



SOUTH
KESTEVEN
DISTRICT
COUNCIL



Culture and Visitor Economy Overview and Scrutiny Committee


28 February 2023

Report of Councillor Kelham Cooke,
Leader of the Council

Grantham High Street Heritage Action Zone – February 2023 Update

Report Author

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Purpose of Report

The purpose of this report is to provide a progress update on the Grantham High Street Heritage Action Zone scheme and summary information on the Academy of Urbanism 'Great Town' Award 2022 and the Arts Fund 'Reimagine' Grant programme.

Recommendation

It is recommended Culture and Visitor Economy Overview and Scrutiny Committee

- 1. Agrees to receive a copy of the Conservation Area Management Plan for Grantham at a future meeting to consider recommendations made within it.**

Decision Information

Does the report contain any exempt or confidential information not for publication?

No

What are the relevant corporate priorities?

Growth and our economy

Which wards are impacted?

Grantham St Wulfram's Ward.

1. Implications

Taking into consideration implications relating to finance and procurement, legal and governance, risk and mitigation, health and safety, diversity and inclusion, 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 total capital and revenue budget in 2022/23 is £512,872. This is comprised of £373,463 in grant funding from Historic England and £148,409 in match funding from the Council. The annual allocation from Historic England must be spent within the financial year.
- 1.2 The funding split for capital grants is 60% Historic England and 40% South Kesteven District Council. Grant awards will fund a maximum of 80% of project costs. The remainder of the project costs are funded by the property owner/tenant.
- 1.3 Grants and projects up to the value of £200,000 are assessed by the Board and approved by the relevant senior officer through their existing delegated powers. Grants of £200,000 and above are assessed by the Board and referred to Cabinet for recommendation to Historic England for approval. Any grant which results in a contribution from Historic England of £50,000 or more, is referred to Historic England for formal approval.

Completed by: Alison Hall-Wright, Assistant Director of Finance

Legal and Governance

- 1.4 The programme is overseen by the combined Future High Street Fund and High Street Heritage Action Zone Project Board (the Board), made up of elected Members, Senior Officers and a representative of Historic England.

Consult with Alan Robinson, Graham Watts or Mandy Braithwaite (Do not delete)

Risk and Mitigation

- 1.5 Under the grant conditions imposed by the Treasury, it is not possible for grant funding to be rolled forwards into future financial years. As such, any underspend is lost.
- 1.7 There is currently £62,000 of unallocated funding for capital projects which is within the 2023/2024 delivery budget. While there is a high degree of confidence in the delivery programme for capital projects this financial year, to mitigate against any underspend and minimise the exposure of the Council to financial risk, this funding will not be allocated until April 2023.

Consult with Tracey Elliot (Delete if not applicable)

Health and Safety

- 1.8 Contractors are responsible for maintaining appropriate health and safety on site and must comply with all relevant legislation.
- 1.9 Similarly, third party partners responsible for delivering activity through the Cultural Programme or commissioned to deliver other works through the High Street Heritage Action Zone, are responsible for maintaining appropriate health and safety provisions during delivery of activities.

Consult with Phil Swinton (Delete if not applicable)

Diversity and Inclusion

- 1.10 Care is given to ensure community engagement and cultural activities are as inclusive as possible. All activities funded through the High Street Heritage Action Zone and associated Cultural Programme are provided to the public free of charge.

Consult with Craig Spence (Delete if not applicable)

Is an Equality Impact Assessment required? No

Climate Change

- 1.11 The programme encourages the retention of as much original material as possible. While this is primarily to maintain the historic fabric of buildings, it also prevents unnecessary use of new resources. Traditional building methods are often lower carbon options than their modern counterparts, for example the use of lime-based mortars and renders generates less CO₂ than the equivalent volumes of cement-based products.

- 1.12 The scheme acknowledges the amount of embodied carbon within historic buildings, and ultimately supports bring vacant or underutilised properties back in to use, reducing the requirement for new build properties.

