



Item No.

NORTHAMPTON
BOROUGH COUNCIL

CABINET REPORT

Report Title	Regeneration and Growth Studies Proposal for LABGI
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AGENDA STATUS: PUBLIC

Cabinet Meeting Date:	1 October 2007
Key Decision:	YES
Listed on Forward Plan:	YES
Within Policy:	YES
Policy Document:	NO
Directorate:	People, Planning and Regeneration
Accountable Cabinet Members:	Richard Church/Malcolm Mildren
Ward(s)	Not Applicable

1. Purpose

1.1	This report identifies the feasibility studies that need to be undertaken to progress regeneration and Growth in the Borough, and includes a recommendation that Local action Business Growth Initiative (LABGI) funding is released to fund these studies.
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2. Recommendations

2.1	Cabinet agree that the feasibility studies identified in this report can be funded from the Corporate Initiatives (LABGI) earmarked reserve.
2.2	Cabinet approves the following virements of £173,000 from the Corporate Initiatives (LABGI) earmarked reserve as <u>match funding</u> for the following:- <ul style="list-style-type: none"> • £25,000 for the Greyfriars Bus Station Demolition appraisal • £48,000 for the St Johns Masterplan • £30,000 for the Car Parking Strategy • £10,000 for the Market Square consultation and option appraisal

- £10,000 for the Town Centre Shop Front Survey
- £30,000 for the Future Pattern Of Leisure Provision.
- £10,000 for the Town Centre Retail Study (niche markets)
- £10,000 for the St John's Business Start Up Initiative

2.3 Cabinet approves additional virements from the Corporate Initiatives (LABGI) earmarked reserve on the condition that bids for match funding/grants from external bodies for these purposes are unsuccessful. This is on the understanding that bid for match funding/grants from external bodies are currently not confirmed. This is an additional sum of up to £215,000 would ensure the reports can be undertaken as follows:

- £100,000 for the Market Square consultation and option appraisal
- £30,000 for the Town Centre Shop Front survey
- £25,000 for the Future Pattern of Leisure Provision
- £30,000 for the Town Centre Retail Study (niche markets)
- £30,000 for the St John's Business Start Up Initiative

3. Issues and Choices

3.1 Report Background

3.1.1 To promote Economic Development and Growth in Northampton is a corporate priority for the Council and in order that this may be addressed appropriately it is necessary to undertake a number of appraisals and master planning exercises to progress projects and enable informed decision making.

3.1.2 Under the legislation, regulations, and guidance that apply to local government these costs cannot be treated as capital. It is therefore necessary to identify revenue funding with which to undertake these pieces of work.

3.1.3 To minimise the impact on the Council, bids have been submitted to EMDA and NEL for up to 75% match funding to take this work forward. These bids are in competition with others from other Authorities across the Region and County respectively. Should these bids be unsuccessful, the Council can choose to continue with the work and fund them itself, or alternatively not to undertake them.

3.1.4 In the absence of a Regeneration & Growth revenue budget for this purpose, discussions with the Chief Finance Officer have led to the proposal that a bid be made for funding from the Corporate Initiatives (LABGI) earmarked reserve for the purpose of undertaking the work in 2007-08.

3.2 Issues

3.2.1 There are two groups of work for which LABGI funding is being sought.

3.2.2 The first group consists of appraisals and master plans that have already been approved by Cabinet, but for which funding needs to be approved.

Description	Funding from NBC	Match Funding Bid	Total
	£,000	£,000	£,000
Greyfriars Bus Station Demolition Study	25	64	89
Masterplanning of St John's Cultural Quarter	48	0	48
Total	73	64	137

3.2.3 The Greyfriars Bus Station Demolition Appraisal was agreed by Cabinet at its meeting of 5 July 2007. Match funding of £64,000 has been approved by EMDA in July 07.

3.2.4 It is therefore proposed that LABGI funding of £25,000 be approved for the Greyfriars Bus Station Demolition Appraisal.

3.2.5 The Masterplanning of St John's Cultural Quarter was approved by Cabinet at its meeting on 5 June 2007. Under the terms of a funding agreement with EMDA, the Council is obliged to undertake this work and risks losing a grant to the value of £2m if the work is not undertaken.

3.2.6 It is therefore proposed that LABGI funds of £48,000 be approved for the St Johns Cultural Quarter Masterplan.

3.2.7 The second group consists of a number of other works that are deemed essential to progress economic development, regeneration and growth in the Borough.

