

# ***PACE***

## Facilitating Investment to Create Stronger Places

Session Three  
A Nuneaton Masterclass







## How can Place Leaders facilitate investment that creates stronger Places in a period of uncertainty and change?

For the third session, our Place Leaders were asked to draw upon the learning and experiences of the sessions to date and apply this learning to Nuneaton. Following the election and change of government earlier in the year, the brief of 'uncertainty and change' certainly applies to the political landscape we find ourselves sat within. The local council leaders of Nuneaton have risen to this challenge, as they have advocated for change within Nuneaton and have pushed for momentum behind the 'Transforming Nuneaton' agenda.

To complete our series of sessions for the ADEPT and Amey PACE programme, the final session centred on facilitating investment to create stronger Places in a period of uncertainty and change. Investment was selected as the third topic by the cohort. The cohort recognised investment comes in all forms and was linked to the reality of previous sessions surrounding how to make the Place story created, into a reality.

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*"Town centres are organic things; they are a series of functions and interactions between people and assets. They are also really complex systems and delivering those tipping points and triggering those virtuous circles are important for us to understand."*

**Danny Gilbert, Strategy Director, Amey**

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## Harnessing the capacity of local communities to invest in making their local places stronger

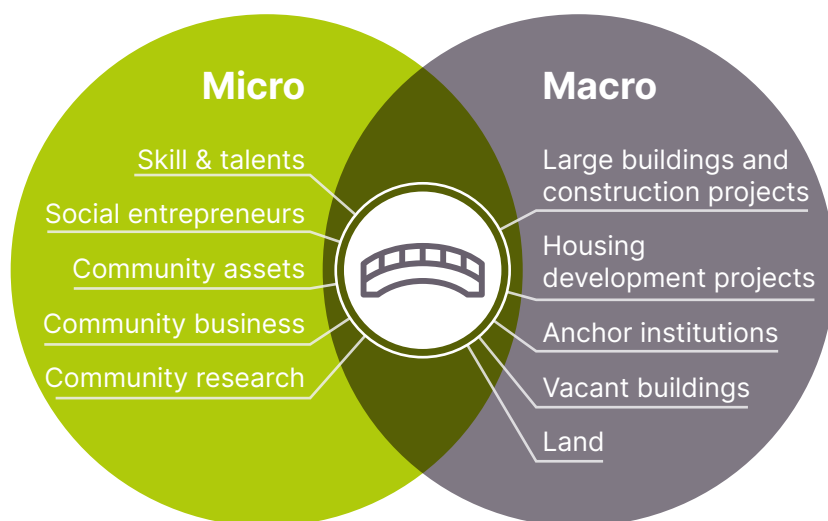
As Place Leaders it's important to recognise the sheer, and in some cases untapped, power of utilising the capacity and capability within your communities to help shape your Places. This is a multi-million resource at your disposal, that can either fight you and slow you down or could be part of the solution. Karolina Medwecka, East Birmingham Programme Development Manager shared her experience of successfully mobilising this community capacity and energy into positive forces to shape the place of Birmingham.

### Case Study: Unlocking social and economic capital to regenerate our cities

Birmingham was not unique in its challenges. It wasn't just section 114 and the cost-of-living crisis that made gaining capital investment challenging, it was the narrative and the logic of capital. Although Birmingham itself had long undergone a series of development in the city centre, there was still a desire to see meaningful changes in the areas considered most deprived, with sky rocketing figures of food bank users and benefit claims.

To challenge the ever-easy doom and gloom narrative in 2017 the council sought external funding from the EU, securing £3m through the Urban Initiative Funding, which blended capital and revenue funding together. This created the opportunity for the city to maximise the blend of capital and revenue funds centered on a masterplan approach for the city.

The masterplan for the city, at the time, was ambitious and, like most councils, many promises had been made to the residents. In reality, there was limited revenue to invest in the master plan and it solely centred on the delivery of new housing and a new hospital. To challenge their narrative, Birmingham City Council (BCC) invested the Urban Initiative Funding into the master plan to achieve the spirit of a single regeneration project. Their internal challenge was to build cohesion between the Micro assets within the local community, that already existed but were not used, with the Macro assets the council had control over.





