

# Finance and Economic Overview and Scrutiny Committee



SOUTH  
KESTEVEN  
DISTRICT  
COUNCIL

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Thursday, 7 May 2026 at 10.00 am  
Council Chamber - Council Offices,  
St. Peter's Hill, Grantham. NG31 6PZ

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**Committee Members:** Councillor Bridget Ley (Chairman)  
Councillor Gareth Knight (Vice-Chairman)

Councillor Matthew Bailey, Councillor Tim Harrison, Councillor Graham Jeal,  
Councillor Gloria Johnson, Councillor Max Sawyer, Councillor Lee Steptoe and  
Councillor Murray Turner

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## Agenda

This meeting can be watched as a live stream, or at a later date, [via the SKDC Public-I Channel](#)

- 1. Public Speaking**  
The Council welcomes engagement from members of the public. To speak at this meeting please register no later than 24 hours prior to the date of the meeting via [democracy@southkesteven.gov.uk](mailto:democracy@southkesteven.gov.uk)
- 2. Apologies for Absence**
- 3. Disclosure of Interests**  
Members are asked to disclose any interests in matters for consideration at the meeting.

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☎ 01476 406080

**Karen Bradford, Chief Executive**

[www.southkesteven.gov.uk](http://www.southkesteven.gov.uk)

- 4. Minutes from the previous meeting** (Pages 3 - 14)  
To confirm the minutes of the meeting held on 10 March 2026 (partially exempt).
- 5. Updates from previous meeting**  
There were no actions agreed at the previous meeting.
- 6. Announcements or updates from the Leader of the Council, Cabinet Members or the Head of Paid Service**
- 7. Review of Housing Revenue Account – Finance Action Plan** (Pages 15 - 19)  
The purpose of this report is to set out a proposed action plan to respond to the financial challenges facing the Housing Revenue Account (HRA).
- 8. LeisureSK Ltd Finance Update** (Pages 21 - 31)  
To provide an update regarding the finance performance of LeisureSK Ltd during the financial year 2025/26.
- 9. Council Investment Plan Update** (Pages 33 - 37)  
To provide an update on the Council's investment plans across the leisure centre's and sports stadium
- 10. Grantham Future High Street Fund Project Closure** (Pages 39 - 59)  
To provide Members with an update and project closure report following the completion of the Grantham Future High Street Fund Programme.
- 11. Work Programme 2025/26** (Pages 61 - 62)
- 12. Any other business, which the Chairman, by reason of special circumstance decides is urgent**

## Minutes

### Finance and Economic Overview and Scrutiny Committee



SOUTH  
KESTEVEN  
DISTRICT  
COUNCIL

**Tuesday, 10 March 2026, 10.00 am**

**Council Chamber – South Kesteven  
House, St. Peter’s Hill, Grantham, NG31  
6PZ**

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#### **Committee Members present**

Councillor Bridget Ley (Chairman)  
Councillor Gareth Knight (Vice-Chairman)

Councillor Matthew Bailey  
Councillor Tim Harrison  
Councillor Graham Jeal  
Councillor Gloria Johnson  
Councillor Max Sawyer  
Councillor Murray Turner

#### **Cabinet Members present**

Councillor Ashley Baxter (Leader of the Council)  
Councillor Richard Cleaver (Cabinet Member for Property and Public Engagement)

#### **Officers**

Richard Wyles (Deputy Chief Executive and S151 Officer)  
Emma Whittaker (Assistant Director of Planning and Growth)  
Gyles Teasdale (Head of Service – Property and ICT)  
Simon Jackson (Economic Development Inward Investment Manager)  
Amy Pryde (Democratic Services Officer)

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#### **65. Public Speaking**

There were none.

#### **66. Apologies for Absence**

An apology for absence was received from Councillor Lee Steptoe.

#### **67. Disclosure of Interests**

Councillor Matt Bailey and Max Sawyer declared an interest on agenda item 8 ‘SKDC Car Parking Review’ as they had relatives who were blue badge holders.

The Monitoring Officer had confirmed prior to the meeting they were able to participate on this item.

#### **68. Minutes from the previous meeting**

The minutes from the meeting held on 24 February 2026 were proposed, seconded and **AGREED** as an accurate record.

#### **69. Updates from previous meeting**

There were none.

#### **70. Announcements or updates from the Leader of the Council, Cabinet Members or the Head of Paid Service**

The Leader of the Council informed the Committee that the Council had been shortlisted for the Customer Service Awards. It was hoped the excellent customer service at the Council would be recognised.

#### **71. Update on Economic Development Strategy**

The Leader of the Council presented the report.

The report outlined several key changes of circumstances since the Economic Strategy was adopted in 2025. These included:

- A reduction in the level of resources the Council has available to support economic development.
- Local Government Review.
- The publication of the UK's modern industrial strategy by the Department of Business and Trade.
- Creation of the Greater Lincolnshire Combined County Authority and the election for a Mayor in May 2025.

It was important the strategy aligned with the Combined Authority growth strategies. Consequently, the Council were aligning their strategies to maximise impact and attract funding resources into the District.

In light of these ongoing developments, it is appropriate for the Council to review the existing strategy and action plan to ensure it remained deliverable and aligned with the Council's priorities and local/national ambitions.

The Economic Development and Inward Investment Manager was appointed in September 2025. The refreshed strategy would be brought to the Committee in May 2026 and to Cabinet for approval in July 2026.

Since September 2025, the Economic Development Team has continued to deliver actions in the strategy:

- Working with Grantham Museum in the application for a grant from National Heritage Lottery Fund.
- Supporting Stamford and Grantham in submitted expressions of interest to DCMS for the UK Town of Culture competition.
- Facilitating a large skills summit attended by over 40 exhibitors and 1,000 Year 10 students from across the District.

One Member queried whether there were any indications on financial implications of Local Government Reorganisation on economic development within the District.

It was clarified that several Local Government Reorganisation briefings had taken place for Councillors. It was noted the new organisation following LGR would work with colleagues from GLCCA to establish plans for economic development, at that time.

Members praised the work of Claire Saunders, an Officer who had worked hard to assist Grantham Museum on a funding bid.

Clarification was sought around the overall aims of the strategy. How much funding was allocated to economic development or whether the Council received funding from other organisations was queried.

The Leader of the Council confirmed there was a budget for economic development to pay for work carried out. There was a team of 3 colleagues in economic development. In the 2026/27 budget, £100,000 had been added to the Community Fund and £100,000 had been allocated for events.

The Assistant Director for Planning and Growth clarified the budget allowed certain events to take place within the action plan. The Team also facilitates conversations with other organisations in terms of learning and development to leverage economic benefits.

Further information was requested on whether there were any challenges with local stakeholder involvement.

The Assistant Director for Planning and Growth highlighted the local economic forum was set up as part of the UKSPF funding process. The forum fed into how bids were analysed. The Council struggled with stakeholder engagement towards the end of the process.

The Leader of the Council noted the local economic forum was a requirement for the UKSPF funding and therefore, meetings had to take place. It was felt forums around networking and conversations could take place in a different way.

One Member requested feedback on the local economic forum be taken back to Government to provide reasoning on how the forum was not successful.

## **The Committee:**

**1. Noted the update on the Action Plan and refresh of the Economic Development Strategy (2024-2028).**

**2. Request a refreshed Economic Development Strategy be presented to the Committee in May.**

## **72. SKDC Car Parking Review**

The Cabinet Member for Property and Public Engagement presented the report.

The report outlined further changes to the parking order which were brought in, during January 2025 alongside the addition of more parking spaces at Cattlemarket carpark in Stamford, the increase in footfall at Grantham Market and some changes to on-street parking in the centre of Stamford.

The Cabinet Member for Property and Public Engagement drew the Committee's attention to the recommendations within the report and provided the following issues:

- Disabled parking – The Council allowed free unlimited parking all day for all blue badge holders in all Council car parks, in all spaces. The location of disabled spaces within the car parks was being reviewed.
- Season tickets – Both Cattlemarket car park in Stamford and Wharf Road car park in Grantham were located close to their town's railway stations and both had spare capacities on weekdays. The Council were looking to reduce the tariff on season tickets.
- Bourne, Deepings and Billingborough – Car parking was currently free, however, a review was undergoing.
- Underutilised capacity – Most prevalent in Cattlemarket, Stamford (Monday-Thursday) and Wharf Road in Grantham (all week). It was intended to reduce charges at these car parks for during these periods, in order to stimulate demand.
- Higher turnover of spaces in the busiest short stay car parks – the Council could either put higher charges in for longer stays or have an absolute limit on the length of stay.

It was highlighted the Council would be conducting a feasibility study into adding additional capacity in Stamford given that carparks were operating at full capacity on Fridays and Saturdays.

### Disabled Parking

One Member noted 3 hours free parking was sufficient for a blue badge holder.

