

Notice of:	EXECUTIVE
Decision Number:	EX16/2024
Relevant officers:	Antony Lockley, Director of Strategy and Assistant Chief Executive Neil Jack, Chief Executive
Relevant Cabinet Members:	Councillor Mark Smith, Cabinet Member for Levelling Up Place Councillor Lynn Williams, Leader of the Council
Date of meeting:	20 May 2024

INNER BLACKPOOL HOUSING REGENERATION

1.0 Purpose of the report

- 1.1 To provide an update on progress in respect of Housing Levelling Up activity first announced by the Council and Government in March 2022. To seek authorisation to enter into a Grant Funding Agreement (GFA) with Homes England for initial funding to develop detailed development proposals designed to improve housing quality and the environment in Inner Blackpool, undertake public engagement and consultation on the proposals, and to commence the process of property and land acquisition to enable development to be subsequently brought forward. To seek approval for the approach to governance and delivery of the programme, to include expansion and changes to the responsibilities of our wholly owned housing companies as appropriate.

2.0 Recommendation(s)

- 2.1 To authorise the Director of Resources to enter into a Grant Funding Agreement with Homes England (up to the amount of £90.4m) on behalf of the Council following consultation with the Leader of the Council, the Chief Executive and the Director of Strategy and Assistant Chief Executive.
- 2.2 To agree the programme governance structure, acknowledging Blackpool Council as Accountable Body for administration of grant funding, that the Shareholder Committee be delegated with strategic oversight of the programme on behalf of the Council and to confirm Blackpool Housing Company Limited (BHC) as the preferred programme delivery agent / partner, being the Council's wholly owned housing regeneration vehicle.

- 2.3 That the updated Terms of Reference of the Shareholder Committee attached at Appendix 2a, to the Executive report, be approved.
- 2.4 As set out in paragraph 6.27, to agree in principle that all asset management, landlord services and back-office functions currently split between Blackpool Housing Company Limited and Blackpool Coastal Housing Limited be delivered from one entity and the Chief Executive be authorised to develop the detail behind this working with company representatives and a report be brought back to the Shareholder Committee in due course for it to agree the next steps.
- 2.5 To confirm the “Central Intervention Area”, being an area to the South of the Town Centre broadly between Chapel Street and Rigby Road, and the Promenade and Central Drive corridor, as the initial area of focus for detailed scheme development, community engagement and property acquisitions in preparation for development. In doing so authorise the Director of Strategy and Assistant Chief Executive to:
- undertake detailed masterplanning;
 - prepare for and commence a programme of community engagement and consultation outlining the spatial extent of the proposed housing-led regeneration including, when available, details of a proposed first phase, together with initial ideas of the form and content of new development and proposals for long-term transformational change and, for the avoidance of doubt;
 - to update proposals for subsequent consideration and approval by the Council prior to lodging one or more planning applications.
- 2.6 To authorise the Council to undertake further masterplanning and scheme preparation as appropriate in the South Shore and Claremont areas of Inner Blackpool in anticipation of further capital funding.
- 2.7 To delegate the finalisation of proposals for the acquisition and management of land and property to the Director of Strategy and Assistant Chief Executive after consultation with the Director of Resources.
- 2.8 To agree that, as a matter of principle, the Council will consider the use of Compulsory Purchase Order powers to acquire all interests required for the scheme should that become necessary. Formal consideration of such proposals would be subject to future consideration and approval by Executive.
- 2.9 To authorise the Head of Legal Services to prepare and enter into the legal documentation necessary in connection with the completion and operation of the Grant Funding Agreement.

3.0 Reason for recommendation(s)

3.1 To enable the comprehensive regeneration of Inner Blackpool to commence.

3.2 Is the recommendation contrary to a plan or strategy 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. Piecemeal intervention will only seek to perpetuate the inequalities already present in the Inner Areas of Blackpool. If the Council does not secure these funds by entering into the Grand Funding Agreement it would be unable to commence delivery of a broad range of regeneration interventions of the type and scale necessary to create lasting change in housing quality in the Inner Area. This first phase of investment is intended to create the circumstances by which public and private investment can be unlocked to support further phases of development.

5.0 Council priority

5.1 The relevant Council priority is:

- 'Communities: Creating stronger communities and increasing resilience'

6.0 Background and key information

Background to Housing Levelling Up

6.1 In March 2022, Blackpool was confirmed as one of three Levelling Up Pilot Areas. The pilot status reflects the determination of both Local and Central Government to support regeneration that will bring about positive transformation of the town, in a lasting and meaningful way.