## Embedding the USE-IT methodology

BCC took the bold decision to invest in the bridge, in connecting the Micro and the Macro, connecting the language and the logic to make this work. BCC brought together 16 organisations into a partnership consisting of the Council, the hospital, the two major universities, chamber of commerce, private sector and tapped into the SMEs, Social Enterprises and Third Sector organisations.

To provide a connector from the project to the communities BCC recruited over 80 Community Researchers. These were individuals living within the community, who with the University of Birmingham, provided training on research methods, interviewing, transcribing interviews and formulating research questions. The community researchers were released out in to the community to really delve in to the lives of those individuals living within Birmingham, local businesses who would be seeking opportunity through the development and to empower the local communities to lead in identifying the regeneration they would like to see.

### This initiative saw many successes:

Success Area	Initial Outcome	Long-term Outcome
<b>Employment</b>	BCC tripled targets on unlocking local skills, with over 500 individuals matched to the NHS jobs schemes. BCC worked in collaboration with NHS to modify their entry requirements to unlock the sheer potential for people in the city with overseas medical qualifications.	Following their success, this system change has been replicated within the NHS and other NHS Trusts to replicate the change and unlock transformational change.
<b>Business support</b>	Over three years, a network of 120 Social Enterprises and five consortiums were formed. The health care consortium tripled their income throughout the pandemic, successfully pivoting from face-to-face meets to digital engagement.	The success of the support and network has established Birmingham as a Social Enterprise City.
<b>Social capital</b>	Communities were empowered to lead on regeneration plans that would affect their assets. Changing the narrative from transactional to transformative support, to facilitate and support local communities in developing their own plans, (church turned into co-working space, food bank turned into a pantry).	Edgbaston reservoir has been transformed from a place of anti-social and unlawful behaviour to a valued asset within the community. A community co-designed facility for festivals, mothers and children's groups and runners' groups.
<b>Moving beyond public consultations</b>	The 85 community researchers trained by the BCC, have become long-term treasures to the council. They now co-design research projects with the council.	Community research is now a vital method for the city to engage and consult

## Return on Investment

BCC has seen an outstanding and vast success with implementing the USE-IT approach within the city. From the initial £3m Urban Initiative Funding, a return on investment of over £25m was achieved. This has been calculated based on direct investment from the private sector following the work completed and the savings to the public sector, with the savings in benefits and recruitment costs to the NHS.

Critical to this success of the USE-IT! model was the change in the language. Flipping the narrative from a negative where the public sector is there to save those most in need, to a positive where those around are empowered to work with you.

## Top 10 tips for the transfer of USE-IT

1. Identify the right neighbourhood of focus
2. Identify the right stakeholders and ensure political and strategic buy-in
3. Link to wider strategy and policy
4. Map both Macro and Micro assets
5. Develop a platform to work with residents – community research/grants
6. Develop a Community Economic Development Plan
7. Attract a blend of funding and take your time
8. Deliver activities
9. Evaluate and monitor the impact of activities
10. Continuously embed into mainstream policy and practice







## Optimising the potential of long-term private sector investment to create stronger places

In stark contrast to the community power shared with our cohort, the private sector provides a strong and powerful offering to the Place Leaders of today. Investors are interesting creatures who can offer considerable investment, in many cases sitting behind developers, and help create stronger places through taking a longer-term perspective - seeing Places as investment opportunities.

### What is an institutional investor?

All institutional investment is the aggregation of lots of peoples' money into a platform for onward investment. Common examples of an institutional investor include a Pension provider or an insurance company. Institutional investors are also big endowments, such as a US university or a national endowment like the Wellcomes Trust. When Place Leaders ask for an institutional investment, they are asking for an aggregated vehicle to invest in their place and it is important to feel free and empowered to challenge what providers mean, when they say they can offer an institutional investment.

### What is not institutional investment?

**Corporate investors** | These are companies, and they will show up in places as house builders or registered housing providers and mixed-use big scale developers. Corporate investors are vertically integrated and they will take institutional investment money, as equity and borrow debt off the capital markets, to deploy it through their corporate structure.

