

DECISION ITEM

REPORT OF	MEETING	DATE	ITEM NO
DEVELOPMENT SERVICES DIRECTORATE	FINANCE AND DEMOCRACY COMMITTEE	25 NOVEMBER 2018	11
KIRKHAM : FUTURE HIGH STREET FUND FULLY FUNDED INCREASE WITHIN THE CAPITAL PROGRAMME FOR 2019/20			

PUBLIC ITEM

This item is for consideration in the public part of the meeting.

SUMMARY

Planning Committee resolved at its meeting of 13 February 2019 to put forward a bid into the Governments initiative known as the Future High Street Fund, both the main part of the bid and that aspect relating to heritage restoration and promotion (Heritage Action Zone). The bid for the main High Street element proved to be successful in that the Council has now been invited to make a further submission, developing a fully detailed business case for final submission by the 30th June 2020. The full business case will need to be very detailed and, to ensure that it is comprehensive in all aspects, meet with the guidance of the Prospectus.

Government acknowledges that local authorities will not have the personnel capacity to meet the requirements. Thus, the grant has been made available on the basis of that requested at the 'Expression of Interest' stage, namely £75,000, which was an estimate at the time. On reflection the scope of the consultants brief put together by officers of the Regeneration Team suggests a higher figure will be required to undertake all aspects now considered desirable and so a further application has been made to the Ministry for an additional £75,000 support.

RECOMMENDATIONS

The Committee are requested to:

1. Approve an addition to the Capital Programme in the total sum of £150,000 (£75,000 in 2019/20 and £75,000 in 2020/21) in respect of the Kirkham Future High Street Fund Scheme, to be met in full by a central government grant for this purpose. The initial £75,000 has been confirmed, with the second allocation of £75,000 expected to be confirmed in early 2020. If the second allocation is not granted the value of the capital scheme will be reduced to the value of the initial allocation, such that only expenditure that will be met by the total grant allocation will be committed.

SUMMARY OF PREVIOUS DECISIONS

None

CORPORATE PRIORITIES	
Spending your money in the most efficient way to achieve excellent services (Value for Money)	✓
Delivering the services that customers expect of an excellent council (Clean and Green)	
Working with all partners (Vibrant Economy)	✓
To make sure Fylde continues to be one of the most desirable places to live (A Great Place to Live)	✓
Promoting Fylde as a great destination to visit (A Great Place to Visit)	✓

REPORT

Background

1. The Future High Street Fund (FHSF) is a national initiative launched by the H.M. Government, in October 2018. Initially, the fund was £675m with a smaller part of that, some £42m, to be directed at the Heritage Action Zone initiative (HAZ), for the revitalisation of town centres that have historic value. The Prospectus set out the aims of the fund, its objectives and eligibility criteria. The FHSF is a competitive process.
2. Planning Committee resolved to apply to the fund for schemes within Kirkham and following that decision, officers drew together an 'Expression of Interest', which was submitted within the deadline. The announcement early in 2019 of 50 'shortlisted' towns did not include Kirkham although the Council, in receiving feedback, were encouraged to bid again in 2020 (Round 2).
3. On the 26th August, H.M. Government announced that the fund had been increased by a further £325m. Shortly afterwards, it was announced that the Council would be invited to progress to the next stage for Kirkham (shortlisted) and in doing so, would be asked to make a fully detailed business case. In addition, on the 14th September, it was also announced that the bid for the HAZ had also been successful, again the Council being invited to develop a programme for delivery.
4. The FHSF can be used for a variety of interventions ranging from traffic management to property development, although the thrust of it is aimed at repurposing commercial areas, primarily dealing with long standing vacancy and problematical sites. The detailed bid will look at a range of issues and it will be vital that property interests work alongside the Council for the bid to succeed. The fund will allow authorities to bid for up to £25m, but it is anticipated that most successful bids will be of the £5m - £10m range. The financial 'match funding' for the FHSF bid will be based on private sector investment.
5. A fully developed business case will require a great deal of research and the costing of projects and, as such, will require elements of expertise in commercial property processes and accounting procedures that this Council does not readily have available in sufficient quantity. This fact is acknowledged by Government and as a result is offering grant assistance to allow local authorities to employ the appropriate consultant(s) to assist with the development of the case. A detailed brief is nearing completion (prepared by the Regeneration officers) and will be the subject of the Council's procurement procedures.
6. As part of the initial Expression of Interest, local authorities were asked to estimate the level of support required. A figure of £75k was included, which has now been agreed. However, with the base level of information low, and as the ideas are emerging, a full range of economic and other data would be helpful, allowing for a full economic appraisal and business case to be developed, covering a range of issues as well as longer term planning. To

that end, officers have applied to MHCLG for a 'top up' of a further £75k which the process allows for. This is not guaranteed and so a developed case has been made as to why this additional funding is required. If further funding was not forthcoming the brief being prepared is set out as a series of 'topics' and so could be prioritised such that it would fall within the current £75,000 grant.

7. The initial £75,000 has been confirmed, with the second allocation of £75,000 expected to be confirmed in early 2020. If the second allocation is not granted the value of the capital scheme will be reduced to the value of the initial allocation, such that only expenditure that will be met by the total grant allocation will be committed.
8. The FHSF bid is the subject of various interim stages and the appropriate Committees will be kept informed of progress as well as the content of the bid as it progresses. The final bid is due for submission by the 30th June, with a decision in early autumn. The HAZ bid, if successful, will commence in April 2020 and again updates will be given.
9. The Future High Street Fund essentially covers both the larger fund but also the HAZ. The HAZ is to be supported by Historic England and applies to work in the conservation area only. However, the FHSF can provide funding across the whole town centre area as defined in the bid and so in reality the two should work seamlessly, seeking to develop one coordinated strategy. It is, of course, possible that the FHSF may not be successful but the HAZ scheme approved. If this were the case, any interventions would be with the town centre conservation area only, which is why a well argued, comprehensive business case is required and the joint expertise of suitable qualified consultants needs to be engaged.
10. As a technicality, the inclusion of Kirkham means that it is part of the second 'cohort' of Round 1. There will be a second round of FHSF, probably in 2020, which will allow for another bid to be made in another town centre within the Borough, should the Council be minded to do so.
11. Both the FHSF and HAZ seek to deliver regeneration schemes over a four year timescale.

IMPLICATIONS	
Finance	This report proposes an addition to the Capital Programme in the total sum of £150,000 (£75,000 in 2019/20 and £75,000 in 2020/21) in respect of the Kirkham Future High Street Scheme, to be met in full by a central government grant for this purpose. The initial £75,000 has been confirmed, with the second allocation of £75,000 expected to be confirmed in early 2020. If the second allocation is not granted the value of the capital scheme will be reduced to the value of the initial allocation, such that only expenditure that will be met by the total grant allocation will be committed.
Legal	The funding is to be used specifically for the development of the bid. Its use will not be monitored by Government but the consultant's reports and the inclusion of proposed actions should be clear within the bid.
Community Safety	Not relevant.
Human Rights and Equalities	No specific issues. The scheme is aimed at benefitting all sections of the community.
Sustainability and Environmental Impact	Scheme aimed at sustaining and enhancing the role of Kirkham as an important service centre and market town
Health & Safety and Risk Management	Dealt with as part of the contractual arrangements.

LEAD AUTHOR	CONTACT DETAILS	DATE
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