

EXECUTIVE

15th August 2024

Report Title	Priority Places Cultural Allocation for North Northamptonshire – Governance Arrangements
Lead Member	Cllr Jason Smithers, Leader of the Council
Report Author	George Candler - Executive Director for Place & Economy (Deputy Chief Executive)

Key Decision	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Is the decision eligible for call-in by Scrutiny?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Are there public sector equality duty implications?	<input type="checkbox"/> Yes <input checked="" 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/s for exemption from publication under Schedule 12A Local Government Act 1972	N/A
Which Corporate Plan priority does the report most closely align with?	Active, fulfilled lives

List of Appendices

Appendix A – List of projects included in the Investment Plan

1. Purpose of Report

- 1.1. North Northamptonshire Council was provisionally awarded up to £5 million of capital funding as part of the Spring Budget. This funding is to support local cultural projects. An Investment Plan was submitted to Government on 3rd June 2024 to secure this funding. The Council expects to hear back from the new Government, on the plan and award of funding soon. This report sets out the proposed arrangements, including governance and reporting requirements for delivering the programme as set out in the Investment Plan.

2. Executive Summary

- 2.1 The provisional funding for North Northamptonshire, which was announced in the Spring Budget, ensures that all areas that have been previously prioritised for levelling up investment by the previous Government will have benefitted through one of the Levelling Up Fund rounds.

- 2.2 To secure the funding, the Council was required to develop an Investment Plan that is focused on supporting cultural activity in the area. As part of this the Council had to confirm that it had consulted with key local stakeholders, including the local MPs, before submitting the Investment Plan. An investment plan template was provided by the former Department for Levelling Up, Housing and Communities (now the Ministry for Housing, Communities & Local Government).
- 2.3 A report to Executive on 18th April 2024 agreed the request for delegated powers to enable a panel of Executive Members, representatives from the other recognised groups on the Council, two independent advisors, and officers to consider projects to be shortlisted for inclusion in the Councils' Investment Plan submission to Government to secure the capital funding allocation.
- 2.4 The final decision on the projects to be included in the Investment Plan was made by the Leader in consultation with the Executive Director for Place & Economy (Deputy Chief Executive) and Executive Director for Finance & Performance, following recommendations from the Panel, and the Investment Plan was submitted to Government on 3rd June 2024.
- 2.5 A decision on the award of funding is expected soon. It is therefore important that the Council is ready to act, especially as the window for project delivery is likely to be tight, with a likely end date for any expenditure of March 2026. The purpose of this report is to ensure that the relevant decisions and delegations are in place pending future announcements from the new Government.

3. Recommendations

- 3.1 It is recommended that the Executive:
- a) Delegate authority to the Leader, in consultation with the Executive Director for Place & Economy (Deputy Chief Executive), to approve:
- the grant determination letter with Government
 - funding agreements with the lead body for each project
 - change control requests
 - any funding changes between projects required to manage the programme as outlined in the Investment Plan
 - details of the small grants scheme for cultural projects and related funding awards
- b) Agree to the establishment of a small Members Panel to provide oversight and management of the programme and be responsible for decision making on the small grant scheme. Membership will include the Leader (Chair), Executive Member for Growth & Regeneration, the Executive Member for Sport, Leisure, Culture & Tourism (Deputy Leader), and the Executive Member for Housing, Communities & Levelling-up, with support from the Executive Director for Place & Economy (Deputy Chief Executive), Executive Director for Finance & Performance, Head of Service for Culture, Heritage & Tourism and external advisors from Leicester University and the University of Northampton.

- 3.2 Reason for Recommendations: To ensure compliance with the funding requirements in respect of projects. To manage the programme effectively and transparently.
- 3.3 Alternative Options Considered: To not establish governance arrangements could undermine the ability of the Council to secure the funding and delay progress.

