


Agenda Item No:	<b>9 DRAFT v2.1</b>	
Committee:	<b>CABINET</b>	
Date:	<b>14<sup>th</sup> December 2020</b>	
Report Title:	<b>Funding Agreements (1) – Wisbech High Street 13-17 High Street, Wisbech</b>	

## 1 Purpose / Summary

- This Cabinet report relates to the application and approval of funding for 13-17 High Street, Wisbech which is now in a position for FDC to sign off on the grant funding agreement.
- The Wisbech High Street Project team and National Lottery Heritage Fund propose to fund a scheme for significant repair to 4 properties and conversion of a derelict first floor at 13-17 High Street, Wisbech.
- Planning approval has been obtained and an application for funding equivalent to 74% of the overall cost of the works has been approved by the National Lottery Heritage Fund to support these works via its Townscape Heritage Scheme (Wisbech High St Project).
- A legal agreement has been drawn up by Peterborough Legal services and has been signed by the applicants and returned ready for the Council to execute the agreement, subject to the final approval by Cabinet.
- This report seeks Cabinet approval for FDC to enter into the funding agreement and for Officers to authorise and administer the grant.

## 2 Key issues

- The applicants have signed and returned their funding agreement and are anticipating a pre-Christmas start date.
- The funding for the improvement works has been awarded from the National Lottery Heritage Fund, FDC are the administrators of the grant. Consent is not being sought to spend any Council funds that cannot be reclaimed.
- The legal agreement drawn up by Peterborough Legal team clearly defines the terms of the grant and has been approved by NLHF and CMT. The agreement protects the Council from undue financial risk.

## 3 Recommendations

Cabinet members are requested to:

- Note the successful bid for funding from the NLHF in the sum of £518,537.87 to assist in the delivery of significant improvement works to 13-17 High Street, Wisbech;
- Authorise entry into the grant funding agreement between Fenland District Council and the recipient of the funding;

- Subject to the above being agreed, permit officers to enter into all required legal and financial documentation and arrangements to give effect to this decision; and
- As the works progress, to give delegate authority for the approval of any minor project variations to the Head of Economic Growth and Assets and the Townscape Heritage Officer, Wisbech High Street Project in consultation with the Portfolio Holder for Social Mobility and Heritage and the Leader of the Council.

<b>Wards Affected</b>	Medworth Ward
<b>Forward Plan Reference No. (if applicable)</b>	
<b>Portfolio Holder(s)</b>	Councillor Chris Seaton
<b>Report Originator</b>	Taleyna Fletcher – Townscape Heritage Officer, Wisbech High Street Project
<b>Contact Officer(s)</b>	Justin Wingfield – Head of Economic Growth & Assets Taleyna Fletcher – Townscape Heritage Officer, Wisbech High Street Project
<b>Background Paper(s)</b>	

## 1.0 Introduction

- 1.1 Cabinet will be aware that Fenland District Council is the responsible body for the delivery of the Wisbech High Street Project and this includes the final sign off on any grant awards. The Wisbech High Street Project is aimed at regenerating the dilapidated High Street area in Wisbech through the application of funding provided by the National Lottery Heritage Fund (NLHF), together with funds from the project partners: Fenland District Council; Wisbech Town Council; Cambridgeshire County Council and the Wisbech Society.
- 1.2 FDC employs the Townscape Heritage Officer, whose role it is to encourage the take up of grants to property owners on the High Street and to assist with the preparation and coordination of grant application submissions which are to be approved by the NLHF and the funding is paid by FDC.
- 1.3 This paper relates the application and approval of grant funding for 13-17 High Street, which is now ready to receive FDC 'sign off' for the grant funding agreement. To date, only lower value schemes have been approved for payment at levels within existing Officer delegations. This property and the proposed grant award represents the biggest single grant so far proposed and because of the value of the grant, it is presented to Cabinet for consideration and approval.

## 2.0 Background

- 2.1 Officers have been working with the owners (also the grant applicants) of no 13-17 High Street since the start of the Wisbech High Street Project in 2017 on a scheme to assist with the significant improvement of their property. Assistance is to be offered by way of a grant from the National Lottery Heritage Fund.
- 2.2 This property is generally in a very poor state of repair with the upper floor having been vacant and unused for more than 30 years. The shops on the ground floor require some updating and the rear contains remnants of redundant structures which are dilapidated

and derelict (See **Appendix 1**). The first floor has recently become re-infested with pigeons and poor drainage systems are evident on the first floor with rainwater being discharged through plastic pipes on the inside of the building.

