



REPORT TO:	Full Council
DATE:	16 th December 2021
SUBJECT:	Approval of Boston Towns Funds Business Case Submissions and Addition to the Capital Programme
PURPOSE:	<p>To approve the business cases for externally managed projects where the Council is the accountable body and to include them within the capital programme.</p> <p>It also seeks approval for submission of our own managed schemes to the Boston Town Deal Board, subject to Full Business Cases being finalised. These schemes will then be brought back for final approval by the Council once agreed by the Boston Town Deal Board.</p>
KEY DECISION:	Yes
PORTFOLIO HOLDER:	Paul Skinner, Leader of the Council
REPORT OF:	Adrian Sibley, Deputy Chief Executive for Delivery
REPORT AUTHOR:	Adrian Sibley, Deputy Chief Executive for Delivery
WARD(S) AFFECTED:	Witham, Skirbeck, Station and Trinity
EXEMPT REPORT?	No

SUMMARY

Following the successful approval of the Towns Investment Plans, Government offered a Town Deal to the value of £21.9m for Boston. Further to the Heads of Terms issued on 3rd March and completion of the project confirmation tables submitted in May and following approval by the Boston Town Deal Board and Section 151 Officer, the Government confirmed the town deal grant including a list of projects they were content to support within the funding envelope. The Council has until the end of March to submit Business Cases for the 7 selected projects to the Department for Levelling Up, Housing and Communities (DLUHC). The DLUHC will then carry out a high-level assessment of the document before deciding whether to release earmarked funding on a project-by-project basis.

The Boston Town Deal Board has led communications and engagement with local communities and businesses, primarily through two Place Reference Groups, to co-create a clear vision and strategy that sets the direction for the economic turnaround of the towns, including economic recovery from the current crisis. The Town Deal Board has considered a range of suitable projects that are evidence based, align with the vision, and deliver the outputs and outcomes that support the strategy and where possible leverage match funding. These projects were approved for submission as part of the Town Investment Plans at the Council meeting earlier in the year.

Members are asked to approve the recommendations contained within the report so that work on each project can move through and beyond the planning stage to the delivery stage once the individual projects Full Business Case are approved by Government.

RECOMMENDATIONS

1. That the 7 projects listed below in section 2, totalling £21.9m of net Towns Funding, be included within the Capital Programme.
2. That subject to the Business Cases being approved, the Council agrees to be the accountable body for the 6 externally managed projects.
3. That the Council agree to the Business Cases for the internally managed Leisure project being submitted to Cabinet and the Town Deal Board for their approval and that once approved, they will be brought back for final sign off by Full Council.

REASONS FOR RECOMMENDATIONS

The schemes have so far been part of an initial selection, scoping and design phase. In order for the projects to be progressed to the delivery stage, approval needs to be given to adjust the Councils Capital Programme to add in each of these projects Each project will then form part of the Councils capital monitoring process going forward.

OTHER OPTIONS CONSIDERED

The Prospectus from DLUHC set out that agreeing a Town Deal with investment from the Towns Fund of up to £25m per place will be dependent on government receiving high-quality proposals that meet the objective of the fund and follow the further guidance published.

The Town Deal Board and Council has approved the projects for submission following an extensive consultation and selection process.

Failure to meet the agreed deadline or submit proposals or projects of insufficient quality which do not meet the criteria and conditions are likely to be deemed ineligible for this round of funding from the Towns Fund. It would also risk the positive working relationship established with Government departments. Without external funding these projects will not proceed as planned.

