

Name of meeting: Cabinet
Date: 22nd September 2020
Title of report: Huddersfield and Dewsbury Town Centre Finance Report

Purpose of report: To inform the Cabinet of the current status of the Blueprint Programmes in terms of finance and to make a decision to enter projects within the programme onto the Kirklees Capital Plan. A further update is provided on grant funding for town centre projects.

Key Decision - Is it likely to result in spending or saving £250k or more, or to have a significant effect on two or more electoral wards?	Yes
Key Decision - Is it in the <u>Council's Forward Plan (key decisions and private reports)</u>?	Key Decision – Yes Private Report/Private Appendix – No
The Decision - Is it eligible for call in by Scrutiny?	Yes
Date signed off by <u>Strategic Director</u> & name	Karl Battersby - 9 th September 2020
Is it also signed off by the Service Director for Finance?	Eamonn Croston - 9 th September 2020
Is it also signed off by the Service Director for Legal Governance and Commissioning?	Julie Muscroft - 9 th September 2020
Cabinet member portfolio	Cllr Peter McBride - Regeneration

Electoral wards affected:

Newsome, Dewsbury East, South and West

Ward councillors consulted:

None

Public or private: Public.

Has GDPR been considered?

GDPR is applicable to the TCF Programme and has been considered within the development of the business cases and related stakeholder engagement plans.

1. Summary

- 1.1 This report is presented to cabinet for four reasons. These are set out below:
- a. To set out, for information, the current capital programme as it relates to the two Blue Prints for Huddersfield and Dewsbury.
 - b. To identify, and agree with Cabinet, projects that require capital funding and to enter those projects onto the Kirklees Capital Plan for development and delivery.
 - c. To identify and agree future match funding and
 - d. Where external grant funding related to town centre programmes is secured agree for officers to draw this into the capital plan and in cases where grant monies have been obtained to fund the costs of working up plans and proposals for town centre programmes to authorise the spending of that grant on the working up of plans and proposals for the identified project

2. Information required to take a decision

Current Allocations

- 2.1 A summary of the budget available for **Huddersfield** and **Dewsbury** is listed below showing each element agreed in the Council's Capital Plan and any additional funding that has been agreed

Huddersfield

Split of Original Town Centre Action plan budget	£30,000,000
Sound Space	£35,000,000
Market Hall Multi Storey Car Park	£10,000,000
	£75,000,000

Dewsbury

Split of Original Town Centre Action plan budget	£15,000,000
Dewsbury Staff move & Regeneration	£8,500,000
Leeds City Region Grant for Acquisitions	£400,000
Highways - contribution to Spring Clean 2019	£240,000
HAZ Acquisition budget - from Housing Regen budget	£431,000
	£24,571,000

Total allocation **£99,571,000**

- 2.2 In addition to the above a further £12.5m has been allocated as part of the budget process as a strategic acquisitions fund across the Blueprint towns.
- 2.3 £10m has also been allocated to small centres whilst smaller amounts have been set aside to deal with issues at Huddersfield Library and Lawrence Batley Theatre.
- 2.4 The revitalisation of town centres, in particular through the delivery of the projects identified in the Blueprint programmes represent Huddersfield and Dewsbury town centres' contribution to the overall economic recovery of the district as articulated by the Economic Recovery Plan.

Current Agreed Blue Print Projects

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- 2.5 Much of the budget has now been allocated to specific projects. Those agreed as part of the budget process, by Cabinet or the Strategic Director are set out in Appendix 1 and summarised below:

HUDDERSFIELD

Total value of Projects **£61,328,963**

DEWSBURY

Total value of Projects **£16,218,231**

Total Allocations **£77,547,194**

Yet to be allocated formally to projects **£22,023,806**

- 2.6 The total to be allocated is split as follows:

Total Remaining Allocation in Overall Huddersfield Allocation	£13,671,037
Total Remaining Allocation in Overall Dewsbury Allocation	£8,352,769
Total Remaining	£22,023,806

Match Funding Requirements

- 2.7 In addition to the projects above, officers have been developing a number of Blue Print projects to align with national and local funding packages. These are set out in the table below and include a match fund element towards: the Future High Street Fund (FHSF), Heritage Action Zone (HAZ) Programme and the Transforming Cities Fund (TCF) which it is proposed would be taken from the capital budget allocations set out at paragraph 2.1.

