



<u>Committee and Date</u>
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REPORT HEADING

Oswestry High Street Heritage Action Zone Update

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1. Summary

- 1.1 A successful bid to Historic England was made for Oswestry to become a High Street Heritage Action Zone (HSHAZ). Overall, the HSHAZ scheme will have a total budget of £1.25m, including a contribution from Oswestry Town Council and anticipated private investment.
- 1.2 The High Streets Heritage Action Zones (HSHAZ) programme is a place-based scheme designed to secure lasting improvements to historic high streets and the communities who use them through heritage led regeneration. The objective of the programme is to make the high street a more attractive, engaging and vibrant place for people to live, work and spend time, particularly in relation to the need to build back better for post-Covid-19 economic recovery.
- 1.3 The HSHAZ funding will be used to deliver a repair scheme for key strategic buildings in Oswestry, look at converting empty buildings with mixture of uses including workspace, retail and restaurants on the ground floor, with residential units above. There will be permanent enhancements to the historic environment including key shop fronts and a residential conversions programme for the upper floors of shop units to provide a number of new homes within the town, plus increased spend and an enhanced town centre experience.
- 1.4 The HSHAZ Cultural Consortium was established in October 2020 with local cultural organisations and community groups, as a requirement of the HSHAZ programme. Following a number of online workshops with local groups, an application for additional funding has been submitted to Historic England by Shropshire Council on behalf of the Consortium to support the development of an exciting and engaging community-led cultural programme that will show case Oswestry's heritage and culture that will complement the HSHAZ programme. It is proposed that Shropshire Council, in its existing role as the lead HSHAZ partner, will manage, monitor, and disperse the grant monies awarded. If successful, the bid will be subject to a further funding agreement with Historic England. The governance arrangements relating

to the Cultural Programme will be incorporated within the Partnership Agreement between partners.

- 1.5 The Oswestry High Streets Heritage Action Zone represents a partnership between Historic England, Shropshire Council (lead partner), Oswestry Town Council, Oswestry BID and, for the cultural programme, a consortium of community and cultural groups. Governance for the HSHAZ is provided by the Future Oswestry Group, an existing partnership between Oswestry Town Council, Shropshire Council and Oswestry BID.
- 1.6 The Future Oswestry Partnership Agreement sets out the basis on which the Future Oswestry Group partnership will operate. The Partnership - brings together Oswestry Town Council, Oswestry Business Improvement District (BID) and Shropshire Council to safeguard and promote the economic well-being of the town. The Agreement sets out in detail the purpose of the Partnership and the roles and responsibilities of its members. The governance arrangements for the HSHAZ programme are set out in the Partnership Agreement between Shropshire Council, Oswestry Town Council and Oswestry Business Improvement District.
- 1.7 The Future Oswestry Group are leading on the development of the Oswestry Master Plan vision which will define the shared vision for the town following planned engagement with wider stakeholders, and will seek opportunities to secure funding streams to achieve this vision. The Future Oswestry Group will oversee the HSHAZ to provide project management and strategic co-ordination.
- 1.8 This report provides an update to Cabinet on the HSHAZ programme that has been developed. Authority is sought to formally agree the governance arrangements for the HSHAZ programme that have been negotiated.

2. Recommendations

Cabinet is requested to:

- 1) Authorise the Executive Director of Place in consultation with the Portfolio Holder for Economic Development and Assets the ability to formally agree the governance structure and management of the Oswestry High Street Heritage Action Zone programme as set out within the Partnership Agreement with Future Oswestry partners.
- 2) Authorise the Executive Director of Place in consultation with the Portfolio Holder for Economic Development and Assets to agree variations within the HSHAZ budget and seek any additional funds from Historic England as the opportunity arises.
- 3) Authorise the Executive Director of Place and Director of Finance, Governance and Assurance, in consultation with the Portfolio Holders to negotiate and accept the anticipated contract from Historic England to act as the accountable body for the delivery of the Cultural Consortium programme.

REPORT

3. Risk Assessment and Opportunities Appraisal

3.1 Risk Assessment and Opportunities Appraisal

- 3.1.1 The day-to-day administration of the HSHAZ is supported by the Project Officer employed by Shropshire Council. Governance for the HSHAZ will be provided by the Future Oswestry Group, an existing partnership between Oswestry Town Council, Shropshire Council and Oswestry BID. Governance and management arrangements that have been developed in line with Historic England criteria will be formally agreed.
- 3.1.2 As part of the HSHAZ programme, work has been undertaken on the Risk Assessment for the programme which has been developed in consultation with Historic England. The Risk Assessment identifies the risks and impact across the programme and proposed mitigation. The Risk Assessment is regularly reviewed by the HSHAZ Project Board and as part of the programme monitoring arrangements.
- 3.1.3 As part of the ongoing programme monitoring arrangements, the Risk Assessment has been reviewed. For each risk review identified, mitigation or control measures have been identified to reduce the risk to an appropriate level and are being implemented. The key risks identified within the Risk Assessment that are currently being as addressed include the inability to identify a suitable building to deliver the HSHAZ 'flagship project'; slippage in spend making it difficult to deliver the programme objective; and the potential ongoing disruption that the Covid-19 pandemic could have, both on grant take up and engagement, if infection rates start to climb again. In each instance control measures have been identified, including undertaking appropriate feasibility studies and condition assessment to ensure that investment is directed at the appropriate buildings, and regular progress, budget and risk reviews by the project board, partner organisations and with Historic England. In each instance this is considered to substantially reduce the project risk to an acceptable level.

