

CABINET

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| DATE | 14 th October 2020 |
| REPORT OF | Cllr. Philip Jackson, Leader of the Council |
| RESPONSIBLE OFFICER | Clive Tritton, Interim Director of Economy and Growth |
| SUBJECT | Town Investment Plan – Project Proposals |
| STATUS | Open |
| FORWARD PLAN REF NO. | Not included on the Forward Plan – to be considered under the General Exception rules of the Constitution. |

CONTRIBUTION TO OUR AIMS

The Grimsby Town Investment Plan will contribute to the Council's 'Stronger Economy' and 'Stronger Communities' priorities as it offers strategic direction to Grimsby's Towns Fund programme, providing Government with a clear plan of investment which will be the catalyst in making a 'step-change' to Grimsby's future. The Town Investment Plan is fully aligned to the objectives of the Local Plan and has been developed directly from the vision and objectives set out in the recently developed Grimsby Town Centre Masterplan Framework (2020).

EXECUTIVE SUMMARY

This report presents information on the project proposals for the Grimsby Town Investment Plan. The Council in conjunction with the Greater Grimsby Board, who lead on the Towns Fund for Grimsby, commissioned the development of a Town Investment Plan as the next stage of Grimsby's Town Deal. The Town Investment Plan describes the projects we want to progress as part of the Towns Fund (20/21 – 25/26) and how we plan to utilise potentially £25m of funding support.

RECOMMENDATIONS

It is recommended that Cabinet: -

1. Agrees the project proposals for inclusion in the Town Investment Plan and delegates authority to the Chief Executive, in consultation with the Leader of the Council and the Chair of the Greater Grimsby Board, to submit the finalised document to government no later than 30th October 2020.

REASONS FOR DECISION

To enable the Town Investment Plan to be finalised and submitted to government within the agreed timescale.

1. BACKGROUND AND ISSUES

- 1.1 On 6th September 2019, the government invited 100 towns in England to develop long-term strategic plans for regeneration as part of the £3.6bn Towns Fund announcement. Grimsby's own unique Town Deal, secured in 2018, had

been a trailblazer to this national programme, meaning Grimsby was the first town to secure investment directly from government to support the acquisition of Garth Lane, the development of the West Haven Maltings and also, public realm improvement works to better connect the south of the town centre to the north. The Towns Fund is now at the next stage of this agreement, and subject to submission of a compelling case for Grimsby, has been offered up to £25m of Towns Fund to invest in its regeneration plans. The objective of the funding is to 'level-up' towns across the country, providing the core public investment needed to develop sustainable economic regeneration and long-term growth through:

- urban regeneration, planning and land use
- skills and enterprise infrastructure
- digital and transport connectivity
- arts, culture, and heritage

- 1.2 A key part of the Towns Fund criteria was for all towns included within the programme to establish a Town Board to drive the delivery of the fund. Given North East Lincolnshire's pre-existing Town Deal, the Greater Grimsby Board (GGB) had already been established and this was reconstituted, under the Chairmanship of Mr David Ross, to fulfil the required role. The role of the GGB is to provide challenge, support and also, to approve the plans to be submitted to government.
- 1.3 To begin the process of securing this funding, government have asked all Towns Fund participants to develop a Town Investment Plan (TIP). The objective of the TIP is to provide a clear vision and long-term strategy for the town with evidence for the selection of the town's priority projects. It will describe how we plan to invest £25m of Towns Fund. The Council and the GGB plan to submit Grimsby's TIP to government in the second cohort of submissions - October 2020. Assuming a successful assessment by government, Grimsby will be offered an agreement in principle for the funding and will then be asked to develop full business cases for its chosen projects.
- 1.4 The TIP is split into two sections. Section 1 covers the vision and strategy including stakeholder engagement, objectives covering COVID recovery and the Council's assurance arrangements and rationale for the selection of projects. Section 2 covers a high-level description of each of the projects how they fit into the 'Theory of Change' and Intervention Framework, indicative costs, analysis of the viability gap, delivery timescales and spend profile.
- 1.5 Ahead of developing the TIP, the Council has been working on the development of the Grimsby Town Centre Masterplan Framework, a significantly important and complementary piece of work in that it provides the overarching framework for the regeneration of Grimsby town centre for the next 10 years. It defines the vision for the town and the principles for driving the activities and interventions needed, which are listed below.
 - Introduce more diverse uses into the town centre
 - Reconnect the town centre with the waterfront
 - Celebrate and enhance our heritage assets

- Promote and support community ownership and participation
- Improve permeability of the town centre
- Identify development opportunities
- Prioritise health and wellbeing
- Enhance opportunities for employment, skills, and enterprise

1.6 The Masterplan also describes a series of priority areas for change and specific projects and proposals. It has been developed with extensive stakeholder and community input, including a public consultation over the summer.

