



DATE:	3 rd August 2023
SUBJECT:	Award of Round Three UK Shared Prosperity and Rural Prosperity Funding: Heritage Lincolnshire – High Street Regeneration in Kirton
PURPOSE:	To detail the decision to award UK Shared Prosperity Funding and Rural Prosperity Funding to Heritage Lincolnshire, in line with commitments made through Boston Borough Council’s submitted Investment Plan for UK Shared Prosperity and Rural Prosperity Funding.
KEY DECISION:	Yes
PORTFOLIO HOLDER:	Councillor Anne Dorrian (Leader of Boston Borough Council)
REPORT OF:	Michelle Sacks – Deputy Chief Executive (Growth)
REPORT AUTHOR:	Saul Farrell – Senior Programme Manager (UK Shared Prosperity Fund)
WARD(S) AFFECTED:	All
EXEMPT REPORT?	No

SUMMARY

This paper details the delegated decision taken to award funds of £236,298 to Heritage Lincolnshire under both the UK Shared Prosperity Fund and Rural Prosperity Fund Programmes. This award is to support the regeneration of historic buildings in and around the village of Kirton through a series of small grants to building owners, matched by significant private sector investment, supported by a revenue-funded programme of events to celebrate the area’s unique heritage. Building on the highly successful model of the Town Deal-funded ‘Healing the High Street’ projects delivered in Boston, Skegness and Mablethorpe, the aim is to invest to

make the area a more attractive destination for residents and visitors alike through the creation of a significantly more attractive retail environment.

RECOMMENDATIONS

- 1) To award funds of £236,298 to Heritage Lincolnshire under the UK Shared Prosperity Fund and Rural Prosperity Fund Programmes.

REASONS FOR RECOMMENDATIONS

Considerations and conclusions for this investment are made within the text of this report, including the options appraisal below.

OTHER OPTIONS CONSIDERED

Option 1 - Proceed as per the recommendation of this Report

Under this option, there will be a significant investment in the area's retail spaces, culture and historic environment. This will support the realisation of the benefits as set out within the report below and allow the council to effectively allocate a substantial proportion of its available Rural Prosperity Funding on an impactful, targeted local project.

Option 2 – Do nothing

Under this option, the recommendations are not taken forward and grants are not made available to businesses and historic building owners in Kirton and the revenue-funded cultural events programme is not delivered. Consequently, the benefits as set out within the report will not be realised.

1. BACKGROUND

- 1.1 Launching at the end of January 2023, Boston Borough Council has been awarded a significant allocation of UK Shared Prosperity and Rural Prosperity Funding (£2.456m, less administration). This allocation was based on an Investment Plan which was submitted in the preceding year to the Department for Levelling Up, Housing and Communities (DLUHC), which was itself based on an extensive consultation with local communities and elected Members.
- 1.2 In line with our approved Investment Plan and DLUHC guidance, funding has been split equally across three themes:
 - Communities and Place – Supporting pride in place, improving residents' experiences of their communities
 - Supporting Local Businesses – Supporting local businesses to grow and local productivity, supporting employment growth

- People & Skills – Reducing economic activity, supporting employment growth and improving the skills of adult learners (to be principally delivered in Financial Year 2023-4).

1.3 Rural Prosperity Funding (RPF) has been allocated by the Department for Environment, Food and Rural Affairs. This funding focusses on supporting rural businesses and communities, who have been historically underrepresented in the allocation of regeneration funding across the United Kingdom. This fund is entirely capital. As there is no allowance for administration within RPF, the two Programmes are administered concurrently by the same Programme Team across the South and East Lincolnshire Councils Partnership. Crucially, in line with national guidance, Rural Prosperity Funding cannot be allocated within a significant number of postcodes in Boston Town Centre, therefore, there are restrictions on how this money can be spent locally.

1.4 The expectation, legally embodied within our contract (Memorandum of Understanding) for funding from DEFRA and DLUHC, is that investments made by Local Authorities directly address the contracted outcomes within the agreed Investment Plan. They must also generate additionality – new activity in the local area rather than the replication of pre-existing service provision. They also stipulate that all projects commissioned must be delivered by the end of March 2025.

- 1.5 The allocation of funding of both UKSPF and RPF received for Boston Borough Council, less administration (currently at 7.1%, which is within DLUHC guidelines for administration), is as follows:

Category	Capital	Revenue
Communities and Place	£354,094	£653,902
Supporting Local Business	£354,094	£653,902
People & Skills	£43,913	£396,278

- 1.6 In line with DLUHC guidance, which requested that we undertake to invest allocated 2022-3 funds as rapidly as possible, the council has sought to mobilise a small number of ‘quick to deliver’ projects in late FY 22-23/early FY 23-24 (‘Round One’), These projects represent a small proportion of available funding but were adjudged to be Value for Money and likely to deliver on the contracted outcomes.

