

# Apply to the levelling up fund round 2

## Submission details

Submission reference	LUF20631
Created time	Wed, 10 Aug 2022 09:27
Signed-in user	5b9cf130-6071-4fa7-a236-8de7ab569990

## What is the legal name of the lead applicant organisation?

Boston Borough Council

## Where is your bid being delivered?

England

## Select your local authority

Boston

## Enter the name of your bid

The Rosegarth Square Masterplan

Does your bid contain any projects previously submitted in round 1? Yes

## Bid manager contact details

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## Senior Responsible Officer contact details

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## Chief Finance Officer contact details

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## Local Authority Leader contact details

Full name	Cllr Paul Skinner
Position	Leader
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Email address	paul.skinner@boston.gov.uk

## Enter the name of any consultancy companies involved in the preparation of the bid

AMION Consulting Ltd  
Thomas Lister MRICS  
Wilmott Dixon - including CPMG Architects and ARES  
Banks Long & Co

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## Enter the total grant requested from the Levelling Up Fund

£14846596

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## Investment themes

Regeneration and town centre	100%
Cultural	0%
Transport	0%

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## Which bid allowance are you using?

## How many component projects are there in your bid?

3

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## Are you submitting a joint bid?

No

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## Grant value declaration

I am submitting a bid as a single applicant and can confirm that the bid overall does not exceed £20 million grant value

Tick to confirm

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## Gateway criteria: costings, planning and defrayment

I confirm that some LUF grant funding will be defrayed in the 2022/23 financial year

Tick to confirm

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Costings and Planning Workbook

Boston LUF\_Package\_Bid\_Costings\_\_Planning\_Workbook\_V2.00 FINAL.xlsx

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## Provide bid name

Rosegarth Square Masterplan

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## Provide a short description of your bid

Rosegarth Square, part of the PE21 regeneration scheme, involves the delivery of a substantial new public realm infrastructure and creation of a new place. This will catalyse wider regeneration of a strategically important brownfield site, increase activity and dwell time, contribute positively to health and wellbeing, address ASB and crime issues, and offer opportunities for culture and recreation.

Linked interventions to demolish a vacant retail store (B&M) as an enabler for developing a Civic Hub, along with the conversion of the vacant building "Crown House", will also make significant positive contributions to the area and complement the public realm works.

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## Provide a more detailed overview of your bid proposal

The Masterplan

The Rosegarth Square Masterplan, as proposed through this bid, seeks to utilise a combination of Government, Public Sector and Private Sector investment to undertake three initial interventions acting as a catalyst for the wider PE21 regeneration scheme. PE21 involves the regeneration of a 10 acre strategic brownfield site in Boston town centre, which is largely in public sector ownership.

The creation of new public realm, and interventions relating to two other vacant town centre buildings, seek to make an immediate and tangible change to the area, creating a place where people want to live, work and visit. This will encourage further investment on the surrounding parcels.

#### New Public Realm

This is seen as an impactful and positive intervention, which can be delivered in the short-term and would create the conditions for unlocking development of adjacent land parcels. This is a strategic place-making opportunity that seeks to utilise best practice to form a safe, enjoyable, accessible and vibrant place – combining multi-use & activation / inclusivity / play & learning / health & well-being / art & heritage. It would visually and environmentally transform the area, providing an improved linkage between the Market Place, Boston Train Station (subject to Towns Fund investment) and the existing Bus Station. This project meets several key LUF objectives including the re-use of brownfield land, creating a sense of place, and creating positive cultural and environmental change. As part of these works, culture and engagement activities would take place through an archaeology project, based around the principles of a community dig.

#### Crown House

This project would bring a vacant town centre building back into commercial beneficial use (comprised of transitional youth housing and community uses, operated by the YMCA). As a stalled project, the site is falling in to disrepair, which is contributing to a poor local perception of place and creating a focus for anti-social behaviour. The Council is in advanced discussions with the YMCA, who wish to bring forward this project to provide youth housing, employment and family skills opportunities.

#### Civic Hub

The project would provide initial site clearance and enabling works for the vacant former B&M retail site to create the conditions for future development of a Civic Hub. This site is in a prominent location which is a focus for anti-social behaviour, detracting from the area. Working in partnership with the current owners (Scarborough Group) there is a desire to re-develop this site for hotel and commercial/community uses. Removal of the existing structure would create impactful, positive change, supporting the development proposals and creating the conditions required for future investment.

#### Cohesiveness

Together, these interventions would use the LUF funding (in combination with private and public sector match) as a catalyst to unlock the remainder of the 'PE21' regeneration area. Collectively this would then leverage the ability to bring forward other potential interventions in future which could include:

- New health facilities with linkages to third sector organisations
- Housing, community/public sector and commercial uses
- Improvements to Boston Bus Station

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## **Provide a short description of the area where the investment will take place**

Centre of Boston

The proposals will take place within a strategically important part of Boston

town centre. This area has been subject of a wider masterplan and is known locally as 'PE21'.

'PE21' comprises a 10 acre brownfield site opportunity, located to the west of the River Witham. The site is in close proximity to the Market Place (accessible via a footbridge); sits in the shadow of St Botolph's (Grade 1 church); connects the Train Station and Bus Station; and currently comprises a mix of car park, health and community facilities, and vacant uses.

The proposals that form this LUF bid are primarily focused on the eastern end of the site, with the conversion of Crown House (former job centre), demolition of the former B&M retail building (in preparation for development of a Civic Hub), and the creation of a new piece of public realm running through the site from the footbridge to the front of the Len Medlock centre.

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**Optional Map Upload**

Appendix A - Investment Site Map.jpg

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## Does your bid include any transport projects?

No

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## Provide location information

### Location 1

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**Enter location postcode** PE21 8SJ

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**Enter location grid reference** TF325440

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**Percentage of bid invested at the location** 100%

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**Optional GIS file upload for the location**

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## Select the constituencies covered in the bid

### Constituency 1

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**Constituency name** Boston and Skegness

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**Estimate the percentage of the bid invested in this constituency** 100%

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## Select the local authorities covered in the bid

### Local Authority 1

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**Local authority name** Boston

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**Estimate the percentage of the bid invested in this local authority** 100%

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## Sub-categories that are relevant to your investment

Select one or more regeneration sub-categories that are relevant to your investment

Commercial  
Civic  
Residential  
Other Regeneration

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Describe other regeneration sub-category

Public Realm

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Select one or more cultural sub-categories that are relevant to your investment

Heritage buildings and sites

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Select one or more transport sub-categories that are relevant to your investment

Active Travel

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## Provide details of any applications made to other funding schemes for this same bid that are currently pending an outcome

There are no other pending funding applications that are linked to this proposed LUF scheme.

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## Provide VAT number if applicable to your organisation

N/A

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## Bidders are invited to outline how their bid will promote good community relations, help reduce disparities amongst different groups, or strengthen integration across the local community

The overall ambition is to create an entrepreneurial, connected, healthy, inclusive, and aspirational community.

Public Realm:

This is a strategic place-making opportunity that seeks to utilise best practice to form a safe, enjoyable, accessible and vibrant place – combining multi-use & activation / inclusivity / play & learning / health & well-being / art & heritage. It would also provide confidence to other investment opportunities as well as making an immediate difference to the sense of place. This would hit a number of the key LUF objectives around re-use of brownfield land, sense of place, cultural and environmental change etc.

Linked to the above is an archaeology project, based around the principles of a community dig. This would encourage community engagement with the re-development proposals for the area, as well as linking in with cultural and skills themes.

Crown House:

There is potential to bring this building in to beneficial uses (potentially a mix of housing, and commercial/community uses) which would rejuvenate the building and provide activation at ground floor level. This vision aligns with part of a stalled project already underway within the building. Clearly as a stalled project, the site is falling in to wider disrepair and detracts from the area as well as creating a focus for anti-social behaviour. Formative discussions have

been had with a partner who has interest in this project and the opportunities in relation to this building and its role in the wider PE21 proposition. Funding would be used to 'pump prime' investment in to this building and in turn delivery increased activity and improvements aesthetically.

#### Civic Hub:

Funding of initial works to look to demolish/clear the site to make way for re-development proposals. This would be another way of securing private sector investment in to the site and there is the potential to 'pump prime' future uses through reduction in development cost. This would see the Council working in partnership with the current owners to re-develop this site - likely to comprise hotel, commercial/community uses and potentially residential. This would provide private sector match funding, which is an important facet of the bid.

#### Wider Impact:

These interventions would use the LUF funding as a catalyst to unlock the remainder of the PE21 area, including adjacent sites. Collectively this would then leverage the ability to bring forward other potential interventions in future which could include:

- New health facilities with linkages to third sector organisations including Len Medlock
- Housing, community/public sector and commercial uses
- Improvements to the bus-station

#### Stakeholders & Engagement:

The Council has embarked on a comprehensive scheme of engagement, including working with key stakeholders, a series of public engagement sessions (both historically and more recent) and social media activity. All of these are evidenced within our bid. Collectively we have significant reach when involving our partners and this enables us to gain a really deep understanding of community dynamics, needs and wants, and allows us to access hard to reach groups.

The construction project will include the following summary actions:

- Links to accessible routes by public transport, cycle, and foot to the Town Centre.
- Disability impact assessments and diversity impact assessments carried out throughout design stages ensuring compliance with national standards and full inclusivity for all.
- Consideration of all groups in designing of the public realm elements, reflective of best practice and the need to ensure that this is a safe, accessible and vibrant place.
- Inclusion of specialist facilities where necessary and appropriate such as Changing Places toilets
- Encouragement of an inclusive by design approach throughout
- Review of signage / wayfinding to make it easy for all people with physical and mental (including dementia) conditions find their way around.
- Undertaking consultation exercises, involving specialist and hard to reach groups to inform the design. Embedding consultation and community cohesion throughout the project.
- Map all known users and engage with under-represented groups (in comparison to the catchment profile), to co-design and deliver suitable programmes of activity to suit their needs. This will be undertaken with other stakeholder partners including health, education, adult and children social care colleagues together with volunteering groups, community champions.

- Programme specific activity and time in project delivery to respond to the needs of the community.

- Collaborate with partners to deliver opportunities (particularly in relation to skills, culture and art, and health/well-being) and positive outcomes as a result of the development.

Who Will be Impacted?

The primary impact will be economic. The groups affected include: people with disabilities, people from deprived communities, BAME communities and people experiencing sex/gender and gender reassignment discrimination.

Why is the Scheme Being Undertaken?

The scheme is being undertaken to address the market failure and resulting economic disadvantage which stems from an underperforming economic asset in Boston in terms of its town centre.

How the Outcomes will be Delivered:

The projects will be delivered by the Council in partnership and see a series of interventions to create new public realm, commercial/community/residential accommodation, enhancing the quality and of local services and increasing the range of opportunities available.

The potential impacts and the planned actions to address them:

General – we acknowledge the importance of removing barriers to participation and addressing factors which impede the functioning of a fair and equitable local economy. Indeed we recognise that without taking this action we confound our own purposes in seeking to maximise the economic impact, by including all the skills and potential available to us to achieve our mission.

People with disabilities – we recognise the challenges that people with disabilities face both in terms of physical access to areas of the town centre at the heart of our initiative and in terms of benefitting in terms of economic opportunity from the wider outcomes of this proposal. We intend to ensure that the physical development of the buildings/townscape in our proposals is implemented in a way which maximises opportunities for both the employment (through giving a positive weighting to choosing contractors with the best engagement of people with disabilities) and through the design and management arrangements for the facilities themselves.

BAME communities – we are also committed to ensuring that black, minority ethnic communities and in the case of Boston the significant proportion of our community that represent migrant workers, particularly from Central and Eastern Europe, are treated fairly. The Council will ensure that the tendering process gives a high premium to businesses with a track record of supporting these groups. We will also ensure that access to the commercial opportunities and the new residential letting arrangements associated with our programme (through the letting and sales policy) effectively recognise and respond to the challenges around fairness and equality experienced by this group. We will set up systems to actively monitor our impact in this context.

Gender/Sex/Gender Reassignment – we will take account of the challenges facing people who may experience discrimination from these groups through our contracting, property management and commercial development policies. We will set targets for the fair inclusion of individuals from these groups based on their distribution within our catchment population and we will measure progress regularly.

Governance – the proposal is to build on the success of the Towns Fund governance arrangements and ensure that decisions are taken on an appropriate basis that align with the intent to create a lasting positive legacy for the town. The Towns Fund Board, and Council are representative of a range of interests from across the community and thus support the overall equality duty.



Additionally, the Council in signing any future funding agreement accepts the need to comply with the following paragraph:

The Applicant shall at all times comply all obligations imposed on it as an employer by the Employment Rights Act 1996, the Trade Union and Labour Relations (Consolidation) Act 1992, the Employment Relations Act 1999, the Equality Act 2010 and the Working Time Regulations 1998.

An Equality Impact Assessment has also been undertaken for the Rosegarth Square Masterplan scheme, which demonstrates how the scheme will promote good community relations, reduce disparities amongst different groups and strengthen local community integration. The Equality Impact Assessment is available at Appendix B.

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**Is the support provided by a 'public authority' and does the support constitute a financial (or in kind) contribution such as a grant, loan or guarantee?**

Yes

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**Does the support measure confer an economic advantage on one or more economic actors?**

Yes

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**Provide further information supporting your answer**

No (Public Realm and Site Preparation) – because for this BBC is not an enterprise (or economic actor) for this purpose.

Yes (Crown House).

Please also see DWF's advice set out at Appendix C.

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**Is the support measure specific insofar as it benefits, as a matter of law or fact, certain economic actors over others in relation to the production of certain goods or services?**

Yes

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**Provide further information supporting your answer**

Yes (all interventions).

Please see Appendix C for further details.

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**Does the support measure have the potential to cause a distortion in or harm to competition, trade or investment?**

Yes

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**Provide further information supporting your answer**

Please see further information in Appendix C.

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**Public policy objective principle**

**Demonstrate below how your bid meets this principle**

The public money is being spent to address market failure in the retail and housing sectors in the town of Boston. Both issues are well established national priorities at the heart of the current Levelling Up agenda.

BBC has been considering options for facilitating development of Crown House including a "do nothing" option and other smaller scale and different delivery options but cannot determine an alternative way that would be likely to deliver results at this cost other than subsidy.

BBC has considered other sources of funding but commercial funding would only exacerbate the viability gap. BBC is implementing the Project itself (direct intervention).

Please see Appendix C for further details.

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## Proportionate and limited principle

### Demonstrate below how your bid meets this principle

Any subsidy will be very limited –the procuring of the development activity will be achieved through competitive tender introducing market conditions into the regeneration. The development of the linear park and the refurbishment of the public realm constitutes public works and does not involve the provision of subsidy. The chosen structure for the SPV(which will hold the property assets) is an asset locked Community Interest Company.

This is not a profit generating or market facing type of structure, given that any surpluses that the CIC generates are required by law and its Articles to be re-invested for public benefit and in this instance within the overall envelope of the development.

Crown House – further work will be done to narrow the intervention to the demonstrated viability gap and no more. The projected revenue over the estimated useful life of the new facility will only just cover operating costs, meaning the entire capital cost of the works can be publicly funded. This is understandable given the public realm and site abnormalities associated with the development, together with the community offer element and demand levels in the area.

LUF funding agreement will also include a repayment of grant clause should viability gap be less than that anticipated.

Please see Appendix C for further details.

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## Change of economic behaviour principle

### Demonstrate below how your bid meets this principle

The CIC will be governed and financially underpinned by Boston Borough Council. All financial transactions will be transparent and visible to the local authority. This will enable any element of subsidy to be clearly identified and managed.

Detailed consultation on the nature of the property and retail market with private sector experts involved in the Towns Fund Board –including two major developers: Chestnut Homes and Lindum Construction, neither of whom will be involved in the governance of the CIC along with wider discussions with local agents has helped established the market failure case for the deployment of the proposed model.

In the absence of the funding the proposed development would not take place –its objective is to repurpose existing redundant office and retail space, the market for which no longer exists. Public funding is required to kick start the initial development.

BBC has been considering options for facilitating development of Crown House including a "do nothing" option and cannot determine an alternative way that would be likely to deliver results at this cost other than subsidy BBC has engaged in surveys/feasibility as well as stakeholder and public consultation and is satisfied Crown House will not happen absent subsidy intervention hence the behaviour changing effect.

## Compensation of costs otherwise funded by beneficiary principle

### Demonstrate below how your bid meets this principle

The investment has been modelled to be net of any levels of likely investment from the market—i.e., public funding is sufficient to stimulate the market rather than replace its involvement. The LUF application has modelled the BCR for the scheme—the removal of the proposed public intervention would make the developments unviable.

