

Name of meeting: Cabinet

Date: 10th September 2019

Title of report: Dewsbury Revival Grant Scheme

Purpose of report

To seek approval to develop a scheme for the improvement of shop fronts, the creation of viable new uses within the upper floors of the buildings through grant aid and to consider enforcement measures to facilitate the same objectives within Dewsbury town centre.

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 - as spend shall be more than £250K KDN published 19 th July 2019
Key Decision	Yes it involves spend of over £250k
The Decision - Is it eligible for "call in" by Scrutiny?	Yes
Date signed off by Strategic Director & name	Karl Battersby – 23.8.2019
Is it also signed off by the Service Director for Finance?	Eamonn Croston – 23.8.2019
Is it also signed off by the Service Director for Legal Governance and Commissioning?	Julie Muscroft – 23.8.2019
Cabinet member portfolio	CIIr P McBride - Economy

Electoral wards affected: Dewsbury East

Ward councillors consulted: Cllr Kane, Cllr Scott, Cllr Lukic

Public or private: Public

GDPR - This report contains no information that falls within

the scope of the General Data Protection Regulation.

1 Summary

- 1.1 This report seeks approval to develop a grant scheme for the improvement of shop fronts and bringing vacant space back into use within Dewsbury Town Centre Conservation Area and to consider enforcement measures to facilitate the same objectives.
- 1.2 The report sets out a number of key areas of activity which need to be progressed prior to finalisation of the above. These areas of activity will cover all the Dewsbury Town Centre Conservation Area but have a specific focus on the core part of the town centre including Northgate, Westgate, and Corporation Street among others. It is also felt appropriate to include Bond Street as one of the key pedestrian links.
- 1.3 The report considers -
 - How the proposed scheme will aid the delivery of the Strategic Development Framework 2018 approved by Cabinet on the 22nd January 2019
 - The issues of the town centre vacancy, poor shop fronts and advertisements and the conservation area.
 - Current and recent efforts to address these issues
 - Issues regarding potential for enforcement action
 - Potential partners in the delivery of the scheme
 - Authority to enter into discussions with outside funding agencies
 - approval of funding

2 Information required to take a decision

Strategic Context

- 2.1 The Dewsbury Town Centre Strategic Development Framework (2018) has three key aims:-
 - 1) More activity in the town centre
 - 2) Making the town centre more attractive
 - 3) Making the town more accessible

'Making the town centre more attractive' has 4 objectives:-

- Improving, creating and extending the public realm
- Improving the appearance of buildings in the town centre
- Ensuring the centre is, and also thought of, as welcoming and safe
- Improving perceptions.

The Issues

2.2 Concern has been raised over a number of years about the appearance and condition of the shop fronts and vacancy rates in both the ground and upper floors of buildings in Dewsbury Town Centre and particularly within the Conservation Area. The current appearance of many of the shop fronts is a result of various factors including the decline in retail activity in the town centre, a legacy of poor workmanship, display of ill-considered advertisements, lack of

maintenance and some unauthorised alterations. The combination of these factors fail to provide a good appearance for the buildings and the town centre. Given that a large part of the town centre is a conservation area then these issues become emphasised. Due to this the Dewsbury Town Centre Conservation Area (see Appendix 1) was included on Historic England's Heritage at Risk Register in 2010 and retains that status.

Current Interventions to address issues

- 2.3 The challenges presented by Dewsbury Town Centre have become increasingly apparent over the last decade. A number of initiatives have been undertaken to help address these issues. Finding new uses for obsolete retail premises is one of the interventions. Following substantial investment by the Council the Pioneer building, which was formerly in retail use is being brought back into use as a base for Kirklees College. Also the Townscape Heritage Initiative has shown what can be done to improve properties with a targeted grant scheme. However more needs to be done if the decline in the town centre's fortunes is to be turned around. The Heritage Action Zone that was recently approved focuses on encouraging conversion of vacant properties in the Daisy Hill/Bond Street area to residential use and as a consequence will not directly address issues within the core retailing streets.
- 2.4 Although economic viability has led to increased vacancy rates the poor quality of the shop fronts and the vacancy rates are in turn having a negative effect on the economic viability of the area. The THI scheme has been successful in starting to address these issues but this scheme comes to an end in December 2019. Although there are a number of key projects being progressed in the town centre e.g. the Market, Better Spaces Programme there will be no schemes that directly address the particular issues of vacancy rates and shopfronts after December this year.
- 2.5 Discussions have been held with representatives of the Dewsbury Chamber of Trade who have raised their concerns over the poor quality of some shop fronts and inappropriate signage and adverts. Whilst some enforcement action can be taken; due to the length of time some of the shop fronts have been this way and because of generous deemed consents for the display of advertisements, such action would not be enough on its own.
- 2.6 Grant funding, along with the better use of the Dewsbury Design Guide and proactive enforcement action will provide a comprehensive response to the problem. Equally if grant funding was offered for the building as a whole rather than just shop fronts, including empty floor space conversion, especially of upper floors to residential use (where possible), then the viability of the area would increase. It is therefore proposed to draw up a detailed scheme that looks to address issues of both poor shop fronts and in some cases conversion of vacant premises. Additionally in some cases it may be appropriate to fully fund 'vinyls' on empty shop and other ground floor premises, where the main issue is the appearance of the empty shop/shop window rather than any wider problems with adverts/shopfronts etc.

