

## Levelling Up Fund Application Form

This form is for bidding entities, applying for funding from the Levelling Up Fund (LUF) across the UK. Prior to completing the application form, applicants should read the [LUF Technical Note](#).

The Levelling Up Fund Prospectus is available [here](#).

The level of detail you provide in the Application Form should be in proportion to the amount of funding that you are requesting. For example, bids for more than £10m should provide considerably more information than bids for less than £10m.

Specifically, for larger transport projects requesting between £20m and £50m, bidding entities should submit the Application Form. If available, a more detailed business case may be submitted for larger transport project bids in addition to the application form. Further detail on requirements for larger transport projects is provided in the [Technical Note](#).

One application form should be completed per bid.

### **Applicant & Bid Information**

**Local authority name / Applicant name(s)\*:** [West Lindsey District Council](#)

**Bid Manager Name and position:** [Sally Grindrod-Smith, Assistant Director Planning and Regeneration](#)

*Name and position of officer with day-to-day responsibility for delivering the proposed scheme.*

**Contact telephone number:** [01427 676637](#)

**Email address:** [sally.grindrod-smith@west-lindsey.gov.uk](mailto:sally.grindrod-smith@west-lindsey.gov.uk)

**Postal address:** [Guildhall, Marshall's Yard, Gainsborough, Lincolnshire, DN21 2NA](#)

**Nominated Local Authority Single Point of Contact:** [Sally Grindrod-Smith, Assistant Director Planning and Regeneration](#)

**Senior Responsible Officer contact details:**

[Ian Knowles, Chief Executive Officer, West Lindsey District Council](#)

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[Guildhall, Marshall's Yard, Gainsborough, Lincolnshire, DN21 2NA](#)

**Chief Finance Officer contact details:**

Tracey Bircumshaw, Assistant Director, Finance, Business Support and Property Services (S151)

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Guildhall, Marshall's Yard, Gainsborough, Lincolnshire, DN21 2NA

**Country:**

**England**

Please provide the name of any consultancy companies involved in the preparation of the bid:

Mutual Ventures

Project Centre

Cadence Innova

For bids from **Northern Ireland applicants** please confirm type of organisation

Northern Ireland Executive

Third Sector

Public Sector Body

Private Sector

District Council

**Other (please state)**

## PART 1 GATEWAY CRITERIA

Failure to meet the criteria below will result in an application not being taken forward in this funding round

### 1a Gateway Criteria for **all bids**

Please tick the box to confirm that your bid includes plans for some LUF expenditure in 2021-22

*Please ensure that you evidenced this in the financial case / profile.*

Yes

### 1b Gateway Criteria for private and third sector organisations in **Northern Ireland bids only**

(i) Please confirm that you have attached last two years of audited accounts.

N/A

(ii) **Northern Ireland bids only** Please provide evidence of the delivery team having experience of delivering two capital projects of similar size and scale in the last five years. (Limit 250 words)

N/A

## PART 2 EQUALITY AND DIVERSITY ANALYSIS

2a Please describe how equalities impacts of your proposal have been considered, the relevant affected groups based on protected characteristics, and any measures you propose to implement in response to these impacts. (500 words)

'Thriving Gainsborough 2024' is designed, through regeneration of the town centre and local investment in cultural facilities, to revitalise the local economy and ultimately reduce the acute deprivation experienced across several wards. This aligns with our local equality policy, stimulating regeneration that maximises benefits for the most deprived areas and ensuring equitable outcomes for all, particularly those most at risk of experiencing discrimination, poverty and social exclusion.

As such, West Lindsey District Council ('WLDC' or 'the Council') has completed an Equality Impact Assessment ('EqIA') for this proposal (Appendix E) which considers the impact on:

- Our most vulnerable and deprived communities (which are within the town centre), including wards that are amongst the 10% most deprived in the country.
- The 9 protected groups identified in the Equalities Act 2010 which are listed and assessed individually in the EqIA.

This proposal is designed to deliver equality of opportunity across the district, particularly in relation to employment and training opportunities. It will also address the deficit of accessible, high quality green space, helping to improve residents' physical and mental health and quality of life. This aligns with Public Health England guidance, stating that disadvantaged groups gain a larger health benefit and have reduced socioeconomic-related inequalities in health when living in greener communities.

We have also taken into consideration the recent concerns raised by The National Market Traders Federation which wants to ensure that regeneration of market places nationwide does not lead to over gentrification and the exclusion of more disadvantaged customers who tend to use markets, including those from 'low-income neighbourhoods; those with long-term illnesses, a disability, or people with young children, and migrants or ethnic minorities'. 'Thriving Gainsborough 2024' aims to reverse the decline in foot traffic into the existing market and return it to a sustainable footing rather than changing its focus. The mix of traders will be assured through our trader policies.

Some of the other key measures proposed specifically designed to address impacts on groups with protected characteristics are:

- A safe and accessible play space for children within the new park at Baltic Mill

- Training opportunities for young people, building on existing relationships with local schools, Gainsborough College and the University of Lincoln.
- Energy efficient, safe and affordable homes within the town centre for those less able to travel.
- Full level access, wheelchair provision and disabled parking as part of the Lindsey Centre redevelopment. A 'changing places' facility is also being assessed for inclusion.
- Redesign of the placing of street furniture to aid natural orientation for those with sight loss.

The EqIA for this bid will be a live document which will be updated as the project progresses to ensure latest best practice is applied. Updated versions will be required at agreed key milestones, including at procurement stage. Equality impact will also be built into the monitoring and evaluation framework, with resulting changes requiring an updated EqIA.

When authorities submit a bid for funding to the UKG, as part of the Government's commitment to greater openness in the public sector under the Freedom of Information Act 2000 and the Environmental Information Regulations 2004, they must also publish a version excluding any commercially sensitive information on their own website within five working days of the announcement of successful bids by UKG. UKG reserves the right to deem the bid as non-compliant if this is not adhered to.

Please specify the weblink where this bid will be published:

[www.west-lindsey.gov.uk/levellingupfund](http://www.west-lindsey.gov.uk/levellingupfund)

## PART 3 BID SUMMARY

3a Please specify the type of bid you are submitting

Single Bid (one project)

3b Please provide an overview of the bid proposal. Where bids have multiple components (package bids) you should clearly explain how the component elements are aligned with each other and represent a coherent set of interventions (Limit 500 words).

We are committed to ensuring Gainsborough thrives and realises its full potential. Our ‘Thriving Gainsborough 2024’ project, which represents the interventions detailed within this application, has been co-produced with our communities, politicians, local businesses and third party investors. It builds on the momentum created by previous interventions and implements further visibly impactful and transformational change. Our intention is to directly address the most pressing systemic challenges and market failures that continue to hold the town and our communities back, while ensuring that the town plays an active role in reducing carbon emissions.

The town of Gainsborough requires ‘levelling up’; the historic heart (Market Place) is stagnant, with increasing shop and market stall vacancies, reduced footfall during the day and no night-time economy. Other areas of the town, including Marshall’s Yard, are thriving.

Within the South West Ward (SWW), Local Super Output Areas (LSOA) 004F and 004E, which neighbour the town centre, are ranked amongst the 10% most deprived in the country. Area 004E is within the 0.1% most deprived areas in England.

‘Thriving Gainsborough 2024’ will establish the physical, economic, social and environmental conditions required to address economic decline and the acute deprivation experienced across several wards. The intention is for the LUF investment to act as a visually impactful enabler and catalyst for clean and organic economic growth, attracting private investment and providing all residents with accessible employment and training opportunities. Re-establishing local pride and nurturing interest from outside the town is also central to our aspirations.

‘Thriving Gainsborough 2024’ represents a single project comprising of aligned and coherent interventions. Each intervention is designed to address one or more elements of failure and provides an inherent value-add, while also contributing to a collective multiplier effect:

- Construction of a 4-screen cinema, two retail and one restaurant units in the town centre - (*development of dilapidated site & new film facilities*).
- Redesigning the use and streetscape of the Market Place with the aim of re-establishing the area as the town’s thriving heart - (*upgraded spaces and assets, where this links to local inclusive growth*).

- The extension of the Townscape Heritage Initiative, involving the refurbishment of heritage buildings and wider shop fronts - (*upgraded historical buildings*)
- Creating a green public realm. The creation of a new pocket park along the riverside and undertaking improvements to the existing park - (*delivery of new public spaces...*).
- The implementation of wayfinding strategy - (*enhanced townscape that is more accessible to residents, businesses and visitors*).
- The refurbishment of the bus station - (*enhanced townscape...*)
- Extending the live above the shop programme - (*delivery of quality residential space*).

Further details on each intervention are provided within Appendix G.

Our long term ambitions rely on the successful implementation of ‘Thriving Gainsborough 2024’. Further transformation is planned, including improving connectivity between the town centre and train station and connectivity across Lincolnshire and surrounding counties. Our intention is to implement the remaining aspects of our Public Realm Strategy (Appendix N), continuing to unlock the riverside and improve connectivity with the SWW.

|   |                              |             |
|---|------------------------------|-------------|
| 3c Please set out the value of capital grant being requested from UK Government (UKG) (£). This should align with the financial case: |                              | £10,274,858 |
| 3d Please specify the proportion of funding requested for each of the Fund's three investment themes                                  | Regeneration and town centre | 47%         |
|   | Cultural                     | 53%         |
|   | Transport                    | 0%          |

## PART 4 STRATEGIC FIT

### 4.1 Member of Parliament Endorsement (GB Only)

See technical note section 5 for Role of MP in bidding and Table 1 for further guidance.

4.1a Have any MPs formally endorsed this bid? If so confirm name and constituency. Please ensure you have attached the MP's endorsement letter.

Yes

**See Appendix A**

MP name: Rt Hon Sir Edward Leigh MP

Constituency: Gainsborough

Sir Edward Leigh MP is fully supportive of our bid to the LUF and has actively worked with us to develop the project. Sir Edward has challenged the district to be ambitious and to consider how we can focus our regeneration efforts to the maximum benefit of our local community, whom in the heart of Gainsborough face some of the highest levels of deprivation across the country.

Sir Edward Leigh MP receives regular briefings on the developments planned for West Lindsey. Sir Edward will continue to work with the Council and colleagues across Government to secure and deliver investment into the Gainsborough constituency. As the project evolves and develops Sir Edward will be part of the briefing process and hence part of the implementation.

The letter of support from Sir Edward Leigh is included at Appendix A, alongside other letters of support from the following:

- [REDACTED]

### 4.2 Stakeholder Engagement and Support

See technical note Table 1 for further guidance.

4.2a Describe what engagement you have undertaken with local stakeholders and the community (communities, civic society, private sector and local businesses) to inform your bid and what support you have from them. (Limit 500 words)

Over 3,230 stakeholders were involved (June 2017-June 2021) in a community led approach to shape Gainsborough's town vision and Neighbourhood Plan, upon which the proposed LUF interventions are based.

A pre-consultation survey asking respondents who they thought would be most interested and affected by the project was used to develop a detailed stakeholder list, including hard to reach groups. A citizens' panel helped to understand the best channels and methods to engage with the identified groups to optimise engagement.

### **Consultation**

A multi-channelled, flexible approach was used to engage with residents, business owners, other affected stakeholders and interested parties in a wide-reaching consultation that was representative of the full range of stakeholders.

Innovative methods including competitions, school and cross community events, face-to-face and virtual group meetings as well as informal drop-ins ensured hard to reach groups such as young people, those with disabilities, homeless, low income, unemployed, renters, digitally excluded and those living in rural areas were included.

The Town Council ran 23 public events from June 2017 to March 2018. These included a publicised weekly drop-in at a central location over six weeks, community fun days, freshers' fair at local college, meetings at primary and secondary schools and engagement with local groups such as the Women's Institute, a mental health support group and head teachers' meetings.

Methods to gather qualitative and quantitative feedback from respondents including a web portal, online and offline questionnaires, 'Peoples Panel' meetings, social media and focus groups.

Emerging themes included improved walking and cycling routes, improvements to historic buildings, creating a focal point in the Market Place and developing an evening economy of cafes, pubs, restaurants, cultural and other leisure facilities, each gaining over 90% support.

### **Town vision**

The themes identified were used to develop a set of objectives and policies underpinned by a collective town vision; a draft was created and shared via the Town Council website, the RAGE website and Facebook. The Town Council also attended nine public meetings to publicise and update residents.

The results of the statutory regulation 14 consultation (29<sup>th</sup> October 2019 to 17<sup>th</sup> December 2019) demonstrated strong support:

- Improving the vitality of the town centre - making Market Place an attractive focal point for shoppers and re-enforcing the character of the historic streets - 75% support.
- Design principles - high quality design that adds to, protects and compliments the character of Gainsborough - 74% support.
- Protecting heritage assets - 84% support.

### Neighbourhood Plan

During the 2021 local elections, 88.4% of voters were in favour of the Neighbourhood Plan, indicating that support for the 'Thriving Gainsborough 2024' interventions has strengthened over the Covid period.

The interventions identified within this application were considered and approved by a joint meeting of the Council's Prosperous Communities and Corporate Policy and Resources Committee (June 2021).

