

Executive 5th August 2021

Report Title	Kettering High Street Heritage Action Zone (HSHAZ)
Lead Member	Councillor Steven North, Executive Member for Growth & Regeneration
Lead Officer	Rob Harbour Assistant Director for Growth and Regeneration

Key Decision	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Is the decision eligible for call-in by Scrutiny?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Are there public sector equality duty implications?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Does the report contain confidential or exempt information (whether in appendices or not)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Applicable paragraph number for exemption from publication under Schedule 12A Local Government Act 1974	

List of Appendices

None

1. Purpose of Report

- 1.1. This report requests that Members of the Executive endorse a previous agreement made between Kettering Borough Council and Historic England to part fund and deliver a series of High Street Heritage Action Zone (HSHAZ) projects in Kettering town centre. It also seeks agreement to receive and deliver on an additional £150,000 grant from Historic England to relay the cobbled street in West Street. Also, the report asks that the Executive select Member representation to sit on the Kettering HSHAZ Board. Finally, delegation of authority is sought from the Executive to the Executive member for Growth & Regeneration, in liaison with the Executive Director: Place & Economy, to take any further decisions and/or actions required to conclude any procurement and deliver this project.
- 1.2. *The reason for this report is to provide certainty around North Northamptonshire Council's commitment to the Kettering HSHAS project, giving partner organisations and investors' confidence to continue to support and invest in the initiative and the projects within it going forward. In addition, to set out that the Council agrees to accept the additional funding grant provided by Historic*

England and confirm that the funds will be invested on the basis they have been given. To support the strategy around project governance by selecting Members to be invited to attend the Project Board. Finally, delegated authority would enable further decisions to be made, within the remit of the agreed project, without bringing about further delays, thereby keeping delivery of the project on track.

2. Executive Summary

- 2.1 Kettering Borough Council was successful in securing a nearly £2 million contribution from Historic England as a part of the High Street Heritage Action Zone fund. It committed to make in excess of £2 million of its own funds available through capital contributions and support in-kind to guarantee Historic England's contribution.
- 2.2 The fund is extended to support historic high streets and town centres nationally, it is however stipulated that to satisfy Historic England requirements, those areas receiving its funding must fall within a conservation area. It seeks to invest in physical improvements (including public realm and building improvements), community engagement and cultural activities. Any funding awarded through HSHAZ must be match funded by the Council and would also seek to leverage further investment from the private sector.
- 2.3 For investor clarity and to support contractual arrangements, the Executive is asked to endorse the decisions of Kettering Borough Council with regards commitment to the project and investment.
- 2.4 Historic England has subsequently resolved to increase its original offer by an additional £150,000, for investment in relaying cobbles in West Street. This contribution is a full grant, it does not require the Council to add to the contributions it is already committing.
- 2.5 The Executive is asked to accept receipt of the additional funding grant and confirm it will be invested in the project for the relaying of cobbles in West Street, Kettering.
- 2.6 The Kettering HSHAZ project is governed by the HSHAZ Board. Three Members of Kettering Borough Council previously sat on the Board for the first year of the project. Now, with the creation of the North Northamptonshire Council, it falls to this Council to select representatives for the Board. This also provides the opportunity for the Executive to also invite a representative of the new Kettering Town Council to take a seat on the Board. Members are asked to invite the following Members to join the Board:

New HSHAZ Programme Board Members
Portfolio Holder for Growth & Regeneration
Deputy Leader and Portfolio Holder for Sport, Leisure, Culture & Tourism
A representative from Kettering Town Council

- 2.7 The timescale for delivery of the Kettering HSHAZ projects for this financial year are challenging, in the main due to longer materials delivery run-in times than usual. Delegated authority would enable further decisions to be made, within the remit of the agreed project, without increasing a risk of further delays, thereby keeping scheme delivery on track.