Huddersfield New Market – FHSF match funding	£5,732,622	Support for main FHSF Bid
Match Funding for Huddersfield TCF Schemes	£4,000,000	See Report on Cabinet Agenda 1 st September 2020 – includes Huddersfield Bus Station
Match Funding for Dewsbury TCF schemes	£2,000,000	See Report on Cabinet Agenda 1 st September 2020 – includes Dewsbury Bus Station
George Hotel & Estate Buildings - HAZ Match Funding	£6,903,120	To support the redevelopment of the HAZ identified projects
Total Match Fund Requirement	£18,635,742	

- 2.8 Officers request that the amounts set out above represent the Council's contribution to the specified projects and that the agreed sums of money be drawn into the capital plan and officers be authorised to spend and deliver the project(s) in line with current FPR's.

- 2.9 Once all match fund requests are considered a further £3,388,064 remains to be allocated from the total allocation. However, when looking at the individual budgets, Huddersfield and Dewsbury, there is a slight over programming in the Huddersfield programme of £2.964m (3.9%).

Development of a Future Public Realm Programme

- 2.10 Officers have also started to develop a comprehensive programme of public realm initiatives across both towns. Members will be aware that approximately £5.3m has already been allocated to New Street and Cloth Hall Street scheme. However, there are further improvements that are required across both towns, typically, John William Street and St. Peters Gardens in Huddersfield and the town and pocket park programme in Dewsbury. In order to design and implement further smaller schemes in readiness to access further funding officers require up to £1m allocating from the Town Centres allocation to develop a number of schemes simultaneously.
- 2.11 Officers request that this amount be agreed within the Town Centre budget for spend on developing town centre public realm projects. Once the programme is developed then cabinet will need to agree any future delivery funding.

Progressing the Development of Larger Projects

George Hotel, Estates Buildings, Dewsbury Arcade and Huddersfield New Market

- 2.12 These three projects are under development and are subject to funding bids to Government – Future High Street Fund for the Market and Heritage Action Zone for the George Hotel and Estates Building. Recently announced Get Building Fund is allocated to both George Hotel and Dewsbury Arcade. Officers are continuing with the development of these projects but will return to Cabinet to outline and seek agreement to the full project in due course. This will include any variation in cost estimates.

Market Hall Car Park, Sound Space and Dewsbury Staff Move

- 2.13 Market Hall car park, Sound Space and Dewsbury Staff move projects are three significant projects appearing as specific lines in the overall capital plan. However, these will require formal detailed business case approval at Cabinet level going forward.
- 2.14 These projects total £53m and have been included here, see the list at section 2.5 and Appendix 1, for completeness and reflect a notionally allocated quantum of high-level resourcing in the capital plan. However, each of these projects will need to be developed to bring them to a point of delivery. These development and design costs, as well as the collection of data to support their development, will be drawn from this overall cost envelope going forward. This will include, in the case of the Sound Space, any costs associated with inter-dependant projects within the Piazza/Queensgate programme for the Huddersfield Blue Print.

Dewsbury Market and Town Park

- 2.15 These projects are under development. Cabinet will receive future reports for these outlining vision, early design concepts and costs.

Transforming Cities Fund Projects

- 2.16 These projects are under development. Cabinet will receive future reports in respect of these projects and authority from Cabinet will be sought to carry out each individual programme or project.

Grant Funding - Current

- 2.17 Town Centres have become the focus for additional central government funding. Huddersfield is fortunate to be a Future High Street Fund town whilst Dewsbury is selected

for a Town Deal. Both bring funding opportunities that require a bidding process and detailed business case submission.

