

<b>Report to:</b>	<b>TOURISM, ECONOMY AND COMMUNITIES SCRUTINY COMMITTEE</b>
<b>Relevant Officer:</b>	Alan Cavill, Director of Communications and Regeneration
<b>Date of Meeting:</b>	14 April 2021

## BLACKPOOL TOWN CENTRE REGENERATION UPDATE

### 1.0 Purpose of the report:

- 1.1 To provide an overview of progress on the various projects being undertaken to secure the regeneration of Blackpool Town Centre following the last update in September 2020, and to inform the Committee of planned future work.

### 2.0 Recommendation(s):

- 2.1 To note the progress being made and to identify any issues requiring additional attention.

### 3.0 Reasons for recommendation(s):

- 3.1 To ensure constructive and robust scrutiny of the strategic approach to regenerating Blackpool Town Centre following a request by the Committee.

- 3.2 Is the recommendation contrary to a plan or strategy adopted or approved by the Council? No

- 3.3 Is the recommendation in accordance with the Council's approved budget? Yes

### 4.0 Other alternative options to be considered:

- 4.1 None

### 5.0 Council priority:

- 5.1 The relevant Council priority is
- "The economy: Maximising growth and opportunity across Blackpool"
  - "Communities: Creating stronger communities and increasing resilience"

### 6.0 Background information

#### 6.1 Blackpool Town Centre Strategy

The Blackpool Town Centre Strategy, adopted in March 2013, provides a **15 year vision** supported by **six key objectives**:

- **Re-establish** the town centre as the first choice shopping destination for the Fylde Coast
- **Strengthen** the town centre as a vibrant leisure, entertainment, cultural and business tourism destination for residents and visitors

- **Grow** the town centre as a place to do business by creating a central business district and creative industries hub
- **Create** a choice of quality homes within and around the town centre
- **Improve** the quality of buildings, streets and spaces and their maintenance and management;
- **Provide** convenient access to the town centre by all modes of travel and enable easier pedestrian movement.

The Strategy identifies issues, strengths, opportunities and threats to the Town Centre:

- Catchment, Visitor Profile and Performance;
- Retail and Service Provision;
- Leisure Entertainment, Culture and Business Tourism
- Quality of the Environment;
- Access and Movement.

The Strategy contains an Action Plan and recognises the need for a co-ordinated comprehensive approach requiring strong town centre partnership working led by Blackpool Council supported by investment agencies working with private landlords, local businesses, service providers, developers, Business in the Community's Pride of Place Board and the Town Centre BID (which has recently had a renewed mandate for the next 5 years).

Resource has now been acquired via internal secondment that allows for a focus of attention on the refreshing of the Strategy and Action Plan to take into account of:

- the huge amount of progress since 2013
- the need to refocus on recovery as a result of the pandemic
- the need to repurpose some of the town centre uses,
- The need to integrate it with Parts 1 and 2 of the Local Plan, any relevant Supplementary Planning Documents and other non-planning documents including the Council Plan and Blackpool Town Prospectus
- the many new opportunities that are being pursued.

It is planned to complete a draft by the end of the year.

## 6.2 **Houndshell Shopping Centre Phase 2**

Following the Getting Building Fund grant approval all agreements have now been signed with Wilko and the cinema operators to enable the project to proceed. Utilities diversions and disconnections have been ordered and have to be completed before the appointed contractors, Grahams, are able to be on site to commence construction, anticipated to be no later than June 2021, completing in 2022.

## 6.3 **Abingdon Street Market**

Following the Getting Building Fund grant approval, CBRE and TP Bennett have been appointed to develop and implement this project. Detailed designs are being finalised with expert advice from an experienced market operator with the intention of works starting on-site in summer 2021 and completion in spring 2022. Arrangements for the decanting of market tenants during construction is also being finalised to enable them to start trading at the end of lockdown.