Outline of Proposed Grant Scheme

- 2.7 The grant scheme, will be based upon the principles of the Townscape Heritage Initiative which has proved successful in resolving the issues on a limited number of properties. Landlords/owners will be able to apply for the grant along with tenants who have a significant term left on their lease. Applicants will need to appoint their own architects from a list approved by the Council. All grants would be subject of a legal agreement and for larger grants it would be the intention to take a legal charge against the property and to have a suitable clause enabling clawback of some grant upon sale of the property.
- 2.8 Costs have been established based on experience with the THI projects and an initial audit of the work necessary for each of the identified building and where properties will benefit from the upper floors being converted to residential uses. In the THI scheme, the average grant is 80% of the total costs of refurbishment and replacement shop fronts. It is likely, considering the need for significant works and for the scheme to have a high level of uptake, a grant of over 80% may have to be offered.
- 2.9 It is proposed that the grant scheme is focussed on a selected number of key streets that are identified in the Strategic Development Framework. These areas will be selected due to the poor quality of the shop fronts and the lack of viable uses in the upper floors, plus their location on key pedestrian routes or visibility. Experience has demonstrated that targeting effort makes more impact than 'pepper potting'. The priority streets proposed are shown on Appendix 3, they are Northgate, Galleries Corner, Westgate, Corporation St, Bond Street and part Union Street, Foundry Street. In exceptional cases the grant could be offered to very good schemes elsewhere in Dewsbury, outside of the Conservation Area (see Appendix 1).
- 2.10 Based on the information gained from the audit to date and experience of the existing THI scheme the amount of funding needed to make an impact will be in the region of £1.25 Million. The £1.25 Million would need to be funded by the Council.
- 2.11 A grant scheme as broadly described above, would help to address issues outlined and contribute to achieving the aims and objectives of the Dewsbury Town Centre Strategic Development Framework.

3 Implications for the Council

3.1 Working with people

- 3.1.1 Relationships with property owners and tenants will be important from the outset so that views and opinions over how the area can be improved can be gained. Such views and opinions will be important for the success of the scheme.
- 3.1.2 As part of the grant scheme consultation will be carried out and with owners and tenants. When schemes for the improvement of the buildings are to be submitted, including where appropriate the change of use for unoccupied floor space, discussions will be held to ensure that the proposals are of good design and sustainable for the future.

3.2 Working with partners

3.2.1 It is proposed to enter into discussions with Future High Street Fund, Historic England, National Lottery Heritage Fund (NLHF) and possibly other funders such as the Architectural Heritage Fund about support for work in Dewsbury Town Centre. Working in partnership is a key requirement of all of the grant funders where the engagement of local business groups will be important to the success of the scheme. New NLHF guidance has recently been issued on area based grants and there is a possibility that Dewsbury could benefit from these funds if an appropriate bid was made.

3.3 Place Based Working

- 3.3.1 The proposed Dewsbury Revival Scheme, which is located within Dewsbury Town centre, will reflect the diversity of its immediate population, which is mixed and evident particularly through the retail/food offer in the town. The diversity of the area is a strength of the town, which certainly can be built upon, to bring vibrancy and stimulate activity in the town centre.
- 3.3.2 Through delivery of the Dewsbury Revival Grant Scheme over the forthcoming years engaging directly with property owners, tenants, residents, and local groups, with the support of local ward Councillors will gain a real understanding of the issues and needs of the area.
- 3.3.3 Through this understanding it will allow the Dewsbury Revival Scheme to tailor it's approach, in helping and encouraging applicants, with their formulation of property improvements, which not only meets their operational needs, but also that of the Dewsbury Revival Grant Scheme in terms of 'Conservation Standards' and the Council's objectives of improving 'Place' and 'Economy'.
- 3.3.4 The refurbishment of further properties will contribute to the attractiveness of the area by bringing empty premises back in to use, thus being more welcoming to customers and improving the perception of the area. The scheme will enhance the streetscape and raise the quality of the town centre environment, particularly in the area of focus around the core retail area of Dewsbury.
- 3.3.5 Local Ward Members have made officers aware of a range of issues in the town centre, in particular around environment, crime and anti-social behaviour. Whilst community safety remains important the quality of the physical environment is also an important factor in making the town an attractive place to be. This proposed grant scheme builds upon the good work the Townscape Heritage initiative has already brought to the town. This has seen premises such as the Black Bull being brought back into effective use and the shop fronts on Corporation Street being implemented. A programme of spring clean works that is in addition to this proposed Grant Scheme is already underway totalling £614k.

