

Report to:	<b>Cabinet</b>
Date:	<b>22 July 2020</b>
Title:	<b>Place Shaping Framework and Town Regeneration</b>
Portfolio Area:	<b>Culture, Economy and Planning</b>
Divisions Affected:	<b>All</b>
Local Member(s) briefed:	<b>Y</b>
Relevant Scrutiny Committee: <b>Economic Growth and Development</b>	
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Approval and clearance obtained:	<b>Y</b>
<b>For Cabinet and delegated executive decisions only</b>	
Key decision? ( $\geq$ £500k in value or significant effect on communities in two or more electoral divisions)	<b>Y</b>
Published in advance on Cabinet Work Programme?	<b>Y</b>
Urgency Procedure(s) used if 'N' to Work Programme?]	<b>N</b>
Date next steps can be taken	<b>22 September 2020</b>

**Recommendations:**

1. That the Place Shaping Framework attached as Appendix 1 to the report, which sets out policy position for Cornwall Council to provide a strategic framework for place-based economic growth and regeneration and facilitating change in our town centres, be approved.
2. That the following allocations from the Town Centre Revitalisation Fund be approved to establish the first phase of the Cornwall town revitalisation programme

- (a) up to £1.000m be allocated for town development allocations to support functioning town partnerships in the development of their town investment plans
  - (b) up to £0.425m be allocated for strategically targeted place support to three towns in Cornwall (Bodmin, St Austell and Liskeard) where specific opportunities have been identified linked to wider Cornwall Council activity
  - (c) up to £1.000m be allocated to support joint Cornwall Council and town regeneration projects and leverage funding from wider investment programmes
  - (d) up to £0.700m be allocated to support place initiatives and feasibility for reactive requests for support from towns through wider place shaping support already in existence and for the development of pilot activity and test and learn initiatives in towns.
  - (e) In addition to the £0.100m agreed in the February Cabinet decision, a further £0.255m is agreed to support the establishment of the High Street Vitality team across the Economic Growth and Development Directorate to support towns in their regeneration efforts.
3. That decisions to award funding within the approved programme be delegated to the Strategic Director for Economic Growth and Development in consultation with the Portfolio Holder for Culture, Economy and Planning and endorsed by the Growth and Development Board.
  4. That Cornwall Council enters into a collaboration agreement with Liskeard Town Council to deliver the Cattle Market Makers Project and that up to £0.326m from the Council's Community Led Local Development Programme Match Fund, approved by Cabinet in June 2019, be allocated to deliver the project subject to securing CLLD investment.
  5. That the decision to grant a lease of the area comprising the Cattle Market Makers Project (as broadly shown in the plan at Appendix 2 to this report) to Liskeard Town Council for a peppercorn value be delegated to the Strategic Director for Economic Growth and Development in consultation with the Section 151 and Monitoring Officers and the Portfolio Holder for Culture Economy and Planning.
  6. The holistic programme approach identified for Liskeard Cattle Market in section 7 be endorsed.

**Recommendation to Council:**

7. That the Capital Programme is uplifted by a total of £0.708m, which includes an additional award of £0.240m from the Local Growth Fund for enabling works to deliver the Liskeard Cattle Market Digital and Creative Workspace project and £0.468m to reflect delivery of the Cattle Market Makers project.

**1 Executive Summary**

- 1.1 On 12 February 2020, Cabinet approved the development of a **Place Policy** for Cornwall Council and the establishment of a £4m **Town Centre Revitalisation Fund (TCRF)** to support the development of investment proposals for towns in Cornwall that are not in receipt of the Government's Future High Street, Town Deal or High Street Heritage Action Zone funds. The Fund was formed in response to the Vitality of Towns Inquiry that was led by the Economic Growth and Development Overview and Scrutiny Committee. The inquiry concluded in September 2019 with a set of forward-looking recommendations that addressed the need for towns to consider their future vitality and opportunities for investment and intervention that ensure future vibrancy in response to the sharp decline in the high street retail sector. This report delivers on a number of the recommendations in the Vitality of Towns inquiry report and enables the development of other recommendations.

**2 Purpose of Report and key information**

- 2.1 The changing focus of national policy, funding targeting towns and high streets and the shifting focus of devolution provides an opportunity to reflect on how the Council supports place shaping. In addition, the changes to how those who live, work and visit our towns, changes in consumer buying habits means that how we marshal our resources to best effect has never been more important.
- 2.2 The COVID-19 pandemic will have substantial economic and social impacts in Cornwall. The current context will be considered as part of the development of this activity. Due to a number of factors including peripherality, coastal proximity and existing strength and socio-economic resilience, Cornwall will feel significant impacts from the COVID-19 crisis. The susceptibility of the Cornish economy to COVID-19 is driven by its strong reliance on a number of heavily impacted sectors – accommodation, art and leisure, non-food retail and pubs and restaurants. Towns with the highest proportions of employees working in these sectors are therefore seeing a high impact from COVID-19. Whilst many of the restrictions on these sectors are temporary, the effects will be long lasting and are likely to further exacerbate the economic

challenges already faced by both Cornwall's towns and their rural hinterlands and importantly, by their communities and residents furthest from the labour market or in in-work poverty.