3. Recommendations

3.1 It is recommended that the Executive:

- a) Endorse Kettering Borough Council's agreement with Historic England to invest funding in delivering HSHAZ schemes in Kettering town centre, and note the HSHAZ scheme approved carry forward budget for this year is £3,448,000;
- b) Agree to receive an additional £150,000 of Historic England funding, and to invest that funding to relay cobbles and improve the pavement environment in West Street; and
- c) Agree to select the following councillors to sit on the HSHAZ Board:
 - i. the Executive Member for Growth & Regeneration; and
 - ii. the Deputy Leader and Executive Member for Sport, Leisure, Culture & Tourism;
 - iii. and, invite a representative from Kettering Town Council to join the Board; and
- d) Agree a request for delegated authority from the Executive, to the Executive Member for Growth & Regeneration in liaison with the Executive Director: Place & Economy, to take any further decisions and/or actions required to conclude any procurement and deliver this project.

3.2 *Reason for Recommendations –*

- *To provide consistency with previous Council decisions*
- *To provide certainty to the Kettering HSHAZ project.*
- *To formally accept the additional £150,000 grant offer by Historic England and confirm it will be invested on the specific project for which it was granted.*
- *To provide appropriate governance of the overall HSHAZ project, to ensure the public and their views are represented.*
- *To work to optimise the investment for the longer-term benefit of Kettering town centre and its environment.*
- *To enable further decisions to be made, within the remit of the agreed project, without bringing about further delays, thereby keeping delivery of the project on track.*

4. Report Background

4.1 Kettering town centre, like many areas, has been facing the challenge of a changing town centre environment. Although town centres are still important shopping places, they are also increasingly important places for people to live,

work and enjoy leisure time. In recognition of these universal challenges, in May 2019 Historic England launched a £95 million fund named High Streets Heritage Action Zone (HSHAZ).

- 4.2 The High Street HAZ programme enables local authorities to bid for funding through a competitive process. The primary purpose of the fund is to support historic high streets and town centres in conservation areas through physical improvements, community engagement and cultural activities. Any funding awarded through HSHAZ must be match funded by the Council and would seek to leverage further investment from the private sector.
- 4.3 On 14th September 2019, Historic England announced that Kettering was one of 69 towns nationally that had been successful in its bid. Kettering Borough Council followed this with the development and approval of a Stage 2 Programme Design, to receive an external funding amount of up to £1,985,000 over the four years of the programme.
- 4.4 The HSHAZ programme provides funding to support project delivery within high street conservation areas. The main objectives of the programme are:
 - To change perceptions of heritage and high streets;
 - To support sustainable economic and cultural growth on and around high streets; and
 - To restore and enhance local historic character.
- 4.5 The Council worked closely with Historic England to ensure that delivery commenced from April 2020, to run for a maximum of four years.

Stage 2 Programme Design

- 4.6 The Kettering HSHAZ programme submission includes support for the following:
 - a. Kettering Heritage Action Zone

The HSHAZ was required to focus on the commercial conservation area within the town centre, this defines the area that is eligible for inclusion within the planned works and grant schemes over the four-year programme. A requirement of the programme was to identify key priority areas within the Zone, this is to ensure a sequenced programme can be financially profiled, as well as recognise 'hotspot' areas requiring more focused attention. However, it should be recognised that this does not preclude other areas across the HSHAZ area from being eligible for funding support. The priority areas confirmed reflect the feedback received from stakeholders, members of the public, assessment conducted by Kettering Borough Council planners, and were defined in consultation with a Lead Officer at Historic England.
 - b. HSHAZ Project Management

A new resource was built into the period of the programme. This role was to manage and lead the Kettering HSHAZ programme and draw upon additional retained consultancy including specialist architectural resource to inform and support schemes. They work closely with the

planners based at Kettering and present regularly to the Kettering HSHAZ Programme Board, who monitor the grant schemes.

c. Kettering HSHAZ Programme Board

The Board consists of officers and Members from Kettering Borough Council, and representatives from the Cultural Consortium, Community Expert Group and Historic England. The board is responsible for monitoring and evaluating relevant HSHAZ grant schemes and ensuring continuity between the HSHAZ capital schemes and future cultural programme. The Programme Board is led by the HSHAZ Project Manager. It is important that the elected members on the board have an understanding of the strategic alignment of the activities of the programme. **Table 1.** below outlines the previous elected Members represented on the Board;

Table 1.