2. Background to the Report

- 2.1 Grantham's High Street Heritage Action Zone programme's approach contributes directly to South Kesteven District Council's Corporate Plan (2020-2023) vision which aims to establish South Kesteven as the best district in which to live, work and visit. Protecting South Kesteven's heritage assets contributes to a sense of place. Investment in heritage and culture, in turn, generates more spending in the local economy.
- 2.2 The Grantham High Street Heritage Action Zone programme is in its third year of delivery and will run until 31 March 2024.
- 2.3 For ease of reading, this report is structured with five subsets relating to the High Street Heritage Action Zone programme, followed by an update on the Academy of Urbanism 'Great Town' Award 2022 and the Arts Fund 'Reimagine' grants programme.

Grantham's High Street Heritage Action Zone

- 2.4 As reported to the Culture and Visitor Economy Overview and Scrutiny Committee on 8 September 2021, the High Street Heritage Action Zone programme is split into two main areas of delivery as follows:
- a capital grants programme
 - a revenue funding stream which facilitates staffing, engagement activity, resource building, interpretation projects and cultural activity.
- 2.5 Eligibility for the grant schemes is limited by the terms of the funding agreement with Historic England. Properties must be located on High Street, Westgate, the Market Place or Watergate, (with a priority on Westgate and Marketplace) and must have been built prior to 1939. Applicants must have the legal ability to accept the grant funding, typically the property owner. Tenants with full maintaining leases may apply with the written permission of the property owner.
- 2.6 The majority of funding within the scheme supports the delivery of capital projects, these can be considered to fall under either the 'Key Building Regeneration Scheme' or the 'Shopfront regeneration scheme'. There are two projects under delivery through the 'Key Building' scheme and six currently being delivered through the 'Shopfront Regeneration Scheme'

(a) Key Building schemes: Westgate Hall and 71 High Street

- 2.7 The two key building projects of Westgate Hall and 71 High Street are expected to leverage circa £120,000 in private sector match funding, with the potential of an additional £250,000 private sector investment generated by the fitout of Westgate Hall by the proposed tenant.

Westgate Hall

- 2.8 The single most significant capital project within the High Street Heritage Action Zone programme is the regeneration of Westgate Hall. Westgate Hall is a grade II listed former corn exchange, built in 1852, which was last used as a night club. It has been vacant for five years and is currently in very poor condition.
- 2.9 On 12 July 2022, Cabinet approved a grant award of up to £300,000 for the regeneration of Westgate Hall with a view to bringing the building back into use as a restaurant and the potential to create approximately 30 jobs.
- 2.10 The funding has made it viable for the property owner to carry out works to the building by addressing the conservation deficit on the property – that is the cost required to complete works more than what the property will be worth when the works are completed.
- 2.11 The project has not been without its challenges. Most notably the impact of rapidly increasing prices. This has resulted in the need to scale down the scope of the schedule of works to ensure the project remains deliverable. For example, a reduction (from 12 to three) of octagonal skylight reinstatement over the main hall of the building. The grant funded elements of work will focus on structural repairs to the building, the reinstatement of historically appropriate glazing, works to the roof and masonry repairs.
- 2.12 In addition to increasing costs, the timeline for delivery has also provided challenges to the project. The Heritage Action Zone Programme Manager will continue to work closely with the project architect (Evans McDowell Ltd) and the contractors (Messenger BCR) to ensure the programme runs to time and coordinate with Historic England as necessary. Encouragingly, works to the property have now commenced, with the erection of scaffolding having taken place on 30 January 2023.

71 High Street

- 2.13 71 High Street has experienced delays in delivery due to both material and contractor availability. This has resulted in the programme significantly over running its original completion date of March 2022. The Programme Manager is working closely with the property owners and the project architect (Conception Architects) to monitor the contractors progress to ensure the programme of works is completed within this financial year.

2.14 The property owners are aware they will not be able to draw down any funding for the project for works completed after 31 March 2023, and therefore will be liable for the full cost of any works not completed after this time.

