

Meeting: Cabinet

Date: 14 July 2020

Wards Affected: Torquay wards

Report Title: Torquay Town Deal

Is the decision a key decision? No

When does the decision need to be implemented? Immediately

Cabinet Member Contact Details: Councillor Swithin Long, Cabinet Member for Housing, Regeneration & Tourism

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1. Purpose of Report

- 1.1 This report sets out progress in the development of a Town Investment Plan for Torquay, the timescale that applies prior to submission of the Investment Plan and seeks the support of Cabinet for the submission.
- 1.2 Members will be aware that aligned to Paignton's Future High Street Fund the Town Deal opportunity presents a unique prospect to bring about transformational change in two of our towns.
- 1.3 Torquay was selected by Government in November of last year to be one of 101 English towns invited to submit a Town Investment Plan. The purpose of this town deal is to secure a Town Deal, setting out a partnership with Government, and up to £25 million of Town Fund investment. Members are asked to note that the Town Investment Plan is intended to set out a strategic programme of investment designed to capture, for national government, the ambitions of a place and the projects intended to realize that ambition. Government guidance, which is attached, provides the detail on how the Town Investment Plan should be developed.
- 1.4 Torquay is a cohort one town and as such will submit the Town Investment Plan on or before 31st July. This time scale presents some challenges in terms of process but is achievable.
- 1.5 The Town Investment Plan sets out the challenges in Torbay generally and Paignton specifically. It will set out the assets, opportunities and vision for the town and will be submitted by the Council based on the advice of the Town Board. Detail about the Town Board is provided in the supporting information.
- 1.6 The Town Investment Plan will when finalised set out the justification for the requested Town Fund investment of circa £25 million, the projects that the Towns

Fund will support and indicative levels of investment from other public and private sector sources.

- 1.7 Assuming that the Town Investment Plan leads to an agreed Town Deal then future decisions about Council investment into any of the schemes will be subject to business cases and decisions at the appropriate times. In accordance with Council procedures, business cases for borrowing to deliver any project would need to be fully considered by Cabinet before that project can proceed.

2. Reason for Proposal

- 2.1 The Cabinet is asked to support submission of the Town Investment Plan to MHCLG by the deadline of end July.
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3. Recommendation(s) / Proposed Decision

- 3.1 It is recommended that Cabinet supports
 - I. The submission of a Town Investment Plan and to delegate the decision, on exact content of the submission, to the Head of Finance, in consultation with the Leader of the Council.

Appendices

Appendix 1: Town Fund Prospectus & Further Guidance

Appendix 2: Town Board Terms of Reference

Appendix 3: Community Board briefing

Background Documents

Economic Strategy Appendix – Transformation Strategy for Torbay’s Town Centres:
<https://www.torbay.gov.uk/media/10450/transformation-project-town-centre-regeneration.pdf>

Torbay’s Local Plan: <https://www.torbay.gov.uk/media/6836/lp-2012to2030.pdf>

Torquay Neighbourhood Plan: <https://www.torbay.gov.uk/council/policies/planning-policies/neighbourhood-plans/torquay-np/>

Torquay Town Centre Masterplan:
<https://www.torbay.gov.uk/media/6894/ttcmasterplan.pdf>

Supporting Information:

