



REPORT TO:	Council
DATE:	29 th March 2022
SUBJECT:	Towns Fund Business Cases
KEY DECISION:	No
PURPOSE:	Approval of Towns Fund business cases to enable the Council to progress projects to the delivery stage and confirm funding.
PORTFOLIO HOLDER:	Cllr Nigel Welton
REPORT AUTHOR:	Lydia Rusling, Assistant Director Economic Growth
WARD(S) AFFECTED:	
EXEMPT REPORT?	No

SUMMARY

This report updates on the Towns Fund process for approval of the business cases; each project requires the Council to support the submission of the business case as the accountable body for the Town Deal. Boston has received a Heads of Terms offer from Government of £21.9m. To secure the Town Deal funding, the projects which formed part of the Town Investment Plan have to submit business cases for approval to Government to release the funding allocation.

There are 7 projects as part of the Boston Town Deal, there are 6 projects which are externally led and 1 project is led and supported by Boston Borough Council. For all projects, the Council is the accountable body and has developed a delivery team, delivery arrangements and agreements.

RECOMMENDATIONS

1. That Council supports the submission of the full business cases for the externally managed projects (attached as Appendices to this report): Boston Railway Station and the Mayflower project.
2. That Council notes the submission of the following Towns Fund projects to the Department for Levelling Up, Housing and Communities (DLUHC): St Botolph's Library and Lighting, Blenkin Memorial Hall, Centre for Food and Fresh Produce Logistics, and Healing the High Street and Shodfriars. These projects have been approved by DLUHC.

REASONS FOR RECOMMENDATIONS:

To enable the Council to progress the projects to the delivery stage and draw down the allocated project funding.

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 would be dependent on the government receiving high-quality proposals that meet the objective of the fund and follow the further guidance published. The Boston Town Deal Board and Council have approved the projects for submission following an extensive consultation and selection process. Failure to meet the agreed deadlines or submission of 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.

REPORT**1. Background**

- 1.1 The Towns Fund is part of the Government's levelling up portfolio of interventions. Nationally it is providing £3.6 billion to drive the economic regeneration of deprived towns and deliver long term economic and productivity growth.
- 1.2 In November 2019, the Council was invited to develop proposals for a Town Deal for Boston, to establish a Town Deal Board and develop a Town Investment Plan.
- 1.3 The Boston Town Deal Board was established in January 2020. Cabinet approved the formation of the Board, its composition and Terms of Reference on 16th December 2019.
- 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, Boston Borough Council has developed a delivery team, delivery arrangements and agreements to support the development of an evidence based Town Investment Plan and engagement with stakeholders, businesses, and the local community.
- 1.5 Following Full Council approval, the Town Investment Plan for Boston was submitted to the Ministry for Housing, Communities and Local Government (MHCLG) in October 2020 (now the Department for Levelling Up, Housing and Communities).
- 1.6 The Town Investment Plan included proposals for up to £25 million to invest in regeneration, skills, and connectivity to secure transformational levels of economic growth.
- 1.7 Boston was awarded up to £21.9 million for a total of 7 separate projects. There are 6 projects delivered by external partners and 1 to be delivered internally. In all cases, the Council is the accountable body and responsible for receiving and distributing the funding, whilst the Boston Town Deal Board is responsible for agreeing the schemes and the Business Cases and for overseeing compliance with the Heads of Terms Agreement with government.

- 1.8 Following the Heads of Terms offers, the Town Deal Board set-up technical sub-groups to evaluate and scrutinise the business cases for individual projects; their recommendations are presented at the Boston Town Deal Board meetings.
- 1.9 Full Council on 16th December approved all 7 projects for Boston, totalling £21.9m of net Towns Funding, for inclusion within the Capital Programme.
- 1.10 Council approved the business cases for externally managed projects where the Council is the accountable body and included them within the capital programme. It also approved the submission of our own managed scheme to the Boston Town Deal Board, subject to Full Business Cases being finalised.
- 1.11 This report seeks Council's support for the business cases.

2. Towns Fund Projects

- 2.1 There are 7 projects forming the Town Deal in Boston. The table below lists the projects and the organisational lead for each project:

BOSTON TOWN DEAL		
Project	Lead	Status
St Botolph's Library and Lighting	St Botolph's	Approved
Blenkin Memorial Hall	St Botolph's	Approved
Centre for Food and Fresh Produce Logistics	University of Lincoln, National Centre for Food Manufacturing	Approved
Healing the High Street and Shodfriars	Heritage Lincolnshire	Approved
Boston Railway Station	EMR	Attached to this report
Mayflower	Boston College	Attached to this report
Boston Leisure	Boston Borough Council	Separate report on this agenda

- 2.2 This report seeks support from Full Council on 29th March to submit the final Business Cases. Subject to the Boston Town Deal Board on 25th March 2022, they will be submitted to the Department for Levelling Up, Housing and Communities following approval by Cabinet on 30th March 2022. This report includes the following outstanding projects:
- Boston Railway Station
 - Mayflower
- 2.3 The Boston Leisure project and submission is covered in a separate report on this agenda. The business cases for each of these projects are attached to this report as Appendices.
- 2.4 The Towns Fund Delivery Partner, appointed by Government, prepared a Business Case template for the Towns Fund programme. This template has been used to establish a sound structure for all our Business Cases in line with both government guidance and best practice.
- 2.5 The Business Case is comprised of the Strategic Case, Economic Case, Financial Case, Commercial Case and Management Case. The business case sets out the required information to enable DLUHC to approve the funding allocated to this project and in line with our Council requirements and assurance processes. Once approved the Council will be able to draw down the funding required within the overall timeframe of the Towns Fund deal.
- 2.6 It is important to note that the business case documents are not a delivery plan at this stage. There will be further development of the business case and other project milestones before commitment to the building contract. These future milestones will enable the Council to further review the overall development costs, in use revenue costs, and operating model for example.

