

**Teignbridge District Council
Executive
05 December 2023
Part i**

Future High Streets Fund update

Purpose of Report

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

Recommendation(s)

'To note' only

Financial Implications

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

The implications of the delays are considerable and not only places the entire Project at risk but also jeopardises the £9 million grant. Furthermore, delays continue to have an adverse impact on costs as we remain in a relatively high inflationary environment.

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

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. 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.

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Risk Assessment

There are a variety of risks associated with various options which are discussed in the body of the report.

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.

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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](#) –
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 Key objectives

- 2.1.1 The key objectives for the Future High Streets 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 Executive decisions on 31 October 2023, to retain the block of buildings that were due to be demolished to make way for the cinema, to revisit the plans for the Market Hall and Alexandra Cinema building and to recommend to Full Council that they review the output of the work and make a final decision, has been called-in.

- 2.2.2 The call-in will be considered by the Overview and Scrutiny Committee on 12 December 2023. No action can be taken on the Executive's decision in the meantime.
- 2.2.3 This delay adds an initial month onto the approved project timeline. However, subject to the review and decisions by Council the project timetables could be the subject of significant change. However, it is not possible to review a programme until clear direction and authority to deliver a project has been made.
- 2.2.4 The Market Hall project is paused until sufficient authority to proceed and clear basis for which to proceed on is given.
- 2.2.5 The biannual Monitoring and Evaluation was returned to Department for Levelling Up Housing and Communities (DLUHC) on the deadline day of 17 November 2023. This was an advanced deadline for those authorities wishing to request a spend deadline extension from 31 March 2024 to 30 September 2024. It has been indicated that this will be re-defined to a committed by deadline rather than a spend by deadline, however, authorities must be able to prove they will be able to spend the grant money that financial year otherwise they will not be able to draw down the grant.
- 2.2.6 As reported previously there is now severe risk posed to the whole project due to the delays caused by firstly the 2022 Project Adjustment Request and then by the subsequent attempts to change the project's direction.
- 2.2.7 It is vital a clear way forward and a Council Mandate to deliver is established very quickly otherwise all three elements of the project are placed under severe threat of being rendered undeliverable.

3 Further Updates

- 3.1 A number of tenants are subject to a relocation strategy and decisions need to be made on their occupational agreements.
- 3.2 Revised Benefit Cost Ratios (BCRs) for the project excluding the cinema have been commissioned to ascertain whether the required BCR ratio can be achieved without the principal project.