



Blackpool Town Deal Board meeting 14

Agenda item 6 (paper 6.1)

Report to: Blackpool Town Deal Board.

Subject: Blackpool central courts relocation project business case review and recommendation.

Relevant Officer: Nick Gerrard, growth and prosperity programme director.

Date of Meeting: 5 November 2021.

1. Blackpool central courts relocation (project background)

1.1 Project description

This project aims to support the development of Blackpool Central, a £300m private sector investment in Blackpool's visitor economy, by accelerating site assembly.

At present, the development of the full site proposed for Blackpool Central is inhibited by the presence of in-use County and Magistrates Courts and a former Police HQ, which occupy a prominent and large space within the wider site boundary. The investment of £7.95m (including £1m Town Deal Accelerated Funding in 2020) in this project will both support the relocation of HMCTS services from the current site on Chapel Street to a new site at Devonshire Road, close to the town centre, and allow for the demolition of the existing Courts and former Police HQ buildings, as well as remediation of the site.

The creation of a major mixed leisure, hospitality and food and beverage development, with associated infrastructure, on the Blackpool Central site will be a major driver in Blackpool achieving its goal of becoming a year-round visitor destination. If the current Courts and former Police HQ site were not able to be cleared, the development potential of the site would be significantly reduced, meaning the development would have less of an economic impact and a reduced transformative effect on the local area.

A broad array of stakeholders has been outlined that will benefit from, or be affected by, this project, with a number providing letters of support for the project. In order to inform and gain feedback from stakeholders, significant engagement activity has taken place. This has included a number of online engagement exercises using the Commonplace web-based feedback tool, including specific engagement related to this project and outline proposals for it, as well as other online engagement looking at broader elements of the Town Deal



programme. The project specific engagement showed that 68% of respondents were positive or very positive about the proposals.

Key objectives of the project are:

- a) To support the relocation of the existing Blackpool Courts from Chapel Street to an alternative site at Devonshire Road by March 2025 through making land available and assistance with costs associated with early termination of the existing lease.
- b) To make the vacated site of 0.8 hectares at Chapel Street ready and available for redevelopment as part of Phase 3 of the Blackpool Central scheme by September 2025 through demolition and clearance of the existing Court buildings and the adjacent former Police Headquarters building, together with site treatment and preparation works.
- c) To facilitate the comprehensive development of the Blackpool Central scheme comprising an estimated 81,390 square metre of new world-class leisure and associated facilities and 1.2 hectare of public realm, that will lead to the attraction of an estimated 600,000 additional visitors per annum and additional visitor spend, and accommodate an estimated 1,000 new gross jobs, as set out in the scheme masterplan.
- d) To contribute to the wider growth and development of Central Blackpool, the leisure sector, and assist in the related provision of modern public sector assets within the government estate.
- e) To support the overall aims of the Growth Deal for Blackpool district within the context of the Fylde Coast.

1.2 Rationale and Need for Scheme

The rationale for the project is based on market failures and equity. The private sector would be unable or unwilling to undertake the proposed development without public sector intervention, and significant employment benefits might not be realised without this intervention.

There are two key needs associated with the project which form the impediments to the Chapel Street site being incorporated into the overall land required for the Blackpool Central development:

- a) To enable the existing Court facilities to be relocated to another site in Blackpool in order to create a vacant site.



- b) To undertake site preparation through demolition of the Court buildings and the adjacent former Police HQ (already vacated), and land treatment in order to create a clean site for subsequent development by Nikal.

In addition, the need to remove the existing facilities from the proposed Blackpool Central site is due to their lack of appropriateness with the Courts and associated facilities being visually unappealing, externally they are in an extremely poor state of repair, and they are inconsistent with the proposed future uses being brought forward for redevelopment and the aspirations of the Council.

Blackpool Council has already secured ownership of an alternative site for the new Court facilities, situated at Devonshire Road close to the town centre, and has secured approval to make it available to HMCTS. The site was formerly the location of a Devonshire Road Hospital which was demolished approximately 15 years ago, with the site being suitable for development. The use of the site for new court facilities complies in principle with the Local Plan. Feasibility and design work is currently being advanced by HMCTS in order to complete detailed proposals and secure appropriate Departmental resources for the development of the new facilities and relocation from the current site.