It was clarified blue badge holders would not be restricted on time spent in the car park. The issue was the combination of the time limit and charging, alongside how long it was fair to give blue badge holders free parking, before charging them.

Concern was raised that this initiative was to generate more money and not necessarily because there was a shortage of spaces. Members were worried about how a blue badge holder may perceive this change.

Clarification was sought on what would happen if a blue badge holder parked in an unmarked bay. This would then leave marked bays empty, and other members of the public cannot park. The Member had seen this occur at Guildhall Street carpark, Grantham.

The Council is to ensure the marked bays are the most conveniently located spaces in terms of the exit and closest to amenities.

A query was raised on how many people the disabled parking would impact and if an impact analysis had been undertaken where the Committee could scrutinise the metrics.

The Cabinet Member for Property and Public Engagement highlighted no decisions had been made on the parking review, this was a pre-decision scrutiny. It would then be presented to Cabinet for consideration.

The Deputy Chief Executive and S151 Officer confirmed a direction of travel proposal for the parking review. The Tetra Tech report outlined an overdemand on disabled parking across most locations. There were four variations of the proposed outcome and the Committee were requested to provide a steer on their preferred option.

One Member noted that some blue badge holders may require wheelchair access, and therefore, may struggle to park in a standard parking space.

Figures were requested on usage of blue badge holders and whether this could be implemented within the ticketed system.

The Cabinet Member for Property and Public Engagement clarified this data was not collected at present, due to blue badge holder parking being free and unlimited. Going forward, the technology would be reviewed on how blue badge holders can register their badge alongside their vehicle registration.

At present, the current system did not require a blue badge holder to register to receive the free parking. If a 3-hour free parking limit is implemented, there would be a requirement for the individual to register their arrival to monitor the duration of stay.

A suggestion was made for the Cattlemarket car park in Stamford to provide free blue badge holder parking all day to increase the demand of the car park and to stop blue badge holders using standard spaces in other car parks.

A query was raised on what the rate blue badge holders would be charged after their 3-hour free parking.

It was confirmed they would be charged the standard rate and would be charged as if they had just arrived at the car park.

**The Committee reviewed the criteria and proposed and seconded to suggested to limit the 3-hour free parking in any bay for blue badge holders. Blue badge holders would then be charged at the standard rate.**

#### Season tickets and underused capacity issues

One Member highlighted that the impact of changes assessment should have been undertaken once Grantham car parks were fully operational, following their maintenance works to ensure the assessments are accurate.

The Deputy Chief Executive and S151 Officer clarified the works being undertaken in several car parks was ongoing and there was no definitive date when all works would be complete. Consultants were booked months in advance for their observational studies and the Council could not predict with accuracy that there would not be works destabilising the offer.

In terms of season tickets, the Council were establishing a marginal gain to utilising capacity in the system.

It was outlined that season tickets historically had always been targeted at long-stay car parks, where people are encouraged to stay longer as the turnover of spaces is much lower. As a result of the findings it was recommended the season ticketing criteria be reviewed to enhance utilisation of spaces across car parks, in particular the consistent underutilisation of space at the Wharf Road Multi Story car park in Grantham and the Cattlemarket car park at Stamford.

One Member noted charges should be lowered in car parks which are underutilised and increase charges of car parks that are close to full capacity.

Within the report, there was a request for a further capacity for Stamford in response to the future expansion of the Town. A feasibility study would cover additional capacity and all possible solutions.

One Member felt that Cattlemarket in Stamford was not well signposted for visitors.

A query was raised on how much a season ticket was for Wharf Road car park. It was suggested that there be more advertisement of season tickets.

It was confirmed the season ticket was £21 weekly, £75 monthly and £200 per quarter of the year. Within the report, there were 350 quarterly season tickets, which was the most popular ticket.

A suggestion was made to provide incentives for Cattlemarket car park in Stamford to encourage people to utilise the car park.

The Cabinet Member for Property and Public Engagement confirmed the tariffs were the same in Wharf Road and Cattlemarket car park. Wharf Road car park was more popular due to its location. Cattlemarket car park was most underutilised Mondays – Thursdays.

#### Controlled parking arrangements in Bourne, Deepings and Billingborough

It was noted that Billingborough is a large village and not a Town. It was felt the assessment had been undertaken incorrectly for Billingborough. It was further queried whether the report had been proof-read.

The Deputy Chief Executive and S151 Officer clarified there was no business case to introduce any charging or limited parking in Billingborough and Market Deeping. Putting any parking controls into the locations would incur costs from the Council as any parking restrictions would still need to be enforced.

It was noted that Billingborough or Market Deeping did not justify any kind of controlled parking arrangements.

The Cabinet Member for Property and Public Protection clarified the two car parks in Bourne were uncontrolled at present. The Committee were requested to consider time limits and charging policies in order to provide more availability at these car parks.

One Member suggested that views be shared with District Ward Councillors for Bourne on this matter.

Another Member was in favour of the car parks at Bourne being time restricted in enable a higher turnover of spaces.

One Member queried limited controls in Market Deeping and what current parking situations were like.

Within the report, it stated there was evidence of pressure. There are commercial car parks, a County Council car park and the SKDC car park (Halfleet). The County Council car park was currently under-capacity due to flooding. It was noted that if people were using the Halfleet car park as a park and ride, the time limits and charges would need to be reviewed on usefulness to the car parking capacity.

The Deputy Chief Executive and S151 Officer noted that there would be a significant cost in patrolling Billingborough and Market Deeping car parks, alongside resurfacing and ticket machines.

The Committee were satisfied with review car parking in Bourne and that Billingborough and Market Deeping would remain the same.

#### Achieving higher turnover of spaces in the busiest short stay car parks enabling more utilisation

One Member highlighted savings which could be brought forward in charging Councillors and Employees of the Council for parking in Welham Street car park, Grantham.

It was highlighted there was no particular demand on Welham Street car parks during the working day or when Full Council meetings were being held. A preference would be to put Councillor parking to the top stories of the car park, where the demand was less.

Another suggestion was to relocate Councillor and staff parking to Wharf Road car park in Grantham, where there was a greater capacity.

One Member suggested a possible 'pay on exit' style parking system due to pay and display putting time restrictions on visitors.

The Cabinet Member for Property and Public Engagement referred members to the 'parking app' where parking could be extended using a mobile phone, anywhere away from the car park. More than 50% of car park users in Stamford were utilising the 'parking app'.

The Deputy Chief Executive and S151 had explored the use of 'pay on exit' parking schemes, however, they were extremely costly to implement.

#### **The Finance and Economic Overview and Scrutiny Committee:**

- **Considered the findings of the Car Parking Study including analysis of payment methods.**
- **Reviewed the current criteria for Disabled Parking.**
- **Reviewed the criteria for use of Season Tickets.**
- **Considered the case for introducing controlled parking arrangements in Bourne, Deepings and Billingborough.**
- **Considered options to further increase the utilisation of car parks where capacity remains unused.**
- **Considered options to achieve higher turnover of spaces in the busiest short stay car parks enabling more utilisation.**

#### **73. Work Programme 2025/26**

The Committee noted the Work Programme 2025/26.

7 May 2026 meeting:

- Housing Revenue Account Plan
- Future High Street Fund (Closure report)
- Economic Development Strategy
- LeisureSK Ltd Finance update report

September 2026 meeting:

- UKPSF (Closure report)

**74. Any other business, which the Chairman, by reason of special circumstance decides is urgent**

There were none.

**75. Presentation and Update on St Martins Park, Stamford**

It was proposed, seconded and **AGREED** to go into private session and close the meeting.

*‘Under Section 100(a)(4) of the Local Government Act 1972, the press and public may be excluded from the meeting during any listed items of business, on the grounds that if they were to be present, exempt information could be disclosed to them as defined in paragraph 3 of Part 1 Schedule 12A of the Act.’*

**76. Close of meeting**

The Chairman closed the meeting at 12:28.

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

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**SOUTH  
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## **Finance and Economic Overview and Scrutiny Committee**

7<sup>th</sup> May 2026

Report of Councillor Ashley Baxter,  
Leader of the Council  
and Cabinet Member for Finance, HR  
and Economic Development

## **Review of Housing Revenue Account – Financial Action Plan**

### **Report Author**

Richard Wyles, Deputy Chief Executive and s151 Officer

✉ Richard.wyles@southkesteven.gov.uk

### **Purpose of Report**

To outline a proposed action plan to respond to ongoing financial challenges facing the Housing Revenue Account (HRA).

