

APPENDIX A

STOWMARKET TOWN CENTRE GATEWAY FUND (FRAMEWORK)



The Challenge

- Addressing increasing vacancy rates in Stowmarket, as well as the high social and financial costs associated with this
- Being aware that It is not just the legacy of the pandemic which creates challenges, as overall retail unit vacancy rates in the UK have been increasing since 2018. On-line consumer habits and localised issues also impact
- Understanding that supporting a thriving town centre is not a ‘single issue matter’ to address, and that collaboration and direct key interventions can act as a catalyst to wider and sustained positive change

The Initiative

- By working together, Councils and local partners can help to un-block, de-risk and improve the high street
- MSDC to invest £1.5m (from Gateway 14 dividend) to enhance Stowmarket town centre for mixed-use future that is less retail-dependent - working with private sector owners and local end-users encouraging investment and innovation
- Working with local landlords, businesses and potential end-users. Utilising networks to increase opportunities for innovation, art and cultural experiences, pop-ups, shop front improvements, hub and cluster opportunities across a range of activities, kick-starting local business concepts, evening economy and café culture development, and uses complimentary to other high street and town centre assets

PART A: PROPERTY

- High street property acquisitions and/or leasing high street property and/or funding property improvements to benefit the high street
- Process to deliver transparency, good practice due diligence and securing best value for investment

PART B: END-USES AND OCCUPIERS

- Identifying a pool of potential occupiers and end-uses to support a thriving high street resulting in fewer vacant units. An initial ‘expression of interest’ stage will help to develop this
- Providing support to potential occupiers (sign-posting other grants/support)
- Providing affordable High Street accommodation for pop-ups/start-ups
- Adding value from our economic growth network and functions (e.g. early business support)
- Collaborative and transparent process to support thriving Town Centre.
- Branding/ Marketing/ Shop Front Vinyl etc.

WITHIN TARGET AREA?



VACANT, OR ABOUT TO BECOME VACANT (NEXT 12 MONTHS)



CONDITION SATISFACTORY, OR OPPORTUNITY TO IMPROVE?



FAIR MARKET VALUE?



DUE DILIGENCE CHECKS OUT?



DECISION MAKING PROCESS (LINK WITH PART B)



- Ipswich Street core and immediate Stowmarket high street central area
- Strategic location or building
- High prominence and visibility to community

- Available to take on (a) property / asset acquisition basis
- Available to take on (b) rental basis as enabling desirable end uses
- Available to (c) award grant to stimulate a thriving town centre end-use

- Building Survey
- Configuration and layout acceptable
- Preference to enable complimentary uses on one or more floors or in multiple rooms
- Considering ongoing revenue costs and liabilities including landlord and maintenance
- Reasonable fit out / refurbishment costs likely
- Good EPC or potential

- Council obligations on securing best value for spend of public money
- Checking against the market
- Valuer intelligence on fair market rental levels
- Protecting - Security for the Council's investment - timeframe and requirement

- Key stakeholders and partners supportive
- No conflict with other uses – existing or planned - within the town
- Business Rates position
- Follow-ups from Building Survey including cost and time estimates
- Legal work, planning position, borrowing, procurement and HMLR checks etc.

- Use existing delegations for acquisition, unless large scale investment decision or public interest via Cabinet reporting
- Secure budget for landlord liabilities and ongoing revenue expenditure

PART B - OCCUPIER CRITERIA

- Must deliver additionality to the Town Centre
- Will not actively compete with existing offer – should be complementary / additional
- Minimum 5 days / week operational hours
- Must have enough stock / assets to fill the shop
- Must not be a national retailer / business
- Minimum 6-month occupancy
- Should have a business plan and sufficient finances to be able to take on the commitment
- Should have evidence (measurable) of how the use will provide economic, social and environmental benefits for Stowmarket

TIMELINE & PROCESSES

- Scheme Launch July 2024
- First Applications for Part A & B September 2024
- Due Diligence Part A & Part B September 2024
- First Recommendations to Stakeholder Panel October 2024
- Appropriate Decision-Making Governance Nov/Dec 2024
(In accordance with Strategic Asset management Plan & Contract Standing Orders)
- Further applications to be considered opportunistically and in further rounds to promote the use of the funds
- Applications, Due Diligence and Stakeholder Panel process will be repeated throughout the programme