## 6.4 **Talbot Gateway**

Talbot Gateway Phase 2 - Hotel & Infrastructure

Robertson Construction Group Ltd have been appointed by Muse Development (the Council's

Development Partner) to carry out the following works:

- The demolition of the existing Wilkinson's building is complete
- The contractor has now undertaken ground remediation and drainage work to prepare for the construction of the new Holiday Inn Hotel, underpass and tram terminus.
- The installation of the piled foundations is currently taking place

The area required to complete the tramway extension will be handed over to the Tram Contractor (Sisk) in April for them to complete their works.

#### Talbot Gateway Phase 3 - New Office Accommodation

Discussions are continuing with the interested party's commercial advisors for a new office block that will accommodate in excess of 2,000 employees on King Street. All parties are aiming to sign the an agreement for lease in the next quarter to enable the development programme to commence with the necessary authorities to be sought from the Council's Executive in May.

An outline planning application for the development was submitted by Muse and was approved by the Blackpool Council Planning Committee on 16 March 2021.

To facilitate the completion of the necessary site assembly the "Blackpool Borough Council (King Street No1) Compulsory Purchase Order 2020" was confirmed by the Ministry for Housing, Communities and Local Government. The Council is now in the process of confirming the Order and resolving matters with the few outstanding interests on the site.

### **6.5 Blackpool Central**

Nikal Ltd. and Media Invest Entertainment and their team has been busy refining their proposal and preparing the submission documents in readiness for the first planning application submission which will be submitted in the next quarter. It will be a 'hybrid' application, with outline proposals for the majority of the site and a detailed proposals for the new multi-storey car park and the heritage assets (King Edwards Pub and cinema, and King Edward apartments).

The first major component of the scheme is the delivery of a new multi-storey car park. The design for the car park is well underway, and subject to planning approval, could see construction commence in the autumn. The car park will take approximately 15 months to construct and once opened will be followed by the delivery of the leisure / attractions components of the scheme.

On the 25 January the Council Executive authorised the making of a compulsory purchase order for the remaining leasehold units on the site, which is currently being prepared by the Council's Legal Team. In the meantime negotiations continue with the tenants via their agents.

With regard to the relocation of the Courts and Tribunal Services, the Council remain in dialogue with HMCTS and are continuing to work towards supporting their relocation from the site as one of the Town Deal schemes enable the comprehensive delivery of Blackpool Central (Phase 3).

### **6.6 Winter Gardens Conference Centre**

Construction of the new state-of-the-art Blackpool Conference Centre continues, with progress accelerating across all areas of the works to complete the development.



External cladding is now nearing completion with the main elements left to finish in this regard being the remainder of the Terracotta cladding to the front elevation of the building, due to be complete mid-June 2021.

Much of the internal wall and ceiling construction is now complete and follow on works including mechanical and electrical installations, and fitting of sliding folding partitions to the event spaces are well underway. Renovations to the historic façade of the Empress Ballroom, which will form an internal feature to the inside of the new building are also progressing well. Significant elements of plant have now also been installed including the vehicle lift, which provides vehicular access to the upper event space, air conditioning and other roof top plant is also in position, and passenger lifts and escalators are due to be installed during April.

COVID-19 led to the closure of site March 25 to April 27 2020 as previously reported with works recommencing after this date following the implementation of measures to minimise the danger of COVID-19 to operational personnel, including staggered welfare breaks, social distancing and enhanced personnel hygiene facilities. The COVID-19 situation is monitored carefully by the Project Management team with regular liaison on this specific topic. The currently anticipated project completion date is Autumn 2021.

## 6.7 Hotels

The enhancement of Blackpool's hotel capacity continues unabated with the 3\* Premier Inn on Talbot Square now complete despite setbacks experienced as a result of the pandemic.

The resort's first 5\* hotel, the Sands Venue Resort Hotel, is due for completion in Autumn 2021 and work is progressing well on the 4\* Holiday Inn Hotel development as part of Talbot Gateway Phase 2. Following receipt of outline planning consent for the proposed Winter Gardens 4\* hotel, we continue to work with the majority site owner to support the scheme to development.

Notwithstanding the setback of not securing Future High Street funding we are continuing to work with the private sector to bring forward a development to create a new 131-bed bespoke boutique hotel in the former Post Office building. The project is now under consideration for inclusion in a Levelling Up bid submission in June this year.