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## Appropriate policy instrument principle

### Demonstrate below how your bid meets this principle

We do not believe there is any market distortion based on our answers above. The land use development plan for Boston—the Local Plan identifies housing and retail interventions in the context of repurposing the High Street as key priorities. The failure of the market to achieve these interventions, on its own, is exemplified by the following quote from the Levelling Up application:

“[Boston] has significant deprivation characterised by high unemployment (including youth unemployment)—the highest proportion of the 9 audit family towns when benchmarked, low incomes and poor health outcomes (in the lowest 30% of all local authorities in the 2019 English Indices of deprivation (the second highest in its cohort of benchmark towns). Translating into a poor profile of domestic housing with high levels of rented accommodation and low levels of housing ownership (the second lowest in its cohort of benchmark towns). It also impacts on the quality and value of local housing: 69% of properties in Boston are in council tax bands A-B compared to 44% in England as a whole.

Finally, it leads to wages which are £140 per week lower than the national average. In practical terms this means that Boston's economy is based largely on the consumption needs of its indigenous population. It lacks the visitor interest and profile to attract significant external investment in its retail core and has seen two of its most prestigious operations, Marks & Spencer's and the local Department Store Oldrid's close, leaving significant voids alongside the already significant store of vacant commercial premises in the urban core.”

BBC has been considering options for facilitating development of Crown House including a "do nothing" option and other smaller scale and different delivery options but cannot determine an alternative way that would be likely to deliver results at this cost other than subsidy.

BBC has considered other sources of funding but commercial funding would only exacerbate the viability gap. BBC is implementing the Project itself (direct intervention).

Please see Appendix C for further details.

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## Competition and investment principle

### Demonstrate below how your bid meets this principle

BBC preliminary studies support that the proposed works will have a limited negative effect on competition given the market failures which they will help rectify, and it actually expects the intervention will be a catalyst for future investment and not the other way around. It will commission further economic assessment to confirm this prior to award. The obvious benefit is the wider community well-being benefit a facility of this nature can bring.

The proposed subsidy can be analysed in terms of its inherent distortive effect:

The nature of the instrument - viability gap means that there is no other less distortive means of support available (eg loan).

The breadth of beneficiaries and the selection process - Subsidy to promote residential accommodation and general public amenity that is made available to local disadvantaged population.

The size of the subsidy - it is limited in absolute terms to the viability gap and cannot be lowered.

The timespan over which a subsidy is given - it is a one off grant rather than periodic.

The nature of the costs being covered - it is against professionally assessed capital costs rather than operating costs.

Performance criteria - performance criteria and a payment schedule linked to achievement of specific milestones will be incorporated into the subsidy agreement as deliverables with repayment.

Ringfencing - BBC will separate the transactions relating to the subsidy into a special purpose vehicle.

Monitoring and evaluation - these will follow UK Government guidance and embedded in the funding agreement.

Geographical and distributional impacts - the subsidy is to meet existing demand in the area and is not expected to relocate or displace activity from another area. It is for the benefit of local residents and so not a disadvantage to any other group (eg housing developments in the area).

Subsidy races - the project will not involve competing subsidies from other areas and will not seek to displace based on subsidy.

Please see Appendix C for further details.

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## Net positive effects principle

### Demonstrate below how your bid meets this principle

The funding will help to reinvigorate the local economy of Boston breathing new economic life into to a declining town centre by helping to repurposes redundant office and retail uses which will act as a catalyst for further market-led economic activity. The funding will have no discernible impact on the trade in services between the Parties.

Negative effects on competition considered negligible and easily outweighed by positives of achieving the objective and uplift it will give the whole town. To be confirmed again once further studies of negative effects on competition (if any) are confirmed.

Please see Appendix C for further details.

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## Will you be disbursing the funds as a potential subsidy to third parties?

No

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## Has an MP given formal priority support for this bid?

Yes

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Full name of MP Matt Warman MP

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MP's constituency Boston and Skegness

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## **Describe what engagement you have undertaken with local relevant stakeholders. How has this informed your bid and what support do you have from them?**

### Introduction

The proposed scheme builds upon a comprehensive programme of consultation that has spanned several years. The Rosegarth Square scheme forms part of the wider 'PE21' regeneration opportunity which developed from One Public Estate work in 2017. Key public consultation for PE21 was undertaken in 2018/2019 as part of a Future High Streets Fund bid, and subsequently for Towns Funding in 2020/2021.

### Public Engagement Methodology

Several consultation methods including social media, direct engagement with key stakeholders, a stall at Boston market, an open stand in 'Oldrids' store, and the #MyTown campaign were used to inform the Town Investment Plan for Boston. Hard-to-reach members of the public were encouraged to respond by engagement with organisations such as Lincolnshire Community and Voluntary Service.

The projects comprising this LUF bid were all identified as key components of Phase 2 developments for the regeneration agenda for Boston. A key goal for the Towns Fund was to increase footfall in the town centre by creating a vibrant 'offer'. The Council has continued to engage on proposals for this area using a mix of the above techniques, as well as utilising networks with partners such as those found on the Boston Town Deal Board.

Appendix D shows details of this social media engagement inclusive of impressions, reach, engagement, link clicks and retweets. Additionally, responses to a healthy community's behavioural study "A Blueprint for Boston" (June 2022) (see Appendix E), have been used to inform the inclusive design of the public realm project.

### Stakeholders

Extensive engagement has been undertaken with a wide range of stakeholders. The stakeholders were selected due to their ability to shape the goals of the scheme, provide local knowledge, communicate with the local community and develop relationships to the benefit of the scheme. The stakeholders engaged include public and private sector organisations, community groups and third sector, private companies and supporting agencies.

Support for the Boston LUF proposals has been offered from the Council, local MP, Town Deal Board, GLLEP, LCC, Midlands Engine, and Visit Lincoln, as well as support from the respective landowners and interested parties. Letters of support are available at Appendix F.

### Consultation Influence on Proposal

Consultation regarding town centre decline in Boston demonstrated the local desire to develop a significant proportion of the urban area to the west of the town centre (PE21). Masterplan consultation for the site showed significant support for the investment in public realm and the redevelopment of vacant sites at Crown House and the former B&M retail unit.

The Council has brought together public feedback, stakeholder partners and private sector landowners to prioritise and develop the components of the Rosegarth Square proposal. This directly shaped the development of the project, providing robust evidence of need for key components of the scheme.

### Future Engagement

Engagement will continue as the project moves into delivery. As part of the

Council's commitment to the scheme, the SELCs partnership is committed to creating a new engagement post as part of the next stages of scheme development and delivery.

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## Has your proposal faced any opposition?

Wide-ranging Support

The Council has progressed the scheme in consultation with key stakeholders impacted by the proposals and the wider local community. The engagement with stakeholders and the public has demonstrated wide-ranging support for the proposals, which will play a key role in supporting the long-term regeneration of the town.

No campaigns, groups or organisations have been identified in opposition to the Boston LUF proposals. There has been a limited amount of minor negative feedback regarding the proposal received through social media (see Appendix D). Such negative feedback included comments regarding concerns about future maintenance; the need for vandal proof benches/planters etc; suggestions for alternative uses for the re-developed sites; and concerns regarding indicative architecture. This feedback was acknowledged and will be considered moving forward into the later design stages. However, as the proposals were overwhelmingly well received, any underlying general negativity has so far been disregarded on the basis that there is a significantly larger amount of support for the existing proposals.

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## Do you have statutory responsibility for the delivery of all aspects of the bid?

Yes

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## Provide evidence of the local challenges / barriers to growth and context that the bid is seeking to respond to

Overview

Boston is ranked as a priority "Category 1" LUF investment area because of a number of issues and challenges faced by the district. Overall, Boston ranks within the 30% most deprived local authorities in England. However, this masks the poor performance of the district in key deprivation domains and pockets of severe deprivation in smaller areas across the district. For example, Boston ranks the most deprived district nationally in terms of education, skills and training deprivation. There is a strong link between the deprivation in education, skills and training and the borough's poor performance in terms of employment and income. Since 2015, there is evidence that relative deprivation in these key areas has worsened, which highlights the need to address this widening gap.

Education, Employment and Economy

Boston has a high proportion of residents with no recognised qualifications (12.8% compared to 6.4% nationally), alongside a lower proportion of residents with higher-level qualifications (26.3% with NVQ4+ qualifications in Boston versus 43.1% nationally). The low qualifications profile in the district is a causal link to the high level of unemployment in the area (including youth unemployment). These characteristics have underpinned a low wage and low skilled economy, which comprises a large amount of employment in low GVA (Gross Value Added) sectors centred in lower value agriculture, retail and administration sectors.

Health

Public Health England's local health report for Boston shows that residents experience relatively high rates of limiting long term illness or disability. Rates of hospital admissions and mortality linked to key illnesses, including heart and lung conditions, and some cancers, are significantly higher than the national average. The percentage of physically active adults is significantly below the national level at 56.7%, while almost three-quarters (73.4%) of adults in Boston are classified as overweight or obese, which is close to the worst rate in England of 76.3%. The health problems experienced in Boston are having intergenerational consequences, with 28.9% of children in year 6 classified as either obese or severely obese, ranking as one of the worse local authorities in England.

#### Estate and Crime

Boston suffers from a fragmented civic estate. Existing premises that accommodate a range of civic functions are spread across the town, which has contributed to the lack of an integrated community team. The lack of a focused civic centre acts as a barrier to residents who may need to access multiple public services, particularly those in most need of support.

Crime was a particular issue for Boston in 2021, with 5,129 crimes recorded by the police. The most common crimes recorded in Boston during 2021 were theft, violence with and without injury, criminal damage and public offences. There is evidence that some crimes have become more common, including theft and anti-social behaviour. Appendix G presents a letter from Police Inspector Harrod, which identifies some of the local crime challenges that are being influenced by the current state of town centre buildings.

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## **Explain why Government investment is needed (what is the market failure)**

#### Introduction

Boston Town Centre suffers from a range of interrelated Market Failures, meaning that it currently does not meet its potential to contribute to the economy of the local area, or fulfil the need of existing residents and future residents. The specific Market Failures related to this Boston LUF application include:

#### Public Goods

In economics, public goods are non-excludable in supply and non-rival in demand. Investment in high quality infrastructure, public realm and community facilities within the core town centre has been limited. The LUF project will include the provision of new public realm, which is vitally needed to improve connections to surrounding communities. High quality public spaces and community facilities are typically underprovided as they are non-excludable in supply and non-rival in demand.

#### Negative Externalities

The impact of under-investment in Boston Town Centre has adversely affected activity and footfall, resulting in reduced spend and a vicious cycle of decline which has consequential impacts on adjacent communities. The prevalence of anti-social behaviour in the current dilapidated environment, also impacts on the welfare of town centre users, who are subject to these objectionable practices.

#### Imperfect Information

Potential investors and occupiers cannot make informed decision on the potential of the Boston Town Centre offer due to limited first-hand information. There is an immediate need to address poor perceptions of the centre which currently constrain interest and the promotion of a more diverse offer and improved experience. The introduction of public realm and streetscape will stimulate interest from a wider range of retail and leisure providers.

#### Concluding Statements



In the absence of government-supported investment, it is envisaged that Boston town centre will continue to decline. The rationale for public intervention is based on:

Economic efficiency – the market conditions mean that several Market Failures have arisen, preventing the delivery of a coherent and comprehensive intervention

Social equity – Boston town centre suffers deprivation and challenges, particularly crime/ASB, which will continue without intervention.

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## **Explain what you are proposing to invest in and why the proposed interventions in the bid will address those challenges and barriers**

### The Proposed Investment

LUF funding would be invested into three projects located at Rosegarth Square. The site has the potential to provide a key link for pedestrians and cyclists accessing the town centre, as it would link Boston Railway Station to the town centre via St Botolph's Bridge. Funding from the LUF would be invested into the following projects:

Crown House – conversion of the ground floor of the building into a nursery/community facility, whilst the first floor of the building will be converted into 24 units of transitional youth housing. Crown House would be managed by the YMCA, with the centre providing access to education opportunities ranging from basic skills to NVQ2-level courses.

Civic Hub – monies would be used to demolish the existing former B&M retail outlet and remediate the site in preparation for future private sector investment and development. Following demolition and site remediation works, the Council will work with the private sector to develop a Civic Hub comprising of civic use space (office/library) and a hotel. Prior to redevelopment, the site would temporarily be used for local purposes so as not to remain as a building site e.g. pop-up containerised leisure uses.

Public Realm – investment would be used to deliver a high-quality area of new public realm that would be developed across Rosegarth Square, at the heart of the wider regeneration of this area. It will connect existing uses and destinations – e.g. the Train Station, Bus Station and footbridge - to the Market Place. It will also link the Len Medlock and Health centres (as present) with West Street (a key high street area). It will join old and new facilities and develop an improved place where people want to visit and enjoy. The public realm will be based on best practice, providing a safe and inviting place that people want to use for recreation, leisure, health, wellbeing, and general connectivity purposes. A mix of hard and soft spaces will populate the space along with public art features, greenery and seating areas, which will increase dwell time in the area.

Design Plans for the scheme are available at Appendix H and are shown in this video link - <https://www.youtube.com/watch?v=eHiXjyHNHC4>. The proposals included in the LUF at Rosegarth Square will act as a catalyst to bring forward the wider PE21 regeneration project, which comprises a site of approximately 10 acres in Boston town centre.

### Addressing Local Challenges and Barriers

Delivery of the projects in combination will provide substantial stimulus to the economy and will address the following key local challenges and problems:

Very poor local skills levels – the provision of basic skills courses and qualification opportunities at Crown House will contribute to upskilling residents.

High unemployment (particularly youth unemployment) – skills courses and qualifications from Crown House will provide residents with a greater number



of employment opportunities. Crown House and the Civic Hub will also provide long-term sustainable local employment to the area including apprenticeship opportunities.

Local crime – demolition of empty and unused town centre buildings and the development of a well-lit area of high-quality public realm that attracts increased footfall will contribute to reducing opportunities for crime, particularly anti-social behaviour, within the town centre.

Lack of high value industries and business – the Civic Hub, inclusive of civic office and hotel space, will provide the opportunity for residents to be employed in higher value industries and businesses.

Low footfall around Rosegarth Square – new high-quality public realm that links Boston Railway Station to the town centre via St Botolph's Bridge will encourage pedestrians to enter the area. Future occupancy of the Civic Hub will also contribute to increasing footfall in the immediate area, which will be of benefit to surrounding businesses.

Poor public perception of place – the combination of the proposed LUF projects will work to create a sense of place at Rosegarth Square. The urban greening and public art included as part of the public realm project will increase visitor attraction.

Access to services – the creation of a civic hub will support the development of a more cohesive civic offer in Boston, with distinct separate public services being delivered from the same location. This is of benefit to all residents accessing civic services, but particularly persons who are more vulnerable such as the elderly or people with disabilities.

Poor low value housing stock – the provision of 24 units of transitional youth housing at Crown House will provide young persons with an opportunity to access low value housing that may be of higher quality than the local private rental market.

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## Upload Option Assessment report (optional)

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## How will you deliver the outputs and confirm how results are likely to flow from the interventions?

### Boston LUF – Theory of Change

The proposed LUF project is rooted in a clear Theory of Change model (see Appendix I). The context for the bid is provided by the longstanding issues facing Boston: severe deprivation, declining town centre footfall resulting in rising vacancy rates, poor quality town centre environment, and a high proportion of employment in low GVA sectors.

The LUF package bid is a key intervention which will underpin the delivery of the PE21 masterplan, designed to transform Boston town centre, achieving higher footfall and visitor numbers and strategically addressing these issues primarily by:

- Generating footfall and activity and driving positive, social, environmental and economic change in this location (PE21).
- Creating a place and spaces which are highly active, accessible, safe, and enjoyable which are beneficial to existing residents and visitors alike.
- Regenerating an existing office building to create transitional housing to benefit the local community.
- Providing a viability springboard for further development in this part of the masterplan with a private sector developer in the Scarborough Group.
- Enhancing settings around existing retained and new proposed buildings.

- Delivering a new multi-functional public realm comprising green space, usable civic hardscapes and key pedestrian movement routes.
- Creating an enhanced arrival space at St Botolph's footbridge landing.
- Improving and introducing new, accessible walking/cycling routes.
- Creating a variety of spaces for residents to dwell, rest, move or play.

#### Delivery Plan

The scheme comprises a comprehensive programme of redevelopment, demolition and site remediation and public realm and connectivity improvements, informed by the Masterplan, Delivery Plan and programme timescales. To date:

- Detailed consultation has been undertaken on the PE21 masterplan proposals
- Landowners (Scarborough Group) have been engaged with regard to potentially bringing forward development opportunities linked to the masterplan; and
- Funding has been secured for complementary projects as part of the Towns Fund - Healing the High Streets and Railway station improvement projects – which will directly complement this project.
- Boston Borough Council has undertaken significant preparatory work and, together with the South and East Lincolnshire Councils Partnership, has invested resources in developing the Masterplan and engaging with partners.