4. Report Background

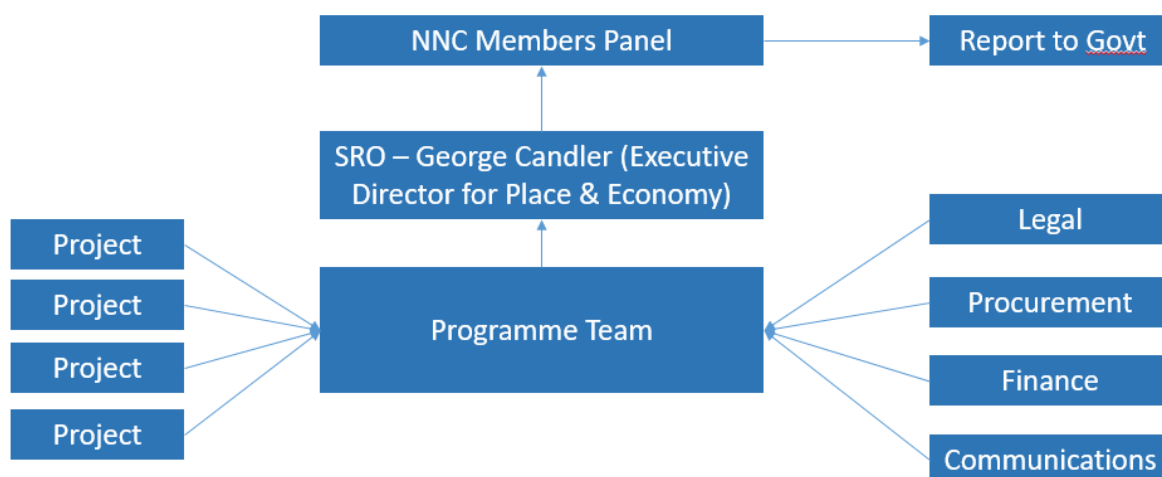
- 4.1. As part of the Spring Budget announcements, North Northamptonshire Council was provisionally awarded up to £5 million of capital funding to support local cultural projects in the area. This allocation is part of £100m which was set aside nationally by the previous government for cultural projects. This provisional funding ensures that all areas that have been previously prioritised for levelling up investment – which includes North Northamptonshire – have benefitted through one of the Levelling Up Fund rounds.
- 4.2. To secure this funding, the Council was required to submit an Investment Plan detailing the projects it wishes to support. The Investment Plan had to make full justification for the activity planned, fitting within the crucial role culture can play in levelling up and supporting pride in place.
- 4.3. The projects also needed to meet relevant statutory requirements including the Subsidy Control Act 2022 and requirements under the public sector equality duty (section 149 of the Equalities Act 2010).
- 4.4. The previous Government did not provide any specific eligibility criteria, such as match-funding, other than it must be a capital project and compliant with subsidy rules. However, the Council had to articulate the impact funding will have in the area in terms of outcomes and outputs and illustrate how it provides value for money.
- 4.5. Following a call for projects, twenty-five projects were submitted from a range of businesses and organisations before the deadline. Submissions were initially assessed by officers to ensure that they met the prescribed criteria and input was received from the Government's Priority Places team. The longlist of projects was also shared with MPs at this stage for their initial feedback.
- 4.6. Information on all of the projects was shared with the Advisory Panel. An open discussion on each of the projects was held by the Panel on 30th April 2024, and again on 23rd May to consider the submission and make recommendations to the Leader. The projects supported are included in **Appendix A**.
- 4.7. The Investment Plan was submitted to Government on 3rd June 2024. Following the General Election, officers have contacted officials for an update on the funding commitment, and the Council expects to hear back soon from the new Government on next steps and the award of funding. This funding is crucial to improve cultural facilities in the area. Any loss of funding would have a major impact on the delivery of the projects listed in the Investment Plan and

consequently the new jobs, further investment, increased visitors, and other benefits anticipated.

Accountable Body

- 4.8. The Council will be the Accountable Body for the funding. This means that the Council assumes legal responsibility for the proper management and utilisation of the allocated funds. It also means that it will be responsible for ensuring that appropriate governance, monitoring and reporting processes are established. Any external projects awarded funding will require a grant funding agreement with the Council. Such funding agreements will ensure compliance with subsidy control regulations.
- 4.9. The funding will be awarded to the Council through a Grant Determination Letter – details of which are not yet known. However, in advance of the detail in the Grant Determination Letter, it is prudent to establish a robust programme management process to ensure that the Council is ready to act, especially as the window for project delivery is tight, with an expected end date for any expenditure of March 2026.
- 4.10. The approach proposed is similar to that used for previous major funding programmes, including the Community Renewal Fund and the UK Shared Prosperity Fund. A small Members Panel will be established to oversee and manage the programme. All the projects identified in the Investment Plan fall under the remits of the following Executive Members: the Executive Member for Growth & Regeneration; the Executive Member for Sport, Leisure, Culture & Tourism (Deputy Leader); and the Executive Member for Housing, Communities and Levelling-up. The Panel will be chaired by the Leader and supported by the Executive Director for Place & Economy (Deputy Chief Executive), Executive Director for Finance & Performance, Head of Service for Culture, Heritage & Tourism and external advisors from Leicester University and the University of Northampton.
- 4.11. The Terms of Reference for the Panel would include:
- Monitoring progress of the programme and delivery
 - Financial monitoring & reporting to government
 - Awarding of small grants
 - Communications
 - Programme evaluation
- 4.12. Decisions will be reported through a written record of decision which will be submitted to the Democratic Services team for publication. It is envisaged that the Panel will meet quarterly.
- 4.13. The Council is also able to continue to draw on the support and expertise of the Governments' Priority Places Team to support individual projects.

