

ENVIRONMENT & ECONOMY OVERVIEW & SCRUTINY COMMITTEE

Date of Meeting	Tuesday, 11 th October 2022
Report Subject	Town Centre Regeneration
Cabinet Member	Cabinet Member for Climate Change and Economy
Report Author	Chief Officer (Planning, Environment and Economy)
Type of Report	Operational

EXECUTIVE SUMMARY

Smaller town centres across the United Kingdom have been facing challenging economic circumstances for many years due to changing customer behaviours. The Covid-19 pandemic accelerated these trends and although it remains too early to understand the long term impacts. It is important that future proofing towns is addressed by creating more sustainable use of properties within town centres.

This report provides an update on the strategic context for town centre regeneration and the programmes of work currently underway. Furthermore, it provides details about the development of Place Plans and the enforcement action required to tackle empty properties within town centres.

RECOMMENDATIONS

1	That the requirements to develop Place Plans for the seven towns (Buckley, Connah's Quay, Flint, Holywell, Mold, Queensferry and Shotton) in Flintshire are noted and Members support the sequence in which the proposed work is delivered within the constraints of resource available.
2	That the requirement to address vacant town centre properties through an enforcement action plan is noted, and Members support the criteria and approach to be used.

REPORT DETAILS

1.00	EXPLAINING TOWN CENTRE REGENERATION
1.01	<p>There are a number of challenges facing all small towns in the UK:</p> <ul style="list-style-type: none"> • Changing customer behaviour, which has accelerated during the Covid pandemic, has dramatically reduced expenditure through high street shops. It is not expected that this will return fully to pre-Covid levels potentially leaving towns with more retail units than they can sustain. • Many units are owned remotely by national or international property finance companies or speculative investors with limited interest in their effective management and no stake beyond their investment in the success of the town centre. • Smaller, more marginal shopping centres are struggling to remain viable with a major collapse of property values and considerable difficulties in attracting tenants. • Although there is a relatively low proportion of vacant retail units in Flintshire town centres, there is considerable underused space above the ground floor and weak business resilience is believed to mask the true picture which manifests in gradually declining building condition and a lack of investment. • There are a small number of longer-term vacant properties in towns which can have a blighting effect on their locality.
1.02	<p>Although Flintshire town centres have not been immune to this process, the loss of major national chains and the increase in vacant floor space has not been as significant an issue as local towns had very few national brands still present and Woolworths was the only closure of significance. The loss of high street banks has been more significant in a number of Flintshire towns. This gradual decline in vitality has, in turn, impacted on the scale and vitality of the street markets in the County.</p>
	<p><u>Strategic context</u></p>
1.03	<p>In 2020 Welsh Government launched its Town Centres First policy to help breathe new life into town centres by locating services and buildings in town centres wherever possible. It has since launched a national £90m Transforming Towns investment package and encouraged the public sector to support towns through delivering regeneration activity which aims to increase footfall and create or sustain vibrancy.</p> <p>Funding available through the Transforming Towns initiative has created new opportunities for investment in town centre properties in Flintshire particularly by providing access to grant funding and repayable loans.</p>
1.04	<p>Since 2020, Welsh Government has increasingly focussed on town centre regeneration, and as part of this, tackling empty town centre properties. As part of its Transforming Towns initiative funding has been made available through a repayable loans programme (delivered through each local authority) to support tackling empty properties. Welsh Government has set out a requirement for local authorities to each agree an approach and</p>

	<p>criterion for tackling vacant town centre properties and to produce an action plan for this work. Welsh Government has also provided training and advice in support and has encouraged local authorities to use their enforcement powers more fully to bring units back into use.</p>
	<p><u>Flintshire town centre regeneration strategic approach</u></p>
1.05	<p>The strategic approach to town centre regeneration in Flintshire was approved by Cabinet in May 2019 and subsequently refreshed in March 2020 immediately before the pandemic restrictions came into place. The strategic priorities agreed include:</p> <ul style="list-style-type: none"> • refreshing the evidence base on town centre vibrancy and vitality; • responding proactively to market interest in town centre investment and actively seeking to encourage investment wherever there are appropriate opportunities; • continuing to support front line service outlets in town centre locations to enable access to Council (and partner) services whilst also helping to sustain footfall; • approving Local Development Plan policies for town centres that enable land use change to be managed to promote sustainability and vitality; • identifying key sites for future redevelopment with an emphasis on diversifying land use to increase sustainability and vitality; • starting, subject to the availability of capital resources and detailed investigation into commercial viability, to acquire key sites for redevelopment; • taking advantage of potential investment in transport infrastructure by Welsh Government to identify how wider regeneration benefits can be realised in the immediate vicinity; • supporting town centre stakeholder groups to develop and implement action plans for their towns and will undertake County-wide actions to support town centres for example through promotional activity; and • helping businesses to adapt to the changing economic climate.
1.06	<p>In addition, the 2020 Cabinet report highlighted a number of areas for particular focus in the future:</p> <ul style="list-style-type: none"> • identify potential future development sites and develop options for their future assembly and redevelopment; • diversify land uses to maintain the vitality and viability of town centres; • target vacant or underused properties in town centres for intervention including making full use of Council enforcement powers; • investigate the feasibility of piloting a community ownership structure for town centre properties for Holywell; • use these work streams to develop potential projects for future capital funding opportunities; and • continue to progress the potential redevelopment of the Mold Hallfields site.
1.07	<p>In May 2021, a further Cabinet report provided an update on progress against the regeneration priorities and areas of particular focus and</p>

