

Enquiries to:
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Date: 29th August, 2019

Dear Sir/Madam,

Cabinet – 4th September, 2019

I refer to the meeting of Cabinet to be held on Wednesday, 4th September, 2019 and under Agenda Item 13 - Any Other Items, Cabinet will be asked to consider the following urgent decision:

Town Centre Regeneration – Procurement of a Development Partner

Yours faithfully,

Brent Davis

Executive Director - Operations

To: Members of Cabinet

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|----------------------------|--|
| Councillor J.A. Jackson | (Finance & Civic Affairs (Leader)) |
| Councillor N.J.P. Phillips | (Planning, Development & Health (Deputy-Leader)) |
| Councillor I.K. Lloyd | (Arts & Leisure) |
| Councillor J. Sheppard | (Central Services & Refuse) |
| Councillor C. Watkins | (Housing & Communities) |

Cabinet/Individual Cabinet Member Decision

Report Summary Sheet

Date: 4th September 2019

Subject: Town Centre Regeneration – procurement of a development partner

Portfolio: Finance and Civic Affairs

From: Executive Director – Resources and Executive Director - Operations

Summary:

Following the announcement on the 26th August that the Council has been shortlisted for the expanded Future High Streets Fund. This report seeks Cabinet's approval to carry out a procurement exercise to engage a suitable development partner for the conversion of the Co-op building in Nuneaton Town Centre. This is in order to support the Council's business case for the Future High Street Fund.

Recommendations:

That Cabinet approve that a procurement process be undertaken in order to engage with a suitable development partner for the regeneration of the Co-op building with the potential to expand this to other sites of the Transforming Nuneaton Masterplan.

That income and expenditure budgets of £150,000 be created within the Finance and Civic Affairs portfolio to enable the Future High Street Fund business case development grant that is to be awarded to the Borough Council to be spent in the most appropriate way to ensure a comprehensive business case is prepared within the timescales.

That subject to the approval of the recommendation at 2.1, the report be marked not for call in due to the Government's timescales involved in developing and submitting a business case for the Future High Street Fund.

Options:

1. To accept either recommendations
2. To reject the recommendations and ask for further information, bearing in mid the timescales.

Reasons:

To enable the Council to develop a full capital business case to meet the Government's criteria and timescales set out in the Future High Streets Fund guidance

Consultation undertaken with Members/Officers/Stakeholders

- Consultation has taken place with the;
- Portfolio Holder Planning and Development;
 - Chair of the Internal Overview and Scrutiny Panel
 - Strategic Creditors and Procurement Manager

Subject to call-in:

No

Ward relevance:

All

Forward plan:

Yes

Delivering Our Future Theme:

- 1 – Transformation
- 3 - Investment

Delivering Our Future Priority:

- T1 – Priority 1
- T3 - Priority 2

Relevant statutes or policy:

No particular statutes or policy.

Equalities Implications:

No direct equal opportunity implications.

Human resources implications:

No direct human resources implications.

Financial implications:

The Council will receive a grant of up to £150k to prepare a full business case. If successful the Council may receive a capital grant of up to £25m. Any costs related to the development partner will be reflected in the final business case.

Health Inequalities Implications:

No direct Health Inequalities implications.

Section 17 Crime & Disorder Implications:

No direct Section 17 implications.

Risk management implications:

Failure to improve the Town Centres will have an impact on economic growth and the Council's income streams from car parking and business rates.

Environmental implications:

No direct Environmental 17 implications.

Legal implications:

The Council will be required to follow OJEU procurement regulations to engage a development partner.

Contact details:

Simone Hines – Executive Director – Resources (02476 376182)

Brent Davis – Executive Director – Operations (02476 376347)

NUNEATON AND BEDWORTH BOROUGH COUNCIL

Report to: Cabinet - 4th September 2019

From: Executive Director – Resources and Executive Director – Operations

Subject: Town Centre Regeneration – procurement of a development partner

Portfolio: Finance and Civic Affairs (Cllr J Jackson)

Delivering Our Future Theme: 1 and 3

Delivering Our Future Priority: T3 and T2

Approval has been received from the Chair of Internal Overview and Scrutiny Panel that a decision needs to be taken as a matter of urgency due to the timescales involved in submitting a Business Case for the next stage of the Future High Streets Fund.