- 2.3 Challenges regarding lower than the UK average salaries, housing affordability and delivery of key infrastructure required to meet a growing population will not be easily resolved. Consequently, it is more important than ever post COVID-19 that Cornwall Council uses its strategic ambition, planning policy, resources and influence to identify opportunities and support the delivery of local priorities and ambitions to create sustainable vibrant communities, with renewal of our town centres underpinning sustainable vibrant communities capable of supporting economic growth through improved business and employment opportunities.
- 2.4 As a rural region, Cornwall has a wealth of invaluable assets that make it a very special place to live and work, however some of these unique characteristics also present challenges for meeting changing needs and delivery of key infrastructure to support population and economic growth.
- 2.5 Place shaping is integral to the effective delivery of strategic and community priorities and ambitions. It supports a holistic approach to the delivery of sustainable development, key infrastructure and provides the foundations to create a thriving economy and healthy community.
- 2.6 Cornwall's towns and high streets, once dominated by retail shops, are changing fast in response to changing shopping habits, new lifestyles and working patterns. We are not alone; this is a national, indeed international, trend. Our settlement pattern is made up of one small city and an unusually large number of dispersed market towns and most are facing huge change on their high streets, with traditional retail in decline as a new 'digital industrial revolution' changes the way people shop and spend their time.
- 2.7 The changes faced on Cornwall's high streets are not unusual in the UK, but they are exacerbated by additional economic challenges faced in Cornwall, including lower than average pay, geographical remoteness and the seasonality of tourism. This change is leading to an increase in the number of empty shops and an increase in the number of charity shops which in turn is leading to reduced footfall in most of our towns, especially in those that are not in tourism "hot spots". This not only impacts on the economic growth of an area but has a negative impact on the community as a whole.
- 2.8 A number of grant funded town investment opportunities are already being driven locally to stimulate the economy and deliver against place-shaping objectives. This includes:

- **Towns Fund** – four towns in Cornwall (Penzance, St Ives, Camborne and Truro) have been identified as eligible to apply for up to £25.000m each from the Government’s Towns Fund. Each town has been awarded revenue funding ranging from £0.140m - £0.162m<sup>1</sup> to (i) create a Town Deal Board, building on existing structures where appropriate, and (ii) develop a locally-owned Town Investment Plan (TIP) which will outline the business case that can be agreed with Government and form the basis of the “Deal” for each town. The Economic Growth Service is actively progressing this work and has appointed Town Deal Leads within each town.

Further guidance has now been released from MHCLG and each Board will soon decide when they intend to submit their TIPs to Government following some alterations to the timing of this due to COVID-19.

In addition, each of the four Towns Fund towns in Cornwall have been selected to benefit from additional funding for this financial year with a view to supporting projects that can make an immediate impact in our towns. This funding will enable these towns to make early interventions and showcase the Towns Fund intentions earlier than previously expected.

Each Towns Fund Board are now investigating potential projects that fit the necessary criteria and these will be taken through the S151 Officer for approval before submission to Government by 14 August 2020.

The grant allocations are based on population size and are as follows:

- Camborne - £750,000
- Penzance - £500,000
- St Ives - £500,000
- Truro - £750,000

It is expected that Cornwall Council will need to submit the agreed Town Investment Plan to Government on behalf of each town. Subject to the outcome of the Towns Fund appraisal process, individual investments within each town would be led directly by project developers. In some cases, this may be Cornwall Council and detailed business cases would be brought forward for corporate approval as required.

- **Penzance Future High Street Fund** - In July 2019 the Council was informed that of the four submissions (Penzance, Camborne, St Austell and

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<sup>1</sup> Awards based on population size thresholds: Camborne and Truro both awarded £0.162m with St Ives and Penzance both receiving £0.140m.

Newquay) made to Government only the Penzance Stage 1 (Expression of Interest) bid to the Future High Streets Fund had been successful and the Council had been awarded £0.150m of development funding to work up a business case for a Stage 2 bid. The stage two bid was submitted on 5 June to MHCLG, following a brief extension to enable Local Authorities to respond to a series of questions as to how COVID-19 has impacted programmes. We expect to hear the outcome of the process in the autumn. In the meantime, although impacts of the pandemic are not fully understood, work continues with stakeholders to assess market changes and capacity to deliver. The FHSF programme is intended to be brought back to Cabinet in November for approval once capital allocation is known.

The bid incorporates a range of projects such as changes of use to existing premises, delivery of new residential and commercial developments and public realm improvements. In February 2020, Cabinet approved an allocation of up to £0.927m from the Economic Development Match Fund Reserve towards programme delivery and for Cornwall Council to underwrite all co-funding required at the time of bid submission.

- **Liskeard Cattle Market Makers Project** – led by Liskeard Town Council, this project is seeking investment from the Community Led Local Development (CLLD) Programme to build a community of makers and provide effective meanwhile use while the longer-term plans for the cattle market take shape. The project includes delivery of a Creative Industries Hub, a small-scale and modular development of c.100m<sup>2</sup> that will incorporate workspace units, training rooms and a site office and which will be aimed at individual craftspeople and makers, as well as providing business and skills support. This support will start with established makers, who can help as trainers and technicians, and will extend to economically inactive people whose interest and confidence can be stimulated by participating in creative and craft activities as steps towards education, job search or self-employment. The Economic Growth and Development Directorate is supporting the Town Council with bid development and it is proposed that Cornwall Council act as delivery partner with the specific role of delivering the workspace element of the project.

