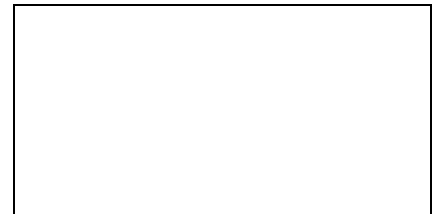


**Calderdale MBC**

**Wards Affected      Town, Elland & Sowerby Bridge**

**Cabinet                      August 2022**



## **Future High Street Fund and Heritage Action Zone Initiatives**

### **Report of the Director of Regeneration & Strategy**

#### **1. Purpose of Report**

- 1.1 To update Cabinet Members on the progress made since the acquisition of external grant funding from the Future High Street Fund (FHSF) and Heritage Action Zone (HAZ) Programmes.
- 1.2 The report demonstrates how this funding investment directly links to one of the Council's three corporate priorities, Strong and Resilient Towns, which support the delivery of our Vision 2024. Our vision will ensure that Calderdale is a distinctive place where residents can realise their potential whoever they are, and where talent and enterprise can thrive.
- 1.3 The report requests approval to formally accept grant funding from the FHSF and HAZ in order for the Council to act as Accountable Body for these initiatives in Calderdale.
- 1.4 The report seeks further approval to delegate operational control for delivery of projects associated with HAZ and FHSF, alongside governance and required business case approval to the Director of Regeneration and Strategy in consultation with the relevant Portfolio Holder and Head of Finance.

#### **2. Need for a decision**

- 2.1 Cabinet approval is required to formally accept external FHSF and HAZ grant monies awarded to Calderdale Council by the Department of Levelling Up, Housing and Communities (DLUHC) and Historic England.
- 2.2 Support was previously provided by Cabinet for the acquisition of grant funding associated with the programmes above. Approval of the current scope and activity associated with these programmes is required from Cabinet prior to commencement of the next delivery stages.
- 2.3 Cabinet approval is required to delegate authority for programme governance and delivery to the Director of Regeneration and Strategy in consultation with the relevant Portfolio Holder and the Head of Finance.

### **3. Recommendation**

- 3.1 Cabinet notes the progress made to date on the FHSF and HAZ initiatives.
- 3.2 Cabinet approves the acceptance of grant funding from the FHSF and HAZ in order for the Council to act as Accountable Body for these initiatives in Calderdale.
- 3.3 Cabinet approves the current project scope and deliverables for the FHSF and HAZ initiatives detailed in the report.
- 3.4 Cabinet approves the delegation of operational control for delivery of projects associated with HAZ and FHSF, alongside governance and required business case approval to the Director or Regeneration and Strategy in consultation with the relevant Portfolio Holder and Head of Finance.

## 4. Background and/or details

### Future High Street Fund

- 4.1 In December 2018, the Government invited Towns and Cities across the UK to apply for the FHSF, a grant specifically designated for investment in high street and town centre improvements. The FHSF initiative was administered through the DLUHC via a Green Book compliant assessment process.
- 4.2 Following a rigorous application process, the Council secured grant funding for both Elland and Halifax in December 2020. The DLUHC awarded Calderdale 69% of the funding applied for.
- 4.3 The Halifax FHSF bid sought funding for a package of works to:
- Support the revitalisation of key historic buildings, sustaining their future purpose.
  - Develop connectivity through the town linking assets in an inventive, accessible way.
  - Ensuring visitors and residents move easily around the town, linking from the railway station, Eureka and The Piece Hall through the retail areas up to Georges Square, Commercial Street and the Bull Green area.
  - Create new event space and improved public realm; working with the cultural heritage of the place to develop new talent for the future economy.
  - Widen opportunities to encourage more people to live in the centre.
  - To focus funding on key areas within the Town Centre which have not benefitted from previous development and funding.
- 4.4 The projects from the Elland FHSF bid will enable the pedestrianisation of the core Southgate area to make it feel safer, look more attractive and encourage new business and increased footfall from all sections of the local community. The provision of seating, places to shelter and green space will increase dwell time and family-friendly appeal of the area. Elland is currently dominated by vehicles. The vision is to reconfigure road layouts, reduce the width of carriageways and introduce new and widened pavements. This will reduce the perception of poor road safety, create welcoming gateways that are easily accessible on foot and by bike and enhance circulation within the centre. Enhancements to the Market Square are also proposed. Refurbishment is also being undertaken of a local community asset building (Cartwheel Club). This will bring the building back into use as a multifunctional hub for services.
- 4.5 Funding from the FHSF awarded to the Council for Halifax and Elland equates to **£11.7 million** and **£6.3 million** respectively (£18 million in total). The first tranche of funding was received in September 2021.
- 4.6 Staffing resources to implement projects under the FHSF are now in place, alongside relevant consultant support. Governance arrangements for the projects have also been set out, with Elland and Halifax initiatives managed

through the Halifax Town Centre Regeneration Programme within the Major Projects Service.