#### Increase in Town Centre Footfall

The outcomes in the early to medium term will be an increase in town centre footfall, improved perceptions of Boston and a reduction in anti-social behaviour due to improved public realm and built environment. The project will also result in an increase in the number of students enrolling in and completing Further Education and Higher Education courses in Boston, as well as enabling private-sector development for the former B&M site which will act as a catalyst to unlock the remainder of the PE21 regeneration area.

The Boston LUF Theory of Change (see Appendix I) will be reviewed and developed over the lifetime of the project as circumstances change and as new evidence is obtained, as part of the evaluation framework.

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**Theory of change upload (optional)**

Appendix I - Theory of Change.pdf

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## **Explain how the component projects in your package bid are aligned with each other and represent a coherent set of interventions**

### Wider PE21 Regeneration Scheme for Boston

Rosegarth Square forms a key component of the wider PE21 regeneration scheme for Boston. The high-quality, mixed-use regeneration of a large brownfield site in the centre of town will provide a new place where people can live, work and visit that complements the historic core of the town. Delivery of the proposed Boston LUF projects will act as a catalyst for future development phases of the PE21 vision.

The proposed LUF projects are located directly adjacent to each other and collectively form a large part of Rosegarth Square. Their delivery will result in transformational change at a key town centre site in Boston. The public realm project is key to the development of the area, as it provides a focal point for the site, links together the site's facilities and buildings (including Crown House and the Civic Hub), encourages footfall and associated increased dwell times

in the area, and provides a pedestrian and cyclist link between Boston Railway Station and the town centre.

The new high-quality public realm would complement the increased numbers of persons in the area who would be accessing services and facilities in the area, such as those proposed at Crown House and the Civic Hub.

Crown House will provide new community facilities attracting new residents and footfall, whilst the removal of the former B&M retail unit would make an immediate positive visual change in the area. As a package, these projects will develop Rosegarth Square as a destination.

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## **Set out how other public and private funding will be leveraged as part of the intervention**

### Public and Private Sector Working in Partnership

The Council has and continues to work with numerous partners to bring forward the necessary investment and delivery interventions in this area. The Council has demonstrated its commitment in this regard through the match-funding of 10% attached to this bid, and its Joint Venture Arrangement with the Scarborough Group (local landowners at the Rosegarth Square site) (see Appendix J).

There is an opportunity for the Council to work with the owner of Crown House on a positive purchase as the ambitions of the two organisations closely align. The Council has identified the YMCA as the Council's preferred operating partner. YMCA has indicated a clear desire to work with the Council on the Crown House project as it meets their objectives and aligns with the Council's ambitions. YMCA has also indicated a ready capital allocation which has been set aside to deliver this project, as shown in their letter of support (see Appendix F). Both parties wish to bring forward the stated intervention to deliver a mixed-use proposal that tackles local deprivation issues.

Scarborough Group has committed to providing match funding for the project (see Appendix F). Scarborough Group has a long and successful track record working with an extensive and varied network of partners and investors. Current partners include Legal & General Capital, Metro Holdings (Singapore), Hualing (PRC China), South Yorkshire Pension Fund, JESSICA and Homes England, where the organisations are working together to deliver over £2 billion of regeneration schemes across the UK.

Examples of Scarborough Group's other active private/public sector projects which have leveraged funding include:

#### Sheffield Olympic Legacy Park

£8.85 million of Levelling Up Funding (Round 1) secured for the delivery of the National Centre for Children Health Technology which will be operated by the Sheffield Children's NHS Foundation.

£400,000 of Levelling Up Funding (Round 1) for remediation and enabling of land for a new Innovation Centre

Grant of £250,000 from the Football Foundation for the assistance in the delivery of a new Community Stadium.

#### Middlewood Locks

Homes England provided £24m of funding for the delivery of Phase 1 (571 new homes and public realm)

Homes England provided a £9.2m facility for Infrastructure to assist with the enablement of the wider Middlewood Locks scheme

Homes England are providing the Senior Debt for the funding of Phase 3 (189 new homes and public realm)

The Council is continually working to identify other funding streams to layer the investment and generate maximum value for money. It is equally working to leverage the strength of its partnerships and commitment to bringing partners forward to work with the private sector.

The Council is actively working with the NHS estate, One Public Estate and Homes England with a view to accessing other funding such as the Brownfield Land Release fund; and also have experience of managing private/Government schemes such as Housing Infrastructure Funding (Homes England and Chestnut Homes) as part of The Quadrant development.

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## **Explain how your bid aligns to and supports relevant local strategies and local objectives for investment, improving infrastructure and levelling up**

### Alignment with Local Policies

The scope of the proposed LUF interventions and the design development of each has been progressed by a coordinated multi-disciplinary team in full alignment with local policy objectives.

Key policy documents relevant to the proposal include:

- South East Lincolnshire Local Plan
- Boston Borough Council Corporate Plan
- Boston Borough Council Climate Strategy
- Boston Transport Plan
- Greater Lincolnshire LEP Local Industrial Strategy
- Covid Recovery Plan for Boston
- Housing Strategy
- Greater Lincolnshire Destination Management Plan

The ambition of the South East Lincolnshire Local Plan is to ensure that needs in terms of homes, jobs and infrastructure are met for the area's current and future population. The proposed scheme will contribute to several strategic priorities including:

Sustainable Development – through meeting the social and economic needs of the area, whilst protecting and enhancing its environment for the enjoyment of future generations.

Housing - ensuring that the housing stock meets local needs and aspirations, including for older people.

Environment - promoting more efficient use of land and re-using previously developed land, as well as upgrading a range of community facilities recognising that this contributes to the health and well-being of residents and visitors alike.

Active travel - improving accessibility to services and facilities by sustainable and public transport, making travel as easy and affordable as possible, in this case through co-location of services.

Boston Transport Plan identifies the opportunity to strategically position the town centre and deliver aspirations relating to enhanced footfall, access and wider connectivity. The Rosegarth Square scheme, as part of the wider PE21 development, will deliver new high-quality public realm that improves connectivity, enhances pedestrian experience and encourages a modal shift towards sustainable travel modes.

The four overarching priorities of Boston Borough Council's Corporate Plan are to ensure Boston is a place where people want to live, work and visit; grow Boston's economy to ensure it remains a thriving town; reduce the Council's carbon footprint and become net zero carbon in advance of the timetable declared by UK Parliament and deliver high quality services. The Rosegarth Square scheme will act as the catalyst for wider economic regeneration within the centre of Boston, delivering tangible improvements to place and peoples' everyday lives, by making the whole area a place where people want to be.

Boston's Spatial Strategy articulates the vision that Boston becomes the key sub-regional centre and economic driver. Due to the current substandard level of access to public services and economic opportunities, Boston is identified as an area with significant infrastructure needs and hence the focus for investment and development, particularly if Boston it to take advantage of its projected growth. The vibrancy of Boston's historic core, street pattern and town-centre is considered a highly valuable asset, as are its further education provision at Boston College and health provision at Pilgrim hospital. The proposed LUF scheme will complement its existing historic core and contribute to providing the community infrastructure required in the district.

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## **Explain how the bid aligns to and supports the UK Government policy objectives**

### Levelling Up White Paper

In February 2022, the Government published detailed plans to improve equality of opportunity and prosperity across the whole of the UK through the levelling up agenda. The Levelling Up White Paper (2022) sets out four specific levelling up objectives:

- 1 - Boost productivity, pay, jobs and living standards by growing the private sector
- 2 - Spread opportunities and improve public services
- 3 - Restore a sense of community, local pride and belonging
- 4 - Empower local leaders and communities

The White Paper proposes 12 'missions' through which the above objectives will be delivered. The themes of the missions are as follows (corresponding to the numbering above):

- 1 - Living Standards, R&D, Transport Infrastructure, and Digital Connectivity
- 2 - Education, Skills, Health, and Well-being
- 3 - Pride in Place, Housing, and Crime
- 4 - Local leadership

Delivery of the Rosegarth Square scheme meets several the Levelling Up missions. The interventions will enable opportunities for the provision of basic skills courses and qualification opportunities at Crown House will contribute to upskilling local residents, providing 24 units of transitional youth housing and a greater number of employment opportunities. Attracting increased footfall will contribute to reducing opportunities for crime, particularly anti-social behaviour, within the town centre, and encourage pedestrians to dwell in the area. The creation of a Civic Hub will support the development of a more cohesive civic offer in Boston, with distinct separate public services being delivered from the same location. This is of benefit to all residents accessing civic services, but particularly those who are more vulnerable such as the elderly or people with disabilities.

### Net Zero

The Government has a number of national policies related to reducing carbon emissions and improving the quality of the environment:

The Net Zero Strategy: Build Back Greener (2021) sets out clear policies and proposals for keeping the government on track for its upcoming carbon budgets, including the vision for a decarbonised economy in 2025. It sets out the plans for reducing emissions in each sector of the economy including 'heat and buildings'.

A Green Future: Our 25-year Plan to Improve the Environment (2018) aims to deliver cleaner air and water in cities and rural landscapes.

The Government's Ten Point Plan for a Green Industrial Revolution (2020) includes key Theme 5: Public transport, cycling and walking: Making cycling and walking more attractive ways to travel and investing in zero-emission public transport of the future'.

The scheme proposals also help to deliver the UK Government's A Green Future (2018), A Road to Zero (2018) and the Decarbonising Transport Plan (2020). The Boston LUF scheme directly addresses all these national net zero/environmental aspirations by focusing on refinements to the urban core and wider greening, which will improve the visitor functionality of the town and through a process of high-quality refurbishment increase the energy efficiency of the redeveloped buildings.

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## Alignment and support for existing investments

**Where applicable explain how the bid complements or aligns to and supports existing and/or planned investments in the same locality**

PE21

The PE21 regeneration scheme was born from One Public Estate (OPE) strategy, seeking to re-use and release public sector town centre land. This then led to a bid through the Future High Streets Fund, and subsequently the Council's successful Towns Fund application. It has therefore been a long-standing project to deliver.

Town Fund

The Towns Fund provided £21.9m of government investment in Boston. Towns Fund projects at Boston Railway Station, Healing the High Street, Boston Stump and Blenkin Memorial Hall seek to directly improve the attractiveness and quality of the town centre, increase footfall and visitors, and improve connectivity. The aims of this investment align with those of the Rosegarth Square LUF proposals. In particular, the Healing the High Streets (c.£4.5m) and Boston Railway Station improvement (c.£2.4m) projects will directly complement the proposed LUF scheme.

One Public Estate (OPE)

In summary, GL OPE has been involved with Boston Borough Council and other partners (NHS/Health Colleagues) in relation to local regeneration discussions since 2015 (see letter of support at Appendix F). Local funding from OPE has included:

PE21 masterplan funding - £15,000 (2015-16).

Support to deliver post-pandemic public estate strategies and contribute towards improving public services. In Boston, this has focused on the PE21 proposition, which highlights the importance of the project to resolve wider health and deprivation issues - £142,000

Potential to work towards accessing future Brownfield Land Release fund to support wider regeneration objectives.

Townscape Heritage Initiative / PSICA

Previous investment of c.£2m towards improvements in the Town Centre and Conservation Area - this directly complements the current Healing the High Streets project through the Towns Fund.



## Art & Public Realm

The LUF scheme will contribute to enhancing perception of place, building on the following local projects: £130,000 in 'Boston Buoys' (£100,000 from Arts Council); 'Structures on the Edge' £100,000 from Arts Council; and TF accelerator funding (£80,000) for wayfinding and town centre art. In addition, the Council has been encouraged to apply for NPO status and this application is currently pending.

## Levelling Up Fund Round 2

Levelling Up Fund submissions being made by the Council's partners at South Holland District Council & East Lindsey District Council, which seek to bring in a further c.£40m of investment and additional match funding to the sub-region. These bids are complementary to the Boston LUF proposal, in that they seek to provide new places that will be attractive to residents and visitors and support regeneration and cultural investment as a driver to address challenges for town centres across South and East Lincolnshire.

## Homes England

Homes England investment in 'The Quadrant' of c.£3.75m from Housing Infrastructure Fund, complimented by a further c.£2.75m, all of which contributed to unlocking this large mixed-use development, comprised of housing, commercial and community uses including a new community football stadium.

## UKSPF

A £2.2m allocation for Boston, and £9.3m across the SELCs partnership sub-region. This revenue fund would support projects with some of the partners who are actively involved in the town centre regeneration and include those within PE21.

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## Confirm which Levelling Up White Paper Missions your project contributes to

### Select Levelling Up White Paper Missions (p.120-21)

Living Standards  
Education  
Skills  
Pride in Place  
Housing  
Crime

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### Write a short sentence to demonstrate how your bid contributes to the Mission(s)

The transitional YMCA youth housing at Crown House will provide good standard safe affordable housing for young people in Boston.

Basic skills courses and qualifications provided from the nursery/family centre component of Crown House will deliver much needed education provision in Boston and upskill residents.

Increased footfall from the delivery of new high-quality public realm and the Civic Hub will increase the attractiveness of the area, create a sense of place and work to reduce local crime.

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## Provide up to date evidence to demonstrate the scale and significance of local problems and issues

### Key Local Challenges

It is critical that the package of interventions at Rosegarth Square are brought forward as the development of the underutilised site presents the opportunity to link Boston Railway Station to the town centre via St Botolph's Bridge and provide a key link for pedestrians and cyclists to access the town centre. The proposed LUF scheme responds to the following local challenges and

deficiencies:

- High deprivation
- Low skill resident population
- High unemployment
- Low wages
- Economy centred on low GVA sectors
- Health and obesity issues
- Fragmented civic estate
- High crime levels
- Lack of high value industries and business
- Low footfall around Rosegarth Square
- Poor public perception of place
- Poor and low value housing stock

#### Regeneration Setting

Boston suffers from a fragmented civic estate. Existing premises that accommodate a range of civic functions are spread across the town, which has contributed to the lack of an integrated community team. The lack of a focused civic centre acts as a barrier to residents who may need to access multiple public services, particularly those in most need of support.

#### Health Inequalities

The residents of Boston experience relatively high rates of limiting long-term illness or disability. Rates of hospital admissions and mortality linked to key illnesses, including heart and lung conditions, and some cancers, are significantly higher than the national average. The percentage of physically active adults is significantly below the national level at 56.7%, while almost three-quarters (73.4%) of adults in Boston are classified as overweight or obese, which is close to the worst rate in England of 76.3%. The health problems experienced in Boston have intergenerational consequences, with 28.9% of children in year 6 classified as either obese or severe obesity, ranking as one of the worst local authorities in England.

#### Socio-economic Inequalities

Boston is characterised by a low wage and low skill economy, which comprises a large amount of employment in low GVA sectors centred in lower value agriculture, retail and administration sectors. This is driven by the district's skill profile where Boston has a high proportion of residents with no recognised qualifications (12.8% compared to 6.4% nationally), alongside a lower proportion of residents with higher-level qualifications (26.3% with NVQ4+ qualifications in Boston versus 43.1% nationally).

The low qualifications profile in the district is a causal link to the high level of unemployment in the area (including youth unemployment). The deficiency in skills and qualifications was also highlighted during the Covid-19 pandemic, as a significant part of the community lacked the skills to operate virtually. This low economic dynamism tracks through into very low wages with Boston having weekly wages which are £140 lower than the England average. Furthermore, poor performance in terms of education and employment has had a major negative impact on the economic strength of the area.



## **Demonstrate the quality assurance of data analysis and evidence for explaining the scale and significance of local problems and issues**

### Data Quality Assurance

A robust evidence base is required to provide a comprehensive understanding of local context and to articulate local strengths, challenges, and opportunities in order that interventions are targeted appropriately to meet need and gaps in existing provision. The evidence base has been gathered through desktop research.

A range of publicly available sources has been used to describe the local socio-economic context and problems and issues facing the area. The sources used are listed below as shown by their date of publication:

- ONS: Mid-Year Population Estimates (2021)
- LUF: Prioritisation of places methodology note (2021-2022)
- ONS Personal Wellbeing Estimates by Local Authority (2021)
- Annual Population Survey (2020)
- Business Register and Employment Survey (2020)
- English Indices of Deprivation (2019)
- ONS Sub-regional Productivity (2021)
- ONS Crime Statistics (2022)
- Local footfall data

To ensure data robustness, multiple sources have been examined to verify the same conclusions. The overarching issues facing Boston have been determined through national public statistics, supported by local stakeholder knowledge to illustrate how the LUF scheme could alleviate the socio-economic challenges in the area.

The unbiasedness of evidence presented from official public sources has been continually verified before submission. Certain public sources, such as the English IMD, allow sub-local areas to be examined to cross-check findings from bespoke surveys relating to socio-economic factors. Findings from the stakeholder engagement, which have highlighted the need for the proposed LUF scheme, have been confirmed through the publicly available data. Stakeholder engagement is key to confirming the desktop research findings, as stakeholders have a comprehensive understanding of local and sector-specific needs.

## **Demonstrate that the data and evidence supplied is appropriate to the area of influence of the interventions**

### Area of Influence

It is important to understand who is likely to benefit from the impacts generated from LUF investment and the degree to which further demand and investment is stimulated. This assessment informed the area of influence and thus the geographical level of data and evidence within section 5.1.1 and the rest of this bid.