1. Purpose of Report

1.1 To seek Cabinet approval to carry out a procurement exercise to engage a suitable development partner for the conversion of the Co-op building in Nuneaton Town Centre. This is in order to support the Council's business case for the Future High Street Fund.

2. Recommendations

2.1 That Cabinet approve that a procurement process be undertaken in order to engage with a suitable development partner for the regeneration of the Co-op building with the potential to expand this to other sites of the Transforming Nuneaton Masterplan.

2.2 That income and expenditure budgets of £150,000 be created within the Finance and Civic Affairs portfolio to enable the Future High Street Fund business case development grant that is to be awarded to the Borough Council to be spent in the most appropriate way to ensure a comprehensive business case is prepared within the timescales.

2.3 That subject to the approval of the recommendation at 2.1, the report be marked not for call in due to the Government's timescales involved in developing and submitting a business case for the Future High Street Fund.

3. Background

- 3.1 In March 2019 the Council submitted an Expression of Interest to the Ministry of Housing, Communities and Local Government's (MHCLG) £625m Future High Street Fund (FHSF), which is aimed at the regeneration of town centres and high streets.
- 3.2 Unsurprisingly, the fund was heavily oversubscribed with every eligible area in the country submitting an Expression of Interest. In July the government announced those Councils that had been shortlisted for the next stage and unfortunately Nuneaton and Bedworth was not shortlisted at that stage.
- 3.3 On the 26th August 2019 MHCLG announced that the FHSF was being expanded to £1bn, using funds from the recently announced £3.6bn Stronger Towns Fund. Applications from an additional 50 councils, including Nuneaton and Bedworth, were shortlisted to go through to the next stage.

4. Next Steps

- 4.1 The Council will receive a grant of up to £150,000 towards the development of a full capital investment business case. This grant can be used to engage consultants to assist with the business case preparation and can also be used to fund internal resource if there is sufficient capacity. The business case will then be assessed across a number of criteria and successful applications could receive a capital grant of up to £25m. This will be a very competitive process and is likely to be over-subscribed.
- 4.2 The business case will need to cover five areas, which are:
 - Strategic Case
 - Economic Case
 - Commercial Case
 - Financial Case
 - Management Case
- 4.3 We are awaiting further detailed guidance and a business case template, which is expected in early September. We will also be allocated a Delivery Manager from MHCLG to assist with the process.
- 4.4 In terms of timescale, MHCLG have asked for indicative scheme costs by 8th November 2019, with a draft business case on the 15th January 2020. The final business case is then to be submitted by 30th April 2020.
- 4.5 The initial guidance that has been issued suggests that if councils have any 'shovel ready' schemes they should inform MHCLG at an early opportunity as an earlier decision on funding may be possible although

not guaranteed. A business case for such schemes would need to be submitted by the end of November 2019.

- 4.6 The intention is to focus our Nuneaton town centre bid on two sites within the area covered by the Transforming Nuneaton project – the 'Bridge to Living' site on Bridge St, close to Vicarage St, and development of the Co-op building on Abbey St/Queen's Rd. Officers are of the view that the development of the Co-op building could be made 'shovel ready' fairly quickly, but that we would need to engage a suitable regeneration partner to assist us with our proposals and viability.
- 4.7 Due to the likely values involved in engaging a suitable development partner, an OJEU procurement exercise will be required to do this, and given the timescales for the FHSF bidding process, this procurement exercise needs to be started as a matter of urgency. Cabinet is therefore asked to approve that a procurement process is conducted as soon as possible to engage with a suitable regeneration partner and enable the Council to develop a business case that meets the criteria and timescales set out in the FHSF process.

5. Appendices

5.1 None

6. Background Papers

6.1 None