delivery Steering Group. |

Recommendation(s) for action or decision:

The Housing & Land Delivery Board is asked to note:

1. The contents of this report and progress on the town centre programme, and
2. That this paper has been considered, and the broad contents endorsed, for submission to the Housing & Land Delivery Board by the Housing & Land Delivery Steering Group.

1.0 Purpose

- 1.1 This report provides a summary of the WMCA town centre programme specifically providing an update on:
- Overall Programme
 - Status report on the five centres and 'quick wins'
 - Regional Town Centre Task Force
 - Development of a town centres 'toolkit'
 - The Government's Future High Streets Fund and WMCA's role in bids
 - Next Steps

2.0 Background

- 2.1 Town centre regeneration and re-purposing is a very high profile agenda, nationally and regionally. The Housing & Land Delivery Board has emphasised the importance of this region, positioning itself front and centre of the agenda, making a very positive start to a new regional town centre programme in 2018; and preparing to deliver transformative, visible change and implementing 'quick wins' in our centres in 2019.
- 2.2 To date, five centres have been agreed by the Housing & Land Delivery Board at the meeting on 25 October 2018 for early focus/intervention; these are the first wave pilots of the new regional town centre programme. A Town Centre Working Group of council officials meets regularly and is working collaboratively on the agreed process. A clear work programme for the group detailing various stages of work and tasks has been collectively agreed (See Appendix A).
- 2.3 The 'further research' stage in each of the centres has now been completed. This involved identifying the progress in each centre in terms of having a robust strategy/vision, supportive planning policy framework, a robust town centre health check and identified interventions with a view to having an ambitious draft Delivery and Investment Plan for each centre Q1 2019 that secures inclusive growth and town centre re-purposing. Each plan will be tailored to each centre but will share common elements and learning from each centre in terms of evidence, delivery mechanisms and interventions and the Working Group is identifying what those elements would be.
- 2.4 Each centre is at a different stage but there is a consensus that delivery is critical and that the process must be flexible to avoid creating delay in the delivery of projects. Some key tasks will be undertaken in parallel with others so that they do not delay the formulation of interventions and investment in projects. Action and investment must drive the programme.

3.0 Town Centre Programme

Status Report on the Five Centres

3.1 A summary of where each centre is in the process is set out below:

Bilston

- Planning Policy is to be reviewed through the Black Country Core Strategy Review.
- Baseline audit undertaken and being reviewed through the Black Country Core Strategy review.
- Initial work on possible interventions
- Primary intervention sites identified.

Bordesley Green

- Vision articulated through Bordesley Green Area Action Plan (Submission Version)
- Baseline health check undertaken (use class and vacancy rates).
- High Level interventions and key site opportunities identified.

Dudley (St Thomas)

- Vision articulated in the Area Action Plan.
- Supportive and recently adopted planning policy framework.
- Baseline under review as part of Black Country Core Strategy review process.
- Comprehensive list of interventions and opportunity sites identified.

Walsall (St Matthews Quarter)

- Area Action Plan adopted January 2019 with vision and planning framework.
- Masterplan currently being produced.
- Possible interventions being developed as part of Masterplan process.
- Key sites identified.

West Bromwich East

- Baseline will be updated as part of the Black Country Core Strategy Review.
- Development opportunity sites identified with broad interventions.

3.2 As part of the Town Centre Programme, the Housing & Land Delivery Board agreed to a small working group of local authority officers and WMCA officials to be established quickly to drive the programme – reporting to Housing & Land Delivery Steering Group and then on to the Housing & Land Delivery Board. This group meets regularly given the importance of the programme and pace of change in our town centres. Through this, local authorities have identified a ‘long list’ of projects for the five centres informed by a clear vision, evidence and policy framework and a sound understanding of the local issues and opportunities in each of their centres. This list of projects was subsequently reviewed by the working group and priority projects agreed as being suitable for early intervention/quick wins. A key criterion was the ability to deliver in

2019 to help build momentum show a difference and drive regeneration of the pilot centres.

- 3.3 These 'quick win' projects are by their nature highly confidential. A report setting out these projects and requesting funding to deliver them is to be considered by WMCA Investment Board at their meeting on 18 February 2019. The report is also to be considered at the 21 February Housing & Land Delivery Board seeking approval of the identified projects.

