

COMMUNITY AND ENTERPRISE OVERVIEW AND SCRUTINY COMMITTEE

Date of Meeting	Wednesday, 11 th March 2020
Report Subject	Town Centre Regeneration Update
Cabinet Member	Cabinet Member for Economic Development
Report Author	Chief Officer (Planning, Environment and Economy)
Type of Report	Strategic

EXECUTIVE SUMMARY

The strategic approach to regenerating town centres has been highlighted in the refreshed Council Plan for 2020 onwards and was agreed at Cabinet in February 2019, establishing priority work streams to help town centres in Flintshire to adapt to national trends that are impacting upon the vitality and viability of smaller towns across the UK.

This report provides an update on the work undertaken since February 2019 under these work streams. It also proposes an increased scale of action to facilitate the transition to more sustainable land uses in town centres.

RECOMMENDATIONS

1	That Members note the progress made in delivering regeneration in town centres in Flintshire and the refocussed approach being proposed for 2020 and beyond.
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REPORT DETAILS

1.00	EXPLAINING THE APPROACH TO TOWN CENTRE REGENERATION
1.01	<p>Nationally, town centres are facing challenging economic circumstances due to changing behaviour by shoppers and the retail industry. The 2018 retail review by Colliers International found that shoppers have gradually been shifting their retail expenditure from local town centres to higher order retail centres, out of town shopping parks, major supermarkets and, increasingly, to the internet. In turn, retail businesses have significantly retrenched into a smaller and smaller number of the most dominant centres.</p> <p>These trends have been accelerated by the financial crisis of 2007/8 with the loss of many high street brand names, but there had been a gradual process taking place over several decades prior to that. In addition, this has been further compounded by the withdrawal of retail banking services from high streets as banks respond to customer preferences for internet and telephone banking options.</p>
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 Woolworth's was the only closure of significance. The loss of high street banks has been more significant in several Flintshire towns. This gradual decline in vitality has, in turn, impacted on the scale and vitality of the street markets in the County.</p>
1.03	<p>The Council has always actively supported town centres although funding resources have never been abundant. Originally, the Council was able to regularly draw down capital funding for property and environmental improvements from Welsh Government and the Welsh Development Agency.</p> <p>In 2008 the Council undertook a health check study to review the vitality and viability of the town centres and developed a regeneration approach that focussed on building the capacity of local partnerships to support their towns. The Council supported local groups to:</p> <ul style="list-style-type: none">• develop longer term approaches to regenerating their town centres;• secure small scale capital funding to tackle areas with poor environmental quality;• hold events and promote their town centres;• promote and interpret their heritage assets; and• support local businesses through networking and training. <p>The Council was able to capitalise upon these longer term approaches and local partnerships to secure capital funding from European and Welsh Government programmes (approximately £4m) to invest in the physical fabric of town centres. The Council was also successful in securing Heritage Lottery Fund and other funding to support the renovation of town centre properties in a number of towns through the Townscape Heritage Initiative programme. From 2014-2018 the Council was able to secure</p>

Welsh Government regeneration funding of £9m, available for the first time since the demise of the Welsh Development Agency, to support a mixture of housing and regeneration projects in Deeside. These funding packages supported the delivery of the programmes and projects summarised below.

- Major investment programme through Townscape Heritage Initiative renovated properties in Holywell town centre and Greenfield Valley.
- Masterplan for Flint to steer and co-ordinate investment by Betsi Cadwaladr University Health Board, Pennaf Housing and FCC to redevelop centre of the town including new primary health care facility, extra care housing scheme, replacement of maisonette units with high quality social housing. This was complemented by Townscape Heritage Initiative investment to renovate town centre commercial units and by the renovation of the Town Hall, former Court House and St. Mary’s Church and surrounding square.
- Masterplan for Buckley which supported case for retail investment in the town, helping to secure investment from Aldi UK, and also supported bids for funding for public realm improvements on Brunswick Road.
- Renovation of Daniel Owen Square in Mold to transform a tired urban space into an attractive multi-function public space that celebrates the legacy of the writer Daniel Owen.
- Improvements to the key gateway areas into Holywell from the surrounding area including routes into town from the outlying supermarkets.
- Grant schemes to improve shop fronts and bring empty properties back into use.
- Improvements to the public realm in Queensferry (Station Road and gateway areas), Shotton (Ash Grove car park, Charmley’s Lane car park and railway bridge underpass) and Connah’s Quay (Wepre Bridge and war memorial).
- Demolition of Civic Offices in Connah’s Quay to remove a redundant building and free up site for potential redevelopment.
- Redevelopment of eyesore Old Dairy site Connah’s Quay to facilitate the development of high quality social housing scheme.

Outside of the traditional regeneration funding streams, the Council has also been very successful in securing funding from Welsh Government for sustainable travel and has made major investments in cycling infrastructure to link communities in Deeside and more recently Holywell to areas of employment and to the wider leisure network.

