

**Teignbridge District Council  
Executive  
23 August 2023  
Part i**

**Future High Street Fund update**

**Purpose of Report**

To inform the Executive on the progress of the Future High Street Fund Newton Abbot

**Recommendation(s)**

The Executive RESOLVE to:

- (1) Recommend to Council that the requirement to report progress to Executive be changed from every month to quarterly

**Financial Implications**

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

The implications of the Notice of Motion effective 25 July 2023 are considerable and the knock on consequences to speed of Project delivery and decision making not only places the entire Project at risk but also jeopardises the £9 million grant. Furthermore, the additional delays that are likely to be caused, will have an adverse impact on costs as we remain in a relatively high inflationary environment.

A detailed breakdown of the overall budget was set out in the Part II report to the 4 October 2022 Executive. There are no changes to update Executive on since that report.

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**Legal Implications**

There are no specific legal implications arising out of this report as it is an update only. However, implications and risks associated with the project previously identified and reported remain unaltered.

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Executive

## **Risk Assessment**

There are no risks arising from this report as it is principally only 'to note'. There is, however, a recommendation for the Executive to approve a less frequent reporting schedule. This request is not considered to present risk particularly in light of the Leader becoming Portfolio Holder for regular reporting, and the Notice of Motion effective 25 July 2023 withdrawing Officers' delegated authority and adding a requirement to take decisions to Executive who will in turn brief Full Council. The level of monitoring and reporting is therefore considered even more burdensome without benefit.

Risks to the project were set out in the Executive report 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.

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## **Environmental / Climate Change Implications**

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

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## **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](#) -

## 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 street 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 Key objectives

- 2.1.1 The key objectives for the Future High Street Fund (FHSF) and the Council's successful bid were set out in detail in previous reports to the Executive and the Council. It is not proposed to repeat them in this or future update reports.

### 2.2 Timelines

- 2.2.1 The Project Adjustment Request (PAR) was submitted to DLUHC on 19 May 2023, and the request was approved on 20 July 2023.

- 2.2.2 Significant time and effort was required to achieve this and has resulted in 68% of the £9.025M grant being reprofiled to be spent beyond the original 31 March 2024, deadline.
- 2.2.3 Whilst no new hard spend deadline has yet been set, the programme submitted with the PAR had the practical completion of the cinema and market hall elements being achieved by 19 September 2025.
- 2.2.4 At the LGA Conference on 4 July 2023, Michael Gove MP Secretary of State for Levelling Up, Housing and Communities, announced new flexibility around FHSF project adjustment requests whereby changes can be approved locally under delegated power where there is no more than a 30% change to one of three areas; agreed project outcomes; spend timetable; and, moving between different funds (Towns Deal, FHSF and LUF).  
This announcement would not have changed the process TDC went through as our spend profiles adjusted by more than 30%. Furthermore the guidance was silent on how extensions of the hard spend deadline were to be treated.
- 2.2.5 The implications of the changes have been communicated to Members separately, however, to reiterate DLUHC were very clear on significant changes and new projects:  
  
“as FHSF is in its final year of delivery we do not expect places to make significant changes to projects and would encourage local authorities to focus on delivering agreed plans by programme-end.  
  
New projects – new projects are no longer allowed to be brought into the programme during the delivery stage. If a project does need to be cancelled, a reallocation of funding to ensure the successful delivery of other projects is permitted subject to meeting the PAR criteria.”
- 2.2.6 The planning application for the new four screen cinema is due to be determined by Planning Committee.
- 2.2.7 Plans for the Market Hall are currently being developed following the decision by Executive on the means of heating the space. A planning application is being prepared, which is due to be submitted later this year.

### **2.3 Notice of Motion and Future decisions required**

- 2.3.1 At Full Council 25 July 2023, a Notice of Motion that sought to withdraw delegated authority for decisions was passed.