The proposals included in the LUF scheme at Rosegarth Square will act as a catalyst to bring forward the wider PE21 regeneration project, which comprises a site of approximately 10 acres in Boston town centre. The wider PE21 regeneration will provide opportunities for new local jobs, new homes, attract visitors and footfall, increase positive health and well-being outcomes, and attract further investment. This LUF application therefore comprises

interventions that are significant at both a local and regional scale.

Data is presented at the most appropriate spatial scale, including Lower-layer Super Output Area level (for the Index of Multiple Deprivation), ward level, district level, regional level and national level. Data from these different geographic scales, particularly for data related to physical activity, health and wellbeing, has been used for comparative purposes and to demonstrate inequalities between Boston and the rest of country and hence the need for Levelling Up.

The socio-economic data indicators and evidence presented in the preceding questions were chosen to reflect key local issues challenges outlined through 'The Case for Investment'.

## **Provide analysis and evidence to demonstrate how the proposal will address existing or anticipated future problems**

The proposed project is expected to contribute significantly to addressing key problems and support Levelling Up within Boston. This is illustrated at a project level within the Theory of Change (see Appendix I), with specific detail provided in relation to each component of the project below:

Crown House:

Problems addressed – low skills levels; poor housing quality; youth unemployment.

Outputs – conversion of ground floor into a nursery and first floor into transitional youth housing; educational and skills training for young people.

Outcomes/impacts – reduced unemployment among young people; young people able to access high quality accommodation; improved skills among young people.

Modelling basis – AMION Economic Impact Assessment model assesses employment and GVA impacts; Banks Long & Co prepared financial models for completed scheme.

Civic Hub:

Problems addressed – fragmented civic estate creates difficulties for people needing to access multiple services; limited high value employment opportunities; lack of quality hotel provision.

Outputs – demolition of former B&M store and remediation of site. Development of a Civic Hub likely comprising office and library space and a new hotel.

Outcomes/impacts – higher value employment opportunities in hotel and office space created; increased town centre footfall; increased spend in the town centre; cohesive public services offer.

Modelling basis - AMION Economic Impact Assessment model assesses employment and GVA impacts; Banks Long & Co prepared financial models for completed scheme.

Public Realm:

Problems addressed – poor quality public realm environment; low footfall around Rosegarth Square; poor perception of town centre; high crime levels.

Outputs – improved public realm between railway station and town centre, with public art, green space and seating.

Outcomes/impacts – attract additional visitors to the town centre resulting in increased footfall; promoting increased dwell time; increased visitor spend and improved image.

## **Describe the robustness of the analysis and evidence supplied such as the forecasting assumptions, methodology and model outputs**

### Professional Team

The assumptions are based on a range of forecasts, baseline evidence, expert advice and consultations, which have informed quality assured modelling by independent specialists, as follows:

### Costings and Masterplanning

Willmott Dixon has developed a detailed Cost Plan (see Appendix K) for the scheme, informed by the work of the project architects (Ares Landscape Design and CPMG). Key assumptions are set out in the detailed Cost Plan. Costs have been benchmarked based on the significant experience of the advisors in relation to other current schemes. The detailed Cost Plan makes provision for professional fees, marketing costs, developer contingency and finance costs.

### Economics Analysis

AMION Consulting has developed a comprehensive Cost Benefit Assessment model for the scheme. This model is based on assumptions and best practice outlined in the HM Treasury Green Book – for example, there is a consideration of optimism bias and a discount factor of 3.5% is applied. Costs and benefits have been profiled over an appropriate period and an additionality factor is applied to each benefit category. A detailed explanation of the benefits assessed is available within the Economic Technical Note (Appendix L). AMION's modelling framework has been reviewed by Homes England analysts on behalf of DLUHC.

Support has also been provided by:

- Archaeology Project - Heritage Lincolnshire
- Scarborough Group
- Thomas Lister/Banks Long & Co.

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## **Explain how the economic costs of the bid have been calculated, including the whole life costs**

### Overview

The basis for the calculation of economic costs is consistent with the financial appraisal, as outlined in the Deliverability Section. It draws upon cost estimates prepared by the Council's appointed cost consultant Willmott Dixon based on scheme drawings produced by architects Ares Landscape and design team from CPMG. Willmott Dixon is the UK's leading independent construction and property services company. Ares Landscape are a Design Practice working to deliver sustainable, practical, and beautiful places through imaginative design solutions. CPMG is an award-winning firm providing services in architecture, interior design & visualisation.

### Converting Financial to Economic Costs

The nominal financial costs in the Financial Case have been converted to economic costs in line with the Green Book approach by using the inflation estimates from the Office for Budget Responsibility's (OBR) Economic and

Financial Outlook to convert estimates of future costs to constant (2022/23) prices.

The constant price costs have been adjusted to present value costs by applying the Treasury's Social Time Preference discount rate of 3.5% per annum. Public capital expenditure within the programme is expected to run until 2025, in line with the Levelling Up guidance. These calculations are set out in the LUF Workbook.

#### Optimism Bias

The economic costs for the proposed intervention include an allowance for Optimism Bias. This has been estimated using an Optimism Bias Mitigation Model based on the Supplementary Green Book Guidance produced by Mott MacDonald. The costs for Site Clearance B&M store / Car Park and Crown House relate to standard building interventions (Upper Bound OB of 24%), whilst costs for Public Realm relate to standard civil engineering interventions (Upper Bound OB of 44%).

This level of OB has been reduced through appropriate mitigation for the project, including the Council's knowledge of the site and existing feasibility work. A summary of the mitigations made for the project is included in the Economic Case Technical Note (Appendix L). The mitigated OB for standard building elements is judged to be 10% and the mitigated OB for civil engineering elements is judged to be 10%. Regarding duration of works, the mitigations mean that any overrun is expected to be a maximum of 2% of the duration of building works. It is not expected that this would have a material impact on project costs. However, the impact of higher costs is tested in the sensitivity analysis.

#### Public Sector Economic Costs

The estimated discounted public sector cost of the overall project in constant 2022/23 prices derived from the financial budget cost estimates is set out below. There is no public income expected in the intervention or additional costs within the Reference Case. The private sector contributions within the Site Clearance B&M store / Car Park project have been excluded from the public sector costs and subtracted from the benefits as advised in the Green Book and LUF Workbook.

The net marginal public sector costs in discounted real prices are as follows:

Project 1 (Civic Hub): £930,734

Project 2 (Crown House): £8,373,643

Project 3 (Public Realm): £7,760,071

Total: £17,064,448

## **Describe how the economic benefits have been estimated**

#### Economic Benefits

The framework for assessing the economic benefits of the LUF programme has been developed using the HM Treasury Green Book, guidance published by DLUHC and other government departments including DCMS and BEIS. Following published guidance, this has included the consideration of the following benefits within the BCRs, with the relevant projects included in the brackets.

Land value uplift (1,2) – analysis of changes in land values, which reflect the economic efficiency benefits of converting land into a more productive use. The existing land value is subtracted from the value of the more productive use.

Wider land value uplift (2,3) – wider placemaking effects arising from the LUF

projects have been estimated in line with DLUHC guidance, using Valuation Office Agency (VOA) data for commercial analysis and Council Tax band data for the residential value assessment. Primary and secondary catchment areas have been defined for the interventions, with appropriate uplifts applied based on an academic evidence base.

Crime cost savings (2,3) – These benefits relate to a reduction in the number of recorded offences within the immediate area due to the high-quality public realm in these projects. The estimated costs to society of each crime type are applied to the expected reduction in crime. These costs are taken from the Home Office Research Report and have been updated to 2022/23 prices.

Amenity benefits (2,3) – Consistent with the DLUHC Appraisal Guide, it has been assumed that new green spaces in an urban environment have an economic benefit of £109,138 per hectare per annum (2016 prices). This has been adjusted to 2022 prices and applied to the new public realm areas.

Labour Market (1,2) – benefits associated with the job creation and reduction in barriers to employment for local workers. In line with DLUHC guidance, a local GVA per worker figure for the relevant sectors has been applied to the jobs taken up by new entrants. In line with the labour market availability and WebTAG guidance, it is assumed 10% of jobs will be occupied by new entrants and there will be a 40% welfare impact for these jobs.

Employment wellbeing (1,2) – Benefits experienced by residents not currently in work who move into jobs created by project have been estimated based on values (£5,940 per year in 2018 prices) in the Green Book Supplementary Guidance for Wellbeing.

Affordable housing wellbeing (2) – The DLUHC data book which accompanies the Appraisal Guide provides an estimate of the health benefits arising from the provision of affordable housing. The benefit is estimated to be £125 per unit per year.

Heritage wellbeing (3) – benefits associated with the value from visitors being able to access the 'Big Dig' experience during construction have been estimated, having regard to benchmark values derived from research cited in DCMS' Culture and Heritage Capital Evidence Bank.

Education (1,2) – The benefits have been estimated through a wage premium from achieving Level 2 Apprenticeships or NVQ Level 2 Work-based qualifications as set out by BEIS, using the expected outputs from the facility.

Social inclusion (3) – The Supplementary Guidance for Wellbeing shows that life satisfaction improves from enhanced social inclusion i.e. reduced loneliness. The number of beneficiaries has been calculated on new footfall and local statistics on loneliness. We have monetised this effect at £9,100 per year (2019 prices) for each participant, cited in the Wellbeing guidance.

Education wellbeing (3) – The Supplementary Guidance for Wellbeing shows that life satisfaction improves based on participation in school wellbeing or resilience programmes. Specialists have forecasted the number of educational programmes supported by the facility. We have monetised this effect at £2,366 per year for each participant, cited in the Wellbeing guidance.

Personal and social development (2) – The Supplementary Guidance for Wellbeing shows that life satisfaction improves based on participation in personal and social development programmes. Specialists have forecasted the number of family learning and social programmes supported by the facility. We have monetised this effect at £5,200 per year for each participant (converted to 2022 prices), cited in the Wellbeing guidance.

A second BCR has been presented including distributional analysis – to reflect the larger benefits generated in a more deprived part of the country, aligning with the Levelling Up rationale.

Distributional analysis – The approach used to calculate these is that set out in the HM Treasury Green Book, based on equivalised disposable household income and welfare weights (the estimate of the marginal utility of income).



## Provide a summary of the overall Value for Money of the proposal

### Value for Money

Benefit Cost Ratios, or BCRs, are widely used in government to assess the overall value for money of intervention. They are expressed as a ratio of benefits over costs. For example, a BCR = 2.34:1 means that a project will generate £2.34 of benefit for every £1.00 of cost. It is important to note that these inputs are not financial and are only used in the Economic Case to assess VFM.

#### Project 1 – Civic Hub

It is estimated that the Site Clearance scheme will generate direct benefits of more than £2.7 million. Allowing for distributional effects, reflecting the benefit of investment in an area of relative deprivation, the assessed benefit has increased to nearly £3.7 million. Private sector contributions of £910,000 have been subtracted from these initial benefits figures for the value for money assessment.

Based on estimated net marginal costs of £0.9m, the identified benefit will support an initial BCR of 2.1:1 and adjusted BCR of 3.1:1. This is above the threshold of 2.0 and is therefore considered to be high value for money, particularly considering the wider benefits described below.

#### Project 2 – Crown House

It is estimated that the Crown House scheme will generate direct benefits of more than £18.6 million. Allowing for distributional effects, reflecting the benefit of investment in an area of relative deprivation, the assessed benefit has increased to nearly £25.1 million.

Based on estimated net marginal costs of £8.4m, the identified benefit will support an initial BCR of 2.2:1 and adjusted BCR of 3.0:1. This is above the threshold of 2.0 and is therefore considered to be high value for money, particularly the wider benefits described below.

#### Project 3 – Public Realm

It is estimated that the Public Realm scheme will generate direct benefits of more than £15.3 million. Allowing for distributional effects, reflecting the benefit of investment in an area of relative deprivation, the assessed benefit has increased to nearly £20.7 million.

Based on estimated net marginal costs of £7.8m, the identified benefit will support an initial BCR of 2.0:1 and adjusted BCR of 2.7:1. This is in line with the threshold of 2.0 and is therefore considered to be high value for money, particularly in light of the wider benefits described below.

#### Total

The overall programme has an initial BCR of 2.1:1 and adjusted BCR of 2.8:1 – both considered “high” value for money.

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Upload explanatory note  
(optional)

Appendix L - Economic Technical Note (2).docx

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## Have you estimated a Benefit Cost Ratio (BCR)?

Yes

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## Estimated Benefit Cost Ratios

Initial BCR	2.1
Adjusted BCR	2.8

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## Describe the non-monetised impacts the bid will have and provide a summary of how these have been assessed

### Introduction

To analyse unquantifiable effects, an assessment of the wider benefits associated has been undertaken through a scoring and weighting framework. With the project number in brackets, potential wider benefits include:

Active mode (2,3): the proposals include provision for greatly enhanced and new public realm. This will greatly increase walking and cycle uptake, causing mode shift, health and journey quality improvements.

Image, perception, and vitality (1,2,3): the schemes will sustain and greatly enhance the image of the area as a business location and place to live. The programme will deliver new housing, business floorspace, public realm, and social or educational programmes for the residents.

Agglomeration (1,2): a consistent feature of modern economies is the concentration of economic activity in certain locations, most often cities or urban areas. These two schemes will attract new residents and businesses to the area through housing and business floorspace, meaning positive clustering and agglomeration impacts will occur.

City living (1,2): The new high-quality facilities delivered by the Levelling Up Fund will result in a more attractive location for city living, as residents will have immediate access to business, retail, and residential provision.

Community pride (2,3) – The scheme will re-establish key parts of the town centre as a focus for work, leisure and key services. High quality public realm design, prominently situated in the centre, alongside the creation of facilities to host a wide range of community, educational and civic functions, will contribute to enhancing community pride and integration.

Catalysing further investment (1,3) – The projects will enhance the placemaking in the town centre in order to catalyse further investment. In addition, it is expected these schemes will unlock new residential developments through increased confidence in the area as a place to do business and live.

Increased footfall and local spend (3) – The project is expected to greatly increase footfall levels through the sustainable and well-designed public realm within the scheme. It is predicted that footfall will rise beyond pre-Covid 19 levels which will support new spending in the area to sustain a strong Covid-19 recovery for local businesses.

A weighting and scoring system has been used to assess these impacts as shown in the Economic Technical Note (see Appendix L). Overall, substantial wider benefits are expected to deliver scores above 8.0/10 for all three schemes

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## Provide an assessment of the risks and uncertainties that could affect the overall Value for Money of the bid



## Assessment of Risks and Uncertainties

A Risk Register (see Appendix M) has been prepared for the LUF package. Key risks/uncertainties that could affect Value for Money (VfM) include:

Cost increases – (a) property/site characteristics delay or constrain proposed re-development plans; and (b) inflationary pressures arise from labour and other factor shortages

Lack of demand/reduced benefits – Demand for educational programmes, commercial space, or community provision is reduced.

### Sensitivity Analysis Approach

Sensitivity analysis has been undertaken to test the robustness of the value for money estimates and their susceptibility to changes in any of the key conditions underlying the programme. The sensitivity analysis has taken two forms:

Scenario testing – this approach considers the potential implications of changes to key outputs or costs for the delivery of economic benefits and value for money. The scenarios include some more 'technical' changes – for example, making a greater provision in the Reference Case.

Switching values – this approach identifies the point at which the programme moves from offering 'acceptable' value to money (a BCR of over 1.0) to 'poor' value for money (a BCR of under 1.0), as defined in the DCLG Appraisal Guide. The switching values for both costs and benefits are assessed.

### Scenarios

The following scenarios have been run for all projects:

Scenario 1: Optimism bias is applied at 24% for all costs

Scenario 2: Optimism bias is applied at 10% for all benefits

Scenario 3: Costs increase by 10% and benefits reduce by 10%

The scenario test results are shown below. The BCR in all these scenarios remains above 1.5, a requirement for a good BCR.

The switching values results are shown in the Economic Technical Note (see Appendix L).

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## Upload an Appraisal Summary Table to enable a full range of impacts to be considered

### Appraisal Summary Table 1

Upload appraisal summary table	Boston LUF Bid - Appraisal Summary Table (5.4.4) FINAL.docx
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## Additional evidence for economic case

None selected

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## Confirm the total value of your bid



Total value of bid

£17272341

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## Confirm the value of the capital grant you are requesting from LUF

Value of capital grant

£14846596

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## Confirm the value of match funding secured

£2425745

---

Evidence of match funding  
(optional)

Appendix N - Match-funding Evidence.pdf

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## Where match funding is still to be secured please set out details below

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### Land contribution

If you are intending to make a land contribution (via the use of existing owned land), provide further details below

Land Contributions

Each project will be in receipt of a land contribution. Valuations have been provided by Banks Long & Co., commercial property experts and Chartered Surveyors. The valuations have also been reviewed by Thomas Lister, Chartered Surveyors and Development Consultants. The details of land contributions are set out below:

Crown House – the Crown House building, considering the permission in place for the conversion of the upper floors of the building into 24 residential units and the money spent by the current owners to date [REDACTED]

Civic Hub – the former B&M retail premises have been valued on the basis of the existing position with B&M in situ, the smaller unit adjacent being vacant and the car park being let on a rolling agreement to Napier Car Parking. [REDACTED]

Public Realm – the existing car park that will form part of this project has a current market value of [REDACTED]

Upload letter from an independent valuer

[REDACTED]

## Confirm if your budget includes unrecoverable VAT costs and describe what these are, providing further details below

The Council has received external financial advice that has confirmed that the VAT will be recoverable.

