

CABINET

13 February 2017

Title: Heritage Lottery Fund Bid for the Abbey Green and Barking Town Centre Conservation Area Townscape Heritage Project	
Report of the Cabinet Member for Economic and Social Development	
Open Report	For Decision
Wards Affected: Abbey	Key Decision: Yes
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Accountable Director: David Harley - Acting Head of Regeneration and Planning (Regeneration), Growth and Homes	
Accountable Strategic Director: John East – Strategic Director, Growth and Homes	
Summary	
<p>This report seeks Cabinet approval for a second-round funding application to the Heritage Lottery Fund's (HLF) Townscape Heritage initiative. The purpose of the application is to deliver a heritage-led shopfront and building improvement project across the Abbey and Barking Town Centre Conservation Area, which includes locally listed properties across East Street and Station Parade. In doing so, the project proposes a major step change in the way in which heritage is preserved and enhanced both physically and culturally in the Abbey and Barking Town Centre Conservation Area, by addressing the steadily declining condition of historic spaces in the conservation area and architecturally important buildings across Barking's principal high street. The project also includes an extensive outreach and education programme for local school children, students and residents.</p> <p>The Council received a first-round pass from HLF in March 2015 to develop its proposal for the Abbey and Barking Town Centre Conservation Area in more detail. If the Council is successful with its second-round submission, it will have access to £1.151m HLF funding to deliver the scheme in full. A decision is expected in June 2017.</p>	
Recommendation(s)	
The Cabinet is recommended to:	
(i) Support a second-round funding application to the Heritage Lottery Fund's Townscape Heritage programme in the sum of £1.151m for a heritage building improvement scheme and educational project in the Abbey and Barking Town Centre Conservation Area on the terms set out in the report; and	
(ii) Agree that the Council contributes up to £407,500 of match funding towards the total project cost of £1.712m.	

Reason(s)

This funding application supports the Council's vision for the borough 'One borough; One community; London's growth opportunity' and the Council's corporate priorities, in particular:

'Encouraging civic pride', by:

- Building pride, respect and cohesion across our borough
- Building civic responsibility and help residents shape their quality of life
- Promoting and protecting our green and public open spaces

'Growing our borough', by:

- Supporting investment in housing, leisure, the creative industries and public spaces to enhance our environment
- Enhancing the borough's image to attract investment and business growth

1. Introduction and Background

- 1.1 Since 2013, the Council has been investing in public realm improvements across East Street, Barking's principal high street. Phase 1 of the improvement scheme, which consisted of new paving and street furniture around the former Magistrates Court, completed in September 2016. Phase 2 will see a new 'catenary' lighting scheme (suspended between buildings) installed by the end of March 2017, followed by a smarter and more organised layout of market stalls and associated infrastructure such as feeder pillars, recycling and storage facilities. The aim of these works is to bring the high street up to the same high quality standard of nearby public spaces such as Short Blue Place and Barking Town Square, as well as strengthen pedestrian links between Barking Station, the high street and the historic Abbey Green.
- 1.2 In contrast to the improvement works taking place at street level, the external appearance and condition of many commercial properties and shopfronts across East Street and Station Parade has been steadily declining, presenting a poor first impression of Barking as well as undermining the investment being made in the public realm. East Street and Station Parade fall within the Abbey and Barking Town Centre Conservation Area and include a diverse and interesting mix of locally-listed and architecturally significant buildings, yet many are increasingly suffering from inappropriate commercial shop signage, lost architectural features, plant growth, water damage and long-term wear and tear, all of which detract from the historic character of the high street and wider conservation area.
- 1.3 To ensure a holistic approach is taken to the high street regeneration taking place in Barking Town Centre, the Council has applied to the Heritage Lottery Fund's (HLF) Townscape Heritage programme. This funding sources helps 'to reverse the decline of our best-loved historic townscapes' in which stakeholders 'work together to repair buildings in conservation areas and bring them back to life'. In March 2015, the Council secured a first-round pass from HLF for an extensive high street building improvement programme and educational scheme in the Abbey and Barking Town

Centre Conservation Area. This included a budget of up to £172,500 to assist the preparation of a second-round submission.

- 1.4 If successful, up to £1.151m grant funding will be available by HLF to carry out the Abbey and Barking Town Centre Townscape Heritage project. The project is expected to be delivered in phases over 3-4 years and consists of the following key priorities:

- **Shopfront and Building Improvements**

Architectural improvements and renovations to 12 high priority and 15 medium priority buildings across East Street and Station Parade, as well as 25 reserve priority buildings which could be brought forward where appropriate.

