

Officer Non Key Executive Decision

Relevant Chief Officer	Neil Jack, Chief Executive
Relevant Cabinet Member	Councillor Lynn Williams, Leader of the Council
Report Author	Alan Cavill, Director of Communications and Regeneration
Implementation Date of Decision:	14 October 2021

BLACKPOOL TOWN DEAL – SUBMISSION OF SUMMARY BUSINESS CASES

1.0 Purpose of the report:

- 1.1 To provide an update on the Town Deal funding programme and authority for the required submission of the first 3 of the 7 scheme “Summary Documents” to the Department of Levelling Up, Homes and Communities (DLUHC – formerly MHCLG) under the terms of the delegation agreed by the Executive at its meeting on 16th November 2020 (EX48/2020)

2.0 Recommendation(s):

- 2.1 To approve the submission of an initial 3 Summary Business Cases for Blackpool Illuminations, The Youth Hub and Blackpool Airport Enterprise Zone (Appendices A, B and C) signed by the Chair of the Town Deal Board and s 151 Officer.

3.0 Reasons for recommendation(s):

- 3.1 The £39.5m ring-fenced Town Deal monies for Blackpool will bring forward significant regeneration in Blackpool town centre and across the borough through the seven identified schemes. The schemes will work to enhance the attractiveness of the town and support confidence in the private and public sectors to invest further. This is even more important following the Covid-19 pandemic where economic recovery is essential. The 7 schemes are :-
- Blackpool Illuminations Modernisation
 - Blackpool Youth Hub
 - Blackpool Airport Enterprise Zone Infrastructure Development
 - Blackpool Central Courts Relocation
 - Multiversity
 - Southern Quarter/Revoe Community Sports Village

3.2

- The Edge – Incubation Office Space in Stanley Building

The MHCLG Grant Letter dated 22nd March 2021 noted that *“the next step is to continue to conduct project assurance in line with agreed routes for each individual project and develop business cases, submitting Summary Documents to MHCLG within 12 months of the Heads of Terms being signed. Subject to completion of the conditions and satisfactory Summary Documents, MHCLG agrees to allocate funding up to £39.5m across financial years 2021/22 to 2025/26”*.

17th November 2021 is 12 months from signature of the offer letter and hence the target date for return of the seven project summary documents.

The Government have now set a series of deadlines for submission of summary documents in batches, the first of these being 15th October 2021 for payments to be received by December 2021. As 3 schemes have been through the agreed appraisal process by the initial deadline this ONKD covers the submission of the following 3 projects only. A second ONKD for the remaining 4 schemes will be produced after they have been through the final stages of appraisal in November.

Blackpool Illuminations

The overall aim of the project is to rejuvenate the Blackpool Illuminations as a means to attract an increasing number of visitors to the town in the autumn and winter period, and extending the traditional Illuminations season by two months, from the current September to November season until January. This will be done by designing and creating a number of new centrepiece attractions over a five-year period and improving the lighting infrastructure and provision of essential equipment needed to deliver the illuminations in an efficient and sustainable manner. This project will support the famous Blackpool illuminations through modernisation and innovation. This £13.2m scheme, with £4.5m of Town Deal monies will be delivered by Blackpool Council as scheme promoter and accountable body with the Blackpool Illuminations Department leading on project delivery.

Blackpool Youth Hub

The project purpose is to support young people in the town to access jobs and training and to make a fully supported and smooth transition from school or unemployment into a positive destination. While there is a range of provision available, Blackpool currently lacks an integrated NEET strategy and support for young people is fragmented, resulting in further disengagement. The Youth Hub will seek to address this issue directly, by providing a ‘one stop shop’ or ‘one place base’ for young people providing quality advice for young jobseekers aged 16-24. The hub will provide a focal point for young people and space for partners to collaborate and pilot what works, with a view to refining future service delivery and longer-term investment. The scheme will repurpose a vacant town centre unit within Bickerstaffe House, a Council owned building to deliver provision.

The project will run from April 22 to September 23. The project is seeking £500k from Town Deal with no co-funding. However, Blackpool Council have bid into the Community Renewal Fund (CRF) for c£444k to develop the Youth Hub from September this year until 31st March 2021 when the funding is scheduled to end. The CRF will enable the Council to develop a pilot scheme for around 7 months prior to Town Deal funding becoming available. A CRF funding decision has been delayed and is now anticipated in October 2021. If there is a further delay consideration will be given to seeking to accelerate the scheme once Town Deal funding is finally approved.