## Describe what benchmarking or research activity you have undertaken to help you determine the costs you have proposed in your budget

Cost Plan Confidence

In compiling the Cost Plan and ensuring robustness for the funding application, our dedicated Cost Planning Manager at Willmott Dixon has accounted for the following:

Full engagement with Boston Borough Council and their development partners

Throughout the early part of 2022, Willmott Dixon (WD) have engaged with Boston Borough Council (BBC), United Lincolnshire Health Trust, Scarborough Group, Lincolnshire County Council and the YMCA to ensure a shared understanding of the scope of the works that fall within the LUF 2 funding application accounting for the key development themes of health, wellbeing, regeneration and town centre linkage.

Ahead of the first meeting WD working with their design partners reconciled a baseline masterplan having researched the various previous pieces of work, which was then used to assist with the forthcoming engagement. During the first meeting, this was discussed and challenged to allow WD to prepare a robust brief that was subsequently used through the forthcoming engagement meetings to help shape the design and therefore cost plan.

Key benefit for cost certainty: brief agreed with all development partners

Design Team Engagement to Scope Out the Works

Willmott Dixon were asked by Boston Borough Council to select designers with experience and capability to work on the Boston PE21 masterplan and the LUF 2 funding application. WD selected CPMG Architects, Ares Landscape Architects and BSP Consulting Engineers to fulfil the necessary roles.

With proven and long-standing relationships with these designers, we were able to draw on their experience and knowledge of other projects to shape the evolving design with informed decision making and continued reference to certainty in delivery. The design team attended all 6 engagement meetings with the Council and development partners and were able to provide case study material through research & knowledge to assist with the fully thought through design solutions accounting for all development themes.

Key benefit for cost certainty: design agreed with all development partners

Measurement of the Works & Gap Analysis

Where information was made available through evolving design or existing drawings and the like (e.g. Crown House Building) and the works were easily measurable we prepared a set of Builders Quantities.

Following the completion of the quantities, a gap analysis exercise was undertaken to establish where works were undefined. This focused in particular on what was below the ground, although did allow assumptions to be validated and agreed with the design team before itemising them in the cost plan. Willmott Dixon, working alongside BSP Consulting Engineers collated below ground services information using the Envirocheck data base, which has informed the necessary cost plan allowances for appropriate service diversions / disconnections.

Key benefit for cost certainty: accurate quantities

Historic Project / Cost Data from within Willmott Dixon

Boston Borough Council approached Willmott Dixon's East Midlands office based in Nottingham via the Scape Framework. A key benefit to the Council was our well-established Lincolnshire team, supply chain and people.

WD have been working within the County of Lincolnshire on a regular basis over the last 10 years including 4 projects currently on site. A key advantage with this track record is that our cost planning data is informed by the out turn costs of the completed projects usually delivered by a local supply chain. In addition to this and given the depth of project types, values and sectors that we work in, we normally find that we have cost data for most schemes including public realm projects which is a key aspect of the Boston LUF 2 bid.

Key benefit for cost certainty: accurate historic cost data

#### Budget Quotes from the Supply Chain

Where appropriate and where work packages could be reasonably defined, Willmott Dixon approached the supply chain for budget quotes. This was particularly relevant to the demolitions and site clearance works, where trusted partners provided quotes following site visits.

Key benefit for cost certainty: supply chain input

#### Benchmarking BCIS Cost Data

Willmott Dixon regularly use BCIS cost data to provide comparable benchmarks. The BCIS data only allows limited detailed interrogation of scheme specifics but does present project cost ranges.

To allow us to feel comfortable with our cost planning data, we used BCIS on the Boston LUF 2 projects to establish upper and lower centile figures, giving us comfort that our costs were in the right order.

Key benefit for cost certainty: robust benchmarking of overall cost plan

## **Provide information on margins and contingencies that have been allowed for and the rationale behind them**

#### Margins

Willmott Dixon's margin is based upon the agreed Contractors Fee within the Scape Framework Lots 3 & 4.

#### Contingencies

The management of risk and establishment of contingencies is a key part of what Willmott Dixon do at all stages of our projects. Various professional bodies offer opinions on this and whilst it is preferable to identify specific risk, quantify and evaluate, this is not always possible at the earlier RIBA Stages. Guidance suggests that overall design and construction contingency could fall between 25% at the very earliest stages and 5% at RIBA Stage 4 depending on project specifics and information available.

At this early stage we have accounted for four types of contingencies as follows:

1. Provisional sums / employer risks
2. Design risk contingency
3. Construction risk contingency
4. Inflationary allowances

#### Provisional Sums / Employer Risks

This accounts for a specific list of items that could not be thoroughly defined, measured and evaluated. These items have been accounted for by way of a series of provisional sums (employer risks):

- Asbestos Removal - Crown House
- Asbestos Removal B&M Site
- Retaining Wall - Public Realm
- Retaining Wall - B&M Site

- Upgrade to Water infrastructure - Crown House
- Upgrade to Water Infrastructure - B&M site
- Upgrade to Electric Infrastructure - Crown House
- Upgrade to Electric Infrastructure - B&M Store
- Flood Risk Measures - Crown House
- Flood Risk Measures - B&M
- Flood Risk Measures - Public Realm
- Diversion of Water Main - B&M Site
- Disconnection of existing Electrical Service to Toilet Block - Public Realm
- Disconnection of existing Electrical Service to B&M Store - B&M Site
- Diversion of existing British Telecom Service - B&M Site
- Disconnection of existing Gas Service to Car Park - B&M Site
- Disconnection of existing Gas Service to B&M Store - B&M Site
- Diversion of existing 450mm diameter Stormwater Sewer - B&M Site

#### Design Risk Contingency

This accounts for risks that might arise during the design development throughout RIBA Stages 2-4 as a result of changes to design and estimating data. Our contingency allowance for this item equates to 10% of the value of the measured works.

#### Construction Risk Contingency

This accounts for risks that may arise as a result of site issues/conditions during construction and commissioning but could also include material and labour availability as well as supply chain insolvency. Our contingency allowance for this item equates to 10% of the value of the measured works.

#### Inflationary Allowances

As per guidance set out on Government projects (DfE and the like), our allowance for inflation is based upon mid-point construction (defined by BCIS Tender Price Indices), when it is assumed that all construction orders will have been placed. Given current market volatility challenges, it could still be that this allowance would need to be reviewed at a later stage.

## **Describe the main financial risks and how they will be mitigated**

#### Financial Risks

A Risk Register (see Appendix M) has been prepared for the Boston LUF bid projects. The financial risks include:

Public sector funding risk – delivery will be contingent upon securing LUF in accordance with the financial models and funding profile set out in this funding application. The mitigation response has been to ensure a robust application is submitted alongside a detailed business case. Support from an independent third party, AMION Consulting, means that the project has come under vigorous scrutiny. As part of this process, various project options have been assessed, including a reduction in scale, giving project feasibility without the LUF funding.

Market risk – there is a risk of not having a sufficient understanding of the



demand for residential, educational, and community facilities, as well as investment demand for opportunities like the Civic Hub in the Boston area. The success of the project is contingent upon this demand. Demand could be affected by unforeseen changes in economic and external conditions, including the uncertainty generated by the war in Ukraine, slowing economic growth and rising inflation. However, Boston Borough Council and the delivery partners have a good knowledge of local market trends and have commissioned independent expert advice. The Council will continue to actively monitor the level and nature of demand. Moreover, the delivery of the project and the subsequent economic benefits will occur over several years, which is likely to include various economic cycles. For example, for 2025/26 the Office for Budgetary Responsibility (OBR) predicts. On the register, "demand" risks often fall within this group.

Cost risks – there is a risk that the costs of delivering the interventions are greater than those identified. However, a cost estimate has been prepared and included an allowance for contingencies and risk. Furthermore, costs will be continually refined and monitored as the projects develop to manage these risks. Well-established arrangements are in place to ensure cost control. A strong governance framework and effective systems are already established to support cost management on an ongoing basis. Cost overruns in relation to the scheme will be the responsibility of Boston Borough Council. On the register, a key example is "capital cost risk"

Income/value risks – there is a risk that the projects, in particular Crown House, will not be able to generate enough income to be financially sustainable in the long run, resulting in the Council being left with an expensive liability. Poor income generation could be the result of various factors including, but not exclusively, an inappropriate pricing strategy, bad management, or lack of long-term community support. To mitigate this risk, responsibility for the financial management of the Crown House has been placed on the third-party operator, YMCA, with the onus on them to handle any shortfall, passing the risk onto them.

Financial stability of contractors - there is a risk that the contractors for the key project components do not have access to sufficient funds to meet cash flow requirements or have financial difficulties. However, the Council has well-established and robust arrangements to undertake due diligence prior to appointment and will continually monitor and manage performance. To mitigate this the Council will apply rigorous vetting procedures as part of the due diligence and legal agreement process. The process will recognise the wider market risk within the construction sector.

Legal risks – the risk of legislative and regulatory issues arising could result in delays to the scheme or its scope, which would affect costs or might extend delivery beyond the funding period. Further, there is risk that interventions do not comply with State Subsidy regulations. The Borough Council has considered the proposed scheme and believes it is compliant and that there are unlikely to be significant legislative changes that would affect the proposal.

Risk of clawback of external funding – to avoid LUF being taken back, there will be a regular review of any potential slippage in the delivery of contractual expenditure, outputs and outcomes as tracked by the Council's internal monitoring systems.

The cost estimates prepared are based on appropriately prudent benchmarks and make provision for contingency. Allowances for inflation are clearly set out.

Any cost overruns associated with the identified programme of capital works will be met by Boston Borough Council. Based on an assessment of optimism bias, the potential unallocated risk premium has been calculated and there is sufficient flexibility within the Council's capital budget to cover this overrun.

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Upload risk register

Appendix M - Risk Register (2).xlsx

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**If you are intending to award a share of your LUF grant to a partner via a contract or sub-grant, please advise below**



**What legal / governance structure do you intend to put in place with any bid partners who have a financial interest in the project?**

Private Sector Partner – Scarborough Group

This project is very much about the enabling of a site that will contribute private land to the public realm scheme as well provide a viability springboard for further development in this part of the Masterplan with the Scarborough Group (owners of B&M) a private sector development partner.

Discussions and agreements with all landowners are advanced. A joint venture relationship being established with Scarborough Group who are a significant landowner. Letter of support from Scarborough Group is contained within the funding application. The Council maintains an active dialogue with all landowners and key stakeholders in this area, as it has for many years.

Joint Venture

As the Masterplan for the regeneration area has progressed, Scarborough Group and Boston Borough Council have been working on reaching an in-principle agreement on the creation of a Joint Venture to deliver this project. Following an extremely positive meeting held on 23rd March 2022 between Leader, Deputy Leader and Boston's Project Team with the senior Board members from Scarborough, an initial proposed structure for the JV was drafted and circulated for the Parties consideration.

The headline structure of the JV agreement (Appendix J) is attached to the letter of support from Scarborough (Appendix L). Working with Boston Borough Council's Project team and the wider design team along with key stakeholders, we are seeking to ensure the creation of a cohesive, deliverable regeneration scheme in the key part of the town. It is imperative that the scheme not only accommodates the needs of the stakeholders but maintains a degree of flexibility to be able to adapt to changing needs in the future. Accordingly, the initial design workshops have focused on considering and challenging (when appropriate) every design decision and its impact on the overall and ultimate vision for the PE21 area. We recognise the value of bringing together public and private sector partners (as we have on other projects) to deliver projects which will bring about real change and, in this case, provide a new, vibrant place where people want to live, work, visit and enjoy.

Scarborough Group

Scarborough Development Group (part of Scarborough Group International) is a family-owned and run real estate development and investment business established over 40 years ago. In that time, they have developed an excellent track record of working in partnership with a wide-range of public and private sector partners such as Homes England, Scottish Enterprise, Legal & General, Metro holdings of Singapore as well as several other Local Authorities to deliver transformational mixed-use regeneration schemes that support economic growth, facilitate long-term change and leave a lasting legacy.

Scarborough Group is fully committed to supporting Boston Borough Council in this Levelling Up Fund submission and the subsequent delivery of the wider PE21 masterplan and are extremely excited at the prospect of becoming its Joint Venture Development Delivery partner.

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**Summarise your commercial structure, risk allocation and procurement strategy which sets out the rationale for the strategy selected and other options considered and discounted**

Appendix P) contains full details of the proposed scheme's commercial structure, risk allocation and procurement strategy.

#### Capital Strategy Working Group

The Council's capital strategy working group will be utilised to monitor and evaluate development and delivery phases along with additional governance via the Towns Fund Board. The Council's project risk management system will be regularly updated to aid tracking and reporting of risk management to meet project objectives and outcomes. Adrian Sibley - Deputy Chief Executive (programme delivery) will be appointed to provide leadership and strategic support to the project.

The Council's risk allocation captures key concerns and risks and puts in place effective controls that ensure remedial action is taken to resolve issues, mitigate risks and share information.

When selecting our delivery partners we have ensured the selection process minimises the risk of performance issues by utilising appropriate selection criteria.

In assembling our project Management approach, the Council have put forward a commercial structure that is proven in terms of being able to deliver works at pace, underpinned by robust arrangements for pre-construction, design, construction, project management and cost management.

The governance structure for this project has been articulated which also sets out our procurement and project management approach in relation to this award, and for the management of contracts for works/services funded by the grant. Our procurement approach is based upon a clear rationale for the strategy selected, and why we have discounted other options.

The Council will have overall strategic responsibility for delivery of this project with robust governance arrangements in place for cabinet approval and scrutiny, gateway reviews, quality assurance and change control. A formal commissioning route is already established for works to flow through to the Council's procurement department

In selecting the procurement model for both design and construction services, the Council is minded opting for the SCAPE framework due to its compliance with the UK Public Contracting Regulations and that fact that it is well utilised, with public sector clients currently having procured projects valued at a total of £821m (as of 9th June 2022). The use of the SCAPE framework by a variety of local authorities across the UK, illustrates conformity of the framework with government procurement policy requirements.

Within our response to this question, we set out how we will effectively manage this bid to ensure all aspects of project delivery, and how we will manage/mitigate supply chain risks. The SCAPE framework procurement route provides a number of key features which address our local procurement strategy drivers in support of the Council's policies, and which also effectively address government policy and guidance. As a member of the national association of construction frameworks, Scape is able to represent the Council's interests and those of other clients in regular engagement with the cabinet office and the local government association.

### **Who will lead on the procurement and contractor management on this bid and explain what expertise and skills do they have in managing procurements and contracts of this nature?**

Procurement Department

The Council will be procuring the works for Rosegarth Square Masterplan in-house using our procurement department. The procurement rules for the Council are set out in the contract procedure rules within its constitution. The Council will: prepare tender documents for the procurement of a D&B



contractor using the RIBA Stage 2 design information; The D&B contractor will be procured from the SCAPE framework.

The Council is responsible for the strategic capital project development, and will lead the core project team within the Councils' structures that will be responsible for delivering the programme comprises:

Michelle Sacks – Deputy Chief Executive (Growth), SRO for the bid

Mike Gildersleeves – Assistant Director for Planning and Strategic Infrastructure

Neil Cucksey - Strategic Capital Project Development

Adrian Sibley – Deputy Chief Executive (Programme Delivery)

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## **Are you intending to outsource or sub-contract any other work on this bid to third parties?**

### Project Management

The Council has well developed and tested existing project management arrangements which are set out in the internal project management procedures. These are being applied to the Rosegarth Square Masterplan scheme and have guided the Council to deliver a large number of complex and award-winning projects.

Where the Council does not have the capacity, we intend to outsource or sub-contract the work. This will usually extend to specialist services such as architecture, landscape design, project and cost management, structural engineering and building services engineering.

