Public Key Decision - No

HUNTINGDONSHIRE DISTRICT COUNCIL

Title/Subject Matter: Market Towns Programme – Spring Update

Meeting/Date: Overview & Scrutiny (Performance & Growth) –

2nd March 2022

Cabinet - 17th March 2022

Executive Portfolio: Leader and Executive Councillor for Housing and

Economic Development

Report by: Strategic Growth Manager

Ward(s) affected: Huntingdon, St. Neots, St Ives and Ramsey

EXECUTIVE SUMMARY:

This report provides an end of financial year update on the Market Towns Programme (MTP).

By way of Background on the 13th February 2020 Cabinet resolved to support the Cambridgeshire and Peterborough (CPCA) Prospectus for Growth (PfGs) for St. Ives, Huntingdon and Ramsey.

Updates on the Future High Street Fund were presented to Cabinet on the 13th February 2020 (to submit the business plan to MHCLG), 28th July 2020 (to submit the full business case to MHCLG, including endorsement of CIL expenditure) and on the 23rd February 2021 (to submit the final proposal, including additional £1.7m of CIL contributions). The Accelerated Towns programme was presented to Cabinet on the 18th March 2021. Links to the reports are available under background papers.

The MTP is an ambitious programme of economic led interventions to immediately support Huntingdonshire's town centres recover from the Covid-19 Pandemic and looks forward to renew and reshape our town centres and high streets in a way that promotes growth, improves experience and ensures future sustainability. This is underpinned by creating a renewed sense of place, igniting civic pride, and providing attractive new destinations for our residents and businesses alike. The longer term ambition is to stimulate inward investment and bring forward future opportunities for jobs and skills.

The MTP consists of three work streams, which are outlined below:

Future High Streets Fund (FHSF) - This is a number of projects focused on works in St Neots.

The Market Towns Programme (CPCA) which is made up of a £3m pot that was initiated by the CPCA 2020. It consists of

Phase 1 Accelerated Programme - This is a suite of interventions across St. Ives, Huntingdon and Ramsey Market Towns that address the impacts of Covid 19 and forms part of the Council's Covid-19 recovery programme.

Phase 2 Master planning – This is a master planning activity across St. Ives, Huntingdon and Ramsey Market Towns.

It should be noted that St. Neots has not been included in this round of funding designated for towns that have developed a Prospectus for Growth. As the first town to adopt a Masterplan for Growth, the CPCA have committed separate funding for St. Neots which includes £3.1m toward the FHSF.

The cumulative funding for MTP is £19.28m with £16.28m targeted at St Neots and the remaining £3m being invested in Huntingdon, St Ives and Ramsey.

RECOMMENDATION:

The Cabinet is

RECOMMEDED

- To note progress made to date and proposed next steps
- To note that a further update and associated decisions to enable ongoing delivery of the programme will be brought to cabinet in the Summer Update.

1. PURPOSE OF THIS REPORT

1.1 To provide an overview and update across the interventions identified as part of the MTP Programme which include the following programmes: St Neots Future High Street Programme, Phase 1 – Accelerated Towns Programme and Phase 2 – Longer Term Programme.

2. BACKGROUND

St Neots - Future High Streets Fund (FHSF)

- 2.1 In February 2019 the Council submitted an Expression of Interest to the Ministry of Housing, Communities (MHCLG) and Local Government to develop a business case to explore opportunities to renew and reshape St. Neots High Street. In August 2019, MHCLG confirmed an award of £150k to develop a business case. Following a successful tender process the Council appointed specialist advisors Mott MacDonald in October 2019 to support and bid for funding from the Ministry of Housing, Communities & Local Government (MHCLG) and Future High Streets Fund (FHSF) for St Neots.
- 2.2 On the 28th July 2020 Cabinet endorsed a submission to the FHSF that comprised regeneration measures to renew and reshape St. Neots town centre comprising the following projects:

Priory Quarter

- 2.3 Proposals to regenerate the Priory Quarter creating a new and enhanced community space. The proposal for the Priory Quarter is to transform the area, improve the connectivity to the town, improve the community and economic offer while maximising opportunities to expand on the area's unique setting adjacent to the River Great Ouse. This will include a riverside promenade opening up the eastern bank of the river to residents and visitors. Initial engagement with stakeholders has centred on the theme of developing a series of flexible spaces for a range of functions, including an enhanced community building which could be an anchor setting creating that connection between the river and high street.
- 2.4 Mott McDonald were engaged by the Council in November 2021 to undertake a more detailed assessment of the options for development for the Priory Centre and Priory Centre.
- 2.5 A public stakeholder event was undertaken on the 31st January 2022 and summary feedback on the Priory Centre/ Priory Quarter is set out in further detail under Appendix 1.