- 4.7 Work has been undertaken by project teams to re-engineer proposed projects in light of the lower bid amount awarded by DLUCH and the impact of unprecedented construction inflation. The dossier of projects associated with Elland and Halifax FHSF initiatives is shown in appendix A.
- 4.8 As these projects are now ready to progress to more detailed design and consultation phases, it is now an appropriate point for Elected Members to review and approve the revised programme scope for Elland and Halifax and to formalise Accountable Body and governance arrangements.

#### Heritage Action Zone (Sowerby Bridge)

- 4.9 HAZ funding of £1.998 million was secured from Historic England in early 2020. These grant monies were assigned to the Council to deliver capital works which focus on the historic fabric of Sowerby Bridge town centre over a consecutive four-year period.
- 4.10 The aim of the HAZ programme is to unlock the talent and enterprise in Sowerby Bridge by investing in its historic high street, heritage and community; bringing new investment and jobs to the town centre. Furthermore, the programme aims to maximise social value by creating connections between the heritage of Sowerby Bridge and the community.
- 4.11 Work on the programme has been progressing since 2020 through the Economy Housing and Investment (EH&I) Service. To date, two major capital projects within the programme have received their full funding allocation. Both the Fire and Water complex (the former Council offices, swimming pool and fire station) and the Old Town Hall have received funding to carry out essential enabling works that enable future refurbishments to take place. A public realm scheme to improve road and paving around the junction of Hollins Mill Lane and Town Hall Street is due to complete over the coming months.
- 4.12 The HAZ enforces strict annual spend profiles and under-spends cannot be carried forward. Unfortunately, this has led to a small reduction in allocated funding to the scheme in the 2021-2 financial year due to unforeseen project delays. This has meant that assigned funding now stands at £1,767 million in total, with the remaining £644,297 to be defrayed over the next 2 years.
- 4.13 Remaining elements of the HAZ programme concentrate on grant allocations to small businesses in the high street setting to enable improvements to shopfronts and further community engagement to raise the profile of the scheme and improve connections within the community of Sowerby Bridge.
- 4.14 Details of the remaining projects within the HAZ programme can be seen in appendix A.

## 5. Options considered

5.1 Guidance has already been sought from Cabinet on the strategy and core deliverables associated with the FHSF and HAZ initiatives. Monies have now been received and early work completed. Options for the next stages are therefore constrained to the following:

5.2 **Option 1:** Cabinet to approve the current scope of both the FHSF and HAZ initiatives. This will enable each programme to progress with remaining projects under the restrictions of the assigned grant funding.

This option will require formal acceptance of Accountable Body duties for grant funding and delegation of operational oversight of project delivery and governance to the Director of Regeneration & Strategy in consultation with the relevant Portfolio Holder and Head of Finance.

The main risk associated with this option is delivery within the budget allocated with the grant funding, against unprecedented inflationary pressure. This risk is described in more detail in section 6.

### **THIS OPTION IS RECOMMENDED**

5.3 **Option 2:** Close the FHSF and HAZ initiatives with immediate effect and return unspent monies to DLUHC and Historic England for re-allocation.

This would prevent the delivery of projects described below and in appendix A and would mean that Elland, Halifax and Sowerby Bridge would not benefit from the outcomes associated with each programme.

### **THIS OPTION IS NOT RECOMMENDED**

## 6. Financial implications

6.1 Monies to deliver the FHSF and HAZ initiatives has been provided to the Council in the form of external grant funding from DLUHC and Historic England respectively.

6.2 A total of £18 million pounds has been received for delivery of the FHSF programme and £0.65 million of funding remains to be defrayed as part of the Sowerby Bridge HAZ.

6.3 HAZ monies must be defrayed by March 2024 (£0.35m financial year 2022/23 and £0.3m financial year 2023/24). FHSF monies must be spent by the Council by March 2024 for Halifax and Elland projects.

6.4 Investment in Halifax under the FHSF is shown in table 1 (below) and totals £11.7 million.

Table 1: Halifax Future High Street Fund Budget Allocation

<b>Project Name</b>	<b>FHSF Budget</b>
Halifax Borough Market	£5.28m
Victoria Theatre	£1.83m
Alleyways	£0.83m
George's Square	£1.51m
Westgate Arcade Phase 2	£0.50m
Halifax Play Trail	£0.65m
Palatine Chambers	£0.06m
Northgate Retail Development	£0.28m
Programme Delivery Costs	£0.83m
<b>Total</b>	<b>£11.7m</b>

- 6.5 There is a total of £6.3 million of investment proposed under the FHSF for Elland. Projects associated with this part of the programme are shown in table 2 (below).