Given the co-produced nature of the interventions, MP backing, the mandate provided through the May 2021 referendum and the approval by Committees and the Place Board, 'Thriving Gainsborough 2024' has political, private sector and community support.

4.2b Are any aspects of your proposal controversial or not supported by the whole community? Please provide a brief summary, including any campaigns or particular groups in support or opposition? (Limit 250 words)

Community support for the 'Thriving Gainsborough 2024' interventions was confirmed during the 2021 local elections, with 88.4% of voters in favour. Since the referendum, there has been no identified community resistance to the proposals or negative coverage regarding the result. Additionally, numerous local stakeholders have provided letters of support for the project (Appendix A).

Gainsborough Town Centre is identified by Historic England ('HE') as a conservation area. HE names the area within its 'heritage at risk register', citing the condition of the area as 'very bad', with 'high' vulnerability. Since an earlier redevelopment of the Sun Hotel site in 2018 which HE had objected to, the Council has engaged with HE and formed a stronger working relationship, with a partnership approach now assumed to all aspects of local regeneration. HE is supportive of the Townscape Heritage Scheme improvements and has no objections to the redevelopment of the Lindsey Centre site into the proposed cinema.

4.2c Where the bidding local authority does not have the statutory responsibility for the delivery of projects, have you appended a letter from the responsible authority or body confirming their support?

N/A

For Northern Ireland transport bids, have you appended a letter of support from the relevant district council

N/A

### 4.3 The Case for Investment

See technical note Table 1 for further guidance.

4.3a Please provide evidence of the local challenges/barriers to growth and context that the bid is seeking to respond to. (Limit 500 words)

The old commercial heart of Gainsborough is failing as a commercial centre. The town centre is suffering from an absence of evening economy and leisure attractions - there are no restaurants, bars or other leisure providers operating in this area. This has led to a lack of footfall and dwell time, with residents and potential visitors travelling to other towns in their leisure time (or limiting their Gainsborough visit to Marshall's Yard).

The town centre has very poor signage and connectivity, for example between the historic Market Place (potentially the towns greatest asset), Marshalls Yard retail complex, the railway station, the bus station, carparks, waterfront and heritage attractions. This is exacerbated by poor public realm linkages, limited travel information, inadequate public transport interchange, no cycle racks or wayfinding meaning visitors cannot easily navigate to other parts of the town centre.

There is very low footfall in the town centre and Market Place, with resulting low commercial value and demand for premises. Housing is of low value and quality in the town centre despite some potentially superb (if renovated) old buildings. The low commercial value of premises means a lack of profitability for developers or viability for refurbishment leading to dereliction and empty units. Residential properties face stagnation and are often owned by absent landlords rather than locals with an 'investment' in Gainsborough prospering.

The resulting 'empty' atmosphere creates a perception of crime, particularly in the evening, while these conditions limit employment and training opportunities for local residents (Appendix F).

- Town centre retail vacancy rates at 15.44% in 2020 (nationally 12.4%). 50% plus vacant over two years.
- At £85 per sq ft, the lowest commercial land value across Greater Lincolnshire.
- Very low house prices impacting viability (2020: South West Ward ('SWW') average £81,422, district average £206,784, national average £248,271).
- Since 2011, SWW home ownership rates are down by 10.97% and private renting rates increased by 10.43%.
- Poor connectivity by Public Transport - travel time to the town centre 31 minutes (national average 22 minutes).
- Both perception of crime and actual committed crime have increased.

The impact on Gainsborough residents:

- Areas 004F and 004E are ranked amongst the 10% most deprived neighbourhoods in the country. The same rankings also apply for employment deprivation.
- 004E was ranked as being in the 0.1% most deprived areas of England.

- High unemployment rates of 4.2% (nationally 3.7%).
- Obesity rates are rising, and a significant gap in life expectancy, with the lowest life expectancy being in Gainsborough's SWW.
- 30.7% of children living in poverty in the SWW, taking into account housing costs.
- Over 60% of West Lindsey's unemployed youth reside in Gainsborough.
- The average benefit claimant count in Gainsborough 2019 was 6.7%, well above the 2.4% national average.

Overall, the town centre urgently needs many more people, living, working and spending time and money in it otherwise all the opportunities to truly transform Gainsborough will be wasted. Without the magnet of a vibrant historic Market Place, Gainsborough's potential will be seriously compromised.

4.3b Explain why Government investment is needed (what is the market failure)? (Limit 250 words)

There are numerous growth initiatives underway which are expected to contribute to a thriving Gainsborough. There is however a consensus amongst stakeholders that there is not enough momentum of change currently to break through the present market failures:

**Absence of any notable evening economy or leisure enterprises** - leaving the centre deserted after 5pm. Investment to gap fund a significant leisure anchor will kick start this key element of a town economy, drawing in new visitors and obviating the steady state situation of residents travelling elsewhere for evening leisure activities.

**Failure of the commercial property market in Gainsborough old town.** Low footfall and demand has driven down commercial values and made the area an unattractive place for existing or new businesses to invest. A vicious circle exists where poor condition building fabric and high vacancy rates proliferate, further reducing the attractiveness of the area as a place to shop/ visit. Investment is needed to revitalise the underutilised/underinvested heritage assets of the town centre to recreate commercial value, a sense of place and an attractive draw for visitors.

**Failure of the residential property market in central Gainsborough.** Low values from limited demand mean inadequate margins for landlords and developers which has led to a stagnated market with limited investment in maintenance and refurbishment. Gap investment in key properties and sites with potential value is needed to stimulate viable creation of upgraded quality housing and resultant turnover, footfall and the associated demand for other services.

**Poor connectivity of town centre.** Discouraging walking and cycling and increasing dependency on use of private vehicles.

4.3c Please set out a clear explanation on what you are proposing to invest in and why the proposed interventions in the bid will address those challenges and barriers with evidence to support that explanation. As part of this, we would expect to understand the rationale for the location. (Limit 500 words)

The challenges and barriers identified in previous sections demonstrate the most pressing systemic challenges and market failures that continue to hold the town and our communities back.

'Thriving Gainsborough 2024' is designed, through regeneration of the town centre and local investment in cultural facilities, to revitalise the local economy and ultimately reduce the acute deprivation experienced across several wards. The five themes that underpin 'Thriving Gainsborough 2024' are as follows:

**A thriving Market Place as the town centrepiece**, based around a new anchor cinema, redeveloped Town Hall (one of many transformed heritage buildings housing new food and beverage enterprises and businesses on the upper floors), redeveloped streetscape and active management to enliven the space.

**Heritage led regeneration**, particularly by boosting the scope and speed of the central government part funded Townscape Heritage initiative, complemented by local grant schemes to revitalise key heritage buildings in the town centre. This will galvanise the town centre economy by leveraging in associated private investment into particular premises, delivering tourism benefits through an extensive promotional and marketing campaign to raise awareness of the unique heritage.

**Placemaking and a green public realm**, with one new and one upgraded park, making the town centre offer attractive and providing a natural link to the town's riverside.

**Transformed movement and connectivity into and around the town centre**, via infrastructure improvements, particularly between Market Place and the bus station/car park, Marshalls Yard and Market Street. Improved facilities for bus travellers, including cycle storage. Implementation of the district's wayfinding strategy.

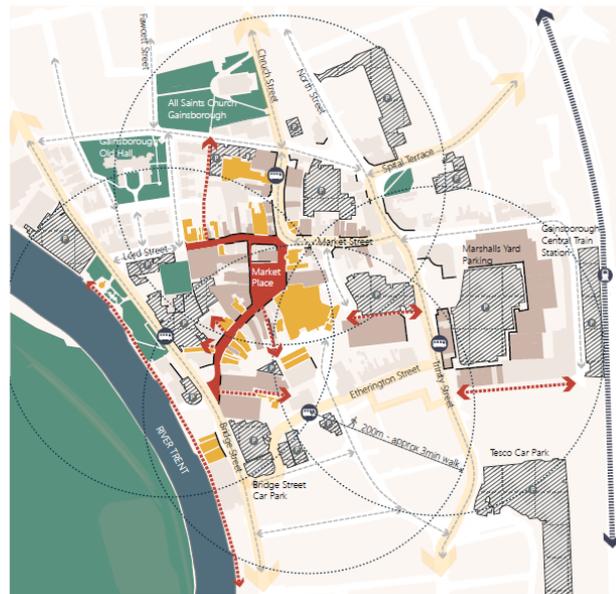
**A place to live**, providing transformative grants to enable Living Over The Shop ('LOTS'). There is the potential for many more people to live in the town centre given that there is less space demand for retail and fine buildings or sites to occupy once redeveloped.

These combined investments will drive a significant increase in the number of visits into the core of the town centre during daytime and evening. Benefits will be felt not only through new residents and visitors but by recapturing locals who presently go elsewhere. The wider range of attractions and leisure activities will lead to an increased spend per head, dwell time and employment/training opportunities.

The focus on ensuring that each intervention plays an active role in reducing carbon emissions and providing clear air will also bring health benefits to our residents.

## GAINSBOROUGH TOWN CENTRE TODAY

1. Lack of evening economy or leisure enterprises - leaving the centre deserted after 5pm.
2. Failure of the commercial property market in Gainsborough old town. Low footfall and demand has driven down commercial values and made the area an unattractive place for existing or new businesses to invest. A vicious circle exists where poor condition building fabric and high vacancy rates proliferate, further reducing the attractiveness of the area as a place to shop/ visit.
3. Failure of the residential property market in central Gainsborough. Low values from limited demand mean inadequate margins for landlords and developers which has led to a stagnated market with limited investment in maintenance and refurbishment.
4. Poor connectivity of town centre - discouraging walking and cycling and increasing dependency on use of personal vehicle.



The improved public realm, connectivity, parks, and waymarking underpinned by enhanced travel infrastructure and information will help create improved perceptions of a bigger joined up Gainsborough town centre, centred around activity and liveliness in Market Place, Marshalls Yard and new quality green space. A place to spend time and feel safe, attracting existing residents and new families moving to the growing housing developments in Gainsborough and in the town centre to take advantage of these amenities. The pace of house building on sites adjacent to the town will increase, with the Council then in a position to invest fully in the riverside area.

4.3d For Transport Bids: Have you provided an Option Assessment Report (OAR)

N/A

4.3e Please explain how you will deliver the outputs and confirm how results are likely to flow from the interventions. This should be demonstrated through a well-evidenced *Theory of Change*. Further guidance on producing a Theory of Change can be found within [HM Treasury's Magenta Book](#) (page 24, section 2.2.1) and [MHCLG's appraisal guidance](#). (Limit 500 words)

Appendix H sets out how our Theory of Change ('ToC') was constructed. The ToC output is held in Appendix I, while the targets associated with specific measures are held in Appendix J.

'Thriving Gainsborough 2024' is designed to address market failures via a series of targeted and complimentary interventions/outputs:

- **Output - New cinema and retail redevelopment on the site of the vacant Lindsey Centre**
  - How: Council to [REDACTED]

- Visually impactful results:
  - Opening of cinema and let retail units
  - Jobs and apprenticeships created (construction/operation)
  - Increased footfall in town centre
  - Property value uplift
  - Improved energy efficiency of new building

- **Output - Upgraded historic Market Place**

- How: Implement public realm scheme to reactivate Market Place by introducing greening and new streetscape elements that will add value to space and improve its experiential quality.
- Visually impactful results:
  - Practical/full completion of works
  - Increased number of occupied market stalls and commercial units
  - Increase in dwell time

- **Output - New pocket park and improved existing park**

- How: Transform the abandoned open space along the riverside into a pocket park with community facilities. Upgrade existing park to strengthen the relationship with the town centre.
- Visually impactful results:
  - Practical/full completion of works
  - Number of new trees planted
  - Additional walking and outdoor play
  - Reduced pollution and carbon reduction

- **Output - Townscape Heritage Initiative extension, upgraded Town Hall building and shop front grant schemes fully implemented.**

- How: Investment in THI and wider shop front grants, via partnership between freeholds, Council, LUF and Heritage England.
- Refurbishment of town hall ground floor for leisure uses.
- Visually impactful results:
  - Number of bids received/grants awarded & buildings renovated
  - EPC improvement
  - Savings on utility bills
  - Fear of crime reduced
  - Total footfall/tourist numbers

- **Output - Implement wayfinding strategy**

- How: Improve town connectivity through implementing the Gainsborough wayfinding strategy.
- Visually impactful results:
  - Number of monoliths/fingerposts sited
  - Number of journeys carried out by walking/cycling
  - Reduced pollution/carbon reduction

- **Output - Refurbishment of bus station**
  - How: Improve condition and facilities at current bus station through implementation of schedule of works.
  - Visually impactful results:
    - Completion of works
    - Increased use of local bus services (reduction in emissions)
    - Increase in cycling (due to storage)
    - Reduced fear of crime (CCTV)
  
- **Output - LOTS**
  - How: Delivery of intervention that blends Council and private freeholder investment to renovate suitable spaces, creating 43 town centre residential units.
  - Visually impactful results:
    - Bids received/grants awarded and flats converted
    - Improved EPC ratings on new flats and increased council tax receipts
    - Improved vitality of the town centre and quality of housing.