- 2.3 The grant offered will enable the present owners to address these issues and help to regenerate this part of the High Street, bring back into use an underutilised and attractive retail and residential premises which will further enhance works already underway and those planned.

### **3.0 Significance of the scheme at 13-17**

- 3.1 The grant offered by the Wisbech High Street Project will assist the applicants and fund a significant improvement scheme which will:

- Bring a vacant 1<sup>st</sup> floor back into use;
- Carry out a significant programme of external repairs to the fabric of the building;
- Reintroduce new shopfronts which are more sympathetic to the age and character of the building and redecorate and repair existing ones.

The nature of such improvements is at the heart of the Wisbech High Street Project and will improve the appearance and use of 4 properties which are all within single ownership.

- 3.2 **Appendix 2** shows the nature of the proposals to what has been a long-neglected building in need of repair and significant investment. The Wisbech High Street Project and the NLHF recognise that due to the nature of our changing high streets as well as the cost of investment versus the low rate of return reflected in property prices in this location, that financial assistance is required to make such schemes viable.
- 3.3 Agents working on behalf of the applicants secured their relevant planning consents in 2017 ([FYR17/0355/F](#)) and a further variation to conditions was agreed in 2018 ([FYR18/0268/VOC](#)). Since that time the agreement has been exchanged between the relevant parties legal advisors for review and amendment.
- 3.4 Due to increased costs since the original in-principal agreement in 2017/18 there has been a review of the feasibility of the scheme on the part of the owners, particularly following the loss of one of their tenants who was concerned about the potential impact on their business from the physical building works. Following this, an increase to the grant amount was agreed by the project team and by NLHF – both of which recognise the significance of securing this scheme to the overall success of the Wisbech High Street Project.
- 3.5 It was agreed in June 2020 that initial works required to meet planning requirements, to avoid planning consents expiring, could be implemented ahead of the signed legal agreements being in place. The risk of this rested with the owners, as no amount of grant can be paid until the signed legal agreement is in place.
- 3.6 The recent extension of the project deadline to December 2022 has given the applicants the confidence needed to enter into the legal agreement and they have demonstrated their full commitment to progressing with the works as soon as agreements are fully exchanged.

## **5.0 Financial Considerations**

- 5.1 The Wisbech High St Project team approved the most recent revised grant amount for the scheme of £518,537.87 and this was subsequently accepted and approved by the National Lottery Heritage Fund in May 2020. This is equivalent to 74% of the overall expenditure of the scheme at 13-17, including professional fees.
- 5.2 As with all Wisbech High Street grant funded properties, the majority of the grant funding comes from the National Lottery Heritage Funds Townscape Heritage Scheme with contributions from the funding partners forming part of the overall funding 'pot'.
- 5.3 Each grant claim is paid to the applicant/s in arrears within 28 days of receipt of a valid invoice and evidence of payment in full, as well as a statement of verification of the works signed by a Chartered Surveyor or qualified Architect. Following satisfactory verification of the works, grants and all expenditure are paid for by FDC initially and then claimed back from the National Lottery Heritage Fund on a quarterly basis as part of the claims submission process that accompanies the progress report. There is scope to amend this procedure to make monthly claims – this would allow the Council to reclaim to costs more regularly.
- 5.4 The funding for the improvement works has been awarded from the National Lottery Heritage Fund, FDC are the administrators of the grant. Consent is not being sought to spend any Council funds that cannot be reclaimed, simply that the funds are 'passported' from the NLHF, through FDC to the applicant following the satisfactory completion of stages of work. The legal agreement drawn up by Peterborough Legal team clearly defines the terms of the grant and has been approved by NLHF and CMT. The agreement protects the Council from undue financial risk. The financial burden on the Council therefore is minimal, especially if the project switches to monthly claims from NLHF.

