



CABINET

Tuesday, 01 November 2022

Subject	Partnership Scheme in Conservation Area application and match funding
Report by	Councillor Craig Rivett Deputy Leader and Cabinet Member with responsibility for Economic Development
Supporting Officer	Helen Johnson Culture and Heritage Programme Manager Helen.johnson@east Suffolk.gov.uk 01502 523398

Is the report Open or Exempt?	OPEN
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Category of Exempt Information and reason why it is NOT in the public interest to disclose the exempt information.	Not applicable
Wards Affected:	Harbour & Normanston

Purpose and high-level overview

Purpose of Report:

North Lowestoft Heritage Action Zone, a five-year fixed term project completes in March 2023 and was a partnership, working with, Historic England, Lowestoft Town Council, Lowestoft Vision and East Suffolk Building Preservation Trust. Since the launch in 2018 the partnership has successfully restored/allocated funding to 16 buildings/units equating to £416,088.50 of public funding and £239,241.55 private match. The partnership worked with stakeholders including Norse and Highways to address local issues, implemented new policies (SPD Design Guide and updated Conservation Area Appraisal) and helped establish the Most Easterly Community Group. It also engaged communities and businesses in arts activities to help drive footfall into the High Street.

This report requests approval to apply for a second Partnership Scheme in Conservation Area (PSiCA) from Historic England to continue to repair and restore buildings in the historic High Street, Lowestoft for another five years.

The £350,000 match funding, funded from capital reserves, will be required from East Suffolk Council, over a five-year period once the project has started (April 2023) and will be split between the five years.

Options:

Option 1 – Do nothing: The progress made with the North Lowestoft Heritage Action Zone will stall and heritage assets within the boundary would continue to deteriorate. No application will be submitted to Historic England, and no match funding required from East Suffolk Council.

Option 2 – Do not proceed with the PSiCA but consider individual grant options for project inventions. Economies of scale would not be achieved, with interventions happening piecemeal. A partnership approach, with Historic England would not be possible and individual grants would probably only be funded by the Council.

Option 3 – The preferred option would be to apply for PSiCA funding and roll out a grant scheme, which would help continue to improve the North Lowestoft Conservation Area which is on the at-Risk Register and attract between £175,000 and £100,000 of private investment.

Recommendation/s:

That £350,000 of match funding over the period of 2023/24 to 2027/28 be approved and that it be agreed to make an application to Historic England for the same amount under the Partnership Scheme in Conservation Areas (PSiCA).

Corporate Impact Assessment

Governance:

East Suffolk Council will be the Accountable Body for the funding and therefore will own and manage the risks associated with the project. A process of Governance has already been established through a Heritage Action Zone Board and a Project Delivery Group.

ESC policies and strategies that directly apply to the proposal:

Waveney Local Plan

North Lowestoft Conservation Area Appraisal and Management Plan

North Lowestoft Heritage Action Zone Design Guide SPD

East Suffolk Economic Strategy

Lowestoft Cultural Strategy 'Celebrating Culture on the Edge'

Lowestoft Town Investment Plan

Town Centre Masterplan

Environmental:

Promoting sustainable re-use of buildings and construction materials and conserving embodied energy. The ratio of carbon emissions from rebuilds compared with refurbishment is 70:1 (Value Added PRT)

Equalities and Diversity:

Access to the grant funding will be based on priority buildings and those buildings most in need for repair and reinstatement of original features. The grant scheme will be open to all property owners if their building qualifies for grant intervention. There will be engagement with property owners and assistance to support them in accessing the funding, including support completing the application form, this could include larger print, non-English format and form filling.

Financial:

In 2018 East Suffolk Council agreed to part fund the North Lowestoft Heritage Action Zone with £583,000 investment attracting an additional £506,198 from Historic England. In 2020, East Suffolk Council agreed to part fund the London Road, Lowestoft, High Street Heritage Action Zone with £337,251 investment (excluding the Post Office) attracting an additional £430,811 from Historic England and a further £90,000 from Historic England Cultural Programme. The new match-funding request of the Council for the next five years is £350,000.

Human Resources:

A 0.5 FTE Project Officer will oversee the scheme and will require Human Resource support.

ICT:

No impact.

Legal:

A legal agreement setting out roles and responsibilities between grant funder (Historic England) and grant recipient (ESC) and grant agreements between ESC as Accountable Body and individual property owners.

Risk:

The grant agreements with the individual property owners will mitigate against liabilities raised against the Council, as the property owners will have overall accountability and responsibility for managing the works to their buildings.

