

Report of: Director of City Development

Report to: Executive Board

Date: 15 November 2017

Subject: The Grand Quarter Townscape Heritage Scheme

Are specific electoral wards affected? If relevant, name(s) of ward(s): City & Hunslet	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for call-In?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, access to information procedure rule number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1. The Grand Quarter Townscape Heritage Scheme will contribute to one of the Council's eight breakthrough projects which aims to establish a vibrant city centre that all can benefit from, as part of its wider ambition for a strong economy and compassionate city. The Grand Quarter Townscape Heritage Scheme will do this by improving a key cultural district of the city that will complement the Leeds 2023 vision of connecting a city through culture.
2. The Grand Quarter, centred on New Briggate, is an important and historic part of the city centre, which is home to the Grand Theatre and Opera House, a high profile and iconic heritage asset and also home to Opera North since 1978. Adjacent to the Grand Theatre is the Howard Assembly Room, leased to and operated by Opera North. Both venues operate in an increasingly competitive market and it is therefore important to ensure a local environment that is conducive to attracting patronage and to realising the economic opportunities within this part of the city centre in both the daytime and evening economies.
3. The Grand Quarter has however been steadily declining in recent years. This is due to an under- investment in commercial properties and a vehicle dominated transport infrastructure that have created a poor pedestrian environment with a low grade retail offer and the loss of valued historic features.
4. There is currently a limited relationship between the Grand Theatre and Opera House /Howard Assembly Room and the immediate city centre setting. The two venues generate significant visitor numbers but there is very little dwell time from patrons in the Grand Quarter due to the unattractive environment and limited complementary offer in the vicinity. Should these issues not be addressed the area may continue to underperform, thus undermining the area's potential for entertainment, independent

retail and service functions. The Grand Quarter is about to be designated as a Conservation Area to reflect its special heritage character and in recognition of the need to encourage improvements and control inappropriate change.

5. The Heritage Lottery Fund's (HLF) Townscape Heritage Programme provides an opportunity to address these issues through an application for funding that would target property improvements to reinstate/repair heritage features on commercial properties and bring vacant floor space back into use. The scheme would generate match funding from property owners and a HLF contribution to public realm improvements. It would also provide opportunities to build on the heritage training successes of Re-Making Leeds by providing training opportunities for young people and upskilling for the building industry.
6. The council's wider regeneration aspirations include improvements to the public highway along New Briggate to enhance the pedestrian experience, including better connectivity with Briggate. The proposed improvement scheme is part of the city centre public realm strategy, which aims to reduce unnecessary traffic out of the city centre and create better pedestrian connectivity and environment. This work will complement the £174m investment proposed through the Leeds Public Transport Investment Programme, which will deliver a wide range of activities to improve transport efficiency in the city. In addition Opera North has maintained its ambition to transform the sense of arrival for their patrons as part of its Transformation Project. These improvements would also increase dwell time of patrons and provide a wider regeneration benefit for New Briggate as a whole. A budget of £750,000 has been identified to fund improvements in the area, from the sale of 26 – 34 Merrion Street, that would complement the Townscape Heritage bid and the council's regeneration aspirations.
7. The Grand Quarter is also located between a number of high profile regeneration areas within the city centre, including Leeds Arena, the recently completed Victoria Gate phase 1 (John Lewis), the proposed Victoria Gate phase 2 development and redevelopment of the Bridge Street area. As such, it will act as a key connecting area of the city centre as these schemes come forward, with the potential to generate footfall that will increase the sustainability of any planned investment.
8. Leeds BID has provided investment for the Highways feasibility study for the proposed New Briggate improvements. In addition it has funded small scale public realm improvements on New Briggate, such as footpath/street furniture cleansing and repainting of bollards. Further collaborative working is planned as part of any successful Townscape Heritage bid.
9. The Council has previously sought Townscape Heritage funds for the Grand Quarter, though its application was declined in January 2017, albeit it was supported by the Yorkshire & Humber Regional Office. This report seeks Executive Board support for the resubmission of a Stage 1 funding application to the HLF on 8 December and approval to reserve £500,000 from the general contingency budget to match fund the scheme, if the bid is successful.

