

THURSDAY, 8 NOVEMBER 2018

REPORT OF THE PORTFOLIO HOLDER FOR HERITAGE AND GROWTH**TOWN CENTRE****EXEMPT INFORMATION**

None

PURPOSE

To seek approval to put in place a formal programme management approach and structure that will prioritise action by the Council to improve Tamworth Town Centre. Approval to develop a Town Centre Strategy is also sought to assist in identifying areas of weakness and potential failure with a focussed, co-ordinated response that will seek to improve the vitality and viability of the town centre for years to come. The town centre strategy will need to show how the Council can achieve a clear vision for the future to achieve maximum potential from the town centre and set guidelines for working together to deliver change.

RECOMMENDATIONS

1. Approve the production of a Town Centre Strategy covering the topics indicated in the report for future consideration and adoption by Cabinet.
2. Approve a Programme management approach to delivery of town centre activity and projects as detailed in the report.
3. Approve the creation of a 5 year programme budget and retained fund using existing budgets as detailed in the report.

EXECUTIVE SUMMARY

The look and feel of town centres is in the process of undergoing fundamental change as a result of global and national changes to the economy. The impacts and causes have been well documented elsewhere but include the rise of internet shopping, increased costs to retailers leading to closure of national chain stores and a lack of new entrants to the marketplace. Tamworth town centre is no different in being impacted by these changes.

The Council spends significant resource already on providing services in the town centre, organising and hosting events, running attractions such as the Castle and Assembly Rooms, supporting local businesses and providing housing.

Given the increasing speed of change, leading to a risk of significant decline of the town centre, coupled with reduced resources that local authorities have at their disposal, it is proposed that the Council should develop a Strategy to guide its activity and put in place the appropriate governance and programme management approach to ensure it maximises the effectiveness and efficiency of its actions.

OPTIONS CONSIDERED

The report sets out the range of activities that the Council delivers within the town centre. These arrangements relating to project development and delivery could continue outside of a formal

programme and strategy. However, this approach is deemed to be inefficient as projects may not align with corporate objectives and operate without robust control mechanisms. In the absence of a 'big picture' there is an opportunity cost in failing to co-ordinate projects that could save resources and deliver wider impacts through merger, better targeting and timing. Furthermore, there is a risk that projects are approved and resources allocated where had the strategy been in place, they would have been rejected on the basis that they do not fully deliver the necessary objectives.

The Tamworth Corporate Strategy and Tamworth Borough Council Local Plan 2006-2031 both refer to a town centre strategy being required to help regenerate the town centre and better capitalise on the town centre asset. It is therefore acknowledged that there is a need for such a strategy and the passage of time adds to this pressure.

RESOURCE IMPLICATIONS

In order to create the Town Centre Strategy by the end of March 2019, external resource will be brought in through the use of existing budgets. This is to reduce the amount of internal resource required and ensure that best practice from other areas is harnessed.

In order to support additional Council activity in the Town Centre it is proposed that a number of retained funds and currently available budgets be pooled for a 5 year period. These budgets will then be made available for internal teams **only** to "bid" into, as long as they are additional to current activity. It is an essential part of programme delivery that a 5 year timeframe be set for budgets in this case to allow stability and flexibility for projects. It is the nature of programme and project management that changes occur on a regular and unpredictable basis and there needs to be a strong level of confidence that if a project slips or is reprioritised, that the funding is still available to progress other streams.

The budget virements required are shown below.

Revenue Budgets

There are a number of annual budgets across the authority that it is proposed to be combined to create a greater impact and effect on the Town. It is proposed these be combined into one pot, under account code GY0202 for a five year period. Given the nature of the likely spend, there may be occasions where projects cross over financial years or monies may be held back to support larger spend projects in the following financial year. It is therefore proposed that any underspend is placed in a specific town centre retained fund for draw down when required subject to Section 151 Officer agreement.

It should be noted that current spend on these budgets, such as the annual visitor guide, will be considered on a case by case basis alongside other projects to ensure the Council can maximise its impact on town centre activity. It should also be recognised that the budget mentioned below, currently used for marketing and promotion, be excluded from budgets which are being considered separately as part of the place investment work. The proposed budgets to be amalgamated are:

Title	Account Code	Budget Code	Budget to be utilised
Conservation Grants	GS0401	30404	£6,000
Distribution	GY0202	33036	£2,500
Promotion and marketing	GY0202	35022	£13,560
TOTAL			£22,060

Retained funds

There are a number of retained funds across the authority that have been accrued, that have a particular focus on Town Centre activity.