External Consultees:

The Heritage Action Zone Board have been updated on project sustainability and the option to apply for a second PSiCA scheme in the historic High Street. Members include Historic England, Lowestoft Vision, Lowestoft Town Council and East Suffolk Building Preservation Trust.

Strategic Plan Priorities

Select the priorities of the Strategic Plan which are supported by this proposal: (Select only one primary and as many secondary as appropriate)		Primary priority	Secondary priorities
T01	Growing our Economy		
P01	Build the right environment for East Suffolk	<input checked="" type="checkbox"/>	<input type="checkbox"/>
P02	Attract and stimulate inward investment	<input type="checkbox"/>	<input checked="" type="checkbox"/>
P03	Maximise and grow the unique selling points of East Suffolk	<input type="checkbox"/>	<input type="checkbox"/>
P04	Business partnerships	<input type="checkbox"/>	<input type="checkbox"/>
P05	Support and deliver infrastructure	<input type="checkbox"/>	<input type="checkbox"/>
T02	Enabling our Communities		
P06	Community Partnerships	<input type="checkbox"/>	<input type="checkbox"/>
P07	Taking positive action on what matters most	<input type="checkbox"/>	<input checked="" type="checkbox"/>
P08	Maximising health, well-being and safety in our District	<input type="checkbox"/>	<input type="checkbox"/>
P09	Community Pride	<input type="checkbox"/>	<input checked="" type="checkbox"/>
T03	Maintaining Financial Sustainability		
P10	Organisational design and streamlining services	<input type="checkbox"/>	<input type="checkbox"/>
P11	Making best use of and investing in our assets	<input type="checkbox"/>	<input type="checkbox"/>
P12	Being commercially astute	<input type="checkbox"/>	<input type="checkbox"/>
P13	Optimising our financial investments and grant opportunities	<input type="checkbox"/>	<input checked="" type="checkbox"/>
P14	Review service delivery with partners	<input type="checkbox"/>	<input type="checkbox"/>
T04	Delivering Digital Transformation		
P15	Digital by default	<input type="checkbox"/>	<input type="checkbox"/>
P16	Lean and efficient streamlined services	<input type="checkbox"/>	<input type="checkbox"/>
P17	Effective use of data	<input type="checkbox"/>	<input type="checkbox"/>
P18	Skills and training	<input type="checkbox"/>	<input type="checkbox"/>
P19	District-wide digital infrastructure	<input type="checkbox"/>	<input type="checkbox"/>

T05	Caring for our Environment		
P20	Lead by example	<input type="checkbox"/>	<input type="checkbox"/>
P21	Minimise waste, reuse materials, increase recycling	<input type="checkbox"/>	<input type="checkbox"/>
P22	Renewable energy	<input type="checkbox"/>	<input type="checkbox"/>
P23	Protection, education and influence	<input type="checkbox"/>	<input type="checkbox"/>
XXX	Governance		
XXX	How ESC governs itself as an authority	<input type="checkbox"/>	<input type="checkbox"/>

How does this proposal support the priorities selected?

P01 Build the right environment for East Suffolk:

The High Street sits within the North Lowestoft Conservation Area which is a Conservation Area 'at risk' and the Towns Fund Historic Quarter. Residential property prices in this location are lower than national averages and the lowest in East Suffolk, with the average house price of £149,485. There is currently no demand for luxury accommodation in the High Street and generally, private developers are only considering one bed flat conversions, seeing this as the only commercially viable option.

Heritage assets and density are important 'pull' factors influencing business location decisions. By enhancing the character and distinctiveness of the High Street through restoration and improvement of heritage assets, the place will become more inviting and helps attract and retain businesses, customers and clients to the area and attract further investment.

Bringing heritage buildings back into use has the potential to create new businesses and homes therefore increasing income through business rates, and council tax to help make the council more self-sufficient. Improvements to the attractiveness and diversity of the High Street will help drive footfall increasing income through car parking revenue.

P02 Attract and stimulate inward investment:

Investing in heritage assets can help support wider regeneration and economic growth by attracting new businesses into the area. Lowestoft's historic High Street is made up of mostly independent shops and had shown great resilience and adaptability during the COVID-19 pandemic, with 12 new businesses opening between March 2020 - November 2021.

P09 Community Pride:

In 2020, an estimated 16,374 people were residing in the Harbour & Normanston Ward, making it the most densely populated ward in Lowestoft. In 2019, the High Street, located in Waveney 007A (Lower-Super Output Area) was identified as the 64th most deprived neighbourhood in England, out of 32,844 LSOA's, where 1 is the most deprived. Waveney 007A LSOA falls within the 10% most deprived neighbourhoods in England.

