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## **Meeting of the Cabinet – 23<sup>rd</sup> September 2020**

### **Report of the Director of Regeneration and Enterprise**

### **Towns Fund – Proposals for Dudley Town Centre and the Driverless Vehicle Consortium**

#### **Purpose**

1. To update members on Dudley Town Centre's bid for the Government's Towns Funds initiative and Driverless Vehicle Consortium activity since January 2020 when Cabinet last received a report.

#### **Recommendations**

2. It is recommended that Cabinet:-
  - Note the contents of the report.
  - Note the development of the bid based around a Higher Educational Institute on Castle Hill;
  - Approve the progression of related land and property negotiations.

#### **Background**

3. Dudley Town Centre was one of 100 centres invited by Government to bid for the £3.6billion Towns Fund aimed at driving investment and to seek long term economic and productivity growth through investment in connectivity, land use, skills and enterprise infrastructure.

Initial capacity funding of £173,029 has been provided by Government to assist with the development of proposals, run business and wider community engagement events and provide technical expertise for business case development.

Towns are expected to develop a well-evidenced Town Investment Plan (TIP), which sets out a clear understanding of the area, focusing on its assets, opportunities and challenges. The amount of investment from the Towns Fund will



be determined based on the strength of the Towns Investment Plan amongst other relevant factors.

The Plan is a locally owned document and will not require sign off by Government, however it will form the basis of deal negotiation and inform the amount of investment agreed through the Towns Fund. The Plan should explicitly set out how the Towns Fund is being used to crowd-in other local and private investment. It should also articulate how the interventions are driving economic regeneration and delivering value for money.

### **Progress in 2020**

4. Since the last Towns Fund report to Cabinet in January 2020 significant progress has been made in several key areas of activity: -

#### **The Towns Fund Board/Governance Arrangements**

- The Dudley Town Deal Board was established in January 2020 and has continued to meet monthly since. The Board includes representation from The Combined Authority, the Member of Parliament, local businesses and investors, Dudley College, Health, faith groups and the Local Enterprise Partnerships.
- The Board was initially chaired on an interim basis by Lowell Williams (Previous Chief Executive Officer (CEO) of Dudley College). The new permanent Chair – Andrew Lovett CEO of the Black Country Living Museum, took over in July.
- The membership of the board has recently been expanded to include a representative from the Dudley Group NHS Foundation Trust and the Towns Hub Co-Ordinator.
- Monthly West Midlands Combined Authority (WMCA) Towns Fund meetings have been established and include representation from the regional government office; this provides a forum for sharing information and best practice.

#### **Government Guidance and Support**

- Further detailed guidance on the Towns Fund was published in June 2020 [Towns Fund Further Guidance June 2020](#). This provides guidance on preparing for, and the content of, the TIP (contextual analysis, strategy, engagement and delivery and a prioritised list of projects), running the Board, community engagement, submission and consideration of plans. As you would expect all are now to be viewed through a COVID-19 lens and are expected to provide for a degree of flexibility and long-term sustainability.
- Ministry of Housing, Communities and Local Government (MHCLG) have appointed Arup's and a consortium of consultant/experts (The Town's Hub <https://townsfund.org.uk/>) to support towns in developing their TIPs and to



provide feedback as bids develop. How they will achieve this is illustrated in the process flowchart at Appendix 1. Our Towns Fund Co-ordinator now attends board and regular operational meetings have been established too.

- All Towns Fund areas have been provided the opportunity to accept £1m Accelerator Fund to kick start the activity. This fund is in addition to the main bid pot (of up to £25m) and must be spent by March 2021.