6.2 Blackpool is already working with public and private sector partners to implement a significant growth and investment programme aimed at '*Making Blackpool Better*'. Set against these foundations, Levelling Up activity cuts across a range of sectors including housing, health, education and skills. Ensuring the town has a balanced housing market, strong economy and skills offer is critical to ensuring Blackpool can meet its vision in providing sustainable employment, a balanced housing offer, a great place to live and cement its place as the leading seaside destination in the UK.

6.3 Following the announcement of Blackpool's Levelling Up pilot status, Blackpool Council has been working in partnership with the Department for Levelling Up, Homes and Communities (DLUHC) and Homes England. The initial focus of work has been in respect of scoping the potential for housing improvement and regeneration, commencing with investigation and optioneering the potential for change across a significant area of Inner Blackpool.

The Need for Intervention

6.4 Blackpool is identified as the most deprived borough nationally and includes eight of the ten most deprived areas in England and Wales. Data from the English Indices of Deprivation (2019) shows that this deprivation manifests in a number of ways, including:

- *Unemployment and economic inactivity:* According to the ONS, the rate of economic inactivity in Blackpool is 23%, above the national average of 21%. The unemployment rate in Blackpool is 6%, nearly double the English average of 3.7%. This is exacerbated by a youth unemployment rate of 15%, nearly 1.5 times the national average of 10.7%.
- *Poor education and skills:* According to Department for Education data, the Blackpool education gap, compared to the national average, is the largest in England. Disadvantaged GCSE students in Blackpool were 26.3 months of learning behind their better-off peers nationally in 2019, a growth of 5 months since 2012. In addition, more than a third (37%) of the town's secondary school pupils were classed as disadvantaged.
- *Low life expectancy:* Both men and women in Blackpool have the lowest life expectancy from birth of any Local Authority in England. Male life expectancy in the Bloomfield area of Blackpool (located within the Inner Blackpool area), is 67.3 years, just under 15 years lower than the England average.
- *Poor health and drug abuse:* Just under 40% of Blackpool residents' economic inactivity is due to ill health, compared to around 25% nationally. Blackpool also had the highest number of drug related deaths per 100k of population in both males and females during the period 2017-2019.
- *Population decline and transience:* Community stability has been weakened in part by the overall decline in population in recent years (reducing by 3% since 2011 compared to a growth in population of 4% across the North West and 6% across England). Poor quality housing and short-term PRS tenancies with unscrupulous landlords also results in greater population transience as vulnerable residents move from one poor quality property to another at a rapid pace. This type of transience manifests itself in schools where as few as 43% of children in the Inner Area complete primary education within the same school they started, compared to a national average of 74%.

6.5 The poor quality of housing and environment within Inner Blackpool is a key factor underpinning and reinforcing the high levels of deprivation. Clear market failure provides the rationale and justification for public sector intervention including:

- *Public Good:* There are systemic failures in the housing market within Inner Blackpool – including lack of investment, increased redundancy of large proportions of the stock, high levels of community transience, and high-levels of deprivation, with people trapped within sub-standard housing. This is a market failure of public good that requires public sector intervention to create conditions for positive private sector investment in the future.
- *Negative Externalities:* Inner Blackpool now operates within a context of realised distress. The poor quality physical environment of the area undermines any meaningful positive private investment. High vulnerability and transience within the community creates concentrations of crime and anti-social behaviour alongside lack of pride impacting on other residents and perceptions of the area. This is profound market and community failure which requires strategic public sector intervention.

6.6 Blackpool’s most acute deprivation statistics are intrinsically linked to private housing failure in this inner urban area. Partners acknowledge that it is now time to bring forward regeneration and investment at scale to reverse the cycle of worsening outcomes. Interventions needed to successfully tackle poor outcomes will likely include a mix of measures such as private renting enforcement actions, selective stock clearance and redevelopment along with refurbishment and investment in quality standards and energy efficiency improvement. Alongside this will be public realm enhancements ensuring a balance of public and private space to enable sustainable communities to thrive.