Investing in our built heritage helps enable communities to feel included and proud of where they live. Currently the Conservation Area is 'at risk' and there are a significant number of designated and non-designated heritage assets sitting vacant and at risk of deterioration that are having a detrimental impact on the local streetscape.

P13 Optimising our financial investments and grant opportunities:

Investment into a second PSiCA scheme will unlock £350,000 from Historic England and investment from the private sector.

At 65%, eligible repair, private match would be: £175,000

At 80%, eligible reinstatement, private match would be: £100,000

For every £1 of public sector expenditure on grant invention in the North Lowestoft Heritage Action Zone was matched by £0.57 by private sector investment.

Background and Justification for Recommendation

1 Background facts

1.1 North Lowestoft Heritage Action Zone (HAZ) was formed in 2018, part funded by Historic England and East Suffolk Council and was designed to support the historic High Street, Scores and Whapload Road using heritage assets to help stimulate economic growth and regeneration in the area.

The five-year programme was overseen by a partnership board including Historic England, East Suffolk Council, Lowestoft Town Council, Lowestoft Vision and East Suffolk Building Preservation Trust.

The HAZ encouraged sympathetic and sustainable improvements to the built environment, using architectural evidence and historic records to repair, restore and reinstate original details to improve the character and appearance of the area. The partnership worked with communities to have pride in place and be actively engaged in the area's protection and regeneration. A varied cultural programme of events, activities and exhibitions were also provided across the HAZ, providing more reasons to visit and share the history and culture of the town with the local community, as well as tourists.

A key element of the HAZ Partnership was the delivery of a grant scheme for the repair and reinstatement of original details in the High Street. The Partnership Scheme in Conservation Areas (PSiCA) was delivered over four years and successful restored and allocated funding to 14 building/units equating to £292,196.52 of public investment and a further £178,725.57 of private sector investment.

One of the first grants awarded was repairs to the former Chemist Shop, 59/59a High Street, formally a vacant shop, now being used as a General Store.



Works have nearly completed on 136 and 137 High Street, where modern shopfronts have been removed and replaced with timber frame ones to bring the building in line with the style of adjoining 138 High Street.



As part of the HAZ, the Council has adopted a new SPD, an updated Conservation Area Appraisal and Management Plan and a Masterplan for Scores and Triangle Market.

Through the HAZ Partnership Lowestoft Town Council, supported by ESC secured development funding from the National Lottery Heritage Fund and the Architectural Heritage Fund for the Town Hall and £2million from the Towns Fund allocation.

The HAZ Partnership also repaired the collapsed Crown Score Wall enabling open access for the first time since 2015.

1.2 The area sits within Harbour Ward, one of the most deprived in Lowestoft and the country. The area suffers from numerous social problems including anti-social behaviour, shorter life expectancy and low levels of employment and education.

The High Street is largely dominated by independent and specialist retailers, including hair salons, restaurants and cafes, takeaways, second-hand goods stores

	<p>and a bicycle shop. The HAZ area shop vacancy rate is currently 19%, which is higher than the national average (15.6%) but lower than London Road North at 21%.</p> <p>The Conservation Area affords planning protection through an article 4 Direction, yet despite this, the area has suffered from a definable negative change and was placed on the Historic England Heritage at Risk Register in 2017.</p> <p>The High Street sits in one of the key character areas defined within the 'Lowestoft Town Centre Masterplan 2020' Historic Quarter and was ringfenced funding through the £24.9million Towns Deal to part-fund the restoration of the Town Hall and public realm improvements to the medieval Scores.</p>
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2 Current position

2.1	<p>Funding is available from Historic England under their Partnership Scheme in Conservation Areas (PSiCA) to fund repairs and the reinstatement of original features to buildings. The funding will also fund an Officer to manage the scheme.</p> <p>A funding application can be submitted to Historic England for total project costs but must be matched funded by the applicant by 50%. Historic England have indicated to the Council to apply for a grant in the region of £350,000.</p> <p>£350,000 of match funding will be required from East Suffolk Council, funded from the capital reserves, over a five-year period once the project has started (April 2023). The report requests that this match funding is approved and to submit an application.</p>
2.2	<p>The application will include the costs for a 0.5FTE Project Officer to oversee the delivery of the scheme, however, Council resource will be required for overall management of the project, financial, legal, planning and conservation, communications, and human resource support. The Funding Team within Economic Development & Regeneration will provide administration of the scheme.</p>
2.3	<p>The PSiCA funding is a two-stage application process through Historic England, with the first stage an application form, and the second stage a detailed delivery plan. The application will need to be submitted by 15 November 2022 to be considered at the grants panel in mid-December 2022. Subject to approval, a detailed delivery plan will be prepared over the next few months and if agreed the PSiCA scheme will commence from April 2023.</p>
2.4	<p>The PSiCA is not a Heritage Action Zone scheme and the HAZ in North Lowestoft which was a fixed term five-year project completes in March 2023. Work packages will continue to be delivered by the Council and partners. The Town Hall, as a part of the Towns Fund package of funded projects will continue to progress through a Project Board led by LTC with ESC representation. Solutions to assets on the HAZ Buildings at Risk Register will continue to be explored between Regeneration and Planning Teams. The Scores restoration will be managed by the Regeneration Team and will be funded by the Business Rates and Towns Fund. The Most</p>