Other hotels are also planned as part of the Blackpool Central scheme.

## 6.8 Showtown

There has been significant progress since the last report:

- The tendering process for the main basebuild fit-out contractor has been completed and a preferred contractor selected. The contract price has been agreed and is within budget.
- The next milestone will be when the basebuild contractor starts on-site, which we are hoping will happen within the next few weeks.
- The tendering process for the main exhibition fit-out elements is virtually complete.
- The main exhibition fit-out contractor has been selected, as have the audio-visual hardware specialists and the audio-visual creative content company.
- The tendering for the manual interactives and the large artworks is continuing and will be completed soon.
- All of these contracts are within the project budget allocations.
- There will be an extended period of off-site development for the exhibition creation prior to them moving on-site for the actual installation phase.

The delivery of the Activity Plan, which details the public engagement programme, has been severely affected by the Covid-19 pandemic but some elements are being delivered virtually such as the Get Dancing project which builds on Blackpool's dance heritage to create a new dance for Blackpool whilst helping to combat loneliness by bringing people together through dance. Working with musician, Callum Harvie, and dance company, House of Wingz, a new piece of music has been composed which went out via social media with the invitation to everyone to create their own dance moves. Over 120 videos have been submitted from all over the world. House of Wingz are now gaining inspiration from them to create the new dance which everyone will be encouraged to learn. This will be launched at the next press event in April. In addition, the new Showtown website is almost ready to launch and we are just finalising a marketing strategy and implementation plan which will take us up to the main Showtown launch in 2022. We are working with PR company, Brazen, and have an action plan for various PR stories and events through 2021 starting with a major PR event focused on us getting on-site.

Although Showtown is being developed and created by Blackpool Council, in the longer term a new operating company will be established to run it for which preparations are now being made.

## 6.9 Quality Corridors

This very successful project was originally approved in September 2016 at a total value of £7.34m with £6.6m Growth Deal funding and an additional £450k of Growth Deal funding approved in December 2019 with a scheme total value now of £7.84m.

The scheme is working to transform key gateways and streets in Blackpool town centre. There are two distinct elements to the project, the first, and largest, being improvements to the highways network. Over the last three years significant highways and public realm improvements have been delivered in parts of Church Street, Caunce Street, Cookson Street, Dickson Road and Talbot Road (in conjunction with the tramway works). Street furniture has been installed including bollards and benches. Trees have featured in some renewed streets along with some public art. Works are now complete on Edward Street, Deansgate and Topping Street.

The second element, the Property Improvement Fund, provides in excess of £1m in grants to assist property owners and businesses in priority streets to improve the external appearance of their

properties and to encourage take up of vacant space. Some excellent examples of this include Café Continental and the Mortgage Shop on Topping Street, Deansgate Kitchen, Sunseekers and Asia's Finest on Deansgate, Andsome Barbers on Edward Street, 101-122 Topping Street and 118-126 Church Street, Samaritans 66 Topping Street and Showtoppers. Examples of shopfront works undertaken can be seen in Appendix 8(b).

Other schemes currently on-site include The Brew Room, Cedar Tavern, Blackhurst Budd solicitors on Edward Street and a major scheme ongoing to facilitate a £400k external facelift of the Ibis Styles Hotel (former Clifton Hotel).

Works are also soon to commence on 28 Topping Street to enable a refurbishment and reuse of the retail property and the creation of 3 brand new shopfront units at 4-8 Edward Street, both Council owned properties. A pipeline of further properties are in place to benefit from existing resources, with around 34 properties expected to be improved in total by conclusion of the programme.

#### **6.10 Heritage Action Zone**

After a slow start due to the pandemic, work has now begun on phase 1 of the Winter Gardens element of the HAZ. This phase consists of the refurbishment of the five remaining historic frontage sections of the Church Street Elevation which will be followed later in the year with the replacement of all the later shopfronts under Empress Buildings with restored late Victorian frontages in hardwood and stained glass. Work is now also about to commence on the former Blacks building with works to restore the external fabric of the units at no's 4-8. This will restore historic timber shopfronts in advance of refitting the interior to form three shops with associated flats specifically aimed at live/work spaces for creative businesses. This will be followed in the summer by commencement of work at 28 Topping Street to convert the building into a creative hub with retail space for local makers, workshop space on two levels and a potential performance rehearsal space in the basement. Architectural renderings of the proposed elevations can be seen in Appendix 8(a).