Housing Regeneration: The Ambition

- 6.7 Housing-led regeneration across the whole of Blackpool’s Inner Area is the long-term ambition with this first phase of intervention seen as the starting point for transformational change.
- 6.8 The early period of intervention will focus on activity that will facilitate and enable future redevelopment. This will include community engagement and consultation, land / property assembly and masterplanning for redevelopment. Work in these initial years will ensure the benchmark for quality of housing and associated placemaking are clearly outlined and that planned redevelopment is deliverable and meets local need.
- 6.9 In the medium term (c3-5 years) the first phase of redevelopment on site is expected along with ongoing planning and enabling activity for subsequent phases and an emerging new housing market for parts of Inner Blackpool. The long term ambition is to create new, high quality and sustainable neighbourhoods within the Inner Area that provide a range of housing types and tenure and meet local need. The long term ambition for the programme is to provide a suitable context to enable increasing levels of market activity and investment while reducing the need for, and level of, public sector

support. The result will be a stable and balanced housing market in Inner Blackpool, and delivery of quality of place and provision of mixed tenure and type of properties to meet local need that aligns to the economic opportunities across the town.

- 6.10 The overall ambition is a 15-20 year programme of comprehensive regeneration. This timescale reflects the breadth of transformational change required to make this critically important area of Blackpool fit for 21st Century living and importantly create a sustainable legacy that meets the needs of Blackpool residents and businesses over this period.

Work to-date: Securing Initial Funding

- 6.11 It has been a long standing Council policy to support transformational change in the Inner Area. The Blackpool Local Plan recognises the Inner Area as being distinct from other parts of the Town in that policy acknowledges the need for comprehensive improvement and actively supports redevelopment with the intent being to provide a more balanced housing offer in this area. Some discrete community and housing-led masterplanning was undertaken in Revoe and Claremont during 2019 and into early 2020 utilising Government enabled Community Housing Fund. This sought to identify opportunity to use housing as a catalyst for change but was not progressed beyond initial masterplanning as a consequence of the unavailability of funding at the onset of the pandemic. In advance of Blackpool being designated as a Levelling Up pilot area in March 2022, some high level work in Revoe outlined the positive impact that public investment could support in the most deprived communities in Blackpool.
- 6.12 Since Blackpool was confirmed as a Levelling Up Pilot area in March 2022 work to-date has included the commission by Homes England of a multi-disciplinary team, who worked alongside Council officers to develop a Draft Masterplan Framework and detailed phase 1 business case. This identifies the spatial focus and types of intervention required to deliver transformational change of the housing offer, and associated public realm, across Blackpool's Inner Area. This spatial assessment utilised a socio-economic and environmental vulnerability analysis, which along with the associated concept development appraisal work, was used to support the drafting of a business case to secure initial public funding. The work forms the basis of what is intended to be a long-term programme of housing intervention and activity in Blackpool's Inner Area.
- 6.13 The work to-date has now culminated in the securing of significant public funding, and the grant monies will be administered by Homes England.
- 6.14 The detailed assessment of socio-economic and environmental vulnerability (drawing upon a mixture of current primary and secondary data) along with a strong strategic rationale has informed the identification of an initial focus area for housing-led regeneration. This initial focus area is identified in the context of a much larger ambition

for regeneration across Inner Blackpool as a whole.

Initial Areas of Focus

- 6.15 While it is readily acknowledged that housing-led regeneration could commence in almost any part of the Inner Area, the initial focus will be within the Central Intervention Area. There is a clear and logical rationale for the identification of the Central Intervention Area as the spatial starting point for housing-led regeneration, based on detailed survey and data analysis coupled with its strategic location. All analysis - local, Homes England and that conducted independently - confirms that this area contains that greatest alignment of need and opportunity to enable change at scale in a first phase of intervention.
- 6.16 Significant activity has been focused on understanding the area in detail. This has included deprivation and local socio-economics statistics, physical condition of the urban environment and the characteristics of the local housing market. The detailed assessment of vulnerability undertaken for each of the identified sub-areas ranked each based on a range of key factors. From this, specific sub-areas covering the central inner area were identified for further analysis and assessment as part of the masterplanning and business case work. The central area has the most pronounced combination of deprivation along with poor physical quality of built environment/ lack of public open space.
- 6.17 While the social and physical characteristics do not make the Central Intervention Area unique within the wider Inner Area context they do clearly demonstrate a particular concentration of deprivation and poor quality private rented sector accommodation, along with poor physical quality of built environment and a lack of public open space. The Central Intervention Area benefits from a strong strategic location. It is broadly bounded by the key leisure regeneration scheme of Blackpool Central to the north, a Promenade frontage and adjacency to Central Pier to the west, Park Road to the east and Blackpool Football Club and the new housing development of Foxhall Village to the south. The area includes the key strategic transport corridor of Central Drive and has the potential to build upon existing community infrastructure including Revoe Library, Local Retail Centre and community organisations. When these factors are combined with the strong strategic rationale there is a robust logic to the a programme of housing-led regeneration starting in this location. For the same reasons this area is the most likely to catalyse potential partner investment in a first phase of housing-led regeneration in Inner Blackpool.
- 6.18 During the first phase of housing-led regeneration the Council will also continue to advance preparation to expand the scope of intervention to the North and South of the Inner Area. In particular the Council, with support from Homes England, will look to undertake detailed masterplanning and scheme preparation in areas of South Shore and Claremont, so that schemes are ready for when further capital funding opportunities

become available.