- 1.7 Since the launch of the Prospectus, the Council has recruited a Programme Team (March 2023), held Assessment Panels and conducted two rounds of Theme and locality-based Partnership Groups (with the relevant Groups for this project taking place in June 2023). The membership of these groups involves subject-matter experts and community representatives respectively, drawn from organisations and communities in the District. This has resulted in a recommendation to fund the Heritage Lincolnshire – High Street Regeneration in Kirton project, to a value of £236,298.

2. DETAILS OF THE PROJECT

2.1. A key priority, expressed both by elected Members and by communities upon extensive consultation, is ensuring that UKSPF/RPF funding supports communities that have been historically under-represented in the provision of public investment. This includes rural communities in our District like Kirton. Similarly, investment in heritage, retail spaces and town/village centres has been highlighted as a key priority.

2.2. Heritage Lincolnshire have submitted a detailed Expression of Interest and Full Application to invest in the retail and historic environment in the village of Kirton. Building on the highly successful model (and associated brand) of 'Healing the High Street', which is being delivered in Boston, Skegness and Mablethorpe (to a value in excess of £9m), the aim is to transform our historic towns' landscapes and economy, making them a more attractive destination for residents and visitors alike, delivering improved perceptions of place and a significantly more attractive retail environment. This directly and principally addresses the 'pride in place' strategic objective of the UK Shared Prosperity Fund under Communities and Place, while secondarily addressing the 'Supporting Local Business' theme. This will be delivered through the medium of small grants (at a 70-75% intervention rate) to retail businesses to support the sensitive repair and reinstatement of their historic buildings (including shopfronts and upper floors, readying them for conversion to appropriate retail and residential uses), alongside a general scheme for the improvement of signage and public realm in the Town Centre. Furthermore, there will be a supporting scheme of heritage activities, engagement and interpretation, focussing on local heritage and culture. In addition, a grant will be made available to St. Peter's and St. Paul's Church to enable this important historic building to contribute to the local visitor offer.

2.3. The project will be directly delivered by Heritage Lincolnshire. Heritage Lincolnshire are one of the country's largest Building Preservation Trusts (BPTs), with expertise in project delivery, community heritage and historic building conservation. Heritage Lincolnshire have delivered a number of large and similar local schemes, including the Boston Townscape Heritage Scheme and the Boston Healing the High Street Scheme. They are also currently supporting the Boston Preservation Trust on the sensitive restoration of Fydell House.

2.4. In Boston, there is already a dedicated project manager in post for the delivery of the Healing the High Street scheme in Boston Town Centre, who already reports to a dedicated grants Panel overseen by the Boston Town Deal Board. It is proposed that for the UKSPF-funded heritage-led regeneration scheme in Kirton, this project manager should lead the project with a simple and low-cost extension of revenue and overhead costs for the extra time expended.

2.5. This project directly and specifically addresses a full range of UKSPF/RPF outcomes. Due to a conflict of interest within the UKSPF Programme Team, the initial assessment of this application as undertaken by an external consultant, who rated the Expression of Interest favourably in comparison to other, similar EoIs for funding. Specifically, this project will improve at least five properties and support five businesses, as well as aiming to bring a further 150 visitors to the Kirton area. The aim will also be to remediate 1000 sq m. of commercial space locally and improve perceptions of place.

2.6. £200,000 will be allocated to a capital grant pot for distribution by the Grants Panel, which will be supported by an additional £36,298 to support both the delivery of the project, the Church and a series of revenue-funded cultural and heritage events. Grants will therefore be offered at an average level of £40,000 per business and it is anticipated that at least £55,000 will be realised in private sector contributions, thus leveraging additional and much-needed further private sector investment into the local retail environment.

CONCLUSION

- 3.1 Recommendation: To proceed upon the basis of awarding £236,298 to Heritage Lincolnshire for the delivery of the Heritage Lincolnshire – High Street Regeneration in Kirton**

EXPECTED BENEFITS TO THE PARTNERSHIP

These recommendations will allow the Partnership to meet the commitments that it has given to DLUHC through the UK Shared Prosperity Fund. It will also meet the key political commitment of ensuring that funding is distributed equitably and widely across the Partnership area, with a particular focus in this case on rural and under-represented communities.

IMPLICATIONS

SOUTH AND EAST LINCOLNSHIRE COUNCILS PARTNERSHIP

None

CORPORATE PRIORITIES

None

STAFFING

None

CONSTITUTIONAL AND LEGAL IMPLICATIONS

This is a Delegated decision, made by the Deputy Chief Executive (Growth) in consultation with the relevant Portfolio Holder and in this specific case, the Leader of the Council. The funding for the scheme has already been provided by Central Government and accepted by the Council, and forms part of the councils approved budget.

DATA PROTECTION

None

FINANCIAL

The combined allocation of £236,298 in UK Shared Prosperity Funding and Rural Prosperity Funding from the 'Communities and Place' Theme, both revenue (£36,298) and capital (£200,000) respectively.