	Easterly Community Group are independently constituted community group and will continue to deliver activity.
2.5	Learning taken from the first PSiCA scheme delivered through the HAZ is that engagement with property owners should start as early as possible, as it can take many months to reach application stage. There should be a long list of potential building schemes as not all will come forward to application stage. Property owners often need more support and guidance to bring forward a successful scheme.
2.6	The key objectives of the PSiCA are to: <ul style="list-style-type: none"> • boosts the social and economic resurgence of England's urban and rural communities and helps to create safe and sustainable communities. • repairs and brings back into use historic buildings. • is completed to an appropriate standard and that subsequent regular maintenance is carried out. • is sustained by the local authority's policies and actions for the area.
2.7	To qualify for Historic England funding, we must be able to show that our scheme: <ul style="list-style-type: none"> • is within a conservation area. • can attract partnership funding from the authority and possibly other funding partners. • meets one of Historic England's priorities for our region • will involve a range of work to a number of buildings, structures or spaces within a defined area. • will focus on building repairs. • will require property owners to contribute financially towards grant-funded works to their property.
2.8	Under a PSiCA scheme property owners can apply for 65% of the project costs for repair and 80% of the project costs for reinstatement of original features up to the value of £50,000 per unit/building.

3 How to address current situation

3.1	While the Conservation Area is still 'at risk' and there remains vacant buildings and significant challenges that need addressing, Historic England are positive about the wider regeneration in the town and the role of the HAZ and the Conservation Area is considered to be improving rather than deteriorating. The PSiCA will be a scheme that builds on the momentum of the North Lowestoft Heritage Action Zone and work undertaken to date in the area.
3.2	Advice received from Historic England is that Lowestoft meets the criteria as North Lowestoft Conservation Area is 'at risk' and that there is significant deprivation in the Harbour Ward/Lowestoft which supports their objectives. Currently Lowestoft is a place of interest for Historic England and a focus for their strategic grant funding. The funding will also provide HAZ sustainability, an approach supported by the HAZ Project Board.

3.3	<p>Purcell Architects Ltd were appointed in September 2022 to undertake a feasibility study on a number of buildings to record condition, identifying repairs, a set of architectural proposals and a summary of the overall costs and proposed next steps. The proposals and conclusions drawn are a starting point for discussion between East Suffolk Council, Historic England, and the property owners and tenants.</p> <p>The cost of repair, reinstatement of original features, fees at 12% and VAT total £2,491,894.</p>
3.4	<p>Not all the buildings can be supported through the funding as the budget available is lower than the total project costs. We have been given a steer from Historic England to apply for grant in the region of £350,000. We do not expect all property owners to come forward and participate in the grant scheme.</p> <p>The total budget is £700,000 over five years, with £350,000 funded by the Council and £350,000 matched by Historic England. Less resource costs there will be £561,100 allocated for works with 12% spent on architectural services.</p>
3.5	<p>Letters have been sent to property owners to make them aware of the condition survey process and to gauge their interest in the grant funding. Property owners will continue to be engaged with the recommendations of the feasibility study for their individual property to help kick start further dialogue. If there is a low uptake in the grant programme from the priority properties, the grant programme will be opened up to all property owners in the High Street if they can demonstrate suitable need.</p>
3.6	<p>Funding can also be spent on Council owned assets, including 87 High Street, for the repairs and reinstatement of original features. Grant approval will be made by Historic England for any assets owned by the Council.</p>

4 Reason/s for recommendation

4.1	That Cabinet approves £350,000 of match funding over the period of 2023/24 to 2027/28 and agrees to make an application to Historic England for the same amount under the Partnership Scheme in Conservation Areas (PSiCA).
4.2	That the Councils revenue and capital budgets are updated to reflect the allocation of grant funding and ESC match funding of £350k funded from capital reserves. The supplementary estimate will establish a revenue budget of £200k and a capital budget of £500k over the period of 2023/24 to 2027/28

Appendices

Appendices:

None.

Background reference papers:

None.