Waterfront Walkway:

2.6 Work is yet to commence on this project but given the synergy with the Priory Centre/Priory Quarter it is anticipated that this project will commence upon determination of the preferred options for the wider Quarter area.

Old Falcon

- 2.7 Proposals to regenerate the Old Falcon Inn, an anchor building on the market square. The Old Falcon Inn is a Grade II listed building occupying a prominent location adjacent to the Market Square within the St. Neots Conservation Area. This building was included within the FHSF with the objective to bring this prominent building back into active use. The ambition is to transform the character and appearance of the Market Square by creating a new heart of the town centre which are directly linked with reuse of the Old Falcon, the wider high street plans and planned improvements to the access gateway to the town via the bridge.
- 2.8 Given the passage of time since this building was last in active use, officers have been reviewing the constraints of this site. It is recognised that the building is in a state of disrepair and the ambition is to work effectively to develop a deliverable scheme without further dilapidation to the building itself. Over the past few months we have been engaging with the existing landowner to bring forward options for the future of the site.

Market Square

2.9 Proposals include the removal of car parking from the market square to enable a multi-functional space to be the economic and social centre of the town. The Market Square is the focal point of the High Street. At the time of submitting the FHSF bid it was predominantly surface car parking. Through the Pandemic the quantum of car parking was significantly reduced by Cambridgeshire County Council and is now limited to disabled parking. It is a hard surfaced area, lacking landscaping and street furniture to soften the environment, detracting from opportunities to enhance dwelling time in the town centre. The dominance of cars and related traffic is noted adjacent to the square with the high street to the north, and vehicular access to the south, often used as a short cut to avoid queueing traffic on the high street.

St Neots High Street

2.10 Proposals include the revisioning of the High Street to improve the street scene and promote walking and cycling. The FHSF programme presents an opportunity to reframe the gateway to the town and reprioritise cycles and pedestrians within the town centre, improving the overall visitor experience.

St Neots Bridge

2.11 Proposals include improvements to St. Neots Bridge to promote active travel and better access to Riverside Car Park. Cambridgeshire County Council has been engaged as the Council's delivery partner, given their statutory role as the Local Highway Authority. In addition, development consultants WSP have been commissioned to work closely with officers across both councils to develop options for consideration, ensuring financial prudence and deliverability. At the time of writing this report, those options remain in development and will be subject of wider public

- engagement with residents, local businesses and relevant stakeholders. Careful consideration will be given to minimise disruption to town centre businesses.
- 2.12 In order to develop options for consideration a number of activities will be undertaken including but not limited to, technical surveys of the highway, along with engagement with utilities and bus companies to minimise disruption to supply/service. This work is currently underway.

Background on approvals to date:

- 2.13 28th July 2020 Cabinet agreed to endorse a contribution of £3.1m of Community Infrastructure Levy funding (CIL) to the St Neots FHSF, this was in addition to the £445K of CIL money already committed to the Riverside Park Improvements project (approved at the Cabinet meeting of the 18th July 2019 and cited as co-funding). A further £3.1m contribution was agreed by the CPCA in November 2021.
- 2.14 On 31st July 2020, the Council formally submitted a bid for £5.48m to MHCLG for the St Neots FHSF. On the 26th December 2020 MHCLG who have responsibility for the FHSF issued an 'in-principle' letter awarding the Council £3.7m to the overall scheme, representing approximately 69% of the ask. The funding shortfall was £1.7m.
- 2.15 On the 23rd of February 2021 at a Special Cabinet, it was agreed that the Council would contribute an additional £1.7m CIL funding to cover the funding shortfall and enable the delivery the ambitions of the original FHSF submission.
- 2.16 Following the successful submission of funding bid to National Highways a further £3.5m has been secured from National Highways toward this ambitious programme of works for St. Neots.