In addition to the above projects we've also been awarded some additional spend to cover items like the first year of charges for the Council's new footfall monitoring system, a study looking at mapping the local cultural resources, a review of the town centre conservation area's public realm and place making opportunities and a small amount of money to deliver art in empty shop windows.

The latest news is an award of £85k for a programme of cultural activity on the high street which will include makers markets, film screenings, public makers' workshops, performance commissions and activity themed around children.

#### **6.11 Town Deal**

Following Blackpool's Town Deal submission on 31 July 2020 we received Heads of Terms from Government on 27 October 2020 which Blackpool agreed via the Town Deal Board and Executive for £39.5m to work up 7 of the 9 projects submitted. This remains the largest Town Deal agreed nationally.

In addition, we received confirmation of £1m of Towns Fund "accelerated funding" which had be

spent on capital elements of Town Deal schemes by the end of March 2021. This was used to acquire land at Devonshire Road to support the relocation of the Courts building.

Allocation of the resources to projects was subsequently approved and submitted to Government with supporting information and this has now been approved subject to the satisfactory development of business cases and their appraisal by November 2021.

NB Many of these projects will contribute directly to the regeneration of the Town Centre.

PROJECT	BRIEF DETAIL	ALLOCATION
<b>Blackpool Central Courts Relocation</b>	Funding support to allow relocation of Blackpool Magistrates and County Courts catalysing the delivery of the Blackpool Central	£8m
<b>Multiversity</b>	To facilitate Blackpool Council, Blackpool & The Fylde College and Lancaster University's plans to create a new world class learning "Multiversity" facility, near the town centre	£9m
<b>Blackpool Airport Enterprise Zone (EZ)</b>	To improve the infrastructure on, and bordering the Blackpool Airport EZ to increase development opportunities, improve access and advance both physical and digital connectivity.	£7.5m
<b>Youth Hub</b>	A town centre located physical and virtual Youth Hub for coordinated partner delivery of employability and skills provision for 16-24 year olds who are Not In Education Employment or Training (NEET),	£0.5m
<b>Southern Quarter / Revoe Community Sports Village</b>	Activity to transform Revoe through refurbishment and new build in line with the Revoe Masterplan. Projects will include community sport facilities, and, support Blackpool FC development proposals.	£5.5m
<b>The EDGE (Stanley Buildings)</b>	To create the Edge, a leading centre for entrepreneurs - a vibrant focal point in the town centre for the development of growing small businesses.	£4.5m
<b>Illuminations</b>	The Project will renew and re-invigorate Britain's biggest light show to rejuvenate a tourism and hospitality industry blighted by the COVID-19 pandemic.	£4.5m

#### 6.12 Reopening High Streets Safely Fund

A funding agreement with Government was signed in November 2020, well into the Autumn COVID 'lockdown'. Despite this, strong efforts have been made to identify and highlight eligible schemes for the £123k grant, not easy given the specific ERDF criteria, restrictions and timelines.

Alternative funding was obtained for the Visitor Insights initiative, so £20k of the grant is now available for the other specified projects (temporary highway measures to encourage social distancing and a town centre marketing campaign, both currently not possible due to the extended COVID lockdown) and any complementary schemes that meet the criteria to be added.

With COVID restrictions potentially easing, this may present opportunities to spend the grant, as the deadline has been extended by three months until the end of June 2021.