The project aligns with the Cornwall Council-led Liskeard Cattle Market Creative and Digital Workspace scheme that, subject to securing ERDF investment and planning consent, will provide high quality studio and collaborative workspace targeted at businesses within the Creative Industries. In addition to £0.350m of Local Growth Funding awarded towards demolition and enabling works that are required to enable

delivery of the workspace scheme, a further award of £0.240m has been secured to fund these works.

### **Proposed place-shaping solution**

- 2.9 Cornwall's motto is 'One and All', however a 'one size fits all' approach to place shaping will not work within Cornwall. There is a need for Cornwall Council to support local stakeholders, residents and businesses to understand the challenges that face individual communities to identify local priorities and ambitions.
- 2.10 Rather than a top-down version of place shaping, driven by a restricted set of Whitehall priorities and small, piecemeal pots of funding, we need to ensure that place shaping is led by Cornwall Council supported by strong towns and network areas emerging from the bottom-up, in innovative new ways in local areas.
- 2.11 In the light of reducing quantum of funding, more strategic leadership approaches will be needed to deliver the Council's objectives through better join up of activity across the Council and across Cornwall thinking and acting creatively to spearhead physical, economic and social development.
- 2.12 Driven by shared interest in prosperity and well-being, more joined up working and improved engagement with local places will help in addressing the complex challenges that we face. These 'wicked issues' include developing identity and a sense of belonging, improving competitiveness, tackling deprivation, responding to climate change; and improvements in public services and investments in infrastructure, skills and research that will underpin our future prosperity. Latest evidence has shown that the impact of growth interventions over the last two decades has impacted positively in Cornwall, however we have failed to address deep-rooted issues in some of Cornwall's neighbourhoods.

### **Place Shaping Framework**

- 2.13 To strengthen the connections between places and Cornwall Council and contribute to our wider objectives, a Place Shaping Framework that rebalances the relationship between the Council and localities and provides a more strategic joined-up approach is needed. This will both guide towns in the development of their ambitions and clearly set out the support that is to be provided by Cornwall Council in supporting their delivery.
- 2.14 The Place Shaping Framework attached as appendix 1 sets out a policy position for Cornwall Council to establish:

- strategic framework for places to identify their local vision and priorities for economic growth and regeneration and to proactively manage change in town centres by encouraging a mix of uses to meet the evolving needs of the community.
- context and guiding principles for how places can identify their local vision and priorities and the tools that can help deliver these including advice on facilitating change in town centres.
- clear expectation for towns and high streets to bring together strategic partnerships to identify their local vision and priorities for how they wish to see their place regenerate and grow that supports and is supported by the community.

2.15 Place shaping is far broader than physical change and assets, it includes service delivery, skills development, education and employment opportunities delivered in a way that meets the needs of the communities' future growth. Therefore, to ensure a comprehensive approach to meeting local needs and maximising opportunities it is necessary to understand four place shaping themes:

1. **Town Centre Renewal** – with a changing dynamic within town centres, an increasing focus on climate change, a desire to level up communities and become more sustainable and a need to support towns through the post COVID-19 challenges, it is important to understand how existing town centres can evolve to provide the necessary mix of businesses, services and accommodation to meet the communities current and future needs.

The overall objective is to maintain the inherent characters of individual town centres. In doing so there will be a need to continually review the cumulative impacts of changes so that town centres do not become imbalanced by one particular use, particularly a disproportional amount of apartment led residential use within the town centre. Additionally, we need to understand the way communities thrive within their town ecosystems and the cultural and societal aspects that make them cohesive.

This work should consider the changing uses within a town centre and look at the areas outlined in Appendix 2 Town Centre Renewal Policy and Priorities Assessment to help inform how Cornwall Council proactively manage the potential town centre change of uses.

2. **Population Growth** – what areas of the town are identified to accommodate population growth; how can this support the delivery of local priorities and ambitions.



3. **Supporting Sustainable Economic Growth** – identification of the existing skills and possible gaps, employment opportunities and businesses/prominent sector representation that could inform future opportunities to support place shaping ambitions within the area.
  4. **Key Infrastructure** - this provides the foundations required to support the local place shaping ambitions and deliver growth. This includes a number of areas; access to essential services (incl. education, GP's, dentists), roads, pedestrian, cycle connectivity, sufficient electricity, water and sewage capacity, flood mitigation measures, sufficient burial ground facilities, access to public/green/open space, digital/telecommunications connectivity. We note that some towns will have particular needs to address in the context of coastal flooding and erosion.
- 2.16 Linkages with those parts of the Council working in localities such as the community network teams will be essential to make sure that activity is integrated on the ground and across the authority. Localism teams have been deeply integrated into localities through areas such as town frameworks and place shaping boards across Cornwall and have the ability to quickly bring stakeholders together which has been evidenced recently by the joint efforts of EGD, Planning and localism in mobilising towns to reopen our high streets in a safe and responsible manner. These already established relationships will be vital in the successful delivery of any Place Shaping Framework.
- 2.17 As agreed by Cabinet in February 2020, this Place Shaping Framework develops a number of the recommendations within the Vitality of Towns inquiry report. Further recommendations within the report are sequenced to be taken forwards at a later date once initial phases of partnership establishment and resource are allocated and agreed.

### **Measuring need and impact**

- 2.18 In order to manage the resource available within Cornwall Council to support place shaping, prioritisation of places on the basis of need, opportunity, readiness and critical mass is necessary. To support implementation, a Place Index will be developed to sit alongside the Place Shaping Framework that identifies towns with demonstrable need for intervention according to a number of key indicators and provide a benchmark for measuring progress and impact.
- 2.19 This information will be linked to key data including the indices of multiple deprivation, business and town vitality metrics, health data housing delivery weighted differently depending on spatial need and growth targets. When developing investment plans, a broad set of outcomes will be measured to

assess impact rather than measuring success through an output driven approach that does not necessarily lead to sustainable growth.