3.2.8 **Car Parking Strategy for Northampton** – Work is needed on a car parking strategy to ensure that current capacity of both on and off-road car parking is understood and that sufficient capacity is retained during the regeneration of the town centre and that current business does not suffer from lack of trade if existing car parks are redeveloped. The strategy will also ensure that the long-term vision for car parking is considered and planned for and that the future revenue income for both NBC and NCC is understood.

3.2.9 Northampton Town Centre Niche Retail Study – Currently 18 % of people living in the south of the town shop in Milton Keynes rather than in Northampton. These and other potential customers need to be attracted back into the town centre to promote the local economy. Northampton already has a modest but effective niche retail offer predominantly in the St Giles quarter. It is anticipated that this should be supported and grown in support of a better overall retail offer for Northampton. A study is needed to identify what niche retail shopping Northampton should offer by looking at demand for a variety of themes and identify specific shops that could be enticed to set up in Northampton. This work would identify options for niche market styles and themes, identify demand by evaluating credit card spend and, critically, prove demand in Northampton to potential new retailers. Without this study the commercial assessment to help fully understand the existing niche retail and give clarity to how this should be targeted could provide a risk that Northampton could fall further behind as a shopping centre.

3.2.10 Northampton Future Pattern Of Leisure Provision – The work is needed to identify in detail the shortfall in current leisure facilities, project future demand and develop a business case to create a major new facility. NCC also wants to investigate and understand swimming facilities and, in particular school swimming capacity. WNDG are also interested in this work, so there is a good opportunity for joint working to find a shared solution. This project relates to an important element of the towns future infrastructure and economic development.

Without this study Northampton is in danger of not progressing leisure facilities to meet the demand arising from the growing population. This study will also facilitate the Council's bids for future Government funding.

3.2.11 Business Start up/Incubator Facility for the Cultural Quarter – A feasibility study, and business plan, is needed to further the aspiration for a business start up/incubator facility that houses art, fashion, and creative studios in the St Johns area of the town. It is envisaged that the studios are open for the public to buy the goods created and to provide a link between the graduates of the School of Arts in the University of Northampton and creative employment opportunities in the town. The studios would also help create an important Niche shopping offer in the town centre.

Without this work there would not be a strong creative element to the scheme, which would therefore have to rely on commercial opportunities resulting in a weakened cultural quarter.

3.2.12 Market Square - Northampton's Market Square and Abington Street is seen as the centrepiece of the town around which regeneration and growth will be focused. The market square currently has fixed market stalls and limited alternative use. It has great potential as a flexible space for a programme of events bringing life into the town centre. Investigative work is needed to unlock the regeneration potential looking at options for use, formats and operation. The report would need to look at how the current market operates and options for how it could continue into the future. Also what other operations/events could take place in the square a flexible space provide outline designs for a preferred option taking in a consultation exercise. Also, at a later stage, a review of Abington Street looking at issues and options relating it back to the Market Square.

This work is considered an important contributory part of the regeneration of Northampton Town Centre and supportive of the LAA plans. Without funding, the optimal planned regeneration of the Town Centre could be missed.

3.2.13 **Shop Fronts** – This is closely related to the Market Square study and relates to working with the retail community regarding the aesthetics of the shop fronts in the town centre.

3.2.14 The anticipated funding for all of these emerging studies is set out in the table below.

Description	Funding from NBC	Match Funding Bid	Total
	£,000	£,000	£,000
Car Parking Strategy for Northampton	30	0	30
Northampton Town Centre Niche Retail Study	10	30	40
Future Pattern Of Northampton Leisure Provision	30	25	55
Business Start up/Incubator Facility for the Cultural Quarter	10	30	40
Market Square	10	100	110
Shop Fronts	10	30	40
Total	100	215	315

3.2.15 LABGI funding is sought for the NBC element of these studies totalling £100k in support of the corporate priorities for regeneration.

3.2.16 It is recommended that these projects start as soon as possible. Therefore, as it is uncertain whether the current bids to EMDA (East Midlands Development Agency) and NEL (Northamptonshire Enterprise Ltd) will be successful, LABGI funding is also sought to cover the element of costs for which these match funding bids are unsuccessful.

