

Key Decision Required:	Yes	In the Forward Plan:	Yes
-------------------------------	------------	-----------------------------	------------

CABINET

21 MAY 2021

REPORT OF THE PORTFOLIO HOLDER FOR BUSINESS & ECONOMIC GROWTH

A.2. THE ‘LEVELLING UP FUND’ – PROPOSED BID FOR CLACTON TOWN CENTRE
 (Report prepared by Gary Guiver and Paul Woods)

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT
<p>To seek Cabinet approval to work with Essex County Council to submit a bid to the Government’s ‘Levelling Up Fund’ to secure moneys towards delivering improvements in Clacton Town Centre that will help to rejuvenate the area, promote a shift towards electric vehicles and contribute towards achieving key elements of the ‘Love Clacton Vision’ that has been developed with local businesses and other stakeholders over the last few years.</p>
EXECUTIVE SUMMARY
<p>Since 2018, the Council has been working with local businesses and other stakeholders to develop the ‘Love Clacton Vision’ for the future of Clacton Town Centre and to identify measures aimed at boosting footfall and economic activity in the face of declining trade, shop closures and increasing problems around public perception. This formed the basis for the Council’s bid, working in partnership with Essex County Council, to the government’s ‘Future High Streets Fund’. Unfortunately the Council’s Future High Streets Fund bid was unsuccessful and the government was unable to award any funding to Clacton Town Centre, judging that the Council’s proposal would not achieve a sufficient ‘Benefit to Cost Ratio’ (BCR) in respect of value for money.</p> <p>The Government has however now launched a new fund, the ‘Levelling Up Fund’ designed specifically to support investment in places where it can make the biggest difference to everyday life, including ex-industrial areas, deprived towns and coastal communities. The Levelling Up Fund will invest in local infrastructure that has a visible impact on people and their communities and bring pride to a local area as we recover from the economic impacts of COVID-19 – particularly measures aimed at regenerating a town centre, local investment in cultural facilities, upgrading local transport infrastructure and supporting carbon reduction (which reflects the Council’s declaration of a climate emergency and its promotion of a shift towards electric vehicles).</p> <p>The Levelling Up Fund differs from the previous Future High Streets Fund and the focus will be more on transport investments, regeneration and town centre investment and cultural investment with an expectation that some works will be implemented in the short term and within the remainder of the</p>

2021/22 financial year. Local authorities are allowed to submit one bid per parliamentary constituency and the fund will focus investment towards projects that require up to £20million of funding.

For Clacton Town Centre, the Levelling Up Fund provides the opportunity to bid for money to progress some elements of the Love Clacton Vision and the previous Future High Street Fund proposals. The fund is however limited to three projects per bid so the Council will not be able to simply re-submit the previous Future High Streets Fund proposal without revisiting certain elements of it. For example, there is a stronger emphasis on promoting carbon neutrality and sustainable travel and a lesser emphasis on delivering residential development or large scale transformation.

Officers seek the Cabinet's authority to again work with colleagues in Essex County Council to draw up and submit a bid for the Levelling Up Fund in respect of Clacton Town Centre that draws on those elements of the previous Future High Streets Fund submission that best meet with the objectives of the new fund as set out in the supporting prospectus and accompanying guidance.

RECOMMENDATIONS

That the Cabinet:

- a) **authorises the Assistant Director for Strategic Planning and Place, in consultation with the Portfolio Holder for Business and Economic Growth, to work with Essex County Council to submit a bid to the Government's 'Levelling Up Fund' in respect of Clacton Town Centre; and**
- b) **authorises the Assistant Director for Strategic Planning and Place to utilise funds already set aside within the Council's budget for Clacton Town Centre projects and associated business case development to joint-fund any necessary further technical work required in support of the Levelling Up Fund bid.**

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES

Economic growth is one of the Council's main priorities and Clacton Town Centre is the single largest concentration of economic activity in the district. Maintaining the town centre's vitality and viability is critical to the local economy and the health and wellbeing of residents both in Clacton and the wider district as well as helping to address issues around deprivation.

RESOURCES AND RISK

Resources: To date, the costs involved in running the Clacton Town Centre Working Party have been met through existing staff resources and existing budgets and the time and effort given

generously and voluntarily by the representatives of businesses and other external agencies. This has been a corporate project that has drawn upon the time and expertise of staff across all sections of the Council.

Officers will work with Essex colleagues to utilise existing budgets for Clacton Town Centre projects and associated business case development and will seek additional capacity funding from government to advance more detailed work if the bid is successful. Maximum use will be made of the technical work already carried for the Future High Streets Fund bid but some additional work will be needed to revise the scheme accordingly for the purpose of the Levelling Up Fund.

The Levelling Up Fund itself provides for up to £20million of capital funding towards transport investments, regeneration and town centre investment and cultural investment – however the level of funding awarded in each case will depend on the proposals submitted, how they fit with the government's objectives of the fund and overall value for money, which will include consideration of any potential 'co-funding' from local authority or other public/private sector sources.

