

Future High Streets Fund

Call for Expressions of Interest

Application Form

Applicant Information

Bidding authority: **Lichfield District Council**

Area within authority covered by bid: **Lichfield City**

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Additional evidence, such as letters of support, maps or plans should be included in an annex.

Applications to the Fund will be assessed against the criteria set out below. Further information on the scoring criteria and their weighting will be published by the department before the end of January 2019.

Submission of proposals:

Proposals must be received no later than 23:59 on **Friday 22 March 2019**.

An electronic copy only of the bid including any supporting material should be submitted to highstreetsfund@communities.gov.uk.

Enquiries about the fund may be directed to highstreetsfund@communities.gov.uk.

SECTION 1: Defining the place

1.1 Geographical area

Lichfield is an historic cathedral city in south-east Staffordshire. It borders the West Midlands conurbation, and is close to Birmingham. It has c.33,800 residents and provides employment, transport and some retail and leisure facilities to the wider district population (c.103,500) and nearby towns.

The city is a popular tourist destination, with many attractions including England's only three-spired medieval cathedral, historic parks, Georgian architecture, and museums celebrating Samuel Johnson and Erasmus Darwin. It boasts an active theatre and award-winning festivals, including Lichfield Food Festival and Lichfield Bower. Drayton Manor Theme Park (with Thomas Land) and the National Memorial Arboretum are a short drive from the city.

The district's second major settlement Burntwood, incorporates the historic mining villages of Chasetown and Chase Terrace, as well as Chasewater Country Park, and part of Cannock Chase AONB. The district is also home to many rural villages and hamlets (26 parishes).

The city (appendix 1) is compact, varied and well-connected. Lichfield Cathedral's three spires provide a dramatic backdrop to the centre, which has many independent retailers and an extensive food/drink offer. This is complemented by a 1990s shopping centre offering limited high street brands, the stunning Beacon Park and water features, and good car parking. Staffordshire University and South Staffordshire College have city campuses, providing a springboard to creative/technology sectors. Lichfield is well connected by rail – London Euston is 90 minutes and Birmingham New Street is 35 minutes direct. The city is also close to major roadways, including the A38, A5, M42 and M6 Toll.

Despite its qualities, Lichfield is failing to realise its potential and risks falling behind. Urgent action is needed to ensure its ongoing survival. A mixed-use scheme planned for Birmingham Road (appendix 1) collapsed in June 2018 due to a lack of funding and retailer/investor reluctance to commit given market uncertainties. This was set to deliver jobs, much needed destination retail stores, a cinema, family orientated restaurants and improved bus/coach transport facilities – vital if Lichfield is to achieve its potential as a local, regional and national destination for retail, leisure, tourism and employment.

Since then, the council has acquired the Birmingham Road site. It also owns Bird Street car park (see appendix 1) and nearby retail units, which together provide a unique regeneration opportunity. Partnership working is essential to Lichfield, which has an active Business Improvement District (BID) and a City Centre Development Partnership. With the support of key partners, the council is preparing a master plan that aims to build on the Lichfield City Centre Development Strategy's vision (appendix 2) and craft a fully tested and viable way forward for key sites and the city as a whole.

While Lichfield has low retail vacancy rates, notable names (including M&S and Game) have recently ceased trading in the city. Lichfield needs major investment to reshape and secure its future as the role of high streets change, the retail market shrinks and consumers search for better experiences. Investment is also needed in public realm/open spaces, leisure, heritage protection, and tackling congestion making it easier to access and enjoy our beautiful city.

1.2 Population and links to wider economic area:

Resident profile and population growth

Lichfield city is home to roughly a third of the district's population (c.33,800 out of c.103,500). The city and district have a primarily ageing population, with fewer working age residents aged 16 - 64 (59.5%) than the West Midlands/Great Britain (62.1% & 62.9%)¹. It is estimated 30.6% of the district's population are retired compared to West Midlands (12.8%) and Great Britain (12.9%)². Unemployment and youth unemployment rates in Lichfield are lower than the national average³. The district's population is projected to increase by 2% by 2027, with a significant growth in people aged 65 and over (17%) and aged 85 and over (55%)⁴. The next review of the Local Plan will consider how to meet the district's varied housing needs and the need for improved infrastructure, employment, facilities and leisure opportunities.