	<p>identified the need for additional staff resource to deliver the increased scale of the programme and more property-related regeneration.</p> <p>The report to Cabinet in May 2021 also outlined the need to update action plans for each town centre to ensure interventions fit together into a coherent whole. This ambition directly aligns with the subsequent request from Welsh Government to develop Place Plans for each town centre.</p>
1.08	<p>Since the last update to Cabinet in May 2021, a significant amount of work has been completed take forward the agreed priorities and increase resource and capacity within the regeneration team including:</p> <ol style="list-style-type: none"> 1. successfully completing the Local Development Plan examination process; 2. increasing staff resource through appointing three additional regeneration staff: a Regeneration Assistant, Regeneration Manager and an additional Regeneration Officer (to commence in post in November 2022); 3. creating a further two Project Development Officer roles on a fixed term basis to support the development of projects and Place Planning; 4. developing an updated four year regeneration work programme including forecasted financial requirement to deliver all aspects of the work including town centre and also coastal regeneration priorities; 5. scoping out a plan for the development of Place Plans for seven town centres across Flintshire in 2022-24 informed by Welsh Government's expectations. 6. developed a criteria and action plan for the Council to tackle empty properties through enforcement action with the aim of bringing long-term empty properties back into use; 7. installation of smart devices across town centres to measure usage including real time data, which can be used to inform decision making within each town centre. 8. delivery of Green Infrastructure schemes in Shotton and Flint through Welsh Government-investment; 9. provided a one-to-one support service to businesses with investment proposals for High Street properties; 10. supporting applicants to access business loans and grants to invest in their High Street properties; 11. developing and delivering environmental improvement schemes and supporting active travel proposals; 12. progressing the acquisition of property in one of Flintshire's town centres (due to complete by October 2022) with funds secured through Welsh Government-investment. 13. reviewing internal governance arrangements for the management of Place Making across the Council, and increased opportunities for more collaborative working across a range of services within the Council and participation in the Council's Places Group. 14. delivering a promotional campaign for independent businesses in town centres (launched in Spring 2022), as a follow on form very successful first and second phases in 2020 and 2021. 15. designed and delivered consultation workshops to identify local needs for investment through the UK Government's Shared Prosperity Fund totalling £10.8 million for 2022-2025, and actively

	<p>participated in the development of the local investment strategy (submitted to UK Government in August 2022); and</p> <p>16. leading the development of proposals for the regeneration of Connah's Quay Docks as part of the Council's Levelling Up Fund application for Alyn and Deeside funding bid (submitted to UK Government in July 2022).</p>
	<p><u>Place Plans</u></p>
1.09	<p>In May 2022 Welsh Government informed local authorities of the requirement to establish Place Plans and provided a framework to inform this work. As part of this, Welsh Government confirmed that the availability of funding would be conditional on Place Plans being in place. Welsh Government's guidance suggests Place Plans should include a vision for each town, bring together a range of existing plans and strategies, and be informed by local engagement, consultation and a range of data and statistics to evidence local need.</p>
1.10	<p>In response to Welsh Government's requirement for local authorities to establish Place Plans for towns, scoping work has been completed to identify a range of actions that the Council will need to complete and to identify indicative timescales for doing so.</p> <p>Key elements that will be completed for each Place Plan include:</p> <ul style="list-style-type: none"> • a SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis of each town; • desk-based review of data and key statistics; • review of existing strategies (local, regional; • a series of online and face-to-face consultation and engagement actions/ events with members, local residents, businesses and other key stakeholders; • identifying priorities and potential actions arising from consultation – • developing an updated vision for each town centre and developing action plans content. • writing up final plans – following feedback/ further consultation and engagement with stakeholders. • submitting the Place Plan to the Council's Environment and Economy Overview and Scrutiny committee. • Seeking approval and sign off from Cabinet for completed Place Plans.
1.11	<p>It is anticipated that the development of each town centre Place Plan will take approximately six months to complete, and there is staff capacity to develop two or three concurrently at any one time. It is therefore likely that all seven Place Plans for Flintshire will be completed within 18-months to 2 years.</p> <p>There are three main criteria identified to determine which towns should be included in the first tranche of Place Plan development. These are:</p> <p>i) already established priorities which have previously been approved by Cabinet where a targeted approach and plan for</p>

