

# LIVERPOOL CITY REGION COMBINED AUTHORITY

To: The Metro Mayor and Members of the Combined Authority

Meeting: 26 July 2019

Authority/Authorities Affected: All

EXEMPT/CONFIDENTIAL ITEM: No

## REPORT OF THE PORTFOLIO HOLDER FOR INCLUSIVE ECONOMY AND THIRD SECTOR AND DIRECTOR OF COMMERCIAL DEVELOPMENT AND INVESTMENT

### LIVERPOOL CITY REGION TOWN CENTRE FUND

#### 1. PURPOSE OF REPORT

- 1.1 This report seeks Combined Authority (“the CA”) approval to award £6m Strategic Investment Funding (“SIF”) to support the viability and vitality of identified town centres via the establishment of the Town Centre Fund (a Combined Authority Commissioned programme). The Town Centre Fund (“the Fund”) will provide each constituent local authority with up to £1m for their identified town centre priorities.
- 1.2 Please note that this report is progressing under the investment process provided in the CA’s new investment strategy and assurance framework. The assurance framework states that the basis for CA approval shall be a “summary project submission, summary appraisal submission and the Investment Panel’s commentary”. This report follows that requirement.

#### 2. RECOMMENDATIONS

- 2.1 It is recommended that the Liverpool City Region Combined Authority:
  - (a) Approve the provision of grant funding of up to £6,000,000 from the Strategic Investment Fund (“SIF”), awarding each constituent Local Authority up to £1,000,000.
  - (b) Note that the award of grant to each constituent local authority is conditional on the satisfactory completion of a detailed Action Plan for each identified town centre. The Internal Investment Panel will review and approve the Action Plans.
  - (c) Grant delegated authority to the Director of Commercial Development and Investment to finalise negotiations of detailed funding terms and associated

agreements in consultation with the Combined Authority Monitoring Officer and Combined Authority Treasurer.

### **3. BACKGROUND**

- 3.1 At its October 2018 meeting the Combined Authority agreed to commission a a £6m Town Centre Fund for the City Region. The Fund comprises a group of interventions (“sub-projects”) to be made by our six constituent local authorities towards pre-identified town centres.
- 3.2 The Fund and its sub-projects will support the common objective of improving the vitality and viability of town centres, support their long term sustainability, including by piloting new and innovative ideas. It is envisaged this may influence future policy development and could inform further project proposals in future funding rounds.
- 3.3 The Fund complements wider initiatives, including national government’s Future High Street Fund and the Liverpool City Region Town Centre Commission.
- 3.4 Each constituent local authority has submitted a high level investment programme, for up to £1m grant support towards their nominated town centre(s). The local authority proposals comprise a diverse range of interventions, including masterplan strategies, town scaping and public realm improvements, physical / digital infrastructure, business support, town centre management, and events and marketing activities. Further details of the town centres and their proposed activity are included at Appendix 1.
- 3.5 In total ten town centres (or district centre in the case of Liverpool City Council) have been identified for initial investment, these being:
  - i. Bootle
  - ii. County Road
  - iii. Earlestown
  - iv. Halton Lea
  - v. Huyton
  - vi. Liscard
  - vii. New Ferry
  - viii. Prescot
  - ix. Southport
  - x. St Helens
- 3.6 Each constituent local authority will submit an action plan for their town centre(s) setting out the final package of interventions alongside details of the costs, funding requirements and outputs. This Action Plan will be reviewed by the Internal

Investment Panel and approved by the Portfolio Holder for Inclusive Growth and Digital.

- 3.7 Funding will be provided on a grant basis; with up to £3m available for revenue activities across the programme. Alongside SIF funding, delivery partners will be expected to demonstrate match funding; whilst no specific obligations will be set, partners will seek to ensure that leverage of third party contributions (financial and in-kind) are maximised in support of the identified objectives. It is anticipated that leverage will be on a circa 1:1 basis.
- 3.8 Reflecting the overarching aim of the Fund, the CA will establish a Town Centres Pilot Group. This will facilitate collaboration between the local authority practitioners and the newly formed Town Centre Commission to support the sharing of information and good practice. It will also provide a mechanism for promoting the development of a pipeline of high quality town centre focused interventions.
- 3.9 Any additional requests for SIF funding (above the allocated £6m Fund) that may emerge from the activities undertaken, will be subject to a separate and full application process and assessed on the strength of the case presented.