Title	Assistant Director	Retained Fund Code	Value
Market Income Retained Funds	AD Partnerships	PM1691 X0156	£ 57,626.00
Conservation Grants Retained Funds	AD Growth and Regeneration	PM1775 X0156	£ 25,000.00
Place Investment Retained Fund	AD Growth and Regeneration	PM1640 X0156	£ 30,760.00
TOTAL			£ 113,386.00

Total Budget

Over a 5 year proposed timetable, the total pot available for new and additional town centre revenue projects will be £223,686, meaning that on average there could be £44,737 available per year, however this will depend on the type of projects “bid” for. Other budgets could be added to this fund if it was felt better use of monies and economies of scale could be made from other services that deliver activities related to the Town Centre.

LEGAL/RISK IMPLICATIONS BACKGROUND

There are no identified legal implications for the proposed approach. Each project will be subject to an individual risk assessment as part of the project governance. However some high level risks for this approach have been identified as follows:

Risk: Lack of finance/resources	Impact: High
Mitigation: To have a realistic and clear approach to budgeting and to plan ahead for any recruitment or training that may be required.	

Risk: Disengagement of key players	Impact: Medium
Mitigation: To clearly identify lead roles and timescales. Changes to policies and procedures may be required to ensure projects stay on track.	

Risk: Economy changes	Impact: Medium
Mitigation: To be flexible and realistic.	

Risk: Partnership disengagement	Impact: Medium
Mitigation: To hold regular meeting with partners, making sure all roles are clear. Review partnerships to see if any work can be done in house.	

SUSTAINABILITY IMPLICATIONS

Tamworth town centre performs a strategic function and provides the most sustainable location for many services and facilities required by those living and working within and close to Tamworth. It provides key civic, retail, housing, service, education, employment and leisure opportunities and facilities in a central location that is well served by public transport. It is by definition the most accessible location for all members of the community whether they seek to travel by private car, bus, rail, cycling or walking.

It is evident that the town centre is showing signs of decline with the increasing number of empty properties. There is a general lack of investment in property which may point to reducing confidence in the town and the appearance of discount retailers, charity shops and the general high turnover of marginal businesses. As a consequence, patronage within the centre will fall and the general appearance and perception of the centre will lead to people avoiding the town centre thereby creating an unsafe, hostile environment. The decline will continue in a vicious circle unless action is taken.

The development of a strategy for the town centre will focus on its advantage as the optimal location for many services and facilities. Market forces will lead to some functions leaving the centre but others will replace them should the right conditions be created. The strategy will help to redefine the function of the town centre and aspire to deliver a centre that is fit for purpose and able to respond to the challenges it faces. It is anticipated that a new approach will help to increase confidence and investment in Tamworth, helping to revitalise the town centre.

BACKGROUND INFORMATION

Key issues

The origins of town centres lie in the social needs of people to come together for company, protection and survival. Historically they are literally the centre of the town – the point at which main thoroughfares lead to and meet. The centre of towns have always been the focus of economic activity: buying and selling commodities, services, entertainment. Since Victorian times the focus of economic activity has been retailing. With the rise of supermarkets and then the trend for larger format stores seeking out of centre locations, easily accessible by car, the high street has been dominated by fashion retail.

However, over the last 15 years the Country has experienced structural changes to retailing and the economy which is impacting on the look and feel of town centres:

- Increasing rents
- Demand for larger format units
- Desire for key retailers to locate in proximity to each other
- Desire for an 'experience'
- Rise of internet shopping
- Increased staff costs as a result of minimum and living wage

This has led to greater competition between retailers, centres, increase pressure for out of centre locations to accommodate larger format stores and car parking and increases in complimentary uses. This has resulted in store closures of national brands as well as smaller local independents. It has impacted on traditional town centres who haven't been able to compete or adapt to these changes.

Tamworth town centre has been hit as hard as other areas. The vacancy rate is now 14% which is its highest for a number of years. The national vacancy rate was 11.2% at the end of 2017 (Savills). The town has seen store closures of national retailers such as HMV and Woolworths, and relocations by others such as Argos, McDonalds, Dorothy Perkins, Clarks to the out of centre retail parks. Those out of centre retail parks which historically were dominated by supermarkets and white goods retailers are now focus for fashion retail and leisure (restaurants, cafes, gym) as well as supermarkets. Ironically, the out of centre retail parks are also now being impacted with national store closures such as Maplins and Toys a R'Us, and well reported difficulties for John Lewis, M&S and Mothercare.