Background of Covid 19 - Accelerated Towns Programme

- 2.17 The Market Towns Programme (CPCA) was initiated as a result of the Prospectus for Growth reports of March 2020. Subsequently an allocation of £1m was made for each of the three market towns of Huntingdon, Ramsey and St. Ives.
- 2.18 In Autumn 2020 the Cambridgeshire and Peterborough Combined Authority (CPCA) split the funding pot in two with £0.5M for the long term (Phase 2) Master Planning in Huntingdon, St Ives and Ramsey and the remaining £0.5M to be used for shorter term projects (Phase 1) in response to COVID-19 and mitigating impacts on the town centre economy. Funding bids were required to be submitted by 18 December 2020.

Phase 1 – Short Term Towns Programme

2.19 A revised set of funding criteria was developed by the CPCA for the Phase 1 programme which initially required these projects to be delivered out by

March 2021 and post submission revised for projects to be "in delivery" by 31 March 2021 and subsequently for them to be delivered by 31 March 2022, as agreed by the CPCA board. These timescales were changed primarily because of COVID-19 and the national lockdown. All the bids were assessed independently. The Council submitted capital bids in December 2020 totalling £1.8m. and were considered by the CPCA board in January 2021. A further report was presented to HDC Cabinet on the 18th March 2021.

2.20 The Phase 1 Accelerated Programme has been delivered alongside the Council's £157K Welcome Back Programme funded by MHCLG. This fund was designed to support the safe return to high streets and help build back better from the Covid-19 pandemic. The funding has enabled the delivery of a range of activities in St Neots, St Ives, Huntingdon and Ramsey including seasonal markets, enhanced Christmas events, festive family events, exhibitions, food festivals and media campaigns promoting town centre visits.

Phase 2 - Long Term Towns Programme

2.21 The remaining funding allocation from the Cambridgeshire and Peterborough Combined Authority funding pot to deliver the prospectus for growth. £300,000 has been secured to explore master planning for St. Ives, Huntingdon and Ramsey to develop a pipeline of projects to enable the Council and stakeholders to pursue funding opportunities, including a range of Government opportunities, as they emerge over the coming years, including (but not limited to) the Levelling up agenda.

3. Quarterly Progress Update:

3.1 Over the past three months we have had some significant progress across the MTP programmes outlined key pints below:

St Neots' - Future High Street Fund (FHSF)

- 3.2 The first round of projects in St Neots are three transport related which consist of the High St, St Neots Road Bridge and Market Square. Over the past three months we have been successful in our funding application to National Highways which has secured an additional £3.5m allocation for these three projects.
- 3.3 We have appointed a Professional team to ensure the development of the design, procurement, and delivery of the three projects is managed well this includes:
 - Initial scoping of preliminary design options for each of the projects and associated costings
 - Establishment of project governance arrangements
 - Programme Plan setting out milestones
 - Indicative Communications and Engagement Plan

Riverside Projects: Priory Centre / Priory Quarter / Waterfront Walk

- 3.4 While each of these are individual projects their proximity and interdependency creates an opportunity to create synergy and potentially generate a greater marriage value for the town of St Neots and the Priory "Quarter" in particular. Recent activities include the appointment of a multi-disciplinary team Mott MacDonalds to undertake:
- A feasibility / options appraisal for the Priory Centre, specifically assessing the various uses and users of the premises against required internal configuration for example: rooms, halls, café, facilities etc
- The preliminary designs (RIBA Stage 1-2) to include refined brief that informs some concept designs
- 3.5 In addition, key stakeholders have been invited to a series of workshop sessions where initial ideas and concepts have been discussed in terms of what the future function might fulfil (for current and potentially future users). Furthermore, discussions have also included the role that a reconfigured Priory Centre might play as a 'Destination attraction' in St Neots.

Phase 1 – Short Term Towns Programme

3.6 Over the past three months the Phase 1 interventions has delivered

Electric Vehicle Charging – a range EV charging points at key locations across each of the three Market Towns (ongoing)

Netbins provision – the use of Smart Technology in the form of Netbin sensors that provide information to support the ambition of 'cleaner and safer' environment within town centres

Town Walks – providing appropriate hardware (benches, parklets) and software (dedicated App) across walking routes in each of the market towns. These interventions seek to support healthier and greener lifestyles as well as increasing footfall (thus increased spending) in our market towns.