	<p>town centre(s) has been identified and work already started to bring together a range of services and partners;</p> <p>ii) any town where major projects are already under development and the opportunity to attract funding/ significant investment could be jeopardised if a Place Plan is not developed as a priority; and</p> <p>iii) where, without a Place Plan, the opportunity to align strategic priorities across the Council and wider public sector partners would be missed.</p> <p>In light of the above criteria, it is recommended that the initial Place Plans are developed for Buckley, Holywell and Shotton.</p> <p>The timetable for the development of Place Plans is subject to variation due to external factors, changing circumstances or opportunities in the towns and the learning generated through the development of the first tranche. It is anticipated, though, that there will be two towns in the second tranche of Place Plans (Connah's Quay and Queensferry) and two in the final tranche (Mold and Flint). More team capacity will be available for the development of the first tranche of Place Plans as later tranches will run alongside increased project delivery.</p>
1.12	<p>It is not proposed that Place Plans are developed for settlements without town centres; where there is a critical mass of retail, hospitality and service functions. This is due to the need to concentrate scarce Council resources and because Welsh Government regeneration resources are not available outside of town centres.</p>
	<p><u>Enforcement Action Plan</u></p>
1.13	<p>To assist Local Authorities in dealing with their empty properties, Welsh Government has developed an Empty Property Enforcement Programme with financial support package available to Local Authorities who wish to undertake enforcement action on prominent town centre empty properties. To gain access to this fund, it is a requirement that representatives from the local authority have attended Welsh Government training and produced their own local action plan (a living document) for dealing with long-term empty properties through enforcement action. The Council has completed this.</p>
1.14	<p>Cabinet approval is required for the criteria to be used to prioritise properties for intervention, set out below:</p> <ul style="list-style-type: none"> • Is the property of special architectural or historic interest and therefore in need of protection? • Is the property subject to legal restrictions on what changes can be made to buildings, greenery and street furniture? • Is there known anti-social behaviour at the premise/ address? • Any known public health matters/ concerns? • Any issues known / reported by the local elected Member? • Any complaints received from the general public? • What length of time has the premises been vacant?

	<ul style="list-style-type: none"> • What is the condition of the premises (summary)? • Are there any identified issues which would require the Council to gain access to check non-compliant building work, dangerous structures or demolitions? • Is there any evidence of business rates (non-domestic rates) being paid within recent years held by the Council? • What is the Planning history for the building including extent of the site, planning permissions affecting the premises, any restrictions that apply and the impact of any unauthorised uses on the premises? • Has any advice been provided to the owner/ enforcement action been taken by the Council previously, if so what? <p>The Enforcement Programme will target properties across all areas of Flintshire but Welsh Government Transforming Towns resources are only available to target town centre properties.</p>
1.15	<p>The properties to be targeted will remain confidential to enable effective and commercially sensitive discussions to be held with property owners. Authority is sought for the Chief Officer (Planning, Environment and Economy) and Cabinet Member for Climate Change and Economy oversee the operation of the action plan and to report progress to Cabinet and to the Environment and Economy Overview and Scrutiny Committee.</p>

2.00	RESOURCE IMPLICATIONS
2.01	<p>Financial resource</p> <p>The following funding has been secured from Welsh Government to deliver town centre regeneration priorities in Flintshire:</p> <ul style="list-style-type: none"> • £510,000 revenue for use over the next 3 years which will support economic development activity including the recruitment of two new Project Development Officers; • £680,000 capital towards town centre regeneration and property acquisition projects to be delivered in 2022-23; and • £1,260,000 for the Council to administer as a repayable loan scheme over the next five years. <p>In addition to the above, the following Welsh Government funding is available for town centre regeneration from 1 April 2023:</p> <ul style="list-style-type: none"> • £2.6 million available across North Wales, with up to £250,000 available per application; and • £150,000 allocation per annum for the delivery of small-scale property improvement projects in Flintshire. <p>The funding outlined above provides good opportunities for regeneration projects in Flintshire, however it is either repayable or requires significant match funding. Without capital funds the Council will not be able to take full advantage of these opportunities to regenerate town centres.</p>

Capacity

The regeneration team currently stands at four individuals. As a result of Cabinet approving extra staff resource in 2021, three appointments have been made since this approval, and two posts are currently being secured which will see the team increase to seven staff in total from December 2022 onwards.