Benefits of Housing Regeneration

The proposed scope of intervention is intended to tackle the highest levels of deprivation and poor quality housing experienced anywhere in England and Wales. It is vital that key benefits, expected as a result of housing-led regeneration, are identified early in the process and then monitored as delivery progresses. An initial outline of perceived benefits is set out in the table below.

Benefit Type	Anticipated Scheme Public Benefits
Economic	<ul style="list-style-type: none"> • Matching increasing economic development activity with provision of suitable housing mix • Jobs created in demolition and construction, including training posts and apprenticeships • Local employment growth and helping residents into work • Increase in income streams from Council tax and business rates
Environmental	<ul style="list-style-type: none"> • Development of new, energy efficient housing and reduce carbon in operation • Upgrade of existing housing to improve energy efficiency and reduce carbon in operation • Provision of new public open / green space • Redevelopment of brownfield land including vacant/ derelict/ underused sites • Redevelopment sets out the level of quality required in terms of energy efficiency/ carbon reduction, acting as a benchmark for all future development, including that led by the market • Greater opportunity for active travel – placemaking that supports and actively encourages walking, cycling and use of public transport.
Social	<ul style="list-style-type: none"> • Removal of oversupply of the wrong type/ dominant type of housing • Re-provision of a mix of housing types, sizes and tenures to meet local need • Provision of new affordable housing • Housing that meets, as a minimum, current building standards providing a given level of quality • Redevelopment sets out the level of quality required, acting as a benchmark for all future development, including that led by the market • Improved health outcomes of residents – provision of high quality housing, public open space, built environment and reduced anti-social behaviour

	<ul style="list-style-type: none"> • Reduction in overcrowding within PRS • Reduction in homelessness and temporary accommodation • Reduction to crime and anti-social behaviour through well designed, built and managed public and private spaces.
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Engagement and Consultation

- 6.19 Having reached the point of having a funded initial phase of housing-led regeneration for the Central Intervention Area it is now critical to draw out opinion and information from within the community. This represents a once-in-a-lifetime opportunity to enable systematic and transformational change in both the urban environment and most importantly in the quality and mix of housing in this part of the Inner Area of Blackpool.
- 6.20 Public engagement and consultation form a vital tool in shaping ideas and firming proposals for what change looks like, the type and range of homes and facilities to be re-provided and set the benchmark for this to be rolled out into other parts of the Inner Area.
- 6.21 Subject to approval by the Executive it is anticipated that a first round of public consultation would be undertaken later this year. Initial consultation will focus on information sharing with the community, to outline the rationale for intervention and area of focus. It will seek comments and feedback in respect of the broad vision for housing-led regeneration and the key principles which will frame the development of detailed proposals and ultimately shape the ongoing regeneration in this area over the years to come.

Approach to Governance, Programme Delivery and Company Responsibilities

- 6.22 It is essential that Blackpool seizes this opportunity and formalises appropriate, robust governance and delivery arrangements. The current opportunity is recognised as the first phase of a 15 to 20 year programme of regeneration for the Inner Areas. It is important that Blackpool has a strong locally controlled delivery vehicle that can bring Phase 1 to fruition and also lay the groundwork for future phases yet to be secured.
- 6.23 It has been agreed with Homes England and Department for Levelling Up, Homes and Communities that Blackpool Council will be the Accountable Body in respect of receipt of grant funding. The Council's existing Shareholder Committee will provide the strategic oversight, performance monitoring and delegation to take decisions in respect of key activities (e.g. consultation, expenditure) on behalf of the Council.
- 6.24 A Housing Levelling Up Programme Board has been in operation since late 2023 in shadow form to support the ongoing mobilisation activity. This Board will be formalised

and contain executive management personnel with responsibility for overseeing the progress of the programme and responding to any strategic challenges. The Board will oversee key actions and risks in relation to programme delivery and escalate, as required to the Shareholder Committee.