Summary - The ToC output (Appendix I, columns L and K) identify numerous longer-term impacts, including:

- Wider regeneration developments commenced
- Increased economic activity (day/night), employment and training opportunities
- Improved resident satisfaction
- Closing gap of average house prices
- Increased NNDR levels
- Increased proportion of population with NVQ4 or equivalent
- Reduction in relative IMD position
- Lower emissions and air pollution

#### 4.4 Alignment with the local and national context

See technical note Table 1 for further guidance.

4.4a Explain how your bid aligns to and supports relevant local strategies (such as Local Plans, local economic strategies or Local Transport Plans) and local objectives for investment, improving infrastructure and levelling up. (Limit 500 words)

Across the administration County of Lincolnshire, the seven District and County Council Leaders and Chief Executives have met three times to coordinate the process of application to LUF and CFR. These meetings have also had the MP's invited to attend. This has enabled all bids to be coordinated and secure complimentary activity, aligned with regional recovery strategies, where that has been possible and the incorporation of mutual objectives where appropriate.

A strong Lincolnshire narrative runs through all of Lincolnshire's LUF bids which are routed in our strategic ambitions informed the Greater Lincolnshire Economic Plan for Growth 2021. This includes developing priority sectors, the visitor economy and

the agri food sector, as well developing vibrant spaces where communities can connect and our centres thrive.

The five themes that underpin 'Thriving Gainsborough 2024' are designed to directly align to and deliver against the following existing local priorities and objectives:

### **A thriving Market Place as the town centrepiece**

- Gainsborough Neighbourhood Plan:
  - Creating an attractive shopping area around the Market Place and supporting the growth of a vibrant evening economy (cafes, pubs, restaurants and other leisure facilities).
- Gainsborough Town Centre Heritage Masterplan
  - Town Hall providing a mix of uses, including leisure, culture and food/drink which could spill out into the square.
- The Central Lincolnshire Local Plan
  - LP42: Gainsborough Town Centre and primary shopping area: requirement for an expanded and upgraded retail offer.

### **Heritage led regeneration**

- The Greater Lincolnshire LEP (GLLEP) requires towns to 'capitalise on their strong heritage' to unlock 'the potential of market towns as hubs', supporting the GLLEP ambition to develop the UK's first LEP-wide tourism zone bid.
- The Central Lincolnshire Local Plan (CLLP) states that growth will be focused around centres (including Gainsborough) that 'provide associated opportunities to regenerate urban areas, provide new jobs and new homes in accessible locations':
  - LP7: Development and activities that deliver high quality sustainable visitor facilities such as culture and leisure facilities.
  - LP38: Protect, conserve and enhance heritage assets to local distinctiveness and sense of place and deliver improvements to the public realm that will enhance Gainsborough's attractiveness as a destination.
  - LP41: Development should 'enhance linkages through the town and any other key heritage assets'.
- Gainsborough Town Centre Heritage Masterplan
  - Engagement with owners of buildings of heritage significance, to encourage appropriate intervention. Where required, seek to identify mechanisms that will provide financial support and technical expertise to owners.
- Gainsborough Neighbourhood Plan
  - NPP18 - The renovation of buildings and shopfronts in the town centre that reinforce its historic character.

### **Placemaking and a green public realm**

- Gainsborough Neighbourhood Plan
  - NPP6 - Ensuring 'landscaping and planting creates well defined streets and attractive green spaces.
- West Lindsey Sustainability, Climate Change and Environment Strategy

- Planting trees and re-wilding urban spaces to increase wellbeing.

### **Transformed movement and connectivity into and around the town centre**

- Gainsborough Town Centre Heritage Masterplan
  - Successful renewal of Lord Street/Market Street will encourage east-west footfall from Marshalls Yard which will then flow into Market Place and Silver Street.
- West Lindsey Sustainability, Climate Change and Environment Strategy
  - Developing new ways to make walking and cycling the preferred choice.

### **A place to live**

- Gainsborough Neighbourhood Plan
  - NPP19 - Development proposals for the use of upper floors of commercial premises within the town centre for residential use.

4.4b Explain how the bid aligns to and supports the UK Government policy objectives, legal and statutory commitments, such as delivering Net Zero carbon emissions and improving air quality. Bids for transport projects in particular should clearly explain their carbon benefits. (Limit 250 words)

‘Thriving Gainsborough 2024’ is entirely aligned with the Government’s LU ambitions and is focused on the ‘infrastructure that improves everyday life... including town centre and high street regeneration... cultural and heritage assets.’ LU is targeted at areas most in need; our bid is focussed on creating the conditions to improve outcomes for communities living in some of the most deprived wards in the country.

The project also aligns with ‘Levelling up our communities’ by Danny Kruger MP, which states that the ‘distinctiveness of a borough, town or district, and the attachment local people feel to it, are its key assets.’

This project delivers a greener economy and supports the UK Government net zero emissions objective by achieving modal growth in cycling and use of public transport. This will be achieved firstly by the implementation of cycle parking infrastructure in key locations (cinema, bus station, parks etc.). Secondly, improvement to the bus station will make travel by bus a more attractive option. Additionally, expanding the range of leisure, dining and retail options available will reduce the current levels of local residents driving to other towns for these services.

The LOTS programme will serve to improve energy performance, while the new cinema will replace an old and energy inefficient building. It will offer EV parking, cycle storage (for both staff and customers) and operate solar panels. The new park and upgrade of the existing park will provide a sustainable and green public realm while improvements to the energy efficiency of heritage buildings will reduce carbon emissions.

4.4c Where applicable explain how the bid complements / or aligns to and supports other investments from different funding streams. (Limit 250 words)

Examples of investment in the town to create the conditions required for regeneration and addressing the causes of deprivation include:

#### **A thriving Market Place**

- Gainsborough Travelodge hotel and restaurant development: [REDACTED]
  - Created 56 bed hotel and 16 new jobs opened 2018.
- Market Street Renewal: [REDACTED]
  - Delivered 3 retail units and four residential flats within listed buildings.
  - The Place Board see this project as a blueprint for further quality regeneration.

#### **Heritage led regeneration**

- Gainsborough Townscape Heritage Initiative: £1.25m National Lottery Heritage Fund
  - Restoring the historic heart of Gainsborough with initial intervention into 28 key properties. £348,700 WLDC match funds. Currently being delivered.
  - Additionally, the first two phases of the LOTS pilot have led to successful regeneration of vacant premises above retail to create new homes (£330,000 WLDC).

#### **A place to live**

- P3 Viable Housing Solutions: £[REDACTED] WLDC plus 12 properties, in addition to £[REDACTED] of investment by P3.
  - Procured partner to [REDACTED] in South West Ward to end unsustainable tenancy turnover and poor-quality private landlords.
  - Delivery commenced in April 2021, lasting for 3 years, overseen by the Prosperous Communities Committee and Housing and Communities Board.
- Gainsborough Southern Urban Extension: Homes England Housing Infrastructure Fund: £2.2m (2018-2021)
  - Support delivery of key infrastructure to unlock up to 750 dwellings on Warren Wood. Keepmoat delivery partner in place and on site. First units complete July 2021.

4.4d Please explain how the bid aligns to and supports the Government's expectation that all local road projects will deliver or improve cycling and walking infrastructure and include bus priority measures (unless it can be shown that there is little or no need to do so). Cycling elements of proposals should follow the Government's cycling design guidance which sets out the standards required. (Limit 250 words)

The Council has committed to a net-zero carbon position across operations by 2050, with the 'Thriving Gainsborough 2024' project demonstrating how the early stages of the strategy are to be implemented.

As detailed within this proposal, additional secure cycle parking will be installed at a number of locations, including the bus station, cinema car park, Baltic Mill new pocket park, Whitton's Gardens and the gateway to the Market Place. Comprehensive CCTV provision at the bus station will assist in increasing the attractiveness and safety of cycling in Gainsborough.

Additionally, the implementation of the town's wayfinding strategy is also included as an intervention within this proposal, designed to create a cohesive 'trail' for both current residents and tourists disembarking from transport hubs and direct them through the core of the town and attractions.

Aligned to this proposal (but outside of the scope of the proposed LUF interventions), the Council is preparing a programme to invest in walking and cycling, through the implementation of routes in the Gainsborough Cycling and Walking Network Plan '(GCWNP)', in order to widen travel options in and around town centre.

Current infrastructure is limited and does not provide joined up routes for cyclists. The proposals involve the creation of three priority routes (Route A1 - Gainsborough Riverside, Route B - Corringham Road and Route C - Heapham Road).

The cycle design principles of the GCWNP follow the LTN 1/20 Cycle Infrastructure Design guidance that was published by the DfT in July 2020.

## PART 5 VALUE FOR MONEY

### 5.1 Appropriateness of data sources and evidence

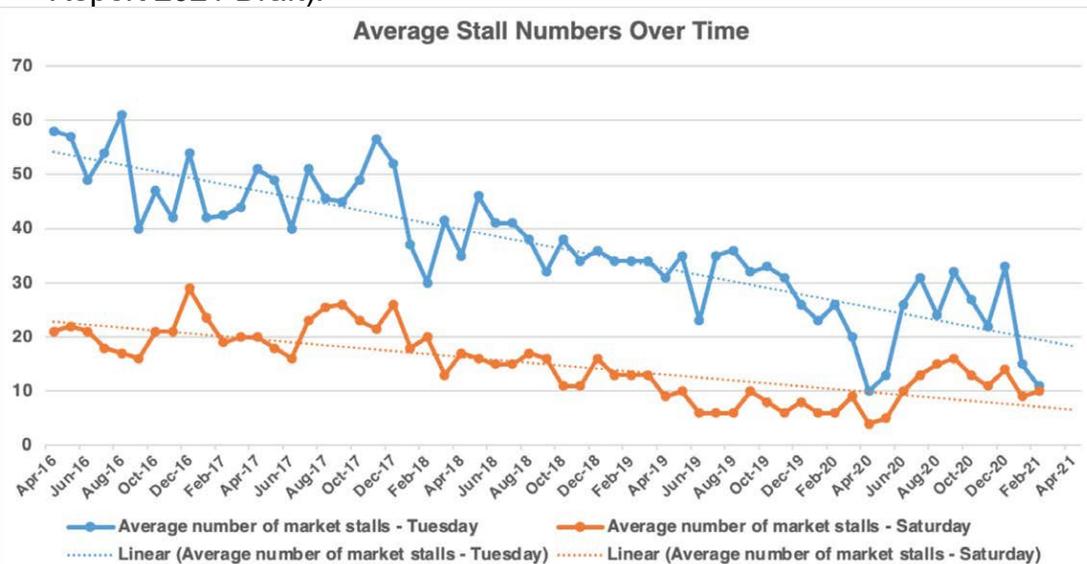
See technical note Annex B and Table 1 for further guidance.

All costs and benefits must be compliant or in line with [HMT's Green Book](#), [DfT Transport Analysis Guidance](#) and [MHCLG Appraisal Guidance](#).

5.1a Please use up to date evidence to demonstrate the scale and significance of local problems and issues. (Limit 250 words)

The following evidence demonstrates the scale of the challenges facing Gainsborough (see Appendix F for further details):

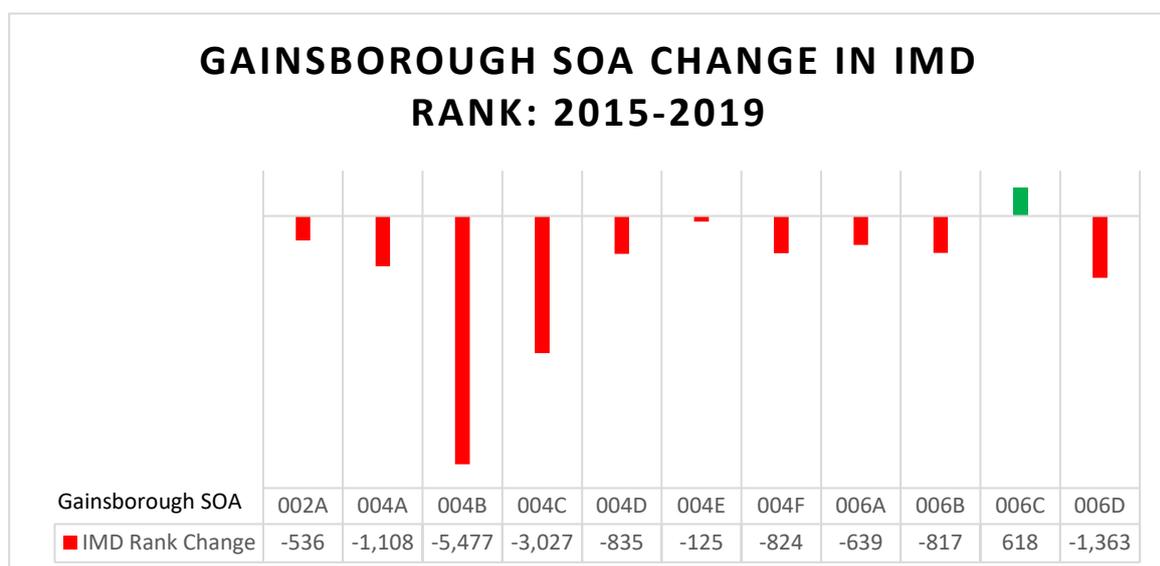
- The 2020 retail vacancy rate was 15.44% (WLDC - State of the District 2021 Draft). Additionally, the diagram below demonstrates the 50% decline in market trader numbers since 2016 (Gainsborough Market: Quarterbridge Report 2021 Draft).