### **Recommendations**

#### **The Committee is asked to:**

- 1. Support the actions as set out in the proposed HRA Financial Action Plan.**
- 2. Agree to receive periodic updates on progress.**

### **Decision Information**

Does the report contain any exempt or confidential information not for publication?	No
What are the relevant corporate priorities?	All
Which wards are impacted?	All Wards

## **1. Implications**

Taking into consideration implications relating to finance and procurement, legal and governance, risk and mitigation, health and safety, diversity and inclusion, safeguarding, staffing, community safety, mental health and wellbeing and the impact on the Council's declaration of a climate change emergency, the following implications have been identified:

### ***Finance and Procurement***

- 1.1 The financial challenges facing the HRA and particularly the repairs and maintenance budgets are well understood and have been consistently communicated to the members following the emergence of the pressure.
- 1.2 As a result, there is a potential for the HRA balances to deteriorate further without corrective action being undertaken. In response to this financial challenge, a set of actions and interventions are being put forward for consideration that are designed to provide a multi layered response whilst recognising the prevailing social landlord responsibilities and the Council's overarching Housing priority.

*Completed by: Richard Wyles - Deputy Chief Executive and s151 Officer*

### ***Legal and Governance***

- 1.3 The Housing Overview and Scrutiny Committee (OSC) receives an overview of the HRA; however, the Finance and Economic Overview and Scrutiny Committee (FEOSC) is responsible for 'Budget Monitoring', 'Budget Setting' and 'Medium-Term Financial Planning'. Therefore, it is important that FEOSC has oversight of this action plan and subsequent updates.

*Completed by: James Welbourn, Democratic Services Manager*

## **2. Background to the Report**

### **2.1 Introduction**

- 2.1.1 The recent pressures and financial challenges facing the HRA, and the repairs and maintenance budgets, have been consistently communicated to the Committee. Firstly, via the HRA outturn £2.3m overspend in 2024/25, and more recently to the Full Council meeting of 20 November 2025 when a further £2.7m to the revenue budget was approved.

2.1.2 The HRA has encountered and continues to face financial challenges caused by a combination of: changes to legislation; increasing landlord responsibilities; and improving a range of local performance targets including backlog repairs, repair times, and void times.

2.1.3 However, as has been stated at previous FEOSC meetings, the continued uplift in repairs and maintenance budgets is unsustainable. There was an overspend in 2024/25, an uplift in 2025/26 and three-year budget projections are set at a similar high level. The table below summarises of the budget and outturn figures:

Repairs and Maintenance Spend and Budget Summary

<b>Financial Year</b>	<b>Budget</b>	<b>Actual</b>	<b>Latest Forecast</b>
2022/23	£8.9m	£9.2m	
2023/24	£9.6m	£10.4m	
2024/25	£11.9m	£13.5m	
2025/26	£10.6m (Feb 25 Council)		£13.6m
2026/27	£10.5m (Feb 25 Council)		£13.5m
2027/28	£10.8m (Feb 25 Council)		£13.1m
2028/29			£13.1m

2.1.4 It can be seen there has been an increase in this budget area of over £8m in a three-year period (25/26 – 27/28) which is not sustainable within the 30-year financial business plan.

2.1.5 The additional budget pressures are not solely a South Kesteven problem. National lobbying with Government has been undertaken via the *Securing the Future of Council Housing group* (of which the Council is a member) and this has led to: a longer-term rent settlement; a review of the Right to Buy Scheme; and the introduction of rent convergence. This lobbying will continue and is supported by national bodies in response to some of the pressures arising where legislative changes have been imposed without additional funding.

2.1.6 Benchmarking is already undertaken with Housemark so the Council can monitor its performance against similar sized Council landlords. It is recommended that further benchmarking and comparative data sharing be undertaken with external benchmarking consultants and similar sized stock holding Councils within the audit family group. The aim will be to share experiences and take learning from actions or interventions that are in place.

**2.2 Proposed Actions**

2.2.1 In response to this financial challenge, the Committee requested that a set of actions and interventions be put forward for consideration that are designed to provide a multi layered response whilst recognising the prevailing social landlord responsibilities and the Councils overarching Housing priority.

### 2.2.3 The proposed actions are:

#### **Expenditure**

- a. Review data from the Stock Condition Survey to prioritise the capital investment programme - having regard to decent homes standard. Establish an annual investment target of circa £5m (or within defined affordability levels).
- b. Review key performance metrics including void turnarounds, repairs response times (by priority category) to ensure there a balance between affordability, statutory obligations and local priorities.
- c. Review contracts with major suppliers of materials to ensure value for money (VFM) and reduce any stock wastage.
- d. Review capital programme contracts, ensure work programmes remain within the allocated budgets and avoid overspends.
- e. Review contracts for externalised revenue works and ensure controls are in place to ensure 'call off' contracts are managed to avoid cost escalation and remain within approved budgets. This requires a particular focus on repairs and maintenance.
- f. Review the 30-year business plan in response to forecast outturn and spending projections – review budget and spend projections, indices, stock levels etc.
- g. Engage external expertise to support the above work and to provide guidance on other potential strategies.
- h. Review and develop a Service Level Agreement between the General Fund (GF) and the HRA to enhance transparency on the charges (and recharges).

#### **Income**

- i. Model the financial impact of rent convergence from April 2027. This is Consumer Prices Index (CPI) +1% +£1 for 2027/28 and CPI+1%+£2 from 2028/29.
- j. Review service charge levels in response to the review of sheltered housing communal areas.
- k. Review collection methodology to ensure maximum recovery rates for tenant arrears.
- l. Review rechargeables policy for repairs where it can be identified that property damage has been caused by tenants.

- 2.3.4 To ensure a positive impact on the financial sustainability of the HRA, it is proposed the majority of the actions are completed by September 2026 to allow for corrective measures to be incorporated into the Budget for FY2027/28.

### **3. Other Options Considered**

- 3.1 If no corrective actions are planned and taken, HRA balances will continue to deteriorate.

### **4. Reasons for the Recommendations**

- 4.1 A number of key actions need to be undertaken involving officers from across the council as well as external expertise. It is important that members understand and endorse the proposed Action Plan.

### **5. Background Papers**

- 5.1 [Housing Revenue Account Provisional 2024/25 Outturn](#)
- 5.2 [Housing Revenue Account HRA Budget Framework Amendment 202526](#)
- 5.3 [Housing Revenue Account HRA Update Report Quarter 3 April to December 2025](#)

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## Finance and Economic Overview and Scrutiny Committee

Thursday, 7 May 2026

Report of David Scott, Director of LeisureSK Ltd

### LeisureSK Ltd Finance Update

#### Report Author

David Scott, Director of LeisureSK Ltd

✉ david.scott@leisuresk.co.uk

#### Purpose of Report

To provide an update regarding the finance performance of LeisureSK Ltd during the financial year 2025/26.

#### Recommendations

**The Committee is recommended to note the contents of the report.**

#### Decision Information

Does the report contain any exempt or confidential information not for publication?

Yes - Exempt Appendix One - Not for publication by virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 – financial information.

## **1. Background to the Report**

- 1.1 The Council's Corporate Plan 2024/27 sets out the key priorities for the Council including its leisure service. Encouraging sport and physical activity to support healthy lifestyles by reducing health inequalities and delivering a sustainable leisure offer helps to support the Council's corporate ambition and provides opportunities for improved health and wellbeing outcomes for local communities.
- 1.2 The Council's leisure contract with LeisureSK Ltd focusses on embedding an approach that seeks to continuously improve service delivery and customer experience.
- 1.3 LeisureSK Ltd is committed to supporting the Council achieving its ambitions of having a sustainable leisure and cultural offer as per the Corporate Plan 2024/27.
- 1.4 The new 10-year contract between the Council and LeisureSK Ltd commenced on 1st April 2025 under agency principles.
- 1.5 The Cultural and Leisure Overview and Scrutiny Committee (CLOSC) have oversight for reviewing the Company's performance and receive regular reports throughout the year covering financial and operational aspects.

## **2. Key Considerations**

### **Finance Performance Update**

- 2.1. Based on the latest financial monitoring up to the end of February 2026 LeisureSK Ltd is predicting an operating surplus for 2025/26.
- 2.2. It is worth noting, the continuing improvement in the current financial position of the Company, which is discussed at each Board meeting. At the end of February 2026, the current forecast outturn for the end of the current financial year is an operating surplus of £136,200 which is an overachievement of £64,500 against the budget which under the agency principles would be returned to the Council. More detailed information is provided in Exempt Appendix One.
- 2.3. Overall fitness memberships have decreased by 3.2% over the comparative 12-month period, primarily due to a loss of members at Stamford following the opening of PureGym.
- 2.4. Swim School memberships have decreased by 2.7% over the comparative 12-month period, again mostly being attributed to Stamford.