Phase 2 – Long Term Towns Programme

3.7 Tetra Tech, Steer Economic Consulting and Thomas Lister have been engaged to deliver three draft masterplans by March 2022. The masterplans will comprise:

Evidence baseline (social, economic, connectivity, built environment) for each of the three towns

Pipeline of projects for each of three towns that could be developed further and delivered over the medium and long terms

These will provide the basis for aligning regeneration aspirations with funding opportunities over the next number of years.

4.0 Finance Update:

Funding Sources

St Neots FHSF Regeneration		
Sources of Funds	£	Comment
Future High Street Funds	3,748,000	Formalised June 2021
HDC (CIL)	5,250,000	As per HDC Cabinet decisions
CPCA	3,100,000	As per Funding Agreement (Dec '21)
National Highways	3,500,000	As per decision in November 2021
Potential Investment	690,000	Subject to viability
Sub-total	16,288,000	
Market Towns Phases 1 and 2	3,000,000	
Sub-total	3,000,000	
TOTAL	19,288,00	

The funding identified above has been secured and is subject to contractual obligations and must be spent within the agreed FHSF guidelines and allocations only.

- 4.1 The funding package for the Phase 1 Covid 19 accelerated programme and Phase 2 Longer term programme is £1m per town for St. Ives, Huntingdon and Ramsey.
- 4.2 All funding is subject of a memorandum of understanding and/or contract with funding partners, with clear expectations of monitoring and evaluation required.
- 4.3 A number of projects identified as part of the Phase 1 Covid 19 Accelerated Programme are on target to be delivered by March 22.
- 4.4 Since the award of the funding for the FHSF Programme, additional funding has been secured and technical feasibility work has commenced across 5 of the 6 projects that make up the FHSF. This is an opportunity to provide a further update and set out the detailed consultation that has been undertaken to date.

5. CONSULTATION

5.1 Market Towns Programme consultation progress outlined in Appendix 1.

6. COMMENTS OF OVERVIEW & SCRUTINY

6.1 The comments of the relevant Overview and Scrutiny Panel will be provided by way of a verbal update.

7. KEY IMPACTS/RISKS

7.1 There are a number of risks associated with delivering an ambitious programme of this size and complexity, the notable risks are:

Budget management – To ensure that financial regulations are being complied with, the MTP will carry out continual review of the finances supporting the programme delivery. The projects that sit within the MTP are at various stages and therefore, as options work progresses and high level costings begin to emerge, we will review the individual projects viability and programme impacts as a whole, identifying any areas of risk. The construction industry as a whole has seen materials and labour costs significantly increase in cost over the past 12 months. Therefore, as we move from design into delivery any decisions on proposed options will require agreement that they can be funded within the approved St Neots FSHF programme budget. Mitigation: We will continue to monitor the programme funding profile and anticipated spend against budgets, updating to Cabinet on a quarterly basis.

Programme Timescales – This is an ambitious programme of delivery, with £3.748 of the MTP funding coming from MHCLG FHSF with a requirement that the funding awarded is spent by March 2024. While the CPCA will wish to set parameters they recognise the strategic importance of this project and it is anticipated there will be some flexibility in the delivery timescales expected. Mitigation: A detailed programme plan will be developed from design to delivery, this will be continually reviewed will incorporate funding milestones, claim dates and anticipated receipt of funds.

Programme Resources – The MTP requires different experience and external technical support at various stages of the project delivery. The programme itself has multiple projects which have to be managed simultaneously identifying all interdependences across the programme. There is significant internal and external stakeholder management and detailed consultation with partners and resident/ business groups. This could result in competing priorities across organisations that will require careful consideration. Mitigation: As part of the project a detailed resources plan and communications strategy with stakeholders will be developed to ensure the management of expectations and information being shared in a timely manner.

Changes to Planning Legislation – Recognising the Government's ambition to overhaul the planning process, through the lifetime of this

programme such changes may result in delays to the process. Mitigation: This situation will be continually monitored and any impact will be reported to on a quarterly basis to Cabinet.