2.7 The Business Cases should be read in conjunction with the following documents to provide the overriding context for investment into the project and delivery of the stated objectives:

- Boston Town Investment Plan
- Boston Monitoring and Evaluation Plan;
- Boston Communications and Branding Guidance.

2.8 A summary of the two projects are:

Boston Railway Station, externally led by EMR

The total cost for the project is £2,686,800

Towns Fund allocation is £2,500,000.

Boston Station is a gateway into the town and in its current condition, both aesthetically and in terms of the facilities offered it does not reflect a station in a town that is economically thriving and a place for people to choose as a town to live and work in. Historically, there has been a lack of investment in the East for EMR stations which had only added to the deterioration of buildings and outdated station services, making the station powerless to compete with stations in larger towns and cities.

The investment into the full refurbishment of the station creates a credible statement to make the town a more attractive option to work and live in, to provide for the needs of an aspirational, skilled and healthy population. Government strategy for the Midlands is focused on growth, connectivity, skills, enterprise, innovation, trade, and quality of life.

The development will enhance services and facilities at the station, playing directly into the Levelling Up agenda by paying attention to what the needs of the community are to enable them to better connect to the station, installing contemporary designs and new infrastructure to modernise the station whilst future proofing the enhancements offering an avenue for further development and investments, leading to a strengthened local economy.

The vision is to create a modern railway station offering enhanced facilities to better connect the community to the station. Providing an overall better customer experience whilst maintaining high levels of security and safety. Creating a community hub and gateway to the town whilst preserving the historical features of the station.

Boston Mayflower, externally led by Boston College

The total cost for the project is £16,071,000

Towns Fund allocation is £10,000,000

Mayflower is an iconic building designed to welcome people into the college environment through a 'non-traditional education aesthetic. The space will offer our showcase hair and beauty salons, a digital skills hub, employability/business support services, entrepreneurial start up space and coffee and restaurant outlets for our award-winning hospitality and catering department. Mayflower will coexist in a wider development that regenerates an entire area and includes a health and leisure facility thus creating a 'destination' for the community. This mix of education, enterprise and entertainment will encourage access and participation in learning through its 'soft' approach in a welcoming and inclusive space.

The Mayflower is part of the regeneration of the Rowley Road area of Boston, it links through improvements to public realm and accessibility to the re-modelled Leisure Centre – see image below, an of the Mayflower sited on the left and the new design for the Leisure on the right.



With regards to the Boston Leisure project, led and supported by Boston Borough Council (Towns Fund allocation £2,500,000) see separate report on this agenda for the Full Business Case and associated recommendations.

CONCLUSION

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

FINANCIAL IMPLICATIONS

The financial implications are significant and have been detailed in the report. The 7 projects (including Boston Leisure subject to a separate report) will leverage in £21.9m of government funding along with match funding. It is anticipated that additional funding will be required to support the Boston Leisure Project and this has been covered in a separate report on this agenda.

LEGAL IMPLICATIONS

Procurement procedures will be followed for the delivery of buildings, services and goods – engagement with external experts is underway to ensure that these obligations are fulfilled. Boston Borough Council acts as Accountable body for all the funds and specialist funding agreements with external legal advice have been developed with regards to outside partners. Contracts will also be required with Government in terms of the delivery of the agreed projects and their planned outcomes.

CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS

The Town Investment Plan demonstrated how projects aligned in terms of clean growth principles, namely: promoting better design and sustainable construction approaches, increasing energy efficiency

(particularly in terms of housing), promoting low carbon transport and enhancing the effective use of natural resources.

EQUALITY AND SAFEGUARDING IMPLICATIONS

On submission of the full business cases to DLUHC each project is required to provide an Equality Impact Assessment which has been subject to review through the Councils internal programme board

OTHER IMPLICATIONS

This programme of activity will be transformational for the locality and aim to improve economic growth and improved outcomes for the Town and surrounding areas.

CONSULTATION

Significant consultation has taken place in respect of the projects selected. The final list has been selected and approved by the Boston Town Deal Board.

APPENDICES

Appendices are listed below and attached to the back of the report: -

APPENDIX A	Mayflower
APPENDIX B	Boston Railway Station

BACKGROUND PAPERS

Background papers used in the production of this report are listed below: -

Document title	Where the document can be viewed
Towns Fund Guidance	https://www.gov.uk/government/publications/towns-fund-further-guidance
Town Investment Plan	https://www.bostontowndeal.co.uk/wp-content/uploads/2020/11/Boston-Town-Investment-Plan-October-2020.pdf

CHRONOLOGICAL HISTORY OF THIS REPORT

Name of body	Date
	16 th December 2019: Formation of the Board, its composition and Terms of Reference
Full Council	26 th October 2020: Submission of a Town Investment Plan for Boston to Government.

Full Council (Delegated decision)	16 th December 2021: Approval of all 7 projects for Boston, totalling £21.9m of net Towns Funding, for inclusion within the Capital Programme.
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REPORT APPROVAL	
Report author:	Lydia Rusling, Assistant Director for Economic Growth
Signed off by:	Michelle Sacks, Deputy Chief Executive
Approved for publication:	Cllr Nigel Welton