

TRANSFORMING PAIGNTON TOWN CENTRE

A SUMMARY OF THE FULL BUSINESS CASE for FUTURE HIGH STREETS FUNDING



Aerial view of Torbay Council's Future High Streets Funding Intervention

TORBAY COUNCIL

THE INVESTMENT PROGRAMME

to resolve Paignton's challenges

Transformation of Victoria Centre
providing around 160 flats for young people, families and young professionals; an 85 bed nursing home; improved public space (£4.453M)

Substantial improvements to Paignton Station Square and Paignton Station
the hub of the town centre (£2.586M)

Mixed used redevelopment of Crossways
including up to 100 extra care apartments (£2.717M)

Bringing Europe's oldest purpose built cinema back into use
adding to the cultural offer (£1.338M)

Diversification of high street properties
including 65-70 new homes in upper floors of buildings around Paignton Station Square (£2.456M)

Flood defence scheme for Paignton Seafrent
to protect the town centre from flooding (£571,000)

Substantial improvements to Torbay Road
better linking the town centre and seafrent (£4.9M)

An overall vision and programme

for transformation of Paignton Town Centre (£19.166M)

Infographic 1: The Investment Programme

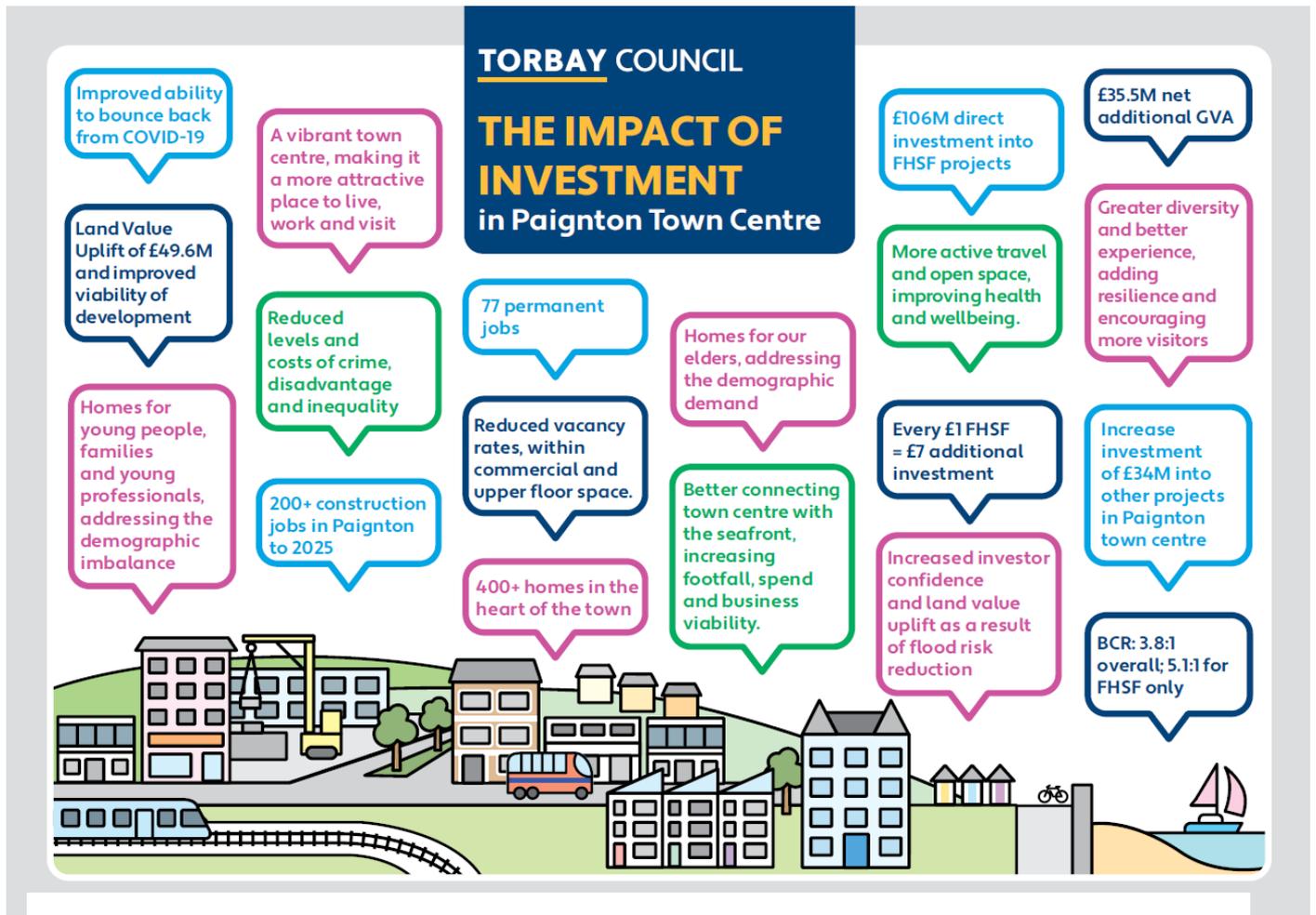
WHAT IS THE INVESTMENT PROPOSAL?

