



Executive

Meeting Date: 20th December 2021
Portfolio: Economic Development
Key Decision: Yes
Policy and Budget Framework: Yes
Public / Private: Public

Title: Future High Street Programme Governance and - Delivery
Devonshire Street and Market Square Projects
Report of: Corporate Director of Economic Development
Report Number: ED33/21

Purpose / Summary:

The delivery of the Future High Street Programme of projects is underway and is due to be completed by 31st March 2024. Carlisle City Council is the accountable body for the delivery of four projects within this programme.

This report outlines the governance arrangements in place for the programme and requests approval to take forward two of the projects through a grant funding agreement with Cumbria County Council to manage and deliver the projects.

Recommendations:

The Executive will be asked to:

1. Consider and approve the Future High Street Programme Governance arrangements.
2. Give approval to enter into a grant funding agreement with the Cumbria County Council to deliver two of the Future High Street funded projects:
 - a. Pedestrian Enhancement of Devonshire Street – the County Council will manage and deliver the project as outlined in the grant funding agreement for this project; and

- b. Reimagining Greenmarket / Market Square as Carlisle’s event space – both councils will co-produce this project in terms of design, the County Council will manage and deliver this project as outlined in a co-operation and grant funding agreement.

The final terms of the grant funding agreements for the two projects to be agreed by the Corporate Director of Economic Development following consultation with the Corporate Director of Finance and Resources, Corporate Director of Governance and Regulatory Services, Portfolio Holder for Economic Development and the Leader of the Council and subject to the project being assured by the governance structure.

- 3. Agree to the redistribution of the funding to be undertaken by the Corporate Director of Economic Development following consultation with the Corporate Director of Finance and Resources.

Tracking

Executive:	ED 18/21 - Regeneration Programme Update and Economic Development Programme Management Office
Council:	ED 22/21 - Regeneration Programme Update and Economic Development Programme Management Office

1. BACKGROUND

- 1.1. Executive and Council approvals were given, on 5th July 2021 and 20th July 2021 respectively, to sign the Future High Street Fund (FHSF) Memorandum of Understanding and therefore confirm the Council's acceptance of the £9,124,606 grant funding offered. This gave approval for the Council to be the accountable body for the FHSF programme delivery.
- 1.2. The FHSF Programme supports a package of measures to modernise and repurpose key buildings, giving them a future purpose, improve event space and public realm to support economic activity, improving the leisure offer and widening the opportunities to have more people living and working in the centre. The proposed scheme comprises four distinct but inter-related projects:

Table 1: FHSF Programme

FHSF ask	Total
a. Repurposing 6-24 Castle Street	£1,135,000
b. Preparing Central Plaza site for redevelopment	£4,749,645
c. Reimagining Green Market/ Market Square as Carlisle's events space*	£2,381,768
d. Pedestrian enhancement of Devonshire Street	£490,928
Delivery costs	£367,266
Total	£9,124,607

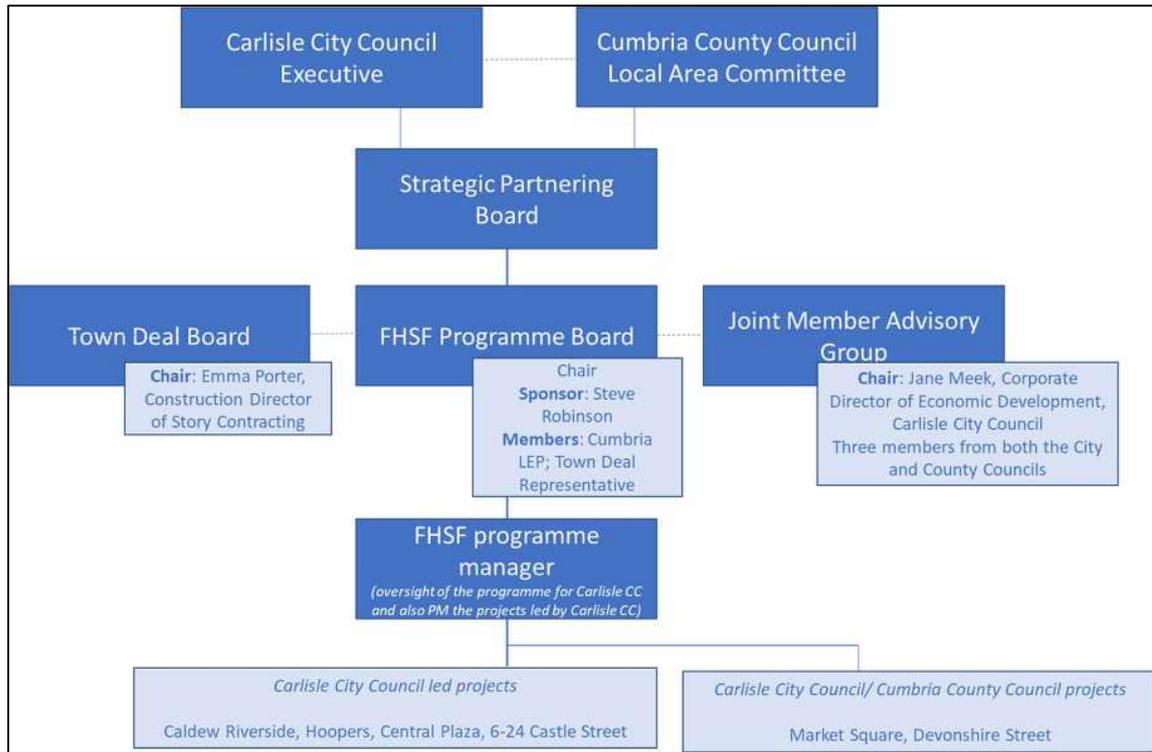
* This does not include the Council contribution of £388,232