Travel to work

Over 50% of district's employed residents commute outside of the district for work (23,432 or 50.8%)⁵. 16,874 people commute into Lichfield District to fill 42.6% of district jobs, with a large percentage of those being city based. Overall there is a net total of 6,558 out commuters, with the majority heading to Birmingham (6,000+) and Walsall (up to 6,000) – a net loss of 8.2%.

Economic geography

Whilst Lichfield is located in Staffordshire, its economic geography (appendix 3) is inextricably linked to the economies of Birmingham, Solihull, and the wider West Midland conurbation. In recognition, Lichfield District Council is an active member of both the Greater Birmingham & Solihull and the Stoke & Staffordshire Local Enterprise Partnerships (GBSLEP and SSSLEP). Both LEPs were set to support the Birmingham Road development before its collapse. A bid for financial support for the master planning exercise is currently being considered as GBSLEP town and local centres programme.

Residents' retail activity

Whilst Lichfield boasts a number of independent shops offering a range of unique items – recent openings include an artisan bakery, cheese shop and art gallery – the city does not have 'the range or scale of branded chains to attract those visitors seeking a wide range of comparison shops'⁶. A study carried out by Oxford Retail Consultants suggests of the city's catchment spend potential (£174m) Lichfield is attracting approx. £40m of spend, with over £133m being spent outside of the city⁷. Destinations that attract comparison shoppers include Ventura Retail Park, Tamworth, Birmingham and Derby. Lichfield has significant potential to retain increased resident spend, by boosting its retail offer, and attract further tourism spend by marketing itself as an alternative 'experience based' retail offer, vs a replacement for modern retail developments.

Vacancy rates

The city currently has relatively low vacancy rates (5.6%, October 2018) compared to regional (10.5%) and national (10.1%) figures, however this has not always been true. In 2012 Lichfield was awarded High Street Innovation Funding to tackle empty shops. This funding helped establish the Lichfield BID. Recent closures of national high street names including M&S Food and Game, and the potential further closures

1 Source: Office for National Statistics

2 Source: Office for National Statistics

3 Staffordshire Observatory: Lichfield: District Data Pack, September 2018

4 Staffordshire Observatory: Lichfield: District Data Pack, September 2018

5. Southern Staffordshire District Housing Needs study and SMHA 2012

6 Lichfield City Centre Development Strategy 2016 – 2020

7 2016 forecasts – contained in 2014 Oxford Retail Consultants Study

– current anchor store is Debenhams – threaten to impact vacancy rates and the vibrancy of the city centre offer.

Importance of the visitor economy for the city and wider district

Lichfield is a popular tourist destination - currently c.2,601,200 district trips are made, generating c.£123m spend (2017)⁸. It is however recognised the city is not achieving its tourism potential. The Lichfield City Centre Strategy aims to support a '5% growth in visitor spending every year which could deliver an extra £46m to the local economy and over 850 new jobs'⁹. Figures suggest there is significant growth potential in the tourism and leisure sector – there are currently c.365 such enterprises in the district, representing 7.2% of enterprises overall, a figure which has seen a 19.7% growth in recent years – significantly higher than the GBSLEP (18.3%) and SSLEP (9.9%) areas.

Lichfield's events and festivals are growing and the city hosts a wide array of food, drink and art festivals. Footfall data shows events generate increased footfall compared with everyday levels¹⁰. For example, the Lichfield Bower generates approximately c.20,000 additional visitors and the Lichfield Food Festival c.100,000.

⁸ Economic Impact of Tourism – Lichfield District 2017

⁹ Lichfield City Centre Development Strategy 2016 - 2020

¹⁰ Lichfield BID footfall statistics

SECTION 2: Setting out the challenges

2.1: Challenges

Lichfield city faces significant challenges that threaten its long term sustainability. These include:

- Impacts of an ever changing retail sector on the high street
- Changing consumer behaviour in respect of retail, leisure/recreation and tourism activities and competing offers
- Lack of private sector investment and failure of the financial sector/markets to support proposed development schemes
- Reduced levels of public sector investment in streetscene and public realm
- Leakage of potential resident spend to alternative centres
- Net travel to work outward migration
- An ageing population with different needs and expectations
- A lack of a positive image for economic growth and investment outside of the sub-region

Whilst these are in some ways generic to all town centres, Lichfield's position is exacerbated because:

Design requirements threaten viability

New developments need to complement the city's historic context. High design and quality standards must be met to preserve and enhance the historic environment which gives Lichfield its unique character. This can increase development costs and threaten scheme viability, making investment hard to secure. Several development schemes have faced this challenge - Guardian House reduced in scale to meet conservation requirements, and the former Regal Cinema faced viability issues due to its locally distinctive façade.