### **TIP development**

- The Board has agreed a bid based around the provision of a Higher Education facility on Castle Hill on the basis that this skills provision is the missing piece of the jigsaw in Dudley Town Centre's regeneration story and would provide higher education in a much needed skill area (Health) and at a level of qualification not currently available in the borough. The facility would allow students to transition from level 3 programmes right through to degree (and beyond) without needing to leave the borough and the state of the art facility would also attract people to the borough from outside thereby contributing to the local economy. Locating it on the 'University Park' development at Castle Hill creates the tipping point for a true Higher Education presence on that site, due to the Institute of Technology and Very Light Rail Innovation Centre already being developed in this location. The degree level curriculum will be delivered by a leading Higher Education Institution (HEI), with some of the level 3 / 4 feeder programmes being delivered by Dudley College of Technology.
- The Board has agreed to submit the bid in the third and final wave in January 2021. This is necessary due to the timescale to complete the OJEU process for securing an HEI partner. The Board wish to see the partner in place prior to submission to strengthen the attractiveness and viability of the bid in terms of deliverability. Following submission, feedback will be provided to inform any amendments to the bid prior to its final submission before heads of terms are agreed.
- Procurement processes are underway to commission a range of consultants to develop the bid and the project.
- Early pre application discussions have commenced on the design of the scheme.
- The Accelerator Fund has been accepted based on providing public realm to physically link the Castle Hill site and the town centre. Decision sheet reference 'Towns Fund – To approve the submission of a funding bid of £1m to fund an element of the £9.1m Metro Complementary measures that is already in the Capital Programme' refers.

### **Dudley Driverless Vehicle Consortium**

5. Cabinet on 6th January, 2020 agreed an extension of the existing agreement with Dudley Driverless Vehicles Consortium to develop a proposal for a driverless vehicle route and hub on the site of Dudley Hippodrome and adjacent land until



September 2020. This extension was to facilitate a comprehensive and co-ordinated submission of Dudley's bid for Towns Fund resources during Summer 2020.

As since December 2018 there have been no other credible proposals submitted to the Council relating to the refurbishment of the former Dudley Hippodrome building, the Cabinet considered that extending the timeline relating to the DDVC proposal to facilitate a much more comprehensive and competitive proposal for Towns Fund resources while identifying a long term and positive use for the site in question was appropriate.

The work in progressing the Towns Fund bid and the development of a much needed HEI for the town has established that the most appropriate location for the facility would be on the site of the former Hippodrome. This site is near some other key developments, such as the Black Country and Marches Institute of Technology and the Very Light Rail (VLR) National Innovation Centre, which would in turn create an educational cluster of synergetic projects.

This is a very prominent gateway into the town centre and the development of an architectural statement on this key entrance to the town is a significant opportunity both in terms of the new building and also in opening up views to the Castle (a scheduled ancient monument) which sits on one conservation area (Castle Hill) and overlooks another (Dudley Town Centre).

It is fully acknowledged that the Hippodrome is itself a heritage asset (though not statutorily listed) by virtue of its history and siting. It is also fully acknowledged that there has been, and will continue to be, objections to the removal of the Hippodrome from locals and the Theatres Trust.

However, it must be borne in mind that the building has not been used as a theatre since the 1960's. Much work has been done to produce and consider business plans for the site to return to this use and none have proved viable. Furthermore, there are several other facilities that can, and do provide such an offer in proximity and/or within a short drive. Not least Dudley Town Hall which is currently undergoing a programme of investment and which, before the recent period of lock down, had been performing extremely well in terms of ticket sales and future bookings.

The Hippodrome building has been the subject of frequent anti-social behaviour and due to the risks, particularly around falling from height and asbestos, action is being taken to try to prevent all access into the building. All openings have been secured, and a security company with a dog handler is on site. This is an ongoing cost to the Council. In 2019/20 the cost to the Council was £10,313.70 and the increased security measures mean that this year from April to August 2020 commitments so far are £13,400.



Early pre application discussions have commenced with Heritage England on the principle of the demolition of the building. However, although initial indications are positive, any support would be ultimately dependent on the quality of the replacement buildings and it is likely that planning permission would need to be granted and the contract to build let before any demolition could occur. This process could take 18 to 24 months.