2. PROPOSALS

2.1. Programme Governance

- 2.1.1. Carlisle City Council is the accountable body for the FHSF Programme delivery and as such the Council will make the ultimate decisions in delivery of the programme, however, consideration of the views of the Cumbria County Council's Local Area Committee is required in reference to the two highways related projects (c. and d. above). This ensures that the FHSF programme is ultimately accountable to the Council's elected members, who will monitor spending, delivery progress and support in the management of any risks through the Council's governance structure.
- 2.1.2 The governance structure for the FHSF Programme as set out in the business case is outlined below (Figure 1).

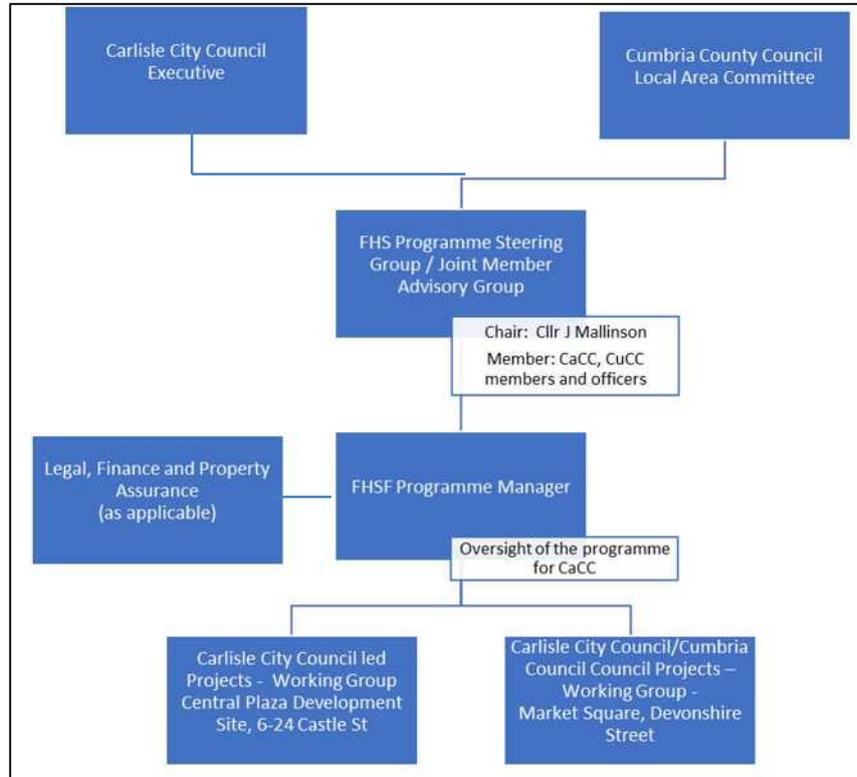
Figure 1: Governance organogram - FHSF business case



2.1.3 Since the announcement of a successful bid, the business case has been through clarifications and reprofiling that resulted in a reduction in the number of projects included and the cost of the programme. The reduction in the programme and the nature of the remaining projects has resulted in the proposed streamlining and more proportionate governance structure as set out in Figure 2.

2.1.4 In streamlining the governance structure, the decision making, scrutiny and assurance remains the role of the City Council Executive and the Local Area Committee. In the revised structure, it is proposed that the Joint Member Advisory Group (JMAG) will undertake the advisory role of the FHSF Programme Board, thereby removing the need for two stand-alone advisory bodies. The JMAG forum, as a cross-authority group, will provide elected member and senior officers the ability to input into the delivery of the FHSF programme within the wider regeneration context. For the Terms of Reference for the FHSF Programme Steering Group / JMAG see Appendix 1. The terms of reference of this group overlaps with the role of the Strategic Partnering Board (SPB) and the Town Deal Board and as such diminish the need for these bodies being formally included in the governance arrangements, both will be kept abreast of FHSF Programme delivery.

