

# Portfolio Holder Decision

## Approval to submit bid to round 2 of the Levelling Up Fund

<b>Portfolio Holder</b>	<b>Portfolio Holder for Transport and Planning</b>
<b>Date of decision</b>	<b>17 June 2022</b>
	<b>Signed</b>

### 1. Decision taken

- 1.1 That the Portfolio Holder approves the submission of a funding bid for the Stratford-upon-Avon Town Centre Redevelopment Scheme to Round 2 of the Levelling Up Fund, subject to sign off by the Section 151 Officer.

### 2. Reasons for decisions

- 2.1 The report asks the Portfolio Holder to approve the submission of a funding bid to Round 2 of the Levelling Up Fund. The County Council's Constitution requires that Portfolio Holders approve any bid for funding in excess of £250,000 or that will commit the Council to funding in excess of £50,000 that cannot be met from a service's allocated budget. It is anticipated that the bid will be for a grant of £16.3 million towards an overall project cost of £18.1 million, with the County Council providing a local contribution to the project of £1.8 million, 10% of the project cost.

### 3. Background information

#### Options and Proposal

- 3.1 At the 2020 Spending Review, the UK government committed £4.8 billion for the Levelling Up Fund for the UK. The first round of the Levelling Up Fund was announced in March 2021 and provided £1.7 billion of funding to projects across the UK.
- 3.2 In March 2022, the Government announced round 2 of the Levelling Up Fund. The deadline for bids is 6 July 2022. The Fund has three investment themes; transport, regeneration and town centres, and cultural. Bids must align with one of these themes. The County Council is permitted to submit one transport-only bid to the Fund. In addition, each district / borough council can submit bids for any of the Fund's themes equivalent to the total number of whole and partial constituencies

within their boundaries.

- 3.3 The Fund is targeted towards places most in need of investment as measured through an Index of Priority Places. This takes account of the need for economic recovery and growth, improved transport connectivity and regeneration. The index is applied to lower-tier / single-tier local authorities and has three priority categories. Nuneaton and Bedworth is in category 1 (highest need), North Warwickshire and Stratford category 2 and Rugby and Warwick category 3 (lowest level of need).
- 3.4 The fund is focused on smaller scale local projects that require less than £20 million of funding, although by exception a small number of bids for up to £50 million may be accepted for large transport and large culture bids. Projects must be able to demonstrate spend from the fund in 2022-23 financial year, with an expectation that all funding provided from the Fund will be spent by the end of 2024-25, or the end of 2025-26 in exceptional circumstances.
- 3.5 The County Council submitted a bid for the Stratford-upon-Avon Town Centre Redevelopment Scheme in round one of the Fund in June 2021. The bid was not successful but secured positive verbal feedback from the Department for Transport which assessed the bid. No written feedback has been provided on round 1 bids. Considering the feedback and the guidance on bid eligibility provided in the round 2 prospectus, it is proposed to update and resubmit the Stratford scheme bid as the County Council's transport bid.
- 3.6 The proposed bid is for a scheme to revitalise Stratford-upon-Avon's town centre by redeveloping the three key town centre streets of Bridge Street, High Street and Union Street. The scheme seeks to reduce the dominance of motor vehicles in the town centre and give greater priority and space to pedestrians and cyclists to encourage active travel and improve air quality. The proposals are also designed to provide a more sympathetic backdrop to the town's historic buildings and to enhance the town's character and ambiance. It is intended that these improvements will help create a contemporary and competitive town centre offer which will revitalise and strengthen the shopping experience, consolidate the important visitor and tourist economy and secure jobs.
- 3.7 The scheme design proposal put forward in the funding bid was developed through a design process led by Stratford-upon-Avon Town Council working closely with the Town Centre Strategic Partnership (TCSP). The TCSP comprises of 12-member organisations; the Town, District and County Councils, Stratford (BID), Royal Shakespeare Company, Shakespeare Birthplace Trust, Shakespeare's England, Stratford Town Transport Group, Accessible Transport, Stratford Society and Stratford Town Trust. In January 2021 the Town Council commissioned urban design consultants to develop concept options. This work built on proposals contained within the made Stratford-upon-Avon Neighbourhood Development Plan and drew on the significant knowledge and experience of local stakeholders and representative groups. A preferred option was selected by the TCSP which formed the basis for the bid to round 1 of the Levelling Up Fund.
- 3.8 The current scheme proposals include:

- Creating a central walkway on Bridge Street.
- Remodelling the Bridge Street / High Street roundabout to include a priority crossing through the centre of the roundabout to connect Henley Street to the central walkway on Bridge Street.
- Closing High Street to traffic daily between 11am and 4pm and widening the pavements on both sides of the street.
- Narrowing the carriageways on Bridge Street and High Street.
- Reducing the amount of on-street parking. Currently there are 14 blue badge spaces and 46 spaces that can be used by anyone between 8am and 6pm and 60 spaces that can be used by anyone between 6pm and 8am. The proposals make provision for blue badge parking only, with 11 blue badge spaces on Union Street and a further 4 blue badge spaces available on High Street between 4pm and 11am when the street would be open to traffic.
- Relocating the Bridge Street taxi rank to Union Street with a reduction of 1 space for taxis.
- Banning right turns from Union Street into Guild Street for all vehicles except taxis, buses and emergency vehicles. This is to prevent long queues of traffic forming which traffic modelling predicts would extend to Wood Street and High Street without the right turn ban.