#### 4. SUMMARY APPRAISAL

- 4.1 The Combined Authority has engaged Amion Consulting to conduct an external appraisal at the programme level. Given the level of sub-project development and potential for change in the specific interventions, individual project appraisals have not been undertaken; this is considered appropriate given the programme nature adopted.
- 4.2 The report concludes that the programme represents acceptable value for money, primarily derived from evidence of similar types of intervention.
- 4.3 The below table provides the key metrics from the economic appraisal:

<b>NPPV</b>	£9,000,000
<b>Present Value Costs</b>	£6,000,000
<b>Benefit Cost Ratio</b>	1.5:1
<b>Gross jobs</b>	0

- 4.4 There is a strong qualitative case for investment in town centre improvement projects. As part of a mix of policies, targeted place based improvements have the potential to encourage increased use of the town centres including walking and cycling, improve health outcomes, environmental benefits, enhance social cohesion and participation, and assist local economies. The programme and associated commission are designed to foster innovation, creative problem solving and a follow-on pipeline of high impact interventions.

## **5. INVESTMENT PANEL CONSIDERATIONS**

- 5.1 At its meeting of 11 July 2019, the SIF Investment Panel endorsed the Project to proceed to Combined Authority consideration. The Panel discussed the changing nature of town centres and stressed the gravity of the issues being faced due to the depth of retail decline. The Panel stressed the need for fundamental change particularly in terms of proposed uses. It was concluded that local authorities need to build on the unique assets and features of their town centres. It was agreed that a member of the Investment Panel would sit on the Town Centre Commission which is due to launch in Autumn. The Panel also welcomed the establishment of the Town Centre Pilot Group that will provide a forum for best practice sharing and collaboration locally between city region partners.
- 5.2 A copy of the Investment Panel paper is attached as Appendix 2.

## **6. RESOURCE IMPLICATIONS**

### **6.1 Financial**

The level of SIF funding represents the CA's sole financial resource commitment to the Project.

### **6.2 Human Resources**

The Investment Team and Legal Team will lead the preparation of the Funding Agreements for each constituent local authority, and the programme Management Office will have responsibility for managing the delivery of the Combined Authority's investment.

### **6.3 Physical Assets**

N/a

### **6.4 Information Technology**

N/a

## **7. RISKS AND MITIGATION**

- 7.1 The overall level of risk is considered to be low-medium on the basis of the following assessment:
- 7.1.1 **Additionality** – the risk that the level of additional activity arising from relatively small scale interventions will be limited, impacting on value for money. The assessed risk is medium.
- 7.1.2 **Procurement** – each local authority has established policy and practices in relation to the procurement of goods and services. The assessed risk is low.

- 7.1.3 Implementation – the works and activities will be organised and managed by the local authority but will require an appropriate level of project management to ensure they are undertaken within cost and time limits and to the required quality.
- 7.1.4 Post-implementation – local authorities will need to undertake appropriate monitoring to ensure the benefits are maximised. New assets will need to be managed and maintained properly. Plans for maintenance and operation will provide a basis for ensuring that this is undertaken. The assessed risk is considered medium.

## **8. EQUALITY AND DIVERSITY IMPLICATIONS**

- 8.1 No further information at this stage. Each constituent Local Authority can be relied upon to consider equality and diversity in the delivery its relevant award.

## **9. COMMUNICATION ISSUES**

- 9.1 The CA and local authorities shall agree a communications plan as part of the SIF funding agreement.

## **10. CONCLUSION**

- 10.1 The town centre fund is of strategic importance for the Liverpool City Region. The report seeks approval to proceed to contractual stages with the local authorities subject to the provision of a suitable Action Plan.