- 2.5. Events have continued to be held regularly at Grantham Meres and generate additional income supporting the cashflow of the Company.
- 2.6. Utility costs have continued to perform well due to reduced consumption from the favourable weather conditions and increased solar generation at Grantham Meres reducing the electricity usage.
- 2.7. The LeisureSK Ltd annual budget and business plan 2026/27 was approved by CLOSC at their meeting on 11 December 2025 outlining a projected increase on operating surplus for the year ahead of £183,735 which includes the repayment of the two current loans for the gym investment at Bourne and Grantham.
- 2.18 Within the business plan one of the key objectives is to complete a gym refurbishment at Stamford as part of the investment across all sites. LeisureSK Ltd would look again for a loan from the Council to undertake these works in line with previous investments. A provisional sum of £95k has been modelled for these works and has been included in the Council's General Fund Capital Programme 2026/27. LeisureSK Ltd are exploring options regarding scope of works and utilisation of space alongside the timing of works around other investment works the Council is looking to undertake.

### **3. Background Papers**

- 3.1. *LeisureSK Ltd Annual Budget and Business Plan 2026/27* – Report to Culture and Leisure Overview and Scrutiny Committee, published 11 December 2026, available online at:

[LeisureSK Ltd Annual Budget and Business Plan Report.pdf](#)

### **4. Appendices**

- 4.1. Exempt Appendix One – Financial Performance 2025/26 Forecast Outturn

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

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SOUTH  
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## Finance and Economic Overview and Scrutiny Committee

Thursday, 7 May 2026

Report of Councillor Paul Stokes  
Deputy Leader of the Council, Cabinet  
Member for Leisure and Culture

### Council Leisure Centres - Investment Plan Update

#### Report Author

Michael Chester, Team Leader – Leisure, Parks and Open Spaces

✉ [michael.chester@southkesteven.gov.uk](mailto:michael.chester@southkesteven.gov.uk)

#### Purpose of Report

To provide an update on the Council's investment plans across the leisure centres and sports stadium.

#### Recommendations

**The Committee is asked to note the contents of the report and the work undertaken to date in procuring the contract for Phase One of the Leisure Improvement Works.**

#### Decision Information

Does the report contain any exempt or confidential information not for publication?	No
What are the relevant corporate priorities?	Connecting Communities Sustainable South Kesteven Effective council
Which wards are impacted?	Bourne East; Grantham Earlesfield; Stamford St Georges;

## **1. Implications**

Taking into consideration implications relating to finance and procurement, legal and governance, risk and mitigation, health and safety, diversity and inclusion, safeguarding, staffing, community safety, mental health and wellbeing and the impact on the Council's declaration of a climate change emergency, the following implications have been identified:

### ***Finance and Procurement***

- 1.1 The procurement of a contractor to undertake the leisure improvement works – phase one has been undertaken in accordance with the Council's Contract Procedure Rules. The contract value is in accordance with the allocation of funds in the Leisure Investment Reserve to undertake the agreed scope of works. The underspend of £162,778 from phase one will be carried forward to phase two allowing for a greater scope of works to be included.

*Completed by: Richard Wyles, Deputy Chief Executive and s151 Officer*

### ***Procurement***

- 1.2 A compliant procurement process has been followed by running an open tender process to identify a preferred contractor to undertake the leisure improvement work – phase one, across each of the leisure centres and sports stadium.
- 1.3 This process has been supported by Welland Procurement and conducted in accordance with best practice and the Procurement Act 2023 to ensure that the principles of transparency, equity and fairness have been adhered to.

*Completed by: Helen Baldwin (Procurement Lead)*

### ***Legal and Governance***

- 1.4 This is an update report for noting; therefore, there are no specific governance concerns.

*Completed by: James Welbourn, Democratic Services Manager*

## **2. Background to the Report**

- 2.1 The Council's Corporate Plan (2024-27) sets out the Council's ambition to be 'A thriving District to live in, work and visit' with the aim of delivering and facilitating a sustainable leisure and cultural offer, as well as managing its resources and assets effectively with open transparent and accountable decision making. Underpinning

this are the key priorities for the Council of 'Connecting Communities' and being an 'Effective Council'.

- 2.2 The Council's three leisure centres and sports stadium have the highest customer throughput each year across all its assets and as such it is recognised that to continue to provide a positive customer experience there is a need to undertake cosmetic works and decoration, instead of solely focusing on the maintenance backlog.
- 2.3 A Leisure Investment Reserve of £1m has been established to enable investment in the facilities by improving the decoration and replacing worn out fixtures and fittings. Phase one of the investment was agreed at £500k and a further £500k was allocated for phase two in financial year 2026/27.
- 2.4 Following a meeting of the Finance and Economic Overview and Scrutiny Committee held on 18 November 2025, (see **Background Papers**), it was agreed that the allocation of this funding should be targeted at refurbishing the changing room facilities across all the centres.
- 2.5 Officers have since been working with consultants to finalise the scope of works for phase one of the project, along with Welland Procurement to procure the works through an open tender process.
- 2.6 As part of the open tender process, site visits for potential contractors were mandatory should they wish to formally submit a bid. A total of three scheduled site visits were arranged due to the high level of interest shown in the project.
- 2.7 A total of 45 expressions of interest were received and from this 10 contractors attended the site visits. This subsequently resulted in a total of nine formal tender submissions being received.
- 2.8 Officers have evaluated all the bids received and the award of contract is due to be considered by Cabinet on 5 May 2026. The recommendation is to award a contract for £321,222 to the preferred contractor, Northdown Property Services (NPS) Limited, this is broken down per Centre as follows:
  - Bourne Leisure Centre - £80,829
  - Stamford Leisure Pool - £72,032
  - Grantham Meres Leisure Centre - £92,962
  - South Kesteven Sports Stadium - £75,399
- 2.9 NPS Limited were founded in 2015 and are a leading property refurbishment and maintenance company based in Peterborough, with experience of delivering similar projects previously.

- 2.10 Officers obtained pricing clarification from NPS Limited during the moderation evaluation process given that the value of the bid submitted came in below the anticipated £500k budget. Written confirmation was received from NPS Limited through Welland Procurement that their pricing had been checked, and they were satisfied that the submission provided was accurate.
- 2.11 The programme of works has come in under the anticipated £500k budget and therefore the underspend from phase one will be carried forward to phase two. There has already been a draw down from the reserve of £16,000 which allowed for the phase one preliminary works to be undertaken prior to tender. This will mean that there is a carry forward of £162,778 which will allow for a greater scope of works to be included in phase two.
- 2.12 The scope of works does vary slightly between each facility but in principle it will cover the following:
- Servicing and repair of changing cubicles
  - Replacement WC cubicles at the leisure centres only
  - Replacement shower cubicles at Grantham Meres
  - Ceiling tile and grid replacements
  - Lighting upgrades
  - Door replacements
  - Replacement vinyl floor where appropriate
  - Whiterock to walls in shower areas
  - Vanity unit replacements
  - Replacement taps, mirrors and dispenser units
  - Refurbishment and replacement of home and away changing room furniture at the Stadium
  - Decoration
  - Deep cleaning
- 2.13 It is anticipated that there will be some potential disruption to the operations across each of the three leisure centres and sports stadium to allow for these works to be undertaken in a timely manner. The impact of this will be finalised during the contract mobilisation phase and in consultation with the centre management provider, LeisureSK Limited.
- 2.14 Officers are now in the process of engaging with NPS Limited to agree the implementation plan which includes the phasing of works and preparation of the legal contract, subject to approval at a meeting of Cabinet on 5 May 2026 and there being no legal challenge received.
- 2.15 In relation to phase two, early engagement has already been made with the consultants to review the scope of phase 2 given the increase in available funding. Officers will meet with them at each of the four facilities to look at the scope of works and a proposal will then be produced based on the outcome of these visits

and discussions. A further report will be brought to a future meeting of the Finance and Economic Overview and Scrutiny Committee to agree on the scope of works for phase two.

- 2.16 Once the scope of works for phase two has been agreed a compliant procurement process will be followed with the support of Welland Procurement, procuring the works as a single package through an open tender process. This will open the opportunity up to local suppliers and avoid incurring framework commission fees, thus demonstrating value for money.

### **3. Key Considerations**

- 3.1 A compliant tender exercise has been undertaken to identify a preferred contractor to carry out the leisure improvement works – phase one, across each of the leisure centres and sports stadium. The proposed contract is for a period of up to six months with the option to extend for a further six months if required.

### **4. Other Options Considered**

- 4.1 The Council could choose not to undertake the phase one improvement works; however, this has been discounted as the Leisure Investment Reserve has been established with the primary objective of improving the cosmetic appearance of each of the three leisure centres and sports stadium.

### **5. Reasons for the Recommendations**

- 5.1 This report is for noting and is being presented to update Members of the Committee with progress in relation to the leisure investment reserve.