3.4 Improving outcomes for children

No Implications.

3.5 Other (Legal/Financial or Human Resources)

Financial

3.5.1 It is proposed that to make the necessary impact in the area, a fund of £1.25 M should be set up and this is financed from the Capital allocation of £15m for the Regeneration of Dewsbury Town Centre. This fund will then be used to offer grants to third parties and, subject to their agreement, to secure match funding from other funding bodies such as the Future High Street Fund, Heritage Lottery Fund, Historic England and the Architectural Heritage Fund if available.

Legal

- 3.5.2 It will be a requirement that any grant recipient must enter into a grant agreement that will be drawn up by the Council's legal team. The grant agreement will impose conditions upon the grant recipient and if successful in securing third party grant e.g. from NHLF they will reflect the terms and conditions contained in third party grants with the Council. The legal powers to enter into funding agreements with NHLF etc will be section 1 of the Localism Act (General Power of Competence). Likewise, this power will authorise entering into grant agreements with owner/landlords. Section 57 of the Planning (Listed Buildings and Conservation Areas) Act 1990 contains a grant power in relation to the preservation of listed buildings (and buildings which are not listed but appear to be of architectural or historic interest) in terms of repair or maintenance which contains specific conditions which would have to be complied with in terms of grant recovery. An audit trail and records will need to be maintained for the state aid liability period which is 10 years.
- 3.5.3 As part of any application for funding from the individual property owners, Legal Services would have to confirm that any award of grant to a recipient would either need to be in compliance with the European Union 'State Aid' General Block Exemption Regulation (GBER) No651/2014, of Article 53 Culture and Heritage conservation or it is more likely it would fall within the de minimis Regulation No.1407/2013 of the State Aid Rules which permits 200,000 euros over 3 fiscal years to a single undertaking. The council must obtain an a completed declaration from the Owner stating that it has not received any other state aid under the regulation in the current and previous 2 fiscal years as it relates to the recipient above the de minimis threshold.
- 3.5.4 The applicant will enter into an agreement with the Council for the grant setting out clear deliverables, milestones. The agreement for the works is between the applicant and contractor and so the council will not be procuring any works. The applicant is then responsible for paying the contractor and normally a 10% retention is also held until final completion of the project.
- 3.5.5 The UK is expected to leave the EU after 31 October 2019 and EU State aid law will apply up to the exit date. In the absence of a further extension to Article 50 or a revised withdrawal agreement covering a transitional period being negotiated with the EU and approved by the UK Parliament by 31 October 2019, UK law will apply after that date. State aid law including block exemptions will be adopted into UK law

under the EU withdrawal Act 2018 and the State Aid (EU Exit) regulations 2019 and create a domestic state aid system. UK state aid control will be highly relevant to any future Trade Agreement with the EU. The UK's Competition and Markets Authority will assume the role of State aid regulator from the EC. Therefore, the council must comply with EU state aid law.

- 3.5.6 The council's decision making must be fair, transparent and reasonable and cabinet/officers must only have regard to relevant matters and not consider irrelevant matters for the decisions to be reasonable. Any process for award of grants must be a fair process. The issue of proportionality is relevant so the amount of any grant must be in proportion to any anticipated outcomes that will be achieved with the funding, "match" funding from third party funders will enable the council's contribution to be maximized.
- 3.5.7 Consideration has been given to the need to carry out an Equality Impact Assessment. It is considered that the proposal will not adversely impact on persons/groups with protected characteristics.

4 Consultees and their opinions

All three Dewsbury East Ward Cllrs were consulted, with their comments being as follows:

Cllr Scott commented: I welcome all the initiatives for the town centre. The £1.25m Shop fronts and uppers floors scheme is another opportunity for businesses to improve their premises. The town streetscene in areas is run down, there are neglected buildings in the town centre. This investment is an opportunity to work with owners.