To date, the Council have appointed the following companies to realise the vision for Rosegarth Square Masterplan:

Discipline: Architectural Services

Name: CMPG

Address: 13 St. Peter's Gate, Nottingham NG1 2JF

Contact: 0115 958 9500

Website: <https://www.cpmg-architects.com/>

Discipline: Landscape Architecture

Name: ares

Address: Gatecrasher, 51 Eyre Lane, Sheffield, S1 4RB

Contact: 0114 276 2000

Website: <https://aresdesign.co.uk/>

Discipline: Principal Contractor

Name: Wilmott Dixon

Address: Ground Floor, Lock House, Castle Meadow Road, Nottingham, NG2 1AG

Contact: 0115 977 1322

Website: <https://www.willmottdixon.co.uk/>

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## How will you engage with key suppliers to effectively manage their contracts so that they deliver your desired outcomes

### Three-step Approach

We adopt a three-step approach to ensure we are engaging and managing our key suppliers, and we follow a supplier analysis, management and development cycle. Our process for business-wide supply chain management for contractors, consultants and suppliers is continuous. We will provide analysis and feedback to ensure the key suppliers we work with are monitored, managed and developed at key project stages. This means we will provide a service that is seamless and quality assured. The approach we follow is outlined below:

Continual performance measurement through quarterly performance reviews to recognise success and highlight areas for improvement. Identify problems, risks and issues. Resolve problems, risk and issues through training and development.

We will cultivate a culture of continuous improvement with the supply chain, this will help to support the achievement of deliverables from the outset. Rigorous performance monitoring and quality management will ensure the processes and policies we define are followed.

The requirements will be included within contractual documentation and our mechanisms will ensure consistent performance reporting for a project-wide overview.

We will outline the key performance indicators as shown below that the suppliers/sub-contractors/principal contractors must meet, and we will monitor performance on a monthly basis using a Performance Management system.

### Performance Measures:

- P1 Time predictability – pre-construction
- P2 Time predictability - construction
- P3 Cost predictability - preconstruction
- P4 Cost predictability - construction
- P5 Local labour
- P6 Local spend
- P7 SME engagement
- P8 SME spend
- P9 Social enterprise engagement
- P10 Waste diverted from landfill
- P11 Fair payment
- P12 Health & safety – Riddor accidents
- P13 Environmental incidents
- P14 Considerate constructor
- P15 Client satisfaction – service
- P16 Client satisfaction - product
- P17 Client satisfaction - value for money

- P18 Client satisfaction – collaboration
- P19 Client satisfaction – defects
- P20 Supply chain satisfaction
- P21 Achievement of project commitments
- P22 Achievement of framework commitments
- P23 Achievement of client's social value targets

#### Communication

Communication, consistency and culture drive high performance in a multidisciplinary supply chain. Our approach will be as follows:

- Define quality standards and relate specification requirements to work plans.
- Use visual standards to show what good looks like.
- From the outset, clarify requirements and resolve ambiguities.
- Focus and plan commissioning and handover from project start, integrate into work plans.
- Concentrate on quality tolerance levels and impact of non-conformances on follow-on activities and operational readiness.
- Collaborative feedback / lessons learned to build on successes, identify and resolve issues and trends.
- Recognise delivery complexities, apply a consistent approach to documentation and delivery, encourage familiarisation, reduce complexity, clarify tolerance levels.
- Apply a consistent approach to non-conformances, poor performance.
- Set a quality performance culture from the outset, recognise high performance and resolving issues and trends.
- Diligently apply quality processes, planning and hold points, resolving non-conformances - set the standard at the start.
- Leadership – drive team performance via ownership at senior levels.

## **Set out how you plan to deliver the bid**

#### Delivery Plan

The Delivery Plan for the Rosegarth Square Masterplan is attached at Appendix P. The Delivery Plan sets out in full how the proposed LUF scheme would be delivered. A summary of the Delivery Plan is provided below.

#### Key Milestones / Programme

A detailed project programme has been prepared by Wilmott Dixon and reflects the current position of the scheme. A more detailed construction programme will be prepared in due course, as construction contracts are let. The overall delivery timescales are not, however, anticipated to change and have been determined by the Council to reflect the proposed scope of works and experience from the delivery of previous similar projects.

#### Key Dependencies and Interfaces

Land acquisitions - certain privately owned assets need to be acquired to enable delivery. Discussions and negotiations with landowners have begun

and are being carefully managed.

Planning permission – some of the development may be undertaken via prior approval where permission is required. The team will ensure early engagement with pre-applications. The local planning authority has indicated that they are supportive of the development proposals.

Finance - the project is dependent on the award of the levelling up fund investment. The Council have also notified their intention to significantly contribute to the project, as have partners in the private sector.

#### Description of Roles and Responsibilities

The Growth Team is led within the Council's Senior Leadership Team by the Deputy Chief Executive (Growth), Michelle Sacks. Michelle's directorate includes responsibility for Economic Growth, Planning and Strategic Infrastructure and Towns Fund and Senior Information Risk Officer (SRO). The Towns Fund falls under the responsibility of Lydia Rusling – Assistant Director (Economic Growth). Michelle and Lydia have led the strategic delivery Towns Fund work programme since the autumn of 2019, supporting the Town Deal Boards, building a robust relationship with DLUHC and the externally led projects. The Growth Team has subsequently led the development of the Town Investment Plans with the respective Town Deal Boards, which enabled the Heads of Terms to be agreed with Government.

Mike Gildersleeves, the Assistant Director for Planning and Strategic Infrastructure for the Partnership. His responsibilities include: Strategic Planning Policy, Local Plan/s, Planning & Development Management, Planning Enforcement, Internal Drainage Boards, Coastal Defences, Flood Management, Historic Environment and Conservation/Heritage. Mike also has a background in large projects, and continues to lead on a number of strategic sites and schemes across the Partnership.

Neil Cucksey, a Strategic Capital Project Development is responsible for leading on the Councils' major capital projects, including negotiation with landowners on strategic acquisitions and associated development agreements.

Adrian Sibley - Deputy Chief Executive (Programme Delivery) will be responsible for implementing the capital projects, whilst the Economic Growth team will continue to work with externally led projects, support the Town Deal board and maintain the relationship with HM Government.

Clive Gibbon, Economic Development Manager (Boston Borough Council) has strategic experience and responsibility for facilitating increased commercial investment and activity across the Borough. He is also actively engaged in supporting effective business networks and coordinating partnership activity to maximise private sector opportunities for local business growth.

#### Policy and Procedures

Implementation of the levelling up funds programme will also follow the Council's established policy and procedures for the use of public funds, as outlined in detail within the Council's adopted constitution and associated strategy documents. This will ensure compliance with all relevant government legislation, including financial and contract procedures as well as risk management, energy efficiency/carbon reduction and equality and diversity. The Council are therefore able to demonstrate strong governance arrangements to support the project.

#### Arrangements for Managing Delivery Partners

The Rosegarth Square Masterplan scheme will be delivered by collaborative, competent staff drawn from a diverse resource pool across the Council and its selected supply chain partners, in the delivery of shared ambitions in areas such as efficiency delivery, carbon reduction, P3M3, stakeholder engagement, sustainable development and innovation.

The Council will manage delivery partner in line with their responsible business strategy, by utilising better information management, technology and collaborative working arrangements. A project director will be appointed to

provide leadership and strategic support to the delivery team, and a project manager to deliver the day-to-day contact requirements on a full- time basis.

#### Confirmation of Powers of Consent

Early planning consent is likely to be required for some of the building works. However, early engagement with the Councils Planning functions has taken place as part of the bid development. In terms of broad principle, the proposals are considered to be policy compliant locally and nationally, particularly as they would centre around the re-use of redundant, brownfield sites, to deliver active economic and community use, as well as deriving other environmental benefits. The deliverables for the planning application have been agreed with the local planning authority and the design team are progressing with the planning application for submission in January 2023 and determination in July 2023.

#### Approach to Monitoring

The Council understands that project progress monitoring and control is one of the most important tasks to successfully deliver the Rosegarth Square Masterplan Project. The Council will appoint a dedicated project director and project manager to oversee the project in every detail on a full- time basis. They will ensure that the Council is kept informed, in a timely and accurate manner, how is the project progressing, where they are currently in comparison to the baseline programme, whether deadlines are met, and budgets are safely measured and followed.

It will be the responsibility of the principal contractor to provide regular progress updates in line with the building contract requirements issued in most of the cases on a monthly basis.

Financial management of the project will be undertaken by a consultant cost manager, who will be appointed to the role of quantity surveyor for the commercial management of the entire project, and it will be a contract requirement that the post holder is a RICS chartered quantity surveyor.

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## **Demonstrate that some bid activity can be delivered in 2022-23**

As shown in the DLUHC Workbook (Section 2) scheme expenditure will begin in 2022/23. The following expenditure will occur in 2022/23:

#### Civic Hub:

- External works
- Design and surveys
- Contractors fee

#### Crown House:

- Design and surveys
- Project management resource
- Acquisition

#### Public Realm:

- Design and surveys
  - Project management resources
- 

## **Risk Management: Set out your detailed risk assessment**

#### Risk Management

For risk management to be effective and a meaningful management tool, it needs to be an integral part of key management processes and day-to-day working. Relevant and applicable risk management activities to be utilised in the delivery of Rosegarth Square Masterplan are detailed below.

- Risk reviews – undertaken to identify the strategic, operational, project and fraud risks to the Council delivering its objectives.
- Corporate decision making – significant opportunities and risks, which are associated with policy or action to be taken when making key decisions, are included in appropriate committee reports.
- Business/budget planning – this annual process includes updating the individual operational risk registers to reflect current risks to delivery of objectives.
- Project management – all projects should formally consider the risks to delivering the project outcomes before and throughout the project. This includes risks that could have an effect on service delivery, benefits realisation and engagement with key stakeholders (service users, third parties, partners etc.).
- Partnership working – partnerships should establish procedures to record and monitor risks and opportunities that may impact the Council and/or the partnership's aims and objectives.
- Procurement and contract management – risks and actions associated with suppliers need to be identified and assessed, kept under review and amended as necessary during the procurement and contract management process.
- Insurance – the Council's Insurance Team manages insurable risks and self-insurance arrangements.
- Health and safety – the Council has specific risk assessment policies to be followed in relation to health and safety risks.
- Reputation – the Council's communications team maintains a reputation radar to support the Council's approach to managing its reputation.

Appropriate arrangements will be implemented to ensure that risks are held by delivery bodies through clearly articulated risk transfer arrangements. In each instance, risks will be assigned to the organisation best able to manage them. Where works are procured through external bodies, both procurement documents and the final contract will clearly set out responsibilities for risk management and will transfer operational risks directly associated with delivery of those elements of the works package.

As part of project management, all risks will also be assigned an owner to ensure transparency in risk management responsibilities. Clear reporting routes will ensure the project leader is alerted to any changes in risk profile, for example if the likelihood of a risk arising is considered to have increased or wider implications of potential risks are identified. This approach will ensure the prompt escalation of risks and allow for necessary actions to be taken to ensure the project continues to be delivered on budget, to time and to high quality standards.

In addition to the programme level risk register, each project will have its own specific risk register assigned to and maintained by the main project sponsor (lead officer). This will ensure that project risks are addressed at an appropriate level and in accordance with wider corporate policies.

The Risk Register for the Rosegarth Square Masterplan is available at Appendix M.

## **Provide details of your core project team and provide evidence of their track record and experience of delivering schemes of this nature**

Growth Team

The Growth Team is led within the Council's Senior Leadership Team by the Deputy Chief Executive (Growth), Michelle Sacks. Michelle's directorate includes responsibility for Economic Growth, Planning and Strategic



Infrastructure and Towns Fund and Senior Information Risk Officer (SRO). The Towns Fund falls under the responsibility of Lydia Rusling – Assistant Director (Economic Growth). Michelle and Lydia have led the strategic delivery Towns Fund work programme since the autumn of 2019, supporting the Town Deal Boards, building a robust relationship with DLUHC and the externally led projects. The Growth Team has subsequently led the development of the Town Investment Plans with the respective Town Deal Boards, which enabled the Heads of Terms to be agreed with Government.

#### Local Assurance Framework

The team has also been developing and supporting the business case completions to facilitate the funding to be released. A 'Local Assurance Framework' has been agreed by the Town Deal Boards, submitted to DLUHC and is facilitating the process for business case approvals. There are six additional officer roles within the Economic Growth Team providing dedicated support for the development and delivery of the Boston Towns Fund Investment Plans offering a range of administrative, financial and project/contract management skills.

Mike Gildersleeves – the Assistant Director for Planning and Strategic Infrastructure for the Partnership. His responsibilities include Strategic Planning Policy, Local Plan/s, Planning & Development Management, Planning Enforcement, Internal Drainage Boards, Coastal Defences, Flood Management, Historic Environment and Conservation/Heritage. Mike also has a background in large projects and continues to lead on a number of strategic sites and schemes across the Partnership.

Neil Cucksey – Strategic Capital Project Development is responsible for leading on the Councils' major capital projects, including negotiation with landowners on strategic acquisitions and associated development agreements.

Adrian Sibley – Deputy Chief Executive (Programme Delivery) will be responsible for implementing the capital projects, whilst the Economic Growth team will continue to work with externally led projects, support the Town Deal board, and maintain the relationship with HM Government.

Clive Gibbon – Economic Development Manager (Boston Borough Council) has strategic experience and responsibility for facilitating increased commercial investment and activity across the Borough. He is also actively engaged in supporting effective business networks and coordinating partnership activity to maximise private sector opportunities for local business growth

Further internal officer resources will be available to support delivery of the levelling up fund process through the alliance's assets directorate who have multiple years' experience of delivering capital build works and managing building contracts at all stages of delivery.

As the lead local planning authority, officers will also ensure early internal engagement and dialogue with development control colleagues and other professionals on the application process for any associated consents required to complete the intended programme of works, where this cannot be progressed under existing local authority powers and associated permitted development rights.

Implementation of the levelling up funds programme will also follow the Council's established policy and procedures for the use of public funds, as outlined in detail within the Council's adopted constitution and associated strategy documents. This will ensure compliance with all relevant government legislation, including financial and contract procedures as well as risk management, energy efficiency/carbon reduction and equality and diversity. The Council are therefore able to demonstrate strong governance arrangements to support the project.

**Set out what governance procedures will be put in place to manage the grant and project**

## South and East Lincolnshire Council Partnership

From 1st October 2021, capacity, and resilience to implement all elements of the Levelling Up process, project organisation and governance has been strengthened following the establishment of the South and East Lincolnshire Council Partnership. SELCs brings together collective management resources and shared workforce structures across Boston Borough Council, East Lindsey District Council and South Holland District Council. This structure is being used to deliver the Towns Fund Investment Plan projects and priorities, as part of the partnership's strategic ambition to make a real and tangible difference to the outcomes for local communities and local places. This assurance and resilience are in place with the assistant director strategic growth and development and the assistant director strategic projects resourced from the programme delivery directorate, working collaborative focused on the delivery of major strategic capital projects. It is proposed to adopt this approach with LUF projects, with additional oversight from the Towns Fund Board.

### Delivery of Strategic Capital Projects

The delivery of a programme of strategic capital projects will be led by Adrian Sibley - Deputy Chief Executive (Programme Delivery). Once full planning consent and the agreed match funding is released to commission the agreed works, Adrian's directorate will be responsible for implementing the capital projects within the Town Investment Plans for Boston, whilst the Economic Growth team will continue to work with externally partners, support the delivery and maintain the relationship with HM Government.

The primary areas of work of the Programme Delivery Team relating to this project are:

- Appointment of main construction contractor
- Assignment of project manager/team (client side) for each capital project
- Contract and project management (including risk management and approval of contract exemptions
- Project governance and financial assurance
- Monitoring, recording and reporting of all physical outputs

The project is to be assigned to an assistant director lead from the corporate management team. the main role of the assistant director lead in this context is to provide robust oversight and assurance on the following areas across all stages of the concept design, delivery, and project closure.

### LUF Project Champion

The scheme has also been assigned to an assistant director for planning and strategic infrastructure who will champion the project right from submission of the levelling up bid through to project completion, acting as the client sponsor for the scheme. The main role of the assistant director lead in this context is to provide robust oversight and assurance on the following areas across all stages of the concept design, delivery, and project closure. Their primary areas of accountability will be focused in 6 key areas: budget, governance, stakeholder engagement; strategic leadership, project champion and decision maker.

### Council Constitution

Governance arrangements for the levelling up programme and projects will follow the Council's established policy procedures for use of public funds, as outlined in detail within the Council's constitution. This will ensure robust compliance with all relevant guidance and legislation, including the Council's adopted financial and contract procedures and audit, governance, scrutiny and overview structures. Delivery progress will continue to be reported to the Council's corporate management and senior leadership team via the Council's established monthly key performance indicators and project management systems. The Council will be the accountable body for all funding received. In

addition, as this is a council project, there is a necessity for regular involvement of members via the cabinet and full council.

**If applicable, explain how you will cover the operational costs for the day-to-day management of the new asset / facility once it is complete to ensure project benefits are realised**

Crown House:

Boston Borough Council (BBC) intends to purchase Crown House and transfer ownership to the YMCA. The operating costs of delivering the nursery on the ground floor will be covered by the incomes this activity will attract. YMCA currently run 373 creches and 5,389 nurseries and children's centres across the UK and therefore have extensive experience of property management and operational knowledge for the effective running of children's services on the ground floor. YMCA is the largest provider of safe, supported accommodation for young people in England and Wales with over 8,800 beds, which includes emergency accommodation through to supported longer-term housing and youth hostels.