Recommendations

10. Executive Board is recommended to:

- i) approve the submission of a Stage 1 Application to the Heritage Lottery Fund in December 2017;
- ii) approve the allocation of £500,000 Leeds City Council match funding from within the general contingency budget, subject to a successful Townscape Heritage bid to the Heritage Lottery Fund. This will lever in up to £2m of Heritage Lottery Fund grant and, subject to individual property grant agreements, £2.5m of private match funding; and
- iii) note that the Executive Manager (Town Centres, Heritage & Buildings) will be responsible for implementation.

1. Purpose of this report

1.1 The purpose of this report is to seek authorisation for the resubmission of the Grand Quarter Townscape Heritage scheme to the Heritage Lottery Fund (HLF) in December 2017 and the allocation of £500,000 match council funding.

2. Background information

2.1 In June 2016 Executive Board authorised the submission of a Grand Quarter Townscape Heritage Stage 1 bid to the HLF. Whilst the HLF's Yorkshire & Humber Region supported the scheme for submission to their National Board, in January 2017 the Council was informed that it had not been selected for HLF funding.

2.2 The subsequent HLF bid review meeting highlighted that whilst the Grand Quarter Townscape Heritage scheme scored very highly when assessed by the HLF Regional Board, there was strong competition nationally with four times as many bids as there was available funding. The HLF noted that for the Grand Quarter initiatives was excellent.

2.3 In addition at the time of the previous Stage 1 bid in 2016 the council had three Townscape Heritage Initiative (THI) schemes ongoing within the city. By the time of the revised submission the council will have successfully completed two THI schemes, at Chapeltown and Armley, and will be the only local authority in the country to have done so. Furthermore the Lower Kirkgate THI has progressed significantly during this period with new owners progressing a scheme for the Grade II* Listed First White Cloth Hall and new grant proposals moving forward for a further ten property improvement schemes.

2.4 The main activities of the proposed Grand Quarter Townscape Heritage scheme sit within a wider regeneration vision to arrest decline within the area and improve its image. These will include:

- Restoring and repairing the heritage assets and enhancing the Conservation Area through a Townscape Heritage project;

- Bringing historic vacant floor space back into use and encouraging new business into the area and increasing employment opportunities;
- Improving the appearance and functionality of the public highway and streetscape;
- Creating better connectivity both through the area and to neighbouring city centre destinations;
- Increasing the usability of the green space around St John’s Church and Merrion Gardens;
- Developing heritage based training and learning opportunities.

2.5 The scheme outputs will help to support the future viability of the Grand Theatre & Opera House by complementing the proposed improvements to the vacant theatre shops currently being developed by Opera North.

3. Main issues

3.1 If successful in a funding bid, the Townscape Heritage scheme will offer grant opportunities to a number of local building/business owners along New Briggate and the Grand Arcade. Properties have been prioritised on the basis of heritage need, condition and negative impact on the appearance and functionality of the Grand Quarter. The eligible properties are listed in the table below, which can be read in conjunction with the TH scheme plan at Appendix1.

High Priority	23-51b New Briggate; Grand Arcade.
Medium Priority	51c-59 & 62-66a New Briggate. Grand Theatre & Opera House (32-44 New Briggate).
Low Priority	14-30 New Briggate; 123 Vicar Lane-10 Merrion Place.

3.2 Typically the grant funded works on target properties will include the following:

- Bringing vacant historic floor space back into use;
- Replacing inappropriate modern shop fronts and restoring/repairing traditional shop fronts;
- Securing the building fabric, for example traditional slate roofs and traditional windows.

3.3 The Grand Theatre and Opera House venue is an iconic cultural venue both in Leeds and regionally. However, competition from within Leeds, such as the Arena, and from regional venues such as Bradford Alhambra, which has an integral restaurant and City Park public realm setting, is a potential threat to the long term future of the venue. This is exacerbated by the declining condition of the surrounding properties such as the Grand Parade which is directly opposite the Grand Theatre and Opera House. Vehicular and pedestrian congestion on the narrow footpaths, particularly at performance times, and the lack of facilities to

enable patrons to enjoy the full experience of a theatre visit further undermine the atmosphere on New Briggate.