### **6. Background Papers**

- 6.1 *Leisure Investment Reserve – Allocation Criteria* – Report to Finance and Economic Overview and Scrutiny Committee, published 10 November 2025, available online at:  
<https://moderngov.southkesteven.gov.uk/documents/s48572/Leisure%20Investment%20Reserve%20proposals.pdf>

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**SOUTH  
KESTEVEN  
DISTRICT  
COUNCIL**

## **Finance and Economic Overview and Scrutiny Committee**

Thursday, 7 May 2026

Report of Councillor Ashley Baxter  
Leader of the Council, Cabinet Member  
for Finance, HR and Economic  
Development

## **Grantham Future High Street Fund Project Closure Report**

### **Report Author**

Claire Saunders, High Street Heritage Action Zone Project Manager  
Megan White, Corporate Project Officer

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### **Purpose of Report**

To provide Members with an update and project closure report following the completion of the Grantham Future High Street Fund (FHSF) Programme.

### **Recommendations**

#### **The Committee is asked to:**

**Note the report on the completion of the FHSF Project and provide any feedback on the lessons learned.**

### **Decision Information**

Does the report contain any exempt or confidential information not for publication?

No

What are the relevant corporate priorities?

Connecting communities  
Sustainable South Kesteven  
Enabling economic opportunities

Which wards are impacted?

Housing  
Effective council  
Grantham St Wulframs;

## 1. Implications

Taking into consideration implications relating to finance and procurement, legal and governance, risk and mitigation, health and safety, diversity and inclusion, safeguarding, staffing, community safety, mental health and wellbeing and the impact on the Council's declaration of a climate change emergency, the following implications have been identified:

### ***Finance and Procurement***

- 1.1 The Council has received the entirety of the capital grant (£5,512,899) allocated to the FHSF programme from The Ministry of Housing Communities and Local Government (MHCLG)
- 1.2 The capital budget is set out below in **Table 1**, which shows the actual spend breakdown for 2021-2024, 2024-2025 and 2025-2026.

<b>Table 1: FHSF Capital</b>				
	<b>2021-2024</b>	<b>2024-2025</b>	<b>2025-2026</b>	<b>Total</b>
Capital Spend	£ 481,131.00	£ 3,468,059.00	£ 1,563,709.00	<b>£ 5,512,899.00</b>

- 1.3 Spend for 2025-2026 was focused on the delivery of the additional works programme which was approved by MHCLG through the formal Project Adjustment Request (PAR) process.
- 1.4 This approval took place in two phases as budget allocated to contingency within the public realm projects was de-risked and released. The first of these approvals was received in February 2025, the second in July 2025.
- 1.5 SKDC complied with all requirements of MHCLG to meet deadlines for the contractual commitment of works and subsequently complete project spend.
- 1.6 There is also a revenue budget which forms the Council's obligatory match funding to the FHSF Programme. This revenue budget is illustrated below in **Table 2**, which shows actual spend throughout the project to date

<b>Table 2: FHSF Revenue</b>					
	<b>2021-2024</b>	<b>2024-2025</b>	<b>2025-2026</b>	<b>Remaining Allocation</b>	<b>Total</b>
Revenue	£ 122,000	£ 51,346	£ 111,274	£ 94,442	£ 379,092.

- 1.7 There is no deadline by which SKDC must spend its match funding, although it was generally expected that this will align with the Programme as a whole, the Council are able to continue to deliver activity with this budget to achieve the required level of match funding as per the grant agreement.
- 1.8 Officers are required to submit a monitoring and evaluation return to MHCLG by Friday 29May.

*Completed by: Richard Wyles, Deputy Chief Executive and s151 Officer*

### **Legal and Governance**

- 1.9 The FHSF programme was delivered by the Economic Development Team under the guidance of the FHSF Board and where appropriate the funder, MHCLG.
- 1.10 All decisions regarding spend were made following the Council's delegated responsibilities as outlined in the Financial Regulations and where spend or contract values exceeded the limits permitted under existing delegations, authority was sought from Cabinet or Full Council as required.
- 1.11 Officers regularly reported to the Finance and Economic Overview & Scrutiny Committee (or its equivalent predecessors) to provide updates on the progress of the project.
- 1.12 Officers provided monitoring and evaluation reports to MHCLG on a six-monthly basis as required. MHCLG require an ongoing process of output monitoring and will require annual reports for three years from 2026.
- 1.13 There are no further legal or governance implications arising from this report which are not already referenced in the body of the report.

*Completed by: James Welbourn, Democratic Services Manager*

### **Risk and Mitigation**

- 1.14 As SKDC met all necessary deadlines for contractual commitment and spend of funding prior to the close of the programme, there are no further risks to the council following its completion

*Completed by: Claire Saunders, High Street Heritage Action Zone Project Manager*

## **2. Background to the Report**

### Project Background

- 2.1 The FHSF programme was launched in 2019, as part of an £830M programme of investment in town centres which made up the then Government's 'Levelling Up' programme, administered by the Ministry of Housing, Communities and Local Government (MHCLG)
- 2.2 The programme gave provision for capital funding for Local Authorities for projects which addressed local challenges which centred on town centres. The expectations of MHCLG were that proposals would include interventions which fall under the following general headings:
- Investment in physical infrastructure
  - Acquisition and assembly of land including to support new housing, workspaces and public realm
  - Improvements to transport access, traffic flow and circulation in the area
  - Supporting change of use including (where appropriate) housing delivery and densification; and
  - Supporting adaptation of the high street in response to changing technology.
- 2.3 It should be noted between September 2021 and July 2024 MHCLG operated under the name of the Department of Levelling Up, Housing and Communities (DLUHC), however for simplicity the term MHCLG will be used throughout this report when discussing communications with central Government.
- 2.4 The bid for funding was a two-stage process, an initial Expression of Interest phase was submitted to Government in March 2019, which outlined the Council's vision for 'Grantham: A Living Town'
- 2.5 The proposal outlined four areas of focus for improvement within the town:
- Streets and spaces – creating shared social space and encouraging dwell time
  - Homes – creating homes where people will want to live within the town centre

- Transport – rationalising the traffic environment, tackling congestion, and improving the pedestrian experience
  - Culture and learning – supporting places and spaces where people of all ages can develop and grow, increasing their skills and understanding of the world around them.
- 2.6 In August 2019, the Expression of Interest was shortlisted by MHCLG in the second funding round, and SKDC were invited to develop a full business case and bid for funding. The council secured £150,000 in funding from MHCLG to support the development of the final bid.
- 2.7 This funding supported project staff and allowed for the commissioning of consultants to support the creation of the business case in line with MHCLG’s requirements.
- 2.8 This work included the creation of an outline Spatial Masterplan, collation of baseline data, development of project proposals, and calculation of project Benefit Cost Ratios (BCR) which were required to meet or exceed a minimum threshold set by MHCLG.
- 2.9 A programme of public and stakeholder consultation took place between July-September 2020 which included public surveys (both street surveys and online surveys) as well as business and stakeholder workshops. Officers also engaged directly with key landowners.
- 2.10 This consultation was used to identify needs and desires of residents, workers, visitors, and businesses in the town centre, and as the basis of the developing programme.
- 2.11 These consultations identified key concerns which included
- An overwhelming sentiment that Grantham was ‘boring’ with little to engage residents or visitors, and little reason to come into the town other than employment.
  - Lack of public spaces within the town centre which encouraged people to dwell or mingle in the town centre.
  - A prioritisation of vehicle traffic on the high street which created a hostile environment for pedestrians, particularly vulnerable people and children.
  - Key entry routes into the town centre, particularly the route from the Station was unwelcoming and illegible for visitors.
  - High level of retail vacancy, and a poor retail mix.
  - Grantham’s built and natural heritage is a strength which was underutilised.
- 2.12 A wide range of potential projects were assessed for inclusion, and an initial draft business case was submitted for review to MHCLG In March 2020. This included a longlist of six projects totalling £12.3M:
- Station Approach land acquisition and mixed-use redevelopment

- Station Approach Public Realm improvement
  - Market Place Public Realm improvement
  - St Peter's Hill Gardens public realm
  - George Centre residential conversion
  - Upper Floor Residential Conversion programme
- 2.13 Feedback received from MHCLG following the draft encouraged Local Authorities to focus on deliverability in their bids, as well as ensuring that the minimum BCR threshold was exceeded within the bid. Informal guidance from the MHCLG team indicated there was a strong preference for bids under £10M, and it was therefore strongly suggested that SKDC revise their bid to below this cost threshold.
- 2.14 Local Authorities were also asked to consider the impact of Covid19 on the deliverability, costs and outputs of their proposals.
- 2.15 Following its approval from the Council on 16 July 2020, the Final Business case was submitted to MHCLG on 29 July 2020
- 2.16 The bid encompassed an £8.1M grant request which included the following projects
- Station Approach land acquisition and mixed-use redevelopment
  - Station Approach Public Realm improvement
  - Market Place Public Realm improvement
  - St Peter's Hill Gardens public realm
  - Upper Floor Residential Conversion programme
- 2.17 In December 2020, MHCLG informed SKDC that the Council would be awarded 69% of their final grant request. This decision had been made as the scheme was oversubscribed and was a common response to the Local Authorities which had applied to the scheme.
- 2.18 The programme was reprofiled to account for the reduced grant award. Ultimately SKDC secured a grant of £5.52M for the delivery of the following projects:
- Station Approach 'Strategic Site' land acquisition
  - Station Approach Public Realm improvement
  - Market Place Public Realm improvement
  - Upper Floor Residential Conversion programme (reduced to 22 units from the previous 25-unit budget)

2.19 The grant funding was initially broken down as follows

<b>Programme Element</b>	<b>Budget</b>
Station Approach – Public Realm	£1,686,875
Market Place	£822,188
Strategic Site Acquisition	£2,160,981
Upper Floor Grants	£550,000
Programme Management and consultancy costs	£335,998
<b>TOTAL</b>	<b>£5,556,042</b>

2.20 The Council agreed to support the project with match funding of £379,092 in revenue funding, which would support a Town Centre Manager post, the delivery of a 'Town Team' programme, as well as supporting cultural activities in the town centre.