The expected operational cost areas are:

- Property management, including utilities, maintenance, rates, security & fire systems, cleaning.
- Staffing and management.

The immediate environment of Crown House will be maintained by the Council's Street Cleaning Team who perform regular mechanical sweeps, litter picking, litter bin emptying and dog bin emptying services.

Civic Hub:

Once the LUF investment has completed, the remediated site will remain protected by secure hoardings until the development of the Civic Hub can commence. The development of the Civic Hub will be a Joint Venture by the Council and a developer with the opportunity to shape the design such that the building is low cost and low energy in operation. A high BREEAM and EPC performance rating will be targeted. BBC will be responsible for the ongoing management of the property once constructed, with BBC's Assets Management Team managing the asset alongside its existing property and asset base in the town.

The immediate environment of the Civic Hub will be maintained by the Council's Street Cleaning Team who perform regular mechanical sweeps, litter picking, litter bin emptying and dog bin emptying services.

The expected operational cost areas are:

- Property management, including utilities, maintenance, rates, security & fire systems, cleaning.
- Staffing and management.

Public Realm:

The public realm component needs to be maintained to a high standard to fulfil its role in supporting visitor spend in the town centre through the extension of dwell times. The public realm will be adopted by the Council and maintained daily by the Council's Street Cleaning Team.

The Council is committed to maintaining the new public art features and will work closely with cultural organisations and events organisations to consider the opportunities for income generating opportunities across the public realm to support the renewal of public art such that the area maintains public interest.

The green spaces and play equipment will be maintained by the Council's maintenance and inspection teams. The highway elements of the public realm will be managed by Lincolnshire County Council, including lighting.

The expected operational cost areas are:

- Cleaning and emptying of bins.
- Grass cutting and tree & shrub management.
- Planting and maintenance of flower beds.
- Repairs and graffiti removal.

All costs, including utilities will be absorbed into existing budget areas.

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**Upload further information  
(optional)**

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## **Set out proportionate plans for monitoring and evaluation**

### Bid-level M&E Objectives and Research Questions

Benefits management, monitoring and evaluation will be carried out by the Council and delivery partners to understand the success of interventions, whether they are achieving desired outcomes, and how and why this is the case. The key research questions which will inform the Monitoring and valuation (M&E) approach will include:

- Whether the rationale for intervention continued to apply during the implementation phase;
- Whether assumptions underpinning the Theory of Change (see Appendix I) and leading to benefits held in practice;
- The extent to which outputs and outcomes can be attributed to LUF interventions; and
- The impact of the LUF programme and whether it provides value for money.

### Outline of the Bid-level M&E Approach

M&E will be undertaken in line with guidance issued by DLUHC. The approach will ensure that all those involved in delivering the LUF-funded projects will have a clear understanding of the benefits to be achieved and the mechanisms through which these benefits will arise. The approach will set out the expected timeline over which benefits will arise, identify how these benefits will contribute towards the achievement of the LUF objectives, and include a process for reviewing and updating benefits realisation plans if proposed interventions change.

### Key Stages:

- Gateway reviews - for key decisions in line with milestones, outputs and outcomes.
- Agreement of key research questions.
- Profiling and monitoring benefits - a clear profile of benefits will be outlined for each project, including baseline position, financial spend targets, target delivery schedule, key milestones and target output forecasts. Specific KPIs will be identified to ensure targets are achieved within set delivery schedules. A benefit plan will be completed which includes a description of the realised benefits, the quantifiable, financial gain of the benefit, the metrics used to measure the scale of the benefit, the main beneficiaries of the project and the duration.

- Realising benefits – identified project staff will track the progress of benefit realisation, ensuring benefits remain relevant, deliverable and valid. Benefits will be agreed as being realised when the expected measurement of change has been achieved. It will be the responsibility of the project manager to ensure that the targets are achieved as planned.

- Monitoring and review - the approach will be proportionate to the resource invested in each intervention, making efficient use of existing capacity, data and expertise. This will inform decisions about the shape of the project and highlight areas where additional resource / capacity is required, enabling remedial action to be taken if interventions are not delivering the desired outputs. Data collected will feed into the evaluation.

- Evaluation – the evaluation will consider how the programme has worked from a delivery perspective and through the experience of beneficiaries and stakeholders.

#### Overview of Key Metrics:

Table E in the Workbook sets out the performance indicators that have been identified to track progress of the project / package. It includes sources for monitoring each objective, the frequency of collection and responsibility for this. Regular monitoring updates, in terms of milestones and achievement of outputs, will be provided monthly to the project / programme manager to inform an ongoing review of the project's delivery. The metrics have been identified in accordance with the Theory of Change for the project, and will include:

#### Outputs:

Educational spaces created/improved – sqm space of nursery/early year facilities, basic skills and NVQ equivalent level 1&2 courses

New or improved residential units; Additional residential units with broadband access of at least 30 Mbps – sqm of new youth housing,

Public realm created – landscaping/public realm developed across Rosegarth site

Community space created or improved – sqm of community space in completed crown house conversion and across the public realm

Site cleared; Land rehabilitated – B&M Store/car park cleared for re-development.

Dilapidated buildings improved – the completion of the crown house renovations

#### Outcomes:

Change in footfall – visitors to public realm artwork and urban greenery, monthly footfall recordings

Change in perception of place – business investment, resident wellbeing, out-of-town visitor change.

Change in employment rate – local employment opportunities expanded with job created from uplift in commercial activity around the new public realm, number of FTEs recorded#.

Change in business investment; Change in Business Sentiment; Change in vacancy rates; Change in consumer spending – review of existing and new businesses and their opening hours.

Change in the number of students enrolling/completing FE and HE courses – enrolment of youth and young adults onto the basic skills to NVQ2 level courses.

Change in productivity and pay – improved education and skills training facilitates the creation of a high skill, high pay, high productivity local economy.



#### Additional Monitoring:

The following indicators will also be monitored on a six-monthly basis:

Project spend (total, co-funding, co-funding committed)

Project delivery (number of projects started on time, completed, completed on budget, completed on time)

Delivery capacity (staff and budget invested)

Outcomes (jobs created and safeguarded)

Resourcing and Governance Arrangements

Funding has been allocated for the following M&E activities:

Time to gather, verify and report the required monitoring information to the DLUHC

Purchase of data / commissioning of surveys and data gathering by market research or other specialist companies (e.g. on vacancies, rental levels etc)

Independent set-piece evaluation studies at interim and impact evaluation stages, ensuring an objective and robust assessment of progress and enabling all stakeholders to provide their views.

Appointed individuals within the Council will have overall responsibility for oversight and reporting on performance to the DLUHC. Day to day responsibility for monitoring and performance management will be allocated amongst the project management team, with the team also having responsibility for reporting on finance and spend and wider outcomes achieved. Appropriate CRM systems will be established prior to project implementation where necessary. Gateway reviews within the project governance structure will be used to ensure the project remains on time and budget.

Regular feedback will be given to partners and stakeholders on the progress and performance of the project. This may include focus groups or meetings to discuss any issues identified during the monitoring of the project and arising from the interim and impact evaluations.

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## Senior Responsible Owner Declaration

**Upload pro forma 7 - Senior Responsible Owner Declaration**      BBC LUF Round 2 Pro formas 7 - MS.pdf

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## Chief Finance Officer Declaration

**Upload pro forma 8 - Chief Finance Officer Declaration**      BBC LUF Round 2 Pro formas 8 - CM.pdf

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## Publishing

**URL of website where this bid will be published**      <https://www.mybostonuk.com>

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## Additional attachments

### Additional file attachment 1

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Upload attachment	Appendix A - Investment Site Map.jpg
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### Additional file attachment 2

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Upload attachment	Appendix B - Equality Impact Assessment (1).docx
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### Additional file attachment 3

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Upload attachment	Appendix D - Social Media Engagement.pdf
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### Additional file attachment 4

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Upload attachment	Appendix E - A Blueprint for Boston.pdf
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### Additional file attachment 5

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Upload attachment	Appendix F - Letters of Support.pdf
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### Additional file attachment 6

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Upload attachment	Appendix G - Inspector Harrod Letter.docx
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### Additional file attachment 7

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Upload attachment	Appendix H - Rosegarth Square Masterplan Design Plans.pdf
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### Additional file attachment 8

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Upload attachment	Appendix I - Theory of Change.pdf
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### Additional file attachment 9

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Upload attachment	Appendix K - Detailed Cost Plan.pdf
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### Additional file attachment 10

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Upload attachment	Appendix C - Subsidy Control Advice (4).pdf
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### Additional file attachment 11

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Upload attachment	Appendix M - Risk Register (2).xlsx
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### Additional file attachment 12

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Upload attachment	Appendix N - Match-funding Evidence.pdf
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### Additional file attachment 13

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Upload attachment	Appendix O - Land Valuation Letter.pdf
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### Additional file attachment 14

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Upload attachment	Appendix P - Delivery Plan.pdf
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**Additional file attachment 15**

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**Upload attachment** Appendix Q - PE21 Masterplan Feasibility Study (2019).pdf

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**Additional file attachment 16**

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**Upload attachment** Appendix R - PE21 Masterplan Feasibility Study Appendices (2019).pdf

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**Additional file attachment 17**

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**Upload attachment** Appendix S - Boston PE21 Programme.pdf

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**Additional file attachment 18**

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**Upload attachment** Appendix T - Lincolnshire OPE Stage 1 Report (2022).pdf

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**Additional file attachment 19**

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**Upload attachment** Appendix U - Archaeology Proposal.docx

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**Additional file attachment 20**

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**Upload attachment** Appendices List - Rosgarth Square Masterplan.docx

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**Additional file attachment 21**

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**Upload attachment** Appendix L - Economic Technical Note (2).docx

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**Additional file attachment 22**

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**Upload attachment** Appendix P - Delivery Plan (1).pdf

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**Additional file attachment 23**

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**Upload attachment** Appendix J - Scarborough Group Joint Venture Agreement (2).pdf

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**Project 1 Name**

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Public Realm

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**Provide a short description of this project**

New Public Realm

This is a strategic place making opportunity that seek to utilize best practice to form a safe, enjoyable, accessible and vibrant place – combining multi-use & activation / inclusivity / play & learning / health & well-being / art & heritage. It would visually and environmentally transform the area, providing an improved linkage between the Market Place, Boston Train Station (subject to Towns Fund investment) and the existing Bus Station. As part of these works, culture and engagement activities would take place through an archaeology project, based around the principles of a community dig.

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**Provide a more detailed overview of the project**



## New Public Realm

This is seen as an impactful and positive intervention, which can be delivered in the short-term and would create the conditions for unlocking development of adjacent land parcels. This is a strategic place-making opportunity that seeks to utilise best practice to form a safe, enjoyable, accessible and vibrant place – combining multi-use & activation / inclusivity / play & learning / health & well-being / art & heritage. It would visually and environmentally transform the area, providing an improved linkage between the Market Place, Boston Train Station (subject to Towns Fund investment) and the existing Bus Station.

Investment would be used to deliver a high-quality area of new public realm that would be developed across Rosegarth Square, at the heart of the wider regeneration of this area. It will connect existing uses and destinations – e.g. the Train Station, Bus Station and footbridge - to the Market Place. It will also link the Len Medlock and Health centres (as present) with West Street (a key high street area). It will join old and new facilities and develop an improved place where people want to visit and enjoy. The public realm will be based on best practice, providing a safe and inviting place that people want to use for recreation, leisure, health, wellbeing, and general connectivity purposes. A mix of hard and soft spaces will populate the space along with public art features, greenery and seating areas, which will increase dwell time in the area.

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## Provide a short description of the area where the investment will take place for this project

Centre of Boston

The proposals will take place within a strategically important part of Boston town centre. This area has been subject of a wider masterplan and is known locally as 'PE21'.

'PE21' comprises a 10 acre brownfield site opportunity, located to the west of the River Witham. The site is in close proximity to the Market Place (accessible via a footbridge); sits in the shadow of St Botolph's (Grade 1 church); connects the Train Station and Bus Station; and currently comprises a mix of car park, health and community facilities, and vacant uses.

The proposals that form this LUF bid are primarily focused on the eastern end of the site, with the conversion of Crown House (former job centre), demolition of the former B&M retail building (in preparation for development of a Civic Hub), and the creation of a new piece of public realm running through the site from the footbridge to the front of the Len Medlock centre.

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## Further location details for this project

### Project location 1

Postcode	PE21 8QU
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Grid reference	
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Upload GIS/map file (optional)	
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% of project investment in this location	100%
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## Select the constituencies covered by this project

## Project constituency 1

---

Select constituency Boston and Skegness

---

Estimate the percentage of this package project invested in this constituency 100%

---

## Select the local authorities / NI councils covered by this project

### Project local authority 1

---

Select local authority Boston

---

Estimate the percentage of this package project invested in this Local Authority 100%

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## What is the total grant requested from LUF for this project?

£6533413

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## What is the proportion of funding requested for each of the Fund's three investment themes?

Regeneration and Town Centre 90%

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Cultural 10%

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Transport 0%

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## Confirm the value of match funding secured for the component project

£723695

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## Provide details of all the sources of match funding within your bid for this component project

Boston Borough Council:

'In kind' contribution from land + resource + additional funds - £723,694

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## Value for money

Economic Benefits

The framework for assessing the economic benefits of the LUF programme has been developed using the HM Treasury Green Book, guidance published by DLUHC and other government departments including DCMS and BEIS. Following published guidance, this has included the consideration of the



following benefits:

- Wider land value uplift – wider placemaking effects arising from the LUF projects have been estimated in line with DLUHC guidance, using Valuation Office Agency (VOA) data for commercial analysis and Council Tax band data for the residential value assessment. Primary and secondary catchment areas have been defined for the interventions, with appropriate uplifts applied based on an academic evidence base.
  - Crime cost savings – These benefits relate to a reduction in the number of recorded offences within the immediate area due to the high-quality public realm in these projects. The estimated costs to society of each crime type are applied to the expected reduction in crime. These costs are taken from the Home Office Research Report and have been updated to 2022/23 prices.
  - Amenity benefits – Consistent with the DLUHC Appraisal Guide, it has been assumed that new green spaces in an urban environment have an economic benefit of £109,138 per hectare per annum (2016 prices). This has been adjusted to 2022 prices and applied to the new public realm areas.
  - Heritage wellbeing – benefits associated with the value from visitors being able to access the 'Big Dig' experience during construction have been estimated, having regard to benchmark values derived from research cited in DCMS' Culture and Heritage Capital Evidence Bank.
  - Social inclusion – The Supplementary Guidance for Wellbeing shows that life satisfaction improves from enhanced social inclusion i.e. reduced loneliness. The number of beneficiaries has been calculated on new footfall and local statistics on loneliness. We have monetised this effect at £9,100 per year (2019 prices) for each participant, cited in the Wellbeing guidance.
  - Education wellbeing – The Supplementary Guidance for Wellbeing shows that life satisfaction improves based on participation in school wellbeing or resilience programmes. Specialists have forecasted the number of educational programmes supported by the facility. We have monetised this effect at £2,366 per year for each participant, cited in the Wellbeing guidance.
  - Distributional analysis – The approach used to calculate these is that set out in the HM Treasury Green Book, based on equalised disposable household income and welfare weights (the estimate of the marginal utility of income).
- 

## BCR and value assessment

**If it is not possible to provide an overall BCR for your package bid, explain why below**

Public Realm

It is estimated that the Public Realm scheme will generate direct benefits of more than £15.3 million. Allowing for distributional effects, reflecting the benefit of investment in an area of relative deprivation, the assessed benefit has increased to nearly £20.7 million.

Based on estimated net marginal costs of £7.8m, the identified benefit will support an initial BCR of 2.0:1 and adjusted BCR of 2.7:1. This is in line with the threshold of 2.0 and is therefore considered to be high value for money, particularly in light of the wider benefits.

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## Benefit Cost Ratios

Initial BCR 2.0

Adjusted BCR 2.7

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## Non-monetised benefits for this project

### Introduction

To analyse unquantifiable effects, an assessment of the wider benefits associated has been undertaken through a scoring and weighting framework. With the project number in brackets, potential wider benefits include:

- Active mode: the proposals include provision for greatly enhanced and new public realm. This will greatly increase walking and cycle uptake, causing mode shift, health and journey quality improvements.
- Image, perception, and vitality: the schemes will sustain and greatly enhance the image of the area as a business location and place to live. The programme will deliver new housing, business floorspace, public realm, and social or educational programmes for the residents.
- Community pride – The scheme will re-establish key parts of the town centre as a focus for work, leisure and key services. High quality public realm design, prominently situated in the centre, alongside the creation of facilities to host a wide range of community, educational and civic functions, will contribute to enhancing community pride and integration.
- Catalysing further investment – The projects will enhance the placemaking in the town centre in order to catalyse further investment. In addition, it is expected these schemes will unlock new residential developments through increased confidence in the area as a place to do business and live.
- Increased footfall and local spend – The project is expected to greatly increase footfall levels through the sustainable and well-designed public realm within the scheme. It is predicted that footfall will rise beyond pre-Covid-19 levels which will support new spending in the area to sustain a strong Covid-19 recovery for local businesses.