4.0 Regional Town Centre Task Force

- 4.1 Alongside announcing a 'Future High Streets Fund' the Government has also announced a national 'High Streets Task Force' to provide expertise and hands-on support to local areas. We have spoken at length with officials in MHCLG and other Government departments on the role and remit of the National Task Force.
- 4.2 The WMCA Regional Town Centre Task Force will help drive the town centre agenda. It will champion the region's town centres, offer insight into the future of high streets and how to ensure they remain key locations for our residents now and for the future, and act as a critical friend of the town centre programme. It will be a practical Task Force offering hands on support to the five pilot centres and Town Centre Programme, providing insight and expertise to help our local authorities. We have specifically included members with a commercial, financial and investment background in response to feedback from this Board and the Working Group.
- 4.3 To avoid duplication between the national task force and our own regional task force and, in line with steers from Leaders and Housing & Land Delivery Board, we have reviewed our proposed membership to give a more regional emphasis. This will avoid duplicating the role and membership of the national task force whilst also complementing local town centre commissions/boards. We are proposing to source more regionally based experts, those with a regional perspective or currently active in the region. At its meeting in October 2018, the Housing & Land Board delegated authority to the Director for Housing & Regeneration, in consultation with the Portfolio holder, to agree the members of the Task Force. Potential members are being contacted with a view to holding the first meeting in March/April.

5.0 Toolkit

- 5.1 A toolkit is being developed to capture lessons from the five pilot centres, to provide principles for successful town centre regeneration and to help shape Government thinking. As part of the toolkit we are developing a package of evidence relating to town centre regeneration initiatives (what has worked/not worked and why) to inform our programme and refining a set of possible interventions (e.g. Compulsory Purchase

Orders, Local Development Orders, land acquisition and assembly, permitted development for flats above shops, etc.). The toolkit will be used to help other centres across the region. A draft toolkit will be brought to the next meeting for review.

6.0 Future High Streets Fund

- 6.1 The Government has launched its prospectus for the Future High Streets Fund. Local Authorities are able to bid on a competitive basis for up to £25 million each from a £675 million fund. This is a unique opportunity for the region to access new Government funding to bring about change in our town centres. It would be in our collective interest to demonstrate that we have a clear regional programme for town centre activity and interventions, founded on a robust evidence base and strong collaborative working. The more that our programme can be seen to align with and support the national initiative the better.
- 6.2 A summary of the prospectus is provided in Appendix B. The prospectus provides for expressions of interest to be led, and submitted by, individual local authorities. WMCA will support bids from all constituent and non-constituent authorities to help maximise opportunities to secure funding. This would likely be in the form of a letter or covering note.
- 6.3 Phase 2 of the bid involves developing detailed business cases. WMCA can offer support to local authorities selected for this stage to help them develop their proposals.
- 6.4 We have met with MHCLG to update them on our town centre programme. The meeting was attended by the head of regeneration at MHCLG and the lead for the Future High Streets Fund. They were very interested in our town centre programme and the work in the five pilot centres and are keen to remain engaged. Key messages from the meeting will be reported to the Board.
- 6.5 Since meeting with MHCLG, additional guidance has been published for local authorities including the weighting for the key criteria. Crucially MHCLG have provided opportunities for some local authorities to submit more than one bid for their area where authorities have populations significantly higher than the national average such as Birmingham.

National 'Task Force'

- The Task Force will be sourced from an existing organisation with links to the retail sector.
- Task Force would work with unsuccessful centres from round one to improve their bids for round two (should they wish to bid again).

- Will boost LPA capacity and share best practice. Similar role to Scottish Town Centre Partnership <https://www.scotlandstowns.org/>
- Task force to be launched in Spring 2019.

7.0 Next Steps

7.1 Jointly, we will work towards developing an effective and ambitious town centre Delivery and Investment Plan for each wave one centre in Q1 2019. We will use the plan and evidence to secure the funding and support needed to deliver, including the use of business cases for WMCA devolved housing and employment land funding in the town centre areas. We are also developing a package of funding streams, identifying existing funding and where WMCA funding may be required if existing funding does not allow for schemes to be brought forward. This will be used to inform the delivery stage of the programme.

7.2 We will:

- continue work with the Working Group focusing on visions, evidence and possible interventions with a view to producing delivery and investment plans in Q1 2019
- develop a town centre toolkit including basic principles for development
- establish the Regional Town Centre Task Force with the first meeting in March/April 2019.

7.3 By the end of April 2019 we are on track for:

- clear, evidenced and accurate diagnosis of challenges in each centre
- clear identification of quick wins and visible opportunities for change
- identification and initial costs for interventions
- five town centre delivery and investment plans for Housing & Land Delivery Board to consider
- new funding and existing funding more closely directed towards town centres through the single commissioning framework

8.0 Financial Implications

8.1 There are no direct financial implications as a result of the recommendation to note the contents of this report. Any acquisitions made under the programmes detailed above will be subject to the Combined Authority identifying appropriate funding to both facilitate the acquisition and meet the operating costs of the property (business rates, securing the site etc.) until the point of disposal. All acquisitions will be approved in line with the relevant WMCA governance process.