Tamworth town centre also struggles with a lack of diversity of uses. There is a lack of an evening economy beyond traditional pubs, with not many restaurants in the town centre given size of town. Leisure uses beyond pubs are confined to the edges of the town centre. Furthermore, there are not many town centre residential properties within the actual centre.

Where Tamworth town centre is strong is its large market, which is very popular and brings in people to town on Tuesdays and Saturdays. The town centre also has a varied and popular events programme ranging from drive in cinema to fireworks and attracting large numbers of visitors such as St Georges Day which attracts 11,000 visitors to the town, although focused in the Castle Grounds but also smaller ones such as Art Attack held in Ankerside which recently attracted over 1,000 participants.

There has been lots written about these changes and possible responses such as the Portas Review and the Grimsey review. Organisations such as GBSLEP have also undertaken work to identify best practice and the LGA have prepared a toolkit for Local Authorities. Government Policy still recognises that town centres are the heart of the community and that their viability and vitality should be protected and enhanced.

The Council wants to achieve safe vibrant places for people of all ages to visit and the regeneration of the town centre is a clear ambition in the Corporate Plan.

Current TBC activity

The Council's ambitions for the town centre are set out in its Local Plan. This sets out land use policy and strategy. This builds on the Tamworth masterplan completed with partners in 2009.

The Council has a role as provider of services to town centre businesses and visitors such as housing, conservation area grants, car parking, open spaces, street cleansing, refuse collection, facilities and attractions such as the Assembly Rooms and Castle, commercial property, business startup space (TEC), regulatory such as planning and environment health. As part of the BID process the Council estimated that the annual cost of these services (excluding housing related work) was £2.7m.

In addition, the Council has undertaken a number of important projects to enhance the vitality and viability of the town centre. The Enterprise Quarter project valued at c.£5.8m will deliver an enhanced and extended Assembly rooms, Tamworth Enterprise Centre (TEC), a new restaurant, public realm and library improvements. The TEC has now been open a year and has supported 19 businesses and supported the creation and retention of 56 jobs. The Assembly Rooms is due to be completed mid 2019 and the restaurant will follow. The Gateways project is undertaking public realm enhancements to key gateways and routes into the town centre. Routes already enhanced include the route from Ventura Park to the town centre and from the railway station to the town centre costing a total of £2.35million. Future phases will consider Church St and Corporation Street. Work is currently taking place to create a new visitor experience at the Castle with a capital value of c.£750k. Work also took place in 2013 to host the Staffordshire Hoard which had a value of £1.16m, which led to a 23% increase in visitor numbers.

Future activity

Officers have been considering how services in relation to the town centre could be delivered in the future and have been working on a project pipeline. Given the reduction in local government financing, there will be a need to maximise the use of resources, both financial and people and skills. The recent management structure changes have given an opportunity to think more holistically about the town centre and consider it as a complex economic ecosystem. The community, businesses and partners expectation is that the Council will set a strategic direction for the town centre to give stability and confidence. The town centre will continue to be a focus for facilities and services as the most sustainable accessible location in the town, particularly the most vulnerable. Given this, it is considered that the Council's approach to the town centre should be modified and that a flexible long term strategy for the town centre should be produced. This will enable the development of clear projects with defined roles, timescales and resources to deliver the strategy. Involvement from identified key stakeholders will help steer the projects to ensure they are viable and desired.

Programme Board approach

It is proposed that to give good governance and ensure delivery that a 'programme' approach is utilised. This will utilise Executive Leadership Team (ELT) to sign off individual projects, oversee their implementation and ensure coordination happens between projects. Senior officers will be appointed as key project sponsors and they will assemble project teams for each project as required. Cabinet will approve and have oversight of the Strategy and a rolling programme of projects. It is proposed that the Infrastructure, Safety and Growth Scrutiny Committee receive quarterly updates on progress against the strategy and programme. Further details of this approach is contained within Appendix A

Projects

Through the approaches outlined in previous sections, projects will be designed by and also submitted to the Town Centre Coordination Group in order to be assessed and prioritised into a programme management framework, which will then be agreed by ELT.