Blackpool Airport Enterprise Zone

This project aims to support business and jobs growth within the Blackpool Airport Enterprise Zone through the creation of new highways and associated infrastructure that will aid in the mitigation of a number of existing barriers to development. Firstly, this project looks to create a new entry and exit point for traffic into the Blackpool Airport EZ to the east of the designated area, negating the business park's current status as a cul-de-sac and reducing travel times and standing traffic, particularly at peak vehicle flow times. Secondly, its route through the east of the EZ will also open up 10.5 hectares of previously inaccessible development land for the creation of serviced plots, therefore managing the current lack of new development space within the EZ to accommodate businesses looking to locate and grow there. This £18m scheme, with £7.5m of Towns Fund monies, will be delivered by Blackpool Council as scheme promoter and accountable body, with the Council's Enterprise Zone team leading on project delivery

A further ONKD will be produced to cover the remaining 4 Town Deal schemes which will be submitted in November 2021 and before DLUHC's second submission deadline of 14th January 2022 for payment by March 2022.

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| 3.3 | Is the recommendation contrary to a plan or strategy adopted or approved by the Council? | No |
| 3.4 | Is the recommendation in accordance with the Council's approved budget? | Yes |
| 3.5 | Other alternative options to be considered: | |

To not provide the information requested by Government by the date requested would place the funding envelope in jeopardy.

Considerable activity has been undertaken to develop Treasury Green Book compliant business cases which have been externally appraised and reviewed by the Town Deal Investment Panel and Town Deal Board in accordance with the processes agreed at the

Executive on 16th November 2020. The schemes have all been determined as eligible for submission to DLUHC.

4.0 Council Priority:

4.1 The relevant Council Priority is

- “The Economy: Maximising growth and opportunity across Blackpool”

5.0 Background Information

5.1 The Executive meeting on 16th November 2020 (EX48/2020) agreed to ...

“”delegate to the Chief Executive the authority, after consultation with the Leader of the Council, to agree:

- the allocation of the resources between the 7 approved schemes, and,
- the business plans for the projects identified in the Heads of Terms for submission to Ministry of Housing, Communities and Local Government after they have been through the preparation and assessment processes outlined in paragraphs 6.3 and 6.4 in line with the Heads of Terms at Appendix 2a and the Towns Fund Further Guidance including seeking agreement of the Town Deal Board.
- for the Executive to be kept informed of progress on the Town Deal””

5.2 On the 27th October 2020, MHCLG provided the Town Deal Board Chair and the Chief Executive of Blackpool Council with a Draft Heads of Terms (HoT) document. It highlighted a funding envelope of up to £39.5million and noted the 7 schemes which it was content to provide support towards (subject to full Business Case development and appraisal and all conditions being met.)

5.4 Does the information submitted include any exempt information? No

Does the information submitted include any exempt information? No

List of Appendices:

Appendix A –Blackpool Illuminations Modernisation Signed Summary document

Appendix B - Blackpool Youth Hub Signed Summary document

Appendix C - Blackpool Airport Enterprise Zone Infrastructure

Development Signed Summary document

6.0 Legal considerations:

6.1 Legal Services will carry out the due diligence required in respect of any future project grant approvals further to the Summary Documents submission.

7.0 Human Resources considerations:

7.1 The project will be led by the Council's Growth and Prosperity team and each project has an assigned Project Lead. Where additional internal or external resource is required this has been incorporated into the scheme business cases and supported through the Town Deal funding.

8.0 Equalities considerations:

8.1 A Public Sector Equalities Duty (PSED) impact assessment has been created for each individual scheme which has been reviewed as acceptable by the Council's Equality and Diversity Manager. There is also a requirement of Town Deal funding to create a programme level impact assessment "Public Sector Equality Duty" (PSED). This has been created and has also been reviewed by the Council's Equality and Diversity Manager who will support future activity.

9.0 Financial considerations:

9.1 Clearly the business cases for the 7 schemes vary, and the requirement for Council financial input in the form of Prudential Borrowing has been determined to be only required for 1 of these 3 schemes namely :-

- Blackpool Airport Enterprise Zone – which received Executive approval in July 2018 for an initial £28.8m, of which £11.5m will be used to co-fund the £7.5m Town Deal project funding.

10.0 Risk management considerations:

10.1 Each business case incorporates a project specific risk register which will be monitored and worked to during delivery stage.

11.0 Ethical considerations:

11.1 None.

12.0 Internal/ External Consultation undertaken:

12.1 Internal – Chief Executive, Director of Resources , Director of Communications and Regeneration, Growth and Prosperity Programme Director and Growth & Prosperity Board.

External – Town Deal Board and Town Deal Investment Panel and via extensive community engagement activity.

13.0 Decision of Chief Officer

13.1 To approve the submission of an initial 3 Summary Business Cases for Blackpool Illuminations, The Youth Hub and Blackpool Airport Enterprise Zone (Appendices A, B and C).

14.0 Reasons for the Decision of the Chief Officer

14.1 The Town Deal programme will bring forward significant regeneration in Blackpool by enhancing the attractiveness of the town and confidence of the private sector for investment, strengthening the economy and demonstrate that Blackpool remains open for business despite the Covid – 19 pandemic and help strengthen the economic recovery.