9.0 Legal Implications

- 9.1 Section 113A(1)(a) of the Local Democracy, Economic Development and Construction Act 2009 gives the CA a power of competence appropriate for the purposes of carrying out any of its functions. Part 4 of The West Midlands Combined Authority Order 2016 (2016 No 653) confers that the functions relating to any Economic development and regeneration in the constituent councils are exercisable by the CA. Part 3 of The West Midlands Combined Authority (Functions and Amendment) Order 2017 confers the functions corresponding to the functions of the Housing Community Agency has in relation to the combined area.
- 9.2 Part 7 of the Mayoral of The West Midlands Combined Authority (Functions and Amendment) Order 2017 confers the power to pay Grant (pursuant to s31 of the Local Government Act 2003) to the Mayor with assistance of members and officers of the Combined Authority.
- 9.3 There are no direct legal implications arising as a result of this report. However, the proposals set out in this report may have legal implications in the future which will be considered at the appropriate time through future reports as necessary

10.0 Equalities Implications

- 10.1 There are no direct implications arising from the report. However equalities implications will need to be considered as projects are developed. An Equality Impact Assessment will be conducted to identify key equality implications and engagement needs for the overall programme

11.0 Inclusive Growth Implications

- 11.1 The implications from the paper are neutral when it comes to inclusive growth. However, an important success factor for the programme will be the extent to which it promotes inclusive growth. Individual interventions have the opportunity to address this through the programme. Implications will arise as investments are made and strategies are devised for town centres – in terms of who benefits from those investments and in who is involved in shaping and contributing to them. As such, any programmes should be devised with the responsibility to deliver inclusive growth.

12.0 Geographical Area of Report's Implications

- 12.1 The five pilot authorities are Birmingham City Council, Dudley Metropolitan Borough Council, Sandwell Metropolitan Borough Council, Walsall Metropolitan Borough Council and the City of Wolverhampton Council. Bids to the Future High Streets Fund are open to all constituent and non-constituent authorities.



**West Midlands
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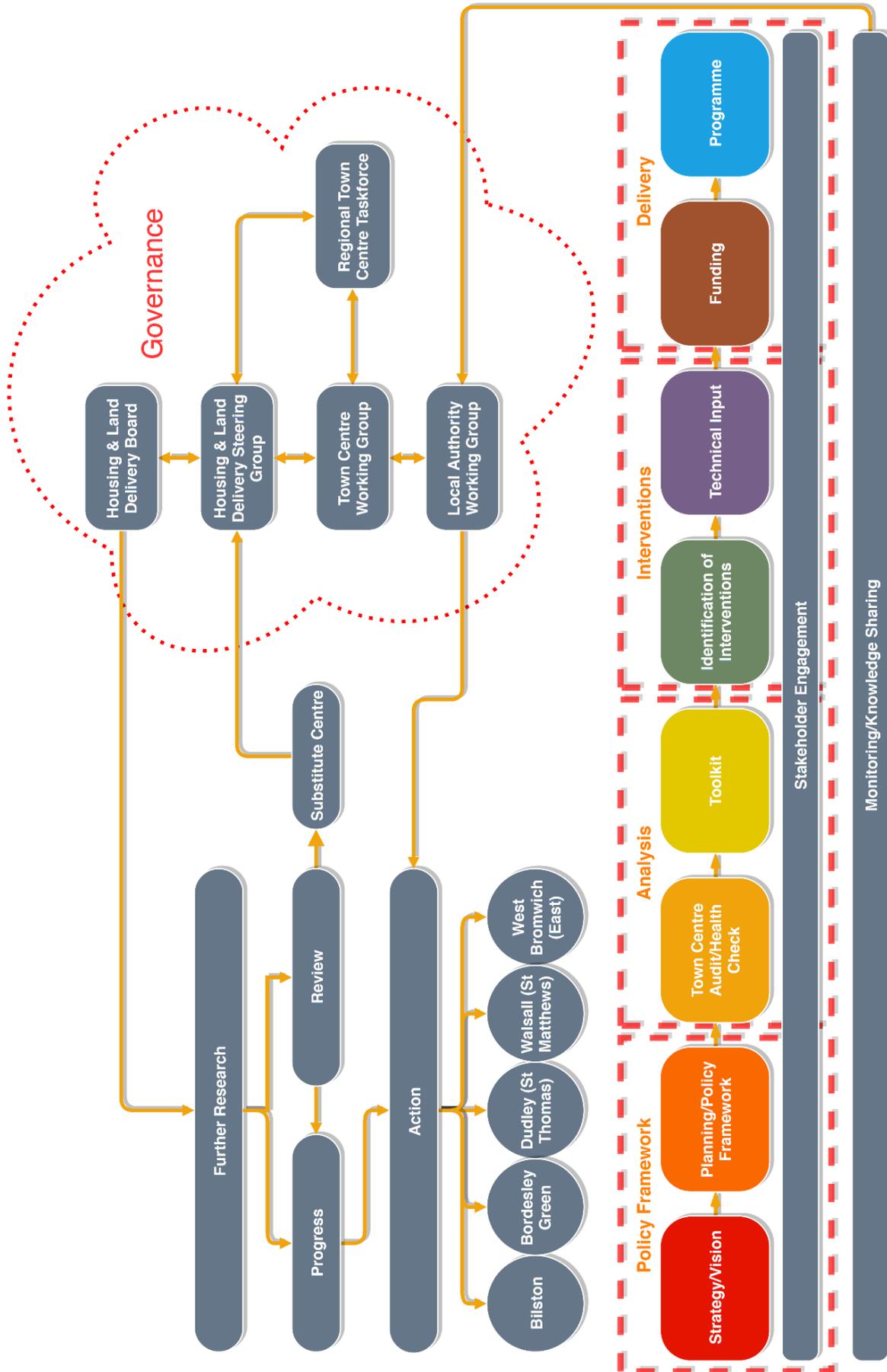
13.0 Other Implications