3.2 Human Rights Act Appraisal

- 3.2.1 The recommendations contained in the report are compatible with the provisions of the Human Rights Act 1998.

3.3 Equalities and Opportunities Appraisal

- 3.3.1 As part of the HSHAZ programme, detailed work has been undertaken on the HSHAZ Community Engagement Plan. The Community Engagement Plan has been developed and sets out how the programme will involve local residents to ensure that the benefits of the scheme are fully realised and embedded within the community. This will be achieved for example by providing workshops on traditional building skills for children, young people and trades; showcasing the projects that are being funded through the HSHAZ using digital media; and developing community based archive research and building assessment skills to facilitate the development of planning and design guidance (such as a shop front design guide). The overall aim is to ensure that the HSHAZ has a longer term legacy beyond the life of the programme itself.
- 3.3.2 As part of the finalisation of the Community Engagement Plan, the Equality and Social Inclusion Impact Assessment (ESIIA) will be undertaken for the HSHAZ programme.

4. Financial Implications

- 4.1 Following successful submission of the Programme design, a budget reprofiling exercise was undertaken in late June and July last year in consultation with Historic England and the scheme partners to amend the spend profile to take account of the delays caused by the 1st Covid lockdown.
- 4.2 The Table 1 provides a summary of the HSHAZ budget as currently agreed with Historic England for the interventions programme and community engagement elements of the HSHAZ scheme.

Programme item	Funding partner	Total Amount (£) Y1 – Y4
Project Officer	Historic England	66,872
	Shropshire Council	87,288
Project Admin	Shropshire Council/ OTC/ BID – in-kind	50,000
Physical Interventions Programme		
Shop fronts	Historic England	135,000
	OTC	75,000
	<i>Private Investment</i>	<i>140,000**</i>
Repurposing	Historic England	150,000
	Shropshire Council (S106 affordable housing)	150,000
	<i>Private investment</i>	<i>200,000**</i>
Flagship scheme	Historic England	171,208*

	OTC	150,000
	<i>Private/ additional investment</i>	200,000
Public Realm	Historic England	125,000
	OTC	125,000
Community Engagement	Historic England	5,000 (+10,000)
	Shropshire Council/ OTC/ BID – in-kind	5,000
Total		1,835,368

Table 1 HSHAZ budget summary

* As a result of the delays caused by the Covid-19 Crises, the £20,418 that HE had agreed to Q1 & Q2 of the PO post in Y1 has now been recommitted to the Physical Interventions Programme.

**Grants under the physical interventions programme would be offered on a 60:40 ratio, with the recipient expected to fund 40% of the eligible works themselves (i.e. £540,000 coming from private investment).

Partner	Amount (£)
Historic England (Grant Offer)	653,080
Shropshire Council	237,288
OTC	350,000
Private investment	540,000
Shropshire Council/ OTC/ BID – in-kind	55,000
Total	1,835,368

Table 2 Breakdown of sources of grant and match contributions

- 4.3 Work is currently being undertaken to investigate opportunities to develop a flagship project through feasibility work to assist with. This work will inform options for potential investment.
- 4.4 The 2nd and 3rd Lockdowns mean that the current spend profile may need to be subject to further ongoing review to take account of the impacts this has had. Equally, Historic England have indicated that due to the impact that the Covid-19 crises has had around the country, there may be opportunities for the Oswestry HSHAZ to secure additional funding from them to increase the funds available for the interventions and community engagement elements of the scheme. Authorisation is therefore sought for the Executive Director of Place, in consultation with the Portfolio Holder for Economic Development and Assets, to agree spend profiles and seek any additional funds from HE as the opportunity arises.
- 4.5 The funding for the Cultural Programme elements of the scheme is subject to a separate application that is currently under active consideration by Historic England. It is proposed that Shropshire Council, in its existing role as the lead HSHAZ partner, will manage, monitor, and disperse the grant monies awarded. If successful, the bid will be subject to a further funding agreement with Historic

England. The governance arrangements relating to the Cultural Programme will be incorporated within the Partnership Agreement between partners.

- 4.6 The HSHAZ Project Officer will be responsible under Historic England guidance for putting together reports and claims to Historic England as well as paying invoices to contractors delivering as part of the Cultural Programme. Approved projects and activities within the Cultural Consortium programme will draw down funding on the delivery of the project activities.
- 4.7 The additional grant applied for to support the cultural programme of activities amounts to £106,800 with match of £182,340 contributed as in-kind match from Consortium member organisations. The match comprises in-kind salary costs and volunteer time.