If approved by Cabinet, discussions would need to commence with the college/HEI around the sale of the Hippodrome site (and any further land acquisitions required to accommodate the proposals).

It is recognised that the interest in this site and it's history will result in some opposition to the plans – however, it is considered that the benefits to the wider borough and it's residents from this flagship proposal, on balance outweigh these concerns. In regeneration terms the proposal would not just provide residents with much needed skills but it would also serve as the catalyst to joining the town centre to the Castle Hill area, accelerating the plans and strategies in place to shrink the retail core towards the lower end of the High Street and Castle Hill, and to refocus the core activity around the Portersfield/Interchange developments. The footfall and movement of the students between the campus and the proposed student accommodation on the Portersfield development will create a level of movement and activity, that in conjunction with the proposed public realm improvements will provide a legible link between the two areas and increase the flow between them.

The aim is to increase the movement between the two to ensure that trips to the town centre business (shops, restaurants, bars and leisure activities) result in trips to the visitor attractions and vice versa. This will be further underpinned by the plans in the wider town centre to, as the retail core shrinks, increase the level of residential provision and town centre living.

The Driverless Vehicle Consortium project remains viable and the current planned operation routes complement the above developments. There is currently agreement from Warwick Manufacturing Group to provide some space in the Very Light Rail Innovation Centre to allow for the pilot routes to begin operation with a limited number of vehicles. With a view that, should this be a success, a larger facility is created in connection with the development of the Health Higher Education facility.

## **Finance**

6. At this stage, the Financial implications of this report are limited to the allocation of the £173,026 capacity funding which was received in financial year 2019/20 and the £1m Accelerator Fund.



Future phases and development such as land acquisition, demolition, design and construction will need to be funded via the Towns Fund allocation of circa £25m. Any shortfall in funding would need to be the subject to further grant funding applications to the Local Enterprise Partnership (LEP), West Midlands Combined Authority (WMCA) or other funding bodies as appropriate.

### **Law**

7. Section 111 of the Local Government Act 1972 empowers the Council to do anything that is incidental or conducive to the discharge of its functions.

Pursuant to Section 1 of the Localism Act 2011 a local authority has a general power of competence to do anything that individuals generally may do.

### **Equality Impact**

8. There will be no negative impact on people with protected characteristics as a result of this report. The development of the Town Investment Plan will be undertaken with full regard to the requirement for equality impact assessment.

The development of a Town Investment plan will have beneficial impacts on local children and young people who will benefit from investment into economic development and skills training in Dudley. Children and young people will be consulted as part of the development of proposals and their involvement sought in the process.

### **Human Resources/Organisational Development**

9. There are no direct implications at this stage. There may be an impact on the Council's ability to service the Town Fund Board and associated Governance arrangements which will be considered during the allocation of capacity funding as the project progresses.

### **Commercial/Procurement**

10. All procurement will comply with Dudley MBC's Contract Standing Orders (which are fully compliant with Public Sector and OJEU procurement rules and guidelines) and all funders requirements.

There are no direct commercial implications associated with this report.

However, the development of Investment Plans and their subsequent implementation may well provide opportunities for local businesses in future.



## **Health, Wellbeing and Safety**

11. The proposals have the potential to increase the employment and skills of Dudley residents, which are important determinants of health and wellbeing. Action will be taken to support Dudley residents to take up these opportunities, in line with the aspirations of the Forging a Future for All Vision.
12. The development of Towns Fund proposals will assist to make the local economy more robust while providing higher skills training to local people, increasing the potential to access higher paid work and assisting to make local communities more resilient.
13. This decision has not been identified as having any negative health, wellbeing and safety implications.



