

# FBC – Capital Bid 2020/21

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## No 1: KIRKHAM HERITAGE ACTION ZONE

### Description of Scheme: Background

The Heritage Action Zone initiative is an integral part of the Governments Future High Street Funding initiative, although separately administered by Historic England. Officers are currently engaged in selecting appropriately qualified consultants to assist with the preparation of the broader Future High Street Funding bid, which will be submitted in June 2020.

The HAZ is essentially a heritage based initiative and this Council has been asked to proceed to the next stage with a detailed submission. This was to be submitted on the 20<sup>th</sup> December 2019. A full report was submitted to Planning Committee in the 14<sup>th</sup> of November, which sets out in some detail the way the scheme operates and where matters stood at that time.

Since this date extensive discussions have taken place with Historic England about the form of the bid and extensive details have been required. As the HAZ bid was to some extent speculative, when first submitted as far as possible detailed costings, in kind contributions, potential private sector match and other contributions were calculated.

The project would commence in April 2020 with many of the schemes of the project drawn up from that date.

The full bid value is currently £2.79m of which Historic England has been asked to contribute 60%. If the scheme is approved on the basis of the percentage grant, the match contribution will be £1.110m. Of this, capital contributions are known to be £760k with the remainder being private sector match, in kind contributions and professional time of officers. It should be noted that this is a 4 year programme.

A full copy of the bid is available should Committee members wish to see it. In view of the status of the bid, this contribution is viewed as a significant priority.

Further updates on the bid will be reported in due course. A strategy and full delivery plan will be compiled and agreed post April 2020 and brought to Committee for consideration. This would clearly define what aspects of the scheme would be funded by the Council contribution.

Committee will note that it is recommended that the £150,000 contribution be phased over 2 years. In view of the profiling of spend, it is considered appropriate that this be released on the basis of £100,000, Year 1 (2020/1) and £50,000, Year 2 (2021/2).

Appendix 1 to this report sets out a schedule of the expected S106 payments from a number of developments in the Kirkham area that are expected to contribute to this project, the expected date of payment and the limitations on the use of the monies set out in each S106 agreement. It is considered that all of the S106 monies would be used in accordance with the terms of the agreements.

**Capital cost plan:**

Cost Heading	Description (Detailed layout plan prepared)		Total £
Fylde Council	Present 'ask'. Capital Reserve		150,000
Kirkham Town Council	Committed		150,000
Section 106 commuted payments	12/0376	£29,000	460,000
	15/0177	£231,000	
	15/0547	£170,000	
	16/0112	£30,000	
Private Sector Match, in kind etc.			356,000
Historic England			1,674,000
<b>Total</b>			<b>£2,790,000</b>

**Outputs (i.e. details of what the investment will specifically deliver):**

Town Centre Regeneration initiative of the Market Town  
 Public Realm enhancements  
 Building Refurbishments to key buildings within the conservation area  
 Formation of the Heritage Skills/community centre  
 Public Engagement and Business Community involvement  
 Private Sector Match Funding  
 Scheme complimentary to the FHSF Bid, potentially maximising impact over the whole of the Town Centre. At present private sector match included as estimates.

**Contribution to corporate objectives (how does the proposal achieve or help deliver priorities within the Corporate Plan?)**

- Value for Money. The scheme would deliver a significant community benefit with strategic intervention proposed in the town centre/conservation area to assist in the regeneration of the high street with enhanced public spaces and buildings. If approved the scheme would lever significant match funding.
- A Great Place to Live. Enhancing the local town centre with access to an enhanced place to visit for residents. Increased business confidence and long term prosperity.
- A Great Place to Visit. Enhancing the character and appearance of the town centre in the heart of rural Fylde complimenting other attractions of the locality. Drawing in visitor spend as a result of an enhanced reputation.

**Budget Resource Requirements - Breakdown of initial capital costs and future revenue implications**

Estimated **Total Capital costs** of bid (£000's): **£150,000**

Annual future **additional Revenue costs** arising from the bid as applicable (£000's): None specific at this stage. Any costs will be brought forward as the scheme develops and the viability of aspects of the scheme are understood as fully costed business cases e.g. the Heritage Skills Centre and brought forward for consideration to Committee(s) for consideration.

**Value and phasing of bid (amend dates as necessary):**

2020/21 £100,000	2021/22 £50,000	2022/23 £000	2023/24 £000	Total £000

Existing resources in the Capital Programme relating to this scheme (as applicable):				
2020/21 £NIL	2021/22 £000	2022/23 £000	2023/24 £000	Total £000
Estimated timescales for the bid:				
Project Start Date: Financial Year 2020 – 21. Start date dependant on grant award.			Project Completion Date: March 2024	

Project Risks (outline any risks to delivery of the project and how these will be mitigated)		
Risk	Impact	Mitigating Action
1. That the grant award would not be made	This aspect of the town centre regeneration would not proceed from this overall funding source.	The Council would review its position with regards to the Capital contribution.
2. Other funding sources would not be made.	The Council could be committed to spend without the assurance of other contributions.	A legal agreement will be required to be signed to ensure that all of the parties make the relevant contributions. However, specific aspects of the scheme will be the subject of match funding being assured or otherwise in place prior to the particular scheme commencing.
3. Grant aid schemes are not protected for the long term.	The capital or other spend would not be safeguarded.	Both this Council and partners, including Historic England will need to ensure that legal agreements are signed to protect the investment for the long term – typically 25 years.
4. Aspects of the scheme prove not to be deliverable.	The scheme is less effective and impact reduced. The level of the Councils investment would be less than envisaged.	With scheme of this nature, there is an element of risk that match funding may not be made available – normally private sector related. However, the early part of the programme interest in the scheme e.g. shopfront grants will be explored in depth prior to any commitment to spend, thereby safeguarding the investment.
5. Progress with the delivery of the scheme is delayed or off target	The effectiveness of the scheme is less and overall impact reduced. Potentially reputational damage and loss of grant	With the grant aid requested and match funding, in addition to potential public expectations, it will be essential that the scheme is very well organised and run to a specific timetable and delivery plan. Therefore a full delivery plan on a year by year basis will be required and the four year funding plan will be required on an annual basis – and agreed with Historic England.