


Grants Determination (Cabinet) Sub-Committee report 27 th October 2021	 TOWER HAMLETS
Report of: Ann Sutcliffe, Corporate Director Place	Classification: Unrestricted
Middlesex Street Area property improvement grant programme	

Lead Member	Councillor Motin Uz-Zaman Councillor Asma Islam (Environment & Planning)
Originating Officer(s)	Ross Hughes – Programme Manager High Streets Anna Zucchelli – Petticoat Lane High Street Heritage Action Zone Project Officer
Wards affected	Spitalfields & Banglatown
Key Decision?	No
Reason for Key Decision	N/A
Forward Plan Notice Published	28 th September 2021
Strategic Plan Priority / Outcome	A borough that our residents are proud of and love to live in

1. Executive Summary

- 1.1 This report seeks approval to set-up a grant scheme under the Middlesex Street Regeneration Programme to carry out shopfront and façade improvements to high street properties in the Middlesex Street area.
- 1.2 The grant scheme cost is estimated at £705,000 (inc. design fees and contingency). This is to be financed as follows: £405,000 from the Middlesex Street Regeneration programme, £240,000 grant received from the High Street Heritage Action Zone funding programme, and £60,000 contribution by the businesses participating in the scheme, this figure has been calculated at 10% of the construction fee less the design fee at £104,000.
- 1.3 Previously the Council set a 50% contribution towards the Brick Lane Shopfront Improvement Scheme. However, setting contributions this high has proven difficult due to increasing costs in schemes through design stage and affects from Covid-19 lockdowns. It is also worth noting that Brick Lane is a world established visitor area and the Middlesex Street area is suffering from decreased footfall and businesses in this area require additional help from the Council. 10% is now a set standard for other Shopfront Improvement Schemes, including the Roman Road Regeneration Scheme.

- 1.4 The delivery of the grant scheme will be completed by March 31st, 2023.
- 1.5 The scope of improvements under the grant scheme includes replacing solid metal security shutters with open grills, oversized and broken signage with a more appropriate design and reinstate architectural heritage features to shop units and upper floors.
- 1.6 The aim of this grant scheme is to give an 'open for business' and improved visual appeal to high streets in this area, protecting and enhancing the appearance of the conservation area and in-turn help promoting footfall and business recovery.
- 1.7 Most of the properties in this area are in private ownership and therefore are unlikely to be any in council ownership. Some properties are owned by East End Homes who have been in positive engagements with the High Streets team regarding this and other projects within the Middlesex Street Regeneration programme.
- 1.8 The businesses taking part in the grant scheme will be require sign a Grant Agreement setting out the scope of works, budget, their contribution and committing to manage the upkeep of the property and improvements once work is completed.

Recommendations:

The Grants Determination Sub-Committee is recommended to:

1. Approve the shopfront improvement grant scheme for the Middlesex Street area.
2. To approve the cost and funding of the project.
3. To note the specific equalities considerations as set out in Paragraph 4.

1 REASONS FOR THE DECISIONS

- 1.1 The Middlesex Street Regeneration Programme was approved in September 2019, in which one of the agreed schemes in this programme is to improve shopfronts, changing solid metal shutters into open grills to lift the look of the high street and improving its appeal, mitigating acts of graffiti by taking away solid forms of metal to vandalise, produce more light onto the street through the open grills, create a place of interest to visitors & inspire neighbouring businesses.
- 1.2 The selected shopfronts sit within a conservation area with high public interest

and historic appeal; improving the condition of these shopfronts and upper floor building facades will improve and repair key landmarks in the Tower Hamlets ward. The works are an opportunity to enhance the historic character, condition and appearance of key properties in the Wentworth Street Conservation Area.

- 1.3 Wentworth Street Conservation Area is on Historic England's Heritage at Risk register due to loss of historic details and inappropriate change, including lack of maintenance. These threaten the special historic character of the conservation and put it at risk of losing its designation. Improving the condition of buildings and reinstating or repairing historic architectural features should lead to the removal of the conservation area from the Heritage at Risk register.
- 1.4 Following the last 18 months, local businesses have struggled due to the outbreak of coronavirus causing lockdowns across the country, this work will be helping key local businesses to this area such as African Fabric trade and long-standing local businesses who have had to close due national restrictions. The investment will help drive visitors back into the area and showcase an improved Middlesex Street area.

2 ALTERNATIVE OPTIONS

- 2.1 Option 1 - Leaseholders or businesses renting shops from the Council in the Middlesex Street high street area pay for the shopfront improvements. This option is rejected as high street businesses said they could not afford the cost of the work and leaseholders are not required to improve the units.
- 2.2 Option 2 – Do not carry out this work. This option is rejected as many shops in the Middlesex Street area have solid metal shutters and most of them have graffiti, which detracts from the appeal of the high street and gives a defensive and unwelcoming impression to visitors. Without the shopfront scheme it is very unlikely that shops would carry out this work themselves. If there is no match funding available from the Council, funding from Historic England will be withheld. The conservation area would remain on the Heritage at Risk register.