- **Enhancing Heritage Spaces and Settings**

Delivering a high quality landscaped entrance to the Abbey Green Ruins and St Margaret's Church, sensitively links the commercial and historic parts of the conservation area.

Colleagues in Heritage Services are also preparing a first-round application to the HLF for various restorations and improvements to the Scheduled Ancient Monument in Abbey Green, in partnership with St Margaret's Church. Officers from both projects are working closely on the two schemes to ensure the two respective bids compliment and strengthen each other's case for HLF investment in the Abbey and BTC Conservation Area.

- **Improved Conservation Management and Maintenance**

The development of long-term sustainable planning tools and practices to maintain building improvements and standards across the conservation area, including opportunities for Local Development Orders (LDOs), Article 4 directives, as well as a refreshed Conservation Management and Maintenance Plan with user-guides for town centre businesses and stakeholders.

- **Increased engagement in local heritage**

Through an extensive skills-based heritage engagement programme in partnership with the Technical Skills Academy (B&D College), providing work experience and projects for students specialising in construction, business, digital media etc. This will also be supported by history workshops with local schools focusing on the high street and built environment, as well as opportunities for residents through Creative Barking and Dagenham and Valence House.

2. Proposal and Issues

- 2.1 Following a successful first-round pass, the Council's Townscape Heritage proposal has been scoped and costed in more detail, with support from appointed consultants including heritage specialists, estimators, surveyors and architects.

2.2 The table below outlines the Council's final bid position:

Item	Budget
Capital costs (works) for building and landscape improvements to high and medium priority properties	£860,273
Capital costs (professional fees)	£222,555
Educational and activity programme costs	£236,500
Further development costs (contingency, marketing, new staff costs)	£393,023
Total Project Cost	£1,712,351
Income/Match Funding	£561,438
HLF Round 2 Grant Request	£1,150,913
HLF Delivery Grant %	67%

2.3 The total budget for the project is £1.712m, consisting of £1.151m funding from HLF and £561k match funding contribution. The Council intends to make a contribution of £390k (although up to £407,500 has been set aside in the event that HLF require its delivery grant contribution to be reduced slightly):

Funding Source	Amount	Comments
LBBB Section 106	£140,000	£157,500 available from Barking Town Centre S106 contributions. £17,500 Retained by LBBB.
TfL LIP Funding 17/18	£250,000	From £350k allocated for works in Barking Town Centre through the TfL LIP programme 17/18
Property owners/Landlord contribution	£157,900	A 15% contribution to be collected from each participating property owner for the works being carried out to their property.
In-kind contribution	£3,538	Professional support from Historic England (10 days)
In-kind volunteer time	£10,000	
Total	£561,438	

2.4 The scheme includes one Council-owned property, 35 East Street, also known as Fawley House. This property is designated as a high priority building, given its local listing and historic connection to the borough's former fishing heritage. As a separate project, the Council is working with a charity called Habitat for Humanity to bring the upper floors back into residential use to house and support vulnerable adults. Habitat plans to invest circa. £200k into the property, which includes

provision for external renovations, in exchange for a 14 year lease. Officers from Regeneration and Housing Strategy are working closely to maximise the opportunities presented by both funding sources for the property.

- 2.5 It should be noted that, as the landlord to this property, the Council will be required to make a 15% contribution towards any HLF-funded works carried out. However, this is expected to be offset by the value of the external works Habitat would have been required to make to the property in order to bring it up to a suitable standard for habitation.
- 2.6 If the scheme receives a second-round pass, two funded job posts will be created to help deliver the project. A full-time post for the role of 'Townscape Heritage Officer' will be created from the outset for a minimum of three years to project manage the delivery phase of the scheme in full, as well as support and advise officers and other town centre stakeholders on projects and issues relating specifically to the Abbey and Barking Town Centre Conservation Area. A second part-time post will be created for the role of 'Community Engagement Officer', who will deliver the education and activity programme. Both posts are expected to sit within the Regeneration and Economic Development department and Growth and Homes division.
- 2.7 The building improvement programme will require individual grant and licence agreements between the Council and private landlords. A third-party grant agreement has been drafted for the purpose of the funding bid, however, formal sign up of property owners to the programme will take place only if the scheme is approved, with landlord contributions collected in advance of any works commencing. To ensure the works are carried out to a consistently high standard across the lifetime of the project, the Council will procure and contract manage a single building contractor to carry out the building improvements in phases.