**Family offices** | These are individuals who do exceedingly well in life, set up trusts and hire small teams to invest their money for them. These are prolific across the world, with thousands to be found locally. It is common to see quite a lot of family offices, taking a high risk in Place as they will fund entrepreneurial interventions within a Place. They typically make quick decisions and are happy to take on high risk investments. However, they may not work to the quality or social standards Place Leaders want.

**Retail and small businesses** | These are thousands of individuals who invest in their Place every day. This could be recognised through small improvements such as an updated store front or a new garden. Collectively they invest a huge amount of money but this money transfers through a private channel. These individuals are a collective loophole in a Place's regeneration strategy, but most commonly we as Place Leaders have lost the ability to connect with them.





## How does institutional investment show up to a Place Leader?

Often, and increasingly, institutional investment representatives will directly engage with Place Leaders to ask about the projects you have and offer advice on how their institutional money can be invested to help you.

However institutional investment money also arrives in front of Place Leaders in the form of Developers. Due to economic changes, Developers have changed their approach and will support the development of a project until it is in a sellable position. Corporate investors are equally often investing institutional investment money when engaging with Place Leaders.

The landscape has changed for Place Leaders. Ten-years ago, Place Leaders would deal with developers who would identify a site, steer the planning process, build the asset they wanted to build and then maybe sell it into the market. This traditional model is near-extinct and more commonly Place Leaders will see a development manager. These Managers have just enough money to buy a site, just enough money to go to planning and they will then sell the opportunity in the market. This causes greater fragmentation between the people who have identified the need for the project and those who are trying to fund it.

## A difference in interests

Place Leaders are focused on the numbers and return on investments because they have limited funds and need to consider the best way to spend, but they have to balance this with creating and selling the narrative. Possibly the challenge is they create one version of the narrative but don't adapt it for their different audiences i.e. the community narrative won't work for investors, but if they tweaked the community narrative to focus on the financial return, it would appeal more to investors. However, this takes time to create a compelling narrative and iterative versions for every stakeholder.

**House builders** | These are vertically integrated; they take money from the stock market and need to demonstrate their stock price. They want to minimise the amount of equity they invest in to a project for as short of a duration as they can.

**Developers** | Those developers who are left, who have their own capital, they need to see the growth on completion if they are committing to a project. They want to see continued growth thereafter through rental rates and yield compression. They will not have strict restrictions on how this is deployed.

**Development managers** | The growing element to the sector. The development manager's aim is to drive and fund a project to point where the project is in an attractive position to sell. They want to invest the least amount of money as far down the line as possible and then use an agent to source institutional investment money to achieve the green light on building the project.

**Registered providers** | Are people that will stay with you. If they can be convinced to not only provide your social housing, but also to provide some affordable housing, rent-to-buy, market rental and market sale, they will anchor your places.

## Questions to ask future investors:

- What is the ultimate funding source?
- What risks will you tolerate?
- How long is your investment horizon?
- How do you measure your returns?
- What milestones matter to you?









## Case study: A Masterclass on 'Transforming Nuneaton'.

At the heart of the 'Transforming Nuneaton' 15-year masterplan is the appetite to breathe life in to and regenerate the Nuneaton town centre, as explained by Mark Ryder, Executive Director for Communities; Catherine Marks, Service Manager: Regeneration & Place Shaping Communities; Steve Smith, Director for Infrastructure & Climate Change and Stuart Buckley, Managing Director of Warwickshire Property Development Group.

The 'Transforming Nuneaton' partnership programme was formally established five-years ago, after Warwickshire County Council and Nuneaton and Bedworth Borough Council, recognised the urgent need to do something quite radical to Nuneaton town centre, due to the socio-economic indicators. The ex-coal mining town was significantly impacted by the closure of the mines in the 80s and the demise of the manufacturing industry, and the Councils have long fought for a severe intervention to enliven the entire town centre.