HSHAZ Programme Board Members
Portfolio Holder for Regeneration
Portfolio Holder for Community Leisure & Youth
Member of the Opposition Party

d. Community Engagement

The approach taken with regards community engagement has followed a desire to build ongoing meaningful place-based engagement, focused on a regenerative approach; Engagement, Participation, Partnership and Leadership, via a variety of activities including: stakeholder workshops, information & consultation events, community portal, community champions, engagement with key groups. This has proved challenging given the emergence of Covid-19 and lockdown restrictions that resulted, however the strong principles have remained a key part of the activity.

e. Shopfront / frontage improvement grant scheme

A grant scheme has been launched, with guidance made available aimed at property owners, the scheme uses a refreshed version of the Kettering Shopfront Improvement Design Supplementary Planning Document. The programme details a scaled-up scheme as compared to the original expression of interest submission, this is to ensure a larger number of improvements can be made and increase the level of visual impact of improvements across the HSHAZ area.

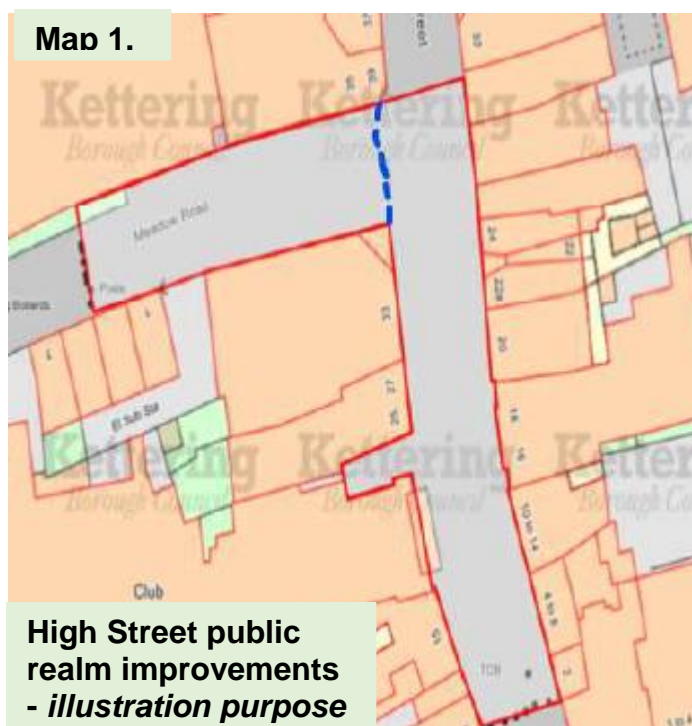
f. Residential / Alternative Conversion grant scheme

A grant scheme which encourages investment requests for capital spend towards upper floor residential conversion and/or alternative uses. This scheme has initially focused on buildings which have planning permission in place and are eligible for the scheme.

g. Historic Building Improvement grant scheme

A grant scheme which encourages investment requests for structural improvements from commercial property owners within the HSHAZ area. This scheme is focusing on key buildings which have been identified following more detailed analysis.

- h. Public Realm and Street Scene improvements
Public realm works are to be funded from the HSHAZ scheme, although there are significant limitations to the level of funding support eligible via this programme. However, Historic England has recognised that improvements are integral to the success of the Kettering HSHAZ scheme. This funding is planned for:
- the continuation of the existing style of public realm, from the Market Place into the High Street to the edge of McDonalds and down Meadow Road (**see Map 1 below**)
 - street scene improvements and decluttering throughout the HSHAZ area, to bring about a greater sense of consistency and improved aesthetics, including signage.



- 4.7 Detailed scheme designs are being worked up for the Council by Balfour Beatty under the Scape Civil Engineering framework for this and additional areas of the town centre, including West Street, High Street, Gold Street and Lower Street. Not all these areas have funding commitments however, it is of benefit to have designed schemes for these areas should funding become available in the future. The Council will as a result be in a strong position with future bids if it can demonstrate it has agreed designs ready and can deliver on its commitments, especially during this year's high spend on delivery.
- 4.8 Shopfront improvement, building improvement and building conversion schemes are reliant on the property owners meeting specific eligibility criteria, which include providing match funding towards their requested projects. Historic England and the Council will be providing a combination of match funding, as well as support in-kind to ensure the success of the schemes.
- 4.9 A summary of the proposed funding breakdown is set out in **Table 2** below. Kettering Borough Council's financial commitment is also outlined within the budget consultation process.