- The town centre has just one restaurant and no other night-time leisure offer (as of June 2021). Just 14.6% of the town represents leisure, compared to the national average of 22.4% ([Central Lincolnshire City and Town Centre Study 2015](#)).
- Key town centre sites remain difficult to navigate and there are issues with the isolated SWW being 'land-locked'.
- At £81,422, Gainsborough's SWW has a significantly lower average house price than the district average of £206,784 ([ONS Housing Price Index 2020](#)). Additionally, home ownership rates in the SWW have decreased by 10.97% since 2011 ([WLDC – State of the District Report 2020](#)).

- Health inequalities are stark, with the most deprived areas of Gainsborough having life expectancy 7.0 years lower than the least deprived (Gainsborough Socioeconomic Baseline 2019).
- Building conditions within Gainsborough's conservation zone are assessed as 'Very Bad' and the vulnerability of building quality worsening is 'High' ([Historic England Heritage Assets at Risk register](#)).

Gainsborough town centre faces severe and increasing deprivation (a key factor among families requiring support from public sector agencies, including Children's Services). For example, Gainsborough's SWW, LSOA 004E is within the 0.1% most deprived area of England. As Figure 2 represents, from 2015 to 2019, every LSOA but one in Gainsborough faced a declining IMD rank and increasing deprivation:



5.1b Bids should demonstrate the quality assurance of data analysis and evidence for explaining the scale and significance of local problems and issues. Please demonstrate how any data, surveys and evidence is robust, up to date and unbiased. (Limit 500 words)

All data utilised is from reliable national and local sources, that are as up to date as possible. In terms of national data, robust central government data has been used wherever available, supplemented by specific research (both quantitative and qualitative) into areas that were highlighted as local issues. Where national data is only available at district level, further analysis has been completed at town level to ensure specificity of data. This data has been through high levels of quality assurance (S151, Assistant Director, Communities Team) to ensure reliability.

Local, up-to-date and unbiased data has also been used, including:

- WLDC State of the District Report 2020 and 2021 (draft): This data is taken from various national and regional sources, for example WLDC, Lincolnshire Research Observatory and Public Health England. The data

compiled in the report is as up to date as possible, using the most reliable data source for each indicator. Key information includes:

- 16.5% of households live in fuel poverty within Gainsborough's SWW.
- 9% of homes within the SWW are in a state of disrepair, over double the district average of 4.8%.
- WLDC Economic Baseline Assessment Gainsborough 2017 & Gainsborough Socioeconomic Baseline 2019: This data is from a variety of reliable sources including the UK census, IMD, UK Crime Statistics and Land Registry data. Key information includes:
  - One SOA within the SWW is ranked as the 9<sup>th</sup> highest of 32,844 nationally, in terms of burglaries and criminal damage.
  - Across West Lindsey, SWW residents report the highest levels of bad and very bad health.
- Gainsborough Town Centre Heritage Masterplan: This plan is created by WLDC and Lathams, giving detail on the current state of heritage buildings within Gainsborough and future opportunities for refurbishment. Key information includes:
  - There are poorly maintained buildings and visually harmful developments in the town centre, particularly on Lord Street and Market Street.
  - Much of central Gainsborough is underoccupied, with a high concentration of vacancies along Silver Street.
- Gainsborough Market: Future Options & Feasibility – Quarterbridge 2021 (Draft): This report provides information on the problems facing Gainsborough's current market in Market Square and the possible future market interventions. Key information includes:
  - Since 2016, there has been a 10% year on year linear decline in income from the market.
  - In 2019, the market made a loss of [REDACTED].

Additionally, local plans, including the Neighbourhood Plan and the Town Vision, which include the interventions constituting 'Thriving Gainsborough 2024' are informed by recent consultation with over 3,000 stakeholders. In 2019, the plans were shared online, accompanied by an online public survey. This survey evidenced strong support, particularly for improving the town centre, the green network and protecting heritage assets. Furthermore, during the May 2021 local elections, the electorate voted on the Neighbourhood Plan, with an overwhelming majority of 88.4% of respondents in favour.

This inclusive approach to identifying local challenges and involving communities in designing their preferred interventions, demonstrates that our proposed course of action is robustly supported by communities and informed by up-to-date data.

5.1c Please demonstrate that data and evidence chosen is appropriate to the area of influence of the interventions. (Limit 250 words)

All data is appropriate to the intervention area, both strategically and geographically, with national data being used as a starting point, then local data being investigated more deeply. Furthermore, data has been supplemented with specifically commissioned research and consultations, regarding areas highlighted as issues from both local knowledge and data trends. These areas often represent high potential for intervention, therefore requiring more detailed study.

The 'Thriving Gainsborough 2024' interventions aim to promote growth and encourage Gainsborough to prosper, thereby reducing deprivation within the SWW. In order to create these interventions, local-level Gainsborough evidence and studies were used to understand the issues and formulate the potential interventions. Local evidence examples include:

- Cinema Study Gainsborough - Muse Developments 2018: This study emphasised the lack of evening economy and limited cinema competition within a 30-minute drive from Gainsborough. It predicts potential admissions of 160,000 visitors per annum. The study focuses on the unique local factors affecting the success of a cinema within Gainsborough.
- Heritage Building Study – Townscape Heritage Officer for Gainsborough THI 2021: This specially commissioned study revealed there are 49 buildings in poor condition within the Gainsborough town centre, based on the extent of the scheme. This links to the need to extend the townscape scope across the town centre.
- Gainsborough Market: Future Options & Feasibility – Quarterbridge 2021 (Draft): This study focuses on Gainsborough market within Market Square, reflecting issues of declining footfall, investment and market trader attendance. This reflects the need to revitalise and reactivate the market.

## 5.2 Effectiveness of proposal in addressing problems

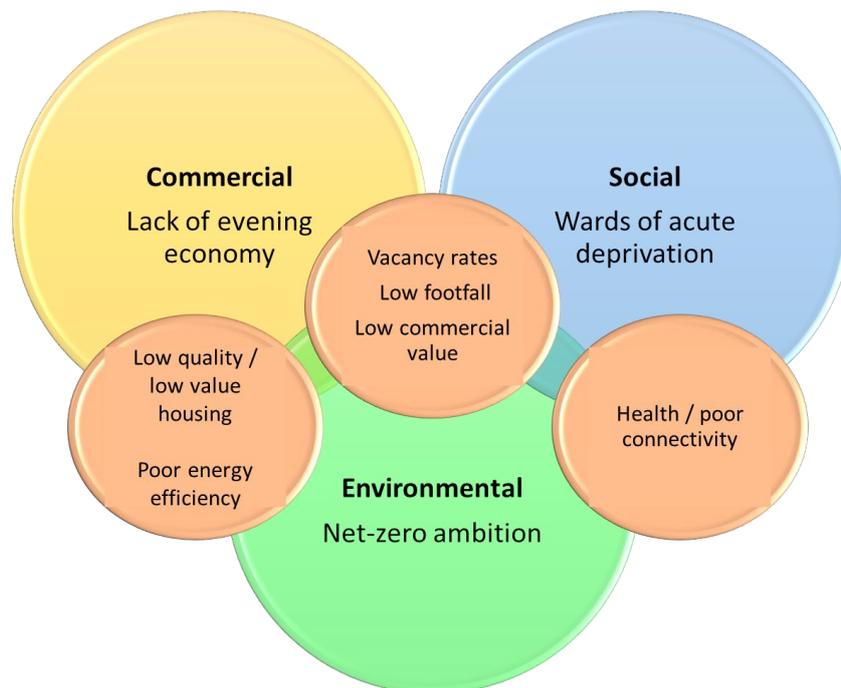
5.2a Please provide analysis and evidence to demonstrate how the proposal will address existing or anticipated future problems. Quantifiable impacts should usually be forecasted using a suitable model. (Limit 500 words)

'Thriving Gainsborough 2024' comprises several researched and option appraised interventions. These will create economically valuable and visually impactful outputs; ultimately reducing deprivation through the Cultural investment and regeneration of the town centre. The interventions seek to tackle the fundamental commercial, social and environmental issues faced by Gainsborough, having been developed through detailed option appraisal and with wide ranging stakeholder support.

Three underlying dimensions have been identified through the ToC work, which the intervention outputs will need to address:

- Commercial - the return to private investors prevents change without intervention
- Social - how to change short and long-term behaviours / travel, leisure and shopping patterns
- Environmental - how to ensure sustainable interventions

The following diagram maps the key strategic issues (aligned to the ToC) to these dimensions:



Each underlying issue has been mapped to ensure each intervention has strategic fit, quantifiable impacts are identified, ongoing impact can be measured, and evidence exists to give confidence to the chosen interventions.

The following table sets out the links through from problem, intervention and rationale, including evidence from research or case studies elsewhere. The link from intervention to quantified impact is considered in answers 5.3 and 5.4 below.

| <b>Problem</b>             | <b>Intervention</b>        | <b>Rationale / evidence</b>  |
|----------------------------|----------------------------|--|
| Lack of night-time economy | Cinema (1.1)<br>LOTS (5.1) | Federation of Master Builders - 'Homes on our Highstreets' <sup>1</sup><br>Flats likely to appeal to younger market, increasing demand for night-time economy <sup>2</sup> |

<sup>1</sup> <https://www.fmb.org.uk/resource/homes-on-our-high-streets.html> (pages 6-7)

<sup>2</sup> <https://www.derbyshiretimes.co.uk/lifestyle/homes-and-gardens/chesterfield-set-to-reap-benefits-of-rise-in-town-centre-living-3160699>  
<https://www.savills.co.uk/insight-and-opinion/savills-news/300108/post-covid-19---planning-for-town-centres>

|  |   |  |
|--|---|--|
| Poor connectivity / wider health benefits              | Market place (1.3)<br>Pocket park (3.1)<br>Improvements to park (3.2)<br>Wayfinding (4.1)<br>Bus station (4.2)  | Well documented links between additional exercise and wider health benefits <sup>3</sup><br><br>Local strategy identifies best intervention specific to Gainsborough <sup>4</sup>  |
| Low value / low quality housing                        | LOTS (5.1)  | Federation of Master Builders - 'Homes on our Highstreets' <sup>5</sup><br>Local pilot, with letters from landlords requesting expansion   |
| Poor energy Efficiency / Wider sustainability benefits | Cinema (1.1)<br>Heritage (2.1)<br>Pocket park (3.1)<br>Improvements to existing park (3.2)<br>Wayfinding (4.1)<br>Bus station (4.2)<br>LOTS (5.1)                       | Poor overall condition of building in conservation zone <sup>6</sup> Repairs to shops and renovating space above for flats will have a combined effect of energy efficiency<br><br>Existing Cinema Site has an EPC rating of E; 5-7 Market Street (with Heritage Zone) a G<br><br>Creating LOTS has lower carbon footprint than new build <sup>7</sup> |
| Footfall / vacancy rates / low commercial value        | Cinema (1.1)<br>Market Place (1.3)<br>Heritage (2.1)<br>Pocket park (3.1)<br>Improvements to existing park (3.2)<br>Wayfinding (4.1)<br>Bus station (4.2)<br>LOTS (5.1) | Gainsborough Neighbourhood Plan notes the problems associated with condition and lack investment in repairs for commercial buildings <sup>8</sup><br><br>The interventions tackle the commercial, social and environmental problems facing Gainsborough with an overall scheme providing a catalytic base for further improvements <sup>9</sup>        |

Further detail on the link between evidence to interventions can be found in answers within section 4.3 above. In all cases specific interventions have been developed through the Council working with specialists preparing business cases

<sup>3</sup> <https://www.sustrans.org.uk/our-blog/get-active/2019/everyday-walking-and-cycling/health-benefits-of-cycling-and-walking>

<sup>4</sup> Gainsborough Town Centre Public Realm Strategy (Presentation) May 2021

<sup>5</sup> <https://www.fmb.org.uk/resource/homes-on-our-high-streets.html>

<sup>6</sup> <https://historicengland.org.uk/advice/heritage-at-risk/search-register/list-entry/6462>

<sup>7</sup> <https://www.homepreservationmanual.com/new-vs-remodel-carbon-footprint/>

<sup>8</sup> <https://www.west-lindsey.gov.uk/my-services/planning-and-building/neighbourhood-planning/all-neighbourhood-plans-in-west-lindsey/gainsborough-town-neighbourhood-plan/>

<sup>9</sup> Gainsborough Heritage Masterplan

and option appraisals for each intervention; with proposals consulted upon with businesses, the public and wider stakeholder groups backed by national research.

5.2b Please describe the robustness of the forecast assumptions, methodology and model outputs. Key factors to be covered include the quality of the analysis or model (in terms of its accuracy and functionality) (Limit 500 words)

Costs have been developed with external consultancy support, backed by option appraisals and containing a degree of contingency relative to the design stage (see 5.3 for more detail).

