



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY BOARD	AGENDA ITEM No: 3.5
31 JULY 2019	PUBLIC REPORT

ST NEOTS MASTERPLAN: PHASE 1 DELIVERY

1.0 PURPOSE

- 1.1. The Combined Authority is committed to the future prosperity and success of every market town in the county and is investing in making this a reality through the masterplan programme. This programme was piloted in St Neots as part of the Mayor's 100 Day Plan and the St Neots Masterplan for Growth was subsequently approved by the Combined Authority Board in October 2017.
- 1.2. In June 2018, the Combined Authority Board also approved the Strategic Business Case and associated £4.1m of direct investment into St Neots to support Phase 1 delivery of the St Neots Masterplan for Growth. This investment comes alongside £1.7m of partner investment, making a total investment of £5.8m in the future success of St Neots, this is made up of:
- (a) £3.1m contribution from the CA to the £4.6m scheme to provide a new foot and cycle bridge in St Neots town centre, alongside improvements to the riverside area which the new bridge will link to the market square;
 - (b) £259k contribution from the CA to the £310k project to create an enhanced events programme that will be the springboard to creating a Business Improvement District for St Neots, which in turn will place future town events on a sustainable financial footing;
 - (c) £30k to work with Connecting Cambridgeshire to establish St Neots as the first Smart Town in the country, and understand what further investment is necessary;
 - (d) £175k to undertake a comprehensive transport study to solve the issue of traffic flow in St Neots town centre, in alignment with upcoming major schemes like the CaMkOx corridor and the Metro;
 - (e) £40k, alongside c£10k from the Town Council to improve street furniture in St Neots town centre so that makes it more attractive and easier for people to travel to the centre;

- (f) £12k to undertake a business demand survey to understand in more granular detail the future growth needs of St Neots businesses, to be able to respond to these in the next phase; and
 - (g) £471k towards the programme management of the ongoing delivery of the St Neots Masterplan as well as the other Masterplans that will be coming onboard within the District from this year onwards.
- 1.3. £3.95m has been allocated in the current Medium-Term Financial Plan (MTFP) capital programme for the Masterplan implementation, the majority of which is for the new bridge and river frontage pathway improvements. Completion of the new bridge and pathways is expected by late Spring 2021.
- 1.4. However, specific budget allocations have not been made within the MTFP for the revenue costs approved by the Combined Authority in June 2018.
- 1.5. This report seeks Board approval to allocate £403k of revenue from Non-Transport Feasibility Programme line to deliver the Combined Authority funding commitments.

<u>DECISION REQUIRED</u>	
Lead Member:	James Palmer, Mayor
Lead Officer:	John T Hill, Director for Business & Skills
Forward Plan Ref: 2019/059	Key Decision: Yes
<p>The Combined Authority Board is recommended to:</p> <p>(a) Approve the allocation of £403k from the non-transport feasibility budget within the Medium-Term Financial Plan to meet programme commitments as part of the £4.1m package of Combined Authority funding approved by the Board in June 2018 to deliver the first phase of the St Neots Masterplan for Growth.</p> <p>(b) Approve the reprofiling the capital expenditure in the Medium Term Financial Plan (MTFP) to match the updated forecast from the delivery partner.</p>	<p>Voting arrangements</p> <p>Simple majority of all Members</p>

2.0 BACKGROUND

- 2.1. The Combined Authority is committed to supporting market towns as economic and social hubs. It has launched the Masterplan for Growth programme to achieve this in a connected way under the emerging Local Industrial Strategy. In this way the identity and role of each town will be brought to prominence, and enable each town to grow their economies and contribute to the overall doubling of our GVA over the next 25 years.
- 2.2. This focus on market towns has been heralded by Government, by the Cambridgeshire and Peterborough Independent Economic Commission, and by other partners as a bold and progressive step towards inclusive growth.
- 2.3. The St Neots Masterplan for Growth is expected to accelerate and manage the delivery of £185m of extra economic output by 2036.
- 2.4. St Neots is the first market town backed by the Combined Authority with the publication of the St Neots Masterplan for Growth in October 2017.
- 2.5. The full St Neots Masterplan for Growth can be found at;
<http://www.cambridgeshirepeterborough-ca.gov.uk/assets/Combined-Authority/St-Neots-Masterplan-Phase-1.pdf>.