- 6.25 Extensive work-to-date between Council, Homes England and Department for Levelling Up, Homes and Communities on delivery options has identified that Blackpool Housing Company Limited (BHC), wholly owned by the Council, will act as the Council's Delivery Agent. Blackpool Housing Company would be responsible for day-to-day programme delivery in respect of initial programme mobilisation and early enabling activities, up to March 2026.
- 6.26 As part of our local delivery arrangements, the Council has agreed with Homes England that discrete resource from the first phase allocation will be used to expand the team and capability within BHC and the Council where appropriate. Delivery of housing-led regeneration has always been the core objective of Blackpool Housing Company Limited and this programme will provide additional capacity and resource to maximise opportunity alongside continuation of their existing programme of acquisition and refurbishment in the Inner Areas.
- 6.27 To enable Blackpool Housing Company senior Management to continue to fulfil their core purpose of housing regeneration on a much larger scale, a shared service for all asset management, landlord services and all back office functions (e.g. finance) will be created for Blackpool Housing Company and Blackpool Coastal Housing. This will enable greater focus on Blackpool Housing Company's core function and will allow senior management to fulfil their role of leadership and significant contribution to the emerging agenda for housing regeneration under Blackpool's levelling up banner. By providing these services from one place there will also be efficiencies as already agreed in the budget for 2024/5, and this will ensure that standards are uniform (and uniformly high) across all council social and affordable housing stock, irrespective of whether it is directly or indirectly owned by the Council, or how it is accessed by our tenants. Detailed proposals on these changes will be prepared and brought to the Shareholder Committee for approval before the summer.
- 6.28 The Council is in the process of taking legal advice on the more efficient route to hold property once acquired in advance of redevelopment. The outcome of this exercise may influence the final shape of our housing company arrangements and delivery structures.

Outline Delivery Programme Phase One: 2024/5 – 2026/7

- 6.29 From the work undertaken over a number of years it is clear that any future programme of housing-led regeneration should not be focused on net additional housing delivery but on fundamentally creating a shift within the housing market via a focus on quality of delivery and diversification of the offer. The scale of intervention required will necessitate a multi-phased approach to delivery with the aim of reducing the level of public sector support over the long term. A range of interventions are outlined, with land assembly and acquisition being critical elements to enable transformational change, through demolition and redevelopment, to take place. Refurbishment of properties as well as upgrading the urban street scene and provision of open space will be other key interventions.
- 6.30 Public engagement would be led by the Council and involve dedicated personnel to support the process. Determining how new development will be delivered in the period from March 2026 will form part of the enabling activity and will be informed by the masterplanning and development programme work alongside engagement between the Council and Government agencies including Homes England.
- 6.31 The work done to-date, to secure public funding, has provided a robust basis to support the first phase of housing-led regeneration. The key workstreams in this initial phase of intervention activity will be focused on:
- Masterplanning and development appraisal – including first phase area for intervention. Further work is now required, this will include detailed masterplanning activity, community engagement and commencement of formal public consultation in respect of the initial principles and concepts of housing intervention. This will then be followed over the coming months by detailed redevelopment proposals. To ensure the intervention in the central area is transformative in nature a comprehensive scheme of regeneration and proposed redevelopment is required. Detailed masterplanning and the associated public consultation will support this key activity;
 - Land assembly – acquisition of property / land. This work stream will include the potential preparation of one (or more) Compulsory Purchase Orders to enable future redevelopment and subsequent demolition as appropriate; and,
 - Forward delivery – including delivery vehicles, selection of delivery partners, funding bids etc.
- 6.32 It is expected that the land and property acquisition required to enable this transformational programme of regeneration, ensuring delivery of comprehensive redevelopment, will likely require the use of the Council's compulsory purchase powers.

6.33 The undertaking of a Compulsory Purchase Order (CPO) will need to demonstrate the public benefits of doing so (as outlined earlier). As part of this process it will be necessary to outline the arrangements to communicate with all owners and tenants, clearly outlining the support (financial and practical) that will be available in that process to all those impacted. The Executive is asked to note these circumstances and agree that as a matter of principle it will consider the use of these powers at the appropriate future point. The question of impact on rights to enjoy land and the Public Sector Equality Duty are implicit considerations and are covered elsewhere in the report.

Delivery: Outline Years 1 to 3

6.34 A detailed delivery strategy will be developed alongside the masterplanning work, and together these will guide the delivery of the programme of regeneration. The following table provides a high-level overview of the key activities that will be undertaken in years one to three of programme delivery. The activities identified below are critical elements in ensuring successful delivery will take place on the ground.