- 2.20 It is clear that whilst there is need for investment across all towns in Cornwall, the ability of Cornwall Council to offer intensive support and funding to all of these places is limited by capacity and budgets, therefore some degree of prioritisation needs to be agreed. Input is currently responsive and needs related, different Services in the Economic Growth and Development Directorate work in different ways and resource is understandably limited. Whilst any prioritisation does not preclude innovative proposals coming forward to the Council for consideration from any towns, it is important that to manage capacity and expectations, Cornwall Council develop and communicate clearly with communities how and when support will be available to them.

### **Town Centre Revitalisation Fund**

- 2.21 The TCRF represents an important opportunity to support the development and delivery of place shaping objectives and recovery of our towns following the pandemic. It is essential therefore that this funding is brought forward swiftly and effectively. Links with those parts of the Council working in localities such as the community network teams will be essential to make sure that activity is integrated on the ground and across the authority.
- 2.22 It should be noted that towns that are in receipt of HMG towns funding to date (Penzance, St Ives, Truro and Camborne) are not intended to receive funding support from the £4m TCRF that has been set up by the Council. The Redruth High Street Heritage Action Zone award is of a significantly smaller value than those towns in receipt of Towns Deal funding and this town should therefore remain in scope for the Town Revitalisation Fund. The Heritage High Street Fund for Redruth is a grant of £1,689,063 awarded by Historic England that will attract a further £3 million of investment from the private and public sectors, with commitment already secured that will see derelict and underused buildings in the town centre revitalised along with public realm and access improvements and a programme of events and activities focused on and led by young people. The aim of the investment is to be a catalyst for improving the prosperity of the town centre so that it can continue to serve the local community and businesses, adapting to the challenges that all high streets were experiencing, even before COVID-19.
- 2.23 However, following direct requests for support, a proposal has been agreed to amend this policy to allocate up to £0.520m from the fund towards a repayable cash flow facility (repayable in June 2022) to support the eight Business Improvement Districts (BIDs) across Cornwall (Newquay, Falmouth, St Ives, St Austell, Penzance, Newham, Truro and Camborne). This was

approved by the Chief Executive on 29 April 2020 under the Council's emergency management procedures. BIDs play a strategic role in the regeneration of high streets, the need for which the current COVID-19 crisis is likely to accelerate as footfall for high street shops has disappeared overnight. New national research on the impact of COVID-19 shows the biggest falls in consumer spending have come in smaller tourist towns. BIDs are experiencing financial difficulties due to non-payments of BID levies, which is their main source of income, and while they are able to access parts of the government support schemes, including ability to furlough staff, they are also experiencing an increased demand to act on behalf of their members in the short terms as well as playing a role in relation to the future recovery phase. Providing a cash flow facility will keep this critical part of Cornwall's business sector infrastructure afloat for the next six months.

- 2.24 The allocation from the £4.000m funding from the TCRF will be used initially over the 2020-21 and 2021-2022 financial years to support increasing prosperity in our places and not to underpin business as usual activity.
- 2.25 Within the first phase of activity, the fund will be split into four different areas of focus as set out below. As place shaping work develops and further opportunities become clear, further reports will be brought to Cabinet to define the use of the remaining allocation for place shaping once the BIDs Loans have been repaid.
- 2.26 It is important to note that not all towns will be ready to receive this funding immediately and will need to demonstrate readiness for support before it is to be provided.
- 2.27 The initial ringfences are proposed on the basis of current understanding of need and opportunity. As investment programmes progress and there is further clarity of where demand lies, remaining funding within the reserve can then be targeted appropriately.

Activity to be funded		Notional Ringfence - £
(1) Town development allocations	To fund allocations of up to £150k per town to places in Cornwall (size and need dependent). Funding support from Cornwall Council will be provided once the areas set out in the Place Framework are secure i.e.: <ul style="list-style-type: none"> <li>- Local stakeholders have established teams within towns as a functioning town partnership</li> <li>- cohesive plans agreed by local stakeholders (town councils, private sector representation, CC localism team, BIDs etc) have been prepared and submitted to the Council.</li> </ul>	Up to £1.000m