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## **Appendices**

Appendix 1 – Process Flowchart

## **List of Background Documents**

[Towns Fund Prospectus](#)  
[Towns Fund Further Guidance June 2020](#)



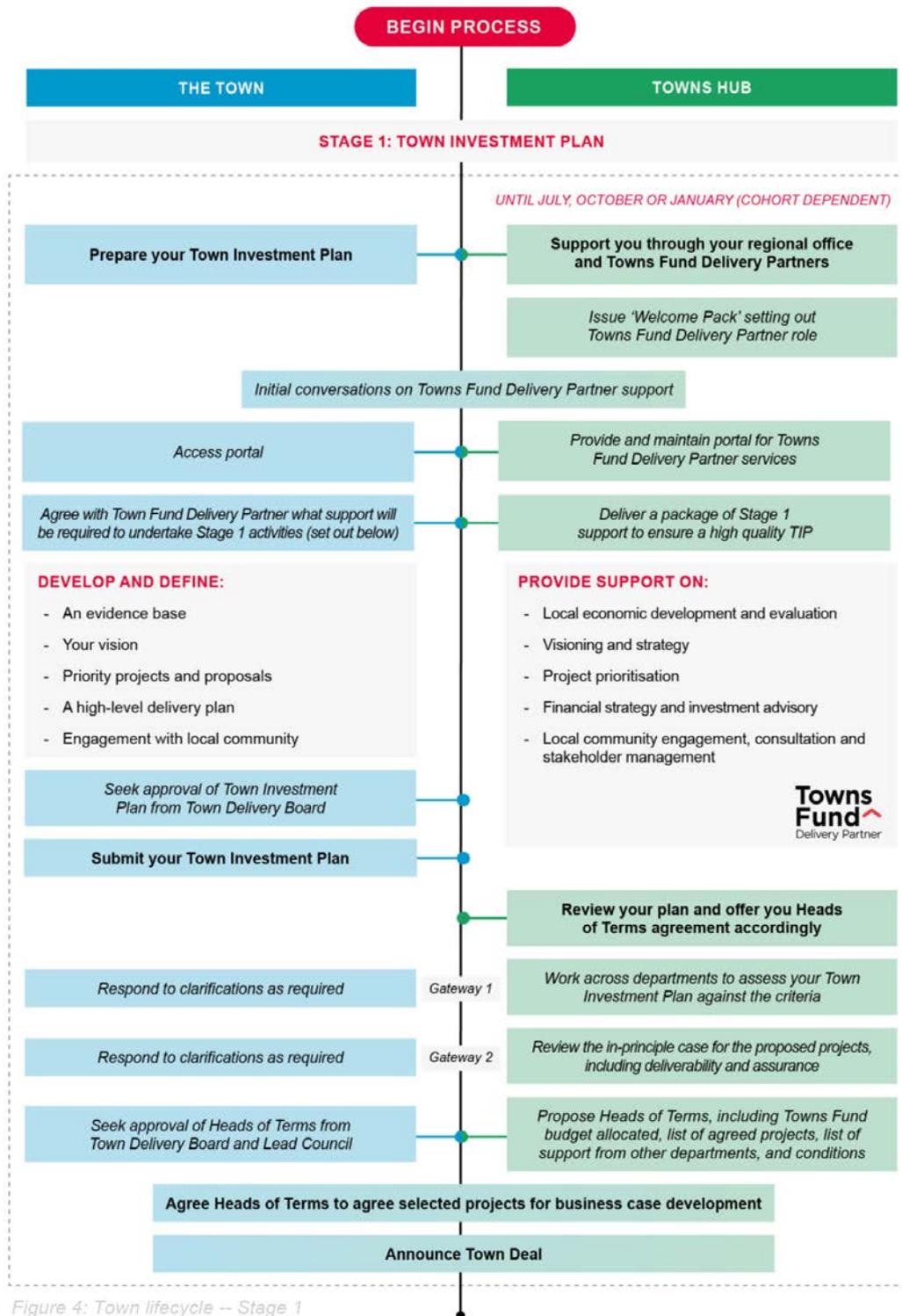


Figure 4: Town lifecycle -- Stage 1



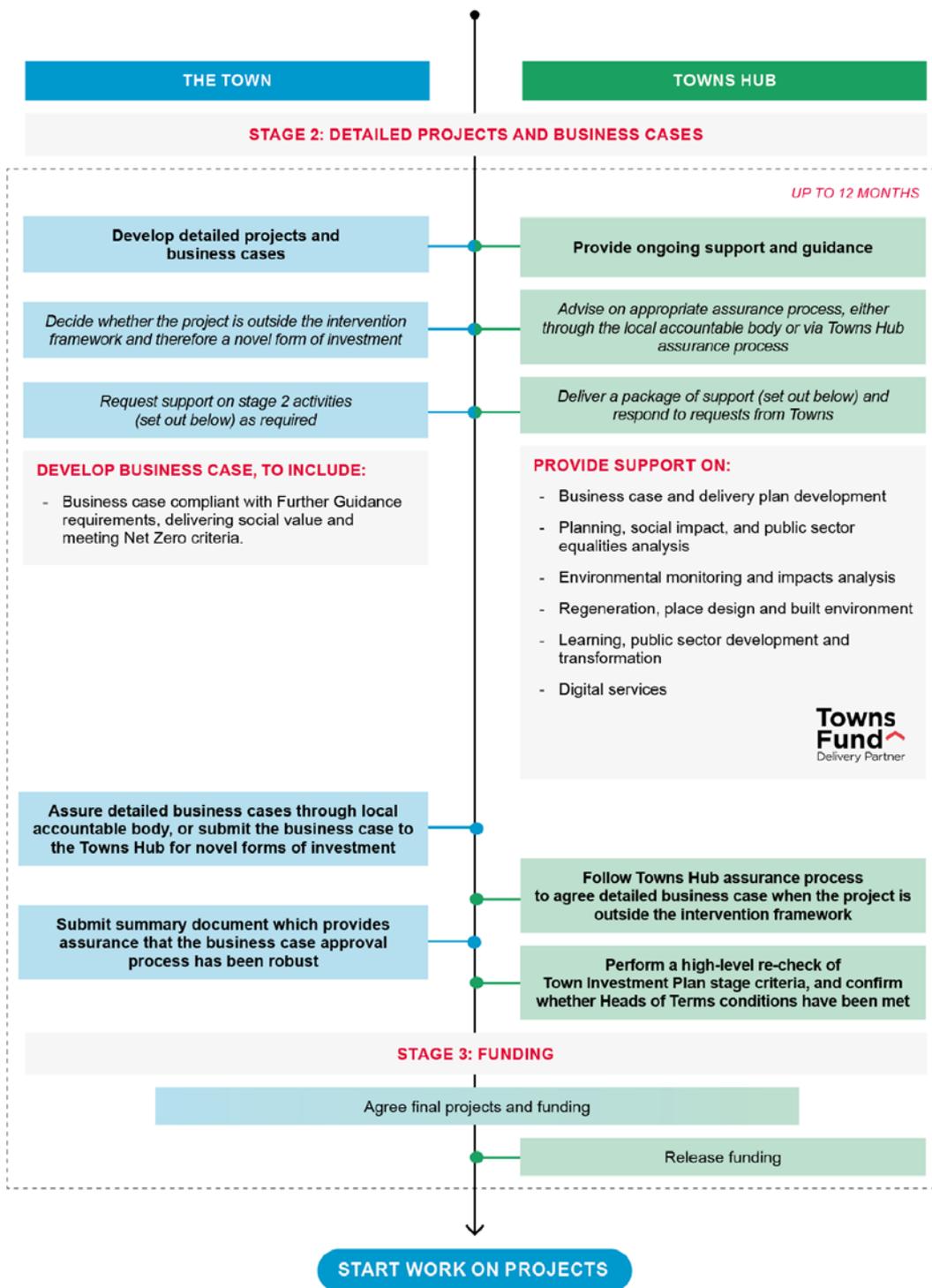


Figure 5: Town lifecycle -- Stage 2