North Northamptonshire Cultural Allocation – Governance Arrangements



Project Delivery

- 4.14. Projects led by external organisations will be required to enter into a Funding Agreement with the Council. This will set out the obligations, funding requirements and reporting process. It will be based upon the requirements set out in the Grant Determination letter and is likely to include a quarterly monitoring and claims process. Project costs will be reimbursed according with the terms of the agreement and evidence of spend and defrayal.
- 4.15. Project progress will be monitored and reported to the Members Panel on a quarterly basis. Outputs and outcomes will be captured to measure the impact of the programme.
- 4.16. The detailed arrangements will take into account the Government Grant Standard and the requirements that it sets out for due diligence and fraud control - [Government Functional Standard GovS 015: Grants - GOV.UK \(www.gov.uk\)](http://www.gov.uk/government/functional-standards/government-functional-standard-govs-015-grants)
- 4.17. A programme webpage will be established, and regular newsletters will be issued to ensure that stakeholders are kept informed of project progress.
- 4.18. A change control process will help to manage in-life issues and ensure that programme delivery remains on track.

5. Issues and Choices

- 5.1. The Council could have chosen not to submit an Investment Plan but this would mean forgoing the £5m which has been provisionally allocated. Failure to agree governance arrangements could also put potential funding at risk and undermine successful delivery.

6. Next Steps

- 6.1. Next steps are dependent on a decision on the Investment Plan from the new Government. The governance proposals outlined in the report, including the establishment of the Members Panel, will be implemented once the decision is known. These will also take into any additional obligations that the Government sets out in its Grant Determination Letter.

7. Implications (including financial implications)

7.1. Resources, Financial and Transformation

- 7.1.1. The £5m provisional allocation was agreed by Strategic Capital Programme Board at its meeting on 25th March 2024 for inclusion in the Capital Programme pipeline. It was also included in the Capital Programme update which was reported to Executive on 18th April 2024.

7.2. Legal and Governance

- 7.2.1. Should the Council be successful in the award of capital funding, it will receive a grant determination letter from Government. This confirms the allocation of funding and related terms and conditions, including payment schedule. The Council will be the Accountable Body for the funding. This means that the Council assumes legal responsibility for the proper management and utilisation of the allocated funds. It will also be responsible for ensuring that appropriate governance, monitoring and reporting processes are established. Any projects awarded funding and led by external organisations will require a grant funding agreement with the Council. The funding agreements will also help to ensure compliance with subsidy control regulations.

7.3. Relevant Policies and Plans

- 7.3.1. Investment in Cultural assets will support several of the priorities in the Corporate Plan 2021/25. These include Active, fulfilled lives, Safe and thriving places, Greener, sustainable environment and Connected communities.
- 7.3.2. The Investment Plan will also support the objectives in the recently published Northamptonshire Tourism Strategy.

7.4. Risk

- 7.4.1. The management of risk is a key consideration within the Investment Plan

Risk	Mitigation	Residual Risk
Council lacks the skills and knowledge to manage the delivery of the Investment Plan	Internal resource prioritised to deliver task	Low

Project delivery is delayed	Programme team maintains regular contact with the project leads	Low
-----------------------------	---	-----

7.5. Consultation

7.5.1. Details of the funding opportunity was shared with local stakeholders through various mechanisms, including direct contact, partner networks, social media, the Council's website (see below), and a Press Release.

[Cultural fund | North Northamptonshire Council \(northnorthants.gov.uk\)](https://www.northnorthants.gov.uk/cultural-fund)

7.5.2 The Council has been in contact with all stakeholders who submitted projects. This has included communicating the decision on which projects were shortlisted for inclusion in the Investment Plan to all lead organisations. Information on potential alternative sources of funding has been shared with unsuccessful applicants.

7.6. Consideration by Executive Advisory Panel

7.6.1. Due to the need to submit the Investment Plan by 3rd June, there was not sufficient time for it to be considered by the Executive Advisory Panel.

7.7. Consideration by Scrutiny

7.7.1. The deadline for submission of the Investment Plan did not provide sufficient time for the report to be considered by Scrutiny. Scrutiny may wish to consider this area as part of its annual work programme over the coming months.

7.8. Equality Implications

7.8.1. An Equalities Impact Screening Assessment will be completed for each project.

7.9. Climate Impact

7.9.1. With the Council's declaration of a climate emergency in July 2021 and the approval of the Carbon Management Plan in December 2022, we have committed to working towards becoming a carbon neutral council by 2030.

7.9.2. A Climate Change Impact Assessment (CCIA) will be undertaken prior to any funding agreements being finalised.

7.10. Community Impact

7.10.1. Investment in cultural projects has the potential to contribute to improve the Pride in Place and positively impact on local communities across the area.