RISK MANAGEMENT

Risk management shall be undertaken within the context of the contract management process. The applicant produced a risk register through the application process and this is being kept under review. The three key risks are as follows:

- Keeping costs within budget to ensure that desired outcomes are met – With inflation within the construction industry ongoing, this risk is most likely to become an issue. A substantial effort will be needed to maintain applicants' interest in the scheme given the financial pressures faced by local businesses and staged grant payments may be required to support local businesses' cashflow.
- Finding suitably experienced contractors and suppliers to deliver the specialist works required for a project of this character – Heritage Lincolnshire will undertake substantial prior market warming and wide engagement with the sector in advance of this project.
- Inability to commit the required funding by the end of March 2025, as required by the contract (Memorandum of Understanding) with DLUHC – This will be managed closely through the contract management process.

- **STAKEHOLDER / CONSULTATION / TIMESCALES**

This project was assessed in June and July 2023 through the agreed UKSPF/RPF Assessment process. This has included the following:

- Processed at Expression of Interest and full application stage through the internal Assessment Panel of Officers. In this specific case, an external consultant provided the initial assessment presented to this Panel.
- Consultation within the relevant Theme Group of specialists (Communities and Place)
- Consultation within the Boston Borough UKSPF/RPF Partnership Sub-Group of the Town Deal Board and the Boston Town Deal Board itself.
- Consultation with the relevant Portfolio Holder
- Consultation with the Leader of the Council
- Consultation with Senior Leadership Team within the South and East Lincolnshire Councils Partnership

REPUTATION

No specific reputational risks arising in this case. However, there is a substantial reputational risk associated with not committing UKSPF/RPF funding in a timely manner and to high quality projects that meet the outcomes that the Local Authority has committed to within the UKSPF/RPF Investment Plan, such as this one. At a project level, under-delivery is likely to carry substantial reputational risk and this will be managed closely through the contract management process.

CONTRACTS

The project will be managed through a UKSPF/RPF Grant Funding Agreement, which will be managed by a designated grant funding contract manager within the Local Authority, situated within the UKSPF/RPF Programme Team.

CRIME AND DISORDER

None

EQUALITY AND DIVERSITY/ HUMAN RIGHTS/ SAFEGUARDING

The council has considered equalities, diversity and inclusion in formulating this recommendation, including compliance with relevant legislation. This includes protected characteristics under the 2010 Equalities Act and subsequent amendments. It is the view of the author that there are no implications in this regard in respect of this report recommendation. The proposed grant funding will be open to retail businesses in Kirton and within the cultural and heritage activities programme, there shall be reasonable adjustments for those facing barriers to access. This shall be monitored through the contract management process.

HEALTH AND WELL BEING

None arising at the macro-level, though individual benefits may be realised through projects grant-aided by the scheme on a delegated basis.

CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS

None

LINKS TO 12 MISSIONS IN THE LEVELLING UP WHITE PAPER

MISSIONS	
This paper contributes to the follow Missions outlined in the Government’s Levelling Up White paper.	
Skills	By 2030, the number of people successfully completing high-quality skills training will have significantly increased in every area of the UK. In England, this will lead to 200,000 more people successfully completing high-quality skills training annually, driven by 80,000 more people completing courses in the lowest skilled areas.
Wellbeing	By 2030, well-being will have improved in every area of the UK, with the gap between top performing and other areas closing.
Pride in Place	By 2030, pride in place, such as people’s satisfaction with their town centre and engagement in local culture and community, will have risen in every area of the UK, with the gap between the top performing and other areas closing.

ACRONYMS

DLHUC – Department for Levelling Up, Housing and Communities

APPENDICES	
None	
<i>APPENDIX A</i>	<i>(Title of document)</i>
<i>APPENDIX B</i>	<i>(Title of document)</i>
<i>APPENDIX C</i>	<i>(Title of document)</i>

BACKGROUND PAPERS	
<i>(If none then insert the working ‘No background papers as defined in Section 100D of the Local Government Act 1972 were used in the production of this report.’ Also delete the below text/boxes.)</i>	
Background papers used in the production of this report are listed below: -	
Document title	Where the document can be viewed
UKSPF Prospectus	https://www.e-lindsey.gov.uk/article/23065/UK-Shared-Prosperity-Fund

CHRONOLOGICAL HISTORY OF THIS REPORT

A report on this item has not been previously considered by the Council.

REPORT APPROVAL

Report author:	Saul Farrell Senior Programme Manager – UK Shared Prosperity Fund/Rural Prosperity Fund
Signed off by:	Michelle Sacks (Delegated Decision) Deputy Chief Executive - Growth
Approved for publication:	N/A

CHECKLIST - DELETE BEFORE SUBMISSION TO DEMOCRATIC SERVICES

S151 Officer consulted on financial implications:	Yes / No / NA
Monitoring Officer consulted on legal and constitutional implications:	Yes / No / NA
Portfolio Holder consulted:	Yes / No / NA
Ward Member consulted:	Yes / No / NA