2.21 It was estimated that the upper floor grant conversion programme would leverage a minimum of £550,000 in private sector match funding as the result of the delivery of the scheme.

2.22 Funding was received by SKDC in June 2021, and delivery of the project began in August 2021 following the appointment of the Programme Manager.

2.23 The scheme was initially due to complete delivery by March 31 2024, but would later benefit from a series of project extensions, ultimately completing in March 2026.

## Project Delivery

### Station Approach Strategic Site Acquisition

2.24 The acquisition of underutilised land between Wharf Road and Station Road, and the creation of plans for future development of the site was originally a key project within the bid proposals to Government.

2.25 A budget of £2.16M was allocated to the delivery of this aspect of the project.

2.26 The ambition of the project was to provide the opportunity to create housing, employment and light industrial sites within the town centre, while significantly improving a key gateway route into the town centre from the south, and to and from the Railway Station.

2.27 With the support of appropriate legal and professional services, the FHSF Programme Manager, engaged with the property and landowners as well as potential development partners.

- 2.28 Landowners initially showed interest in potentially selling the site to the Council, under the condition that the Council would identify and purchase a suitable site for the relocation of the businesses affected.
- 2.29 Considerable interest was shown in the scheme by LCR, the regeneration and property development arm of London North Eastern Railway (LNER), who were engaged by the potential redevelopment potential for the approach to Grantham Station.
- 2.30 Working with officers from SKDC, LCR produced a masterplan for the site, encompassing the Railway Station, and the surrounding land not currently used for housing.
- 2.31 Despite all best efforts, it was not possible to identify a suitable relocation site which would meet all the requirements of the businesses which would be displaced by the land acquisition and redevelopment.
- 2.32 This process had been significantly impacted by the considerable rise in property and land values which was experienced between 2021 – 2023.
- 2.33 Investigation was made into the likelihood of success of acquiring the land through Compulsory Purchase, however following legal advice it was determined that a compulsory purchase attempt would be unlikely to be successful within the timeframe required for the delivery of the project, and that this element was no longer viable for delivery.
- 2.34 In November 2023, officers submitted a formal Project Adjustment Request (PAR) to MHCLG to request the removal of the project from the programme, and the reallocation of funding to other projects within the scheme.
- 2.35 This was approved by MHCLG, and the budget was reallocated to the two public realm schemes which had experienced significant cost uplifts which will be discussed later in this report.
- 2.36 This reallocation of funding resulted in the budget for Grantham Market Place public realm being increased to £1.8M, and Station Approach public realm being increased to £2.3M.

#### Public Realm Schemes – Market Place and Station Approach

- 2.37 The Future High Streets fund programme included two public realm projects, both of which took place on land which fell under the responsibility of Lincolnshire County Council (LCC).

- 2.38 As such SKDC officers worked in partnership with officers from LCC Highways in the development and delivery of the two schemes
- 2.39 LCC Highways led on the design and delivery of the public realm works, were responsible for final approval of designs, procurement of contractors and services, and management of the delivery of the schemes.
- 2.40 Because of this both schemes were delivered together under one contractor (Taylor Woodrow), and under a partnership agreement with LCC.
- 2.41 The initial budget for two schemes was £2,509,063.
- 2.42 The Grantham Market Place public realm scheme was intended create a more flexible space in the town centre which felt less dominated by vehicle traffic.
- 2.43 By raising the level of the road surface, the intent was to create a space which was more flexible for events, as well as tacitly slowing vehicle traffic through the Market Place.
- 2.44 During the project design and bidding phase, early discussions were had with LCC Highways about the potential for exploring or trialling pedestrianisation of the Market Place, however ultimately LCC were not comfortable with exploring this until the Southern Relief Road was open, and its impact on traffic in the town centre was known.
- 2.45 The design of the marketplace was therefore required to meet the necessary standards for use as a public highway, however, would not require alteration should pedestrianisation be something that the Council wish to consider in the future.
- 2.46 The works to the five-arm junction between Station Road, Wharf Road, Harlaxton Road, Sankt Augustin Way and Westgate (referred to throughout the project and this report as 'Station Approach'), were in response to consultation feedback the pedestrian experience when navigating this junction was poor, and that it provided a poor first impression to the town centre for visitors arriving from the Station.
- 2.47 The project sought to address these concerns by rationalising crossing points and traffic signals, improving the pavement surfaces on the approach to the crossing, resurfacing the highway, and reducing the number of barriers to the number required for safety.
- 2.48 In the original bid proposal, the improvements were to continue along the length of Station Road to the Railway Station itself, encompassing the section of Station Road, which is owned by LNER, however during 2020 LNER completed resurfacing and repaving works of this section independently.

- 2.49 During the design stage the projects were heavily impacted by rapidly increasing costs which were seen globally following Covid and the outset of the Ukraine War. During this time forecasted costs for the project more than doubled.
- 2.50 As a result it would not have been possible to deliver both public realm schemes within the allocated budget. SKDC Officers worked with LCC Highways to identify potential options for cost engineering of these schemes.
- 2.51 However, the decision to remove the strategic site from the programme and reallocate the funding to the public realm projects allowed the necessary increase in budget to deliver both schemes as planned.
- 2.52 The revised budget for these two programmes was £4.2M, which was managed by LCC Highways as the lead delivery partner.
- 2.53 Following the necessary process of approvals for the designs and procurement both from SKDC and LCC, Taylor Woodrow were appointed as contractors for the delivery of both schemes.
- 2.54 Works to Market Place began on the 17 May 2024 and concluded on 13 September 2024.
- 2.55 SKDC officers worked with colleagues at LCC Highways to limit disruption as far as possible, and to ensure that the public were aware of the phasing of the works.
- 2.56 To support businesses in the area during the period of disruption, street performers were arranged and craft workshops were held in a pop-up arts space to encourage footfall to Westgate.
- 2.57 On 19 October 2024, a 'Festival of Community' was held to mark the completion of the works, and as a formal reopening of the Market Place. This will be discussed further in this report, as part of the Future High Streets Fund events programme.
- 2.58 In October 2025 works were carried out to rectify defects with some of the setts which were laid, which had delaminated. These works were coordinated by LCC Highways, and the cost of the works was met by the contractor.

2.59



*Grantham Market Place – 17 September 2024*

- 2.60 Work to Station Approach began 19 August 2024 and was completed 16 December 2024
- 2.61 The work included resurfacing of the junction, replacement of traffic signals, lighting and signage, rebuilding of pedestrian crossing islands, removal of unnecessary barrier fencing and improvements to surrounding footpaths.
- 2.62 While it was inevitable that there would be disruption to traffic during these works, SKDC officers worked with LCC Highways colleagues to mitigate this where possible.
- 2.63 Works were carried out in five phases to minimise as far as possible disruption to traffic and the town centre.
- 2.64 As with previously, additional activities and street performances were delivered in the town centre to support footfall.

2.65



*Station Road/ A607 Junction - 16 December 2024*

- 2.66 Both projects were delivered significantly under budget, in large part due to a fall in the inflation and costs across the construction industry as a whole, and due to the release of contingency funding which had been retained against risk as the projects completed
- 2.67 The final delivery costs for the Market Place works was £1,396,646 and the final cost of the works to Station Approach was £1,420,656 (totalling £2,817,302). The total value of the programme underspend was therefore £1,4572,695

### Additional Works

- 2.68 As a result of the underspend on the two public realm projects, SKDC officers successfully negotiated with MHCLG to retain £1.46M in funding for South Kesteven, to enable the Council to deliver a programme of Additional Works.
- 2.69 These negotiations were carried out in phases, as contingency was released, and were linked to formal offers of programme delivery extensions from MHCLG. For ease they are discussed together in this report under a single 'additional works' programme.
- 2.70 MHCLG required that any additional projects built upon works which had already been delivered through the scheme, replaced elements of project work which had previously been scaled back, or which were strongly linked to existing programmes. Officers were unable to make suggestions for entirely new schemes, or to alter the approved FHSF area to allow for spend elsewhere.
- 2.71 The additional programme of works received formal approval from MHCLG in each phase through the Project Adjustment Request process. SKDC officers were

required to demonstrate the value for money of delivering the new programme.