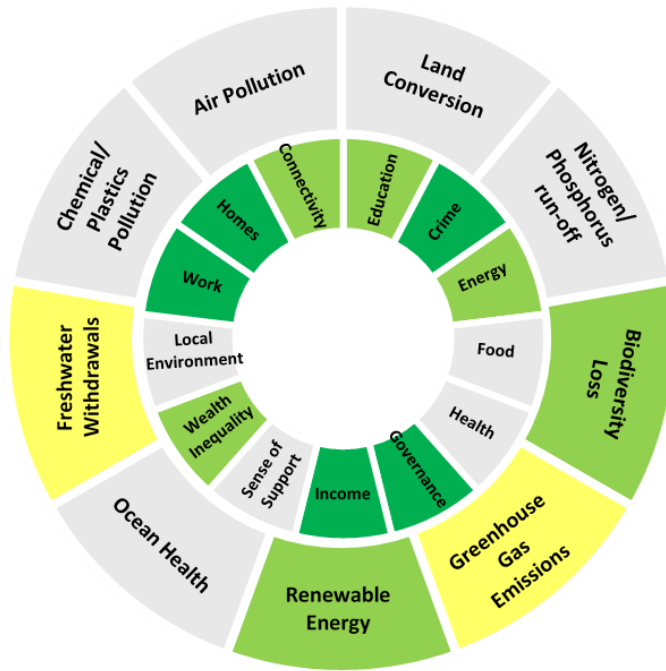
	<ul style="list-style-type: none"> <li>- Options for co-funding and investment opportunities have been investigated</li> <li>- Town plans allows places to make themselves ready for any future rounds of Town Deal.</li> </ul> <p>This funding will be accompanied by an offer of targeted support and expertise from the economic growth and development directorate as well as coordinated support from across the wider Council directorates. This input will also be used to inform the developments that are required and would be most beneficial to the wider town investment plan.</p>	
(2) Strategically targeted place support	<p>There are a small number of towns where there is a specific pressure on the town that needs to be jointly managed by the town and Cornwall Council. In order to help jointly facilitate activity, we are proposing that targeted support is provided to named towns to ensure that strategic activity linked to delivering the Council's wider objectives is deliverable. In the first instance, Cornwall Council will focus on the following:</p> <ul style="list-style-type: none"> <li>- St Austell where we are proposing a significant rationalisation of CC assets and the delivery of a charette approach to identify local objectives.</li> <li>- Liskeard to support land holdings subject to redevelopment.</li> <li>- Bodmin to support the significant levels of growth outlined within the Local Plan and understand how CC assets can support long term sustainability of the and key infrastructure within the town, including the delivery of a charrette approach to identifying local ambitions for Dennison Road car park site.</li> </ul>	Up to £0.425m
(3) Joint regeneration projects	<p>Funding for joint regeneration projects, including investments in Cornwall Council assets and estate where these sit within wider regeneration plans. Where funding from this strand is used to support investment that can be capitalised, any revenue will be returned back to this pot to enable the initiation of an evergreen fund to support regeneration in town centres.</p>	Up to £1.000m
(4) Place initiatives and feasibility	<p>Call-off ringfenced allocation for reactive requests for support and feasibility work from towns through wider place shaping support already in existence including place-based test and learn. A number of strands of activity and investment propositions have already received guidance and support from EGD officers working on place shaping and town regeneration activity. This will also allow for</p>	Up to £0.700m

	<p>Cornwall Council to commission towns to pilot approaches and projects that could deliver wider strategic aims for economic growth such as inclusive growth approaches to neighbourhood renewal, activity to increase average earnings through real living wage and circular local economy and local procurement initiatives. Through a flexible intervention rate approach, this pot could be used as a lever to ensure towns are delivering wider strategic aims and driving positive behaviours for example around town partnerships, delivering wider strategic objectives, leveraging other funding.</p> <p>The criteria for this will be developed in line with the Place Shaping Framework, with a collective joined up decision making through EGD Directorate Leadership Team and endorsed by the Growth and Development Board.</p>	
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### 3 Outcomes driven proposals

- 3.1 Using the Council's climate and social wheel approach, the positive and negative impacts of our investment proposals and plans will also be assessed to ensure that a focus is maintained on delivering a greener, levelled up economy for Cornwall and allow us to measure impacts linked to COVID-19 recovery.
- 3.2 The climate change and social impact decision wheel has been applied to this report at a strategic level as summarised below.

### Climate Change and Social Impact Decision Wheel



Construction activities are likely to contribute to greenhouse emissions in the short term through the use of fossil fuel operated machinery on site. New business activity and homes will put pressure on aquifers and sewerage systems. These negative impacts can to an extent be mitigated in the longer term through integration of renewable energy / low carbon technologies within residential and commercial schemes and by providing increased employment opportunities within the high street, reducing the need to travel. Overall, investment in place-based activity that is driven by local priorities and partnership working will deliver sustainable change with long lasting positive impacts. This includes opportunities for income and investment, re-connecting residents with the heritage of their local area, improved public realm that supports habitat creation and provides a positive contribution to biodiversity. Bringing vacant sites back into productive use can reduce crime, in particular anti-social behaviour at derelict sites, and provide opportunities for new, well paid jobs through the businesses that locate there.

Long Lasting Positive Impact	Short Term or Limited Positive Impact	No Known Impact	Short Term or Limited Negative Impact	Long Lasting Negative Impact
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#### 4 Benefits for Customers/Residents

4.1 The Place Framework will both establish a policy context for town centres and set out clear expectations of towns that are to receive capacity funding support from Cornwall Council including a demonstration of an ambition to develop a cohesive town team and partnership that brings together the private, community and public sector representatives that are representative of the place looking for support and that the towns demonstrate a willingness to develop and address a ‘total place’ approach supported by Council officers rather than a set of projects.