Figure 2: Revised governance organogram - FHSF programme delivery



2.1.6 For the two projects to be delivered by the County Council, these will feed from the working group through the FHSF Programme Manager, with assurance by Legal, Finance and Property (as applicable) in accordance with our own internal Project guidelines, and then the steering group before being agreed by the council either by its Cabinet or authorised delegation. Any funding from the council as the Accountable Body would not be released until the final project proposal had been through assurance and signed off by county cabinet or delegated authority. For those projects being delivered by the City Council the Executive will look to agree the final proposal for the projects following the same assurance but also ensuring that internal officers in Legal, Finance and Property Services have the opportunity to review the proposal and provide feedback to the working group for the project

2.2. Programme Delivery

2.2.1. Carlisle City Council is the lead council and accountable body, whilst Cumbria County Council will manage the delivery of two projects under the FHSF including the Market Square and Devonshire Street projects. The councils will work together to co-produce the projects and the County Council as Highways Authority will manage the delivery of the two projects relating to the highway.

2.2.2. A grant funding agreement has been drafted set out the that outlines the responsibilities of both authorities with respect to the use of the grant for the delivery of two projects. The agreement outlines the trigger points for the drawdown of the grant funding to the County Council.

2.2.3. The grant funding agreement has been drafted and both Councils are in the process of refinement of the clauses. The Executive is requested that delegated authority for the final agreement to be authorised by the Corporate Director of Economic Development following consultation with the Corporate Director of Finance and Resources (S151 Officer), Corporate Director of Governance and Regulatory Services, Portfolio Holder for Economic Development and the Leader of the Council.

3. RISKS

3.1 The delegation of authority is necessary to ensure the delivery the programme effectively and within the time frame outlined within the FHSF Memorandum of Understanding.

4. CONCLUSION AND REASONS FOR RECOMMENDATIONS

4.1 This report updates and provides the Executive the opportunity to advise and approve the proposed governance arrangements for the FHSF Programme.

4.2. In order to progress the delivery of the FHSF Programme it is recommended that delegated authority be approved to allow the Council to enter into a grant funding arrangement with Cumbria County Council for the delivery of two projects:

- Preparing Central Plaza site for redevelopment; and
- Pedestrian enhancement of Devonshire Street.

5. CONTRIBUTION TO THE CARLISLE PLAN PRIORITIES

5.1 The FHSF Programme will support the delivery of the vision set out in the Carlisle Plan, which is to enable Carlisle to grow and prosper as the capital of the Borderlands region.

5.2 The FHSF Programme contributes directly to the priority of delivering inclusive and sustainable economic growth, by making Carlisle a more attractive place for

investment. It also contributes directly to the priority of improving health and well-being, by making Carlisle a great and safe place to walk and cycle.

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**Appendices Appendix 1: DRAFT Terms of Reference for the FHSF Steering
attached to report: Group**

Note: in compliance with section 100d of the Local Government Act 1972 the report has been prepared in part from the following papers:

- None

CORPORATE IMPLICATIONS:

LEGAL – Legal Services has already been engaged in connection with the drafting of the Grant Funding Agreement.

There is no grant funding agreement from the Future High Street Fund, however there is an MOU between the Council and now Department of Levelling Up, Communities and Housing (DLUCH) therefore the terms of this and the grant award letter should be considered in any dealings with the County Council on this matter. DLUCH guidance also asks to be consulted on any significant changes to any project therefore as the Accountable Body the City Council should ensure that DLUCH are consulted as and when required.

Any decision taken by the City Council to expend funds over £70k should be taken by the Executive and therefore each project that the City Council will deliver will need approval from the Carlisle City Council Executive.

Carlisle City Council as the Accountable Body should assure that the projects being delivered by the County Council have been through the governance process as outlined in this report before the Grant Funding Agreement is finalised and funds are released.

The changes to the governance process as outlined above should be notified to DLUCH in accordance with their guidance on the use of the FHSF.

PROPERTY SERVICES - No property Implications

FINANCE – The funding for the Future High Street Fund programme is contained with the Council’s capital programme over 2021/22 – 2023/24 financial years. This report sets out the governance arrangements over how that funding will be spent and requests a number of delegations to ensure that the schemes can be delivered.

As the Accountable body, Grant Funding Agreements are required to ensure that the City Council and partners comply with the terms and conditions as set out in the MOU with the DLUCH.

Members are reminded that this MOU for FHSF is for 2021/22 only and therefore funding for 2022/23 onwards is subject to the outcome of the Government’s Spending Review and annual LA Funding assessments.