Cllr Lukic commented: Visitors to Dewsbury Town Centre have appreciated the improved attractiveness of some key buildings resulting from existing heritage schemes. At this point however it is much more important to focus resources on renewing and extending the CCTV coverage in the town centre.

The Strategic Development Framework identifies reducing the incidence and fear of anti-social behaviour and crime as a key project in improving the town centre's attractiveness, and this is the aspect that visitors are most concerned about in my experience. I hope that Cabinet will recognise the age and limited coverage of the existing CCTV system and commit to the necessary investment.

Cllr Kane commented: All these issues were raised at the previous meeting with Head of Operational Services and should be in the system.

4.1 At this time extensive consultations have not taken place, although discussions have taken place with the Dewsbury Chamber of Trade who are supportive of a scheme that addresses these issues identified in this report. Experience and feedback received from implementing the THI scheme will be used in drawing up the new scheme.

5 Next steps and timelines

5.1 There are various packages of work that will need to be carried out as part of the scheme, firstly to gather more detailed information on the properties and what can be resolved either through enforcement action where necessary or the offer of grant funding to achieve the outcomes of the scheme. Subject to Cabinet approval officers will draw up the detailed terms and conditions of a grant scheme within the broad parameters set out in this report. In parallel to the above officers will undertake discussions with grant organisations to develop a potential jointly funded project. Notwithstanding the above, is anticipated that a scheme, funded purely by the Council, could be operational in early 2020, to follow-on from completion of the Townscape Heritage Initiative (THI), which shall complete in December 2019.

5.2 Town Centre Audit

An initial audit of the key areas within the Town Centre has been carried out. This has identified buildings where there are issues with poor shopfronts, inappropriate and unsightly advertisements and vacancy. Approximately 50 buildings within the target area (see below) have been identified as needing attention. Further work needs to be done to identify those buildings where enforcement action would achieve the outcomes, and where enforcement is unnecessary or not possible. It is very unlikely that the scheme will be able to resolve the issues with all the properties, as some owners will be unwilling to participate.

5.3 **Enforcement**

Enforcement will form a part of the strategy to improve the appearance of buildings in the town centre, both within the grant scheme area and also outside it. Consideration will be given to the need to take action where shopfronts and signage have been erected without the benefit of Planning Permission, Listed Building Consent or Advertisement Consent. Initial scoping exercise of the town centre suggests a number of the shop fronts and advertisements do not have the benefit of consent but are lawful due to the period of time the alterations have been carried out. However, in certain cases alternative enforcement tools maybe considered where the appearance is significantly harmful. The poor quality of the shop fronts and advertisements does have a negative impact upon the conservation area and is a reason why the area is considered to be at risk. A comprehensive view of where enforcement action can be taken will be available once the audit is completed. Where enforcement can be used officers will utilise the existing delegated powers available. In terms of resources the planning service is currently recruiting to strengthen the team to support town centre activity.

5.4 Finance

Due to the scale of the issues to be addressed it is felt that negotiations should take place with external bodies who may be able to provide additional financial support that will enable the impact to be increased.

National Lottery Grants for Heritage: The National Lottery Heritage Fund (NLHF) have recently announced some new area based lottery

funded schemes and it is proposed that discussions should take place with NLHF about the possibility for securing grant support focussed on the heritage element of the proposed scheme.

<u>Future High Streets Fund (FHSF)</u>: A bid was recently successful in being shortlisted for Round One of the Future High Streets Fund (FHSF) for Huddersfield Town Centre. FHSF guidance suggest that there will be a second round and if this comes about it would be proposed to submit a bid for Dewsbury Town Centre.

<u>High Street Heritage Action Zone (HSHAZ):</u> A HSHAZ bid was recently submitted to Historic England for the transformation of Dewsbury Market. A decision on this is awaited in early September.

Architectural Heritage Fund: As well as the £40m allocated to Historic England from the recent budget for the HSHAZ, a further £15m was allocated to the Architectural Heritage Fund under their Transforming Places Scheme. The scheme is to support works to historic buildings where a community organisation plays a central role. If this situation were to arise in Dewsbury town centre then this is something that could be pursued.

<u>Planning Enforcement Fund:</u> The Council has recently applied for funding to help support enforcement activity. The fund is capped at £50,000. No decision has been made by government yet.

Notwithstanding any additional support that could be secured from other agencies, it is important that the Council takes action on poor shop fronts and vacant space in any event.