Essex County Council previously committed co-funding the Future High Streets Fund proposals had they been successful but has indicated that it would be prepared to carry forward some of that funding to support the revised Levelling Up Fund proposals. This Council may, in due course, wish to consider whether it can make any additional commitment towards co-funding improvements in the Town Centre once it is clearer what the schemes will comprise.

Risks: The success or otherwise of this project will be highly dependent on securing necessary funding through the various channels outlined above and the continued support and constructive engagement of local businesses, external agencies and our residents. There is also an expectation that bids will receive support from the local Member of Parliament. It will be critical to ensure that the vision for the town centre developed through the Clacton Town Centre Working Party continues to achieve buy-in from the wider business and resident community and Officers consider that engagement needs to be extended further, as proposals are worked up in more detail, to ensure that any proposed changes in Clacton Town Centre have local support.

With the Levelling Up Fund bidding process, if a bid is rejected the authority has the opportunity to re-submit a bid to the next round of funding. If however government makes a full or partial award of funding, no further bids can be submitted. With this in mind, the Council's bid needs to be realistic about how much money is sought with a view to putting forward the optimum case to government for funding in the first round.

LEGAL

Legislation: The proposals for which funding through the Levelling Up Fund will be sought will require full consideration of any legal implications. However, the proposals that are likely to form part of the bid, which will contain elements of the previous Future High Streets Fund submission, are understood to be deliverable within the known legislative framework.

OTHER IMPLICATIONS

Crime and Disorder: Anti-social behaviour has been identified as one of the key issues currently facing Clacton Town Centre and some of the recommendations emerging from the Working Party will relate to tackling this issue. Continued support for the work of the Tendring Community Safety Partnership will be key to maintaining a safe and secure environment in Clacton Town Centre. The overall aim of making the town centre more busy and vibrant will assist in providing increased natural surveillance and reducing the likelihood and temptation of crime and disorder.

Equality and Diversity: The recommendations in this report are aimed at benefitting all who live, shop, work and visit Clacton.

Health Inequalities: Any enhancements carried out to the town centre using moneys secured through the Levelling Up Fund will assist in promoting a healthier lifestyle for those who live, shop, work and visit Clacton.

Tackling Climate Change: The Levelling Up Fund specifically aims to support proposals that help to reduce carbon emissions which could include the Council's promotion of electric vehicles following its declaration of a climate emergency.

Area or Ward affected: The Pier Ward and St. James' Ward directly, but all wards indirectly – particularly those within Clacton and the wider catchment.

Consultation/Public Engagement: The recommendations in this report have been derived from positive engagement with businesses, external agencies and community groups through the Clacton Town Centre Working Party. It is however important that engagement continues in relation to the detail of some of the proposals as they emerge and that it is widened to include more local businesses, residents of Clacton and the surrounding area, visitors and younger people in particular. The support of the local Member of Parliament is also an important consideration for government when determining the submitted bids.

PART 3 – SUPPORTING INFORMATION

Rejection of the Future High Streets Fund Bid

Since 2018, the Council has been working with local businesses and other stakeholders to develop a vision for the future of Clacton Town Centre and to identify measures aimed at boosting footfall and economic activity in the face of declining trade, shop closures and increasing problems around public perception. One of the products of this work was the 'Love Clacton Vision' developed in association with businesses and formally endorsed by the Cabinet in September 2019. It sets out the overarching vision, aims and objectives for the future of the town centre and formed the basis for the Council's bid, working in partnership with Essex County Council, to the government's 'Future High Streets Fund'.

The Council had been working very closely with stakeholders right up to the beginning of the COVID-19 pandemic and the first national lockdown and had been making positive progress to that point, with the intention of having a full programme of public engagement and consultation on the Love Clacton Vision and the Future High Street Fund proposals. While the COVID-19 pandemic and associated lockdown measures had a severe and sudden impact on the ability of the town centre to trade and for the Council to carry out the level of engagement that had been planned, the process for submitting a Future High Streets Fund bid continued and Officers worked with Essex County Council colleagues to undertake a virtual online consultation exercise in the absence of face to face activities and submit a detailed and fully costed £24.5million business case to government in July 2020.

On Boxing Day 2020, Officers were informed that the Council's submission had been rejected. The feedback from the Ministry of Housing, Communities and Local Government (MHCLG) was that whilst the Council had made a good case for government assistance in Clacton, the proposal itself (including new car parks, residential and commercial development, new library and educational facilities and major public realm improvements) would not deliver sufficient value for money and that other schemes in the country had demonstrated a higher 'Benefits to Cost Ratio' (BCR). Many of the schemes that had been successful were either located in the North of England, involved town centres with larger catchment populations, benefited from higher property values or were able to achieve stronger levels of co-funding from the local authorities or the private sector.