Table 2. High Street HAZ -Project Summary

Ref	Title	HE Funding	Match funding LA	KBC Budget	Anticipated Private Sector Match	Indicative Total
Revenue Budget						
a – d	Enabling and Project Delivery	200,000	200,000	400,000	-	400,000
Indicative Revenue Budget		200,000	200,000	400,000	-	400,000
Capital Budget						
E	Shopfront Improvement Grants	300,000	300,000	600,000	180,000	780,000
F	Residential / Conversion Improvement Grants	250,000	250,000	500,000	250,000	750,000
G	Building Improvement Grants	100,000	100,000	200,000	40,000	240,000
H	Public Realm and Street Scene	630,000	1,554,000	2,184,000	-	2,184,000
Indicative Capital Budget		1,280,000	2,204,000	3,484,000	470,000	3,954,000
Indicative HAZ Submission		1,480,000	2,404,000	3,884,000	470,000	4,354,000

4.10 Table 2 reflects the proposed investment into Kettering town centre of £4.4m. However, this investment is subject to securing funding from the private sector. The proposed amount of funding from Historic England reflects the proposal submitted within the Programme Design. The amount of funding committed by Kettering Borough Council is around £1m more than Historic England funding for Public Realm, as the Council recognised that in order to bring a suitable scheme forward, additional funding was required. Also of note, Historic England’s contribution can not be used to fund public realm enhancements outside the conservation area, the area identified in Meadow Road lies outside of this designation, so Council funding is being used alone to deliver this part of the scheme.

4.11 Prior to the individual grant schemes being launched, guidelines, criteria and robust governance for decision making was developed in collaboration with Historic England. This consists of regular meetings involving Historic England and officers of the Council, monthly HSHAZ Project Team meetings, and a quarterly Board Meeting. The HSHAZ Project Manager is responsible for managing and delivering all aspects of the programme, which will include taking grant request applications through the approval and monitoring process. The Council has also allocated a Project Manager to coordinate design and delivery of the public realm scheme activities.

- 4.12 At the Full Council meeting of Kettering Borough Council on 13th January 2020, it was agreed to endorse the HSHAZ Programme Design for Kettering town centre; the capital and revenue budgets outlined in Table 2 above were approved; and membership of the HSHAZ Board were agreed, as detailed in Table 1.

West Street Project

- 4.13 Officers have been working towards delivering against the programme of projects, in particular those associated with building and shopfront grants, and public realm enhancements. There is a growing confidence that the high budget spend planned for this year will be achieved. However, there are still many challenges to be overcome to ensure the works are carried out within the agreed timeframe. To add to the project, officers worked with Historic England to seek to secure additional funding to increase the areas benefitting from investment in public realm.
- 4.14 The Council has subsequently been successful in a bid to secure an additional £150,000 grant contribution to repair and relay the cobbled street surface in West Street. This is a full grant from Historic England, no match funding is required from the Council or the private sector. It is proposed that this funding grant be received with thanks by the Council, and its investment be made on the West Street cobbles project, implementation being made alongside delivery of the High Street/ Meadow Road public realm scheme planned to start late this summer.

HSHAZ Board Membership

- 4.15 The Board membership has previously included three Members of Kettering Borough Council however, those places on the Board are now vacant, and fall to North Northamptonshire Council to replace. As indicated above, membership consisted of the Portfolio Holder for Regeneration, the Portfolio Holder for Community, Leisure & Youth, and a Member of the Opposition Party. Members could elect to maintain a similar structure going forward.
- 4.16 It is now recommended that the Executive agree to select the following councillors to sit on the HSHAZ Board:
- the Executive Member for Growth & Regeneration; and
 - the Deputy Leader and Executive Member for Sport, Leisure, Culture & Tourism;
- 4.17 Following Local Government elections in May 2021, Kettering Town Council was created as a publicly elected body. Government Guidance advises that all tiers of local Government are represented on Boards, so it is recommended that a Member of Kettering Town Council also be invited to join the Board. The Board meets quarterly to consider and determine matters of governance of the HSHAZ project.

