

SUBJECT:	CORNHILL, MARKETS AND CITY CENTRE VIBRANCY PROJECT
DIRECTORATE:	DIRECTORATE OF MAJOR DEVELOPMENTS
REPORT AUTHOR:	MICHELLE SMITH – DEVELOPMENT OFFICER

1. Purpose of Report

1.1 To seek Executive approval for:

1. Demolition of the Cornhill Kiosk and subsequent reinstatement of the associated public realm.
2. Removal of a tree adjacent to the Cornhill Kiosk to open up Cornhill Square
3. Allocation of funds for:
 - i. The demolition of the Cornhill Kiosk and removal of the adjacent tree.
 - ii. Costs incurred in obtaining vacant possession of the Cornhill Kiosk which is currently leased, and;
4. Extension of the outdoor market offer on City Square to explore the viability of an outdoor market offer in this location.
5. Identify sources of external funding to bring forward the redevelopment of the Central Market and the Cornhill and City Squares.
6. Develop the financial business case to ensure the Council's risks and financial exposure are minimised
7. To negotiate any legal agreements required to enable delivery of the proposals as the scheme develops.

2. Executive Summary

- 2.1 The City Council has made a public commitment through both the City Centre Masterplan and Vision 2020 to develop an enhanced market offer for the City and provide improved public realm on the Cornhill Square. We are now in a position, subject to planning and some tenancy negotiations, to move forward with capital works to demolish the Cornhill Kiosk and make good the associated public realm in order to create an enhanced space for events.

- 2.2 Currently half of City Square is leased to Lincoln BIG. From April 2019 both the Council and BIG have agreed to cease this agreement and the council will operate the whole of the square as an outdoor market space.
- 2.3 Internal funds have been identified to initiate this work and a range of external funding opportunities have been identified to help deliver improvements to the Market offer, Public Realm and core City Centre vibrancy. The Council is working with key stakeholders in preparing bids to support improvements to the market and public realm to deliver the Vision and objectives.

3. Background

- 3.1 The City Centre Masterplan was developed with partners in 2006/7 to create a vision, principles, objectives and interventions in and around the city centre to strengthen the vibrancy of the city centre for now and the future. The Council and partners have continued to deliver these interventions in the spirit of that masterplan, including:
- Lincoln Transport Hub;
 - Cornhill Redevelopment; and
 - Creation of a Public Realm strategy for the City Centre adopted in 2017. The opening of Cornhill Square to the High Street is a core proposal within this strategy.
- 3.2 In 2014, City of Lincoln Council, Lincolnshire Co-operative, and Lincoln Big Commissioned the National Association of British Market Authorities (NABMA) to undertake a review of markets in Lincoln. NABMA identified that in order to achieve a vibrant and long-term sustainable market offer, change was necessary.
- 3.3 In September 2018 NABMA reviewed this work for the Council and whilst nationally markets continue on a slow decline, Lincoln still had the potential to develop a very strong indoor and outdoor market offer provided delivery of the offer is effectively co-ordinated and supported by investment.
- 3.4 The Grimsey Review was updated in 2018. This fact-based review of town and city centres/high streets included a number of case studies from across the country, to identify what had changed between the original review 2013 and 2018, along with the nature of change and opportunities for the future of our high streets. In response to this and other influences, the government launched a range of High Street based initiatives in late 2018, including the High Street Task Force, Future High Streets Funding and the "High Street Report".
- 3.5 The Council has already updated its and policy framework for markets and as part of delivering the commitment within Vision 2020, officers have been developing a business case for future investment and developing a much more vibrant market offer for Lincoln.
- 3.6 The Council, in its MTFS 2019-24 has allocated £300k from the additional resources set to be achieved through the 100% Business Rates Retention pilot to support the implementation of the Vision 2020 market and city centre improvements.

3.7 An application for funding under the GLLEP's call for future projects was submitted in December 2018 for £6.8m and it is expected that a decision of successful projects will be made in March 2019.

4. Programme of Work

4.1 Whilst the full proposals for the city centre are still being developed, all partners agree that the removal of the Kiosk on Cornhill Square to open it up to the High Street and create a much more effective public open space as part of the public Realm Strategy, is long overdue. The demolition of the Cornhill Kiosk and removal of the tree in front of the building therefore forms the first phase of improvements. This then allows the City Council to focus on creating a robust market offer around Central Market and City Square, whilst Cornhill can become a more appropriate space for events that encourage additional footfall and activity within the city centre.

4.2 A procurement exercise will be undertaken to appoint a contractor to remove the kiosk and make good the public realm.

4.3 Officers also propose to trial the extension of an outdoor market on City Square to enhance the current market offer, and encourage more footfall into the indoor market by visually promoting a joined up market offer.

4.4 Work is also currently being undertaken to bring together in a more joined-up approach the use, application and enforcement of a range of rights and licenses affecting trading in the city centre to further support the vibrancy, health and future of the City Centre including:

- City of Lincoln Council Market rights (based on a combination of Royal Charter rights and through the doctrine of lost modern grant, supplemented by the provisions under the Food Act 1984); and
- Street trading and licensing.

4.5 The next phase of delivery therefore will identify further proposals for the Central Market building, City Square and Waterside South along with other initiatives to support the vibrancy of the city centre.