1. Background:

- 1.1 The Towns Fund was established by Government in the autumn of 2019 and is being managed by the Ministry of Housing Communities and Local Government (MHCLG).
- 1.2 Torbay Council was invited in late 2019 to develop a Town Deal proposal for Torquay with Government. The Town Deal is the name of the partnership agreement that places will enter into with Government following submission and agreement of a Town Investment Plan (TIP). The TIP is a prospectus for the place and must correspond to the requirements laid out in the guidance for the fund. While the TIP is expected to reference a programme of investment and projects designed to accelerate the economic growth of a place Towns Fund investment will be made against specific projects which are in line with the Government's intervention framework. The Towns Fund will provide the core public investment in Town Deals - additional funding may come from other sources or parts of Government. The objective of the Fund is to drive the economic regeneration of towns to deliver long term economic and productivity growth through;
 - **Urban regeneration, planning and land use:** ensuring towns are thriving places for people to live and work, including by: increasing density in town centres; strengthening local economic assets including local cultural assets; site acquisition, remediation, preparation, regeneration; and making full use of planning tools to bring strategic direction and change.
 - **Skills & Enterprise Infrastructure;** driving private sector investment and ensuring towns have the space to support skills and small business development.
 - **Connectivity:** developing local transport schemes that complement regional and national networks, as well as supporting the delivery of improved digital connectivity.
- 1.3 The Council will be the applicant for the Towns Fund and the accountable body however development of the TIP is the responsibility of the Town Board, details of the Town Board are set out further down this report.
- 1.4 Government officials have indicated to Torbay that they consider Torquay is among the most prepared places and would welcome submission of the Town Investment Plan on or before 31st of July as part of the first cohort of places. While this is a tight timescale following the resource commitments to covid response work Town Deal is an unparalleled opportunity for Torbay to set out directly to Government asks for one of our towns.
- 1.5 The governance process for Town Deal has been prescribed by Government and requires us to put in place a Town Deal Board. The role of the Board is to develop

and agree an evidence based Investment Plan, develop a clear programme of interventions and coordinate resources.

- 1.6 The Town Board is chaired by Vince Flower, vice-chair is Kevin Foster MP and the Council is represented by Cllr Long and Kevin Mowat. The board has met on five occasions and has clearly indicated firstly a desire to focus on Torquay town centre and secondly a very real urgency for the submission. The full list of Town Board members is;

Vince Flower (Chair)
Kevin Foster MP (Vice Chair)
Cllr Swithin Long
Kevin Mowat
Jason Garside (TLH)
Mike Watson (Stagecoach)
Carolyn Custerson (ERTBID)
Jim Parker (Torbay Together)

Leon Butler/Julie Brandon
(Community Board representatives supported by Torbay Community Development Trust)
Heidi Coombe (HotSW LEP)
Susie Colley (Torquay Chamber)
Laurence Frewin (SD College)

- 1.7 Work completed has identified a long list of projects which are aligned to the Town centre and Torquay Gateway Masterplans, the Town Centre Transformation Strategy and Torquay Neighbourhood Plan. While there is work to complete a draft of the Investment Plan has been shared with Government's consultancy partners and we are on track for submission.
- 1.8 While the Investment Plan will focus on the town centre as it is at the heart of the town complementary projects which will support the wider objectives for Torquay's economic repositioning will be included such as the Edginswell Station project. It is expected that the town centre schemes will include enhancements of the public realm at key locations which will include Torquay Harbourside, land assembly to support changing the mix of uses in the town centre and working with private sector partners to bring forward transformation at key sites.
- 1.9 Should Council funding be required for the projects or decisions required around land assembly opportunities then they will be brought forward for separate decisions to allow for normal decision making processes to apply.
- 1.10 Town Fund is intended to be principally a capital fund and revenue funding for activity will be made available only by exception. The types of investment that Town Deal funding can support is set out in the attached guidance but the headline areas for interventions are summarised below;
- Local transport
 - Digital connectivity
 - Urban regeneration, planning & land use
 - Arts, culture & heritage
- 1.11 The Town Investment Plan will be framed around project interventions that respond to this but which might also attract wider Government funding including for instance

Department for Transport, DCMS culture and visitor economy programmes, Arts Council England, UK Shared Prosperity Fund and Coastal Communities Fund.