## **6.0 Legal Issues & Risks**

- 6.1 This Cabinet report represents the last stage in the governance process to allocate the funding. Having been working with the applicant of this scheme since early 2017, all parties are now very keen to see commencement of these works. The condition of the extension to the project expiry date of 2 years, was on the condition that the start of a significant scheme could be demonstrated. The funding body (NLHF) will expect the Council to facilitate this start as far as possible.
- 6.2 Whilst there are other schemes in development at 11-12 and 24 High St, this is the first major improvement project on the High Street which will make a significant positive impact to the street scene as well as publicly demonstrate the progress of the Wisbech High Street Project in general.
- 6.4 The extension to the Wisbech High St Project to December 2022 was required by the applicants to allow for the confidence for them to sign the funding agreement. Although the scheme has a practical completion date of October 2021, this is a historic building and frequently issues can arise during the works which could not have been previously anticipated. Therefore, an immediate start date allows for any unforeseen issues to be dealt with and any impact on the timetable can be accommodated.



## **7.0 Conclusions**

- 7.1 The applicants have signed and returned their funding agreement and are anticipating a pre-Christmas start date.
- 7.2 There is minimal financial risk to the Council from the agreement and it could mitigate against any loss of reputational damage for the council from the applicant as well as the funding body.
- 7.4 Alongside the approved works at Nos 18 and 19 as well as the significant scheme already underway at the derelict site of Nos 11-12 and 24, this will see much needed positive changes along this full range of properties.

## **8.0 Recommendations**

8.1 Cabinet members are requested to:

- Note the successful bid for funding from the NLHF in the sum of £518,537.87 to assist in the delivery of significant improvement works to 13-17 Hight Street, Wisbech;
- Authorise entry into the grant funding agreement between Fenland District Council and the recipient of the funding;
- Subject to the above being agreed, permit officers to enter into all required legal and financial documentation and arrangements to give effect to this decision; and
- As the works progress, to give delegate authority for the approval of any minor project variations to the Head of Economic Growth and Assets and the Townscape Heritage Officer, Wisbech High Street Project in consultation with the Portfolio Holder for Social Mobility and Heritage and the Leader of the Council.

Appendix 1: 13-17 High Street photographs



*13-17 High Street – June 2020*



*13-17 High Street 1<sup>st</sup> floor interior – 2018*





*13-17 High Street 1<sup>st</sup> floor interior – 2018*



*13-17 High Street interior – 2018*





*Rear of 13-17 High St as viewed from No 10 – November 2020*

Appendix 2: 13-17 High Street architects drawings



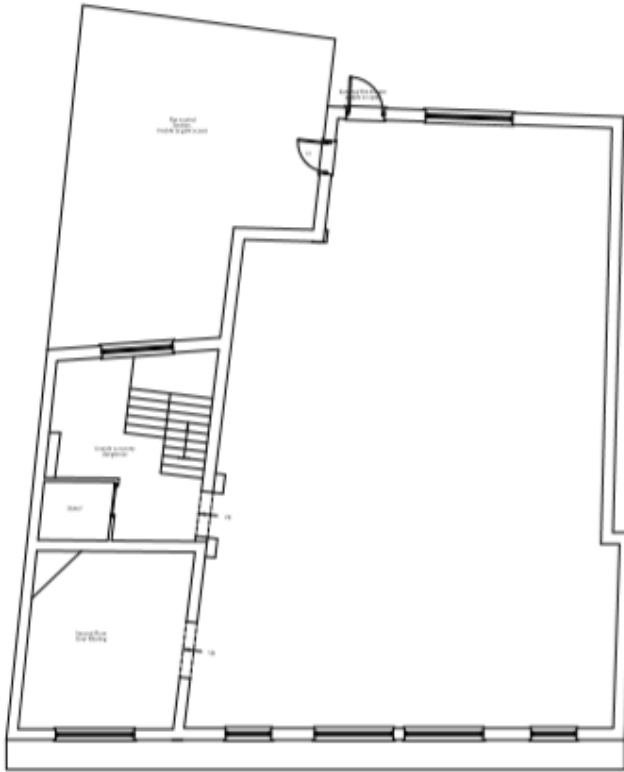
Front Elevation

Existing Elevation



Front Elevation

Proposed Elevation



Existing 1<sup>st</sup> Floor



Proposed 1<sup>st</sup> and 2<sup>nd</sup> Floor