7.11. Crime and Disorder Impact

7.11.1. Under Section 17 of the Crime and Disorder Act 1998, the Council has equal statutory responsibility with the Police to exercise its various functions with 'due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent, crime and disorder in its area'.

7.11.2. No impact on crime and disorder is expected.

8. Background Papers

8.1. None

APPENDIX A - List of projects by priority theme

PRIORITY 1: Enhancing existing performance and arts space

This priority will deliver an enhanced offering across the area, building on existing performance space provision to enhance the visitor experience and drive cultural engagement, and through the provision of new arts spaces, to inspire participation and new audiences.

Project (code and name)	Summary	Benefits	Value
05 BHVA Axis Hub, Former Gala Bingo, Kettering	Purchase of building, awaiting outcome of Community Ownership Fund bid (expected June)	Will enable start of Phase 1 of a transformational project in heritage action zone by purchasing the building and partial renovation, however, project is dependent on other funding which is not secure so must be seen as risky	£504,167
09 Lighthouse Theatre, Kettering	Programme of investment in sound, lighting, accessibility and customer experience improvements, including a new community studio space	Enhanced visitor experience Increased capacity for events More sustainable operation	£650,500
19 Building 17, Chester House	Creation of collaborative cultural exhibition / gallery space in conjunction with Northants and Rutland Open Studios	260sqm new cultural space created 90sqm new educational floorspace Increased audience numbers 1600 volunteering opportunities supported	£565,000
22 Fernynwoods Contemporary Arts	Establish a new permanent base at East Carlton Park, to deliver enhanced programme of artistic, educational and environmental activity	65% increase in monthly visitors	£500,000
TOTAL			£2,219,667

PRIORITY 2: Strengthening the Cultural heritage offer

This priority aims to make the most of the area's rich history and heritage and to help ensure that this is understood and valued by new generations. Building on a range of heritage assets, these projects will deliver a wide array of offer, in market towns and in rural areas.

Project (code and name)	Summary	Benefits	Value
-------------------------	---------	----------	-------

03 Old Pumphouse Visitor Centre @Sywell Country Park	Refurbishment of historic pumphouse building to house a new visitor centre, promoting heritage and encouraging volunteer opportunities	Protecting cultural heritage building – Edwardian pumphouse Increased educational opportunities 5,000 Volunteer hours 10% increase in visitor numbers	£350,000
10 Rothwell Market House	Refurbishment of Grade 1 listed building (on 'at risk' register from June) to deliver a new educational, community and exhibition space which will promote the heritage of the town, with strong links to Tresham family.	Protection of culturally significant heritage building Increased educational opportunities Increased volunteering opportunities	£396,686
13 Desborough Heritage Centre	Purchase and redevelopment of co-op building, to deliver a new heritage interpretation centre	Protecting cultural heritage 560sqm floorspace improved 50sqm Educational space created 1900 Volunteering opportunities Links to wider tourism Opportunity to unlock further heritage funding	£500,000
17 Rushden Transport Heritage Society	New Railway shed to house engineering and visitor centre	Increased volunteering opportunities Increased educational facilities – links to heritage engineering courses	£610,000
TOTAL			£1,856,686

PRIORITY 3: Increasing cultural engagement, including from younger people

This priority will increase cultural engagement, by attracting new audiences and participants to cultural activities, including younger people to increase well-being, tackle anti-social behaviour, crime and other issues.

Project (code and name)	Summary	Benefits	Value
12B Project M creative youth space	Refurbishment of town centre space to deliver a wider programme of youth cultural activities, including a recording studio, media suite and rehearsal rooms (in partnership with Youth Music, the Community Foundation and British Film Institute /	Increased cultural participation – from 30 young people a week to 190+ Wellbeing and reduction in anti-social behaviour	£200,000

	Northants Film Festival to provide a film making club as well as an acting and drama sessions		
20A Adrenaline Alley – Improvements to existing buildings	Investment to increase capacity and improve facilities	Improvements will help bring more cultural activities and events to the area appealing to new audiences	£223,647
TOTAL			£423,647

Project (code and name)	Summary	Benefits	Value
Grant scheme for small cultural projects	Potential criteria: <ul style="list-style-type: none"> • Capital project, £10,000 - 100,000 • Quantified outputs and milestones, impact must be more than just local • Match-funding (minimum 10%) • Supports cultural activity in the area, drives cultural engagement • Deliverable by March 2026 • Payment on evidence of eligible spend 	To be confirmed	£500,000
TOTAL			£500,000

Theme	Potential funding
Enhancing existing performance and arts space	£2,219,667
Cultural Heritage	£1,856,686
Increasing Cultural Engagement	£423,647
Cultural Grant scheme	£500,000
TOTAL	£5,000,000