

Investing in England's high streets: Where are the Future High Streets Fund allocations going?

Whilst the majority of the UK was awakening on Boxing Day to a mountain of unwashed dishes, the prospect of turkey sandwiches and a moral dilemma as to how to recycle their wrapping paper, 72 towns received an extra Christmas present – the news that they been awarded up to £25 million each from the UK Government's Future High Streets Fund.

Following the long-awaited announcement, our team has been keen to understand how the resources have been shared. You can find our analysis of the allocations below.

The Headlines

How many awards were made?

The Boxing Day announcement provides investment for 72 high streets across England – 71% of places invited to submit a business case across the two submission rounds to date – sharing up to £831 million of funding. Of the 72 Future High Streets Fund recipients:

- 15 (21%) of the high streets were awarded 100% of their funding ask, totalling almost £255m.
- The remaining 57 high streets received provisional awards of up to £576m in aggregate, with each area allocated less than their business case ask.

Final allocations for the provisional allocation areas are subject to confirming the scope of works that are deliverable within the lower than requested allocation and demonstrating continued value for money through an online submission to MHCLG by the 26th February. Further work therefore remains to be completed in many areas before the majority of funds are released.

How much have the high streets received?

The Future High Streets Fund awards range from just over £1m to £25m. The breakdown shows that:

- Two high streets were awarded the maximum funding allocation available through the fund of £25m – Sunderland in the North East and Swindon in the South West.
- Three high streets received more than £20m but less than £25m, including Birkenhead in the North West which was awarded £24.5m and Kidderminster in the West Midlands which received a £20.5m allocation.
- Thirteen received between £15m and £20m, including full allocations awarded to Bishop Auckland in Durham (North East) and Blackfriars in Worcester (West Midlands).
- Twenty five will receive between £10m and £14,999,999, including Stockport in the North West and Middlesbrough in the North East; and
- Twenty nine have been allocated less than £10m of which seven awards were for under £5m. The lowest provisional allocations were awarded to Putney town centre (£1.1m) and Ramsgate (£2.7m).

The top eight awards were made to high streets allocated their full funding request.

For those areas receiving a provisional allocation, it is not clear from the announcement how decisions have been reached or how much lower allocations are than the sums requested. However, as examples, based on information in the public domain, Rotherham's funding ask is understood to have been approximately £20m against a provisional award of £12m (60%) whilst Farnworth in Bolton bid for £19.2m and received £13.3m (69%) which suggests a requirement for considerable adjustments to be made to plans before they will be able to proceed. Although less than had been requested, the provisional awards include a series of large allocations, for example £17m for Grimsby and Greenwich.

The Geographical Distribution of Funding Awards

With a commitment to the 'levelling up' agenda, it is interesting to see how funds have been distributed across the country. The map below shows the successful high streets, differentiating between those receiving full and provisional partial awards, relative to the amount requested in their business case submissions.



A summary of both the number and value of allocations by region is also provided below:

Regional Allocations by Number and Value (sorted by total awards, highest to lowest)						
Region	Number of awards			% of total	Value of awards ¹	
	No.				£	% of total
	Full	Partial	Total			
North West	4	9	13	18%	168,748,083	20%
South West	1	10	11	15%	138,539,602	17%
West Midlands	3	7	10	14%	146,091,845	18%
Yorkshire and the Humber	2	6	8	11%	96,217,053	12%
North East	3	4	7	10%	98,484,891	12%
East Midlands	0	7	7	10%	63,040,859	8%
South East	0	7	7	10%	39,276,838	5%
London	2	4	6	8%	45,283,755	5%
East	0	3	3	4%	23,970,374	3%

¹ Assuming provisional awards are secured in full

Key points to note are:

The number of awards:

- The total number of successful applications shows that 39% are in the North of England, 37% in the South of England and 24% in the Midlands.
- There are some notable geographical clusters within the awards. For example:
 - Awards were secured in six of Greater Manchester's ten local authorities – Wigan, Oldham, Rochdale, Stretford in Trafford, Farnworth in Bolton and Stockport – totalling up to £89.9m.
 - In South Yorkshire, awards were made to Rotherham, Sheffield, Barnsley, totalling up to £44.1m investment.
 - Tees Valley will benefit from investment in Stockton, Middlesbrough and Loftus in Redcar & Cleveland totalling up to £36.5m

The value of awards:

- The North of England accounts for 44% of the total funding allocated, the South for 31% and the Midlands for 25%.
- At a regional level, the North West secured the highest allocation – accounting for 20% of funds allocated across 13 high streets, followed by the South West receiving 17% of available funds across 11 high streets.
- Of the 15 high streets who have been awarded their full funding request, eight (53%) are in the North of England, four (27%) in the Midlands and three (20%) in the South of England.
- Considering the full funding awards:
 - Within the North, four high streets within the North West were awarded their full funding ask, three in the North East and one in Yorkshire.
 - Within the Midlands, four high streets in the West Midlands, and no high streets in the East Midlands received their full funding ask.
 - In the South, two high streets in London and one in the South West were awarded their full funding ask.

Success Rates

A summary of the total number of bids by region is provided in the following table, along with the business case outcomes.

Success Rates by Region (sorted by success rate, highest to lowest)				
Region	Number of bids invited	Successful business cases	Unsuccessful business cases	Success rate
London	6	6	0	100%
West Midlands	11	10	1	91%
North East	8	7	1	87%
South West	15	11	4	73%
East Midlands	10	7	3	70%
South East	10	7	3	70%
Yorkshire and the Humber	13	8	5	61%
East	5	3	2	60%
North West	23	13	10	56%
Total	101	72	29	71%

Points to note are:

- Fortunes have varied considerably at a regional level.
- Although the North West region records the largest number of successful bids (13), it also had the largest number of places invited to submit applications (23) – a success rate of only 56%, the lowest rate recorded.
- London was the only area to achieve a 100% success rate, potentially demonstrating the impact of higher than average land values in securing a strong BCR under the previous Green Book guidance.

- Although the North of England secured the highest number and value of allocations, its success rate of 64% is considerably lower than that recorded in the Midlands (81%) and South of England (75%).