6.35 Due to the nature and scale of the intervention being pursued delivery is complex and will be challenging.

Year	Key Activity	Rationale – why undertake	Lead organisation
One	Site assembly	Acquisition of land and property on behalf of the Council. Critical activity to ensure site of sufficient size and scale to achieve initial phase of transformational change.	BHC
	Drafting of masterplan and associated detailed delivery plan, including phasing plan and planning application(s) (as required).	Robust and ambitious initial scheme intervention area (focus on quality of place and redevelopment that will deliver transformational change)	BHC
	Community engagement and dedicated public consultation	To understand the current demographic and socio-economic profile of existing residents, businesses and community groups. To gain feedback to inform drafting and ongoing development of masterplanning activity and associated delivery planning. To ensure redevelopment proposals meet local need and will provide a sustainable and lasting legacy for Blackpool communities.	Council
	Commence CPO preparation (as required)	To ensure the scale and transformational nature of housing-led	Council

		regeneration can be achieved through the assembly of land.	
	Wider Inner Area interventions - identification	To prepare the case for additional capital funding to commence housing-led regeneration in other areas of inner Blackpool.	BHC and Council
One and Onwards	Co-ordinate delivery of project and act as Accountable Body	Council is accountable to Homes England for project outcomes and spend aligning with Grant Funding Conditions.	Council
Two	Site assembly - ongoing	Scale of intervention proposed will result in ongoing activity to acquire land and property to support first and future phases of redevelopment.	BHC
	Completion of CPO process	Confirmation of a CPO will formally enable redevelopment to take place as full land assembly will be achieved.	Council
	Ongoing community engagement and consultation	To ensure residents, businesses, community groups and any other stakeholders remain informed and up-to-date with activity/ timescales etc. To support the ongoing process of delivery and masterplan activity for future phases of redevelopment.	Council
	Enabling works – site clearance on behalf of the Council	Preparation and enabling works to facilitate the first redevelopment activity on site.	BHC
	Drafting and submission of further funding bid(s)	Ensure housing-led regeneration programme can continue, providing ongoing transformational change.	BHC / Council
	Forward delivery options considered	Establish a long-term vehicle to lead and enable delivery of housing-led regeneration in the Inner Area.	Council
	Engagement with open market and RPs	To inform options in respect of forward delivery routes. Support the pace of redevelopment delivery activity. Provide choice of housing types / tenures and meet local need.	BHC / Council
Three	Commencement of Phase 1 redevelopment works	On site activity to provide new housing and associated amenities.	BHC
	Ongoing community engagement and consultation	To ensure residents, businesses, community groups and any other stakeholders remain informed and up-	Council

		to-date with activity/ timescales etc. To support the ongoing process of delivery and masterplan activity for future phases of redevelopment.	
	Establish formal forward delivery vehicle (April 2026 onwards)	To secure delivery of housing-led regeneration in the medium to long term.	Council
	Ongoing site assembly	Scale of intervention proposed will result in ongoing activity to acquire land and property to support first and future phases of redevelopment.	BHC
	Preparation for further CPO	To enable comprehensive redevelopment for future phases of delivery.	Council
	Drafting and submission of further funding bid(s)	Ensure programme of housing-led regeneration can continue, providing ongoing transformational change.	BHC / Council

6.36 Does the information submitted include any exempt information? No

7.0 List of appendices

7.1 Appendix 2a: Revised Terms of Reference for the Shareholder Committee.

8.0 Financial considerations

8.1 The Council along with Blackpool Housing Company has invested considerable staff resource and time to support the process to secure this initial funding. Without the public funding from Homes England a programme of housing-led regeneration could not be pursued.

8.2 Grant funds include monies, identified to support current and additional staffing resources which are needed to ensure successful delivery of the programme.

8.3 Discussions are underway with Homes England to determine an appropriate mechanism by which the Council will draw down from the £90m available funding.

8.4 As the accountable body, the Council will be responsible for delivery of the project within the funding envelope and dealing with any cost overruns where expenditure exceeds available Grant Funding Agreement sums. Therefore, establishing strong budgetary control mechanisms will be a key task going forwards.

9.0 Legal considerations

- 9.1 A Grant Funding Agreement (GFA) will need to be entered into between the Council and Homes England in order to formally secure funding. The Grant Funding Agreement will enable drawdown of the monies to allow delivery of the programme to commence formally. The delivery of the project will require further work to satisfy conditions precedent and Council approvals. Each stage of the project will need to rely on the appropriate powers, and ensure the completion of the appropriate procedural requirements (e.g. consultation, Public Sector Equality Duty, Subsidy Control and procurement compliance) before legal documents can be prepared and executed.