(b) Shopfront Regeneration Schemes

2.15 There are currently six shopfront regeneration grant schemes underway, and interest has been received with regards to a further four properties. As with the larger key buildings programme, the significant increase in cost of projects resulted in the need to negotiate a change to the original grant programme with Historic England.

2.16 Inflation has resulted in tenders for shopfront regeneration projects being returned at two to three times the cost seen in previous years. As such the maximum £25,000 grant offered through the scheme was not sufficient to bridge the viability gap for property owners. These cost increases resulted in the schemes being unviable for property owners to bring forward. Unlike upper floor conversion works supported by the Future High Street Fund, works to shopfronts do not significantly impact the value of a property, and as such the viability for delivering schemes is a narrow margin.

2.17 The Programme Manager negotiated with both Historic England and property owners to determine what would make projects viable. Historic England agreed the maximum cap of £25,000 per project could be waived for new projects as long as the grant intervention rates of 60% of the cost of repairs and 80% of the costs of reinstatement was maintained, and the budget was not exceeded.

2.18 As a result, five shopfront schemes (in addition to 68 Westgate which was an existing project) have been brought forward. Shopfront grant schemes currently underway or due to begin delivery in this financial year are illustrated in Table 1.

Project	Total Eligible Costs (excluding VAT and Contingency)	Total Grant	Property Owners Contribution	Intervention Rate
74 Westgate: Kays of Grantham	£49,031	£32,500	£16,531	66%
1 Market Place: Prime Comfort	£71,893	£32,500	£39,393	45%
21-22 Market Place: Vacant	£87,930	£50,000	£37,930	57%
17-18 High Street: Grantham Pharmacy	£153,753	£75,000	£78,753	49%

5 Market Place: Lindpet House	£18,440	£13,050	£5,390	71%
68 Westgate: Delight pizza	£33,000	£25,000	£8,000	76%

- 2.19 Although this alteration to the grant scheme will result in the delivery of fewer schemes than proposed in the original High Street Heritage Action Zone bid, it has insured deliverable schemes have been brought forward.
- 2.20 Whilst the number of schemes has reduced, there has been a significant increase in the level of private sector investment leveraged. When first estimated it was believed the delivery of 12 shopfront schemes and three key building projects would leverage between £150,000 – £200,000 in private sector contributions. However, the shopfront projects highlighted in Table 1, will generate £185,997 in private sector contributions.
- 2.21 In addition, private sector contributions to 71 High Street (Key Building) will generate £19,923, and Westgate Hall will contribute £100,000 from the property owner and an additional £200,000 – 250,000 in investment for fitout of the property. This gives an estimate of the private sector investment leveraged by scheme as £505,000.
- 2.22 Alongside the capital elements of the High Street Heritage Action Zone programme, the funding also provides for projects which enable community engagement, a wider understanding of Grantham’s heritage, and projects which will support improved management and conservation of Grantham’s Heritage.

(c) Conservation Area Management Plan for Grantham

- 2.23 In November 2022, Heritage Lincolnshire was commissioned to produce an updated Conservation Area Management Plan for Grantham. This document will bring up to date the existing management plan (last revised in 2009).
- 2.24 The update will consider changes in national planning policy and will also look forward at how opportunities generated through the High Street Heritage Action Zone, Future High Street Fund and other regeneration programmes can be developed upon in the future, should additional funding become available. In part, this review will consider community feedback which was received through the Community Charrette process which was run in April 2022 (see paragraph 2.26).
- 2.25 A draft document will be completed by the end of March 2023 for consultation with Members and the public as necessary.

(d) Community Charette (consultation)

- 2.26 Kevin Murray Associates were commissioned to undertake a Community Charette (consultation) which asked local residents and stakeholders to participate in the development of a vision for Grantham in 2045.
- 2.27 The process took place over three days, where participants joined discussions and activity to highlight their priorities for the town. Priorities highlighted included:
- Town centre accessibility
 - Creating a pedestrian friendly town
 - Developing town centre greening
 - Supporting Arts and Cultural offer
 - Improving internal and external perceptions of Grantham.
- 2.28 Following on from this work, initial discussions have been held with the Woodland Trust to build stronger links and encourage their involvement in potential future street greening projects within Grantham. As Grantham is the headquarters of the Woodland Trust, they are keen to be more involved in future projects and have indicated there may be support with funding.