1.04

At the May 2019 Cabinet meeting the strategic approach to town centre regeneration was agreed and included the elements summarised below. Activity undertaken since the May meeting is also highlighted.

1. *The Council will refresh the evidence base using the methodology from the 2009 health check study. This research is underway as part of the preparation of the Flintshire Local Development Plan.*

This has been completed.

- 2. Overall, developer interest, especially in retail and office investment, is extremely limited and land availability for development in many town centres is constrained. The Council will respond proactively to market interest in town centre investment and will actively seek to encourage investment wherever there are appropriate opportunities.*

The Council has responded to developer enquiries in a number of towns but generally developer interest remains both very limited and unambitious due to the challenges facing the retail sector. A masterplan has been developed for a potential development site in Mold and this will be consulted upon in February 2020.

- 3. Continue to support front line service outlets in town centre locations to enable access to Council (and partner) services whilst also helping to sustain footfall.*

The Council continues to support the Connects centres as well as important leisure facilities on the fringe of the town centres.

- 4. In order to support the physical adaptations needed to help town centres to adapt to the economic climate the Council will facilitate land use change.*

The Local Development Plan deposit draft has been prepared with policies to cover town centres and retail.

The Council secured funding in excess of £900k from a range of sources for a broad package of regeneration measures in Holywell focused around the reopening of the High Street to vehicle traffic as well as improvements to cycle routes and event infrastructure.

The Council has secured Welsh Government investment for transport infrastructure in Deeside which offers the opportunity to help to regenerate the retail areas.

- 5. The Council will support 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.*

Buckley - the Council has engaged with Town Council to review the plan for the town centre on a potential depedestrianisation trial.

Holywell - the Council is supporting both the Town Council with their aspirations for the town and the new market supporters group with building the scale of the street market.

	<p>Mold - the Council is supporting the Town Council and Friends group with their development of Bailey Hill.</p> <p>Flint - the Council is supporting the development of the foreshore area of the town including the potential construction of a visitor facility.</p> <p>6. <i>The Council will help businesses to adapt to the changing economic climate.</i></p> <p>The Council has secured grant funding through Welsh Government for Holywell for property redevelopment. Intensive engagement with property owners in Holywell is taking place to encourage redevelopment. Several schemes are currently in discussion. A shop front improvement grant scheme has also recently been launched in the town</p>
	<u>Strategic context</u>
1.05	Welsh Government town centre policy is starting to emerge and become more ambitious and offers new opportunities in Flintshire. New policy announcements are expected imminently from Welsh Government and are expected to include a "town centres first" policy for application across the public sector to encourage public facilities to be located in town centres wherever possible.
1.06	The Welsh Government Targeted Regeneration Investment (TRI) programme 2020-21 is in its third and final year but an extension is expected for 2021-22. The current regional plan prioritisation focusses on a small number (4) of settlements across North Wales based on their deprivation levels and therefore gives little resource to Flintshire. Small funding elements are available in Holywell (and have been used for depedestrianisation and property investment) and Shotton.
1.07	There is an increased Welsh Government focus on empty town centre properties with a refocusing of their loans programme (delivered through each local authority) and encouragement to local authorities to use their enforcement powers more fully to bring units back into use. Welsh Government will be supporting each area to develop an action plan for this work and will provide training and advice in support.
1.08	At the regional level, the Regional Leadership Board has prioritised town centre regeneration as an area for further development and this will be discussed in more detail at the March meeting of the Board. The North Wales Economic Ambition Board has also identified regeneration as a priority for action.
	<u>Proposed strategic direction in Flintshire</u>
1.09	Smaller town centres remain in difficult economic circumstances due to changing customer behaviours and the increased polarisation of the retail market with larger retailers choosing to focus on smaller and smaller

	<p>numbers of higher order centres. Key lessons from other towns in other areas include:</p> <ul style="list-style-type: none"> • the importance of working closely with local stakeholders; • that shopping is increasingly about experience, highlighting the need to manage the town centre with customers in mind - this is hampered by fragmented ownership and reduced public sector budgets; • the need for strong branding and promotion - but need to have something substantial and authentic to bring people to; • small businesses need support to adapt, especially digitally, and not all are able to; • small towns have too many retail units and need to diversify, especially in fringe areas; and • that there is still investment interest in town centres but that it tends to be for the better packaged opportunities.
1.10	<p>It is proposed that a more ambitious approach is taken, within the context of the strategic approach agreed in May 2019, to:</p> <ul style="list-style-type: none"> • review the long term plan for the regeneration of Buckley with Town Council; • pilot a depedestrianisation scheme in Buckley and make it permanent subject to feasibility, public consultation and available capital funding; • provide support to businesses including networking and learning opportunities; • identify opportunities to create green infrastructure in town centres; • continue to develop Active Travel initiatives for Welsh Government support; • develop clear brands for each town based on their strengths for use in marketing and investment materials; • support initiatives to encourage residents to spend more in their town centres; • continue to support the Flint Foreshore development; • continue to support the development of Mold Bailey Hill; • continue to support the develop of a Business Improvement District in Mold and its subsequent implementation if the businesses decide to proceed; • undertake an environmental audit of the Deeside town centre areas to identify opportunities for future redevelopment and environmental improvement; • investigate the feasibility of piloting a community ownership structure for town centre properties for Holywell; • support the growth of community enterprises and activities in town centre locations; • work with local stakeholders and traders to maintain and grow the strength of Mold and Holywell markets; and • undertake targeted promotional activity based on the main visitor assets in town centres.
1.11	<p>The scale of the regeneration service in Flintshire has reduced significantly due to budget pressures. The service currently employs a single full time officer. The service lacks the capacity to develop projects speculatively in case future funding opportunities arise which reduces the capital resources that may be available in the County in the future.</p>

