

Item 6- Towns Deal Programme Update

1. DHCLG Monitoring and Evaluation November 2024 update submission

1.1 The Town Board are required to submit a Monitoring and Evaluation Performance report to DHCLG (formerly MHCLG) on a six-monthly basis. The last report submission was November 2024 for the period up to September 2024. A copy has been circulated to all Board members for reference.

1.2 The key highlights of what was reported, in terms of Progress, Finances, Outputs and Risks for the period up to 30th September were as follows:

Progress Status

- The construction phase had been completed across five projects by September 2024, the Drill, HEAT, Store of Stories, Lincoln Central Market and LCFC Community Hub at a total estimated cost of £15 M, of which £9.113 M is Town Fund supported.
- Three projects, the Barbican, Sincil Bank Environmental improvements and Greyfriars, with a total investment value of £9.829M and Town Deal grant of £5.238M was reported as on site, with completion expected in 2025.
- Lincoln Connected Project and Lincoln Be Smarter Project were continuing with delivery, with a total value of £4.23M and town Deal support to the value of £2.77M and reported as continuing to the end of the programme.
- It was also reported that Town Board have agreed the delivery and completion of Tentercroft and Wigford Way feasibility studies be aligned with the City Centre Masterplan programme, and that Town Board were informed by the Project lead in March of the formal withdrawal of the LSIP project from the programme.

Financial status - Financial expenditure to September 2024 was reported as follows;

Project	Actual Spend to Sept 2024 (£)	Forecast Spend from 01 Oct 2024 (£)	Total (£)
Lincoln Connected	1,062,222	420,755	1,482,977
Lincoln Be Smarter	551,376	738,624	1,290,000
Wigford Way Feasibility	95,302	244,698	340,000
Sincil Bank	139,290	2,858,662	2,997,952
LCFC Community Hub	839,000	0	839,000
HEAT	1,120,000	0	1,120,000
Lincoln Central Market	5,900,000	0	5,900,000
Tentercroft Street Feasibility	0	340,000	340,000
Drill Hall	1,000,000	0	1,000,000
Barbican	617,268	1,082,732	1,700,000
Store of Stories	198,000	28,000	226,000
Greyfriars	0	540,000	540,000
LSIP	0	800,000	800,000
TD Programme Management	340,468	79,552	420,020

Total	11,862,927	7,133,022	18,995,949
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The expenditure as reported was within the acceptable tolerances against original approved financial profiles.

Outputs and outcomes - Key outputs achieved highlighted and reported to September 2024 were:

- The programme has delivered 107 temporary full-time jobs, 31 full time permanent jobs and safeguarded 2 permanent jobs.
- Supported 87 enterprises with both non-financial and grant support
- Delivered 4 new community/public facilities, two of which involved the restoration of 2 heritage buildings, one of which was derelict and one that included green retrofitting.
- Increased capacity for training purposes and improved the amount and quality of office space provision and repurposed over 300m2 of floorspace.
- Over 30,000 visitors per quarter to the new community food supermarket, which has 40m new members per month and is estimated to support over 1800 children at risk of food poverty per annum.

Outputs reported to September 2024			
Indicator Name	Unit of Measurement	Total target	Total actual
Mandatory			
# of temporary FT jobs supported	Number	157.62	107.62
# of full-time equivalent (FTE) permanent jobs created through the project	Number of FTE jobs	68.41	31.81
# of full-time equivalent (FTE) permanent jobs safeguarded through the project	Number of FTE jobs	37	2
Project-Specific - Standard			
# of enterprises receiving non-financial support	Number of enterprises	80	45
# of enterprises receiving grants	Number of enterprises	42	42
Number of new community/sports centres	Number of centres	2	2
Number of public amenities/facilities created	Number of facilities	3	2
Amount of capacity of new or improved training or education facilities	Size of capacity measured in number of people	2200	100
# of heritage buildings renovated/restored	Number of buildings	4	2
Amount of public realm improved	m2 of land	3436	3436
Number of non-domestic buildings with green retrofits completed	Number of buildings	1	1
Amount of floor space repurposed (residential, commercial, retail)	m2 of floorspace	926.7	236.7
# of derelict buildings refurbished	Number of buildings	1	1
Amount of office space renovated/improved	m2 of floorspace	85.5	85.5
Project-Specific - Custom			
Technical Survey & Feasibility	No of reports	2	1
New or refurbished commercial floorspace	m2 of land	1836.9	1836.9
No of trees installed	No. of trees	10	10
No of visitors over the lifetime of the scheme	Number	71547	71547
Amount of quality commercial space to delivered to Town Centre	sqm	929	929
New jobs created in businesses supported	Number of FTE jobs		
480 fewer children in food poverty PA	Number of Children per annum	1896	1896
Local Businesses engaged	Number	10	10
new members	No - 40 per month	1880	1880
Visits per quarter	No per 6 mnths	30102	30102

Programme Risk

Risk assessments are to be reported to DHCLG as part of the return for both programme and individual projects. Risks are rated using a scoring matrix of between 1-24, on a pre-mitigated and mitigated basis. A score of 9 and above being deemed a 'red' RAG rating in the reporting table. It was reported that the maximum pre- mitigated score for risk was 12 and 'red' across 6 of the Projects but allowing for mitigation these scores reduced to 8 and 'dark amber' across 2 projects, with all other project mitigated risk scores being below 6 and 'green to light amber'.

For the Programme the top 3 programme risks were reported as:

- The risk of underspend resulting from LSIP being withdrawn from the programme. Mitigation of this risk through reallocation of funds across the programme to projects with deliverability strength.
- Project reporting/monitoring and evaluation risk – the ability for projects to properly resource these aspects of the progress report. Mitigation of this risk was reported as being through quarterly monitoring reporting and meetings with projects as required. And
- Programme slippage risk- Mitigation of this risk was reported as being through quarterly project monitoring & increased review meetings with projects as needed.