Gateway and transport improvements

As a result of the length and eventual collapse of the Birmingham Road scheme, the city's main gateway is now in a poor visual state and the bus/coach station and rail station infrastructure need significant investment. This will ensure visitors experience a high quality aesthetic that complements, vs detracts from the city core and passing traffic appreciates the city's appeal. Car parking/traffic flow improvements, including variable messaging systems, electric charging points, and improved payment methods are also vital to attracting and retaining visitors for longer periods. Work to link and synchronise the traffic signalling is also vital to reduce congestion. A new coach park to support growing and green coach tourism is also desperately needed.

Facilities for young people and families

Lichfield offers limited facilities for families and young people. Currently residents are forced to travel outside the district to visit the cinema/other leisure facilities (bowling etc). Cinemas are rarely viable as standalone projects, even with supporting retail and restaurant development. The city's master planning exercise will test viability and determine where best leisure provision could be located to offer the best opportunity of success. A 'big box' approach is hard to fit into an historic landscape, further increasing development costs.

Housing affordability

Housing affordability, particularly for young people and families, is an issue. In the past five years 1,600 new homes have been built and only 216 have been affordable. Very few city centre affordable homes have been built. Securing affordable homes on prime city centre sites is challenging. It can increase development costs and threaten viability. That said, it's vital the city maintains a mix of housing types/prices to ensure its vibrancy/appeal. It is recognised the balance of developments that meet

younger peoples' needs, as opposed to retirement properties must be addressed against the backdrop of recent developments designed for elderly and more affluent individuals - since 2013, over 50% of major residential schemes¹¹ have been for older residents (260 units).

Enhanced visitor facilities

Lichfield has the potential to attract increased visitors and spend: 'Lichfield is underperforming against its potential, given the city's impressive history and cultural associations, iconic cathedral, beautiful open spaces and wealth of historic buildings, coupled with its central location ... and falls behind most comparable cathedral cities in the number of overnight stays and is much less well-known¹²'. Whilst stunning, the cathedral is not sufficient to achieve the potential growth and there is a need to 'improve the quantity, quality and appeal of the city's attractions'¹³ as well as 'raise awareness of Lichfield as a leading heritage and events city in central England.'¹⁴ It is recognised that they city needs to modernise its leisure offer to encourage people to stay longer and to spend more (appendix 4), however this type of development can be costly and difficult to fund.

Balanced retail offer

We need to retain a mixed retail offer and prevent stores relocating to edge of city sites. This can only be done by improving the viability of city centre sites, and enhancing city facilities/attractiveness – from modern parking, through to events and marketing.

2.2: Rationale for selecting town centre area

This is our only centre qualifying under the terms of the FHSF.

¹¹ Either completed, permitted or proposed.

¹² Lichfield City Centre Development Strategy 2016 - 2020

¹³ Lichfield City Centre Development Strategy 2016 - 2020

¹⁴ Lichfield City Centre Development Strategy 2016 - 2020

SECTION 3: Strategic ambition

3.1 Town centre vision and ambition for change

Lichfield District Council has significant ambition for the historic city of Lichfield and wishes to take a leading role in this once-in-a-generation opportunity to reimagine the cathedral city in a way that is sympathetic to its heritage, yet will see it emerge as a prime destination for residents, businesses and visitors.

Our aspirations are woven throughout our strategies and we have created clear plans on how we will resource and deliver them. We have funding in place to deliver the initial stages of our city centre master-plan, and have created additional capacity within our major project and estate teams to maintain pace. We are in the enviable position of having already assembled land across the city, and are now working to develop a dynamic, sustainable and deliverable master-plan for the city centre. This masterplan will bring clarity to the future landscape, leveraging our existing landholdings to ensure a financially viable scheme.

