

Overview Report

Place Select Committee

Overview Meeting 2021

15 February 2021

Town Centres Development

Context

The Council has a strong track record of sound financial management. In the current economic climate, finances are always going to be a challenge, and we work hard to make our budget go further. We have adapted to unprecedented funding reductions over the last eight years, saving around £53m. Our medium-term financial planning approach has allowed us to continually balance our budget through delivering savings and efficiencies but also to plan ahead and deliver invest-to-save schemes and innovative changes to service delivery models. We carefully target investments to stimulate economic growth, provide great assets and deliver financial returns to offset funding reductions.

Since the initial development of this Council Plan we have and still are experiencing the effects of the Coronavirus pandemic. Coronavirus provides huge challenges for us to address in terms of community and economic recovery and dealing with the long-term implications of the pandemic. We have reviewed our priorities for the coming year and have adapted these to reflect the focus that is needed to respond to this challenge.

The challenge for all Members is to ensure that decisions about the basis on which services will be delivered are within the resources available, taking account of a number of factors such as the uncertain financial position, changing demographics, increasing demand, new national legislation and policy direction.

Members are reminded of the Council's Vision that supports decision-making:

- A place where people are healthy, safe and protected from harm, where
 - People live in cohesive and safe communities
 - People are supported and protected from harm
 - People live health lives
- A place with a thriving economy where everyone has opportunities to succeed, creating
 - A growing economy
 - Improved education and skills development
 - Job creation and increased employment
- A place that is clean, vibrant and attractive, creating
 - Great places to live and visit
 - Clean and green spaces
 - Rich cultural experiences

The Council plays its part in making sure this is achieved by being a Council that is ambitious, effective and proud to serve.

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Performance Reporting

Performance across the Council Plan was reported on a six-monthly basis to Executive Scrutiny Committee. Please see the link:

<http://www.egenda.stockton.gov.uk/aksstockton/users/public/admin/kab71.pl?cmte=SCR>

Town Centres Development - Director – Richard McGuckin

Relevant services include:

- Town Centres Development
- Completion of The Globe Development and operation with Ambassador Theatre Group
- Hampton by Hilton Hotel

Council Plan 2020-2023

The Council Plan sets out the aims and objectives for all services and is refreshed on an annual basis.

The key priorities for 2020-21 for the Town Centres Development themes are attached at Appendix 1.

Emerging Issues

Service delivery is influenced by a range of internal and external factors that develop over time. Emerging challenges and opportunities are summarised as follows:

Town Centres Development - Priorities for the year ahead

The primary focus will be to secure funding and associated opportunities for the development and investment across all six of the Borough's town centres. The varying nature in their size and economic attributes will reflect different opportunities in each Town Centre. In February 2021 Cabinet will be presented with masterplans for each of the Town Centres that will set out investment opportunities for consideration. In Stockton Town Centre the Council has been made a provisional offer of £16.5M from the Government's Future High Streets Fund in addition to £20M procured from the Tees Valley Combined Authority to support large scale intervention on the existing Castlegate shopping centre site. The Council through its Medium Term Financial Plan approved £3M to support other Town Centres and the Council has made a bid into the Government's Town Deal programme for £25M of investment in Thornaby. A decision on the next steps of this are expected in early 2021.

Although opportunities will identify physical interventions a primary focus remains on building and supporting the way communities use and are attracted to the Borough's town centres. An active programme of engagement with key stakeholders such as the Stockton BID, Business Forums, markets and transport operators are a few examples where engagement remains a priority.

Work to engage young people and younger adults in the development of town centre investment programmes is a key focus. There was an under representation in consultation responses from this cohort of the community so an active programme is being developed

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utilising the Bright Minds Big Future network, skills networks and younger adult networks that exist to ensure effective engagement and involvement.

The development of The Globe remains on the current approved programme which will see completion in late April 2021. Commissioning and operation of the facility will commence by Ambassador Theatre Group prior to the already announced programme commencing. The ongoing impact of the pandemic will be closely monitored and how Government restrictions impact upon the venue's operation.