3 DETAILS OF THE REPORT

Background

- 3.1 The Middlesex Street area shopfront improvement scheme is part of the Middlesex Street Regeneration Programme and supports the Mayor's commitment to continue to invest in local high streets and town centres and delivery of the High Streets & Town Centres Strategy (2017–2022).
- 3.2 The regeneration programme consists of improvements to the area that will help improve footfall to the area, improve the overall physical quality of the

area, and invest unused assets that will benefit the local community and visitors.

- 3.3 These improvements include Public realm improvements, Leyden Street toilet refurbishment, Petticoat Lane Market improvements and the Shopfront Improvement scheme.
- 3.4 The Middlesex Street area shopfront improvement scheme will help address weaknesses in the town centre, particularly the prevalence of solid metal shutters that are targets for graffiti and detract from the appeal of the overall public realm. Works are focussed on Wentworth Street, within the conservation area.
- 3.5 The contribution from the High Street Heritage Action Zone (HSHAZ) funding will focus on the repair and/ or reinstatement of historic shopfronts and associated architectural elements, such as corbels, pilasters, cornices and replace fascia signage with hand-written signage. The funding will also address the treatment and restoration of selected upper floor building facades which are in a poor condition.
- 3.6 The Middlesex Street area has mainly independent family-run businesses including a cluster of African fabric shops, cafes, hairdressers and fashion shops that have had little investment from the landlords to make improvements to their frontages and are unable to fully fund the improvements themselves. The shopfront improvement project provides an opportunity to repair and/or reinstate architectural features to the shopfront and to improve fascia signage, which will enhance the historic character of the conservation area. In addition, it will mean that a terrace of shopfronts can be improved, which would not usually be possible with multiple tenants and owners but would create a significant positive impact on Wentworth Street.
- 3.7 Other improvements for Middlesex Street Regeneration Programme include public realm improvements to the subsidiary streets and few open spaces within the Petticoat Lane Market Area, redevelopment of the Leyden Street Toilets to provide a new space for a commercial tenant and accessible public toilet, wayfinding & signage, banners along Wentworth Street and providing new uniformed market stalls for Petticoat Lane Market traders.
- 3.8 Other projects as part of the High Street Heritage Action Zone (HSHAZ) scheme include an updated Conservation Area Appraisal and Management Plan for Wentworth Street, a borough-wide shopfront guidance, building maintenance workshops and a community-led cultural programme managed by Toynbee Hall.

Budget

- 3.9 At the time the Middlesex Street Regeneration Programme was approved, the budget estimate for the shopfront improvement scheme was based on an indicative cost of £10,000 per shopfront for 20 shopfronts and £50,000 for design fees. This figure was based on costs from other shopfront

improvement schemes, however the costing exercise at feasibility stage for the Middlesex Street area indicated that the figure per shopfront would need to be higher to meet conservation standards. As a result, the budget has increased and includes additional external funding as part of the High Street Heritage Action Zone (HSHAZ).

3.10 The shopfront improvement scheme will be delivered from two separate budgets:

- Budget 1, £405,000: The Middlesex Street Regeneration Programme will be focusing on the delivery of ground floor shopfront improvements.
- Budget 2, £240,000: The High Street Heritage Action Zone Programme will be providing additional funding, with a conservation focus, for ground floor shopfronts, as well as and building upper façade improvements, where required

3.11 Royffe Flynn Architects provided an indicative cost of £495,000 for shopfront improvements, which include a few selected upper floor building facade improvements, carried out by a costings exercise of selected shopfronts and different levels of intervention. £104,000 is allocated for design fees.

3.12 Royffe Flynn Architects used the building information of the selected properties based on an assumed average shopfront size of 4000m wide x 3500mm high. In reality each shopfront differs in size and condition and designs and pricing will need be generated on a case-by-case basis. A measured survey will be carried out to obtain accurate measurements. All prices have been sourced from local suppliers and are based on a supply and install basis.

3.13 The list of businesses we have identified through the feasibility study are:

	Business Name	Address	Type of work required
1	Majestic London	1 Wentworth Street	Shopfront and upper facades
2	Sanger Textiles	74 Middlesex Street	Shopfront and upper facades
3	Novo Fashions	19 Wentworth Street	Shopfront only
4	Healthcare	21 Wentworth Street	Shopfront only
5	Master Barber's	23 Wentworth Street	Shopfront only
6	Bina Shoes	27 Wentworth Street	Shopfront and upper facades
7	Discount Suit Company	29 Wentworth Street	Shopfront and upper facades
8	Elegant Textiles	72 Middlesex Street	Shopfront only
9	Honey Textiles	6 Wentworth Street	Shopfront only
10	Exclusive Textiles	8 Wentworth Street	Shopfront only
11	Garden of Eden	10 Wentworth Street	Shopfront only
12	Beauty Store & Solutions	12 Wentworth Street	Shopfront only
13	Sizzles	14 Wentworth Street	Shopfront only