Table 2: Elland Future High Street Fund Budget Allocation

<b>Project Name</b>	<b>FHSF Budget</b>
Market Square	£1.08m
Heart of the High Street	£1.42m
Southgate	£0.68m
Cartwheel Club	£1.55m
Shop Front Improvement	£0.06m
Project delivery costs	£0.28m
Pre-liminary costs/fees	£1.25m
<b>Total</b>	<b>£6.3m</b>

- 6.6 £1.8 million of funding associated with the Sowerby Bridge HAZ is broken down as follows:

Table 3: Sowerby Bridge HAZ funding allocation by project

<b>Project Name</b>	<b>FHSF Budget</b>
Project Delivery	£0.14m
Fire & Water	£0.61m
High Street Properties	£0.75m
Public Realm Improvements	£0.10m
Community Engagement	£0.06m
Conservation Architect & Associated professional services	£0.05m
<b>Total</b>	<b>£1.77m</b>

- 6.7 Further detail on the scope of each project can be seen in appendix A.
- 6.8 Grant conditions for both the FHSF and HAZ are strict and require projects to be delivered in line with assigned budgets. As such, no additional funding can be drawn down should project overspend.

- 6.9 Staff costs and external team professional fees directly associated with delivery of the Halifax and Elland FHSF schemes are incorporated within the total scheme costs for both programmes. It should be noted that these costs were calculated prior to 2022-23 budget setting process. As such, the income target objective for Major Projects assigned in this budget round is not reflected in the FHSF and HAZ bids. This means that the Council can only recover direct costs associated with project delivery.
- 6.10 At present, construction price inflation sits at over 12%. Regular financial monitoring will be required to ensure each project remains deliverable against this unprecedented backdrop.

## **7. Legal Implications**

- 7.1 Cabinet are able to delegate authority for oversight and administration of the FHSF and HAZ initiatives as recommended in section 3 of the report. The provision of that delegated authority would not prevent any particular scheme or approval stage returning to Cabinet for guidance, should it be considered necessary to do so.

## **8. Human Resources and Organisation Development Implications**

- 8.1 Staff from within the Council's Major Projects Team will be responsible for co-ordinating delivery and day-to-day project management of both Elland and Halifax FHSF initiatives. The Sowerby Bridge HAZ will be overseen through the EH&I Service.
- 8.2 The Senior Responsible Officer (SRO) for FHSF is the Corporate Lead for Major Projects, and the SRO for Sowerby Bridge HAZ is the Assistant Director of EH&I and this officer has overall strategic responsibility for the Prosperous Towns agenda.

## **9. Consultation**

- 9.1 The Halifax and Elland FHSF programme teams have undertaken extensive consultation and engagement as part of the development of both programmes.
- 9.2 **Elland:** Public consultation and stakeholder engagement has been core to the development of the Elland FHSF. The preparation of the Elland FHSF bid began with the Elland Town Centre Masterplan commission in 2019. The Masterplan projects formed the basis of the schemes that were developed in the FHSF bid, with the exception of the Community Hub (Cartwheel Club), which was taken forward as a project after a public consultation exercise. The public felt strongly that Elland needed a centre for the youth community that was not church focussed. A consultation event took place in March 2019 with stakeholders which generated positive feedback. The consultation recognised the issues and challenges posed by declining footfall in quieter areas of the town centre and put forward a number of ideas to tackle them, reflected in the proposals that went into the Masterplan. A follow-up online (due to COVID-19)

public consultation event took place in May 2020 which again generated significant positive feedback on the FHSF proposals. In addition, regular meetings have been held with the Elland Town Board and internal stakeholders to ensure the schemes being promoted work for the town. There was also a business networking event hosted at Berties in Elland to discuss the proposals with local businesses. Whilst the schemes are now confirmed we will continue to engage with businesses, Elland Town Board and other stakeholders to ensure everyone is kept informed of progress.