Mark Bousfield  
Director of Commercial Development and Investment

Councillor P Hackett  
Portfolio Holder: Inclusive Economy and Third Sector

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### Appendices:

Appendix 1 – Summary of Town Centres and Proposed Activity  
Appendix 2 - Investment Panel Paper

### Background Documents:

## Appendix 1

### Summary of nominated town centre locations and proposed activities

Project	Proposed activity
<b>Halton Council</b>	
<p><b>Halton Lea Town Centre Runcorn</b> – The vision of Halton Borough Council for the town centre is focused on creating a thriving town centre that provides the need of the community, boosting health and well-being through increased opportunities for the community to be active and creating opportunities for the community to increase wealth and equality, supported by a thriving business community within a safer, stronger and more attractive neighbourhood.</p>	<ul style="list-style-type: none"> <li>• Wayfinding strategy</li> <li>• Enhanced pedestrian linkages</li> <li>• Cycling without age – Social inclusivity</li> <li>• Local Centre App</li> <li>• Roof top community garden</li> <li>• Community grants for voluntary sector</li> <li>• Children’s centre and Youth Zone</li> <li>• Community Shop</li> </ul>
<b>Knowsley Council</b>	
<p><b>Prescot</b> – By 2028, the vision for Prescot as set out in the masterplan is to create a thriving attractive destination with a successful evening economy for local residents and visitors, offering a distinctive mix of uses including new cultural and leisure facilities, a consolidated and reinvigorated independent based retail offer and excellent local services. The regenerated town centre will have excellent connectivity, be easy to access and provide a high quality environment whilst creating a strong sense of place.</p>	<ul style="list-style-type: none"> <li>• Developing an event strategy and delivery programme that is working towards the Borough of Culture and drives interest and attraction in our centres.</li> <li>• Create infrastructure for events to enable more cost effective events programmes</li> <li>• Commission a marketing and promotion plan for both Prescot and Huyton</li> <li>• Establish, in Prescot, at least one ¾ day Major Cultural Annual Event</li> <li>• Develop a Business grant offer</li> <li>• Maker space</li> <li>• Other high street initiatives including Digital High Street, retail space incentive, shopfront support scheme, business training;</li> <li>• Improving the visitor experience and evening economy.</li> </ul>
<p><b>Huyton</b> – By 2028 Huyton Village Centre “will be a thriving attractive destination providing new commercial, cultural, creative industry, leisure and residential opportunities that will be at the heart of the local community. The village centre will be a place where people choose to work, relax, meet, live and continue to shop, given its high quality, high tech and green environment which is strengthened by the attractive heritage assets of the surrounding area.”</p>	<ul style="list-style-type: none"> <li>• Developing an event strategy and delivery programme that is working towards the Borough of Culture and drives interest and attraction in our centres.</li> <li>• Create infrastructure for events to enable more cost effective events programmes</li> <li>• Commission a marketing and promotion plan for both Prescot and Huyton</li> <li>• Develop a Business grant offer</li> <li>• Other high street initiatives including Digital High Street, retail space incentive, shopfront support scheme, business training;</li> <li>• Improving the visitor experience and evening economy.</li> </ul>
<b>Liverpool Council</b>	
<p><b>County Road</b> – The possible relocation of Everton Football Club has provided an opportunity to reimagine and repurpose the district centre. The vision aims to create greater animation of the district centre and a change of image/use and footfall of the centre.</p>	<ul style="list-style-type: none"> <li>• Develop an action plan</li> <li>• Programme of locally determined interventions to animate County Road</li> <li>• A phased approach for diversification will be considered including alternative uses, residential and concentration of retail or other uses.</li> <li>• Develop a long-term masterplan</li> <li>• Establish the right local leadership to engage and manage delivery</li> </ul>