Through a suite of projects that, together, will provide Nuneaton with the economic boost it needs and help it become a strong hub for its community. The investment in the town centre will be sought to improve:

- Leisure and business opportunities
- Education and skills
- Unlocking housing development
- Rail, highway and cycle infrastructure.

This will support economic growth within the borough and wider area whilst ensuring the town helps reduce its impact on climate change.

### The vision:

'Transforming Nuneaton' has been in the pipeline for the last 12 – 15 years, worked on tirelessly by a dedicated team who are devoted to making the necessary changes the town centre needs. An initial master plan from many years ago was used as a starting point and has been evolved through fresh eyes and minds to assess how they could make it realistic and deliverable. The first step was to look at what assets the councils owned between them, the land and the highways infrastructure.

## The challenges

### The challenges facing Nuneaton as a town centre destination were identified:

- **Heavily reliant on retail** | As retail trends have changed the town centre has suffered. Pre-pandemic, the town centre was already struggling but post-Covid it has sped up how the town centre has been used and how it is perceived.
- **Public perception** | One of the biggest challenges has been the public defining what the town centre should be. Public perception has not caught up with the market, retail won't come back to what it was, however the public would still like to see the big department stores that were in the town 20 years ago.
- **Areas of deprivation** | In Nuneaton alone there are 60 localised areas of deprivation. GVA (Gross Value Added) per head is £15,830, compared to the national average £25,601. This is much lower along with job density at 0.6, whereas the national average is 0.87.
- **Standard town centre issues** | The town is retail-led with a dispersed offer; two shopping centres, fully pedestrianised; bound by the ring road providing restrictions for room to grow; very limited residential and leisure offer; poor links to train station.

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*"This is what drove the work and development of the Transforming Nuneaton programme, we needed to do something, we had to intervene and as Local Authorities we had the gift to do that and the tools at our disposals which we could use to help make the change we wanted to see."*

**Catherine Marks, Service Manager: Regeneration & Place Shaping Communities, Warwickshire County Council**

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## The opportunities

### Significant opportunities were identified within Nuneaton town centre:

- **Large catchment area of people** | 125,000 residents live within the traditional market town, and these are currently being lost to the likes of Coventry, Hinkley and Tamworth. With a regenerated town centre these individuals could be attracted back to invest in their local economy.
- **Large footprint** | It's a large town centre with lots of space and buildings owned by Warwickshire County Council and Nuneaton and Bedworth Borough council.
- **Strategic location** | The Northern area of the town has seen significant growth in terms of housing and employment. The town is well located next to the M6 and A5, with strategic rail links to Birmingham and London providing an attractive opportunity to businesses.
- **Fill in the gaps** | Currently the town centre does not have a leisure economy. However, this provides a fantastic opportunity to create an evening economy through restaurants, cinema and further ideas to diversify the offer.
- **Businesses and business use** | With a limited office supply and minimal recent commercial investment - the last development was the Justice Centre built 15 years ago - there is opportunity to encourage businesses to the area to invest in jobs and skills, and the potential for private finance.
- **Develop the visitor economy** | Grow the appeal and embrace the history of Nuneaton through George Eliot, museum and art gallery, library, Abbey Theatre and Larry Grayson.



## The programme of works

### A series of interventions have been identified across the 15-year masterplan:

- **Vicarage Street development** | The site is in sole ownership of the local authorities who have a desire to see a mixed-use development potentially including residential and office, supporting its key anchor building - a new state-of-the-art Library and Business Centre.
- **Grayson Place development** | Abbey Street looks to grow and enhance the existing leisure offer in the town and bring forward a new hotel, leisure uses, food and beverage outlets and some residential accommodation.
- **Highways infrastructure** | The Transforming Nuneaton (Ring Road Highway Improvements) Programme is a suite of projects that, together, will support development to Nuneaton town centre and the wider borough.
- **Bridge to Living** | An exciting mixed-use development opportunity coming soon, including 120 residential units which will introduce terraced urban housing and attract a new demographic within the town centre.