In relation to Blackpool Central, making available land currently occupied by the courts and former Police HQ is essential in ensuring the comprehensive development of the proposed leisure scheme and to maximise its success and secure anticipated benefits. A scheme restricted to the enabling phase, phase 1 and phase 2 only would be severely compromised and would prejudice its success, limit the intended benefits, and be very unsatisfactory in terms of design, aesthetics, and visual amenity and the wider beneficial effects on the Town.

The rationale for the project is also based on market failures and equity. While there is an active property market in Blackpool in certain respects, the private sector would be unable or unwilling to undertake fully comprehensive development activity of the scale and type proposed in relation to the Blackpool Central scheme without public sector intervention. These market failures relate in particular to externalities – the private sector assessment of the value of the complete project would not include the full positive benefits of new business and leisure accommodation and economic growth from the inclusion of the site of the current Courts facilities and the former Police HQ within the overall redevelopment. There is also clear justification of the project on grounds of equity, with significant potential benefits in terms of employment.



1.3 Project Deliverables

Key performance indicators	Target
Area of development land opened up via demolition.	1.64 hectares
Number of permanent jobs created directly through this project within Blackpool council.	1
Floor space created (indirect). New visitor and leisure attractions created [indirect]. New hotel accommodation created (indirect). Private sector investment attracted (indirect). Additional visits attracted.	TBC via ongoing discussion with private sector developer as scheme progresses.

Wider local benefits

- Ensuring that the project engages the local key stakeholders and resident target groups through effective marketing and promotion.
- Contractors and consultants will be required to provide elements of social value via their contracts following tender submission.
- The project will indirectly facilitate the creation of new premises that will be in accordance with the Court and Tribunal Design Guide with the aspiration to create a justice system that is available for use by all, convenient for those who cannot easily attend in person, and is supportive of those not comfortable with the law or technology.
- The location of the new Court facilities at Devonshire Road will have greater accessibility for local service users, and associated facilities will be fully compliant with DDA requirements.
- The demolition will remove a building that is energy inefficient, and it is anticipated that the new Courts will have much higher levels of energy efficiency and a reduced carbon footprint.
- The demolition of existing facilities will remove elements of the built environment that currently encourage antisocial behaviour, including drug use, alcohol abuse, and vandalism.
- That local people benefit from temporary employment opportunities and the longer term operational jobs.
- The demolition of the existing facilities will remove buildings that detract from the quality of the built environment in a heavily-trafficked visitor area, therefore improving perceptions of Blackpool. The proposed Blackpool Central scheme will deliver high



quality buildings, more in-keeping with the environment and predominant local visitor economy use in this location.

- Improved public realm will be developed within the proposed development of Phase 3 of the Blackpool Central project, providing greater connectivity between the seafront and the town centre.
- The development of new coach drop off and pick up facilities within the proposed Phase 3 development will encourage the use of mass transportation in reaching the Blackpool Central attractions.

1.4 Funding Profile

Fund Source	(Accelerated funding) 2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	Total
Capital							
Town Deal	£1,000,000	£40,000	£34,089	£3,034,089	£360,377	£3,485,627	£6,954,183
Total capital	£1,000,000	£40,000	£34,089	£3,034,089	£360,377	£3,485,627	£9,954,183

2. Annexes

There are three documents annexed to this report which provide further detail:

1. Annex Paper 6.1A: the TDIP report including the independent Appraisers summary of the project business case provided to the TDIP panel on 27th October. This provides:
 - A summary review of the 5 business case elements within the project Business Case highlighting strong performing areas and also any areas that would benefit from further attention or discussion.
 - A series of overarching recommendations provided to the TDIP Panel for initial review and consideration and the TDIP Panel's recommendations to the Town Deal Board.
2. Annex Paper 6.1B: the full Capita appraisal scheme report.
3. Annex Paper 6.2: the full project business case (without appendices).



3. Recommendation

That the Board confirm that they are satisfied that the business case assessment process was thorough and robust and approve the Blackpool Central Courts Relocation Business Case for sign off by Blackpool Council and Chair of the Town Deal Board, for onward submission to DLUHC.