- 4.2 The Framework establishes a clear set of desirable outcomes for places that both deliver on the need for high street revitalisation and productivity increases for businesses as well as good growth outcomes linked to increased skills levels, better paid employment and improved health outcomes for residents.
- 4.3 With specific reference to the Cattle Market Makers Project, the development of workspace in Liskeard is identified as a priority within local place shaping strategies, building on local strengths and capitalising on local opportunities, whilst contributing to the productivity of the area both through the direct impact on local SMEs and the knock on impact of the regeneration of the town centre. The project will combine physical regeneration, through delivery of the Creative Industries Hub, and business and skills support to enable the growth and expansion of the creative sector in the Liskeard area. It will provide unique opportunities for excluded individuals to gain arts and crafts skills that can help them on the way to securing employment within this expanding sector of the local economy.
- 4.4 In relation to Cornwall Council asset improvements, it is anticipated that funding from Cornwall Council will support the identification of sites and options for reuse or regeneration of Council assets in town centres in partnership with place shaping groups and in line with the plans and strategies identified for local growth. These investments will be part of wider place shaping plans for towns and also allows collective consideration of the use of Cornwall Council's estate. Our work on modernisation of Council offices can be used as a lever to help change the shape and nature of town centres and we need to consider using Council-owned assets in Town Centre areas to support new Town centre designs and revitalisation in partnership with stakeholders in those places. Where funding from this strand is used to support investment that can be capitalised, any revenue will be returned back to this pot to enable an evergreen fund to support regeneration in town centres.

## 5 Relevant Previous Decisions

- 5.1 On 19 June 2019, Cabinet approved the creation of a Cornwall Council match funding scheme for the Community Led Local Development Programme.  
<https://democracy.cornwall.gov.uk/mgIssueHistoryHome.aspx?IID=85636>
- 5.2 On 3 September 2019, the Economic Growth and Development Overview and Scrutiny Committee resolved to endorse the Vitality of High Street Inquiry Report and recommend to Cabinet that it be approved.  
<https://democracy.cornwall.gov.uk/mgAi.aspx?ID=82152>

5.3 On 13 November 2019, Cabinet approved match funding for the Liskeard Cattle Market Digital and Creative Workspace project and wider phase 1 redevelopment of the former Cattle Market site.

<https://democracy.cornwall.gov.uk/mgIssueHistoryHome.aspx?IId=88648>

5.4 On 12 February 2020, Cabinet approved a recommendation to establish a £4.0m Town Centre Revitalisation Fund Reserve from corporate funds to support the revitalisation of towns and high streets in Cornwall be allocated. A number of recommendations were identified in the inquiry, some of which were agreed within the February report, and some within this report. Further recommendations will be developed and brought forward as this key area of work progresses.

<https://democracy.cornwall.gov.uk/mgIssueHistoryHome.aspx?IId=88644>

5.5 Four Key Domains of Localism outlined in People Power (Commission on the future of Localism, January 2018) establish that “Localism in Cornwall is well advanced”.

5.6 The Four Key Domains are:

- Institutions for localism: Ensuring that healthy local governance is in place that integrates with Cornwall Council’s and wider governance structures.
- Powers and mechanisms for localism: Ensuring that there are meaningful powers, levers and resources for communities to act locally.
- Relational localism: That a culture between partners exists that will embrace risk and establishing trust, whilst devolving assets and opportunity to communities, with local leaders acting as facilitators for community expertise.
- Capacity for localism: Ensuring localism is not the preserve of wealthier communities, or those with the loudest voices but includes building community capacity and supports the community to engage and participate.

5.7 Furthermore, Cornwall Council has consistently reflected the importance of place shaping within many of its key strategic priorities and working practices to ensure local issues, needs and priorities inform the place solutions to meet current and future growth, including:

- **Cornwall Council’s Business Plan 2018-2022** outlining Cornwall Council will work with the people of Cornwall and use our resources wisely to protect and enhance our unique environment, create more homes and



jobs for our residents, and ensure everyone can live well and safely together. This will be delivered through five priority areas to improve; Healthy Cornwall, Homes for Cornwall, Green and prosperous Cornwall, Connecting Cornwall and Democratic Cornwall

- **Cornwall's Localism Strategy 2016** – seeks to enable and empower local people, local councils and the voluntary and community sector to play an active role in making decisions that affect them and in delivering what their community needs through five strategic aims; developing trust and capacity, supporting community governance and engagement, supporting locally led long term development, supporting local day to day solutions, devolving assets and locally delivered services.
- **Cornwall & Isles of Scilly Local Industrial Strategy** – with a vision to that by 2030 the Cornwall and Isles of Scilly creative and carbon-neutral economy will be realising opportunities for its people, communities and businesses to thrive, benefiting the environment and providing an outstanding quality of life for all.
- **Future Cornwall (Cornwall adopted sustainable community Strategy)** has a vision to achieve a leading position in sustainable living to; support the economy, enable self-sufficient and resilient communities, promote good health and wellbeing for everyone, make the most of our environment
- **Cornwall Local Plan 2010-2030** – the plan aims to help deliver the vision and objectives of 'Future Cornwall' by meeting the needs of communities through sustainable development, supporting economic growth, protecting and enhancing Cornwall's environment by the delivery of high-quality design, meeting local housing, job, skills and accessibility needs.

## 6 Consultation and Engagement

- 6.1 Vitality of Towns Inquiry that was led by the Economic Growth and Development Overview and Scrutiny Committee. The inquiry concluded in September 2019 with a set of forward-looking recommendations that addressed the need for towns to consider their future vitality and opportunities for investment and intervention that ensure future vibrancy in response to the sharp decline in the high street retail sector.
- 6.2 The need for new workspace in Liskeard is identified within the Liskeard Neighbourhood Plan within the section titled 'A Place to Learn and Work', which includes a priority for 'The provision of buildings and land to enable new businesses to set up, and existing businesses to grow'. It recognises the importance of providing flexible workspace that will contribute to addressing

the lack and range of suitable employment space and supporting the delivery of workspace and employment infrastructure to support increases in housing and population.