Forecast assumptions have been driven by nationally accepted modelling techniques, backed by research showing impact of similar schemes elsewhere and validated through local knowledge and location specific option appraisals.

Where expected outcomes have been based primarily on data from elsewhere, then optimism bias has been added for both costs and benefit calculations (please see 5.3 and 5.4 for more details about individual measures).

Where outputs and outcomes could be modelled in different manners, care was taken to choose broad measures, to reduce the risk of overlap and therefore minimise any risk of double counting of benefits. The table below sets out each main modelling tool used, the justification for its use, source of inputs (further details and links to these tools can be found in section 5.4 below).

| <b>Area</b>                | <b>Model</b>                              | <b>Justification</b>  | <b>Source of inputs</b>   |
|----------------------------|---|---|---|
| Economy / jobs             | GVA                                       | Nationally accepted methodology – covers jobs, supply chain and wider regional benefits in single measure | Costs from intervention cost plans – converted to GVA based upon Annual Business Survey 2018 data Weightings from Additionality Guide and HCA Additionality Guide |
| Value uplift               | Independent QS report (cinema)            | Best local source of expected value – value very much down to local economy                               | QS report on cost plan and expected values  |
|                            | Local estimate (heritage)                 | No national guidance yet available  | Private contribution across other heritage schemes as a minimum proxy to value added to owner   |
| Benefits of green space    | Research findings from Greenkeeper report | Consolidated multiplier calculated in line with Green Book methodologies                                  | Local cost plan Multiplier subject to optimism bias due to lack of local factors  |
| Energy efficiency in homes | EPC Calculator                            | Independent nationally researched tool  | Works assumed to have a single EPC rating gain and small flats used as baseline   |

Cost have been developed through business cases, option appraisals and expert guidance with appropriate contingencies added related to the stage of delivery. Overall independent, nationally and internationally accepted tools have been used to forecast benefits. Where tools were unavailable, national research has been used to determine appropriate bases for calculating outputs and benefits. This has led to a robust, defensible position, further supplemented by sensitivity analysis.

### 5.3 Economic costs of proposal

5.3a Please explain the economic costs of the bid. Costs should be consistent with the costs in the financial case, but adjusted for the economic case. This should include but not be limited to providing evidence of costs having been adjusted to an appropriate base year and that inflation has been included or taken into account. In addition, please provide detail that cost risks and uncertainty have been considered and adequately quantified. Optimism bias must also be included in the cost estimates in the economic case. (Limit 500 words)

Economic costs have been developed aligned to Green Book guidance. The following table presents the key factors applying to the conversion of financial case costs to economic case:

| Area          | Assumption                       | Justification   |
|---------------|----------------------------------|---|
| Baseline year | FY 2021/22                       | First year of expenditure<br>Aligned to accounting years for Central Govt and WLDC.   |
| Discount rate | 3.5%                             | Green Book standard discount rate.<br><br>Financial case includes inflation where appropriate.  |
| Cost risks    | Incorporated within finance case | Cost of treatment / transfer included within base scheme cost estimates.<br><br>Any residual risk / accepted risks built into optimism bias applied to each intervention. |

Optimism bias has been assessed and added to the overall project based upon an intervention specific assessment. This has been developed by WLDC, based upon advice from specialists supporting the development of those developments. The following table shows the cost optimism bias contained within each intervention:

| Intervention | Optimism Bias          | Justification   |
|--------------|------------------------|---|
| Cinema       | 10% (build costs only) | WLDC is making a capped contribution towards the total costs of a private developer to bring forward the scheme and is intending to |

|  |     |   |
|--|-----|---|
|  |     | <p>purchase the retail and restaurant units at a pre-determined rate. These costs are subject to concluding the commercial and legal arrangements but established and based upon a cost plan updated within May 2021.</p> <p>The 10% is the developer's contingency within the build estimate.</p>  |
| <p>Streetscape / Market Place</p> <p>Pocket park</p> <p>Improved park</p>  | 40% | <p>Costs are based upon Quantity Surveyor estimates and otherwise have not been tested with the market. Covers both Quantified Risk Assessment and Optimism Bias.</p> <p>Aligns with Department for Transport "WebTAG" guidance<sup>10</sup> for Option Selection Stage (GRIP 3). (Whilst this has been superseded by later 2018 guidance, this was the last guidance that combined QRA and optimism bias into a single figure).</p> <p>Figure confirmed as most appropriate by technical consultants developing bid.</p> |
| <p>Implement wayfinding strategy</p> <p>Bus station</p>  | 20% | <p>Cost have been developed based upon plans and phasing developed and costed in conjunction with the Highway's Team and consultancy support.</p> <p>Based upon previous local experience, detailed level of costing prepared and established supplier base for these elements of work a 20% QRA / Optimism bias was felt appropriate</p>   |
| <p>Town Hall refurbishment</p> <p>Expansion of heritage scheme</p> <p>Improved signage and canopy treatments</p> <p>Extending LOTS programme</p> | 0%  | <p>These works are primarily grants to private organisations, built upon developed cost profiles. The contribution is effectively capped for WLDC.</p> <p>There is the ability to tighten or narrow the geographic boundaries of the schemes should scheme take up or if costs are not aligned with expectations, thus providing a further level of comfort that costs can be contained within expected levels.</p>   |

<sup>10</sup> Transport Analysis Guidance (DfT, WebTAG A5.3, 2014)

<http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.568.4206&rep=rep1&type=pdf>

Additionally, public sector land used for parks is valued at current market value for match funding purposes, this is removed from the economic cost model, as detailed in 5.4 below.

In summary:

- Methodology follows Green Book approach.
- Quantified Risk assessment and Optimism Bias are assessed at an intervention level, with percentage based upon national research, stage of development, local experience and underpinned by professional guidance.
- Further sensitivity analysis is included with the benefit cost ratio section below, to show how much additional optimism bias could be included whilst retaining a 'High' score for Value for Money for the Levelling Up fund.

## 5.4 Analysis of monetised costs and benefits

5.4a Please describe how the economic benefits have been estimated. These must be categorised according to different impact. Depending on the nature of intervention, there could be land value uplift, air quality benefits, reduce journey times, support economic growth, support employment, or reduce carbon emissions. (Limit 750 words)

Economic benefits have been based upon local expected outputs and converted to financial outputs through established models. The following strategy has been used consistently in developing the benefits estimation:

- Limited to one broad measure per key area to avoid duplication (or removal of any overlapping figures)
- Implicit optimism bias included within figures, with greater allowance where national data is used (see below for further details)
- Where local baseline data was unavailable, no economic benefit has been calculated and any such expected benefits have been included in the non-monetised impact instead

The following table sets out the approach used for each category of benefit:

| Outcome                              | Measure  | Justification   |
|--------------------------------------|--|---|
| <b>Value uplift</b>                  |  |   |
| Cinema                               | Capitalised rent of new development less purchase price of existing site | Captures uplift in value of site overall based upon professional valuations.<br><br>Existing site value as per independent property valuation, validated with negotiations with existing owner. |
| Market Place<br>Parks<br>Bus station | No increase  | Public held land for infrastructure purposes. Whilst the underlying assets may be increased in accounting held value for works undertaken, it is highly unlikely this value would be realised.  |

|   |  |  |
|---|--|--|
| Town Hall<br>Heritage<br>Signs &<br>Canopies          | 25% of<br>planned<br>expenditure   | Historic England rate the general condition of buildings within the conservation area as 'Very Bad' <sup>11</sup> and as outlined in previous sections there is an underlying problem with commercial rents and occupancy within Gainsborough (Appendix F).<br><br>The 25% <sup>12</sup> represents a combination of expected uplift in underlying value and prevention of further deterioration that would occur without grants to support repair works; aligning with minimum local private contributions in some heritage action zones. <sup>13</sup> |
| LOTS  | Average 1<br>bed-flat price<br>in<br>Gainsborough<br>* 85% less<br>£20,000           | Research suggests on average flats above shops are 15% cheaper than other flats in an area <sup>14</sup><br>Assumption that 50% of eligible areas apply for a grant to convert empty space.<br>£20,000 is the loss of value of 'dead' space being removed from the shop below per flat converted through this scheme.  |
| <b>Jobs / Wider Supply Chain Benefits</b>             |  |  |
| Construction<br>expenditure<br>(all<br>interventions) | Gross Value<br>Added (GVA)   | Following English Partnerships Additionality Guide <sup>15</sup> and HCA Additionality Guide <sup>16</sup> using the 2.7 for construction schemes (Appendix K) for individual factor weightings used   |
| <b>Public Sector transfer benefits</b>                |  |  |
| Council tax<br>from LOTS                              | 43 homes<br>assumed all<br>Band A, 50%<br>single<br>resident<br>discount, 5%<br>void | Conservative local estimates of both valuations and single resident discount. 43 properties are based upon a 50% uptake in scheme, although the geographical boundaries can be expanded if uptake does not meet forecast levels. <sup>17</sup>   |

<sup>11</sup> <https://historicengland.org.uk/advice/heritage-at-risk/search-register/list-entry/6462>

<sup>12</sup> It is acknowledged nationally that cost / benefit analysis in this area is lacking and needs further development:

<https://www.gov.uk/government/publications/valuing-culture-and-heritage-capital-a-framework-towards-decision-making/valuing-culture-and-heritage-capital-a-framework-towards-informing-decision-making>  
(section 5.1)

<sup>13</sup> <https://www.nottinghamcity.gov.uk/heritageactionzone>

<sup>14</sup> <https://www.andersonassociates.co.uk/news/the-pros-and-cons-of-buying-a-flat-above-a-shop/>

<sup>15</sup> [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/191511/Additionality\\_Guide\\_0.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/191511/Additionality_Guide_0.pdf)

<sup>16</sup> [https://www.warrington.gov.uk/sites/default/files/2020-08/od\\_25\\_hca\\_2014\\_additionality\\_guide\\_fourth\\_edition\\_-\\_extract\\_chapter\\_4\\_pages\\_22-36\\_and\\_front\\_cover.pdf](https://www.warrington.gov.uk/sites/default/files/2020-08/od_25_hca_2014_additionality_guide_fourth_edition_-_extract_chapter_4_pages_22-36_and_front_cover.pdf)

<sup>17</sup> There have been informal requests to convert 18 flats over 8 shops in the proposed zone, without formally canvassing interest. The ability to expand the scheme boundaries gives additional comfort that 43 represents an expected number of flats converted.

| <b>Ongoing economic benefit</b>          |                                 |   |
|--|---------------------------------|---|
| Cinema                                   | Gross Value Added               | Following English Partnerships Additionality Guide <sup>18</sup> and HCA Additionality Guide <sup>19</sup> Used a single broad measure of employment and wider economic and supply chain benefits. Specific weighting factors provided in Appendix K.   |
| Market Place                             | Elimination of existing subsidy | A specific appraisal of Gainsborough Market was commissioned, and this reported on expected ongoing subsidy required in a do nothing case and an option appraisal for ways to rejuvenate the Market Place <sup>20</sup> . The operating losses from the 'do nothing' case are forecast to be eliminated as a minimum through a successful intervention  |
| <b>Social and environmental benefits</b> |                                 |   |
| New pocket park<br><br>Improved park     | Overall impact                  | Based upon national research by Greenkeeper, following Green Book methodology <sup>21</sup> ; they project benefits of 4 times expenditure for new pocket parks and up to 100 times expenditure for improvements to existing parks over 30 years.<br><br>The lower figure of 4 times was taken, of which only first 25 years was taken and this was discounted over the project life.   |
| Heritage<br><br>LOTS                     | Energy efficiency               | Assumed combined impact of 'sealing' shops with flats above and renovations will result in an decreased energy usage and increased EPC rating for both the new flats and existing shops.<br><br>The impact has been measured using an online domestic energy estimation tool <sup>22</sup> using the expected average impact of moving up one EPC rating based upon 43 single bedroom flats. This is felt to be a very conservative estimate of energy savings. |

<sup>18</sup> [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/191511/Additionality\\_Guide\\_0.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/191511/Additionality_Guide_0.pdf)

<sup>19</sup> [https://www.warrington.gov.uk/sites/default/files/2020/08/od\\_25\\_hca\\_2014\\_additionality\\_guide\\_fourth\\_edition\\_-\\_extract\\_chapter\\_4\\_pages\\_22-36\\_and\\_front\\_cover.pdf](https://www.warrington.gov.uk/sites/default/files/2020/08/od_25_hca_2014_additionality_guide_fourth_edition_-_extract_chapter_4_pages_22-36_and_front_cover.pdf)

<sup>20</sup> Quarterbidge's Gainsborough's Market – Future Options and Feasibility – May 2021

<sup>21</sup> LEVELLING UP AND BUILDING BACK BETTER THROUGH URBAN GREEN INFRASTRUCTURE: AN INVESTMENT OPTIONS APPRAISAL – June 2020; Commissioned on behalf of National Trust  
<http://www.greenkeeperuk.co.uk/wp-content/uploads/2020/07/Greenkeeper-Report-for-FPA-Greening-Programme-July-2020-2.pdf>

<sup>22</sup> <http://www.epcmortgage.org.uk/>

There is a level of implicit optimism bias removed from the benefit calculations. The table in Appendix K section 2 summarises these and demonstrates the level of prudence built into calculations.