- 1.12 The impact of the pandemic on normal business has meant that there has been no comparable expression of interest stage and initial business cases as is the case with Future High Streets Fund. However each place is assigned an MHCLG representative and is supported by the Arup led consultancy group appointed by Government.
- 1.13 A draft of the Investment Plan has been shared with that group for comment and challenge and feedback from that process is expected 17th July. That feedback will be presented to the Town Board on 20th July with the intention of submitting to the Town Board a final TIP for decision on 27th July. Assuming sign off the Council will be asked to agree and submit the TIP by 31st July.
- 1.14 Members will be aware that the Future High Streets Fund application is being appraised by the Government under its Green Book process. For Town Deal the process is slightly different at this stage with the detailed business cases to be submitted once a Town Deal has been entered into. At this stage therefore the TIP is setting out the justification for investment which highlights the following key points:
- Demonstrate the significant challenges for Torquay referencing deprivation, employment & skills, employment land and town centre
 - Specifically identifying the Covid 19 impact on the place and the economy
 - The assets and opportunities of the town
 - Demonstrate that the programme (and individual projects) is deliverable, not least by showing investor / developer interest, market need / demand, viability and key partner support. Deliverability – incl. investor interest; pace
- 1.15 The TIP will reflect the considerable engagement with the Torquay community over recent years to develop the Torquay Neighbourhood Plan and the Town Centre Masterplan. While certain assumptions set out in the Masterplan, for instance around retail provision, is now unlikely to be required these two plans inform the focus of the town centre requirements and sit at the heart of this Town Investment Plan.
- 1.16 We know from that engagement and the view of the Town Board, feedback from Members, partners in the town and across the wider area over the last 18 months there is consensus about the urgent need for the town to capitalise on its strengths and its emerging arts and cultural offer to provide new infrastructure, create new jobs and encourage new businesses to the area. Through the TIP we expect that Torquay will achieve its economic potential and play a distinctive role within the regional and national economy.
- Accelerated projects
- 1.17 Each of the 100 towns selected to work towards a Town Deal has also been allocated funding of either £500,000, £750,000 or £1m depending on their population size to

accelerate projects in line with their TIP. Torquay's allocation is £750,000. Projects which are aligned to the TIP and are able to be delivered in this financial year are intended to be supported through this allocation and the accelerated funding for Town Deal towns will primarily support:

- Improvements to or new parks, green spaces and sustainable transport links
- Improvements to high streets and town centres, including repurposing empty properties
- Demolition or site remediation that improves the overall look and feel of a town.

2. Alternative Options and Priorities:

- 2.1 The Council has high ambitions for each of Torbay's towns. It is clear that the local community want change in the towns to improve the offer of the town centre, to create opportunities and to make sure that the experience of living, working and visiting Torbay is better.
- 2.2 A 'do nothing' option has been considered. This option would see accelerated decline of the town and the wider area. There would likely be further decline in the economic and social performance of the area as measured by measures such as the Index of Deprivation and investment would be unlikely to follow. It is not considered to be a viable option and is dismissed.
- 2.3 It follows that submission of the Town Investment Plan is the 'preferred option'.

3. Contribution to delivery of Council's priorities:

- 3.1 This Council's ambition is:

We want Torbay and its residents to thrive.

We want Torbay to be a place where we have turned the tide on poverty and tackled inequalities; where our children and older people will have high aspirations and where there are quality jobs, good pay and affordable housing for our residents.

We want Torbay to be the premier resort in the UK, with a vibrant arts and cultural offer for our residents and visitors to enjoy; where our built and natural environment is celebrated and where we play our part in addressing the climate change emergency.

- 3.2 The proposals in this report will support:

- thriving people, by providing homes and jobs, cultural opportunities and improved health;
- thriving economy, by diversifying the town centre, improving land values, attracting further investment, improving the offer to visitors, creating job opportunities and commercial space;
- Council fit for the future, by increasing revenue in form of business rates and Council tax, by increasing income from the development of Council owned assets.
- the Council's responsibilities as corporate parents, by ensuring the provision of good quality accommodation for young families, by improving safety and reducing crime, by increasing amenity space and its quality, by encouraging active travel
- tackling poverty, deprivation and vulnerability, through provision of new job opportunities, improved health, affordable housing and construction contracts that provide opportunities for long term unemployed, people living in disadvantage and apprenticeships.