Hampton by Hilton Hotel has remained open throughout the pandemic to support NHS and other key workers and has successfully adapted its operational model to be able to provide a Covid safe hotel environment under the Hilton's clean stay brand. The focus for the year ahead will be to ensure the Hotel can adapt further and support its core customer base as recovery from the pandemic emerges. The opening of The Globe will present new leisure stay opportunities for the Hotel market in addition to its current core business model and this will also be a key focus for the year ahead.

Town Centres Development – Challenges and opportunities

Town Centres as retail destinations can no longer be a primary focus and diversification of uses has long been a strategy for the Council. The impact of the pandemic has accelerated a decline in retail at an unprecedented pace. This further reinforces the need to intervene in our Town Centres to ensure they remain resilient for the future. The physical intervention will help support changing the uses in our Town Centres but ensuring they are destinations for communities to use in a broader sense remains a key challenge.

Retail of course has a role in our Town Centres and support to those businesses and none retail businesses remains critical to ensure they are sustainable in the longer term.

Funding to support physical and social interventions in our Town Centres remains critical but in Stockton the offer from Government of £16.5M from the Future High Streets Fund Programme has identified a shortfall in the planned interventions. This has led to the Council considering how the shortfall can be met and this work is currently ongoing.

Throughout the pandemic the challenges on businesses across our Town Centres has never been more stark. That said there is evidence of successful business start ups and diversification which has allowed adaptation and innovation to thrive in a pace of the economic challenges the pandemic has placed upon. One example of this is traders on Stockton market who have adapted their business models to ensure they are Covid safe but also are able to offer click and collect and home delivery.

Whilst The Globe project remains on the current programme to complete in late April the impact of the pandemic on the live entertainment industry continues to present challenges. The industry does however expect to see a V-shaped recovery so as restrictions are eased and vaccination numbers increase significantly operators remain optimistic of a healthy return to pre-pandemic levels.

Potential Areas for In-Depth Review

Members are reminded that topics are being sought for the Scrutiny Work Programme 2021-22. Using the information provided as part of the performance updates and this Overview meeting, the Committee is invited to identify potential topics for review within this theme.

Potential topics will be considered at Executive Scrutiny Committee on 23 March.

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Appendix 1 – Council Plan - Key Priorities 2020- 2021 – Town Centres Development

Making the Borough a place with a thriving economy where everyone has opportunities to succeed means creating:

- A growing economy
- Improved education and skills development
- Job creation and increased employment

We have identified these key priorities for 2020/21 to help us achieve this vision. This year we will:

- Develop an approach to inclusive growth, responding to the implications of Coronavirus
- Develop options for increasing the supply of employment land
- Review our approach to business engagement and develop a place branding campaign for the Borough
- Develop and implement the vision for our town centres, recognising and understanding the full impact Coronavirus will place on their use
- Work with Tees Valley Combined Authority on improving regional economic and transport infrastructure

Making the Borough a place that is clean, vibrant and attractive means creating:

- Great places to live and visit
- Clean and green spaces
- Rich cultural experiences

We have identified these key priorities for 2020/21 to help us achieve this vision. This year we will:

- Develop masterplans and continue to deliver interventions across all six of the Borough's Town Centres.
- Develop and support Town Centre stakeholder engagement that includes young people and younger adults in addition to established mechanisms.
- Continue to support Town Centre businesses and strengthen engagement where appropriate.
- Open The Globe.
- Continue to operate the Hampton by Hilton Hotel.

We are committed to being a Council that is ambitious, effective and proud to serve This means we will provide:

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- Financial sustainability and value for money
- Dedicated and resourceful employees
- Strong leadership and governance

We have identified these key priorities for 2020/21 to help us achieve this vision. This year we will:

- Review surplus land and assets, and develop plans for disposal or development