

03 June 2014**Agenda Item: 8****REPORT OF GROUP MANAGER, CORPORATE STRATEGY****TOWN CENTRE INITIATIVES 2014-15****Purpose of the Report**

1. To consider funding proposals for support for town centre initiatives in Nottinghamshire in 2014-15.

Background

2. Committee agreed its overall budget and broad headings for initiatives over 2014-15 at its meeting in March 2014. At that meeting, up to £60,000 was allocated towards town centre initiatives.
3. The Economic Development Strategy Delivery Plan Ambition 13 is to support Nottinghamshire's thriving towns and service centres. Two activities were identified initially: (a) Work with Borough and District Council partners to identify towns and service centres that would benefit from the masterplanning approach. (b) Develop plans for Mansfield to improve the sustainability and viability of its town centre.

Proposals for town centre work 2014/15

4. Under the heading to **Develop Plans for Mansfield to improve sustainability and viability of its town centre**, the proposal is to support collaboration with the Heritage Team that will lead to economic outcomes and improved sustainability in Mansfield. Mansfield was selected for this approach owing firstly to need, based on the prevalence of industrial heritage assets in the town. In addition, there are identified future opportunities to secure external funding via the Heritage Lottery Fund's new Heritage Enterprise programme for the protection of industrial heritage buildings and bringing them back into productive economic use. The HLF funding stream offers up to £5m in potential grant support. There is also a planned programme of skills and training in heritage skills at the local FE college, Vision West Nottinghamshire, which would offer future synergies and possibility to tie in both capital development with local skills development.
5. The Heritage Enterprise programme of the Heritage Lottery Fund is a new scheme launched last December. It offers grants of up to £5million to repair and adapt a historic building or a coherent group of historic buildings for an

end-use that generates a sustainable commercial income. Preference is given to schemes that involve opportunities for people to develop skills and learn about heritage during the lifetime of the project, and that are located within areas experiencing economic disadvantage. The guidance does not prescribe what the economic uses might be, but it does indicate an expectation for additional income for businesses based in the historic buildings included, and wider economic benefit for businesses in the vicinity. An analysis of the commercial viability of the improved building is an essential part of the funding application.

6. Analysis will be conducted on heritage assets in Mansfield town centre alongside scoping work into their future economic use. This project will have the dual benefit of protecting and conserving heritage within Mansfield and working towards bringing these resources into productive economic use, taking account also of future long term sustainability issues. The budget for this activity is proposed to be set at £20,000 contribution from Economic Development. The work will be managed by the local Business Improvement District to ensure local ownership and direction for the work, with facilitation by Nottinghamshire County Council.
7. Under the heading **Work with partners to identify towns and service centres that would benefit from masterplanning approaches**, it is proposed to commission base-line research into the economic situation in locations where infrastructure projects are planned by the County Council. Such assessment would cover footfall, commercial vacancy rates, property values, employment, identification of public services located in the vicinity which can also help to draw footfall (e.g, libraries, health centres).
8. This proposal is based on research undertaken by National Management Trainees relating to the economic impact of capital investment in infrastructure, which found a lack of information relevant to Nottinghamshire. National Management Trainee staff conducted research into the economic impact of capital investment in infrastructure, using a definition of economic development that covered economic vibrancy, employment growth and housing growth. The project looked at three types of infrastructure: local centre improvements, public transport interchange and cycle routes.
9. Local centre improvements were found to lead to improved economic performance and vibrancy in a local area. However while there is a considerable portfolio of case study evidence that helps to exemplify this, it is difficult to translate this belief into quantifiable results. The most promising avenues involve utilising Key Performance Indicators (KPIs) around footfall, property value and vacancy rates. These can baseline the performance of Local Centres, and help identify increased economic vibrancy once improvements are complete. Public Transport Interchange investment was also found to have a general positive impact on economic development, although studies tended to focus on larger capital schemes. Research on the economic impact of Cycle Routes was generally focused on promoting tourism, rather than access to employment. Some specific methodologies were found which utilised cycle counters to help determine the net economic

benefit of cycle routes in terms of overall spend and job creation. There was also significant untapped demand for cycle routes to work, with economic gains generated from the likelihood of cyclists to “stop and spend” compared to drivers.