14	Mary Shoes	16 Wentworth Street	Shopfront only
15	Tayo Fashions	18 Wentworth Street	Shopfront only
16	No Name	20 Wentworth Street	Shopfront only
17	Nida Shoes	22 Wentworth Street	Shopfront only
18	Primo Ready	24 Wentworth Street	Shopfront only
19	Rumours	24a Wentworth Street	Shopfront only
20	Javi Cycle Repairs	26 Wentworth Street	Shopfront only
21	Fola Textiles	28 Wentworth Street	Shopfront only
22	No Name	13 New Goulston Street	Shopfront only



72 Middlesex Street – 28 Wentworth Street



21 Wentworth Street – 29 Wentworth Street

- 3.14 22 properties have been identified, but the exact number of properties will depend on who signs up to the scheme and the final costs, as part of the detailed design work to be carried out by Royffe Flynn. We have acquired a high assurance of costs due to this being carried out at feasibility stage.
- 3.15 We will seek a contribution from businesses taking part in the scheme and aim for a contribution of up to 10%. In circumstances where a business can't pay upfront, we will seek monthly instalments.
- 3.16 Following discussion with Legal Services, we have been advised that the decision to spend funding in this way would be considered a discretionary grant and therefore approval would need to be sought from the Grants Determination (Cabinet) Sub-Committee.



1 Wentworth Street – indicative images before and after improvement works

3.17 The High Streets team appointed Royffe Flynn on the 22nd September 2021 as the detailed design architects and will now undertake asset evaluation and begin early survey work of the properties (inc. archaeological, measured, topographical).

4 **EQUALITIES IMPLICATIONS**

4.1 The Middlesex Street Regeneration Programme Shopfront Improvement Scheme will have no adverse impact upon any of the protected characteristics as identified within the Equality Act 2010.

5 **OTHER STATUTORY IMPLICATIONS**

5.1 This section of the report is used to highlight further specific statutory implications that are either not covered in the main body of the report or are required to be highlighted to ensure decision makers give them proper consideration. Examples of other implications may be:

- Best Value Implications,
- Consultations,
- Environmental (including air quality),
- Risk Management,
- Crime Reduction,
- Safeguarding.
- Data Protection / Privacy Impact Assessment.

5.2 Royffe Flynn Architects have previous experience in the design and analysis of high street shopfronts. They are well versed in the current market and have engaged with local institutions in the Spitalfields area to understand the context and historical significance of the area. At the feasibility stage, we undertook a costings exercise with Royffe Flynn Architects to ensure best

value for money as well as setting out the priority shopfronts that would get best value, including best value for heritage and would benefit most from the improvement works.

- 5.3 As part of their tender submission as detailed design architect, they have appointed a quantity surveyor as part of the project team. They are also experienced in grant-aided Council-led heritage townscape improvement schemes.

6 COMMENTS OF THE CHIEF FINANCE OFFICER

- 6.1 This report seeks approval to set-up a grant scheme under the Middlesex Street Regeneration Programme to carry out shopfront and façade improvements to high street properties in the Middlesex Street area.
- 6.2 The cost of the scheme is estimated at £705k. £405k of the cost is already included in the existing council approved capital Middlesex Street Regeneration Programme (£2.4m). The total programme is being financed through a mixture of S106 (£1.9m) and CIL (£0.5m) monies.
- 6.3 £300k of the estimated scheme costs are currently not included within the existing council approved capital programme. Approving this scheme will lead to an increase in the council approved capital programme of £300k. This will be financed through £240k grant awarded by High Street Heritage Action zone, which will be claimed upon completion of the project, and the balance of £60k will be from contributions from businesses that participate in the scheme
- 6.4 The service must ensure that they assess the capability of the businesses to pay their 10% contribution via an agreed arrangement.

7 COMMENTS OF LEGAL SERVICES

- 7.1 The Council has the legal power to implement the grant scheme described in this report.
- 7.2 Monitoring of the use of the grant will be supported by appropriate agreement terms. The agreement will ensure that the funding is used in compliance with the purposes stated in the grant application and the conditions highlighted in this report. This will assist the Council achieving Best Value in line with the law.
- 7.3 The Council has the legal power to recover the cost of the provision of non-mandatory statutory functions from the beneficiaries of such functions. Therefore, the Council is entitled to recover a contribution from beneficiaries of this grant scheme up to the full cost of the scheme to the Council. It therefore follows that the Council is entitled to set a level of recovery that is less than the full amount if it so wishes.
- 7.4 There are no immediate legal equality issues arising from this report.
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Linked Reports, Appendices and Background Documents

Linked Report

- None.

Appendices

- Royffe Flynn Shopfront Improvement Feasibility Study
- Royffe Flynn Feasibility Stage Estimated Works and Costings -Upper-level Improvement Works

Background Documents – Local Authorities (Executive Arrangements)(Access to Information)(England) Regulations 2012

- None.

Officer contact details for documents:

N/A