- 6.3 The Neighbourhood Plan also includes policy TC4 which is specific to the redevelopment of the Cattle Market site. The policy prioritises '*Development options which regenerate the site in a way that maximises the economic and cultural benefits to the community*'. The need for workspace on the Cattle Market site was further endorsed through a 'Charrette' public consultation exercise undertaken during March 2019.

## 7 Financial Implications of the proposed course of action/decision

- 7.1 Financial details relating to each strand of activity relating to the Town Centre Revitalisation fund is summarised in the table below. To maximise flexibility, the allocations within the fund are provisional, but will be used flexibly across all four funding streams to allow for the appropriate deployment of resources throughout the use of the Framework.

	<b>Financial Details</b>
<b>Town Centre Revitalisation Fund</b>	<p>Allocation against £4.000m Town Centre Revitalisation Fund Reserve (already includes approved <b>£0.100m</b> revenue for capacity within the Economic Growth Service for place-shaping support for towns and £0.520m Loans to Business Improvement Districts).</p> <p>It is proposed that a first phase of allocation of funds be across four strands:</p> <ol style="list-style-type: none"> <li><b>1.</b> Capacity funding for towns with functioning Place Shaping partnerships and develop town investment / high street recovery. Funding would be proportionate to need, opportunity, partnership readiness and population levels - <b>£1.000m</b> - up to £150k per town.</li> <li><b>2.</b> Strategically targeted allocation of up to <b>£0.425m</b> (approximately £141k per town) to three towns on the basis of identified strategic opportunities for Cornwall Council – St Austell, Bodmin and Liskeard.</li> <li><b>3.</b> Funding for regeneration projects - including investing in Cornwall Council's assets and estate where these sit within wider town regeneration and growth plans -</li> </ol>

	<p><b>£1.000m.</b> Where funding from this strand is used to support investment that can be capitalised, any revenue will be returned back to this pot to enable an evergreen fund to support regeneration in town centres.</p> <p><b>4.</b> Call off pot for all towns for reactive requests through wider place shaping support already in existence and place-based test and learn initiatives - <b>£0.700m</b></p> <p>An additional allocation of <b>£0.255m</b> to establish the Cornwall Council Town Vitality team across the EGD directorate to oversee additional internal expertise to develop and deliver the £4.000m fund.</p>
<b>Towns Fund</b>	<p>A total of £0.604m revenue funding has been received from Government to develop Town Deal Boards and Town Investment Plans. No additional CC funding is sought at this time.</p> <p>Subject to the outcome of the Towns Fund appraisal process, any CC-led investments would be developed to detailed business case and subject to the necessary corporate approvals process.</p>

### **Cattle Market Makers Project**

- 7.2 CLLD brings together both European Regional Development Fund (ERDF) and European Social Fund) investment through one programme. Liskeard Town Council has submitted an application to the South and East Cornwall Local Action Group for a total of £0.427m of CLLD funding to deliver the Cattle Market Makers project. An application has also been submitted for £0.326m from the Cornwall Council CLLD Match Fund to match fund the project. This allocation is above the normal intervention rate attributed to the Cornwall Council CLLD Match Fund and represents just under 10% of the total fund, but is felt necessary to facilitate its delivery. Costs and funding for the project are summarised as follows:

	<b>CLLD (ERDF / ESF)</b>	<b>CC Match Fund</b>	<b>Liskeard Town Council</b>	<b>Total</b>
Delivery of Creative Hub (Cornwall Council-led)	£0.211m	£0.257m		<b>£0.468m</b>
Business support, skills and overall project management (Liskeard Town Council-led)	£0.216m	£0.069m	£0.002m	<b>£0.287m</b>
<b>Total</b>	<b>£0.427m</b>	<b>£0.326m</b>	<b>£0.002m</b>	<b>£0.755m</b>

- 7.3 Subject to securing the CLLD and match fund investment, it is proposed that the Capital Programme is uplifted by £0.468m to reflect the costs of delivering the Creative Industries Hub, as this will be managed and delivered by Cornwall Council. Once built it will be leased to Liskeard Town Council for an annual lease amount of £1. On-going running costs of the Hub will be the responsibility of Liskeard Town Council. However, if the tenancy is terminated then any cost associated with this and the running of the Hub will be managed within the Economic Growth Service budget.
- 7.4 It is further recommended that the Capital Programme is uplifted by £0.240m to reflect an additional allocation of Local Growth Funding that has been secured for the Liskeard Cattle Market Creative and Digital Workspace project.
- 7.5 The vision for the Liskeard Cattle Market site, as defined in the public charrette exercise of March 2019, identified the need to allow a number of individual projects to come forward independently depending on funding and business cases, with some led by the Council, and others led by third parties including the community, town council or health partners. The stakeholder group established to oversee the Cattle Market site has adopted a programme approach to coordinate the different activities and ensure alignment between them, and consistency with the charrette outcomes.
- 7.6 The programme approach acknowledges that the individual projects will have different business cases and funding, and individual governance requirements. The current projects which have the most definition are the Creative and Digital Workspace project and the Makers Workspace project. The other areas that have been identified within the programme are:

- the allocation of an area for an expansion of the adjoining GP surgery (which would require a sale of land to the surgery but which would otherwise be led and funded by the surgery. The sale of land in this case could therefore generate a capital receipt to Cornwall Council)
- future community space if required, in association with the Liskerrett centre and/or other community groups (for which land has been identified and would be allocated, but with delivery being led locally. Any transfer of land would be subject to prevailing governance processes at the time)
- future public service space if required as indicated in the charrette outcomes (to be delivered by Cornwall Council subject to further business cases).