3.2.17 Corporate Initiatives Earmarked Reserve (LABGI funding)

		£,000
	LABGI Balance as at 01.04.2007	860
<i>Less:</i>	Funding for Town Centre Enhancements	(12)
<i>Less:</i>	Funding for Park Ranger service (amended)	(100)
<i>Less:</i>	Funding for Sheep Street Public Toilets	(50)
<i>Less:</i>	Funding for Delapre Abbey*	(40)
<i>Less:</i>	Funding for Sunday Parking changes to charging	(47)
<i>Less:</i>	Remaining 100 day funding	(88)
	Total estimated LABGI balance at 31.08.2007	523

* A further £2,750 will be required in 2008/09 for Delapre Abbey

Approval of the recommendations in this report would leave £135k remaining LABGI funds.

3.3 Choices (options)

3.3.1 Cabinet is requested to approve the use of the Corporate Initiatives Earmarked Reserve (LABGI funding) for the Greyfriars Bus Station Demolition Appraisal and the Master Planning of the St John's Cultural Quarter, totalling £73,000.

3.3.2 Consideration is given to the other projects proposed in this report and whether funding from the Corporate Initiatives Earmarked Reserve (LABGI funding) should be granted to fund the NBC element of them or a selection of them totalling £100,000.

3.3.3 Cabinet is requested to consider agreeing to fund any unsuccessful match funding bids relating to these studies from the Corporate Initiatives Earmarked Reserve (LABGI funding) up to a total value of £215,000.

3.3.4 Cabinet could decide not to fund some or all of the projects, but this would prejudice the regeneration initiatives described in this report.

4. Implications (including Financial Implications)

4.1 Policy

4.1.1 The projects arrived in this report are considered essential in support of the Council's Corporate objectives and priorities.

- Investment in quality jobs for Northampton.
- Building on existing strengths and weaknesses.
- Developing and strengthening the boroughs markets.
- Diversifying specialisation in the Borough's industries.
- Attracting and retaining high skills and skilled organisations.
- Promoting a vibrant education sector including higher education.
- A distinctive 'knowledge city' offer.
- Strong connectivity of transport and communication.
- Strong leadership united around a shared vision.
- Investing in communities and tackling social exclusion.

4.2 Resources and Risk

4.2.1 This report requests funding from the Corporate Initiatives Earmarked Reserve (LABGI funding).

4.2.2 The service undertakes to return any unused element of the funding to the reserve.

4.2.3 If the funding is not made available, there is a risk that regeneration will not be able to proceed and put at risk, securing further external funding and confidence in Northampton's renaissance.

4.2.4 If the LABGI funding is made available for these studies it will not be available for alternative uses that may arise later in the year and may be a higher priority for the Council.

4.3 Legal

4.3.1 There are no legal implications arising from this report.

4.4 Equality

4.4.1 An Equalities Impact assessment will be made prior to each piece of work.

4.5 Consultees (Internal and External)

4.5.1 Chief Executive and Directors have been consulted at Management Board.

4.5.2 EMDA and NEL have been consulted via the bids put to them for financial support for these projects. WNDC have been consulted.

4.5.3 The projects themselves will involve consultation with various stakeholders.

4.6 How Proposals Deliver Priority Outcomes

4.6.1 The proposals will inform and, in some cases, provide business cases for the effective regeneration of the town and support of key current and proposed regeneration projects.

4.7 Other Implications

4.7.1 Not applicable

5. Background Papers

- Economical Strategy NBC Cabinet paper 1st October 2007
- Regeneration paper to Cabinet 19th December 2006
- Report to NBC Management Board 6th September 2007

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and**

**Rebecca Thomas, Assistant Head of Finance – Financial Management and
Planning, ext 8046**

Regeneration and Growth Studies, Funded by LABGI

A1 Cost of Studies to be Funded

- Funding is requested for a total of £442,000
- Bids for partial external funding have been submitted to various bodies as shown below
- Any monies received as a result of these applications will reduce the actual amount required.
- If all external funding applications are successful the total amount required will be £125,000

Subject	Potential External Funding £000's	Potential NBC Contribution	Total Funding Required £000's
St Johns – Business Start Up	30	10	40
Retail Niche markets	30	10	40
Town centre shop front study	30	10	40
Leisure Study	25	30	55
Car Parking Study	0	30	30
Market Square	90	10	100
* Greyfriars Bus station – Demolition Advice	64	25	25
* St Johns Masterplan	0	48	48
Totals	269	173	378

A2 Approved But Not Funded

* Cabinet has approved those studies marked * but funding has not yet been sourced. It is proposed to fund these from the LABGI monies.