EQUALITY – None

INFORMATION GOVERNANCE – None

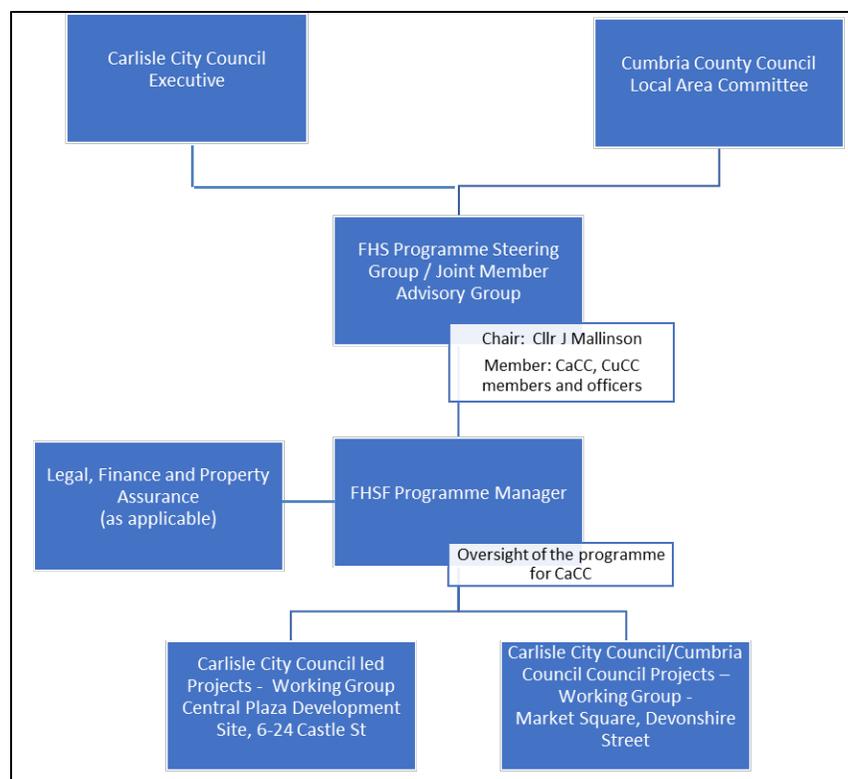
Carlisle Economic Development Joint Members' Advisory Group Terms of Reference

Purpose

The Joint Member Advisory Group (JMAG) is a cross-authority, informal group that will provide elected Member input from both the City and County Councils to the economic development and regeneration programmes / projects to be delivered within the city and wider District.

Its role is as follows:

- Ensure that economic development and regeneration programmes / projects are aligned to outcomes of the Council Plans of both authorities.
- To be advised of progress on the economic development and regeneration programmes / projects.
- To input into the development of current economic development and regeneration programmes / projects in Carlisle, including the Borderlands Growth Deal and Carlisle Town Deal.
- To provide a steer to the delivery of the Future High Street funded programme of projects which include City and County managed projects. Refer below to Figure 1: FHS Programme Governance Structure.
- To input into the development of future economic development and regeneration programmes / projects in Carlisle, including but not limited to the Levelling Up Fund and Shared Prosperity Fund.
- To receive and have input to the development and delivery engagement strategies and programmed consultations for economic development and regeneration projects.
- To champion the work being undertaken towards the delivery of the economic development and regeneration programme and projects to the wider member forum.



Governance organogram - FHSF programme delivery

Membership

Membership will comprise of elected Members of Carlisle City Council and Cumbria County Council and will be cross party. The core members and roles are as follows:-

Councillor	Organisation	Role
Cllr John Mallinson	Carlisle City Council	Chair
Cllr Paul Nedved	Carlisle City Council	Member
Cllr Les Tickner	Carlisle City Council	Member
Cllr Cyril Webber	Cumbria County Council	Member
Cllr Alan McGukin	Cumbria County Council	Member
Xxx	Cumbria County Council	Member

The JMWG may consider it appropriate to extend the membership as required and from time to time invite representatives from other partner organisations or external bodies to present or contribute to relevant topics and issues.

The JMWG will be advised by the Officers of both Carlisle City Council and Cumbria County Council:

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Officers	Organisation	Role
Jane Meek	Carlisle City Council	Corporate Director of Economic Development
Steven Robinson	Carlisle City Council	Head of Regeneration
Alison Hatcher	Cumbria County Council	Assistant Director Growth and Infrastructure
Paul Musgrave	Cumbria County Council	Area Manager (Carlisle)

Governance / Reporting / Decision Making

The Group will meet to receive quarterly updates on the progress economic development and regeneration programmes / projects and provide input to and steer their development and delivery.

The Group will operate on the following principles:

- The Group is not a decision making body but will act in an advisory capacity
- The Group will seek to agree actions and make decisions on a consensus basis.
- The Group will keep minutes of its key discussions and actions