<b>Sefton Council</b>	
<p><b>Southport</b> – The vision for Southport is to create a “a classic seaside town that is more contemporary and dynamic, merging the old and the new; diverse in its offer; embracing creative industries, digital technology and youthful endeavour, in high quality leisure, retail, historic and public space offer for those who live in, work in and visit the town”.</p>	<ul style="list-style-type: none"> <li>• Repurposing and development of Southport Market</li> <li>• Broaden the town centre offer to a wider audience</li> <li>• Enhance the quality and strength of the linkages between the town centre and the Seafront</li> <li>• Reduce the no. of vacant and underused properties</li> <li>• Repair and reinstatement of historic features</li> <li>• Training and education initiatives</li> <li>• Improve the appearance and create a sense of place</li> <li>• Engagement &amp; Local Stewardship</li> <li>• Explore other stewardship/ownership models</li> <li>• Build on and enhance local partnerships such as Southport BID and Hoteliers group and others active in Southport</li> </ul>
<p><b>Bootle</b> - By 2030, Bootle’s vision envisions a town centre which has been reshaped and grown its reputation as a desirable residential, education and business location. Town centre living and cultural attractions have increased, with local communities able to access excellent health facilities, and a greater range of services on their doorstep, including a much improved leisure offer.</p>	<ul style="list-style-type: none"> <li>• Diversification of the town centre (development of a creative and digital sector opportunities for Bootle)</li> <li>• Development of a Stakeholder Engagement Plan and programme for Bootle Town Centre</li> <li>• Exploration of how to develop a healthier town centre as part of the place making agenda for Bootle</li> </ul>
<b>St Helens Council</b>	
<p><b>St Helens town centre</b> – The vision for St Helens town centre produced in 2017 called ‘Transforming Our Town’ that was built on a recognised need to increase activities such as arts, leisure and education as well as an ambitious plan to transform the urban form. The approach seeks to make the Canal (the oldest modern canal in the world) a key feature within the regeneration plans and the Council have taken active steps to bring under their ownership key sites as they move towards delivery.</p>	<ul style="list-style-type: none"> <li>• Accommodation of retail configuration and associated assets</li> <li>• Introduction of Town Centre ‘St Helens Team’</li> <li>• Contribution to redevelopment masterplan/delivery plan</li> <li>• Contribution to new public realm/art work</li> <li>• Creative use of Shop fronts</li> <li>• ‘Street ahead’ Identify key priority area in Town Centre (s) to promote business growth through business rate reductions, improvements grants and potential BID areas</li> </ul>
<p><b>Earlestown (Newton-le-Willows)</b> - is a centre of historical significance as the first railway junction station in the world on what is the oldest inter-city railway line. Building on the heritage of Earlestown is a key part of the plan for this Town Centre which includes a Victorian town hall and one of the oldest markets in the region as well as the railway history of the location. The proposed activities for Earlestown has the aim of creating a sustainable, modern, vibrant and attractive town centre.</p>	<ul style="list-style-type: none"> <li>• Contribution to redevelopment masterplan/delivery plan</li> <li>• Contribution to new public realm/art work</li> <li>• Creative use of Shop fronts</li> <li>• ‘Street ahead’ Identify key priority area in Town Centre (s) to promote business growth through business rate reductions, improvements grants and potential BID areas</li> </ul>
<b>Wirral Council</b>	
<p><b>Liscard Town Centre</b> - The vision of re-establishing Liscard as a thriving town centre includes the reimagining of the town centre space as a sustainable, safe, well-connected, thriving town-centre, providing high quality range of services</p>	<ul style="list-style-type: none"> <li>• Commissioning an integrated masterplan to identify and support delivery of our long-term ambition for Liscard. This will support Liscard with a more extensive bid to the Future High Streets Fund.</li> </ul>

<p>including retail, leisure and community facilities.</p>	<ul style="list-style-type: none"> <li>• The Love Liscard programme will support the diversification of activity to bring vacant premises back into use by attracting/supporting new independent businesses to Liscard and supporting indigenous businesses to diversify and grow.</li> <li>• Public realm/street scene improvements</li> <li>• Diversionary Activity for Young People to address anti-social behaviour problem</li> </ul>
<p><b>New Ferry</b> – The town centre will be a place of high-quality streets and open spaces that put businesses and the local community's needs and experiences first and will comprise of a range of good quality modern homes which are designed with the community in mind - responding to local needs, trends in population change and are of quality to last and contribute to a sense of place.</p>	<ul style="list-style-type: none"> <li>• The development of a Community Land Trust (CLT) for the area.</li> <li>• High quality environmental improvements through the provision of planters, hanging baskets and public art along the pedestrianised area.</li> <li>• Identify suitable premises for CLT to operate from and suitably refurbish for housing and commercial purposes</li> </ul>