A Vibrant Town Centre as a Bedrock of Future Growth

- 2.6. Phase 1 takes as the starting point of the Masterplan a programme to revitalise St Neots town centre, boosting business activity in the centre as well as the overall attractiveness of the centre as a destination.
- 2.7. This approach is significant in two ways beyond the direct economic gain of a more active town centre. Firstly, it provides the residents of St Neots with the town centre offering which they deserve – so that they are more inclined to stay in St Neots. Secondly, it is a crucial factor in attracting businesses to locate and grow in St Neots.

Phase 2 of the St Neots Masterplan

- 2.8. Alongside the development of this first phase of activity, the Masterplan Steering Group has also begun development of the activity that will form Phase 2 of the Masterplan delivery.
- 2.9. This second phase of the Masterplan will also bring forward ambitious programmes in:
 - (a) **Skills and Employment** – a skills strategy for St Neots that brings the St Neots Manufacturing Club, Kier Group, and other major stakeholders together to put in place short / medium / long-term interventions so that skills provision in and around St Neots is matched to the current and future needs of the key sectors identified in the Masterplan; and

- (b) **Accelerating the delivery of commercial space in line with the industrial needs set out in the St Neots Masterplan** – beginning already with the commitment from Urban&Civic to accelerate the delivery of incubator space on Wintringham Park, this programme will take a strategic view of commercial space across the whole of St Neots. This will draw upon the in-depth market research undertaken through Phase 1 investment.

Project Funding Breakdown

2.10. The table below shows the various workstreams that make up the overall Masterplan implementation and the CPCA funded element for each, they have been separated based on whether the cost is capital or revenue:

Table 1: Updated financial expenditure profile (CPCA funding)

Workstream	Workstream expenditure budget (£000)				Workstream lead
	19/20	20/21	21/22	Total	
New Bridge, Riverfront and Pathways	600	2,500		3,100	Cambridgeshire County Council
Traffic Management Study	175			175	Cambridgeshire County Council
Street Furniture	40			40	St Neots Town Council
Programme Management of Capital workstreams	112	126	127	365	N/A
Capital Sub-total	927	2,626	127	3,680	
Smart St Neots	30			30	Connecting Cambridgeshire
Enhanced Marketing (BID)	98	129	45	272	Huntingdonshire District Council
Business Survey	12			12	St Neots Town Council
Programme Management of Revenue workstreams	31	38	37	106	N/A
Revenue Sub-total	171	167	82	420	
Total CPCA funded expenditure	1,098	2,793	209	4,100	

3.0 FINANCIAL IMPLICATIONS

- 3.1. This report is seeking Board approval to reprofile our current capital allocation for St Neots and allocate £403k (revenue) across three financial years from Non-Transport Feasibility Programme to deliver the Combined Authority's funding commitments as part of the programme approved by the Board in June 2018.

The tables below summarise the funding requirements of the project and the impacts on the MTFP that are being recommended.

Table 2: Reprofile of St Neots Masterplan capital MTFP budget allocation

	19/20	20/21	21/22	Total
Total capital requirement	927	2,626	127	3,680
Current MTFP allocation	3,000	950	0	3,950
Re-profile	-2,073	1,676	127	-270

Table 3: Call on non-transport revenue feasibility funding

	19/20	20/21	21/22	Total
Revenue funding requirement	171	167	82	420
Current MTFP allocation	19	0	0	19
New budget request	153	167	83	403

- 3.2. The new budget request is within the available non-transport feasibility budget within the MTFP, agreeing to this allocation would result in the following balances over the next three years:

	19/20	20/21	21/22
Current non-transport feasibility funding	765	1,000	1,000
Allocation being sought	153	167	83
Remaining balance on non-transport feasibility if approved	607	833	917

4.0 LEGAL IMPLICATIONS

- 4.1 There are no direct legal implications.

5.0 SIGNIFICANT IMPLICATIONS

- 5.1. There are no significant implications.

6.0 APPENDICES

- 6.1. None.

<u>Source Documents</u>	<u>Location</u>
Combined Authority Board October 2017	https://cambridgeshirepeterboroughcagov.cmis.uk.co/m/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/903/Committee/63/Default.aspx