10. A large degree of economic evidence provided from the benefits of these infrastructure projects involved the utilisation of quantifiable data. This data is somewhat lacking in regards to projects in Nottinghamshire, making it difficult to evidence their economic impact. Acquiring such evidence is critical in developing robust business cases and delivering future external funding bids. The project therefore concluded that further base-lining work should be undertaken in order to provide the necessary evidence.
11. Schemes were identified for the approach in consultation with the Highways Department to take account of future work plans. They are Worksop Bus Station, Hucknall Inner Relief Road, Retford Railway Station and a physical environmental improvement scheme within a townscape (location to be confirmed depending on schedule of future work). The cost of commissioning the research is estimated at £15,000.
12. There would be an implied future commitment to fund further follow up research on completion of the selected schemes, so that there can be a judgement about the economic benefit actually derived. Such studies must also be viewed in the wider context. In general, footfall in town centres is declining (in the face of online trading), so “success” might be in stemming or reducing the comparative decline, rather than in increasing footfall.
13. Commissioning this activity will enable the Council to develop robust measurements which will demonstrate the economic benefit of capital investment in town centres. Benefits will include being able to support future bids to secure external funding. Being able to state the impact of other schemes in Nottinghamshire will assist in being able to make a strong case for schemes seeking funding. With the D2N2 SEP and European funding strategies in preparation and due to come on stream from 2015, this is timely. The data will be key to assist colleagues in Highways with infrastructure development and thus the benefits will be cross-cutting within the County Council.
14. The above two elements proposed for approval together cost £35,000, which would leave £25,000 in the budget for other town centre-related activities. Two pilot initiatives have been explored, either of which could be scaled up should Committee have a preference to support one of the activities rather than both. Details are given in the table below, but in brief they are as follows:
 - a. Pilot of teenage markets in two Nottinghamshire town centres, building on a successful markets / events model developed in Stockport. Estimated cost £10,000.
 - b. Voucher scheme for independent retailers to support them to develop their offer / brand and therefore to sustain town centre vibrancy. Estimated cost £15,000.

Option	Business Case	Estimated Amount	Considerations
1. Development of teenage markets in Notts to encourage entrepreneurship amongst young people as well as developing vibrancy within town centres.	Teenage markets are being successfully piloted in the UK in locations as diverse as Stockport and Salisbury. They may be either attached to a regular market or held as a special event, and are most successful where they incorporate both retailing <u>and</u> performance, to give a festival-type atmosphere. The overall objective is to harness energy and creativity of young people, giving them access to real life trading opportunities to build on their typical trading activity on online platforms like ebay and etsy. Benefits of this approach include development of entrepreneurial activity among young people, opportunities for young people to enhance their skills and find outlets for their creative endeavours, enhancement of town centre vibrancy, and potential recruitment of future market traders, where average age is increasing.	£10,000	<p>Depends on further consultation with both local FE providers (as the key interface with young people in the 16-20 age range that would be the primary target for this type of activity) and with district partners as market managers.</p> <p>Experience elsewhere also indicates that young people must be involved in a leadership role in order for this type of market to be successful. FE providers would hopefully provide a route to young people interested in this type of activity; 4Uth / other NCC youth initiatives could be alternatives.</p> <p>Actual location of the market(s) would need to be selected based on the initial interest from young people.</p>
2. Professional / consultancy voucher scheme for independent retailers Vouchers would pay for professional advice / support to improve the retail offer, e.g:	CLES (Centre for Local Economic Strategies) research shows that for every £1 spent locally around 50p - 70p of that money recirculates back into the local economy, compared to just 5p in every £1 spent out of town or online. Supporting local independent retailers to	£15,000 upwards With a typical voucher of £1000, an	<p>This activity is focused on retail specifically, rather than on mixed use of town centres</p> <p>Using local consultants / suppliers would be subject to this being achievable within procurement rules</p>

<ul style="list-style-type: none"> • Product presentation of their products (e.g. displays, window dressing, shop lighting and layout), • customer loyalty schemes (e.g. coupons, loyalty cards) • integration of technology as a sales tool (e.g mobile phone apps, use of social media). 	<p>improve their offer will assist them in maintaining their presence and increasing sales, with knock-on effects to the local economy.</p> <p>A voucher approach gives a flexible approach enabling adjustment to the offer depending on demand. Ideally, suppliers participating will be Nottinghamshire based, in an effort to create local supply chains.</p>	<p>allocation of £15000 would enable 15 independent retailers to be assisted.</p>	
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Other Options Considered

15. The options are contained in the report.

Reason for Recommendation

16. To support the Committee in meeting its priorities regarding town centre development as approved at its March 2014 meeting.

Statutory and Policy Implications

17. This report has been compiled after consideration of implications in respect of finance, equal opportunities, human resources, crime and disorder, human rights, the safeguarding of children, sustainability and the environment and those using the service and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Financial Implications

18. Members set a ceiling of £60,000 for town centre related work within the Economic Development budget for 2014/15. Approval of the Mansfield proposal set out above would leave £40,000 for allocation to selected activities within the identified options.

RECOMMENDATION/S

19. It is recommended that the Economic Development Committee:

- a) Agrees an allocation of £20,000 to support activities in Mansfield during 2014/15 and £15,000 to conduct baseline economic research to inform forthcoming infrastructure projects in the County;
- b) Seek views on the two options given at paragraph 14 as potential innovative approaches that need more work and determine whether Committee is interested in pursuing these.

Report of the Group Manager, Corporate Strategy, Celia Morris

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Constitutional Comments (NAB 22.05.2014)

Economic Development Committee has authority to approve the recommendations set out in this report by virtue of its terms of reference.

Financial Comments (NR 22.05.2014)

The financial implications are set out in paragraph 5 and referred to throughout the report.

Background Papers and Published Documents

None

Electoral Division(s) and Member(s) Affected

All