

Lancaster City Council | Report Cover Sheet

Meeting	Cabinet	Date	8 th June 2021	
Title	Morecambe Future High Street Bid Informal Task Group			
Report of	Overview and Scrutiny Committee			
Purpose of the Report				
To request Cabinet to consider the recommendations of the Overview and Scrutiny Committee regarding the Morecambe Future High Street bid.				
Key Decision	N/A	Date of Notice	N/A.	Public report Exempt appendix

This is a referral report from Overview and Scrutiny Committee.

Report Summary
<p>This report sets out a number of recommendations that were agreed by the Overview and Scrutiny Committee at its last meeting on 28th April 2021 after an Informal Task Group was set up to consider the Morecambe Future High Street bid which was not successful.</p> <p>The Informal Task Group reported back to the Overview and Scrutiny Committee which agreed the recommendations as set out below which are now referred to Cabinet for consideration.</p>

Recommendations of Overview and Scrutiny Committee
<p>That the Overview and Scrutiny Committee request Cabinet to consider the following recommendations :-</p> <ol style="list-style-type: none"> 1. That Officers ensure that consultants have a local based knowledge for future bids. 2. That any future bids consult with a wider base of stakeholders with a broader scope of interests and That all ward Councillors are invited to participate from town, city and county. 3. With regard to Destination Morecambe - restructuring and reimagining how people arrive and connect with the town :- That full consultation takes place with County Highways, Network Rail, Eden North and other relevant interested parties to ensure a whole structured, environmentally friendly transport plan is conceived for the area. 4. With regard to the New Contemporary Heart proposals within the bid :- That more sustainable regeneration proposals are developed following wider consultation taking into account the 80+ Market traders. 5. Regarding the Call for housing - new development of Telephone Exchange car park:- That conversion of empty business premises and new build of housing is introduced throughout the town centre to bring back the community feel of the whole of the centre. 6. With regard to the Winter Gardens provision of essential new infrastructure to increase the capacities, opportunities and viability :-

That the Winter Gardens remain an essential part of Morecambe's future and should be included in any future bid.

7. Regarding Hyperfast Broadband - installation of engineered servicing to facilitate hyper provision for Morecambe Town Centre :-

That Lancaster City Council tries to source other funding for Hyperfast Broadband provision in Morecambe Town Centre.

8. That comparisons with other sites contained within the report should be like for like. There is no benefit comparing a seaside-based, seasonal tourist town with major city yields and operations.
9. That, as a rule, the final bid (ultimately spending commitment) should be signed off by the Departmental Head, the Chief Executive, the Portfolio holder and Leader of Council.
10. That for clarity, an Executive summary should be attached to the report, which also defines the original council brief, tasks undertaken, personnel involved and third party outsourcing responsibilities.
11. That this bid is not re-used in the future as it is outdated and no longer fit for purpose, post COVID.
12. That a new Morecambe Area Action Plan is drafted with full participation of all Morecambe councillors and business representatives.
13. That a Capital Strategy policy be developed to include purchases specifically for the economic growth of Morecambe, for instance bringing redundant premises back to use.

Relationship to Policy Framework

Lancaster District Local Plan and the Morecambe Area Action Plan.

Council Plan – Ambitions

- **A Thriving and Prosperous Economy**
Create strong conditions for growth so that businesses thrive and jobs are created
With our partners, deliver major regeneration and infrastructure projects
Support development of new skills and improved prospects for our residents
Ensure that growth is good for all, and increased wealth benefits our local communities
- **Clean, Green and Safe Neighbourhoods**
Deliver, work in partnership and influence to make our district's neighbourhoods, parks, beaches and open space clean, well-maintained and safe
Work towards key parks and public spaces becoming financially self-sustaining
Use innovation, technology and partnership with others to help improve the efficiency of services, improve customer satisfaction and reduce our impact on the environment
- **Healthy and Happy Communities**
Work with others to address health inequality, food and fuel poverty, mental health, loneliness
Enhance community cohesion
Improve access to arts and leisure, meaningful work, public open space, quality housing
Protect and improve health focussing on early intervention and involving our communities in service design and delivery

Corporate priorities

Climate Action

Taking action to reduce the effects of climate change on our district

Community Wealth-Building

Building a sustainable and just local economy that benefits people and organisations

Community Engagement

Drawing on the wealth of skills and knowledge in the community and working in partnership

Conclusion of Impact Assessment(s), where applicable

Climate	Wellbeing & Social Value
Digital	Health & Safety
Equality	Community Safety

There are no direct impacts as a result of this report.

Legal Implications

There are no legal implications stemming from this report.

Financial Implications

There are no direct financial implications as a result of this report. Any recommendations resulting in the requirement of officer time will be managed from within existing budgets and any future expenditure needed will be reported back to members as part of future projects.

Other Resource or Risk Implications

Risk of unsuccessful bids.

Section 151 Officer's Comments

Although there are no direct financial implications as a result of this report many of the recommendations if fully implemented could have significant financial consequences in future years. These would need to be considered in line with the Councils current Budget & Policy Framework and existing governance requirements.

Monitoring Officer's Comments

The Overview and Scrutiny Committee support the work of the Cabinet and the Council as a whole and may be supported by Task Groups. These lead to reports and recommendations that advise the Cabinet and the Council as a whole on its policies, budget and service delivery.

It is important that Overview & Scrutiny should act as a 'critical friend' for Cabinet.

Officer Comments

The Overview and Scrutiny recommendations are constructive and positive and will help facilitate broader discussion of options to further plans for Morecambe.