- 9.3 **Halifax:** A consultation event took place in March 2019 with stakeholders which generated positive feedback. The consultation recognised the issues and challenges posed by declining footfall in quieter areas of the town centre and suggested a number of ideas to tackle them, which are reflected in the proposals. The Halifax Town Board met in January 2020 to review the Halifax Future High Street Fund proposal. The membership of the Board is very diverse covering private, public, and community sectors, and the Halifax BID. The feedback was very positive, with the connectivity of key assets linking the upper and lower parts of the town being singled out for particular praise. The Town Board will continue to be kept informed on the progress of the FHSF. A meeting with the Markets Working Group, a cross party membership, was held in January 2020 to discuss the Halifax Future High Street Fund application with a specific focus on the Borough Market scheme element. The members were pleased to see the range of interventions included within the application and felt the Market project met the needs of the traders, and local people. The members were keen to be kept updated on the bids progress and to be part of the decision-making process on the final designs.

## 10. Environment, Health and Economic Implications

- 10.1 Strong and resilient towns is one of the Council's three corporate priorities, and the resources outlined in this work will significantly contribute towards achieving that goal. Importantly, they also provide a basis for working differently with key stakeholders towards shared place-based goals. In doing so this reflects the overall Calderdale 2024 vision for distinctive places, underpinned by kindness, resilience and enterprise.
- 10.2 As well as supporting the re-vitalisation of Town Centre businesses by putting in place measures to encourage greater footfall and improve dwell times, the FHSF will assist with the town centre Covid recovery plans.
- 10.3 Both FHSF programmes will deliver a package of measures that will improve the sense of Place and reinvigorate the Town Centres as destinations offering a distinctive and inclusive range of leisure, retail and cultural experiences of independent shops, events and facilities for both the community and wider regional visitors. By transforming the Town Centres through a major programme of public realm improvements and the re-vitalisation of markets and enterprise space, the programme will also maximise opportunities for low carbon and active transport to contribute towards a Net Zero carbon future and improve links and connectivity between the Town Centres and green spaces to increase access to nature for local residents and visitors and improve health and well-being.



## **11. Equality and Diversity**

- 11.1 Current Equality Impact Assessments (EqIA) will be reviewed for CMBC assets within the programmes and EqIA's will be instigated on new developments. This will ensure that the schemes will continue to be measured against impact on protected characteristics
- 11.2 The proposed programmes would be run in accordance with the Council's public sector equality duty and the Council's policies for ensuring equality and diversity.

## **12. Summary and Recommendations**

- 12.1 The Halifax, Elland FHSF and Sowerby Bridge HAZ programmes represent a unique opportunity to revitalise these important towns and improve their sustainability for the longer term. The investment will support their economic recovery following the Covid pandemic and significantly improve the quality of the environment and sense of place. The level of investment in these areas of the Borough is a clear match with the Council's established priority for Strong and Resilient Towns.
- 12.2 It is recommended that:
- Cabinet notes the progress made to date on the FHSF and HAZ initiatives.
  - Cabinet approves the acceptance of grant funding from the FHSF and HAZ in order for the Council to act as Accountable Body for these initiatives in Calderdale.
  - Cabinet approves the current project scope and deliverables for the FHSF and HAZ initiatives detailed in the report.
  - Cabinet approves the delegation of operational control for delivery of projects associated with HAZ and FHSF, alongside governance and required business case approval to the Director or Regeneration and Strategy in consultation with the relevant Portfolio Holder and Head of Finance.

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**The documents used in the preparation of this report are:**

- 1.
- 2.
- 3.

**The documents are available for inspection at:**

## Appendix A – FHSF / HAZ project breakdown

### Halifax Future High Street Fund Programme

Project	Budget	Summary
Borough Market	£5.28m	To include essential refurbishment and modernisation of the stunning Victorian market, through improvement of areas to facilitate use as an events space outside of market trading hours including pop-up units, refurbishment of toilet facilities and security features. The works intend to materially restore and improve the façade, its eight entrances and various routes in to, out of and through the markets to create appealing and navigable routes, better linking the thriving bottom to the struggling top of the town.
Victoria Theatre	£1.83m	Works to increase attendance, accessibility and daytime use of the Victoria Theatre through an improved food and beverage offer, potential increase of the performance space and the provision of a passenger lift.
Alleyways	£0.83m	To improve the attractiveness, increase usage and footfall of two historically significant medieval alleyways, Old Cock Yard and Cheapside. To be rejuvenated through improved public realm, including art installations, addressing existing safety concerns and, providing seating for less able visitors. These interventions will encourage users to travel between the top and bottom of the town to support businesses.
George Square	£1.51m	The George Square and George Street area of Halifax is currently a space characterised by heavy traffic and bus use with on-street car parking. The vision for this area is for it to become a welcoming, greener space for residents and visitors to spend time in and use as amenity space, potentially with provision for children in partnership with the Eureka! playful trail element of this programme. These works will create a destination and public amenity for socialising and relaxing by creating a new public square. This will encourage more visitors to the top of the town. The improvements will create the setting for businesses around the square to spill out into the space. They will be supported by the increased footfall in these areas.
Westgate Phase 2	£0.5m	Building on the success of the first phase of the Westgate Quarter project, Phase 2 (Westgate 2) seeks to bring derelict land and buildings back into economic use to provide high quality floorspace for local businesses. It will also deliver high quality public realm in keeping with Phase 1 and visual links with the adjacent Borough Market scheme and with the nearby Piece Hall. The FHSF will cover the cost of the external elements of this development such as access ramps, improved pavements and appropriate lighting to ensure safety
Play Trail	£0.645m	This element of the scheme focuses on the provision a playful trail that will encourage inclusive interaction and footfall across the town centre. This will bring demand to businesses along the trail and provide the physical and conceptual link between Eureka! and the areas of the town centre to be improved through other works in the FHSF programme.