*“It is proposed that the council rescind all delegation of authority for the Future High Street Fund projects excluding Queen St and the Cycle route improvements.*

*This delegated authority is to be replaced with staged delegations based on the project plans. Milestones achieved or missed and permission to proceed to a next milestone to be overseen by the Executive Committee and reported back to full council.*

*Milestones (or checkpoints) in a project are key decision points, such as interior design (outline or detailed), instructions or briefs to external parties, submission of planning requests, agreement with any external agency, Government or similar.*

*It is not the intention to stop the work, but to deliver the projects in a timely manner”.*

2.3.2 The severe adverse consequences and timescale implications of this decision and the real threat to project delivery were raised by officers verbally during Full Council as insufficient notice was provided to produce a written statement.

2.3.3 Officers have since sought clarity on what “milestones” are, in particular the “instructions to external parties”. The leader, who brought forward the NOM, confirmed:

“Clarifications and detailed instructions...on existing jobs with contracted teams are not milestones nor significant changes in direction.

Milestones are significant events that set or change the direction of a project. New briefs or instruction to a third party are significant events that commit or change the direction or timeline of a project also. Significant changes, not day to day management of progress.”

2.3.4 Officers suggested decision milestones are therefore:

#### Cinema

- Planning. Aug / Sep 23
- Cinema HoTs and instructing legals. Sep / Oct 23
- RIBA 4 sign off and proceed to tender. Nov / Dec 23
- Approval of construction contract. March / April 24

#### Market Hall

- Planning application submission approval. Sep 23
- RIBA 4 sign off and proceed to tender. Oct / Nov 23
- Approval of construction contract. March / April 24

## **2.4 Future decisions required**

- 2.4.1 The Council as the Local Planning Authority is required to determine the planning applications for the new cinema, and changes to the Market Hall and Alexandra Cinema. 22 August 2023, was the provisional Planning Committee date to determine the cinema application, however, on 11 August 2023 we were informed the planning report is not ready and the application will not be taken to that committee.
- 2.4.2 Once pre-let terms are finalised, approval will be sought for authority to enter a contract committing the Council to enter a lease in excess of ten years with an alternative cinema tenant. The original terms with Scott Cinemas is very unlikely to be proceedable due to the position of the business which has not improved during 2023 to date.
- 2.4.3 All necessary decisions have been made for the Transport project (Queen Street and NCN2) which are now proceedable.
- 2.4.4 Prior to the Notice of Motion there were no other Council decisions required unless there are changes to the schemes as approved previously by Council, for example project costs increase beyond the approved budgets.
- 2.4.5 As we now progress, Officers, in consultation with the Portfolio Holder, will have to make a judgement as to any significant decisions or deviations that necessitate Executive decision.
- 2.4.6 The formalisation of the appointment of Market Curators to continue to provide specialist input will now likely be required to go to Executive for approval. Terms were agreed but the instruction not signed prior to 25 July.

## **2.5 Reporting frequency**

- 2.5.1 At the 6 September 2022, Council meeting, it was proposed by the Executive Member for Economy and Jobs that a monthly update report was to be provided to the Executive. The purpose of the reports was to keep Councillors fully informed about the project.
- 2.5.2 The nature of the project, with an approved timeline delivering four projects over multiple years, means that it is difficult to provide any meaningful updates on a monthly basis. This requirement is having an impact on officer time and takes resource away from other work that they could be meaningfully progressing, particularly where it is a report 'to note' only, as reports requiring decisions will go the relevant committee in any event.

- 2.5.3 The Leader, who has now replaced the Executive Member for Economy, Jobs and Culture as Portfolio Holder for FHSF, receives a monthly progress report. In addition, members receive updates at key project milestones in line with those previously approved by Council. A briefing session on the project was provided to all Members on 26 June 2023, to appraise them of the current position on the project and a follow up briefing to detail the project financials is planned.
- 2.5.4 With the consequences of the decision arising from the Notice of Motion necessitating additional reporting and decision making via the Executive, this requirement renders monthly reporting even more superfluous.
- 2.5.5 It is therefore requested for the Executive to recommend to Council that the frequency of reporting is changed. Ideally the reporting will be by exception, where there is any deviation from the proposals approved by Council. However, mindful that the previous requests to make this change was rejected by Council in November 2022, it is again suggested that the frequency changes to quarterly.