A programme of projects will be established over a 5 year period, with the aim of having more projects than available monies, to counteract the risk of projects not being delivered or failing due to unforeseen consequences.

Projects will be expected to conform to a number of requirements:

1. Be predominantly revenue only with minimal capital expenditure.
2. Be additional activity, not replacing or replicating current activity or spend
3. Meet specific project criteria to be set out by ELT.

The only activity expected to be directly affected by this approach is the Visitor Guide, however as already mentioned, a separate piece of work is already being undertaken across services as part of the place investment Strategy to identify more collaborative practices which would result in economies of scale and further efficiencies.

A project pipeline is included in appendix B. It is expected that projects will focus on some of the following activity areas:

- Building improvement; e.g. shop fronts / signage
- business support schemes; e.g. training / grant funds.
- Business engagement and relationships,
- Events
- Feasibility reports for larger capital projects.
- Market research and intelligence: e.g. commercial property assessments / sector research / consumer trends.
- Marketing activity; e.g specific campaigns / social media activity.

Strategy

Going forward, a clear framework is needed to set out the Council's priorities for the town centre in order to guide service delivery and investment decisions. A strategy will identify priorities for improvements in the town centre and ensure that decisions are assessed on the contribution made to delivering the town centre vision.

The Strategy for the town centre is a key component of the programme management approach that advocates a vision with defined aims and objectives. This will be a high level document that will drive the organisation towards desired outcomes. The strategy will require high level leadership and commitment to be successful and clearly articulates what is required. It should eliminate any areas of doubt and provide a reference point for project development and delivery.

In promoting a programme management approach, the Council will be looking to deliver a series of related projects concurrently to achieve enhanced benefits from the projects as a group. Proposals will be assessed as to whether they comply with the strategy and only those projects that do and are complimentary will proceed to the next stage. Projects that are delivered individually can often miss their targets and outputs and while they may be successful, their full potential is unlikely to be realised.

It is envisaged that the strategy will be organised into a number of themes covering the following areas:

- Leisure – encompassing retail, food and drink, sport and recreation and events offer.
- Housing – consideration of town centre living, tenures, client groups and services and facilities required to support a town centre residential community.
- Identity – focussing on the town's distinctiveness and attractions, anchors, negative aspects of the centre and marketing activities associated with the town centre.
- Public realm – looking at buildings, landscaping, legibility, security, infrastructure and public spaces.
- Accessibility – including public transport, car parking, pedestrian routes and flows, servicing, traffic movement and pedestrian and vehicle safety.
- Stewardship – emphasis on the Council's role as a landlord and owner, street cleansing, maintenance and consideration of implications of policy constraint.
- Engagement – promoting an overall champion, ensuring inclusivity and representation across all sectors, shared vision/strategy, accountability and resources.

The Strategy will not be a Masterplan for the town centre which will follow as a separate document that will identify opportunities for investment and improvement to deliver the physical, social and environmental aspirations of the strategy. Elements of the strategy and action plan will be delivered in-house but it will be necessary to bring in specialist skills to facilitate discussion and potentially assist in the formulation of the strategy to ensure that good practice and experience from elsewhere is captured. An engagement and marketing strategy will be important to inform consultation with key partners and people that live and work in the borough. Again, external support will assist with this.

Timetable

If agreed by Cabinet the principles of the programme management approach will be adopted immediately. It is envisaged that the Strategy will be brought back to Cabinet in Spring 2020 for consideration alongside a programme plan of projects.

REPORT AUTHORS

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LIST OF BACKGROUND PAPERS

LGA toolkit: <https://www.local.gov.uk/topics/economic-growth/revitalising-town-centres-toolkit-councils>
GBSLEP Towns and Local Centres Framework:

Portas Review: <https://www.gov.uk/government/publications/the-portas-review-the-future-of-our-high-streets>

Grimsey review 1 and 2: <http://www.vanishinghighstreet.com/wp-content/uploads/2018/07/GrimseyReview2.pdf>

Tamworth Local Plan: <http://www.tamworth.gov.uk/local-plan>

Tamworth Masterplan:

https://www.tamworth.gov.uk/sites/default/files/planning_docs/D_Retail/D10%20Tamworth_Town_Centre_Masterplan_Final_Report_Oct_08.pdf

APPENDICES

- A) Proposed Governance Structure
- B) Project Pipeline

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