- 3.4 As part of the council's plans to improve the Grand Quarter area a Council highways project to improve pedestrian access along New Briggate is being prepared for implementation in 2019. The scheme includes widening footpaths, rationalising vehicular bays/bus stops, improving crossing points and links in order to create a more positive environment for pedestrians to move around in and enhancing the quality of streetscape materials. There is a further opportunity for the Council to make streetscape improvements as a second phase in the immediate vicinity such as along Merrion Street (East), which has successfully been pedestrianised, Mark Lane along the side of the Grade I Listed St Johns church and Harrison Street which is used to service the Grand Theatre & Opera House and is the proposed arrival point for Opera North. Elements of this second phase will be included in the Stage 1 grant application bid for grant funding as they offer an opportunity to enhance the historic streetscape.
- 3.5 Members may recall that the Council took a decision at the October 2016 meeting to lease 34-40 New Briggate to Opera North Ltd at market rent, subject to a successful application for Arts Council funding. At the time of writing it is understood that the Arts Council will not be providing funding for the scheme.
- 3.6 However, Opera North has maintained its ambition to transform the sense of arrival for their patrons. These plans are focussed on establishing a restaurant use in the vacant units that front New Briggate, reinstating the original arch façade, creating an entrance foyer to the Howard Assembly Room which will have improved facilities for patrons. The scheme will also include enhancing the existing office facilities on Harrison Street to incorporate an education and orchestra rehearsal studios. It is envisaged that the works will commence on site in 2018. This will complement the maintenance works carried out recently to the Grand Theatre roofing.
- 3.7 The investment involved with Opera North's transformational project indicates the organisation's confidence to retain its headquarters in Leeds. The Council's investment through the Grand Quarter Townscape Heritage scheme will further improve the long term future working partnership with Opera North and surrounding businesses.
- 3.8 The training element of the scheme aims to create formal training and work experience opportunities for young people building on the standards set by the successful Re-Making Leeds scheme, which was a joint enterprise between the Council, Leeds College of Building, York College and the Heritage Lottery Fund. In addition heritage awareness sessions will be provided for the local community and interested professionals to promote a better understanding of historic buildings and their maintenance.
- 3.9 The scheme will also focus on improving access and use of St John's churchyard, an area of historic green space that currently has poor visibility and is underutilised. This will be achieved by creating an improved sense of security around the site by bringing the upper floors on 23-51b New Briggate back into residential use. It is envisaged that over the medium term this will bring forward opportunities to

increase the connectivity through the churchyard and develop a better relationship with the St John's Shopping Centre and Merrion Gardens.

- 3.10 Leeds BID has provided investment for the Highways feasibility study for the proposed New Briggate improvements. In addition it has funded small scale public realm improvements on New Briggate, such as footpath/street furniture cleansing and repainting of bollards. Further collaborative working is planned as part of any successful Townscape Heritage bid.
- 3.11 The proposed funding for the Grand Quarter Townscape Heritage scheme (see Appendix 1) comprises of up of £2m grant from the HLF with £500,000 match council funding. This includes £60,000 for the Heritage training programme and £60,000 towards the public realm project for additional streetscape works to support the proposed highways improvements. The scheme will benefit visitors to the area, such as theatre patrons, target property owners and business owners. It will create additional residential uses diversifying its existing community, increasing passive surveillance whilst also creating more employment opportunities through a refreshed commercial offer for the area.

4. Corporate Considerations

4.1 Consultation & Engagement

- 4.1.1 The council undertook a comprehensive programme of public consultation regarding the proposals for a Townscape Heritage scheme and a wider regeneration vision for the Grand Quarter area in the summer of 2016. Public approval for the proposed activities was overwhelming with 96% of respondents supporting the proposals. Key stakeholders including the Leeds Grand Theatre, Opera North and Leeds BID have also been consulted.
- 4.1.2 Further stakeholder and public consultation occurred in May to June 2017 setting out the proposal to designate the Grand Quarter Conservation area. Feedback was once again positive and Planning Board will be asked to approve the designation in November 2017. The designation of the Conservation Area will enhance the Townscape Heritage Stage 1 bid application to the HLF.
- 4.1.3 The Executive Member for Regeneration, Transport and Planning was consulted on 6 October. Ward Members were consulted on 12 October 2017.

4.2 Equality and Diversity/Cohesion and Integration

- 4.2.1 Equality, Diversity, Cohesion and Integration screening has taken place indicating there are no implications and, therefore, further assessment is not required. The screening document is attached at Appendix 3.