5.4b Please complete Tab A and B on the **appended excel spreadsheet** to demonstrate your:

Tab A - Discounted total costs by funding source (£m)

Tab B - Discounted benefits by category (£m)

**See Appendix D**

## 5.5 Value for money of proposal

5.5a Please provide a summary of the overall Value for Money of the proposal. This should include reporting of Benefit Cost Ratios. If a Benefit Cost Ratio (BCR) has been estimated there should be a clear explanation of how this is estimated in a methodology note. Benefit Cost Ratios should be calculated in a way that is consistent with [HMT's Green Book](#). For non-transport bids it should be consistent with [MHCLG's appraisal guidance](#). For bids requesting funding for transport projects this should be consistent with [DfT Transport Analysis Guidance](#). (Limit 500 words)

The BCR has been calculated by dividing the total monetised benefits by the total monetised costs (both discounted to 2021 prices):

| Measure  | Value £m<br>(2021 prices) |
|--|---------------------------|
| Total discounted benefits (see Table B - Appendix D for breakdown) (A) | 27.791                    |
| Levelling up funding requested (discounted) (B)                        | 9.853                     |
| Other public sector funding utilised (discounted) (C)                  | 4.330                     |
| <b>Benefit Cost Ratio for Central Government [ A / B ]</b>             | <b>2.82</b>               |
| <b>Benefit Cost Ratio for Public Sector [ A / ( B + C ) ]</b>          | <b>1.96</b>               |

Levelling Up funding (B) is calculated by applying a 3.5% discount factor per year to the grant request in cash terms (see funding profile Table C - Appendix D):

|  | 2021/22      | 2022/23      | 2023/24      | TOTAL        |
|--|--------------|--------------|--------------|--------------|
| Discount factor (3.5% pa) (D)              | 1.0000       | 0.9662       | 0.9335       |              |
| Levelling up grant request (£m) (E)        | 1.313        | 5.351        | 3.610        | 10.275       |
| <b>(B) Discounted grant (£m) [ D * E ]</b> | <b>1.313</b> | <b>5.170</b> | <b>3.370</b> | <b>9.853</b> |

Other public sector funding (C) is calculated applying the same 3.5% discount factor to the local authority contribution (see funding profile Table C - Appendix D) and removing the land value contributed (as no loss in value):

|  | 20/21/22 | 2022/23 | 2023/24 | TOTAL         |
|--|----------|---------|---------|---------------|
| Discount Factor (3.5% pa) (D)                    | 1.0000   | 0.9662  | 0.9335  |               |
| Local authority funding (F)                      | 1.520    | 1.955   | 1.453   | 4.928         |
| Less: Local Authority Land (G)                   | (0.436)  | 0.000   | 0.000   | (0.436)       |
| Local authority cash funding                     | 1.084    | 1.955   | 1.453   | 4.492         |
| (C) Other public sector funding<br>[(F – G * D)] | 1.084    | 1.889   | 1.356   | <b>4.330*</b> |

\* 0.001 Rounding difference

The project has an overall **BCR for Central Government of 2.82**; putting it in the High category of value for money. Compared to total public sector spend included within the scheme, the BCR is 1.96.

Sensitivity analysis has been undertaken to determine how much costs could increase or benefits could fall, while remaining in the high category (at BCR of 2) for Central Government:

| Sensitivity                                      | Change to estimate (£m) | Percentage change |
|--|-------------------------|-------------------|
| Maximum cost change (with no change to benefits) | 4.042                   | 41.0%             |
| Maximum benefit change (with no change in costs) | (9.854)                 | (29.1)%           |

The overall BCR has been calculated in a manner consistent with Green Book and MHCLG appraisal guidance, using costs and benefits with inherent optimism bias built into estimates. On top of this there are several non-monetised benefits of the scheme, particularly around the wider expected economic rejuvenation of the town, the catalytic impact it will have for longer-term plans for the town and some of the wider environmental benefits (see 5.5b). If these could be quantified, they would further enhance the BCR.

Even without some of the wider harder to quantify benefits, sensitivity stress testing shows overall costs could rise by over 40% or benefits fall by over a quarter and the scheme would still deliver a high category of Value for Money via the calculated BCR.

Furthermore, with costs containing appropriate contingencies and estimated benefits conservatively estimated the overall scheme represents a strong value for money case as a stand-alone scheme. The catalytic impact it could have beyond this and the ability to halt decline and kick-start the wider regeneration of the town is greater still.

5.5b Please describe what other non-monetised impacts the bid will have, and provide a summary of how these have been assessed. (Limit 250 words)

The following table sets out the non-monetised impacts the bid is expected to have and how they have been assessed:

| <b>Expected impact</b>  | <b>Evidence / basis for assumption</b>  |
|---|---|
| Increased footfall and tourism in the town centre             | Extra cultural facilities, improved physical condition of heritage assets and a vibrant market will attract visitors and retain residents, who would otherwise travel outside the Town for retail and leisure. This has not been quantified but experience elsewhere shows this impact. <sup>23</sup> |
| Carbon reduction for conversion of areas above shops to flats | Central Lincolnshire Growth Plan <sup>24</sup> projects over 4,000 additional dwellings in Gainsborough. Conversion over new build will save significant carbon compared to additional new build, potentially saving between 45-75 tonnes of CO2 per dwelling. <sup>25</sup>                          |
| Crime and fear of crime                                       | Research shows: “A greater diversity of use in town and city centres is likely to reduce crime and fear of crime”. <sup>26</sup>  |
| Education links   | Strong links exist with the local colleges and heritage within WLDC and this programme will give further opportunities to expand this partnership.  |
| Greater pride and satisfaction in living within Gainsborough  | The overall impact of the other factors, physical regeneration, investment and wider choices for local cultural activities will lead to increased satisfaction of living in the area  |

These wider outcome measures are reported as part of a package of indicators forming WLDC ‘State of the District’ each year, which provides evidence to support local priorities and drive the Corporate Plan.

These will be supplemented by further specific monitoring and evaluation of areas where data is not currently collected to get a holistic view of the benefits this overall scheme brings to the area. See answer 6.4 for more detail on wider targets and their measures.

<sup>23</sup> <https://www.localgov.co.uk/Repurposing-town-centres/50255>

<http://www.regenwales.org/upload/pdf/021116110857Case%20Study.pdf>

<sup>24</sup> <https://www.n-kesteven.gov.uk/central-lincolnshire/local-plan/> (p13 of Adopted Plan)

<sup>25</sup> <https://www.theguardian.com/environment/green-living-blog/2010/oct/14/carbon-footprint-house>

<https://www.treehugger.com/the-carbon-footprint-of-a-renovation-vs-new-construction-4857500>

<sup>26</sup> <https://www.bre.co.uk/filelibrary/Briefing%20papers/102417-Crime-Hotspots-Briefing-Paper-v4.pdf> (p12)

5.5c Please provide a summary assessment of risks and uncertainties that could affect the overall Value for Money of the bid. (Limit 250 words)

The following table sets out the key risks and mitigations to the strategic risks that could affect the overall Value for Money of the bid:

| <b>Risk</b>   | <b>Mitigation</b>  |
|---|--|
| Lower uptake than expected for grants to improve shops in conservation area or converting upper floors to flats | Conservation zone is wider than initially targeted area – review points built into project plan where zone can be expanded if uptake is below targets              |
| Delays during construction could increase costs and/or push back deliverable benefits                           | Specific additional posts (contained within this bid) to project manage and monitor progress coupled with use of contingencies built into bid                      |
| Further lock-down caused by Covid-19  | Proceed with schemes focussed on infrastructure and outdoor works as far as legislation allows   |
| Lack of demand for LOTS or appetite to convert by current owners  | Work with Registered Landlord sector and seek to facilitate sale, where they can lever further funding alongside LOTS grant to provide additional affordable homes |

There are further operational risks within each intervention and these are contained within the overall LUF project risk register.

Many of the usual strategic risks associated with interventions contained within this bid have already been treated. For example:

- Significant stakeholder consultation, showing public support for the interventions and significant latent demand by property owners to expand the existing Heritage and LOTS interventions.
- Analysis and option appraisals concluded, and preferred interventions costed for each intervention
- Aligned policy support; covering findings from Gainsborough Socioeconomic Survey, Growth Plan and aligned to WLDC’s Carbon Management Plan and draft Sustainability, Climate and Environment Strategy and action plan
- Interventions building upon successful pilots and incorporating lessons learned

5.5d For transport bids, we would expect the [Appraisal Summary Table](#), to be completed to enable a full range of transport impacts to be considered. Other material supporting the assessment of the scheme described in this section should be appended to your bid.

## PART 6 DELIVERABILITY

### 6.1 Financial

See technical note Table 1 for further guidance.

6.1a Please summarise below your financial ask of the LUF, and what if any local and third party contributions have been secured (please note that a minimum local (public or private sector) contribution of 10% of the bid costs is encouraged). Please also note that a contribution will be expected from private sector stakeholders, such as developers, if they stand to benefit from a specific bid (Limit 250 words)

The financial ask of the Levelling Up Fund is **£10.275m**, representing **58.5%** of the overall scheme costs.

The following table sets out total cost of the scheme and the available funding:

| Source                 | Amount (£m)   | Percentage    |
|------------------------|---------------|---------------|
| Scheme costs           | 17.575        | 100.0%        |
| <b>Financed by:</b>    |               |               |
| Levelling Up Fund      | 10.275        | 58.5%         |
| Private stakeholders   | 2.371         | 13.5%         |
| Existing grant funding | 1.531         | 8.7%          |
| WLDC Land              | 0.436         | 2.5%          |
| WLDC Budget / Reserves | 2.962         | 16.8%         |
| <b>TOTAL</b>           | <b>17.575</b> | <b>100.0%</b> |

Existing grants comprise of:

- £1.031m Heritage Funding for first stage of renovation grants for the conservation area (Appendix P).
- £0.5m contribution from the LEP for land purchase in connection with the cinema development (Appendix Q – Savoy GFA (LEP commitment) and Appendix O (land valuation)).

Private stakeholder contribution is comprised as the following:

- Cinema development - private contribution [REDACTED] (based upon affordability assessment).
- Heritage scheme - owners' contributions £0.312m.
- LOTS - owners' contributions £1.075m.

WLDC Land comprises current valuation of land for:

- Pocket park (£0.100m).
- Existing park (£0.336m).

WLDC Budgets comprise approval for:

- Cinema development (£2.475m).

- Riverside Regeneration Reserve (£0.479m).
- Match-funding for wayfinding strategy (£0.008m).

6.1b Please also complete Tabs C and D in the **appended excel spreadsheet**, setting out details of the costs and spend profile at the project and bid level in the format requested within the excel sheet. The funding detail should be as accurate as possible as it will form the basis for funding agreements. Please note that we would expect all funding provided from the Fund to be spent by 31 March 2024, and, exceptionally, into 2024-25 for larger schemes.

**Completed – see Appendix D.**

6.1c Please confirm if the bid will be part funded through other third-party funding (public or private sector). If so, please include evidence (i.e. letters, contractual commitments) to show how any third-party contributions are being secured, the level of commitment and when they will become available. The UKG may accept the provision of land from third parties as part of the local contribution towards scheme costs. Where relevant, bidders should provide evidence in the form of an attached letter from an independent valuer to verify the true market value of the land.

Yes

**Appendix P - Heritage funding**

**Appendix R - LEP Freedom and Flexibilities**

6.1d Please explain what if any funding gaps there are, or what further work needs to be done to secure third party funding contributions. (Limit 250 words)

There are no anticipated funding gaps.

For each individual renovation grant or contribution towards LOTS, a funding agreement between WLDC and the building owner will be in place. Agreements have already been developed for the existing Townscape Heritage Initiative and LOTS and have been tested for acceptability with owners.

Heritage and LEP contributions are already committed and funding agreements in place. Council funding commitments are established within the existing Medium Term Financial Plan.

6.1e Please list any other funding applications you have made for this scheme or variants thereof and the outcome of these applications, including any reasons for rejection. (Limit 250 words)

‘Thriving Gainsborough 2024’ represents an important and aligned project within a wider portfolio of interventions funded via public funds and private investment. The following funding applications have previously been submitted to address some of the systemic and local market failures that relate either directly or indirectly to our application:

**Gainsborough Growth Programme: £4m LEP Single Local Growth Fund (2016-2021) - successful**

- Acquisition of a key regeneration site to create non-food retail use, a cinema complex, public realm and car parking facilities.
- Commissioning of a Gainsborough Transport Model identifying potential solutions to alleviate congestion.
- Funding for LOTS.

**Gainsborough Southern Urban Extension: Homes England Housing Infrastructure Fund: £2.2m (2018-2021) - successful**

- Support delivery of key infrastructure to unlock up to 750 dwellings on Warren Wood.

**Gainsborough Townscape Heritage Initiative: £1.25m National Lottery Heritage Fund - successful**

- Restoring the historic heart of Gainsborough with initial intervention into 28 key properties. £348,700 WLDC match funds. Currently being delivered.