We are involving stakeholders, have set up appropriate governance arrangements and begun consultation with the public and partners, working to a timetable that is neatly aligned to that of the bid programme. We are clear that the masterplan and subsequent bid proposals will address the many challenges facing the city centre, and create a safe and welcoming city that meets the future needs of the communities it serves, where people can live healthy lives and work in a vibrant economy.

Specifically, the proposals will deliver:

A **modern, inviting and integrated transport infrastructure** that improves traffic flow, eases congestion and makes it simpler for people to travel to, and around, the city. A redeveloped bus station and new coach park will provide modern facilities for future resident and tourism numbers. A modernised train station will provide an attractive gateway that leads visitors to the heart of the city. A coach park will support the growing visitor numbers and greener travel. A reconfigured smart car park infrastructure will release land for other uses, while easing traffic flow as well as more adequately catering for the future migration to electric vehicles.

A **balanced housing mix** with a more affordable homes for a diverse, multi-generational community will maintain the vibrancy of the city. Additional homes will address gaps in the existing market while providing affordable housing to meet existing and future needs, as well as attracting more younger people and families. The increase in city centre population will support the long-term viability of the city centre. In addition, residential development will attract private investment which could support less viable elements of schemes.

An **enhanced cultural and entertainment offer** that will attract greater numbers of visitors for a longer period, while providing facilities for the increased and diverse population. The introduction of supplementary entertainment facilities, for example a cinema, and expansion of the food and beverage offer, will cater for the needs of city residents and visitors. When combined with an expanded 'night time' economy, such as live music venues and new visitor accommodation to address existing under-provision (such as a high-quality hotel), this will promote longer visits and greater spend.

A **high-quality public realm and complementary leisure offer** that enhances the perception of the city, facilitates footfall flow and helps keep residents active and healthy. The enhancement of existing leisure facilities, such as Beacon Park and Stowe Pool, will complement the introduction of new multi-functional, open public realm. These spaces will provide welcoming and safe areas for people to enjoy

while offering sites for the growing number of festivals, events and activities. This will enhance the experience for visitors and residents alike, while the introduction of such spaces will promote positive mental and physical health. Complementary facilities, such as a new leisure centre and medical centre will address potential future under-provision for the growing population.

High-specification business spaces and destination retail environment that support strong economic growth and increased employment across the city. A range of high-specification office, conference and employment spaces are required to meet growing demand within the city from new and expanding businesses, as well as acting as a catalyst for co-location of public services. Not only will this bring more jobs, but also more people, supporting the long term sustainability of the city. New retail spaces will seek to develop a 'destination retail offer', complementing rather than competing with larger out-of-city retail centres. This will play to the strengths of the city and help overcome the current challenges facing the high street.

3.2 Engagement and alignment of vision

The significance of Lichfield city as a key sustainable centre which serves the district and the wider area is at the heart of a number of key documents and strategies. The following strategies and funding streams highlight the importance of the city as a location for business and supporting local communities.

Lichfield District Council Strategic Plan (2016 – 2020)

The Strategic Plan sets out three key priorities for the district, these include creating a vibrant and prosperous economy, welcoming places to live and healthy and safe communities. Within each of these priorities is a number of actions and planned outcomes. Lichfield city is at heart of a number of these, which align with the vision set out in this proposal. These include the need for a regenerated city centre, more affordable homes and maintained/enhanced heritage assets. This proposal would significantly contribute to revitalising Lichfield city and ensure it is adequately future proofed.

Lichfield City Centre Development Strategy (2016 – 2020)

This sets out what Lichfield District Council, along with nine other local partners, seek to achieve within Lichfield city. It sets out a shared vision to boost tourism and visitor spend to enhance the local economy. This funding will help directly contribute towards achieving the following strategic objectives:

- Create an attractive, multi- faceted yet coherent city centre, which encourages visitors to linger and explore
- Improve the quantity, quality and appeal of the city's attractions and facilities, to attract and cater for a year round increase in visitors and spending
- Improve access to and within the city and facilitate orientation and exploration
- Raise awareness of Lichfield and its individual assets and facilities as a leading heritage and events city in central England.