Reputational risk – The MTP is considered to be a high priority for the Council and therefore monthly reporting, governance and timely decision making are critical to ensure that the programme is successfully delivered. Mitigation: The programme governance and reporting lines will be continually monitored throughout the next 12 months to ensure that the key programme milestones are managed and achieved.

8. LINK TO CORPORATE PLAN

- 8.1 The delivery of this work links to the following Corporate objectives
 - Support delivery of sustainable community / leisure activities / facilities.
 - Continue to work with partners and influence the Combined Authority to secure resources to facilitate delivery of new housing, drive economic growth and to provide any critical infrastructure.
 - Support the Combined Authority's preparation and delivery of Masterplans for the Market Towns.
 - Supporting economic growth in market towns and rural areas.
 - Improving the quality of the environment, by including infrastructure that supports people to walk and cycle.

9. LEGAL IMPLICATIONS

9.1 There are a number of specific contractual matters relating to the St Neots' FHSF as summarised below.

Future High Street Fund (MHLCG / DLUHC): The allocation of £3.748m is agreed in Memorandum of Understanding signed by both parties in June 2021. This funding is subject to regular financial reporting and monitoring and evaluation throughout the lifetime of the project. Any proposed changes or re-allocation of funding within this allocation needs to be submitted to FHSF for review.

CPCA: A Funding Agreement for £3.1m for St Neots' Road Bridge, High St and Market Square projects has been accepted. This sets out specific milestones and delivery timelines for these elements.

National Highways: A funding agreement from National Highways consists of an allocation of £3.5m for the St Neots' Road Bridge, High St and Market Square projects.

Ongoing legal support will be required throughout the course of the programme's delivery across matters of:

Consultancy / Professional / Technical Support Services including Urban Designers, Engineers, Multi-disciplinary teams

Land and property advice relating to leases, land acquisition, CPO and similar matters

Other contractual and governance matters such as financial / joint venture options.

10. NEXT STEPS

- 10.1 To develop a comprehensive programme plan including a master programme outlining key milestones against funding criteria.
- 10.2 To develop a consultation strategy for the overall MTP.
- 10.3 To move the early options appraisals into developed schemes for next stage of the MTP programme including updates on:
- Resource strategy
- Programme management review to support next stage of delivery
- Programme Risk Review
- Taking stock on programme delivery focus on all 3 MTPs
- Next stage approvals contracts review and proposed extensions
- Review of emerging design proposals
- 10.4 Submit next quarterly report to Cabinet to update on the MTP with a specific focus on: St Neots, Phase 1 - Accelerated programme, Phase 2 – Masterplanning programme and quarterly finance update.

11. APPENDICES

11.1 Appendix 1 – MTP Consultation Update

BACKGROUND PAPERS

Report to Cabinet (FHSF) 13th February 2020 can be found here

Report to Cabinet (FHSF) 28th July 2020 - EXEMPT

Report to Cabinet (Market Towns Accelerated Programme) 18th March 2020 can be found here

Report to Cabinet (FHSF) 23rd February 2021 can be found here

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Appendix 1:

St Neots Future High Street Funds – Communications and Engagement

To provide dedicated support to undertake communications and engagement activity Playdell Smithymen were engaged. From the initial phase of the St Neots FHSF bidding process there has been extensive effort to engage as widely as possible with stakeholders and interested parties. Through the original bidding process in Spring 2020, through to the initial offer in December 2020, through to the formal offer in June 2021, a range of communications and engagements forums have been used to inform residents, businesses and other interested parties of progress.

In August 2021 an extensive engagement programme was launched that sought the views, ideas and aspirations of stakeholders of the St Neots FHSF. In September 2021 an 'Introduction to the FHSF' was held with a wide range of interested parties. This plan sought to listen and inform stakeholders from the community and business sectors as well as local residents. A range of forums and have been used to offer information and gather view including:

- Surveys
- Pop up events across a range of locations / venues
- Engagement with community and voluntary groups (including on-line workshop)
- Engagement with businesses within the town (including a business survey)
- Website presence, a micro-site (on HDC site) setting out the various ideas for revitalising St Neots. It includes a dedicated e-mail for FHSF enquiries.