Palatine Chambers Residential Units	£0.063m	14 former social housing units at Palatine Chambers which were formerly part of the government-sponsored Living Over the Shop (LOTS) scheme are currently vacant following the end of the LOTS lease. If modified and given a better quality of specification, this low-quality housing stock could be let to longer-term tenants, bringing more people back living within the town, creating demand for better services, facilities and environment. A small grant scheme will be developed to help with a contribution to the modifications.
Northgate House Commercial Units	£0.275m	Supporting the refurbishment of the former Council officers via the creation of floorspace for retail, leisure, workspace in a key town centre location.
Delivery costs	£0.833m	
<b>Total Funding</b>	<b>£11.763m</b>	

## Elland Future High Street Fund Programme

<b>Project</b>	<b>Budget</b>	<b>Summary</b>
Market Square	£1,077,000	There is no 'sense of arrival' in the town and the market currently sits on a carpark, we are seeking to enhance the Market Square capitalising on the 12th century medieval market, rebranding to Elland Charter Market and retaining as a carpark when the market is not in operation. We are also upgrading Victoria Gardens and reducing traffic on Elizabeth Street.
Heart of the High Street	£1,416,000	Consultation suggests the heart of the town requires public realm improvements, better signage, lighting, a heritage trail, high street and the restoration of Southgate's medieval heritage conservation area character including reduction of traffic and on street parking.
Southgate	£684,000	We want to improve the functionality of the Square through resurfacing to create a vibrant, exciting event space, a green area for play/outdoor learning environment, oasis, shopping, sitting, family space
Cartwheel Club	£1,548,000	Support the refurbishment of a local community asset building called the Cartwheel Club. This will be to bring the building back into use as a multifunctional hub for services such as a youth centre, providing a community function.
Shop Front Improvement	£56,810	We are completing a Conversation Area Management Plan for Elland and will be seeking to ensure current shop / retail owners make shop front improvements to support with alignment of the other high street public realm improvements.
Delivery Costs	£276,000	
Preliminary costs	£1,253,000	
<b>Total Funding</b>	<b>£6.3 million</b>	

## Sowerby Bridge Heritage Action Zone Programme

Project	Budget	Summary
Project Officer	£166,539.00	Officer support for the scheme over a 4 year period.
Fire and Water Capital Project	£620,273.00	The former swimming pool, fire station and Council offices have been asset transferred to Fire and Water Community Organisation to develop as an arts centre for the town. Funding from the HAZ was allocated to make the building watertight (roof, windows, wall repairs) and safe. The work will complete in July 2022.
High Street Properties	£729,640.00	<p>To carry out work to properties on the Sowerby Bridge High Street to upgrade them in line with the historical character of the town. Grants available at 80% intervention rate, to business/property owners if criteria is met.</p> <p>Old Town Hall project (former Lloyds Bank) has received funding for renovation and to bring building back into use as bar and restaurant. Works paid for by this scheme are now complete, the remainder of the refurbishment will be paid by the business owner.</p>
Public Realm Improvements	£103,000.00	Materials for upgrading the public realm around the junction of Town Hall Street and Hollins Mill Lane, have been purchased. The associated works will be paid for by internal Highways budget.
Community Engagement	£89,049.00	<p>To promote and engage with businesses and residents about the scheme and to improve community connections in the town.</p> <p>Employment via Fire and Water of a Cultural Events Co-ordinator to join up the scheme with an events and promotion programme within Sowerby Bridge</p>
Conservation Architect and associated professional services	£58,963.00	To support with heritage design and quality of works. Also producing a shopfront design guide and working on the conservation area assessment for Sowerby Bridge.
<b>Total Scheme Funding</b>	<b>£1,767,464</b>	Original allocation <b>£1,997,812.00</b> , underspend in 21/22 has resulted in a reduction in total funding of £230,349.00