A summary of the scheme plan has been provided with the background papers.

- 3.9 The scheme proposals were informed by a programme of engagement with key stakeholders. The engagement process included design workshops, meetings with key officers and stakeholders, site visits and presentations. Public and stakeholder support for the underlying principles and broad approach to enhancing Bridge Street and High Street has been firmly established through a succession of consultation and engagement processes undertaken to support the development of plans and strategies affecting the town centre, including the Neighbourhood Development Plan, Transport Strategy, and the Covid-19 response which saw the reallocation of road space to pedestrians and cyclists to support social distancing and active travel.
- 3.10 The proposals for the town centre have been through a consultation process which ran from 24 March 2022 to 5 June 2022 and generated a high volume of responses. The consultation feedback is currently being analysed and will be used to inform the development of the scheme design. A report setting out the consultation findings and recommended next steps will be presented to Cabinet later in 2022.

### **Timescales associated with the decision and next steps**

- 3.11 The deadline for the submission of bids is 6<sup>th</sup> July 2021.
- 3.12 The funding bid requires approval by the County Council's S151 Finance Officer prior to submission.
- 3.13 A decision on the outcome of the bids is expected in early Autumn 2022.
- 3.14 Projects must be able to demonstrate spend from the fund in 2022-23 financial year, with an expectation that all funding provided from the Fund will be spent by

the end of 2024-25, or the end of 2025-26 in exceptional circumstances.

#### **4. Financial implications**

- 4.1 The current scheme cost estimate is £18.1 million, but is subject to further work and confirmation as part of the bid preparation. The Fund guidance states that local match funding contributions will be taken into account during the assessment and encourages a local contribution of 10% or higher. It is recommended that the bid is for a grant representing 90% of the project value, this is currently £16.3 million, with the remaining 10%, currently £1.8 million, to be funded as a local contribution. It is yet to be determined how the local contribution will be funded, but this could come from existing budgets, alternative external funding sources or from the Capital Investment Fund, subject to the fund approval process.
- 4.2 Any cost overrun which arises would fall on the County Council. To reduce this risk a detailed costing exercise has been undertaken and validated against similar highway and public realm schemes. An appropriate level of contingency and allowance for inflation is included in cost estimates to reflect the current stage of design. Further work will be carried out to review the cost estimate as part of the bid preparation. Should project changes be required, to alter the scope of the scheme to remain within budget, or to request approval to increase or reduce the budget, these would be presented to the Project Board for decision/recommendation and would be brought to Cabinet for decision as required.
- 4.3 A further risk surrounds the funding timescales. The Fund guidance states that schemes are to be completed and all monies spent by March 2025. This is a challenging, but achievable timescale for a scheme of this scale and level of development.
- 4.4 Should the bid be successful, the Council will have the opportunity to review the grant terms and conditions before deciding whether to accept the funding allocation, enter into a funding agreement with the government and add the scheme to the capital programme. This will be subject to a decision by full Council. However, a successful bid will create strong pressure to secure the local contribution and approval for the bid needs to recognise this implicit consequence.

#### **5. Environmental implications**

- 5.1 The scheme is forecast to deliver environmental benefits including significantly reduced motorised traffic flows in the town centre and increased active travel movements with resultant local air quality improvements.
- 5.2 Traffic modelling carried out to inform the scheme design has identified that traffic displacement will take place, with traffic reassigning from the town centre to peripheral routes. Some locations will therefore experience an increase in traffic flows and associated environmental impacts, but it was not considered that these would have a significantly negative impact on traffic.

--

<b>Report Author</b>	Stephen Rumble stephenrubble@warwickshire.gov.uk,
<b>Assistant Director</b>	David Ayton-Hill Assistant Director for Communities davidayton-hill@warwickshire.gov.uk
<b>Strategic Director</b>	Mark Ryder Strategic Director for Communities markryder@warwickshire.gov.uk
<b>Portfolio Holder</b>	Councillor Wallace Redford Portfolio Holder for Transport and Planning wallaceredford@warwickshire.gov.uk

<b>Urgent matter?</b>	No
<b>Confidential or exempt?</b>	No
<b>Is the decision contrary to the budget and policy framework?</b>	No

<b>List of background papers</b>
Plan providing a summary of the Stratford town centre proposals

<b>Members and officers consulted and informed</b>
Portfolio Holder – Councillor Wallace Redford  Corporate Board – Mark Ryder  Legal – Ian Marriott  Finance – Virginia Rennie  Equality – Keira Rounsley  Democratic Services – Isabelle Moorhouse  Councillors –Cllr Jeff Clarke, Cllr Jonathan Chilvers, Cllr Jenny Fradgley, Cllr Jackie D’Arcy  Local Member(s): Cllr Kate Rolfe and Cllr Tim Sinclair