5.5 Conservation Area Appraisal and Management Plan

A Conservation Area Appraisal was undertaken for Dewsbury Town Centre in 2009. This led to the Conservation Area being designated as at risk. Significant progress has been made in addressing heritage related issues in the Northgate and Corporation Street area e.g Pioneer House but many of the issues identified remain and new ones have arisen. Given that a decade since the appraisal the Council may be required to refresh the appraisal as part of the any bid to external funders.

5.6 **Design Guide**

Dewsbury Town Centre has a Design Guide which provides the design framework for securing good quality shop fronts, advertisements and streetscape. This has proven to be popular with planning agents and building owners and in combination with THI grants has helped to achieve well designed shop fronts. It is proposed to produce a simple user guide to encourage further adoption of good design principles and workmanship for future scheme.

5.7 Future management of the scheme

It is proposed that the day to day project management of the scheme will be carried out utilising existing resources within the Development and Master Planning Service. Due to the success of the THI there is good experience of successfully delivering grant schemes. Should external grant funding be sought and secured, the post of a Project Officer could be part of the bid. However, due to absence of detail on external funding, it is too early to give a commitment to such a post.

6 Officer recommendations and reasons

6.1 That resources of £1.25m be approved to support the establishment and operation of a grant scheme as generally described in the report

Reasons: Regeneration of Dewsbury Town Centre.

6.2 Approve that the funds to be taken from the capital plan allocation for Dewsbury Town centre in the approved Capital Plan 2019-22.

Reasons: Effective financial management.

6.3 That the Strategic Director for Economy and Infrastructure be authorised to set up and implement a grant scheme, as described in this report, for the award of third party grants to owners of properties for the purposes of the improving shop fronts and/or for the purposes of securing sustainable uses of empty property, where this is appropriate.

Reasons: Effective delivery of a new grant scheme.

6.4 That the Strategic Director for Economy and Infrastructure be authorised to enter into discussions with Future High Street Fund, the National Lottery Grants for Heritage Fund, Architectural Heritage Fund and Historic England to secure possible funding for the scheme and in consultation with the Lead Portfolio Holder for the Economy accept any grant offers.

Reasons: Achieving more impact and effectiveness.

7 Cabinet portfolio holder recommendation

7.1 Councillor McBride Portfolio Lead for the Economy supports this proposal.

8 Contact officer

Peter Thompson Economic Resilience Project Manager 01484 221000 peter.thompson@kirklees.gov.uk

9 Background Papers and History of Decisions

Dewsbury Town Centre - Strategic Development Framework https://www.kirklees.gov.uk/beta/regeneration-and-development/pdf/dewsbury-strategic-development-framework.pdf
Map of the Dewsbury Town Centre Conservation Area Map of the SDF Town Centre plan showing key pedestrian routes.

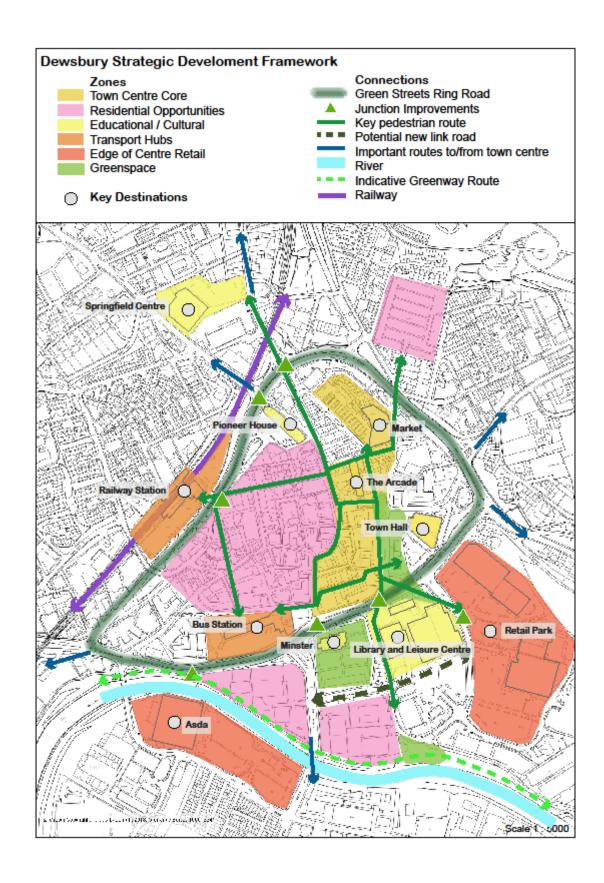
10 Strategic Director responsible

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APPENDIX ONE: Dewsbury Town Centre Conservation Area



APPENDIX TWO: Strategic Development Framework Showing key pedestrian routes



APPENDIX THREE: Priority Streets for Grant Scheme