An investment of £19.166M of Future High Streets Funding will deliver a targeted intervention package of seven projects. It will be supported by private sector investment and, where necessary, by the Council's Economic Growth Fund of £100 million. The 'Investment Programme' infographic (1) above headlines the intervention package.

Successful delivery of the package of projects will be transformational, sustaining long term growth and supporting Paignton's ability to bounce back from C-19. The impact of investment is shown in the infographic (2) below.

The proposed intervention is aligned with the Government's vision for town centres set out in Future High Streets Funding Prospectus; consistent with the Grimsey Review (including the C-19 supplement) and The High Street Report produced by the Government's Expert Panel. The intervention is also aligned with the Heart of the South West LEP's plans, including the Strategic Economic Plan (Torbay is a key urban centre); Growth Deal (Torbay is a priority for transport funding to unlock growth and regeneration); the Productivity Plan (e.g. the need to provide access to skilled job opportunities) and the Local Industrial Strategy (inclusive growth and creating additional value for our bedrock sectors).

The proposed intervention is also aligned with the Local Plan, Local Transport Plan, Paignton Town Centre Masterplan, the Transformation Strategy for Torbay's Town Centres and the Paignton Neighbourhood Plan, the Economic Strategy, Torbay's Destination Management Plan, the Cultural Strategy and South Devon College's growth plans.



Infographic 2: The Impact of Investment

1. Paignton as a Place

Lives in Paignton are lived against a stunning natural backdrop. Yet, few places in England are in greater need of a boost. Paignton, like other coastal resorts in England, needs help, as starkly illustrated in 'The Challenges' infographic below.

Paignton town centre is in decline, lacking investment, witnessing significant disadvantage, lacking investment (due to low land values / commercial returns) and facing a very uncertain future. It is acting as a 'drag anchor' on the performance of Torbay and the wider region.

It is crucial to uplift property values, to promote further investment that will, in turn, result in repopulation, diversification and an improved experience in Paignton town centre. Failure to act now will mean that Paignton will fall further behind other places.