1.7 The Masterplan, which has sought to build upon our existing Town Deal interventions, has provided the strategic direction with the Council and the GGB using it to identify the priority projects for the TIP. Project selection was based on the best strategic fit with the vision and principles of the Masterplan, alignment to current Town Deal projects, whether they could be delivered within the next five years (by Financial Year 25/26) and how the projects fit with the objectives of the Towns Fund programme. This resulted in the following seven priority projects from the Masterplan being proposed for inclusion in the TIP for which the GGB gave its approval at its meeting on 29th September 2020:

- **Major enhancements to Riverhead Square to create a new public square.**
Rationale: it will help pivot/reconnect the town centre towards the water, create a more attractive environment, bring new uses to the square including bus passenger facilities and will complement the current public realm works taking place in the vicinity.
- **Pedestrian and cycle loops to connect the town centre and Alexandra Dockside.**
Rationale: it will address poor connectivity and permeability in the town centre, creating an easier and more attractive environment for cycling and walking, offering waterfront access and helping promote a healthy and active lifestyle.
- **Next phase of the development of Garth Lane towards the creation of a major new waterfront residential community.**
Rationale: activity will bring the development of residential living a step closer, helping to address the viability gap currently restraining this type of development. It will further develop and enhance the environment of the heritage assets along the waterfront.
- **Refurbishment of the Central Library to accommodate new uses, including the creation of new space for learning and innovation.**
Rationale: It will help to bring new uses to an under-utilised centrally located building, attracting new activity and increased footfall to the town centre.
- **Development of the area surrounding Victoria Mills to attract new uses.**
Rationale: it will diversify the town centre offer by introducing new uses to this heritage area of the town, enhancing the environment around the waterfront and helping to increase market interest in the future development of Victoria Mills.

- **Further regeneration of St James Quarter.**
Rationale: Further environmental development of this area of the town centre will help to generate an increase in visitors and footfall.
- **Activation Fund - a local grant programme for community and local business-based initiatives which supports activity in the town centre**
Rationale: it will help unlock smaller bespoke town centre activity led by community and business organisations, promoting their ownership and participation in the regeneration of the town centre.

- 1.8 High level indicative costs for each of these projects have been calculated by a specialist consultancy team working with the Council, along with specialist advice sought from experts commissioned by the Ministry of Housing, Communities and Local Government (MHCLG). More detailed analysis and costings will be carried out as full business cases are developed for each project in the coming year. The full package of TIP project costs had to be based on a maximum ask of £25m from the Towns Fund. Further work will also be carried out to source match funding for the programme which may include other government and private sector funds.
- 1.9 A high-level breakdown of cost is provided below. These figures are indicative costs only and therefore subject to change. Detailed costs will be developed as these projects move into the full business case stage.

| Project | Town Fund Request |
|--|--------------------------|
| Riverhead Square | £3.3m |
| Garth Lane | £8.8m |
| Public Realm connectivity | £3.9m |
| Central Library | £4.2m |
| St James Quarter | £1.65m |
| Victoria Mills Quarter | £1.65m |
| Activation and Community Engagement Fund | £1.5m |
| Total | £25m |

- 1.10 Should Cabinet endorse the seven priority projects for the TIP, officers will finalise the document for approval from the CEX in consultation with the Leader of the Council and Chair of GGB, prior to submission to government by the end of October 2020 at the latest. The GGB gave this delegated authority at their meeting on 29th September 2020. Once the Council has received feedback from government and has been offered an agreement in principle for the £25m Towns Fund, there will be a period allocated to refine the TIP projects and develop full business cases for each project. As projects are developed, further reports will be presented to Cabinet.
- 1.11 Project delivery is expected to commence in stages beginning mid to late 2021/22 through to 2025/26, with the likelihood of Riverhead Square being the

first project to come forward, as this has already been awarded £1m of Accelerated Towns Funding in an effort by government to kickstart town centre infrastructure projects as part of Covid-19 recovery plans. This early phase of Riverhead Square regeneration is currently with design teams and will be presented at a separate Cabinet meeting in the coming weeks.

2. RISKS AND OPPORTUNITIES

- 2.1 The Towns Fund provides a significant opportunity to secure substantial investment for the regeneration of the town centre and in improving the quality of the built environment and public realm. Investment in the heart of the town is an essential element of the Council's regeneration plans and will contribute to an enhanced experience for residents and visitors.
- 2.2 There is a risk that we do not reach the required quality and standard expected for the Town Investment Plan. To mitigate this and in addition to a professional project team approach having included appropriate expertise, a 'check and challenge' session is planned with MHCLG which will offer the opportunity to receive constructive feedback and make any amendments before final submission.