In respect of the Future High Streets bid, feedback from government confirmed that the reason why the bid was unsuccessful was entirely due to the Benefits Cost Ratio (BCR) evaluation, a component of the Treasury Green Book. The BCR essentially scrutinises the potential for land value uplift delivered by the regeneration interventions proposed at that time. For areas that have experienced persistent market failure the BCR ratios are usually unachievable. This is an issue that affects many areas particularly northern towns and those that score highly in areas with high Indices of multiple deprivation. This makes the evaluation process a factor of

geographic location and not value for money and, is therefore, outside of the council's control. It was confirmed by the Government that Treasury Green Book evaluation was used as the evaluation method for all FHF bids.

A number of the recommendations from O and S are relatively easy to implement, but others have financial and other resource implications, which would need to be considered in detail, particularly in respect of corporate budgets and officer resources in the context of corporate priorities.

The focus of the recommendations primarily relates to the specificity of the Future High Streets bid and other external funding opportunities that may arise, but there is also a strong focus on the future of Morecambe and a need for an agreed way forward. Establishing this would take time and resources, but would help considerably in terms of being prepared for and meeting the criteria for any future bids for strategic funding for the area.

It is important to note that there is rarely enough time between the announcement of a new major fund and the deadline for submission of a bid to undertake the work required to engage, consult and agree a Vision and Plan for an area. The only realistic option is to develop this in advance.

Recommendation 3 refers to formal and statutory arrangements and it may be useful to note, for example, that there is already a formally adopted transport framework in place that covers Morecambe. This is the District of Lancaster Highways and Transport Masterplan, which is a statutory document, prepared by Lancashire County Council in their role as the strategic transport authority. The council cannot replicate this document, nor advance proposals that contradict the adopted vision for the future of transport in the district. However, there is no reason why softer local options could not be discussed within this broad framework.

Recommendation 12 references the Morecambe Area Action Plan. This is already a formally adopted Development Plan Document. That means that it has formal status as part of the Local Plan. Having a fully adopted Local Plan is clearly beneficial for any future bid, because it avoids ambiguity regarding future land uses. The existing Plan already supports redevelopment of the Development Opportunity Sites in Morecambe and provides policy weight regarding improvement of the public realm and diversification of Morecambe's economy.

Resolving to replace the Morecambe Area Action Plan would, like any part of the Local Plan, require significant personnel and finance resources. The availability of personnel would be dependent upon the progress of the Climate Emergency Review of the Local Plan, and the Lancaster South Area Action Plan, both of which are advancing in accordance with the Council's Local Development Scheme. Any replacement Area Action Plan for Morecambe would require statutory stages of consultation, submission to Government and an Examination in Public.

To avoid creating policy instability for any future bid, it is recommended that any review of the Morecambe Area Action Plan is considered after the submission of any such bid.

Many of the recommendations have the potential to help development of a new Vision led Morecambe Plan that could sit quite comfortably without the requirement for it to be adopted in planning terms.

Noting the recommendations, officers would advise that, if Cabinet wishes to address needs and opportunities for Morecambe, a useful way forward would be to direct officers to consider and provide advice on how a shared Vision and Plan for Morecambe. This would appear to be a best prepare for any strategic funding opportunities that may arise over the next few years and to identify what resources would be required to take this work forward.

More generally, the recommendations focus on specific areas where there was felt to be a perceived "gap" in either the business case or Council governance. Recommendation 1-ensuring consultants have local based knowledge. Not only is this a value judgement, it is not necessarily required for technical submissions like FHF. Similarly, recommendation 9 makes

specific recommendations for bid sign off. Whereas Cabinet will recall consulting with Overview and Scrutiny Committee in March 2020 before approving the final bid document at its meeting in April 2020 thus ensuring due diligence and governance was completed. Recommendations 2,3,4,5,6,7 that at either already are covered by existing policies or strategies or would be developed through project/programme delivery.

Recommendation 11 is self-determining. The FHF bid document in and of itself would not be resubmitted in its current form for any future funding. However, much of the work contained in the business case around key projects is reusable and could form the basis of any future business case for a levelling up fund bid, for example, in the future. Similarly, in Recommendation 13, any future regeneration strategy for Morecambe would continue to be developed alongside the Council's Capital Strategy and this would include land and asset management/acquisition strategy for key sites and buildings.

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Links to Background Papers	

1. Report

After the recent unsuccessful Morecambe Future High Street bid, the Overview and Scrutiny Committee agreed to carry out a short piece of work to consider the bid that had been submitted and make recommendations to increase the City Council's chances in the future.

The purpose of the Morecambe Future High Street Bid Informal Task Group was to assist in ensuring that any future bids that were submitted by the City Council were given the best chance of success in accessing the necessary funding for the sustainable economic priorities of the local community.

The Morecambe High Street Bid was listed as 4th in 'the most likely to succeed' however came in at approximately 104th after the final submission. Sheffield who started at 100+ were successful in gaining the funding in 4th place.

The Informal Task Group considered the bid that had been submitted for the Future High Streets funding in detail. The Group met with officers to discuss in detail the background to the bid, the criteria and reasons for it being unsuccessful.

The Morecambe High Street Bid document is attached at Appendix A to this report.

2. Options

Option 1: To accept the recommendations as set out in the report.
Option 2: Not to accept the recommendations as set out in the report.
Option 3: To make alternative proposals to those recommended by the Overview and Scrutiny Committee.

3. Overview and Scrutiny Committee's Preferred Option (and comments)

The Overview and Scrutiny Committee's Preferred Option is Option 1:-

To accept the recommendations as set out in the report.

4. Conclusion

Cabinet is requested to consider the recommendations of the Overview and Scrutiny Committee as set out in report.