2.72 MHCLG also approved the use of a proportion of the remaining funding to continue to support officer salaries during the delivery of the extended programme.

2.73 This process was not unique to SKDC, with the majority of places in receipt of FHSF grants requesting and receiving additional extensions of time to complete project delivery.

2.74 The additional works completed are as follows:

**2.75 Refurbishment of Conduit Lane toilets:**

2.76 The refurbishment was carried out between 11 November 2024 and 27 January 2025. It included a full refurbishment of men's, women's and disabled facilities and the installation of pay by card facilities on the site. The refurbishment of the toilets was carried out to support the delivery of future activities in the Market place and surrounding area, and to encourage greater dwell time in the town centre.

2.77 The opening hours of the toilets were restricted following vandalism; however, officers are reviewing the options for extending opening hours.

**2.78 Installation of removable bollards at Conduit Lane carpark.**

2.79 This work returned removable bollards to Conduit Lane carpark, replacing the existing fixed bollards. This allows the carpark to be used for large vehicles during events. While primarily completed in support of the delivery of the Mid-lent fair, it will also support other events in the Market Place/ town centre which require parking for large vehicles which are related to the activity.

**2.80 Addition of power and street furniture to Market Place and Westgate, town centre wayfinding:**

2.81 STEM architects were commissioned to complete designs for the introduction of power and street furniture into the Market Place. The scheme was designed to create a welcoming space in the town centre, where people could linger and enjoy the facilities and services provided by surrounding businesses. This would be supported by additional town centre wayfinding signage, which is being delivered through the same contract.

2.82 The delivery of this programme was delayed so as not to clash with the timing of the Mid Lent Fair, however with agreement of the funder will take place in the 2026/27 financial year.

**2.83 Refurbishment of Grantham Museum:**

- 2.84 Within the pre-existing Upper Floor grant programme was provision for funding to be used to bring vacant spaces in the town centre back in to use for purposes other than residential use, once the agreed 22 residential units were delivered.
- 2.85 MHCLG agreed that under this provision, funding could be provided to carry out a programme of refurbishment of Grantham Museum, to enable vacant and underused spaces to be used for collections storage, supporting the Museum's viability and strengthening the Cultural Quarter.
- 2.86 The first phase of the works which included installation of a mechanical ventilation system in the basement, modernisation of the antiquated heating system, and creation of small kitchen area was completed in October 2025.
- 2.87 MHCLG further agreed that SKDC could give £65,000 in funding to the Grantham Community Heritage Association (GCHA) in the form of a grant for the purchase of new display cabinets, environmental monitoring equipment and accessibility equipment.
- 2.88 Providing this funding in the form of a grant, allowed it to be used (with MHCLG consent) as match funding for a bid to the National Lottery Heritage Fund by the GCHA.
- 2.89 SKDC officers worked with the GCHA to prepare a suitable project bid and supported them in securing an additional £243,800 in funding for activity which will be delivered over the next three years.
- 2.90 **Cultural Quarter Improvements (St Peter's Hill Public Realm):**
- 2.91 This project delivered a range of improvements to the St Peter's Hill Green public realm, including the installation of water features, new seating, new planting, laying of paving on 'desire line' routes, installation of new benches, including accessible leaning benches, improved waste facilities, and installation of a water bottle filling station.
- 2.92 MHCLG approved these works as an extension of the town centre public realm works previously completed.
- 2.93 **Cultural Quarter Improvements (Guildhall):**
- 2.94 This project supported the delivery of repairs to the Guildhall roof, including the restoration of the bell turret, as well as improvements within the guildhall, including the provision of new furniture for the café, and upgraded lighting equipment for the theatre.

- 2.95 These works were approved by MHCLG as an extension of the previous phases of the 'Cultural Quarter' improvements – the St Peter's Hill and Museum projects.
- 2.96 **Town Centre Connectivity:**
- 2.97 Linked to improvements in navigation to and around the town centre which were the integral to the Station Approach project, this additional project focused on improving the experience of bus users.
- 2.98 Working with colleagues at LCC, the project included the replacement and upgrade of bus shelters along the central route through the town centre (London Road, High Street and Watergate)
- 2.99 Real time signage was installed at all bus stops from Sainsbury's on London Road to Watergate, where it was not already in place.
- 2.100 **Markets Enhancement equipment:**
- 2.101 The town centre events pilots which took place throughout the delivery of the FHSF programme demonstrated the potential of a number of event formats to support the town centre in general, and markets in particular.
- 2.102 Following this, MHCLG approved the use of funding to purchase a stage, lighting and sound equipment which will support the provision of future events.
- 2.103 While MHCLG approved this spend based on the ability to use the equipment in Grantham, there is no restriction against using it elsewhere in the district as appropriate.
- 2.104 Details of approved costs for the additional works can be found in the following report: [Grantham Future High Street Fund Programme Update.pdf](#)

### Upper Floor Conversion

- 1.1 The upper floor grant scheme was established to enable owners of retail properties within Grantham town centre to convert vacant and underutilised upper floor space into high-quality residential units.
- 1.2 This scheme had geographical restrictions and the grants issued have provided new residential accommodation in the High Street, London Road and Westgate areas of the town centre.

- 1.3 A total of £550,000 was allocated to this scheme out of the FHSF programme budget with grants providing 50% of the eligible costs of conversion, up to a maximum of £25,000 per unit.
- 1.4 During the scheme, a total of six grants were awarded which has supported the creation of 22 new units within the town centre.
- 1.5 The number of units created for each of the six grants, the amount of grant issued, and the location for these works is included in the below table:

<b>Town Centre location</b>	<b>Units created</b>	<b>Grant issued (£)</b>
17-19 High Street	9 units (7 x 1 bed and 2 x 2 bed flats)	225,000
9-10 High Street	8 units (8 x 2 bed flats)	200,000
45 High Street	2 units (1 x 1 bed and 1 x 2 bed flat)	50,000
83 London Road	1 unit (1 bedroom flat)	25,000
85 London Road	1 unit (1 bedroom flat)	25,000
30 Westgate	1 unit (1 bedroom flat)	25,000

- 1.6 As part of the funding conditions, the property owners provided match funding of at least 50% for the remaining costs of conversion. In most cases the match funding leveraged for the works was considerably higher.
- 1.7 As MHCLG has not placed a restriction on the timeline for which match funding must be spent two of the projects will continue to be delivered by the contractors in the financial year 2026/27. These projects will continue to be monitored by SKDC officers until completion, and the total value of match funding leveraged through the upper floor scheme will be reported to MHCLG through the ongoing programme monitoring process.
- 1.8 It is forecast that the total match funding leveraged by this programme will be more than £1.4M.
- 1.9 Officers worked closely with Legal Services Lincolnshire throughout the scheme and all grants awarded have a funding agreement in place between the Council and the applicant (property owner) with a legal charge in place that protects the funding awarded and allows the Council to reclaim the grant if the property is sold within 5-years of signing the funding agreement.

## Events programme and Town Team

- 1.10 The Council committed £379,000 in match funding to the FHSF which was allocated to the delivery of revenue activity, including the creation of a Town Centre Engagement Manager post, establishment of a stakeholder 'Town Team' and the delivery of a programme of events piloting the scale, forms, and desirability of a range of different activities.
- 1.11 Several iterations of a Town Team were attempted, however despite providing considerable, highly valuable stakeholder feedback, the programme did not ultimately succeed in its aim of creating a self-sustaining and self-organising stakeholder group.
- 1.12 More successful was the delivery of town centre activities, which included the following key highlights:
- 1.13 **Festival of Community**
- 1.14 This was a programme of activity which took place through the summer of 2024, culminating in the festival itself which was held on the 19 October 2024.
- 1.15 12 workshops were held where members of the public and community groups were invited to take part in creating large scale willow and paper lanterns which paid homage to Grantham's historic links to the wool trade, and its importance as a route on the Great North Road. Over 500 people participated in the workshops.
- 1.16 Schools were engaged in producing imagery for a projection which was shown at the main community event on the 19 October.
- 1.17 The event was split in two phases of activity. During the day street performers supported a market featuring local artists, and a 'community stage' featuring local music and dance acts.
- 1.18 In the evening, music was provided through live performances from Punjabi Roots, Street artists performed across the Market Place and along Westgate interpreting a theme of light and illumination. Artworks created by local schools and community groups were included as part of a large-scale projection to music.
- 1.19 **Grantham Bike Night, 27 August 2025**
- 1.20 Grantham Bike Night came about as the result of a suggestion from the Town Team to revive the event. Despite heavy rain during the event, the bike meet welcomed over 800 bikes and over 2000 people attended. The event was supported with live music from two local bands, exhibitors and street vendors.