2. Progress updates up to March 2025

2.1 LSIP underspend and reallocation update;

2.1.1 Following the removal of LSIP project from the programme, the due diligence process and options for the reallocation of the £800,000 were reported to the last Town Board and Investment Sub Committee. Investment Sub Committee as delegated by the Town Board were requested to:

- Approve the reallocation of £800,000 from the LSIP project underspend and £1,840 from the Sincil Bank project to the projects and values summarised and subject to the conditions outlined.
- Approve that a Project Adjustment Request be submitted to Growth unit on this basis.
- That the reserve list projects be developed further and reported to the next meeting of the Investment Sub-Committee for delegation

The first two actions have now been completed and the reallocation approved by MHCLG Towns Fund Team. In summary the approved reallocation is as follows:

Project	Approved Project costs	Approved Fees	Total	From
Drill	£113,200	960	£114,160	LSIP
HEAT	£100,400	880	£101,280	LSIP
Lincoln City Community Hub	£250,000	960	£250,960	LSIP
Barbican	£148,000	960	£148,960	LSIP
Store of Stories (Windows and Boiler)	£159,000	480	£159,480	LSIP

Store of Stories (Basement Feasibility Study)	£27,000	0	£27,000	LSIP and Sincil Bank
Total	£797,600	4240	£801,840	

- 2.1.2 All projects have been informed of the approval, subject to any conditions identified through due diligence assessment, and progressing with condition sign off in readiness for delivery.
- 2.1.3 As also reported to October 2024 Board meeting, the two reserve projects for further development were a proposal by Acts Trust for works to bring the basement at Beaumont Manor back into reuse and additional investment proposals for Greyfriars.
- 2.1.4 Greyfriars initial Expression of Interest request for additional funding was for just over £400k. A review and prioritisation have been undertaken by the project and works to the value of £180,105 been identified as a priority to improve the quality of the build and management and sustainability of the project on completion. Town Board are requested that subject to due diligence checks and approval from DHCLG that these works be prioritised for funding from any confirmed underspend from the Sincil Bank Project. Priority 2 works have also been identified which could be considered by way of pipeline in respect to any further emerging programme underspend.
- 2.1.5 Other pipeline project expenditure options are also being considered and will be presented to future Board meetings for consideration should any further programme underspends are identified.

2.2 Project Progress Update Oct 2024-March 2025

2.2.1 A full description of the current status of all projects is included in the part B progress report, but key progress highlights since September 2024 are;

- The Barbican construction phase is now practically complete. A new Director was appointed in December and tenancies are currently being secured. An opening event is being planned for May/June 2025.
- Greyfriars is continuing progress with the refurbishment and consideration of the Management Business case. All conditions identified at due diligence stage have now been signed off.
- Threshold Studios who are leading the cultural programme part of the Lincoln Connected Project held a 'Lincoln Lights' event on the 20th -21st February which

was positively received and successful in generating footfall numbers. The event evaluation will be fed into the project outputs/outcomes reporting.

- Sincil Bank Highways works have been progressing and will be completed in mid-March. Progress with the gateway and green elements is progressing slowly, with proposals having to be scaled back due to risks identified by the Local Highway Authority and feasibility restrictions in respect of existing services. All designs are now with the highway authority for checking, with a view that works can be priced and instructed by the end of March 2025.

2.3 Programme extension update

2.3.1 DHCLG Town Fund Team gave notice in December 2024 of a potential programme extension for Town Deal projects up to March 2027, where need can be evidenced. DHCLG are still expecting most of the programme to be delivered within the original timeline but have confirmed that an extra delivery year is potentially available for Town Deal projects that can properly evidence the need for additional time. Extensions will be granted by exception and confirmed on a case-by-case basis. No additional funding is available. They have also confirmed that they will accept defrayal or contractual commitments as evidence of spend.

2.3.2 All projects are currently expected to be completed, and Towns fund allocation spent by the 31st of March Deadline, except for those projects at potential risk as identified below;

- **Lincoln Connected.** This project has three delivery elements: the new website/customer management system; a cultural digital events programme; and a signage/wayfinding project. The signage and wayfinding delivery programme has slipped, with an approximate value of £150- £200K. From quarterly claim and project board updates, the delivering this of element within the current programme deadline of March 2026 is still unassured.
- **Tentercroft Street Feasibility Study and Wigford Way Feasibility Study** Town Board have agreed that delivery of these studies be aligned with the wider City Centre Masterplan review, to ensure that plans for the sites adequately address the needs and opportunities identified. The current remaining allocation is £312,000 for Tentercroft Street and £244,698 for Wigford Way. Delays in progressing the City Centre Masterplan review this year due to issues with consultancy commissioning, and local/national election priorities, has meant that while these projects could still be feasibly delivered within the existing programme, it would be at risk of needing to be rescoped, with potential detriment to the final output.

2.3.3 Notice has been given to DHCLG of the slippage risk regarding the above projects and approval received for the deferral of outstanding Government grant payment to financial year 26/27. This provides a programme extension contingency for the above projects.

3. Recommendations

- 3.1 That the November 2024 DHCLG submission as circulated and reported be accepted.
- 3.2 That the LSIP funding reallocation be approved across the existing programme as reported.
- 3.3 That Town Board delegate to Investment sub-committee consideration and decision, subject to due diligence checks and approval from DHCLG, that the priority 1 works identified for Greyfriars be funded from any confirmed underspend from the Sincil Bank Project.
- 3.4 That the programme extension and project options currently proposed be noted and approved.