1. BACKGROUND

- 1.1.** Members will be aware that The Government invited an initial 101 places in England to develop proposals for a Town Deal, forming part of the £3.6 billion Towns Fund announced by the Prime Minister in 2019. The Towns Fund is at the centre of Government's ambition to level up this country and make it a better place for everyone to live and work.
- 1.2.** The Council was invited to act as Lead Authority in the preparation of a Town Investment Plan for Boston as the basis for entering into a Town Deal with Government. A fundamental prerequisite of a Town Deal is strong governance arrangements, which are exercised through a Town Board.
- 1.3.** Boston Borough Council established a Town Deal Board and supported the preparation of Town Investment Plans and approval of projects. The Board was structured to give full voice to local and community stakeholders by forming Place Reference Groups whose role was to promote and enhance "the uniqueness of place". Following the Heads of Terms offers, the Board has set-up technical sub-groups to evaluate and scrutinise the business cases for individual projects; their recommendations are presented at the Town Deal Board meetings.
- 1.4.** The Council is the accountable body and has taken responsibility for ensuring that decisions are made by the Town Deal Board in accordance with good governance principles. As the lead council, we have developed a delivery team, delivery arrangements and agreements to support the development of an evidenced based Town Investment Plan and engagement with stakeholders, businesses, and the local community.
- 1.5.** Following Full Council approval, Town Investment Plans were submitted to the Ministry for Housing, Communities and Local Government (MHCLG) in October last year (now the Department for Levelling Up, Housing and Communities). The plan included proposals for up to £25 million to invest in regeneration, skills, and connectivity to secure transformational levels of economic growth.
- 1.6.** The plans were successful and in March of this year Boston were awarded up to £21.9 million for a total of 7 separate projects. 6 of these projects are to be delivered by external partners and the Leisure project is to be delivered internally. In all cases, the Council is the accountable body and responsible for receiving and distributing the funding, whilst the Town Deal Board is responsible for agreeing the schemes and the Business Cases.
- 1.7.** The funding and hence the ability to take forward projects is subject to Full Business Cases being submitted for each individual project by the end of March 2022 which is within a year of the award.
- 1.8.** This report and Appendices summarise the business cases for each externally managed project and seeks approval for them to be included within the capital programme. It also seeks approval for submission of our own managed schemes to the Town Deal Board, subject to Business Cases being finalised. These schemes will then be brought back for final approval as and when they are agreed by the Town Deal Board.

1.9 The District Council has maintained an excellent relationship with Central Government in progressing the submission of Investment Plans and the subsequent Heads of Terms offer. As part of this process, the Council has already received an early release of 5% of the total award, based on the further work we have submitted back to Government on the outline business cases and financial profiles for all schemes and the additional quality assurances we have been able to demonstrate around our local governance arrangements for delivery. The intention of this early pre-payment is to help the Council as accountable body allocate sufficient resources to progress more detailed design work on the respective projects, as required and to be agreed at the local level. As such, it is recognised and expected by HM Government that this funding should be allocated towards progressing the detailed next stage works required to complete the full business cases on projects.

2. BOSTON PROJECTS – see Appendix A for a more detailed description of the projects

EXTERNALLY MANAGED PROJECTS

2.1 Mayflower. Led by Boston College, this will provide a haven for the whole community and provide space for voluntary services, careers advice and support skills development. It has an allocation of £10m of Towns Funding with £3.471m of indicative match funding.

2.2 Centre for Food and Fresh Produce Logistics. Led by the University of Lincoln in partnership with Boston College, the project will develop a food trade and logistics skills, knowledge and innovation hub with local, national and global outreach. It involves £2m of Towns Funding and £2m of external match funding.

2.3 Boston Train Station. This is a new community/retail café facility by developing the redundant unit between the ticket hall and the existing restaurant unit, providing a new welcoming hub to the centre of the station building. The project is led by East Midland Railways and involves £2.5m of Towns Funding and £0.187m of external match funding.

2.4 Healing the High Street. This involves the transformation of Boston's historic town centre and key gateway to visitors through a comprehensive town centre regeneration programme. Led by Heritage England, it has already received approval of its business case. The project involves £3.911m of Towns Funding and £0.687m of external match funding.

2.5 St Botolph's Library and Lighting. This involves the development of the medieval library and an upgrade and redesign of the lighting of St Botolph's Church interior and exterior. Led by St Botolph's, it involves £0.230m of Towns Funding and £0.110m of external match funding.

2.6 Blenkin Memorial Hall. This involves the repair, renovation, and redevelopment for multi-purpose community use. Led by St Botolph's, it involves £0.810m of Towns Funding and £0.336m of external match funding.

BOSTON BOROUGH COUNCIL MANAGED PROJECTS

2.7 Leisure Centre. A refurbishment of the Geoff Moulder Leisure Centre will connect to the Mayflower and Boston College and enable a transformation of our leisure and well-being offer. It involves £2.449m of Towns Funding and £2.5m of match funding

3. CONCLUSION

3.1 The 7 projects that make up the Towns Funds Deal for Boston will lever in £21.9m of government funding along with £9.291m of match funding. The projects will deliver enhanced and new facilities for skills, employment and improve the general well-being of residents and visitors. They go to the heart of the Government’s levelling up agenda and deliver investment into regeneration, skills, and connectivity to secure transformational levels of economic growth.

3.2 Approval of the recommendations and then the Business Cases will allow us to move from the planning stage to the delivery stage.

EXPECTED BENEFITS TO THE PARTNERSHIP

The recommendations will support the aims and ambitions in terms of increased growth, prosperity, and well-being.

IMPLICATIONS

SOUTH AND EAST LINCOLNSHIRE COUNCIL’S PARTNERSHIP

Future projects will be driven forward by the delivery directorate of the Partnership.