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*"It's being able to tell the story. Transforming Nuneaton isn't a single scheme. It's a series of interventions across two bookends, that will start to transform the town centre."*

**Stuart Buckley, Managing Director of Warwickshire Property Development Group.**

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## The programme of action

### Local Authority leaders have adapted and transformed their Masterplan to ensure 'Transforming Nuneaton' is viable:

- **Acquiring assets** | Thirteen-years ago the Councils went to market to find a developer for the Vicarage Street development. After a promising start the market fell, and the deal stopped. The Councils identified all schemes they had proposed centred around one centrepiece building and took the decision to use the Local Growth Fund LEP to purchase the building, which is now due to be demolished in the next six-months.
- **Moving away from the private investors to self-investment** | Nuneaton itself faces an issue with low land values and therefore there has been low appetite from private investors. All historical schemes have struggled to get over the line, hence the need for Council and grant intervention. Four-years ago Warwickshire County Council, launched the Warwickshire Property Development Group. A critical asset as they provide the unique opportunity for the in-house capability of working the commercial and residential plans with a lower margin than other developers.
- **Diversifying the residential offer** | With only 15 residents living within the ring road, Nuneaton doesn't have an established residential market. With 120 residential units planned as part of the Masterplan, the idea was to introduce terraced urban housing to attract a new demographic within the town centre. The townhouse style development is viable and can be built with a small return, which complements the wider offer.
- **Gaining attraction through sequencing** | The Masterplan has been sequenced with the view that the development of the new College and the expected expansion of the leisure offering first, will attract a new group to the town centre once the residential units come to market in the next five years.

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*"It was felt that, as the Councils, if we wanted to see that change, we were going to have to drive it ourselves and put the investment in."*

**Catherine Marks, Service Manager: Regeneration & Place Shaping Communities, Warwickshire Council**

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## What does it look and feel like to live and breathe the Place of Nuneaton?

The afternoon of the first day provided the opportunity for our Place Leaders to immerse themselves in the town centre of Nuneaton. The cohort witnessed firsthand the locations for the programme of interventions through the walking tour, they soaked in the atmosphere and experienced the hum of the town.

### Key takeaways from our Place Leaders included:

- The challenges from Nuneaton are far from unique, the retail post-apocalyptic scene in the town centre is one we have all seen before
- If you look at a map and see the wider connectivity of Nuneaton as a place, both North, East, South and West and both rail and road and you see this place is the centre of the universe, it should be booming
- Fully pedestrianised, which is a powerful characteristic as a starting point
- The sheer size and space available in the town centre is a brilliant canvas, which a lot of town centres would be envious of
- The existing ring road provides 360-degree access to the town centre
- After speaking to the residents there was awareness that the hotel was coming but they didn't articulate the full programme and the bigger picture
- All the jigsaw pieces are there, existing master plans and visions, they just need pulling together into a compelling and creative offer.

### Further challenges from our Place Leaders included:

- The purpose of the place seemed to be missing for residents and businesses, could the 'why' be made stronger?
- The vision could contain more uniqueness and passion for Nuneaton
- Were the voices of people who will be here for the next 50 years loud enough and could that influence local politics
- People feel they've 'lost' something but is this clear and captured in the Masterplan
- Clarity and consistency of the branding could help to empower and strengthen the delivery of the message
- There could be further opportunities to engage local community organisations to input views and local insight into the development of the masterplan

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*"Why is Nuneaton known as Treacle Town? "When poet William Hutton visited Nuneaton in the 18th century, he described the town as being in the 'dominion of sleep'. The reality of being known as Treacle Town is it has traditionally operated at a very slow pace."*

**Danny Gilbert, Strategy Director, Amey**

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## Making a stronger case for Place

To tackle the brief, the day was split into 3 sessions using Nuneaton as the basis for all discussions. The team was asked to draw on their learning to date and the use of the 'Stronger Places Assessment Toolkit' to evaluate how Nuneaton and their partners are currently 'Advocating', 'Planning' and 'Facilitating investment' to create a stronger Nuneaton.