10.0 Risk management considerations

- 10.1 Delivery of such a large and complex programme as proposed for the central area inevitably includes a range of risks. The governance arrangements, as set out above, will be put in place and the Programme Delivery Project Board is already in operation in shadow form. Key partners, including Department of Levelling Up, Housing and Communities and Homes England have, and continued to be, embedded in the process to secure funding and continue into programme delivery.
- 10.2 A particular challenge will be creating and maintaining tax efficient structures given the differing types of organisations involved - i.e. a local authority, Blackpool Housing Company (Limited Company Limited by Guarantee) and Lumen (Community Benefit Society).. Each with facing differing tax treatments applicable on in respect of the plethora of applicable taxes we will incur including - corporation tax, value added tax, stamp duty land tax, Council Tax and National Non- Domestic rates.

The programme has a dedicated risk register which outlines the strategic risk faced by the key partners including the Council, Blackpool Housing Company Limited (BHC) and Homes England. The register clearly outlines the mitigation measures to manage programme mobilisation and delivery and assigns a senior responsible owner and manager to ensure risks are managed appropriately. The register is maintained by Blackpool Housing Company Limited in its role as Delivery Agent and is reviewed by the Shadow Programme Delivery Project Board on a monthly basis.

11.0 Equalities considerations and the impact of this decision for our children and young people

- 11.1 The scale and nature of the programme proposed will require ongoing assessment and consideration of the equalities impact along with impact on children and young people. Overall, and over time, the proposed programme of housing-led regeneration has the potential to significantly improve community cohesion and increase opportunity for local people including access to new, high-quality housing that provides a mix of type and tenure to meet local need.

11.2 To support this ongoing assessment work an initial high-level demographic profile, using Census 2021 data, has been carried out to cover the Central Intervention Area. This forms the starting point in understanding the characteristics of the households and population in this area of focus. Using Census 2021 data a few initial key statistics are noted as:

- A total of 1,860 households have been identified;
- A quarter of the population is aged 15 years or less and 13% aged 65 year or over;
- 53% are male, 47% female;
- A total of 19 ethnic groups are identified, with the largest single group (at 83%) identified as White British.

11.3 Decisions taken in regards to the programme in this area will always have regard for their impact in terms of equality and on children/ young people. In order to achieve this the approach to the intervention is not to produce an impact assessment as a standalone, point-in-time document, but with a clear view that the whole programme needs to be managed in regards to Public Sector Equality Duty. The intention is that the assessment work will be incorporated in to the programme Delivery Strategy, as such it will be reviewed and updated regularly, and reported to the Governance arrangements for the programme. To facilitate the understanding of the current resident population in this area we will commission further research, providing greater levels of detail in terms of protected characteristics as well as the broad socio-economic character of the area.

12.0 Sustainability, climate change and environmental considerations

12.1 A key objective of housing-led regeneration will be the creation of a sustainable legacy for the community of Blackpool. A key principle will be the consideration of achieving sustainable redevelopment that balances the socio-economic needs of the community with the need to ensure climate impacts are mitigated and energy efficiency and carbon reduction / removal are achieved.

12.2 Community consultation and engagement will be key aspects that support the achievement of sustainability. The drafting of detailed redevelopment proposals will be informed by the principles of sustainability, carbon reduction and energy efficiency.

13.0 Internal/external consultation undertaken

13.1 Due to the sensitive nature of securing funding formal public consultation has yet to be undertaken, as outlined above this will be a key activity in the post-funding period. Enabling work to-date has however drawn upon feedback from previous neighbourhood masterplanning activity and has utilised local knowledge.

14.0 Background papers

14.1 None.

15.0 Key decision information

15.1 Is this a key decision? Yes

15.2 If so, Forward Plan reference number: 30/2023

15.3 If a key decision, is the decision required in less than five days? No

15.4 If **yes**, please describe the reason for urgency:

16.0 Call-in information

16.1 Are there any grounds for urgency, which would cause this decision to be exempt from the call-in process? No

16.2 If **yes**, please give reason:

TO BE COMPLETED BY DEMOCRATIC GOVERNANCE

17.0 Scrutiny Committee Chair consultation (where appropriate)

Date informed: 10 May 2024 Date approved:

18.0 Declarations of interest (if applicable)

18.1 Councillor N Brookes and Councillor Hobson both declared prejudicial interests. The nature of their interest was that they were both non-executive directors of Blackpool Housing Company Limited and non-executive directors of Blackpool Coastal Housing Limited which would play a key role in the delivery of the housing regeneration programme.