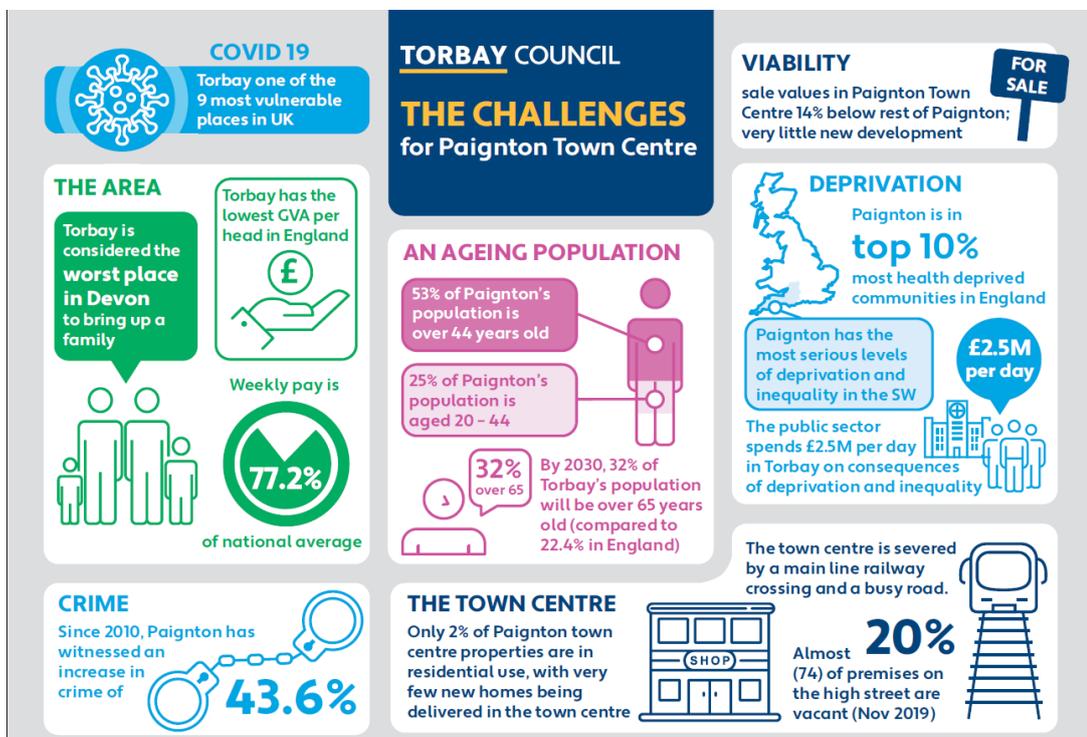
2. COVID-19

Devon's economy was 'red flagged', before C-19, by the Government's Local Economies Advisory Panel. C-19 has accelerated decline in Paignton town centre, exacerbated the challenges (for the economy, place and people) and has increased the need for urgent intervention. The impacts of C-19 on the economy, Torbay Council's response to MHCLG additional questions and Torbay's recovery plan are set out in Appendix 6.

Torbay is one of nine Local Authorities identified as being most vulnerable to the impacts of C-19 across England. Torbay stands out amongst that group of nine, with a 'triple whammy' impact, as it falls in the top 20% most vulnerable across all health, social and economic measures. GVA is expected to contract by almost 10%, steeper than the South West (8%), with the loss of 2,600 jobs.

Paignton is in the top 25% of towns in England considered most at risk from the economic impacts of C-19. Paignton town centre's commercial space is 76% independent. Independents will be harder hit by the economic impacts of C-19.

We have reviewed the deliverability our proposed intervention, working closely with investors and developers since March 2020. We remain confident that the intervention remains deliverable, notwithstanding the ongoing impacts of Covid-19.



Infographic 3: The Challenges for Paignton Town Centre

3. Resilience

Paignton town centre, and its economy, lack resilience - but it is very capable of bouncing back with targeted intervention and investment. It is Devon's 4th largest town, has a growing population and is projected to grow by 10% in the next 10 years. Paignton has a wonderful cultural, historic and natural environment.

It is a flat, walkable town centre, with all core services – high street, transport, library and leisure – within a 10-minute walk of each other. It is well connected, by rail, bus, coach and road infrastructure – right into the heart of the town. Paignton's connectivity to regional, national and international destinations has improved.

Paignton town centre will become a more popular place to live, especially as C-19 prompts people to seek space and a better quality of life. The number of visitors was growing, before C-19, and successful regeneration will draw people back into the town centre.

4. Proposal – the preferred option

Future High Streets investment will be focused on two key spatial interventions (as shown in Infographic 1), namely:

- a) Transformation of the spine and social / transport heart of the town centre, delivering diversification in the high street, including new homes; a better experience for residents and visitors; better infrastructure, traffic flow and circulation; land value uplift. This includes:
 - Paignton Flood Defence Scheme
 - Improvements to Paignton Station Square & Paignton Station
 - The first phase of re-use of Paignton Picture House
 - Improvements to Torbay Road Public Space
 - The redevelopment / conversion of 61 – 63 Victoria Street (the upper floors of the former BHS building) and 72 – 70 Victoria Street (the former nightclub) to residential
- b) Transformation of two important opportunity sites, Crossways and Victoria Centre, to deliver major mixed use developments, to meet market demand.

We know these two types of spatial intervention will transform Paignton town centre, will be attractive to investors and bring new residents into the town centre over the next 10 years.

5. Impacts and Outputs

Successful delivery of Future High Streets Funded work will have a transformational impact, resulting in repopulation of the town centre, plus a greater diversity of uses and experience. It will create a platform for sustainable regeneration and growth over the longer term.

Our assessment is that this initial intervention will deliver a land value uplift of at least £49.6M. Government funding will be supported by co-funding of £106 million in the project schemes and £34 million in other developments, equating to over £7 of direct and indirect co-funding for every £1 of Future High Streets investment. It will deliver and enable over 400 homes. It will deliver over £100 million present value of benefits with £26 million present value of costs, thus achieving an initial Benefit Cost Ratio of 3.8:1 for all investment into the seven project and of 5.1:1 for just Future High Streets Funding investment.