The additional resource brings a broader range of skills, knowledge experience to the regeneration team particularly in property-related regeneration work and the delivery of loan investments. This resource is needed to successfully deliver the regeneration priorities detailed in the Regeneration Programme including those outlined in this report and manage risks to the Council.

Specialist advice and expertise

The proposed Place Making approach will place demands upon other teams in the Council to deliver specialist advice and support, for example property, legal services, planning and public protection. The Council has already begun to purchase specialist property and legal expertise on a consultancy basis in order to effectively survey, value properties, advise on specialist legal and conveyancing advice and to help plan viable end uses and acquisition of property for future regeneration uses, this will continue to be needed to deliver the Regeneration Programme.

3.00**IMPACT ASSESSMENT AND RISK MANAGEMENT**

3.01

Identified risk	Action to manage risk
Lack of experience and capacity to deliver programme of work.	Recruit additional resource (in progress, due to be completed by December 2022).
Lack of specialist advice and support internally within the Council.	Procure advice from external specialists.
Lack of funding to deliver Regeneration work programme.	i) Maintain positive working links with external funding bodies. ii) Ensure future funding requirements/ future regeneration schemes are known to Welsh Government. iii) Consider investing own Council resources into projects that would otherwise not progress/ not deliver benefits. iv) Recycle regeneration loans to maximise impact of funds available.

		v) Ensure Council funds are used effectively as match contributions.
	Failure to meet expectations.	<p>i) Effective monitoring and management of regeneration activity by the Council's Places Group, Scrutiny Committee and Cabinet.</p> <p>ii) Prioritise work in line with local needs and funding opportunities.</p> <p>iii) Place Plans to be developed in a phased approach over 2 years to manage workload and resource.</p> <p>iii) Engage public and partners to inform content of Place Plans to ensure local needs are met.</p> <p>iv) Deliver Regeneration Communications Action Plan.</p>
	Loss of funding.	<p>i) Adherence to terms and conditions of external funding secured.</p> <p>ii) Effective budget monitoring and financial management.</p>

4.00	CONSULTATIONS REQUIRED/CARRIED OUT
4.01	<p>A series of public meetings and digital consultations will need to be carried out as part of the development process for each of the seven Place Plans. Local residents, businesses, internal and external colleagues will have the opportunity to participate over the next two years.</p> <p>Information gathered from consultations will directly inform the content of Flintshire's Place Plans and actions contained within future delivery plans of both the Council and its partners.</p>

5.00	APPENDICES
5.01	None.

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	None.

7.00	CONTACT OFFICER DETAILS
7.01	<p>Contact Officer: Niall Waller (Enterprise and Regeneration Manager) Telephone: 01352 702137 E-mail: niall.waller@flintshire.gov.uk</p>

8.00	GLOSSARY OF TERMS
	<p>Empty Property Enforcement Programme – a Welsh Government initiative aimed at assisting Local Authorities to deal with properties which have been empty for a period of time through the use of enforcement powers.</p> <p>Green infrastructure - Green infrastructure is a network of multi-functional green space and other green features, urban and rural, which can deliver quality of life and environmental benefits for communities. (tcpa.org.uk)</p> <p>Place Making – a multi-faceted approach to designing, developing and managing public spaces across a range of stakeholder which capitalises on local assets and has people’s health, happiness and well-being at the forefront of decisions made.</p> <p>Place Plans – a document which is developed for a defined settlement which identified local needs which are informed by consultation and engagement with the local stakeholders along with a vision for the settlement area and actions to achieve this.</p> <p>Places Group – a group of senior officers from across the Council and Lead Member for Climate Change and Economy which is responsible for overseeing the monitoring, management and implementation of Place Making priorities.</p> <p>Town Centres First – a Welsh Government policy which focuses on town centres being the first consideration for all decisions on the location of workplaces and services.</p> <p>Transforming Towns – a Welsh Government targeted regeneration investment programme which aims to support the redevelopment and improvement of town centres across Wales.</p>