4.6 The Council is also working with support from key project partners, to submit a bid under the Governments Future High Street Fund for city centre vibrancy projects including the market, public realm and accessibility projects. The £675M Fund aims to provide funding towards capital projects that bring transformative change and regeneration of city/town centres. Applications for Phase 1 requires local authorities to submit Expressions of Interest by 22 March 2019.

5. Strategic Priorities

5.1 Let's drive economic growth: Markets provide a low cost and low risk opportunity for start-up businesses, by acting as a small business incubator.

5.2 Let's reduce inequality: An enhanced semi-permanent market on City Square, just outside Central Market, would provide the perfect opportunity to focus a retail offer around value for money items; allowing the Central Market itself to become a community space for residents to mix, with an embedded retail offer.

- 5.3 Let's enhance our remarkable place: The main hall of Central Market was constructed in 1938, and replaced the former Butter Market sited on St Peter's Arches since 1736. The premises are Grade II listed and would benefit from investment. In addition, an improved market offer would help consolidate Lincoln's position as a regional centre for retail and culture.

6. Organisational Impacts

6.1 Financial Implications:

The capital costs of the demolition of the Cornhill Kiosk, tree, reinstatement works and associated costs is anticipated to be in the region of £50k and will be funded from the £300k allocated from the additional resources set to be achieved from the 100% Business Rates Retention pilot monies for the Market project. This leaves £250k for the future proposals (that will be the subject of a future Executive report). The inclusion of these capital resources has already been provided for within the MTFs 2019-24.

As part of the Council's project management processes all capital schemes are required to be developed and monitored using the Lincoln Project Management Model, release of funds will be dependent on completion and approval by the Project Sponsor of the relevant project brief.

The revenue income potential lost as a result of the Cornhill kiosk demolition will be £22,000 per annum. The income generated from the outdoor market offer utilising all of City Square is anticipated to off-set this loss of income. This income target will be incorporated into the Markets Business Case that is being developed and will be presented at a future Executive.

6.2 Legal Implications including Procurement Rules

All procurement activity will be undertaken in accordance with the Council's Contract Procedure Rules and ultimately Public Contract Regulations 2015

6.3 Equality, Diversity and Human Rights.

These have been considered but there are no implications arising from this report.

6.4 Land, Property and Accommodation

Negotiations with the existing kiosk tenant have taken place and an agreement reached in relation to the termination of the lease.

6.5 Significant community impact

The Council's 2020 Vision sets out the key priorities for driving economic growth. One of the top 3 priorities being to develop a Market Strategy to transform City Square that creates one strong, sustainable market offer in Lincoln. In addition to this, a number of other complementary projects are identified including:

- Supporting the redevelopment of the Cornhill area and Sincil Street which the Central Market, City Square and Cornhill Square are key components of;

- Completion of the City Centre Public Realm Strategy and the start of its implementation including the squares and spaces impacted by the Market Strategy;
- Enhancing the City's retail offer;
- Delivery of the Lincoln Growth Strategy which is about growing Lincoln's vibrant economy in both value and employment terms.

Markets generally also have an important role within the City Centre of enhancing place, supporting the tourism and cultural offer of Lincoln and a wider community cohesion role.

6.6 Corporate Health and Safety implications

External contractors used for the demolition will be managed in line with our Control of Contractors requirements.

7. Risk Implications

7.1 (i) Options Explored

Do nothing – This is not the preferred option. Over recent years the retail sector has declined dramatically, and for the markets traders, they have also been through the changes with the new transport hub being built, and temporary relocation of the bus station during the works, which had an adverse effect on footfall for businesses in the area, many of which have had to close during the period of works. Now the works have been completed, Lincolnshire Co-operative are undertaking multi-million pound investment in the Cornhill Quarter making this the right time to invest in the market and the market offer for the City. This will ensure we are offering facilities on a par with the other businesses adjacent to the market and assisting in improving the vibrancy of the area. The Market serves a niche requirement for the residents and visitors to the City, and investment is required to ensure it is not lost. Non demolition of the kiosk will mean that the use of Cornhill Square isn't utilised to its full potential.

7.2 (ii) Key risks associated with the preferred approach

Disruption: The removal of the tree will be undertaken on a Sunday to minimise disruption on the High Street. The schedule for the kiosk demolition will similarly ensure that disruption is kept to a minimum.

Costs: The costs of the works could increase, although indicative quotes have been obtained to inform the budget identified within this report.

The demolition could be more complicated than envisaged increasing both cost and disruption. This has been mitigated by referring to the original plans, which will be included in the demolition procurement process along with any other available information on services and other factors.

8. Recommendation

8.1 That Executive give consent to remove the Cornhill kiosk and tree, subject to planning permission and vacant possession.

- 8.2 That the Executive authorises officers to trial an extension of the outdoor market on City Square.
- 8.3 That the Executive authorises the development of proposals for the remaining £250k budget, and work with stakeholders to agree on a schedule of delivery.

Is this a key decision? No

Do the exempt information categories apply? No

Does Rule 15 of the Scrutiny Procedure Rules (call-in and urgency) apply? No

How many appendices does the report contain? None

List of Background Papers: None

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