There are a number of funding streams available including through Midland Engine and the two Local Enterprise Partnerships which the Council are part of. Both of the LEPs have the following strategies in place which relate to and support the vision of this bid.

Lichfield District Local Plan Strategy (2008 – 2029)

The Local Plan Strategy sets out the vision for Lichfield city up until 2029. It states the historic city centre will be the cultural and economic heart of the district and new developments will be delivered through the regeneration of the city centre, with key infrastructure being delivered and expanded. The proposals

within this bid such as city centre master-planning would contribute towards achieving the vision within the Local Plan Strategy, as well as contributing towards achieving a number of strategic priorities. Figure 1 sets out the relevant strategic priorities and how the proposal would help contribute towards them.



Figure 1: Local Plan Strategy

Stoke on Trent Staffordshire LEP Strategic Economic Plan (2017 – 2030)

A key objective within the plan is to create more competitive urban centres through heritage led regeneration and schemes which promote and enhance the culture and leisure offer.

Greater Birmingham and Solihull LEP Strategic Economic Plan (2016 – 2030)

A key focus of the plan is to develop thriving local and town centres. The proposals will support local business growth and showcase the centre's cultural and historical assets. These aims are recognised within both LEP's Town and Local Centres Framework. In addition, the emerging West Midlands Industrial Strategy seeks to drive economic growth and productivity improvements. The funding will help contribute towards this by implementing new technology within the city centre.

3.3 Support for town centre vision

Support for the vision and this bid can be evidenced in a number of ways.

Primarily the presence of the Lichfield City Centre Development Partnership and strategy demonstrates the years of joint working and investment that have led us to this point. The bid itself has been discussed with the partnership, and with a range of other partners including Local Enterprise Partnerships and Staffordshire County Council. Letters of support are attached in appendix 5.

Two events were held recently to help prepare for the city centre master-planning exercise. The first event involved stakeholders, including Lichfield Cathedral, Lichfield BID, Lichfield City Council, Staffordshire County Council, St Mary's Trust, Visit Lichfield, GBSLEP, Arriva bus operator, local residents' associations, Lichfield Civic Society and Chamber of Commerce. Attendees highlighted transport, coach parking, design constraints, and the need to focus on the whole city in their feedback.

The second event involved attracted 300 members of public and was very positively received. The top three issues raised by residents were the need to improve the bus station and transport hub, improvements to public realm and the provision of leisure facilities (e.g. cinema). Ensuring activities for younger people are provided will underpin the vitality of our high street. Following the successful public consultation event we are now are working with the Staffordshire University, South Staffordshire College and local schools to carry out focussed discussions with younger residents about what they want from their city. Early feedback indicates their main concerns are around transport, access, need for cinema and event space and affordable housing, all of which are addressed in this bid.

The mixed use retail scheme that collapsed in June 2018 and referenced elsewhere in this bid had financial support from Greater Birmingham & Solihull and the Stoke & Staffordshire Local Enterprise Partnerships (GBSLEP and SSSLEP) Growth Funds, as it was seen as strategically important for the local and wider economy. Both partnerships have indicated support for future bids for funding following the outcome of the master-planning exercise. Support is being sought from the GBSLEP from their Town Centre fund for the master planning exercise.

3.4 Estimate of revenue funding needed

Component projects (examples)	revenue	capital	comment
Support for a master planning exercise including viability assessments and business cases for all affected sites	£500,000	Once uses identified further capital bids may be required.	Required to set a baseline and programme plan for all the aspects of the work required. Will require consultant support and internal resources
Immediate public realm improvements – demolition and improvement to Birmingham Road site	£100,000	£1,500,000	Will increase viability of any future scheme identified through master planning exercise and enhance the visitor experience before development of this gateway site takes place

Provision of a coach park	£100,000	£1,000,000	Site identified and negotiations for completion of land purchase underway. With funding could be completed in 2020. Can be completed without impacting on master planning exercise and is essential to cope with existing visitor numbers not just the aspirational levels in our vision.
Car park improvements and variable messaging system	£10,000 pa (5 yrs)	£80,000	Will bring about instant improved visitor experience
Resource support for the programme needed to achieve our Vision	£150,000 pa (5yrs)		To enhance the Major Projects team and ensure delivery
Total bid	£1,500,000	£2,580,000	

ENDS