A weighting and scoring system has been used to assess these impacts as shown in the Technical Note. Overall, substantial wider benefits are expected to deliver scores above 8.0/10 for all three schemes.

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## Does this project include plans for some LUF grant expenditure in 2022-23?

Yes

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## Could this project be delivered as a standalone project?

Yes - the project could be delivered as a standalone project

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## Demonstrate that activity for this project can be delivered in 2022-23

As shown in the DLUHC Workbook (Section 2), the following capital expenditure for the public realm project will occur in 2022/23:

- Design and surveys
  - Project management resource
- 

## Statutory Powers and Consents

List separately below each

N/A.



power/consents etc. obtained for this project

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Upload content documents (optional)

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## Outstanding statutory powers/consents

Planning Period: January 2023 to July 2023

The public realm works can be delivered without the need for planning permission through permitted development rights. Similarly, demolition activities would be subject to a prior approval process – following early pre-approval discussions, it is likely that this will be obtained.

The local planning authority has indicated that they are supportive of the development proposals.

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## Project 2 Name

Crown House

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## Provide a short description of this project

Crown House

This project would bring a vacant town centre building back into commercial beneficial use (comprised of transitional youth housing and community uses, operated by the YMCA). As a stalled project, the site is falling in to disrepair, which is contributing to a poor local perception of place and creating a focus for anti-social behaviour. The Council is in advanced discussions with the YMCA, who wish to bring forward this project to provide youth housing, employment and family skills opportunities.

---

## Provide a more detailed overview of the project

Crown House

This project would bring a vacant town centre building back into commercial beneficial use (comprised of transitional youth housing and community uses, operated by the YMCA). As a stalled project, the site is falling in to disrepair, which is contributing to a poor local perception of place and creating a focus for anti-social behaviour. The Council is in advanced discussions with the YMCA, who wish to bring forward this project to provide youth housing, employment and family skills opportunities.

The proposed project includes conversion of the ground floor of the building into a nursery/community facility, whilst the first floor of the building will be converted into 24 units of transitional youth housing. Crown House would be managed by the YMCA, with the centre providing access to education opportunities ranging from basic skills to NVQ2-level courses.

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## Provide a short description of the area where the investment will take place for this project

Centre of Boston

The proposals will take place within a strategically important part of Boston town centre. This area has been subject of a wider masterplan and is known locally as 'PE21'.

'PE21' comprises a 10 acre brownfield site opportunity, located to the west of the River Witham. The site is in close proximity to the Market Place (accessible via a footbridge); sits in the shadow of St Botolph's (Grade 1 church); connects the Train Station and Bus Station; and currently comprises a mix of car park, health and community facilities, and vacant uses.

The proposals that form this LUF bid are primarily focused on the eastern end of the site, with the conversion of Crown House (former job centre), demolition of the former B&M retail building (in preparation for development of a Civic Hub), and the creation of a new piece of public realm running through the site from the footbridge to the front of the Len Medlock centre.

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## Further location details for this project

### Project location 1

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Postcode	PE21 8SJ
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Grid reference

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Upload GIS/map file (optional)

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% of project investment in this location	100%
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## Select the constituencies covered by this project

### Project constituency 1

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Select constituency	Boston and Skegness
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Estimate the percentage of this package project invested in this constituency	100%
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## Select the local authorities / NI councils covered by this project

### Project local authority 1

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Select local authority	Boston
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Estimate the percentage of this package project invested in this Local Authority	100%
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## What is the total grant requested from LUF for this project?

£7422915

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## What is the proportion of funding requested for each of the Fund's three investment themes?

Regeneration and Town Centre	100%
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Cultural	0%
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Transport	0%
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## Confirm the value of match funding secured for the component project

£835880

## Provide details of all the sources of match funding within your bid for this component project

Boston Borough Council

'In kind' contribution from land + resource + additional funds - £835,881.

## Value for money

### Economic Benefits

The framework for assessing the economic benefits of the LUF programme has been developed using the HM Treasury Green Book, guidance published by DLUHC and other government departments including DCMS and BEIS. Following published guidance, this has included the consideration of the following benefits:

- Land value uplift – analysis of changes in land values, which reflect the economic efficiency benefits of converting land into a more productive use. The existing land value is subtracted from the value of the more productive use.
- Wider land value uplift – wider placemaking effects arising from the LUF projects have been estimated in line with DLUHC guidance, using Valuation Office Agency (VOA) data for commercial analysis and Council Tax band data for the residential value assessment. Primary and secondary catchment areas have been defined for the interventions, with appropriate uplifts applied based on an academic evidence base.
- Crime cost savings – These benefits relate to a reduction in the number of recorded offences within the immediate area due to the high-quality public realm in these projects. The estimated costs to society of each crime type are applied to the expected reduction in crime. These costs are taken from the Home Office Research Report and have been updated to 2022/23 prices.
- Amenity benefits – Consistent with the DLUHC Appraisal Guide, it has been assumed that new green spaces in an urban environment have an economic benefit of £109,138 per hectare per annum (2016 prices). This has been adjusted to 2022 prices and applied to the new public realm areas.
- Labour Market – benefits associated with the job creation and reduction in barriers to employment for local workers. In line with DLUHC guidance, a local GVA per worker figure for the relevant sectors has been applied to the jobs taken up by new entrants. In line with the labour market availability and WebTAG guidance, it is assumed 10% of jobs will be occupied by new entrants



and there will be a 40% welfare impact for these jobs.

- Employment wellbeing – Benefits experienced by residents not currently in work who move into jobs created by project have been estimated based on values (£5,940 per year in 2018 prices) in the Green Book Supplementary Guidance for Wellbeing.
  - Affordable housing wellbeing – The DLUHC data book which accompanies the Appraisal Guide provides an estimate of the health benefits arising from the provision of affordable housing. The benefit is estimated to be £125 per unit per year.
  - Education – The benefits have been estimated through a wage premium from achieving Level 2 Apprenticeships or NVQ Level 2 Work-based qualifications as set out by BEIS, using the expected outputs from the facility.
  - Personal and social development – The Supplementary Guidance for Wellbeing shows that life satisfaction improves based on participation in personal and social development programmes. Specialists have forecasted the number of family learning and social programmes supported by the facility. We have monetised this effect at £5,200 per year for each participant (converted to 2022 prices), cited in the Wellbeing guidance.
  - Distributional analysis – The approach used to calculate these is that set out in the HM Treasury Green Book, based on equivalised disposable household income and welfare weights (the estimate of the marginal utility of income).
- 

## BCR and value assessment

**If it is not possible to provide an overall BCR for your package bid, explain why below**

Crown House

It is estimated that the Crown House scheme will generate direct benefits of more than £18.6 million. Allowing for distributional effects, reflecting the benefit of investment in an area of relative deprivation, the assessed benefit has increased to nearly £25.1 million.

Based on estimated net marginal costs of £8.4m, the identified benefit will support an initial BCR of 2.2:1 and adjusted BCR of 3.0:1. This is above the threshold of 2.0 and is therefore considered to be high value for money, particularly considering the wider benefits.

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## Benefit Cost Ratios

Initial BCR	2.2
Adjusted BCR	3.0

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## Non-monetised benefits for this project

Introduction

To analyse unquantifiable effects, an assessment of the wider benefits associated has been undertaken through a scoring and weighting framework. With the project number in brackets, potential wider benefits include:

- Active mode: the proposals include provision for greatly enhanced and new public realm. This will greatly increase walking and cycle uptake, causing mode shift, health and journey quality improvements.
- Image, perception, and vitality: the schemes will sustain and greatly enhance the image of the area as a business location and place to live. The programme

will deliver new housing, business floorspace, public realm, and social or educational programmes for the residents.

- **Agglomeration:** a consistent feature of modern economies is the concentration of economic activity in certain locations, most often cities or urban areas. These two schemes will attract new residents and businesses to the area through housing and business floorspace, meaning positive clustering and agglomeration impacts will occur.

- **City living:** The new high-quality facilities delivered by the Levelling Up Fund will result in a more attractive location for city living, as residents will have immediate access to business, retail, and residential provision.

- **Community pride –** The scheme will re-establish key parts of the town centre as a focus for work, leisure and key services. High quality public realm design, prominently situated in the centre, alongside the creation of facilities to host a wide range of community, educational and civic functions, will contribute to enhancing community pride and integration.

A weighting and scoring system has been used to assess these impacts as shown in the Technical Note. Overall, substantial wider benefits are expected to deliver scores above 8.0/10 for all three schemes.

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## **Does this project include plans for some LUF grant expenditure in 2022-23?**

Yes

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## **Could this project be delivered as a standalone project?**

Yes - the project could be delivered as a standalone project

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## **Demonstrate that activity for this project can be delivered in 2022-23**

As shown in the DLUHC Workbook (Section 2), the following expenditure and activity would occur in 2022/23:

- Design and surveys
  - Project resource management
  - Acquisition
- 

## **Statutory Powers and Consents**

List separately below each power/consents etc. obtained for this project

Crown House has existing consents in place for the building (as a stalled development project).

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Upload content documents (optional)

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## **Outstanding statutory powers/consents**

Planning Period: January 2023 to July 2023

Crown House will require planning permission, however, given existing consents in place for the building (as a stalled development project) there is no



reason in principle that this should not be granted in a timely fashion.

The deliverables for the planning application have been agreed with the local planning authority and the design team are progressing with the planning application for submission in January 2023 and determination in July 2023.

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## Project 3 Name

Civic Hub

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## Provide a short description of this project

Civic Hub

The project would provide initial site clearance and enabling works for the vacant former B&M retail site to create the conditions for future development of a Civic Hub. This site is in a prominent location which is a focus for anti-social behaviour, detracting from the area. Working in partnership with the current owners (Scarborough Group) there is a desire to re-develop this site for hotel and commercial/community uses. Removal of the existing structure would create impactful, positive change, supporting the development proposals and creating the conditions required for future investment.

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## Provide a more detailed overview of the project

Civic Hub

The project would provide initial site clearance and enabling works for the vacant former B&M retail site to create the conditions for future development of a Civic Hub. This site is in a prominent location which is a focus for anti-social behaviour, detracting from the area. Working in partnership with the current owners (Scarborough Group) there is a desire to re-develop this site for hotel and commercial/community uses. Removal of the existing structure would create impactful, positive change, supporting the development proposals and creating the conditions required for future investment.

LUF monies would be used to demolish the existing former B&M retail outlet and remediate the site in preparation for future private sector investment and development. Following demolition and site remediation works, the Council will work with the private sector to develop a Civic Hub comprising of civic use space (office/library) and a hotel. Prior to redevelopment, the site would temporarily be used for local purposes so as not to remain as a building site e.g. pop-up containerised leisure uses.

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## Provide a short description of the area where the investment will take place for this project

Centre of Boston

The proposals will take place within a strategically important part of Boston town centre. This area has been subject of a wider masterplan and is known locally as 'PE21'.

'PE21' comprises a 10 acre brownfield site opportunity, located to the west of the River Witham. The site is in close proximity to the Market Place (accessible via a footbridge); sits in the shadow of St Botolph's (Grade 1 church); connects the Train Station and Bus Station; and currently comprises a mix of car park, health and community facilities, and vacant uses.

The proposals that form this LUF bid are primarily focused on the eastern end of the site, with the conversion of Crown House (former job centre), demolition of the former B&M retail building (in preparation for development of a Civic Hub), and the creation of a new piece of public realm running through the site from the footbridge to the front of the Len Medlock centre.

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## Further location details for this project

### Project location 1

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Postcode PE21 8SJ

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Grid reference

---

Upload GIS/map file (optional)

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% of project investment in this location 100%

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## Select the constituencies covered by this project

### Project constituency 1

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Select constituency Boston and Skegness

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Estimate the percentage of this package project invested in this constituency 100%

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## Select the local authorities / NI councils covered by this project

### Project local authority 1

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Select local authority Boston

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Estimate the percentage of this package project invested in this Local Authority 100%

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## What is the total grant requested from LUF for this project?

£890268

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## What is the proportion of funding requested for each of the Fund's three investment themes?

Regeneration and Town Centre 100%

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Cultural 0%

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**Confirm the value of match funding secured for the component project**

£866170

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**Provide details of all the sources of match funding within your bid for this component project**

Scarborough Group

'In kind' contribution from land + access to design team etc - £866,170.

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**Value for money****Economic Benefits**

The framework for assessing the economic benefits of the LUF programme has been developed using the HM Treasury Green Book, guidance published by DLUHC and other government departments including DCMS and BEIS. Following published guidance, this has included the consideration of the following benefits:

- Land value uplift – analysis of changes in land values, which reflect the economic efficiency benefits of converting land into a more productive use. The existing land value is subtracted from the value of the more productive use.
  - Labour Market – benefits associated with the job creation and reduction in barriers to employment for local workers. In line with DLUHC guidance, a local GVA per worker figure for the relevant sectors has been applied to the jobs taken up by new entrants. In line with the labour market availability and WebTAG guidance, it is assumed 10% of jobs will be occupied by new entrants and there will be a 40% welfare impact for these jobs.
  - Employment wellbeing – Benefits experienced by residents not currently in work who move into jobs created by project have been estimated based on values (£5,940 per year in 2018 prices) in the Green Book Supplementary Guidance for Wellbeing.
  - Heritage wellbeing – benefits associated with the value from visitors being able to access the 'Big Dig' experience during construction have been estimated, having regard to benchmark values derived from research cited in DCMS' Culture and Heritage Capital Evidence Bank.
  - Education –The benefits have been estimated through a wage premium from achieving Level 2 Apprenticeships or NVQ Level 2 Work-based qualifications as set out by BEIS, using the expected outputs from the facility.
  - Distributional analysis –The approach used to calculate these is that set out in the HM Treasury Green Book, based on equalised disposable household income and welfare weights (the estimate of the marginal utility of income).
- 

**BCR and value assessment**

If it is not possible to provide an overall BCR for your

Civic Hub

It is estimated that the Civic Hub project will generate direct benefits of more



package bid, explain why below

than £2.7 million. Allowing for distributional effects, reflecting the benefit of investment in an area of relative deprivation, the assessed benefit has increased to nearly £3.7 million. Private sector contributions of £910,000 have been subtracted from these initial benefits figures for the value for money assessment.

Based on estimated net marginal costs of £0.9m, the identified benefit will support an initial BCR of 2.0:1 and adjusted BCR of 3.0:1. This is above the threshold of 2.0 and is therefore considered to be high value for money, particularly considering the wider benefits.

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## Benefit Cost Ratios

Initial BCR	2.1
Adjusted BCR	3.1

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## Non-monetised benefits for this project

### Introduction

To analyse unquantifiable effects, an assessment of the wider benefits associated has been undertaken through a scoring and weighting framework. With the project number in brackets, potential wider benefits include:

- Image, perception, and vitality: the schemes will sustain and greatly enhance the image of the area as a business location and place to live. The programme will deliver new housing, business floorspace, public realm, and social or educational programmes for the residents.
- Agglomeration: a consistent feature of modern economies is the concentration of economic activity in certain locations, most often cities or urban areas. These two schemes will attract new residents and businesses to the area through housing and business floorspace, meaning positive clustering and agglomeration impacts will occur.
- City living: The new high-quality facilities delivered by the Levelling Up Fund will result in a more attractive location for city living, as residents will have immediate access to business, retail, and residential provision.
- Catalysing further investment – The projects will enhance the placemaking in the town centre in order to catalyse further investment. In addition, it is expected these schemes will unlock new residential developments through increased confidence in the area as a place to do business and live.

A weighting and scoring system has been used to assess these impacts as shown in the Technical Note. Overall, substantial wider benefits are expected to deliver scores above 8.0/10 for all three schemes.

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## Does this project include plans for some LUF grant expenditure in 2022-23?

Yes

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## Could this project be delivered as a standalone project?

Yes - the project could be delivered as a standalone project

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## Demonstrate that activity for this project can be delivered in 2022-23

As shown in the DLUHC Workbook, the following expenditure and activity will occur in 2022/23:

- External works
  - Design and surveys
  - Contractors fee
- 

## Statutory Powers and Consents

List separately below each power/consents etc. obtained for this project

N/A.

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Upload content documents (optional)

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## Outstanding statutory powers/consents

Planning period: January 2023 to July 2023

Planning permission will be required. The team will ensure early engagement with pre-applications. The local planning authority has indicated that they are supportive of the development proposals.

The deliverables for the planning application have been agreed with the local planning authority and the design team are progressing with the planning application for submission in January 2023 and determination in July 2023.

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