5. Climate Change Appraisal

- 5.1 There are a number of investment objectives that will support the Climate Change agenda including the revitalisation of Oswestry high street by investing in the repair and restoration of vacant or under-utilised heritage assets and public realm assets. This will ensure that best use is made of the embodied energy within the existing building stock. The scheme will also promote the use of traditional building materials and skills, many of which are either renewable or have a lower carbon footprint than contemporary construction materials. Likewise, much work funded under the schemes are likely to be carried out by locally based business with expertise in traditional building skills. Signposting is provided to business applicants on wider support opportunities including grants to support investment in energy efficiencies and renewable energy generation.
- 5.2 The HSHAZ programme will work to support sustainable growth and add economic value over the long term by creating and facilitating new employment and training opportunities which can be taken up by local people.
- 5.3 The HSHAZ programme will invest in historic buildings and the associated public realm, and stimulate new private investments in mixed commercial, leisure, residential and community uses to support sustainable development.

6. Background

- 6.1 Following the submission of an application to Historic England by Shropshire Council as part of the High Street Heritage Action Zone scheme, Shropshire Council were awarded £653,080 grant funding. The overall HSHAZ programme totals £1,835,368 with match being provided by Shropshire Council, Oswestry Town Council and private investment.
- 6.2 Oswestry Town Council has committed £350,000 as match funding to support the physical interventions grants programme and development of a flagship project. Governance arrangements have been agreed with Oswestry Town Council within a voluntary agreement relating to the Town Council's HSHAZ match contribution.

- 6.3 The Oswestry HSHAZ is made up of the following strands:
- Two capital grant scheme funds: -
 - One involves the repair or reinstatement of historic shop fronts
 - The other is to repurpose empty buildings, this includes the reinstatement of upper floors to accommodation, some of which may be affordable housing, and look at new uses for the ground floor by possibly sub-dividing the area to smaller shop units.
 - A Flagship project which will bring back into use a current long-term vacant property and repurpose it into an incubation space for businesses, specifically targeting young entrepreneurs.
 - Public realm improvement which will include looking at the alleyways in the town to make them more welcoming as well as exploring the possibilities of making Oswestry a dementia friendly town.
 - A community engagement programme that will engage and inform the community as well as giving them the opportunity to get involved with the project through volunteering
 - A cultural programme that will run a series of events that will celebrate the heritage and the artistic culture of the town that will enable all members of the community to participate in the project
- 6.4 The Partnership Agreement for the Future Oswestry Group has been developed to formalise the roles and responsibilities of the Future Oswestry Group members and sets out the arrangements relating to the HSHAZ funding and the delivery of the HSHAZ programme.
- 6.5 The Partnership Agreement sets out the Partnership's purpose, objectives and functions and sets out arrangements relating to governance and accountability, monitoring performance, financial matters, risk management, review process, structures and membership, and communications protocols. Such terms of reference and governance arrangements have been established to oversee the HSHAZ programme, to reflect the HSHAZ funding requirements and expectations.
- 6.6 Following the recruitment of the HSHAZ Project Officer, Expressions of Interest (EOIs) and grant criteria for the grant scheme element of the programme were developed and promoted to local businesses. The EOIs were made available to businesses on the 11th November 2020, which has generated to date 9 EOI's for the shop front scheme and 10 for the repurposing scheme. These EOIs were taken to the HSHAZ Board for recommendation to progress to submit a full application which was passed on the 6th January 2021. Applications from businesses are being supported to bring forward proposals that meet with the HSHAZ criteria.
- 6.7 As part of the HSHAZ Programme, the Cultural Consortium has now been set up to deliver an exciting and engaging cultural programme in collaboration with the community that will show case Oswestry's heritage and culture. The group was set up in October 2020 and consists of local cultural organisations and community groups.

- 6.8 Shropshire Council were able to secure a £10,000 pilot project grant to deliver an initial series of events however these are currently on hold due to the third lockdown but will be delivered by September. Shropshire Council has supported the Cultural Consortium to submit an application for additional funding from Historic England of £106,800 to grow the pilot project into a series of cultural events that everyone can participate in that will enable people of all ages to engage with their unique heritage of Oswestry until the project ends in March 2024. The grant submission also includes funding to appoint an independent facilitator / formative evaluator on a self-employed basis to work with the group to develop the Consortium and its governance arrangements to ensure future legacy of the cultural programme activities.
- 6.9 A Communications plan has been developed for the HSHAZ, which has been signed between Historic England, Shropshire Council and Oswestry Town Council. A dedicated webpage for the site is under development on the Shropshire Council website and Social media pages have been set up.

7. Conclusions

- 7.1 This report provides an update on the High Street Heritage Action Zone programme currently being delivered. Delegation is sought to formally agree the governance arrangements for the HSHAZ programme as outlined within the Cabinet report presented in November 2019, to enable Shropshire Council to act as accountable body for the delivery of the Cultural Consortium programme and to seek additional funds from Historic England to support the HSHAZ programme, if the opportunity arises.

List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)

Oswestry High Street Heritage Action Zone 18th November 2019

Cabinet Member (Portfolio Holder)

Councillor Steve Charmley

Local Member