13.1 None

14.0 Schedule of Background Papers

14.1 Report to Housing & Land Delivery Board on Town Centre Programme, 25 October 2018

Appendix A: Town Centre Programme Process



Appendix B: Future High Streets Fund Prospectus: Summary Note

Background

26 December 2018 the Government published the 'Future High Streets Fund Call for Proposals'. The Government want to see thriving places created where the community feels engaged, and vibrant town centres where people live, shop, use services and spend their leisure time. The prospectus states that 'a scattergun approach of light touch interventions is not the solution for town centres. Effective strategic thinking and masterplanning is needed'.

The Offer

- £675 million fund
- £55 million for heritage high streets. Helping to restore historic properties and equipping communities with resources to bring historic buildings back into use.
- Bids are expected to be co-funded with public and private money.
- Local authorities can bid for up to £25 million per place but expected that projects will have a range of values (£5 - £10m) and the full £25 million not needed in every area.
- Local authorities to put forward a single transformative submission covering one high street or town centre in their area. Note amended guidance as summarised at paragraph 6.5 of this report where multiple bids are allowed for some local authorities.

The Government expects an identified need for investment to fall into one of the following categories:

- Investment in physical infrastructure
- Acquisition and assembly of land including to support new housing, workspaces and public realm
- Improvements to transport access, traffic flow and circulation in the area
- Supporting change of use including housing delivery and densification
- Supporting adaptation of the high street in response to changing technology.

The Process

Two rounds of funding, each with two phases. The current round launched with the publication of the prospectus. The second round will not be launched before 2020.

First Round Phase One

The first phase closes 22 March 2019 and requires expressions of interest with local authorities defining the specific challenges, setting out their strategic ambition and what is needed to make this possible. Expressions of interest to provide an indication of the level of revenue funding required to develop business case.

Phase One is about identifying places to work with not projects unless they are 'shovel ready' and would benefit from early funding during Phase Two.

Decision on Phase One Summer 2019.

First Round Phase Two

Phase Two for successful centres will release revenue funding to help local authorities develop business cases for specific projects. There is no guarantee of investment funding for shortlisted Phase Two places. Final funding decisions will be based on the business cases developed in Phase Two.

Phase Two expected to take 6 to 12 months.

Eligibility

- Specifically bids are invited from unitary authorities, metropolitan districts, London boroughs and district councils.

- Bids are expected to come forward with proof of engagement with and support from Combined Authorities, LEPS, BIDs, Private Sector and community groups. Places should link to Local Industrial Strategies and wider strategic visions.
- Small parades and major centres are excluded.
- Only bids from centres facing significant challenges.
- Proposals for entire city regions will not be eligible.

Assessment

Three themes against which places will be selected:

Defining the place

- Geography of the high street/town centre
- Centre's catchment and link to wider economic areas

Challenges

- Clear description of the issues and challenges facing the area
- Why Government funding is needed
- Evidence to support this

Strategic Ambition

- High level vision for the area and how it links with challenges
- How investment will overcome challenges
- Demonstrate engagement and support from local stakeholders, private sector and other tiers of Government
- How ambition aligns with other funding streams
- How it links to wider strategic plans
- Capacity to ensure robust governance and delivery

Further guidance on the scoring criteria and weighting to be published before the end of January 2019

Process

Applications via application form submitted electronically no later than 23:59 Friday 22 March 2019.

Timetable

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| 22 March 2019 | Deadline for expressions of interest |
| Summer 2019 | Announcement on places moving to stage 2 |
| Late 2019 | First round of final business cases submitted |
| Spring 2020 | Remaining final business cases submitted |
| Not before 2020 | Second round of applications open |