7.7 This programme led approach does mean that there will be common areas of important public realm not included in any individual project listed above. Therefore to ensure a coherent approach to these areas further funding will have to be identified in due course in line with governance processes.

## **8 Legal/Governance Implications of the proposed course of action/decision**

- 8.1 The Council has the statutory power to provide the support and resources envisaged in this report pursuant to Section 1 of the Localism Act 2011 (the General Power of Competence).
- 8.2 The Cornwall Council CLLD Match Fund was approved by Cabinet in June 2019. Authority to decide match funding applications on behalf of the Council is delegated to Cornwall Development Company except in cases where the match funding amount exceeds £0.020m. In these instances the final decision is referred to the Service Director for Economic Growth, in consultation with the Portfolio Holder for Culture, Economy and Planning. Due to Cornwall Council's own involvement in the Cattle Market Maker's Project, the decision to approve the match funding application is being referred to Cabinet. It is recommended that the application is approved subject to the outcome of the CLLD application process.
- 8.3 Subject to the success of the CLLD bid, Cornwall Council will be required to enter into a Collaboration Agreement with Liskeard Town Council to deliver the Creative Industries Hub element of the Cattle Market Makers Project. An agreement has been drafted by Cornwall Council's Legal Services in consultation with Liskeard Town Council. In order to comply with State Aid rules the funding for this project is to be delivered within the parameters of Article 56 of the General Block Exemption Regulations (aid for local infrastructure). Article 56 includes a requirement that any operator for the grant funded asset is procured on an 'open and transparent' basis. In the

present circumstances, Cornwall Council and Liskeard Town Council are effectively joint applicants for the funding as delivery partners and therefore not subject to a separate procurement requirement.

- 8.4 Cornwall Council will also enter into a lease agreement with Liskeard Town Council to manage the Creative Industries Hub following construction. Heads of Terms have been prepared and a draft lease is being finalised. The Scheme of Delegation requires a Cabinet decision for the grant of a lease for less than best consideration. A valuation is to be undertaken, but for the avoidance of doubt it is proposed that the lease to the Town Council is granted at a peppercorn rent in order to ensure that the development is financially sustainable. There is therefore a specific recommendation for Cabinet to grant a delegated authority to the Strategic Director for Economic Growth and Development to grant this lease at a peppercorn rent to the Liskeard Town Council.
- 8.5 Uplifts are required to the Capital Programme to include the costs of delivering the Creative Industries Hub element of the Cattle Market Makers Project and the additional Local Growth Funds secured for the Liskeard Cattle Market Digital and Creative Workspace. Increases to the Capital Programme require full Council approval hence the recommendation to Full Council to increase the Capital Programme.

## **9 Risk Implications of the proposed course of action/decision**

- 9.1 Implementation of the policy must align with the Council's commitment to decarbonisation, delivery of the Cornwall and Isles of Scilly Local Industrial Strategy, Cornwall Local Plan and initiatives such as the One Public Estate.
- 9.2 Place shaping is far broader than physical change and assets, it includes service delivery, skills development and education delivered in a way that meets the needs of the community as opposed to parachuting-in a one size fits all brand of service delivery. In this respect policy development and strategy is distinctly one that must reflect place – and a Cornwall-wide approach to 'place' runs the risk of being counter to this.
- 9.3 Cornwall Council will be required to comply with funding conditions associated with ERDF investment in delivering the Creative Industries Hub. Failure to comply with funding conditions is deemed to be a low risk due to EGD officer's extensive experience of European funding requirements. It is expected that the capital works to deliver the Creative Industries Hub will be procured through an existing framework contract, which has been procured in line with national and EU procurement rules.

## **10 Comprehensive Impact Assessment Implications**

- 10.1 A Comprehensive Impact Assessments (CIA) has been produced for the proposals that will facilitate the regeneration and revitalisation of towns across Cornwall. The CIA will be submitted to the Economic Growth and Development/Environment Directorate Equality Action Group for review. There are no significant impacts identified at this stage and further assessments will be completed as each element develops.

## **11 Options available**

- 11.1 Option 1 – Cabinet approves the recommendations in full which will result in a clear communication to towns and places of the support available and expectations of them in securing funding from Cornwall Council.
- 11.2 Option 2 – Cabinet approves some of the recommendations and rejects others which will result in possible fragmentation of support and resource and further challenges in levelling up Cornwall through place shaping.
- 11.3 Option 3 - Cabinet rejects the recommendations (the do nothing option) which will result in sub-optimal support for place shaping in Cornwall.

## **12 Supporting Information (Appendices)**

- 12.1 Appendix 1 – Cornwall Council Place Shaping Framework.
- 12.2 Appendix 2 – plan showing indicative location of Cattle Market Makers Project Site.

## **13 Background Papers**

- 13.1 None.

**14 Approval and clearance****All reports:**

<b>Final report sign offs</b>	<b>This report has been cleared by (or mark not required if appropriate)</b>	<b>Date</b>
Governance/Legal	Mark Pearce	13/07/2020
Finance	Geraldine Baker	10/07/2020
Equality and Diversity		
Service Director	Glenn Caplin-Grey	13/07/2020
Strategic Director	Phil Mason	13/07/2020