Levelling-Up Fund

In March 2021 the government launched a new fund, the 'Levelling Up Fund' designed specifically to support investment in places where it can make the biggest difference to everyday life, including ex-industrial areas, deprived towns and coastal communities. The Levelling Up Fund will invest in local infrastructure that has a visible impact on people and their communities and bring pride to a local area as we recover from the economic impacts of COVID-19 – particularly measures aimed at regenerating a town centre, local investment in cultural facilities or upgrading local transport infrastructure. Local authorities are allowed to submit one bid per parliamentary constituency and so Officers from this Council will assist colleagues in Essex County Council to put forward funding bids in respect of both Clacton and Dovercourt Town Centres which fall within different parliamentary constituencies, where the case for funding is strongest and where specific proposals have already been developed to a reasonably advanced stage.

Bids require the support of both District and County Councils and are more likely to succeed with support from the local Member of Parliament and demonstrable support from the community and relevant stakeholders. The Levelling Up Fund differs from the previous Future High Streets Fund and the focus of the first round of the fund will be on:

- **Transport investments** including (but not limited to) public transport, active travel, bridge repairs, bus priority lanes, local road improvements and major structural maintenance, and

accessibility improvements – with an emphasis on reducing carbon emissions, improving air quality, cutting congestion, supporting economic growth and improving the experience of transport users.

- **Regeneration and town centre investment**, to upgrade eyesore buildings and dated infrastructure, acquire and regenerate brownfield sites, invest in secure community infrastructure and crime reduction, and bring public services and safe community spaces into town and city centres.
- **Cultural investment** maintaining, regenerating or creatively repurposing museums, galleries, visitor attractions (and associated green spaces) and heritage assets as well as creating new community-owned spaces to support the arts and serve as cultural spaces.

The fund will focus investment towards projects that require up to £20million of funding with, in very exceptional cases, between £20million and £50million for major transport projects (for which a more detailed business case process would apply). For Clacton Town Centre, the Levelling Up Fund provides the opportunity to bid for money to progress some elements of the Love Clacton Vision and the previous Future High Street Fund proposals. In some respects, the Levelling Up Fund provides a greater prospect for success in Clacton than the Future High Streets Fund as it is more tailored towards areas (including coastal communities) that need support rather than those that can demonstrate greater profitability in terms of a benefit to cost ratio. In other respects, the new fund is more focussed and is limited to three projects per bid so the Council will not be able to simply re-submit the previous Future High Streets Fund proposal. Officers are working with colleagues in Essex County Council to draw up a bid for the Levelling Up Fund in respect of Clacton Town Centre that draws on those elements of the previous Future High Streets Fund submission that best meet with the objectives of the new fund as set out in the supporting prospectus and accompanying guidance.

The deadline for submissions to the first round of the Levelling Up Fund is Friday 18th June 2021. Tendring has been identified by the government as a 'Priority 1' location where there is strong prospect of securing assistance but where there is an expectation that bids will be submitted to this first round. This is a relatively short period of time that offers very limited scope for any radical change in direction from the earlier plans or for any significant additional stakeholder engagement. To meet with this timescale, therefore, Officers have sought to make the best use of existing work, supplemented with focussed support from specialist consultants. As such, it is proposed that the existing Love Clacton Vision, the strategic case submitted as part of the Future High Streets Fund and the results from the 2020 online consultation and previous engagement efforts will form part of the new submission.

The public reaction to these proposals through the online consultation exercise was generally supportive, with particular enthusiasm around measures to create makerspaces and market areas for small businesses, improve parking facilities, and improve access for other modes of travel including walking, cycling and public transport. There were more mixed views expressed about residential developments and the linear park.

For the purposes of the Levelling Up Fund and the identification of three more focussed projects, Officers propose to work with Essex County Council to prepare a bid that seeks to deliver on key elements of the earlier Future High Streets Fund proposals – particularly those with a focus on generating footfall, improving sustainable transport access and promoting electric vehicle use, the public realm, the creation of business space, community facilities and promoting heritage and culture. The bid is likely to be focused on:

- creating a purpose built events space/performance area with associated public realm improvements at the town square, using property in Pier Avenue to creating new start up business space and achieve a safe pedestrian connection through to the Jackson Road car park and re-branding central Pier Avenue as ‘Electric Parade’ with facilities for charging electric vehicles;
- redeveloping the existing library with a new modern facility containing a new library, a new adult community learning facility and flexible office space with some residential development and improvements to the public car park in Carnarvon Road; and
- improving connectivity between the town Centre, the railway station and (potentially) Jaywick Sands by walking, cycling and bus and improving the public realm along Station Road, including the creation of space for a street market in the High Street.

In the meantime, irrespective of any Levelling Up Funding, Officers are already working with businesses to prepare for the town’s 150th birthday celebrations, Essex County Council to review and upgrade road signage, the North Essex Parking Partnership to review on-street parking arrangements and urban designers to develop plans for a high quality scheme for the Town Square.

APPENDICES

None.

BACKGROUND PAPERS

The Government’s Levelling Up Fund prospectus [Levelling Up prospectus.pdf \(publishing.service.gov.uk\)](#)