4.3 Council Policies and Best Council Plan

- 4.3.1 The HLF Townscape Heritage bid will make a clear and direct contribution to the delivery of the Council's policies and priorities. The Grand Quarter project will assist in realising the breakthrough project to establish a vibrant city centre that all can benefit from, as part of the wider Council ambition for a strong economy and

compassionate city. It also contributes to a number of Best Council Plan Priorities for 2017/18:

- Good Growth – The investment brought about by the Townscape Heritage scheme will help to create good growth by bringing vacant commercial and residential floor space in the Grand Quarter area back into use, creating new job opportunities and a more vibrant community.
- Health & Wellbeing - The historic environment also provides benefits for our health. Historic parks, gardens and other civic spaces have a significant impact on our physical and mental well-being. Research has shown how natural views can lower blood pressure and stress and improvements to the built environment have been shown to enhance mental well-being (Benefits of Heritage, Heritage Lottery Fund, 2012).
- Child Friendly City – A Townscape Heritage scheme will help to bring the underused green space at St John’s churchyard back into use and the council has already utilised the space by installing temporary pop-up play areas. This work will be further developed to widen the range of activities in this valuable space.
- Transport and Infrastructure – A highways plan is in development that will improve permeability through the Grand Quarter, reduce traffic congestion and improve connectivity to the surrounding areas of the city centre. The bid has been developed in alignment with the wider city centre traffic network proposals and Leeds Public Realm Strategy.

4.3.2 Leeds is currently in the process of applying to become the European Capital of Culture 2023. The Grand Quarter is a key cultural hub within the city centre and its enhancement would contribute to this ambition. Leeds 2023 will be firmly rooted in the city’s Culture Strategy and the year itself will be a milestone in a much bigger journey to transform the city and the quality of life experienced by everyone who lives, works and plays here.

4.3.3 The emerging Northgate Strategy has an objective to develop a variety of regeneration initiatives that will complement the anticipated and potential development in and around Grand Quarter, including the historic Mabgate areas. The Grand Quarter is an integral part of this jigsaw, located centrally between the Leeds Arena, the retail core centred on Briggate and the Phase 2 Victoria Gate site.

4.4 Resources and Value for Money

4.4.1 If the bid is successful the £500,000 of Council match funding will lever in up to £2m from the HLF with up to a further £2.5m from the private sector. Without the Townscape Heritage it is highly unlikely that this additional inward investment to Leeds would materialise without impacting on the heritage character of the area.

4.4.2 The Grand Quarter Townscape Heritage scheme includes grant funding, jointly funded by the HLF, to provide for a Townscape Heritage Project Officer to deliver the programme.

4.5 Legal Implications, Access to Information and Call In

4.5.1 The City Council has legal authority to bid for and implement the provisions of the Grand Quarter Townscape Heritage pursuant to its powers under Section 1 of the Localism Act.2011.

4.5.2 TH schemes are compatible with the State Aid provisions to the extent that on 27 May 2003 the then European Commission decision (NN 11/2002) considered the impact of Townscape Heritage schemes and found that in cases where the retention or appropriate repair of historic assets entails additional costs part or all of which are to be funded through grants, they are seen to preserve heritage without affecting trading conditions and competition and are therefore compatible with the State Aid provisions.

4.6 Risk Management

4.6.1 A separate programme risk log has been prepared and will be regularly updated. Each project supported will also have a risk management plan monitored by the project manager / team and overseen by the project board.

5 Conclusions

5.1 Based on the potential of the Grand Quarter, the Council's experience of successfully delivering similar schemes and the potential to attract inward investment of up to £4.5m, Council's investment represents value for money. The Grand Quarter Townscape Heritage scheme provides an opportunity to regenerate and revitalise this important part of the city centre, help secure the future of the Grand Theatre and Opera North and to preserve historic details which are likely to be lost without the intervention of a grant scheme.

6 Recommendations

6.1 Executive Board is recommended to:

- i) approve the submission of a Stage 1 Application to the Heritage Lottery Fund in December 2017;
- ii) approve the allocation of £500,000 Leeds City Council match funding from within the general contingency budget, subject to a successful Townscape Heritage bid to the Heritage Lottery Fund. This will lever in up to £2m of Heritage Lottery Fund grant and subject to individual property grant agreements, £2.5m of private match funding; and
- iii) note that the Executive Manager (Town Centres, Heritage & Buildings) will be responsible for implementation.

7 Background documents¹

7.1 None.

8. Appendices

Appendix 1 – Grand Quarter Townscape Heritage Plan.

Appendix 2 - Grand Quarter Visual Appraisal (Appendix 10 from previous HLF bid)

Appendix 3 - Equality, Diversity, Cohesion and Integration screening

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.