### Workshop 1

#### Advocating the case for a stronger Nuneaton:

##### Strength areas:

- Senior council leaders and local politicians are clearly advocating the programme
- Clear visible investment within the town centre, witnessed during the tour, from independents, chains and local communities such as the Gurkhas
- Clear visible engagement of young people, not only on the site hoardings, but through the King Edward VI College pioneering the change through wanting to be a part of Nuneaton
- The library itself which hosted the cohort yesterday was a constant hive of activity and 'will not be moved'
- The connectivity of the town provides a significant opportunity to drive the narrative of a commuter town
- The new hotel will be a strong advocate for Nuneaton.

##### Improvement areas:

- There is a need for more planned advocacy. Could Nuneaton create a strong bridge link with the local communities?
- The cohort saw a large amount of street artwork decorating the grey landscape. Is there an opportunity for Nuneaton to capture more around local artists?
- Are there digital advocates who could translate their passion for the town?
- Can the local history be elevated? Let's celebrate 'Trickle Town', the history of George Eliot and the coal-mining industry. What is it that shapes the culture of Nuneaton?
- Stronger and more aligned branding could be made more visible throughout the town, what is the narrative of the town now?
- Community and green spaces need to be created and local community groups could be capitalised on to enhance these.





## Workshop 2

### Planning for a stronger Nuneaton:

#### Strength areas:

- Transforming Nuneaton has been elected member-led and successful in raising £160m of capital funding - a powerful story
- A new Pathfinder Board has been established to generate representation within the third sector and education
- As the plans have been developed over the last 15 years, there is a huge wealth of knowledge that has gone into creating the latest master plan
- 'Bookend' approach is a rather neat way of describing the development approach
- Strong development partner in the Warwickshire Property Development Group - unusual to have this in-house capability and shows investment in the long-term growth.

#### Improvement areas:

- 'Transforming Nuneaton' document itself isn't visionary, could do with a refresh
- Strengthen the story telling and translate into all documents
- Are there set levels of resource to bring together the vision?
- As an Infrastructure and Planning plan it is not holistic, could it link in better with the health and wellbeing plan for the time?
- Collate the local plans to simplify collateral and make clear which document is driving what?
- Maximise the benefits for the town centre and beyond by bringing local people in to the softer planning areas.





## Workshop 3

### Facilitating Investment to create a Stronger Nuneaton:

#### Strength areas:

- £160m of funding has been secured, through many years of having plans in place to be adapted and tweaked as and when opportunities arrive and keeping Nuneaton as the council's top priority
- Proactive approach to negotiating and retaining funds
- There is currently a growing level of private sector interest over the last 2 years. Could this be seen as confidence in the Place of Nuneaton?
- Low level of vacant retail units and diversity of shops in the town centre are positive
- In-house capability of Warwickshire Property Development Group is attractive to investors

#### Improvement areas:

- Explore and understand more around Micro-investment
- Further investigation of anchor institutions, George Eliot Hospital and the College are known investments coming into the town. Are there further opportunities with local organisations?
- Keeping the Nuneaton pound within Nuneaton, further requirements to procure locally?
- Are there further opportunities to tap into small local businesses and link them with the colleges?

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*"Thanks to ADEPT, Amey and my colleagues for their input into "kicking the tyres" on Transforming Nuneaton. I wasn't sure what to expect but have come away with renewed optimism for the programme and plenty of ideas that we will build in."*

**Mark Ryder, Executive Director for Communities, Warwickshire County Council**

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## In conclusion

As the final session for the 2024 cohort came to a close, the Council leaders of Warwickshire gave their thanks and appreciation to the cohort for their input. They welcomed the opportunity to step back and reflect on their own journey and to answer questions on their programme, that they had been so deeply invested in.

The Place Leader's PACE 2024 ADEPT and Amey programme has brought together a space for senior Place Leaders to find strategic solutions to the wicked issues facing the public sector. Across the three sessions, our Place Leaders have explored the importance of 'Advocating', 'Planning' and 'Facilitating investment' to create a stronger Place, to influence the future of place-focused strategies and support Place Leaders in driving change.

As an output of the PACE programme, a Stronger Places Assessment Toolkit has been created in collaboration with the cohort and can provide support to Local Government professionals in assessing their own Place ambitions.

To access the Toolkit, please visit the ADEPT website.







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