4. Financial Implications:

- 4.1 Submission of the TIP does not have any immediate financial implications for the Council. Any schemes which subsequently require co funding from the Council will be brought back for decisions using the normal processes for those decisions.
- 4.2 The Council has indicated that it is willing to invest in town centre and in other projects in support of its objectives and the TIP assumes that will continue to be the case based on the business cases that are brought forward. Members are asked to note that co funding, whether from public or private sources of support are likely to be required and will improve the acceptability of the submitted TIP. The submitted TIP though will not commit the Council to any specific funding.
- 4.3 The Council could chose a development partnership or Joint Venture route to delivery of larger projects, which could also reduce the need to use prudential borrowing.

5. Legal Implications:

- 5.1 There are no legal implications as a result of submitting the business case for FHSF.

6. Consultation:

- 6.1 Members will be aware of the significant amount of community and business involvement and engagement in the Local Plan, Neighbourhood Plan, Torquay town centre masterplan and Torquay gateway masterplan. These strategies and plans form the basis of the TIP.
- 6.2 Members will also be aware of the Transformation Strategy for Torbay's Town Centres, which captures the key elements of the strategies and plans (as above) and sets out a delivery strategy for town centre regeneration. It too provides context for the TIP.
- 6.3 Officers are also aware, as Members will be, of the requirement from residents, businesses and their representative organisations to get on with delivery. The business case, if successful, will allow the Council to deliver at greater pace.
- 6.4 There is ongoing dialogue with community and business representatives through the Town Board, Community Board and through other meetings and routes including Torbay Together, Torbay Business Forum, liaison meeting with Chambers of Commerce, meetings with community leaders and from social media. That has resulted in a very strong and diverse level of support for delivery at pace:

7. Risks:

- 7.1 There principal risk at this time is that the TIP is unsuccessful and that the projects set out therein are delayed or aborted. This would result in a slower economic recovery and delayed economic repositioning. It would result in the prevailing economic fortunes of the town stagnating.
- 7.2 Officers do not consider there are any risks associated with Cabinet's support for submission of the business case.

8. Public Services Value (Social Value) Act 2012

8.1 The Council will follow all necessary procurement processes and rules in securing development partners and construction contractors, and in the administration of grant funding, necessary to deliver the programme of investment.

Equality Impacts

15.	Identify the potential positive and negative impacts on specific groups			
		Positive Impact	Negative Impact & Mitigating Actions	Neutral Impact
	Older or younger people	Yes provision of enhanced town centre with improved experience and job opportunities		
	People with caring Responsibilities	Yes, as above		
	People with a disability	Yes, as above		
	Women or men	Yes, as above		
	People who are black or from a minority ethnic background (BME) <i>(Please note Gypsies / Roma are within this community)</i>			
	Religion or belief (including lack of belief)			
	People who are lesbian, gay or bisexual			
	People who are transgendered			
	People who are in a marriage or civil partnership			

	Women who are pregnant / on maternity leave			
	Socio-economic impacts (Including impact on child poverty issues and deprivation)	Forecast job creation numbers will follow from individual business cases but there is expected to be a significant gain with job and training opportunities opening up. Community Wealth Building will be used to support the creation of training, employment and supply chain opportunities for local businesses.		
	Public Health impacts (How will your proposal impact on the general health of the population of Torbay)	The programme encourages active travel, provided more amenity / green space, provides more shade, shelter and seating space, provides a modern nursing home for people with specific health needs, and will provide mental health benefits by providing additional homes and job opportunities.		
16.	Cumulative Impacts – Council wide (proposed changes elsewhere which might worsen the impacts identified above)	The programme of investment envisaged here will use community wealth building principles to secure as much benefit from the projects and activity as possible to help to ensure Torbay is a better place to invest, live, work, and visit.		
17.	Cumulative Impacts – Other public services (proposed changes elsewhere which might worsen the impacts identified above)			