3. OTHER OPTIONS CONSIDERED

- 3.1 Do nothing – this option would preclude the Council from receiving potentially £25m to achieve the key strategic aims for the regeneration of the town centre, as described in the Local Plan and the 2020 Grimsby Town Centre Masterplan Framework.
- 3.2 The Masterplan provides the strategic framework for the next 10 years of regeneration of the town centre, with projects identified that cover various themes, e.g. heritage, wellbeing, connectivity etc. The Masterplan, therefore, was the reference point for selecting the TIP projects. As the Towns Funds has its own objectives and set of criteria the selection of the projects for the TIP was based firstly on which Grimsby projects could deliver these. Other key factors in the selection process were based on how the Towns Fund could be used to complete or further advance current town centre regeneration projects such as the long-term development of Garth Lane. Additional factors like estimated delivery cost and the level of detail on refurbishment were also important factors, providing important insight into the condition of buildings and the level of investment required.
- 3.3 Not all Masterplan projects fit with the Towns Fund objective therefore different sources of funding will need to be accessed to progress other elements of the Masterplan and its ambitions.
- 3.4 A 'Do Less Option' was not considered viable as government have already ring-fenced up to £25m for Grimsby as a participant in the Towns Fund programme. As the wider list of identified town centre projects would cost well in excess of £25m to deliver, it would not be appropriate to ask for less funding than is potentially available.

4. REPUTATION AND COMMUNICATIONS CONSIDERATIONS

- 4.1 There are potential positive/negative reputational implications for the Council resulting from the decision. The project team have already engaged the services of the Council's communications team who are assisting in the development of a Stakeholder Engagement Plan for Grimsby's Towns Fund, which will outline the channels for communication and engagement during the lifetime of the programme. A dedicated webpage has also been developed as a platform for regular communication and the sharing of information and documents.

5. FINANCIAL CONSIDERATIONS

- 5.1 The TIP project proposals are currently in the early development stage, with only high level, indicative costs calculated. The funding allocations have been determined using these cost estimates, which has identified any potential gap funding requirements for each project. The gap funding needed for the delivery of these projects will come from the Towns Fund with the possibility, for example, of private sector match for elements of the Victoria Mill Quarter project and possibly some Sustainable Travel Access Fund towards the Pedestrian and Cycling Loops project. The next phase of the Garth Lane scheme is expected to unlock considerable private sector investment in relation to the development of a new residential area.
- 5.2 The majority of Towns Fund expenditure will be used for capital costs except for a small amount (estimated at 10-12%) will be used for revenue associated to the delivery costs of the Activation Fund and the overall management of the Grimsby Towns Fund programme.
- 5.3 Following the submission and acceptance of the TIP, detailed business cases will be developed for each project and presented to Cabinet for approval. Business cases will include, depending on the nature of the project, financial information such as development appraisals, income generation opportunities, value for money assessments and any resource implications.

6. CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS

The Town Investment Plan will consider the Council's published commitments on climate change and the environment during full project development, which will include detailed design, this will follow Government's approval of our proposals. New and refurbished building designs will be encouraged to incorporate innovative construction features and low carbon technologies which will reduce carbon emissions and minimise environmental impacts. Public realm design will also consider best practice in terms of design and climate change, these can be incorporated into the design of the Riverhead Square project and the new pedestrian and cycle tracks project.

7. CONSULTATION WITH SCRUTINY

This report is being presented at an Economy Scrutiny Meeting on 13th October 2020.

8. FINANCIAL IMPLICATIONS

The proposals within the Town Investment Plan are consistent with the Council's adopted financial strategy which in itself is closely aligned the Council's local plan, economic development strategy and emerging housing strategy. In terms of funding, detailed business cases will be subject to the Council's robust business development framework and any call upon Council borrowing will need to demonstrate that expenditure is affordable, prudent and sustainable.

9. LEGAL IMPLICATIONS

There are no legal implications immediately arising. The submission of the Town Investment Plan is consistent with, and in furtherance of, the stated strategic aims of the Council.

10. HUMAN RESOURCES IMPLICATIONS

There are no direct HR implications

11. WARD IMPLICATIONS

Delivery of the TIP projects is expected to benefit all Wards as the economic benefits resulting from the regeneration of Grimsby town centre will benefit all residents living in North East Lincolnshire.

12. BACKGROUND PAPERS

The 2020 Grimsby Town Masterplan Framework, also being presented to Cabinet as a separate report on 14th October 2020.

13. CONTACT OFFICER(S)

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COUNCILLOR PHILIP JACKSON
LEADER OF THE COUNCIL