CORPORATE PRIORITIES

The objective of the Fund is to drive the economic regeneration of towns to deliver long term economic and productivity growth, therefore the alignment of the delivery team is reflective of the Council’s strategy for economic development and growth.

STAFFING

The preparation of the Town Investment Plans and Businesses Cases have been a demanding piece of work that has required dedicated and specialist support. As the lead council, we have established a delivery team that facilitated all arrangements and agreements to support this work and the delivery of the projects.

CONSTITUTIONAL AND LEGAL IMPLICATIONS

Procurement procedures will need to be followed for delivery of services and goods. Robust contracts will also be required for the transfer of financial risk when passporting funds to externally managed projects.

DATA PROTECTION

None

FINANCIAL

The financial implications are significant and have been detailed in the report. The 7 projects will lever in £21.9m of government funding along with £9.291m of match funding. This includes £2.5m of the Council's own contribution that will need to be allocated through the capital programme.

RISK MANAGEMENT

Risk has been considered as part of this report and any specific risks are included in the table below:

Category Risk – State if high medium or low	Action / Controls
<p>Low: Agreeing a Town Deal with investment from the Towns Fund of up to £25m per place will be dependent on government receiving high-quality proposals that meet the objective of the fund and follow the further guidance published.</p> <p>Low: Confirmed submission of the individual Business Cases, the deadline for which is March 2022. If proposals are not submitted by March 2022, then the town is likely to be deemed ineligible for this round of funding from the Towns.</p> <p>Medium: Expenditure is maintained within budget.</p>	<p>Employed proven expertise to support the creation of high quality proposals, which have gone through a robust check and challenge process with MHCLG.</p> <p>The Boston Town Deal Board has already approved several Business Cases. The remainder will be approved in the new year with Council managed projects then approved by Full Council in March 2022 in readiness for submission by the end of March 2022.</p> <p>Regular budget monitoring will be in place and overseen by the Project sponsor and working group. Quarterly reports will be presented to the Executive Board.</p> <p>For externally managed projects, a contract will be in place to transfer the risk to the external party.</p>

STAKEHOLDER / CONSULTATION / TIMESCALES

Significant consultation has taken place in respect of the projects selected. The final list has been driven by the Connected Coast Board.

REPUTATION

The successful delivery of these projects will be critical in terms of our reputation both with partners, the Government, and the public.

CONTRACTS

Full procurement procedures and subsequent contracts will need to be followed for delivery of services and goods. Robust contracts will also be required for the transfer of financial risk when passporting funds to externally managed projects.

CRIME AND DISORDER

None

EQUALITY AND DIVERSITY/ HUMAN RIGHTS/ SAFEGUARDING

None

HEALTH AND WELL BEING

Several of the projects specifically target health and well-being as outcomes.

CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS

Investment from this fund should be aligned with the government's clean growth objectives where possible, while ensuring that projects deliver good value for money, and as a minimum must not conflict with the UK's legal commitment to cut greenhouse gas emissions to net zero by 2050.

ACRONYMS

None

APPENDICES	
Appendices are listed below and attached to the back of the report: -	
<i>APPENDIX A</i>	Summary Business Cases for Boston Towns Deal Projects

BACKGROUND PAPERS	
Background papers used in the production of this report are listed below: -	
Document title	Where the document can be viewed
Mayflower Draft Business Case	https://democracy.boston.gov.uk/documents/s13473/Mayflower.pdf
Centre for Food and Fresh Produce Logistics Full Business Case	https://democracy.boston.gov.uk/documents/s13469/Centre%20for%20Fresh%20Produce%20and%20Logistics.pdf

Boston Train Station Draft Business Case	https://democracy.boston.gov.uk/documents/s13467/Boston%20Train%20Station%20Redevelopment.pdf
Healing the High Street Full Business Case	https://democracy.boston.gov.uk/documents/s13470/HealingtheHighStreetFBC.pdf
St Botolph's Library and Lighting Full Business Case	https://democracy.boston.gov.uk/documents/s13472/StBotolphsLightingBusinessCase.pdf
Blenkin Memorial Hall Full Business Case	https://democracy.boston.gov.uk/documents/s13471/BlenkinMemorialHallBusinessCase.pdf

CHRONOLOGICAL HISTORY OF THIS REPORT

Name of body	Date
Full Council	October 2020

REPORT APPROVAL

Report author:	Adrian Sibley, Deputy Chief Executive for Programme Delivery, Adrian.sibley@e-lindsey.gov.uk
Signed off by:	As above
Approved for publication:	Councillor Paul Skinner, Leader of the Council