5. Issues and Choices

- 5.1 Kettering Borough Council made a firm commitment to provide investment in the fabric of Kettering town centre. This has been recognised by Historic England, leading to a successful award of HSHAZ funds. Scheme design is progressing, and private investment is being secured; however, it remains that the original commitment to the scheme was made by Kettering Borough Council. To continue to generate confidence in the investment programme and improve the potential for securing additional funds to benefit the town centre, an endorsement of that original decision by Kettering Borough Council is requested.
- 5.2 A further £150,000 has subsequently been secured to implement a public realm project involving the relaying of cobbles in West Street. This is a full grant commitment by Historic England, who is working closely with officers on this and other projects in the town centre. Members are asked to agree to accept this funding offer and commit to invest it to carry out the works set out. It is intended that the project will be managed through the HSHAZ Board, and the finance monitored through the Strategic Capital Board. The Strategic Capital Board is headed by the Council's S151 Officer for internal officer approvals, and final approval is at the Executive as part of the Capital Finance report.
- 5.3 The current HSHAZ Board reflects Government Guidance and includes those stakeholders who should be Members of the Board. The Board currently consists of a representative of Historic England, and a small number of other business organisations in the town centre. Government Guidance advises that all tiers of local Government are represented on Boards, so following the local government elections in May 2021, the membership of the Board needs to be updated as recommended in 4.16 and 4.17 above.

6. Implications (including financial implications)

6.1 Resources and Financial

- 6.1.1 Funding is drawn from both the Council's and Historic England's budgets, the Council's contributions having been committed by Kettering Borough Council and carried forward as a commitment into North Northamptonshire Council's budget. This consists of match funding as well as support in kind. The spend profile will be managed through the HSHAZ Board and monitored by the Strategic Capital Board. A HSHAZ Project Manager is in post for the four-year period of the project, funded through the project.

6.2 Legal

- 6.2.1 The Council is currently using Balfour Beatty through the SCAPE framework to prepare a feasibility study for a range of public realm enhancements. This does not commit the authority to subsequently deliver the first of the schemes at High Street/ Meadow Road at this stage. Beyond this consideration, there are no legal implications arising from the proposals.

6.3 Risk

- 6.3.1 There are no significant risks arising from the proposed recommendations in this report. The risks and greatest challenges lie in delivering the programme of projects, and so spending the available budget to the agreed timeframes. Not delivering to the programme, will result in funds committed by Historic England being returned. However, there is potential for underspend nationally, which could be reallocated to other HSHAZ projects. Officers are keen to ensure processes are in place to ensure progress with the programme is smooth, to reduce the risk of losing funding it has already secured, and to give itself the best chance of securing further additional Historic England funding into deliver more of the Kettering HSHAZ programme.

6.4 Consultation

- 6.4.1 There has been no specific consultation undertaken leading directly to this report. However, consultation was at the heart of the HSHAZ submission to Historic England. This same commitment to thorough and imaginative public engagement has been maintained throughout the subsequent development of the programme, challenging whilst restrictions have been in place because of Covid-19. Electronic communication has been important, although on-site events have also been held to encourage and build participation and knowledge of the programme. This is paying off, and momentum is building with property owners attracted to applying for grants that invest in improving properties in the HSHAZ area.

6.5 Consideration by Scrutiny

- 6.5.1 This report has not been considered by Scrutiny but the wider project can be considered as part of its work programme if required..

6.6 Climate Impact

- 6.6.1 Improvements in the town centre are intended to create an attractive and sustainable environment for people to live and visit, thereby reducing the numbers who need to travel away from the town. Also, the town centre benefits from a broader range of public transport and active travel options, encouraging their use rather than use of the private car. The public realm enhancements have set a target of achieving at least 10% biodiversity net gain, this through retaining all existing trees and planting 4+ new trees, and the planting of native species or off-site planting in Meadow Road Park.

6.7 Community Impact

- 6.7.1 HSHAZ will restore pride in the historic character of the town centre, providing growth and investment to bring residents and visitors to enjoy the facilities and environment created.

7. Background Papers

- 7.1 Kettering Borough Council - Full Council meeting 13th January 2020
(<https://www.kettering.gov.uk/meetings/meeting/1795/council>) (Agenda Item 8 and minute 19.C.77 refers)