19.0 Summary of Discussion:

19.1 Mr Neil Jack, Chief Executive, presented the report to the Executive. In doing so Mr Jack highlighted the Council's long held aim of raising housing standards in Blackpool and that this aim underpinned all of the Council's priorities. Mr Jack also highlighted the key

role that the Council's wholly owned housing companies -Blackpool Housing Company Limited and Blackpool Coastal Housing Limited - would play in the project's delivery and in doing so build on their previous successes. Members of the Executive spoke in support of the proposal and expressed their satisfaction with the strong governance arrangements proposed through amendments to the Terms of Reference of the existing Shareholder Committee.

20.0 Executive decision

20.1 The Executive agreed the recommendations as outlined above namely:

1. To authorise the Director of Resources to enter into a Grant Funding Agreement with Homes England (up to the amount of £90.4m) on behalf of the Council following consultation with the Leader of the Council, the Chief Executive and the Director of Strategy and Assistant Chief Executive.
2. To agree the programme governance structure, acknowledging Blackpool Council as Accountable Body for administration of grant funding, that the Shareholder Committee be delegated with strategic oversight of the programme on behalf of the Council and to confirm Blackpool Housing Company Limited (BHC) as the preferred programme delivery agent / partner, being the Council's wholly owned housing regeneration vehicle.
3. That the updated Terms of Reference of the Shareholder Committee attached at Appendix 2a, to the Executive report, be approved.
4. As set out in paragraph 6.27, to agree in principle that all asset management, landlord services and back-office functions currently split between Blackpool Housing Company Limited and Blackpool Coastal Housing Limited be delivered from one entity and the Chief Executive be authorised to develop the detail behind this working with company representatives and a report be brought back to the Shareholder Committee in due course for it to agree the next steps.
5. To confirm the "Central Intervention Area", being an area to the South of the Town Centre broadly between Chapel Street and Rigby Road, and the Promenade and Central Drive corridor, as the initial area of focus for detailed scheme development, community engagement and property acquisitions in preparation for development. In doing so authorise the Director of Strategy and Assistant Chief Executive to:
 - undertake detailed masterplanning;
 - prepare for and commence a programme of community engagement and consultation outlining the spatial extent of the proposed housing-

led regeneration including, when available, details of a proposed first phase, together with initial ideas of the form and content of new development and proposals for long-term transformational change and, for the avoidance of doubt;

- to update proposals for subsequent consideration and approval by the Council prior to lodging one or more planning applications.

6. To authorise the Council to undertake further masterplanning and scheme preparation as appropriate in the South Shore and Claremont areas of Inner Blackpool in anticipation of further capital funding.
7. To delegate the finalisation of proposals for the acquisition and management of land and property to the Director of Strategy and Assistant Chief Executive after consultation with the Director of Resources.
8. To agree that, as a matter of principle, the Council will consider the use of Compulsory Purchase Order powers to acquire all interests required for the scheme should that become necessary. Formal consideration of such proposals would be subject to future consideration and approval by Executive.
9. To authorise the Head of Legal Services to prepare and enter into the legal documentation necessary in connection with the completion and operation of the Grant Funding Agreement.

21.0 Date of decision

21.1 20 May 2024

22.0 Reason(s) for decision

22.1 To enable the comprehensive redevelopment of Blackpool to commence

23.0 Date decision published

23.1 21 May 2024

24.0 Alternative Options Considered and Rejected:

24.1 The Executive noted that there were no realistic alternative options which would deliver the Council's objectives as piecemeal intervention would only perpetuate the inequalities already present in the Inner Areas of Blackpool. If the Council did not secure these funds by entering into the Grand Funding Agreement it would be unable to commence delivery of a broad range of regeneration interventions of the type and scale

necessary to create lasting change in housing quality in the Inner Area.

25.0 Executive Members in attendance

25.1 Councillor Williams, in the Chair

Councillors Benson, Burdess, M Smith and Taylor

(Councillors N Brookes and Hobson having declared prejudicial interests left the meeting for the consideration of this item and took no part in the discussion or voting.)

26.0 Call-in information

26.1

27.0 Notes

27.1 The following Non-Executive Members were in attendance: Councillors S Brookes, Galley, Marshall and M Scott