#### 6.13 **Welcome Back Fund**

At the timing of writing this report Government had just announced a new Welcome Back Fund against which Blackpool will receive £223k and specific details are still awaited. The press release states:

*“A new £56 million Welcome Back Fund will help councils boost tourism, improve green spaces and provide more outdoor seating areas, markets and food stall pop-ups – giving people more safer options to reunite with friends and relatives. Part of this funding will be allocated specifically to support coastal areas, with funding going to all coastal resorts across England to safely welcome holiday makers in the coming months.*

*The funding can also be used by councils to:*

- *Boost the look and feel of their high streets by investing in street planting, parks, green spaces and seating areas to make high streets as beautiful and welcoming as possible*
- *Run publicity campaigns and prepare to hold events like street markets and festivals to support local businesses*
- *Install signage and floor markings to encourage social distancing and safety*
- *Improve high streets and town centres by planting flowers or removing graffiti”*

Proposals will be developed for the utilisation of this resource to support the town’s recovery.

#### 6.14 **Levelling Up Fund**

As part of the Budget the Chancellor announced a broad package of complementary UK-wide interventions including: the UK Levelling Up Fund

<https://www.gov.uk/government/publications/levelling-up-fund-prospectus>

The Levelling Up Fund is a capital scheme that will invest in local infrastructure that has a visible impact on people and their communities and will support economic recovery. This includes a range of high value local investment priorities, including transport schemes, urban regeneration projects and cultural assets. The Fund will be delivered through local authorities and will focus on capital investment in local infrastructure.

##### Key points

- Blackpool is in pole position as a Tier 1 area to apply in the first round.
- We already have some qualifying proposals worked up that failed to secure Future High Streets funding and for highways Local Pinch Point funding that has now been included within the Levelling Up Fund
- Having been through the Town Deal process with the Town Deal Investment Plan and having established the Town Deal Board, Investment Panel and Engagement Team, we are geared up to meet the requirements regarding engagement and business case preparation including having a panel of independent appraisers to hand
- With having two MPs constituencies in Blackpool we potentially qualify for two bids with a maximum of 3 projects in each up to a total value of £20m for spend by 2024 the Prospectus states that the number of bids that a local authority can make will relate to the number of MPs in their area. Accordingly, local authorities can submit one bid for every



MP whose constituency lies wholly within their boundary. Where an MP's constituency crosses multiple local authorities, one local authority should take responsibility as the lead bidder and local areas should work together to designate that lead bidder MPs whilst not having a power of veto, their support is part of the assessment. Blackpool South lies wholly within Blackpool. Blackpool North and Cleveleys lies within Blackpool and Wyre.

- As Transport Authority Blackpool can also potentially qualify for a third bid of £20-£50m for a cross-boundary transport project though this would need to be agreed with Lancashire County Council who also potentially qualify as Transport Authority.
- Some projects which we are hoping to bring forward might be able to be advanced initially through the Community Renewal Fund)

#### Current position

Blackpool has far more potential schemes than the funds available but the eligibility criteria reduce what is possible. Preliminary discussions have started with both Blackpool MPs and the neighbouring authorities to establish their views. Projects that are already relatively worked up and can start in the 2021/22 year are a key requirement for the first round alongside the need to keep below the £20m limit and a 3 project limit. For a first round bid to meet these criteria would require a primary focus on the Blackpool South constituency although acknowledging that the town centre lies in both Parliamentary constituencies. Potential projects include those that did not receive support through the Future High Streets Fund process (such as the Post Office refurbishment for a boutique hotel, land acquisitions to support the major town centre office development and the Adelaide Street Transport Hub), the extension of the Quality Corridors scheme and public realm improvements towards Central Drive to continue the implementation of the Revue Masterplan, all present strong possibilities that will be assessed against the detailed qualifying criteria.

Other schemes would also be worked up if we qualify for a second bid once the criteria and timelines associated with that are known with a focus on the Blackpool North constituency.

#### **6.15 Community Renewal Fund**

The UK Community Renewal Fund, which will provide local areas across the UK with access to £220 million of additional funding as they prepare for the UK Shared Prosperity Fund due to launch in 2022. It is targeted to help to level up and create opportunity across the UK in places most in need in a manner distinct but complementary to the Levelling Up Fund, through investment in skills, enterprise and employment.