Stakeholder Workshops were held as follows:

- An Introduction to the FHSF 6 September 2021
- Councillors Engagement Event 5 October 2021
- Priory Quarter Masterplan Workshop 31 January 2022

Further project based engagement with stakeholders will take place in Spring 2022.

Feedback

In addition to the feedback on the specific FHSF projects, it is worth highlighting a number of themes that have emerged in relation to participants perception of the town centre. These can be summarised as:

Reasons to Visit: There is perception within the community that the Town Centre is losing reasons to visit. Residents living in areas such as Loves Farm spoke of preferring to shop out of town, travelling to Cambridge or Bedford for cultural events and activities. There was also a feeling that the town centre had little to offer family groups.

- Children and Young People: Listening to children and young people there was a belief that the town centre has a limited offer for them. They spoke about want to see the Town Centre provide events and activities for them and for the space to feel special. In addition, they want to see a town centre that addresses community need and issues such as homelessness.
- Getting to Town: There is a perception that you need a car to go to St Neots Town Centre. Walking and cycling routes were considered to be confused and unsafe. Public transport, in particular buses, were not seen as an option due to limited, and irregular service.
- Parking: The cost and location of parking was raised consistently in community and stakeholder engagement. It is perceived to be limiting the towns appeal and footfall.
- Environmental Impact: The community would like to see the Future High Street Fund support aspirations around carbon neutral and wider environmental goals.

"The river should be what makes St Neots special but you can stand in the centre of town and you wouldn't know it's there. You can't have a great meal with a riverside view. We're not making the most of it."

Working with Businesses: The Welcome Back Fund and other projects were welcomed, but businesses would like to see more active support from the District and Town Council to help them recover from COVID and grow. Businesses spoke of a concern that "the Future High Street Fund will come too late to help us."

Specifically in terms of the FHSF projects, the following summarises the findings of the engagement and communications efforts.

The High Street

Overall the investment in the town is welcomed and the community acknowledges that the High Street needs and would benefit from investment. However, there is a concern that the fund is not focusing on the fundamental issues which are considered to be empty shops, low footfall and parking charges.

The community wants to see issues such as potholes, poor quality paving and wider access issues addressed. Disability groups spoke of a need to improve access throughout the town. Explaining the need to embed accessibility principles into the design for the High Street moving forward.

The St Neots Road Bridge

The St Neots Road Bridge is a key route into the town and there is a community perception that it is not working. Concerns cited include queues of traffic, poor

quality paving, limited disability access and the clash between pedestrians, cyclists and vehicles.

The children and young people we spoke to explained the Bridge was important, with many of them using it as a route to and from school. However, they did think it was unsafe with raised slabs and poor quality paving being raised.

Market Square

Overall, the Market Square is seen as an important space in the Town Centre, the Farmers Market was praised for bringing a new audience to the town. There was an emphasis on its role as a place to bring people together. There is a growing perception that there are limited reasons to visit the Town Centre and that the Market Square has a role to play in addressing that.

Priory Quarter and Priory Centre

The overall perception of the Priory Centre was that it poorly designed, does not link to the wider town and has a limited offer. It was felt that Centre could be improved with end uses focusing on community and culture. People spoke of visiting the library and meadow area, but there was little use of the wider Priory Quarter area.

There is considerable concern about the development of the Priory Quarter, particularly if it leads to residential and loss of greenspace. As the project develops there is a need to clarify and explore the relationship between enabling works and meeting community need. To show the value to the town and the community and emphasis that this is to enable the change the town needs, not to benefit developers.

The Old Falcon

There is a strong desire to see the Old Falcon Inn return to use, with preferred end uses focusing on hospitality, retail and culture. Overall, there was an acknowledgment of the need for a sustainable solution that brought value to the town "it needs to work, I don't want it to be empty again in a couple of years". Interestingly the young people we spoke to felt the Old Falcon Inn should have a community use with suggestions including a homeless shelter and community centre.

The Waterfront Route

The community and stakeholders agree that the River Ouse is a valuable asset for the town, an asset the town is failing to exploit. That there is potential to develop the waterfront route to enhance the town and encourage more people to visit.

There were however concerns raised that include environmental impact, access to land / impact on private landowners and the potential for more residential in this area. On the whole people would like to see the river front celebrated and used but have decided to withhold support based on more detailed information.