2.18 In addition, some projects will be eligible for Local Growth funding, Transforming Cities and the West Yorkshire Transport Fund Plus. Again, business case development is key.

2.19 As we move out of lockdown and the focus is on restarting town centre activity a number of funding opportunities are presenting themselves. At the present time officers are awaiting a number of decisions on funding. These are set out in the table below.

Project and Fund	Bid amount	Comments
Huddersfield New Market – Future High Street Fund	£11,000,000	Expected late 2020
Estate Buildings and George Hotel – HAZ Funding	To be Determined	Full decision September 2020
Get Building Funding - George Hotel and Dewsbury Arcade	£1,965,000	Positive decision August 2020 – sign off from WYCA will be required.
Dewsbury Town Fund Advance Funding	£750,000	Decision October 2020 – List submitted attached as Appendix 2
ERDF – Reopening High Streets Safely	£389,000	Contract due in September

2.20 Members should note that once the grant process has been finalised the agreed sums of money – which may be higher or lower than that set out above – will be drawn into the capital plan and officers be authorised to spend and develop/deliver projects in line with current FPR's.

Grant Funding – Future Town Centre Funding

2.21 Because of the nature of funding streams and the turnaround times for submission and spend officers are continuing to utilise delegations set out in current FPR's to minimise any delays to submission, draw down and delivery.

3. Implications for the Council

- **Working with People**

Full public consultation exercises on each project will be undertaken as the programme in both towns develop. Both Blueprints have been subject to public consultation as part of the post launch process.

- **Working with Partners**

The Blueprint programmes cover a wide range of projects and initiatives which require working with different partners. The council will also work closely with its own specialist consultancies, train and bus operators, road user representative groups, equality access groups, business forums and delivery contractors.

- **Place Based Working**

Development of all projects will involve recruiting the services and/or knowledge of local user representative and community groups. Members of the public and ward councillors will be

consulted on their views on the development of scheme options and designs to achieve the best mix of interventions to deliver the Programme objectives and address local needs.

- **Climate Change and Air Quality**

The reduction of carbon emissions is a key objective across both Blue Prints. Project and Programme impacts will be assessed as part of business case, planning and options stages.

- **Improving outcomes for children**

Both Blue Prints promote and have child and family friendly centres at their core.

- **Other (e.g. Legal/Financial or Human Resources)**

- The projects detailed in this report can be implemented by the local authority, subject to consultation, using their powers under the Local Government Act 1972, Town & Country Planning Act 1990 and Highways Act 1980.
- The recommendations in this report include a decision to accept forthcoming town centre related grants. The specific amounts for these grants is to be determined.
- The ongoing development and delivery of the Blue Print projects require a number of programme and project management staff, together with design and support service staff. The Town Centre Regeneration, Housing Growth and Major Project Services are undergoing a process to quantify and provide the necessary staff resources.

- **Do you need an Integrated Impact Assessment (IIA)?**

An Integrated Impact Assessment is not required at this stage.

4. Consultees and their opinions

- 4.1 Both Blue Prints have been subject to engagement and consultation exercises including the use of the Place Standard tool for Huddersfield. There is a high degree of support for the projects in the programme. Further full public consultation exercises on schemes as they are rolled out will be undertaken.
- 4.17 The relevant Kirklees Portfolio Holders have been consulted on progress to date on a regular basis and are supportive of the programme. The relevant ward members will be briefed on the schemes that affect their wards and will be further engaged by officers prior to developing public consultation plans.
- 4.18 The Town Centre Programme Board has considered and approved a report that recommends that the matters set out in this report are taken to Cabinet for decision.

5. Next steps and timelines

- 5.1 Once Cabinet has approved the recommendations set out in this report then individual schemes can continue to be progressed.
- 5.2 Individual projects and programmes identified here will be delivered between early 2021 and early 2024.