	In addition, as identified above, there needs to be an increased focus by the service on tackling property issues in town centres to help them to adapt to the changing economic landscape, Welsh Government ambitions and to develop new and more sustainable land uses. This will require additional capacity and new skills. It is therefore proposed that the service employs an additional senior officer with experience in these areas.
1.12	<p>With this increased capacity it is proposed to:</p> <ul style="list-style-type: none"> • identify potential future development sites and develop options for their future assembly and redevelopment with a focus on : • 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 Hall Field site.
1.13	The enhanced approach to town centre regeneration is identified in the Council Plan as a strategic priority for the Council. This represents a step change in the approach by the Council that will allow a new strategic approach to regenerating each town to create more successful and sustainable places. Combined with the Welsh Government new policy approaches to prioritising town centres, the refreshed Council approach will encourage all parts of the Council to consider how, through their service delivery and spending, they can support the town centre regeneration agenda.

2.00	RESOURCE IMPLICATIONS
2.01	The additional resource required for the investment identified above would be £33,799 plus on-costs each year for a scale G06 senior officer. This would be an investment for a trial period of three years.

3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT				
3.01	<p>Ways of Working (Sustainable Development) Principles Impact</p> <table border="1"> <tr> <td>Long term</td> <td>The approach set out for town centre regeneration is a long term approach that will facilitate gradual change in the functions of town centres in response to macro-economic trends that have been in operation for many years and are contributing to their loss of vitality.</td> </tr> <tr> <td>Prevention</td> <td>The approach set out will help to prevent further weakening of the vitality and viability of the town centres.</td> </tr> </table>	Long term	The approach set out for town centre regeneration is a long term approach that will facilitate gradual change in the functions of town centres in response to macro-economic trends that have been in operation for many years and are contributing to their loss of vitality.	Prevention	The approach set out will help to prevent further weakening of the vitality and viability of the town centres.
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Integration	Neutral
Collaboration	The approach will require close partnership working with private owners and public sector bodies as well as town and community councils and community groups.
Involvement	Neutral
Well-being Goals Impact	
Prosperous Wales	Positive. Town centres are important sources of local employment and enterprise and also act as "shop-windows" to showcase the county to potential investors.
Resilient Wales	Neutral
Healthier Wales	Neutral
More equal Wales	Positive. Smaller town centres are disproportionately used by those with fewer options in terms of mobility or income.
Cohesive Wales	Neutral
Vibrant Wales	Neutral
Globally responsible Wales	Positive. Town centres can play a significant role in supporting local purchasing to reduce transport carbon.
<p>The Council Well-being Plan highlights the importance of places in building community resilience. As major centres for service provision, enterprise, social interaction and community activity healthy town centres are essential.</p> <p>Risks and mitigation</p> <ol style="list-style-type: none"> 1) Insufficient capital resources available to enable priorities to be met. <ol style="list-style-type: none"> a) Extra resource will enable limited available funding to be more fully utilised. b) Develop strong vision and project portfolios to encourage investment. 2) Low levels of engagement from remote property owners. <ol style="list-style-type: none"> a) Integrate use of funding opportunities with enforcement powers to encourage dialogue. 3) Risk associated with property redevelopment. <ol style="list-style-type: none"> a) Commission external specialist knowledge to inform decision making. b) Make use of Welsh Government development funding wherever possible to develop projects to high level. 	

4.00	CONSULTATIONS REQUIRED/CARRIED OUT
4.01	All projects in the town centres, where not commercially sensitive, will be subject to local stakeholder consultation.

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>Business Improvement District (BID) - a business-led organisation tasked with delivering a programme of pre-agreed projects and services funded by investments by the businesses in that location.</p> <p>Masterplan - a plan which sets out the aspirations for a site in terms of buildings, scale, uses and design. It is used to guide the next steps in the development process to steer developers towards outcomes that bring stronger benefits to the town and the community.</p> <p>Welsh Government Targeted Regeneration Investment (TRI) programme - a capital programme operating currently in the financial years 2018-19, 2019-20 and 2020-21 with £100m allocated over this period across Wales.</p>