**Future High Street Fund 2019 - unsuccessful application**

- Our bid focussed on challenges with a High Street focus, many of which are also included in our ‘Thriving Gainsborough 2024’ bid.
- The feedback received is reflected in our LUF application. Namely, outputs from each intervention have been identified, with costed delivery and procurement plans demonstrating how we would implement and realise visible, tangible impact. Clear governance arrangements and monitoring and evaluation strategies have been developed, while demand and support for the interventions has been robustly tested (cinema, appetite amongst landlords, Neighbourhood Plan referendum etc.). Sources of match funding have been confirmed.

6.1f Please provide information on margins and contingencies that have been allowed for and the rationale behind them. (Limit 250 words)

Contingencies have been built into the project on an intervention-by-intervention basis. The following table sets out the amounts and rationale (where percentage is equal to the percentage of that intervention’s overall cost estimate):

| <b>Intervention</b> | <b>Amount (£m)</b> | <b>Percent</b> | <b>Rationale</b>                                  |
|---------------------|--------------------|----------------|---|
| Cinema (1.1)        | 0.465              | 6.9%           | QS Construction contingency (10% base build cost) |

|                           |              |             |   |
|---------------------------|--------------|-------------|---|
| Market Place (1.2)        | 0.232        | 28.6%       | Expert advice given pre-market tested stage of design   |
| Heritage (2.1)            | Nil          | 0.0%        | Number of buildings supported will be flexed rather than cost – WLDC will give fixed contribution as grant to each property owner |
| New Pocket Park (3.1)     | 0.099        | 22.2%       | Expert advice given pre-market tested stage of design (40% excluding land contribution)   |
| Park Improvements (3.2)   | 0.438        | 23.4%       | Expert advice given pre-market tested stage of design (40% excluding land contribution)   |
| Wayfinding strategy (4.1) | 0.013        | 16.7%       | Costs provided by WLDC, contingency in line with previous similar schemes & expert advice   |
| Bus station (4.2)         | 0.025        | 16.7%       | Costs provided by WLDC, contingency in line with previous similar schemes & expert advice   |
| LOTS (5.1)                | Nil          | 0.0%        | Number of buildings supported will be flexed rather than cost – WLDC will give fixed contribution as grant to each property owner |
| <b>TOTAL</b>              | <b>1.273</b> | <b>7.2%</b> | Figure represents contingency as a percentage of overall scheme costs   |

As the table above demonstrates, consideration has been given on an intervention-by-intervention basis, with contingencies set at realistic levels based upon stage of development and known risks.

6.1g Please set out below, what the main financial risks are and how they will be mitigated, including how cost overruns will be dealt with and shared between non-UKG funding partners. (you should cross refer to the Risk Register). (Limit 500 words)

The following table presents the main financial risks and how they are mitigated:

| <b>Risk</b>   | <b>Mitigation</b>   |
|---|---|
| Lower uptake than expected for grants to improve shops in conservation area or converting upper floors to flats | Townscape Heritage Initiative area is wider than initially targeted area – review points built into project plan where zone can be expanded if uptake is below targets. |
| Insufficient financial resources available to fund interventions through to completion                          | Appropriate financial contingencies to each intervention, while securing Committee approval for the Council's   |

|   |  |
|---|--|
|   | capital spend commitment. Costings include the costs of additional posts required to deliver the interventions, while our Project Managers and procurement colleagues will closely monitor costs with third parties, via monitoring of grant agreements and supply contracts, to ensure third party spend is on track. |
| Construction price inflation above budget before contracts agreed (including any post-Covid surge)            | Procure contracts as soon as bid successful. Use existing contingency to offset costs <sup>27</sup> and use other reserves / bid for additional funding for remaining deficit  |
| Unexpected ground conditions / survey results / archaeological findings add additional cost to site clearance | Carry out all relevant surveys as soon as possible. Review specific intervention if significant impact on time or budget.  |

Cost over-runs will be dealt with depending upon the intervention as can be seen from the following table:

| <b>Intervention</b>                   | <b>Party liable</b>                                     | <b>Justification</b>  |
|---------------------------------------|---|---|
| Cinema (1.1)<br>Build cost overrun    | Private sector  | Private sector engaging contractor - WLDC making contribution   |
| Environmental enhancements            | WLDC  | WLDC has control of requests  |
| Retail units increase in market value | WLDC  | Can match borrowing to increased rental returns   |
| Market Place (1.2)                    | WLDC (pre-contract)<br>Contractor (post contract award) | Fixed price design and build contract will be entered into  |
| Heritage (2.1)                        | Private sector  | WLDC giving capped grant contribution to each scheme; property owner has to agree to bear cost overruns as condition of grant |

<sup>27</sup> As scheme progresses through design stages, more assurance is given to final cost. The intention is to use fixed price design and build contracts, so as scheme is progressed an element of contingency can be utilised for unexpected costs

|                           |  |   |
|---------------------------|--|---|
| New pocket park (3.1)     | WLDC (pre-contract)<br>Contractor<br>(post contract award) | Fixed price design and build contract will be entered into  |
| Park improvements (3.2)   |  |   |
| Wayfinding strategy (4.1) |  |   |
| Bus station (4.2)         |  |   |
| LOTS (5.1)                | Private Sector   | WLDC giving capped grant contribution to each scheme; property owner has to agree to bear cost overruns as condition of grant |

As can be seen above, steps will be taken to pass the risk of cost overrun to the party best able to control it, passing this to contractors or private sector owners as early as practical in the design and build process. Ultimately, WLDC as overall scheme developer will be liable for costs overruns, to the extent they have not be transferred.

## 6.2 Commercial

See technical note Section 4 and Table 1 for further guidance.

6.2a Please summarise your commercial structure, risk allocation and procurement strategy which sets out the rationale for the strategy selected and other options considered and discounted. The procurement route should also be set out with an explanation as to why it is appropriate for a bid of the scale and nature submitted.

Please note - all procurements must be made in accordance with all relevant legal requirements. Applicants must describe their approach to ensuring full compliance in order to discharge their legal duties. (Limit 500 words)

Our commercial structure is summarised below:

- Council capital funding committed, above required levels.
- [REDACTED]
- [REDACTED]
- Grant funding agreements with freeholds (private investors) for Townscape Heritage and LOTS.
- Fixed price contracts for goods and services procured by the Council.



The Project Board will monitor progress and risks on a fortnightly basis, with specific focus on high post-mitigation scores (>9). Risks will be escalated to the Management Team (fortnightly), Portfolio Board and (finally) the Prosperous Communities Committee.

### 6.3 Management

See technical note Section 4 and Table 1 for further guidance

Delivery Plan: Places are asked to submit a delivery plan which demonstrates:

- Clear milestones, key dependencies and interfaces, resource requirements, task durations and contingency.
- An understanding of the roles and responsibilities, skills, capability, or capacity needed.
- Arrangements for managing any delivery partners and the plan for benefits realisation.
- Engagement of developers/ occupiers (where needed)
- The strategy for managing stakeholders and considering their interests and influences.
- Confirmation of any powers or consents needed, and statutory approvals eg Planning permission and details of information of ownership or agreements of land/ assets needed to deliver the bid with evidence
- Please also list any powers / consents etc needed/ obtained, details of date acquired, challenge period (if applicable) and date of expiry of powers and conditions attached to them.

6.3a Please summarise the delivery plan, with reference to the above (Limit 500 words)

#### **Governance**

Our governance arrangements (Appendix L) provide confidence about effective delivery to investors:

- Our committee structure, including Prosperous Communities and Corporate Policy and Resources Committees, provides strategic oversight and ensures accountability. 'Thriving Gainsborough 2024' will be scrutinised as part of our procedures relating to regular reporting of all projects.
- The Place Board provides crucial effective stakeholder engagement.
- The Programmes and Change Management Team delivers strong project management.
- Our Portfolio Board and audit function provide operational oversight.
- Our Project Managers will manage relationships with third parties, monitoring progress, risks and compliance against delivery plans, grant funding agreements and supplier contracts.

Together these arrangements provide assurances that funds will be invested in an effective manner, with an emphasis on effective management/scrutiny of delivery plans that result in visible place-based transformation and impact.

The delivery plan is summarised below:

### **Project management**

- Development/maintenance of PID and other project documents (risk logs, stakeholder management strategy etc.).
- Following a capacity and capability assessment, 4.5FTE project posts will be recruited to support delivery, monitoring and evaluation.
- Project Sponsor (Assistant Director) and respective Project Managers will manage intervention interdependencies.
- Comprehensive Delivery to commence during FY 21/22.
- Marketing campaign to support interest and awareness of interventions.
- Benefits realisation requirements (Appendix J) to be reflected in grant agreements, contracts with suppliers & M&E.

### **Cinema**

- Key milestones include finalising the grant agreement and Heads of Terms; resolving the existing restrictive covenant issue (low risk, strategy being implemented).
- Construction and fit out are scheduled for completion 1<sup>st</sup> April 2023, with sufficient time contingencies included.
- Savoy have provided independent evidence of demand and confirmed the commercial aspects of the investment remain profitable.
- Assumptions relating to clearance and build assessed by Council Assets Team.
- Planning permission granted, subject to Officer approval relating to the historic design of the cinema frontage (low risk).
- Legal advice accessed, proposal considered state aid compliant.

### **Streetscape & parks**

- Specialist consultants will be procured to design final concepts (April 2022), prior to implementation (by July 2023).
- Task durations includes built in contingency identified by specialist consultants then Council assured.
- In-house capacity and capabilities exist, supplemented by new Public Realm Project Officer.
- Market Place is within a conservation area, so team to engage with Heritage Officer and Highways (County Council).
- Improvement to Whitton Gardens requires planning approval, and engagement with County Council departments.
- All goods and services to be procured via a single contractor (framework call-off).

### **Town Hall, Townscape Heritage, LOTS and canopy treatments**

- Major dependency involves freeholder take up; managed through improved financial offer to freeholders.
- Each property to progress through Council planning process and listed building consent (where required) – additional Heritage Officer capacity included to ensure no delays.
- Procurement of goods and services to be overseen by freeholders.

- No state aid implications, given the level of funding being allocated to individual properties/a diluted group of freeholders.

**Wayfinding and refurbishment of bus station**

- Wayfinding - all delivery milestones to be completed by 1<sup>st</sup> April 2022. Single supplier to be procured from existing framework.
- Bus station - All but one delivery milestones scheduled for completion by 1<sup>st</sup> April 2022. Council to lead on design and oversight of procured build works, including resurfacing (agreed with LCC).

6.3b Has a delivery plan been appended to your bid?

Yes

**See Appendix B**

6.3c Can you demonstrate ability to begin delivery on the ground in 2021-22?

Yes

6.3e Risk Management: Places are asked to set out a detailed risk assessment which sets out (word limit 500 words not including the risk register):

- the barriers and level of risk to the delivery of your bid
- appropriate and effective arrangements for managing and mitigating these risk
- a clear understanding on roles / responsibilities for risk

Risks with an inherent risk score of >7 (medium) within Appendix C are considered below:

**Future lockdowns** - Proceed with schemes focussed on infrastructure and outdoor works as far as legislation allows.

**Lack of capacity and/or capabilities to deliver each intervention within timescales**, potentially delaying the completion of one or more interventions. To mitigate, we have undertaken a capacity and capability assessment to assess in-house resources and identify gaps. This has resulted in the identification of several required posts (see 6.3a) which have been included within costings. Recruitment to commence in Q3 FY21/22. In addition, we will procure consultants to provide external expertise (commercial terms, strategic advisory, Public Realm). Risk owner ('RO'): Project Sponsor.

**Insufficient financial resources available to fund interventions through to completion** - To mitigate, we have added appropriate financial contingencies to each intervention, while securing Cabinet approval for the Council's capital spend commitment. Costings include the costs of additional posts required to deliver the interventions, while our Project Managers and procurement colleagues will closely monitor costs with third parties, via monitoring of grant agreements and supply contracts, to ensure third party spend is on track. RO: Project Sponsor

**Delays to LUF funding decision result in timescales being condensed (to ensure delivery by 31/3/24)** - Our assumption is that LUF funding decisions will be made during Q3 FY21/22. Should the award decision be after this point, we intend to mobilise our in-house delivery team and develop job descriptions and personal specifications for new roles. The Project Sponsor will discuss already developed plans to invest Council funds in particular interventions, ahead of an anticipated award notification. RO: Project Sponsor



**Cinema build costs exceed Savoy estimates and available LUF funding** - As the single largest spend, costs will be closely monitored during the design, clearance, build and fit out stages, as per the terms of the grant agreement and HoTs.



**Bus station** - Disruptions to bus services, passengers and local businesses will be managed through the agreement of procedures designed to deal with customer flow and requirements for access to shelters at peak times. RO - Project Manager.

**LOTS - Demand for programme is limited** - A lack of freeholder interest. Assumed 50% take up of grants, which evidence suggests is prudent/achievable and informed by evidence of latent demand (informed interest for 18 flats before scheme launched). Potential to widen geographical boundaries. Marketing and communications to raise awareness, proactive engagement of freeholders. RO - Project Sponsor (lead) and Project Manager.