The event received positive feedback from businesses, and participants both in person, on social media, and in the local press. Comments from businesses included:

- *“Congratulations, it didn’t feel like I was in Grantham! It was incredible, amazingly well organised and such an amazing turnout. It’s so refreshing to see these types of events happening in the town”*
- *“What a great evening, what a turnout, what a community. It would be wrong not to do this again”*

1.21 A further Grantham Bike Night will be held this year, delivered by the SKDC Arts team.

## 1.22 **Dinomania 17 August 2025**

1.23 A dinosaur themed family event was hosted in the Market Place on 17 August 2025. Dinomania is the most interactive dinosaur entertainment experience in the UK and reached the 2022 semi-finals of Britain's Got Talent and featured on Blue Peter in 2024. Dinomania is known for its realistic animatronic, walking dinosaurs, baby dinosaurs and fossil exhibits.

1.24 700 people attended the three shows, with many others enjoying dinosaur walkabouts, and other related activities. Businesses joined in holding themed activities including reading sessions, and craft and educational activities. Others extended business hours to benefit from the increased footfall.

1.25 Other activities delivered as part of the FHSF programme included:

- The Whale – Plastic Ocean
- Grantham in Bloom (Summer and Christmas promotions)
- Summer Festival
- Brocante & French Market
- Outdoor Cinema
- Lincolnshire Day
- Small Business Saturday
- Sound of the 80s (part of ThatcherFest)
- Support to Christmas Markets
- Multiple Street Theatre/ Entertainers

1.26 The programme was an effective pilot of potential events and activities, and officers were able to learn valuable lessons about the types of events which were popular, and requirements for event management – particularly about ticketed events.

1.27 SKDCs total match funding spend over the duration of the programme was £301,050 and as such £94,442 remains within the budget.

- 1.28 As MHCLG did not place limitations on the date by which the committed match funding must be expended the Council can continue to use the budget to support the delivery of similar activity in Grantham.
- 1.29 The underspend from this project will be utilised to provide a programme of events in support of the Newton 300 commemorations.

### Challenges and Limitations

- 1.30 As with any project of this nature and duration there were both challenges and limitations in the delivery of the scheme.
- 1.31 The programme required collaboration with a number of external stakeholders, principally although not exclusively MHCLG and Lincolnshire County Council. With other partners leading on the delivery of significant areas of the project, SKDC officers did not have full control over the timeline for delivery of public realm projects.
- 1.32 This at times lead to elements of friction, however officers worked closely with external stakeholders to resolve any difficulties in delivery and projects were delivered successfully.
- 1.33 SKDC Officers built a strong working relationship with the MHCLG team responsible for the delivery of the Future High Street Programme nationally and benefited from the ability to negotiate with MHCLG for project adjustments.
- 1.34 Furthermore, SKDC benefitted from several project extensions, the initial extension of six months was further extended by another six months and then another 12 months. While this allowed for the successful delivery of the additional works programme had the potential of a 24 Month extension been apparent from the outset Officers may have been in a position to make different proposals for the use of some of the underspent funds.
- 1.35 The impact of inflation and volatility of cost for the delivery of projects, particularly of the public realm programmes, led to considerable variation in the project delivery, and was a key factor in the scale of underspend.
- 1.36 Officers needed to work with stakeholders, in particular LCC to monitor costs of the delivery and react to underspend appropriately to prevent the loss of funding.
- 1.37 Due to the duration of the project, a significant challenge was in managing public perception and changes of public priorities during the length of the project. Despite the inception of the programme being rooted in public and stakeholder consultations, the significant lag between the consultation process and the delivery of works led to the public perception that the programme did not address

the most pressing needs of the town.

- 1.38 While this could be mitigated in part through communications from SKDC, it is a difficulty which many long term projects face and it is therefore important that the community see the benefits of the project in the months and years to come through effective use of the new public realm spaces, provision of high quality residential accommodation, and through the delivery by partners of long term legacy projects such as the 'Grantham Museum – A New Century' project, delivered by Grantham Community Heritage Association.

### **3. Key Considerations**

- 3.1 The FHSF programme ran from 2021-2026. Delivery was impacted by major events including the Covid-19 Pandemic, the Ukraine War and the national economic downturn, increased inflation and cost of living crisis.
- 3.2 Despite this, the programme succeeded in achieving the majority of the aims of the original bid, with the exception of the Station Approach Land Acquisition, the funding for which was reprofiled into the delivery of an extensive programme of additional works.
- 3.3 The programme highlighted the desire for quality town centre accommodation, and public spaces enlivened by community and cultural activities as a key of the town's continued regeneration.
- 3.4 Although this funding stream has come to an end, SKDC officers will continue to pursue any available funding to support the regeneration of South Kesteven's town centres as appropriate. The lessons learned through the delivery of this scheme will be valuable in influencing how any future programmes are developed and delivered.
- 3.2 As part of the terms and conditions of the grant MHCLG will monitor the impacts of the project over the next three years, SKDC officers will continue to provide monitoring information to MHCLG on request.

### **4. Other Options Considered**

As this report provides an overview of the scheme for the purposes of project closure, there are no other options to consider.

### **5. Reasons for the Recommendations**

- 5.1 As a town centre regeneration programme delivered within by the Council's Economic Development team, the FHSF programme falls within the remit of The Finance and Economic Overview and Scrutiny Committee. The presentation and

endorsement of this completion report will allow for the celebration of the completion of the scheme, and recognition of what has been delivered.

- 5.2 As the programme has only recently concluded, officers, along with the project board, will continue to reflect on the impact of the programme, and on lessons learned to ensure that learning can be incorporated into any future regeneration works of this nature.

## **6. Background Papers**

- 6.1 [Grantham Future High Street Fund Programme Update.pdf](#)

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## Finance and Economic Overview and Scrutiny Committee Work Programme 2025-2026

REPORT TITLE	LEAD OFFICER	PURPOSE	ORIGINATED
<b>7 MAY 2026</b>			
<b>Update on Housing Revenue Account (HRA) Plan</b>	Lead Officer: <b>Richard Wyles (Deputy Chief Executive)</b>		Requested at meeting held on 24 February 2026
<b>LeisureSK Ltd Finance update report</b>	Lead Officer: <b>David Scott (Director - LeisureSK Ltd)</b>	To provide an update on the financial performance of LeisureSK Ltd	Requested at meeting held on 10 March 2026
<b>Council Investment Plan Update</b>	Lead Officer: <b>Michael Chester (Leisure, Parks and Open Spaces Team Leader)</b>	To provide an update with progress on the Council investment plan	
<b>Future High Street Fund – Closure Report</b>	Lead Officer: <b>Emma Whittaker (Assistant Director for Planning and Growth)</b>		
<b>14 JULY 2026 (PROVISIONAL)</b>			
<b>Corporate Plan 2024-27: Key Performance Indicators Report - End-Year (Q4) 2025/26</b>	Lead Officer: <b>Charles James (Policy Officer)</b>		
<b>Maintenance Programme Report</b>	Lead Officer: <b>Gyles Teasdale (Head of Service – Property and ICT)</b>		
<b>Update on the Economic Development Strategy</b>	Lead Officer: <b>Simon Jackson (Economic Development Inward Investment Manager)</b>	To provide the Committee with the latest update.	6 monthly update
<b>10 SEPTEMBER 2026 (PROVISIONAL)</b>			
<b>UKSPF – Closure Report</b>	Lead Officer: <b>Emma Whittaker (Assistant Director for Planning and Growth)</b>		

<b>Presentation and Update on St Martins Park, Stamford</b>	<b>Lead Officer: Richard Wyles (Deputy Chief Executive)</b>	To provide the Committee with an update	6 monthly review
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## Unscheduled Items

<b>Proposals for Mowbeck Way site</b>			
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### The Committee's Remit

The remit of the Finance and Economic Overview and Scrutiny Committee will be to work alongside Cabinet Members to assist with the development of policy and to scrutinise decisions in respect of, but not limited to:

- Budget monitoring
- Budget setting
- Business rate relief
- Business trade and licensing (Policy)
- Business transformation
- Charitable rate relief
- Council-owned property, assets, and maintenance (non-council house)
- Customer access strategy
- Data protection reporting
- Economic development
- Fees and charges
- Large-scale development projects
- Medium term financial planning and national funding proposals
- Procurement
- Review of outturn
- Town centre developments and partnerships