6. Officer recommendations and reasons

6.1 Cabinet is asked to:

1. Note the projects and the status of the budgets for the town centre programmes set out in section 2.5, 2.6 and Appendix 1.
2. Agree the amounts set out in section 2.7 as the Council's current contribution to the identified projects.
3. Agree that the agreed sums of match funding in section 2.7 be drawn into the capital plan and officers be authorised to incur expenditure on the working up of plans and proposals for these project(s).
4. Approve, in line with section 2.10, to utilise up to £1m of town centre capital to develop (in the main) and deliver a town centre programme of public realm improvements across both towns.
5. Agree to accept appropriate development funds for those projects set out in section 2.19 for use by Kirklees Council and its agents and authorise officers to enter into grant and other agreements, where necessary, and to incur expenditure on the working up of plans and proposals for these projects

6.2 These recommendations are made on the basis that they allow the required steps to be taken to deliver both Blue Prints and are the basis for supporting the economic delivery plan.

7. Cabinet Portfolio Holder's recommendations

7.1 The Portfolio Holder Regeneration has briefed on this matter and is supportive of the approach set out above.

8. Contact officer

Simon Taylor - Head of Town Centre Programmes
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(01484) 221000

9. Background Papers and History of Decisions

None specifically.

10. Service Director responsible

Service Director - Naz Parkar, Service Director for Growth and Housing.
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Appendix 1 - CURRENT TOWN CENTRE PROJECTS

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<u>HUDDERSFIELD</u>	
Huddersfield Town Centre Design Framework	£2,670,000
Huddersfield Town Centre Shop Fronts	£1,200,000
Cultural Interventions - Growing Seeds	£100,000
Huddersfield Sound Space	£35,000,000
Southgate Car Park	£500,000
Purchase of Piazza	£3,680,000
New Street/Cloth Hall Street Public Realm	£5,253,963
Cross Church Street Public Realm	£1,560,000
Market Hall Multi Storey Car Park	£10,000,000
The George Hotel Repairs	£1,365,000
Total	£61,328,963
<u>DEWSBURY</u>	
Cultural Interventions - Growing Seeds	£100,000
Dewsbury Town Centre Shop Fronts	£1,250,000
Sports Centre Family Attraction	£320,000
Better Spaces Strategy:	
- Phase 1	£151,332
- Spring Upgrade	£613,928
- Phase 2 - Library Frontage	£340,000
- Phase 2 - Pocket Park, Northgate	£500,000
- Phase 2 - Bond Street Public Realm	£40,000
Public Art Plan	£200,000
Dewsbury Streetlighting	£517,571
Northgate Public realm scheme	£30,000
Heritage Action Zone - matched funding	£2,000,000
Heritage Action Zone Acquisition budget	£431,000
Leeds City Region Grant for Acquisitions	£400,000
The Arcade, Dewsbury - Repairs and refurb	£824,400
Dewsbury Staff move and regeneration	£8,500,000
Total	£16,218,231

Appendix 2 - DEWSBURY TOWN FUND ADVANCED FUNDING 2020/21 PROJECT LIST

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Town Fund Intervention Theme	Project Name	Description	Cost £,000	
			Town Fund 2020/1	Total
Local Transport	Station Gateway	Improvements to Dewsbury railway station inc toilets, waiting area.	110	565
	Improved Pedestrian & cycle routes	Wellington St cycleway, new /improved footpaths, secure cycle parking.	150	410
Urban Regeneration, planning & land use	Better Spaces Programme	Package of works including pedestrian subway, Library area; planting of semi mature trees, lighting, tactical urbanism and public art.	205	500
	Kingsway & Queensway Arcades	Lighting scheme in historic Arcades in the town centre.	80	80
Arts, Culture & heritage	Creative 'Hub'	Adaption, and other works to enable 15, Union street to become a facility for the creative sector/ community.	125	130
Skills Infrastructure	Digital Hubs	Upgrading of 4 community hubs for digital training.	80	80
Total			750	1,765

Footnote: Submitted to MHCLG on 14 August 2020.