(e) Community engagement and heritage interpretation activity

- 2.29 Other community engagement and heritage interpretation activity which will be delivered within this financial year includes the production of a colouring book which highlights and celebrates the Trigge-Chained Library, exploring options for the enhanced delivery of heritage trails, and a dedicated lamppost banner campaign highlighting historic imagery of the town centre.
- 2.30 The High Street Heritage Action Zone Cultural Programme continues to deliver cultural activity in support of the High Street Heritage Action Zone. This is funded by an additional £90,000 grant from Historic England and the National Lottery Heritage Fund over three years, for work to be delivered by the Cultural Consortium.
- 2.31 Over the previous 12 months Grantham Dramatic Society have run a programme of costumed tours which they will continue to deliver for the remainder of the programme, as well as developing methods to make these more accessible, including producing audio tours (due to launch in 2023/2024). Chantry Dance are currently in rehearsals for 'Ghost Dances' – a dance piece based on the music of Grantham born composer Nicolas Maw, (Guildhall Arts Centre 25 to 26 April 2023)
- 2.32 The delivery of Grantham Arts' Community Print and Community Ceramics projects will be basing their activity from Grantham Museum and will take place later in 2023.
- 2.33 The High Street Heritage Action Zone programme aligns closely with the Future High Street Fund, and project managers of both schemes continue to work closely together to ensure that complementary work maximises the impact of the funding.

Academy of Urbanism's 'Great Town' Award 2022

- 2.34 The regeneration efforts in Grantham are beginning to garner significant recognition within the industry. This has included Grantham being nominated for the Academy of Urbanism's 'Great Town' Award 2022. The Awards recognise places which are great examples of urban regeneration and place making. After a competitive assessment process Grantham reached the final of the awards alongside Inverness and Dun Laoghaire (the eventual winners).

The Arts Fund 'Reimagine' Grants programme

- 2.35 Alongside the High Street Heritage Action Zone programme, engagement is underway to support Grantham Museum with their development aims. This has included assisting the Museum Board in developing an application to The Arts Fund 'Reimagine' Grants programme.
- 2.36 The Museum were successful in securing £18,600 which will provide for support in building their operational capacity, volunteer development and training, and curatorial support. The funding will be supplemented by £1,500 from the High Street Heritage Action Zone programme which will support public consultation into how Grantham residents and visitors would like to see the museum explore, highlight and present the town's history.

3. Key Considerations

- 3.1 Grantham conservation area is currently considered 'at risk' by Historic England. The deterioration of the town centre heritage was of particular concern, and as such Historic England were keen to support the High Street Heritage Action Zone in Grantham.

4. Other Options Considered

- 4.1 The Council could have decided not to commission a Conservation Area Management Plan for Grantham. However, without this intervention it is likely retail properties within the town centre would continue to deteriorate, and historic features and character would be lost. Therefore the 'do nothing' option was discounted.

5. Reasons for the Recommendations

- 5.1 The report recommends the continued support for the High Street Heritage Action Zone programme to facilitate the ongoing regeneration of Grantham town centre.

7. Background Papers

- 7.1 *Grantham high Street Heritage Action Zone Scheme* – Report to Cabinet, published 12 July 2022, available online at:
<https://moderngov.southkesteven.gov.uk/documents/s35107/Covering%20Report.pdf>
- 7.2 *Update report on Grantham High Street Heritage Action Zone Project* - Report to Culture and Visitor Economy Overview and Scrutiny Committee, published 8 September 2021, available online at:
<http://moderngov.southkesteven.gov.uk/documents/s30754/HAZ%20Report.pdf>