6.3f Has a risk register been appended to your bid?

Yes

**See Appendix C**

6.3g Please evidence your track record and past experience of delivering schemes of a similar scale and type (Limit 250 words)

The Council has a strong track record of delivering large scale impactful transformational programmes in partnership with public and private partners. We possess extensive experience of working collaboratively with partners to ensure effective, timely, impactful and affordable delivery.

We have delivered sizable schemes through public/private partnerships, including:

**Gainsborough Travelodge hotel and restaurant development:** WLDC capital contribution £1,471,000 and [REDACTED].

- Created 56 bed hotel and 16 new jobs opened 2018.
- Project was delivered by Dransfield to time and on budget. Overseen by Land Property and Growth Board.

**Market Street Renewal:** £375,000 WLDC / [REDACTED] Dransfield investment

- Joint Venture company 'Market Street Renewal' established with Dransfield Properties Ltd to improve Market Street and create quality environment for new Travelodge.
- Delivered 3 retail units and four residential flats within listed buildings.
- Since the units have been completed in 2019 there have been no vacancies, despite Covid related challenges. The project was delivered on time and to budget.
- The Place Board has promoted the success of the scheme and see it as a blue print for further quality regeneration.

**P3 Viable Housing Solutions:** £ [REDACTED] WLDC plus 12 properties, in addition to £ [REDACTED] of investment by P3.

- Procured partner to acquire, regenerate and let 100 properties in South West Ward to end unsustainable tenancy turnover and poor-quality private landlords.
- Delivery commenced in April 2021, lasting for 3 years, overseen by the Prosperous Communities Committee and Housing and Communities Board.

6.3h Assurance: We will require Chief Financial Officer confirmation that adequate assurance systems are in place.

For larger transport projects (between £20m - £50m) please provide evidence of an integrated assurance and approval plan. This should include details around planned health checks or gateway reviews. (Limit 250 words)

The Council's CFO (Section 151 Officer) confirms that adequate and appropriate assurance systems are in place:

- All assumptions have been assured, tested and approved. They are considered prudent and evidence based.
- Council contributions and LEP funding has been secured.
- Costings associated with the Council's delivery of the project are understood, reflected in the VfM model or accounted for within Council budgets.
- Appropriate contingencies are in place across each intervention and at a project wide level.
- Sufficient funding has been allocated to activities that will create the conditions the project requires to succeed; appropriate value of funds allocated to PMO, procurement and contract management, performance monitoring, marketing, external expertise/consultancy and monitoring and evaluation.

- Appropriate risk management strategies are in place to treat the most pressing risks.
- The procurement strategy represents a regulatory compliant, viable and feasible proposition that will ensure fair and transparent access to the required goods and services.
- Corporate services are aware and committed to the delivery of the project (finance, legal, procurement, assets etc.).
- Project governance arrangements are clear, understood and can be implemented, providing the required level of strategic oversight, assurances and accountability. Clear lines of delegation and areas of responsibility have been defined, with a highly capable Project Sponsor with the required availability to oversee the project in place.
- Appropriate procurement and contract management arrangements are in place, with the necessary resources identified, to ensure close management of contracts, grant agreements and heads of terms with third parties.
- Clear project controls and performance management processes have been identified.

## 6.4 Monitoring and Evaluation

*See technical note Section 4 and Table 1 for further guidance.*

6.4a Monitoring and Evaluation Plan: Please set out proportionate plans for M&E which should include (1000 word limit):

- Bid level M&E objectives and research questions
- Outline of bid level M&E approach
- Overview of key metrics for M&E (covering inputs, outputs, outcomes and impacts), informed by bid objectives and Theory of Change. Please complete Tabs E and F on the **appended excel spreadsheet**
- Resourcing and governance arrangements for bid level M&E

### **M&E objectives**

Each 'Thriving Gainsborough 2024' intervention has strong links to existing strategic plans (see section 4.4a - Neighbourhood Plan, Heritage Masterplan, Sustainability, Climate Change and Environmental Strategy etc.). As such, this project has been designed to deliver interventions that will realise positive impact aligned to our most pressing strategic objectives and priorities.

Given that several interventions involve the extension of existing projects and/or the investment of other public funds (LEP, Heritage Fund), the impact of these interventions will also inform/be captured by existing M&E frameworks. Our intention is not to reinvent the wheel; our M&E approach compliments and informs existing evaluation activity, while enabling an ongoing assessment of the outputs, outcomes and impacts realised via the investment in the project.

Nevertheless, a fundamental overriding M&E and governance objective is to:

- Deliver interventions on time
- Within budget
- Specified quality
- Realise and optimise outcomes

In addition, our objective is to ensure that M&E and project management systems are effectively coordinated, to ensure that during project delivery unexpected problems or opportunities with a significant impact are addressed in a timely way.

### **Bid level M&E research questions**

#### **Monitoring**

Our monitoring arrangements are designed with specific focus on the inputs and outputs:

- Were all identified inputs deployed? Were there any challenges in accessing resources?
- Has each intervention/output been completed on time, to the required specification and within budget? Lessons learnt - what were the critical success factors? What could have been done differently?
- How effective were project management and governance arrangements?
- How well engaged were partners, stakeholders and the community in delivery?
- What is the immediate impact on local provision (mapping of provision)?

#### **Evaluation**

To measure the direct link between the successful implementation of these visually impactful interventions and the extent to which market failures have been addressed:

- To what extent have the structural issues and conditions that resulted in market failures been addressed? What (if any) structural issues and conditions remain/require further time (or investment) to address?
- Has the improved townscape become more attractive and accessible to residents, businesses and visitors?
- Has the town's cultural and heritage offer become more viable and easier for residents/visitors to access?
- The impact the project investment has had on commercial, social and environmental outcomes.
- To what extent has the investment changed perceptions of the town (pride in place felt by residents, visitor perceptions/pull factors)?
- Has the investment created the necessary conditions for future Council/private led rounds of interventions?

### **Outline of bid level M&E approach**

Our final approach will be informed by the M&E framework issued by central government and the proposed Green & Magenta Book compliant methodology of

our appointed external M&E partner. Below is our proposed approach, which will be shaped to reflect the above.

**Monitoring** - Our approach to monitoring will focus on the inputs and outputs (see columns D&E of Appendix I, and 'output' measures within column D, Appendix J). Data collection will rely on a combination of strong project management functions, contract and grant management and performance management arrangements. Operational progress and performance will be tracked across each intervention, with the Project Sponsor working closely with the various Project Managers and staff (Project/Grant Accountant and Procurement Officer) to review captured data.

Lessons learnt logs for all interventions will be maintained by Project Managers, while key KPIs linked to the successful delivery of each intervention will be embedded within supplier contracts and grant funding agreements.

Project Managers will maintain 'provision and demand maps', which document the additional capacity/provision generated through the implementation of the interventions, and demand/usage of provision. Monitoring reports will be provided to the various tiers of governance and fed into the wider evaluation process.

**Evaluation** - Our approach to evaluation will focus on measuring the outcomes and impact derived from the implementation of the interventions. Columns F-L of the ToC (Appendix I) and measures listed as 'outcomes' within column D of Appendix J have been identified as the most appropriate indicators upon which to base the evaluation. Targets have been identified for each indicator, while a series of 'overall outcomes/impacts' are identified within columns 50-63 of Appendix J. These 'overall' measures will measure the cumulative impact of all interventions on the town, its residents, businesses and visitors, including those with protected characteristics.

A 5-year evaluation period has been assumed, allowing for initial findings to be reported at the end of the LUF programme, and the continuation of a longer-term evaluation. Surveys will take place at the beginning and end of the LUF programme, involving residents, businesses and visitors.

The majority of outcome and impact indicators identified within Appendices I and J are currently measured via existing performance management arrangements. Where arrangements are not in place, we will establish arrangements and agree baselines with our appointed our M&E partner (Q3 FY21/22).

### **A summary of key metrics for M&E (see Appendix I and J)**

Inputs (for all interventions)

- Value of funding/investment deployed

Outputs (intervention specific)

- Intervention completion date (practical/final completion date)
- Date of retail units let by Council
- No. of grants received/agreed

- No. of buildings with completed renovations/flats created/trees planted/monoliths/fingerposts installed

#### Outcomes (intervention specific)

- Number of FTE jobs created (cinema/retail/restaurant)
- Final EPC rating/utility savings
- Number of market stalls & vacant shops
- Number of visitors to parks & cinema

#### Outcomes

- Footfall/tourist numbers increase in Gainsborough
- Commercial void rates decrease
- Fear of crime decline
- Number of apprenticeships created
- Decrease in pollution levels
- Carbon savings

#### Impact

- Average IMD rank for all SOAs
- Reduction of percentage gap - house prices
- Increased NNDR
- NVQ4 or higher
- Sense of place - resident, business and visitor satisfaction

#### **Resourcing and governance**

Our intention is to procure (Appendix M, [REDACTED] allocated) an independent M&E partner to oversee and manage the evaluation process. They will work closely with the Project Sponsor (lead), Project Managers and partners to ensure data collection processes are in place. Given the broad scope of the M&E (commercial, social and environmental), we anticipate appointing a consortium that possesses expertise in each area.

Given the strong links between our existing strategies and the proposed interventions, we will use the governance arrangements outlined within Appendix L to inform and scrutinise the M&E process and review the regular outputs. Given our committee structure, this will ensure a 'One Council' approach, while also involving of key partners (via the Place Board) and an active role for our assurance function (Assurance Lincolnshire).

## PART 7 DECLARATIONS

### 7.1 Senior Responsible Owner Declaration

As Senior Responsible Owner for 'Thriving Gainsborough 2024' I hereby submit this request for approval to UKG on behalf West Lindsey District Council and confirm that I have the necessary authority to do so.

I confirm that West Lindsey District Council will have all the necessary statutory powers and other relevant consents in place to ensure the planned timescales in the application can be realised.

Name: Ian Knowles – Chief Executive Officer

Signed:



### 7.2 Chief Finance Officer Declaration

As Chief Finance Officer for *[name of organisation]* I declare that the scheme cost estimates quoted in this bid are accurate to the best of my knowledge and that *[name of organisation]*

- has allocated sufficient budget to deliver this scheme on the basis of its proposed funding contribution
- accepts responsibility for meeting any costs over and above the UKG contribution requested, including potential cost overruns and the underwriting of any funding contributions expected from third parties
- accepts responsibility for meeting any ongoing revenue requirements in relation to the scheme
- accepts that no further increase in UKG funding will be considered beyond the maximum contribution requested and that no UKG funding will be provided after 2024-25
- confirm that the authority commits to ensure successful bids will deliver value for money or best value.
- confirms that the authority has the necessary governance / assurance arrangements in place and that all legal and other statutory obligations and consents will be adhered to.

Name:

Tracey Bircumshaw – Assistant Director, Finance, Business Support and Property Services (S151)

Signed:



### **7.3 Data Protection**

Please note that the The Ministry of Housing, Communities and Local Government (MHCLG) is a data controller for all Levelling Up Fund related personal data collected with the relevant forms submitted to MHCLG, and the control and processing of Personal Data.

The Department, and its contractors where relevant, may process the Personal Data that it collects from you, and use the information provided as part of the application to the Department for funding from the Levelling Up Fund, as well as in accordance with its privacy policies. For the purposes of assessing your bid the Department may need to share your Personal Data with other Government departments and departments in the Devolved Administrations and by submitting this form you are agreeing to your Personal Data being used in this way.

Any information you provide will be kept securely and destroyed within 7 years of the application process completing.

**You can find more information about how the Department deals with your data [here](#).**

## ANNEX D - Check List Great Britain Local Authorities

| Questions   | Y/N | Comments  |
|---|-----|---|
| <b>4.1a Member of Parliament support</b>  |     |   |
| MPs have the option of providing formal written support for one bid which they see as a priority. Have you appended a letter from the MP to support this case?  | Y   | See Appendix A  |
| <b>Part 4.2 Stakeholder Engagement and Support</b>  |     |   |
| Where the bidding local authority does not have responsibility for the delivery of projects, have you appended a letter from the responsible authority or body confirming their support?  | N/A |   |
| <b>Part 4.3 The Case for Investment</b>   |     |   |
| For Transport Bids: Have you provided an Option Assessment Report (OAR)   | N/A |   |
| <b>Part 6.1 Financial</b>   |     |   |
| Have you appended copies of confirmed match funding?  | Y   | See Appendices P,Q and R  |
| The UKG may accept the provision of land from third parties as part of the local contribution towards scheme costs. Please provide evidence in the form of a letter from an independent valuer to verify the true market value of the land.<br><br>Have you appended a letter to support this case? | N/A | No provision of land from third parties forms local contribution towards scheme costs   |
| <b>Part 6.3 Management</b>  |     |   |
| Has a delivery plan been appended to your bid?  | Y   | See Appendix B  |
| Has a letter relating to land acquisition been appended?  | Y   | See Appendix A (letters from Co-op and Savoy) confirming intent regarding land transaction.<br><br>See Appendix R for LEP funding committed, to fund land acquisition.<br><br>See Appendix O for details of land valuation. |
| Have you attached a copy of your Risk Register?   | Y   | See Appendix C  |