<https://www.gov.uk/government/publications/uk-community-renewal-fund-prospectus/uk-community-renewal-fund-prospectus-2021-22>

The Investment priorities should nurture innovative thinking and offer flexibility. Projects may align with one, or deliver across several, of the following investment priorities:

- Investment in skills
- Investment for local business
- Investment in communities and place
- Supporting people into employment

#### Key points

- Blackpool Council, as lead authority, is required to invite project proposals from a range of local applicants, including community sector organisations, umbrella business groups and local education providers including universities etc.
  - The Council must appraise these projects and prioritise a shortlist of projects up to a maximum of £3 million with a bid deadline of 18 June 2021
  - 90% of funding is revenue funding. Match funding is encouraged but is not mandatory. A minimum of 10% of costs to be used towards scheme monitoring and evaluation.
  - A range of projects by theme and size can be submitted but it is encouraged that to maximise impact and deliverability, larger projects of £500,000+ are submitted.
  - All project activity must be able to be completed by March 2022.
  - Successful bids will be notified “late July onwards” which means that projects will have to be delivered within a maximum of 8 months
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### Current Position

As noted above, it is proposed that the Town Deal Board and its sub group, the Town Deal Investment Panel, provide the overarching assurance for the bid submission subject to the Executive’s final approval. Owing to the requirement to approach community stakeholders and organisations and the broad range of funding themes, a corporate group of Council officers was brought together to form the Community Renewal Fund Project Team to develop a compliant process. Additionally, a consultancy (Ekosgen) has been appointed from a Council Framework Panel to provide scheme development, appraisal and bid development support. The capacity funding made available by the Government will be used to cover their costs.

The Community Renewal Fund Project Team have now reviewed with stakeholders the project application template, added local priorities to the Government-determined assessment criteria, and set in train a process of widespread dissemination of the opportunity using the Council’s website, social media and partner networks to ensure those eligible to bid are made aware of the opportunity.

The timetable allows project applicants up to 4 weeks to develop a bid submission and sufficient time to undertake appraisals, due diligence and final bid completion:

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- |   |                          |
|---|--------------------------|
| • Launch on Council website                             | - 26 <sup>th</sup> March |
| • Bid Application responses by                          | - 23rd April             |
| • Appraisal of bids                                     | - 26 April-5th May       |
| • TDIP Panel provided with summary of proposed projects | - by 10th May            |
| • Town Deal Board progress update                       | - 14th May Board         |
| • Lead Authority Bid development                        | - 14th – 31st May        |
| • To provide the TDIP Panel/CLT with an early draft bid | - w/c 31st May           |
| • Town Deal Board/Executive sign off (under delegation) | - w/c 7th June           |
| • Bid submission  | - w/c 14th June          |

## **7.0 Appendices**

### **7.1 Appendix 8(a) - Heritage Action Zone Renderings and Images**

Appendix 8(b) - Quality Corridors Shopfronts

**8.0 Financial considerations:**

- 8.1 Each of the developments referred to have significant financial implications for which individual business cases are prepared and factored into the Council's budget. This includes securing significant levels private sector investment and grant funding.

**9.0 Legal considerations:**

- 9.1 Most of the developments referred to either do or will include individual legal agreements to protect the Council's investment and to secure the planned outcomes.

**10.0 Risk management considerations:**

- 10.1 Each of the developments has a business case which includes a review of risks.

**11.0 Equalities considerations:**

- 11.1 The implementation of the Council's Growth and Prosperity Programme is designed to create extensive opportunities for employment and economic benefit to Blackpool residents and businesses.

**12.0 Sustainability, climate change and environmental considerations:**

- 12.1 Whilst sustainability, climate change and environmental considerations are not a key focus of the outlined projects, each project has its own business case that will look to address sustainability and the environment where appropriate.

**13.0 Internal/external consultation undertaken:**

- 13.1 Both formal and informal consultation has been and will continue to be a key part of the implementation of such an extensive programme of improvement. For Towns Fund projects, a detailed Engagement Strategy is being implemented.

**14.0 Background papers:**

- 14.1 None

## Appendix 8(a) - Heritage Action Zone (HAZ) Renderings and Images

### Proposed shopfront elevations – Winter Gardens, Church Street



Proposed elevations – Former Blacks, Edward Street/Deansgate



Proposed front elevation – 22 Topping Street



## Appendix 8(b) – Quality Corridors Shopfront Improvements

