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1 July 2024

EXECUTIVE

A meeting of the **Executive** will be held on **Tuesday, 9th July, 2024** in the **Council Chamber, Forde House, Brunel Road, Newton Abbot, TQ12 4XX** at **10.00 am**

PHIL SHEARS
Managing Director

Membership:

Councillors Buscombe, Goodman-Bradbury, Hook, Keeling (Deputy Leader), Nutley, Palethorpe, G Taylor, Williams and Wrigley (Leader)

Please Note: The public can view the live streaming of the meeting at [Teignbridge District Council Webcasting \(public-i.tv\)](#) with the exception where there are confidential or exempt items, which may need to be considered in the absence of the press and public.

AGENDA

Part I

8. **Update on Future High Street** (Pages 3 - 8)

Future High Street Fund written update note in advance of Executive meeting.

If you would like this information in another format, please telephone 01626 361101 or e-mail info@teignbridge.gov.uk

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**Teignbridge District Council
Executive
09 July 2024
Part i**

Future High Streets Fund Written update

Financial Implications

There are no further financial implications arising from this report as it is 'to note'.

Whilst considerable efforts have gone in to safeguard the majority of the grant and the delivery of the approved projects the implications of the delays are considerable and not only places the parts of the Project at risk but also jeopardises the £9 million grant if it is not spent by the extended deadline of 31 March 2025. The upcoming Project Adjustment Request, to be taken to Full Council and DLUHC, needs quick decisions and support otherwise £2.40M of the grant will be left unallocated and will not be drawn down. Even with the Project Adjustment Request being approved it is likely that £1.0M to £1.50M will be left unallocated / unspent depending on the scale of demolition project approved, however, officers are exploring whether this can be reallocated to existing FHSF projects.

A protracted "block date" for the development is impacting rental receipts and costs as units within the Market Walk investment have been held vacant and tenancies are held on short term agreements.

Martin Flitcroft
Head of Corporate Services
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Legal Implications

There are no specific legal implications arising out of this report. However, implications and risks associated with the project previously identified and reported remain unaltered. Notwithstanding that caution is advised against acting in a way that is contrary to the decisions of the Council and/or its Constitution.

Paul Woodhead
Head of Legal Services and Monitoring Officer
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Risk Assessment

There are no particular risks associated with this report as it is to note only.

Other general risks to the project were set out in the Executive reports of 12 September 2022, 4 October 2022, and 17 November 2022, including the risks

caused by additional delays to the project and the impact of additional work on available resources to undertake tasks.

Whilst sufficient funds have been drawn down to enable the Council to deliver the approved projects, the general election on 4 July 2024 presents considerable but unavoidable political risk on the proposed Project Adjustment and spending of the unallocated grant.

Thomas E Phillips MRICS, Assets Manager
Email: tom.phillips@teignbridge.gov.uk

Environmental / Climate Change Implications

There are no environmental or climate change implications arising from this report as it is 'to note' only.

William Elliott, Climate Change Officer
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Report Author

Thomas E Phillips MRICS, Assets Manager
Email: tom.phillips@teignbridge.gov.uk

Executive Member

Councillor Martin Wrigley

Background Papers

1. [Agenda for Executive on Tuesday, 21st July, 2020, 10.00 am - Teignbridge District Council](#) - Executive approval of the submission of the Future High Street Fund bid, July 2020
2. [Agenda item - Future High Street Fund - Teignbridge District Council](#) - Executive endorsement of the Future High Street Fund Project, April 2021
3. [Agenda for Full Council on Thursday, 22nd April, 2021, 10.00 am - Teignbridge District Council](#) - Council approval of the Future High Street Fund Project, April 2021
4. [Agenda item - Future High Street Fund - Newton Abbot Market - Teignbridge District Council](#) - Council approval of the Market Hall business case, February 2022
5. [Agenda for Executive on Monday, 12th September, 2022, 10.00 am - Teignbridge District Council](#) - Executive report considering update on the Future High Street Fund, September 2022
6. [Decision - Urgent Decision - Future High Street Fund - Teignbridge District Council](#) - Urgent decision to progress actions in Executive report following cancellation of Executive meeting, September 2022

7. [Part 1 Executive report - FHSF Oct 2022.pdf \(teignbridge.gov.uk\)](#) – Executive report providing update, October 2022
8. [Agenda for Full Council on Thursday, 17th November, 2022, 10.00 am - Teignbridge District Council](#) – Extraordinary Council Meeting to agree additional funding and revised business case, November 2022
9. [Agenda for Teignbridge Highways and Traffic Orders Committee on Thursday, 1st June, 2023, 2.15 pm - Democracy in Devon](#) – HATOC meeting regarding the Queen Street proposals, June 2023
10. [Agenda item - Notices of Motion - Teignbridge District Council](#) –
11. [Agenda for Executive on Tuesday, 31st October, 2023, 10.00 am - Teignbridge District Council](#) – Item – Item 77 notice of motion for alternative recommendation (called-in)

1. Background

- 1.1 At the Extraordinary meeting of the Council on 06 September 2022, it was agreed that:
- 1.2 ‘With effect from October 2022, officers present a comprehensive written report for each executive meeting (whether held or not) on delivery of the Future High Streets Fund (FHSF) and its various projects. The report will set out key objectives and timelines, progress towards them, identify when decisions will need to be made by council / the executive and all other necessary and relevant information about the FHSF to keep councillors fully informed. If necessary, the report may be a part ii ‘exempt item’.

2. Project updates

2.1 Transport.

- 2.1.1 The National Cycle Network Route 2 improvements are almost complete, with some minor resurfacing and surface markings (cycle symbols etc) outstanding and due soon.
- 2.1.2 The Queen Street enhancement scheme works, good progress being made on construction since works started end May 2024. On track for completion November 2024.

2.2 Market Hall.

- 2.2.1 Works to the former post office building, to convert this into a temporary market hall, are underway and are due to be completed by early August 2024.
- 2.2.2 Further enabling works to the Alexandra Cinema, to provide them with a separate gas supply, are continuing. This will enable the demolition of the building link between New Look and the Alexandra Cinema / Market Hall upon determining the forthcoming planning application. The enabling works are currently programmed to be completed by early August 2024.

- 2.2.3 Consultations with pre-existing traders within the current market hall have been on-going and a relocation discussion have taken place. A formal and transparent tender process has been undertaken which will determine which of the traders will relocate into the smaller temporary market hall. Some have already undertaken negotiations with our Estates Team and are in the process of relocating to vacant shop units.
 - 2.2.4 Management options and tendering strategies are being compiled and completed by markets consultant with a view of sharing the process for re-entering the new market in late 2024. Marketing of these opportunities will also be considered and publicised towards the end of 2024.
 - 2.2.5 Final design works are being undertaken to the new market hall, based on the final pre-application feedback provided by both Planning and Conservation Officer.
 - 2.2.6 Planning application due to be submitted week commencing 8 July 2024.
- 2.3 Project Adjustment Request.
- 2.3.1 A report is to be taken to Full Council on 30 July 2024 recommending demolition of buildings at Bradley Lane is adopted as an alternative project to make use of the unspent grant following Council decision not to pursue the cinema project.
 - 2.3.2 There is a limit to how much works can be undertaken simultaneously and there is likely to still be an underspend of circa £1.0M of grant, potentially more if the demolition scope has to be reduced in order to retain buildings.
 - 2.3.3 Officers are reviewing whether any of the grant left unallocated following this project can be reallocated towards the Market Hall project and reduce TDC borrowing. The ability to do this will be determined by impact on BCR.
 - 2.3.4 No breaking of ground is proposed therefore no decontamination would be undertaken.
 - 2.3.5 The Department for Levelling up Housing and Communities (DLUHC) cautioned against undertaking more than one project due to the Project Adjustment Request requirements should one then not progress. DLUHC are already very concerned about the ability to deliver another project within the timescales.
 - 2.3.6 The change in government following the 4 July 2024 general election presents considerable but unavoidable political risk on the proposed Project Adjustment and spending of the unallocated grant.
 - 2.3.7 12 alternative project options were put forward and considered by the FHSF Executive Group, however, the majority were ruled out due to the timescales. It was decided that to meet the timescales an alternative project would have to be on a site already owned by TDC and with a project that would not require planning or relocations of protected tenants.

2.3.8 The table below sets out the shortlisted alternative projects:

Option	Property	Within red line boundary	Owned by TDC	Estimated Cost / Spend	Deliverability / control	Description
1	Bradley Lane	Yes	Yes	£700k to £1.50M	Yes, subject to necessary consents	DLUHC supportive. Confirmed compliant with Grant requirements and examples of other authorities who have used FHSF for site clearance for housing so precedents. Owned by TDC. Developer out of contract. No planning required but demolition notices. Vacant, derelict site. Demolition of buildings would reduce cost liability and safeguarding / H&S issues. Money spent on the site would translate into land value or viability / ability to deliver affordable housing or better quality housing.
2	Wilko block, Market Walk	Yes	Yes	£900k (2018 costing)	Necessitates taking back possession. Would have to work around CAB. Could undertake scheme that does not require planning	No plan in place of what to do with the unit and would require lease dissolving with administrators which may or may not occur quickly depending on where their priorities are.
∞ 3	Alexandra Cinema	Yes	Yes	Not known	Protected tenant in situ. Asset not within landlord control	No revenue from proposal. Protected tenant in situ. Too long and too costly to forcibly take back possession. Planning risk and grant spend timescales are insufficient for working up design and securing planning. Planning further complicated as requires listed building consent.
4	Sherborne house	Yes	Yes	Not known	Would have to work around tenants	Tenants in situ. No worked up plan. Likely only M&E spend potentially roof.
5	Original cycle works reduced	Yes	No	NKN		Unlikely to take much of available budget, will take time to mobilise and will add to the transport element rather than diversity of outputs. County confirmed no resource to undertake before March 2025.
6	Courtenay Park improvements and linkage to RW station	No	Yes	NKN		Outside red line plan and no worked up scheme