3. Options Appraisal

3.1 Not to proceed with the Townscape Heritage second-round application

This option is rejected as it would render most of the work carried out in the project's development phase as redundant, although the architectural and landscape drawings produced could still be used to deliver elements of the proposed scheme in the future. However, given that LBBD is a designated 'priority borough' for HLF and the scheme achieved a successful first-round pass, failure to proceed with the second-round bid at this late stage would have reputational consequences for the Council in leveraging funding from HLF in the future.

3.2 Seek a higher grant funding contribution from HLF

HLF awards Townscape Heritage grants for schemes with a maximum value of £2m, providing there is an appropriate level of match funding. The total budget for this project is £1.712m with HLF contributing 67% of the total cost (£1.151m). The Council could seek additional funding up to £2m, but it would either need to increase its own financial contribution to the scheme at the expense of other town centre regeneration projects currently underway, or increase the HLF grant contribution request and weaken the strength of the bid.

HLF has indicated during the project's development phase that the current project budget demonstrates an appropriate balance between its contribution and match funding sources, therefore the option to seek a higher level of grant funding is rejected.

4. Consultation

4.1 Consultation has taken place with the following key stakeholders, both prior to and since the first-round bid:

- Barking Town Team, including the Cabinet Member for Economic and Social Regeneration and Ward Members
- The Technical Skills Academy/Barking and Dagenham College
- St Margaret's Church
- Historic England
- Valence House Museum
- Barking and District Historical Society
- Local primary schools
- Businesses and property owners across East Street and Station Parade

4.2 If the Council is successful with its second-round bid, further consultation will be required with businesses and property owners regarding scope of works, grant agreements and licences to carry out the works.

4.3 To support the second-round application, a short survey was produced to gauge public opinion on the importance of the conservation area, perceptions about its current condition and how these could be improved. 168 responses were received and a selection of the results are highlighted below, which arguably justify the importance and relevance of this project to the borough:

- 98.5% of respondents thought it was either very important or quite important to ensure that high street buildings are enhanced, repaired and looked after better.
- 66.2% did not know that Station Parade and East Street are part of a historic conservation area.
- When asked to rate the general appearance and maintenance of buildings across East Street and Station Parade from 1 to 5 (with 1 being low and 5 being high), only 5% of respondents rated them at 4 or 5, with 65.7% rating them at just 1 or 2.

5. Financial Implications

Implications completed by: Katherine Heffernan – Finance Group Manager

5.1 It is proposed that a bid for funding from the Heritage Lottery Fund for the amount of £1,150,913 is submitted on the understanding that the Authority allocates match funding of £561,438 for the project. The whole project cost will, therefore, be £1,712,351. This cost will be spread over 3 to 4 financial years.

5.2 As far as the match funding is concerned, the Section 106 moneys were received some months ago and are currently being held for this specific purpose. The LIP funding has been provisionally agreed by TfL and a report with respect to the whole

2017/18 LIP funding submission is elsewhere on this agenda. There are no financial implications for the Authority in respect of the “In Kind” contributions.

- 5.3 It is also proposed that, as the Council does not own the majority of the buildings in Barking Town Centre where improvements and refurbishments are proposed, landlords make a combined contribution of £157,900 towards the cost of the works. Formal sign up of property owners to the programme will take place only if the scheme is approved, with landlord contributions collected in advance of any works commencing. It is, however, important that the risk of non-recovery of this money is mitigated through the formal third party grant agreements mentioned in paragraph 2.5.
- 5.4 The two new posts mentioned in paragraph 2.4, that will be created should the bid be successful, will be funded by the HLF Grant with no financial implications for the Authority. The posts will remain until funding for the project ceases unless further grant or stakeholder contributions for the Town Centre can be secured.
- 5.5 The cost of submitting the bid to the Heritage Lottery Fund will be funded from existing Regeneration and Economic Development budgets.
- 5.6 As there are a number of stakeholders involved, it is not clear at this stage if there will be any additional ongoing maintenance costs for the Authority as a result of the proposed improvement works. If additional ongoing revenue costs do occur, these will need to be absorbed by existing budgets if further external funding is not available.

6. Legal Implications

Implications completed by: Ann Towndrow, Major Projects Solicitor - Property

- 6.1 The Council has power to enter into a funding agreement with the Heritage Lottery Fund under s1 of the Localism Act 2011. It also has the power to enter into grants and/or licence agreements with the owners of properties included in the improvement programme to enable works to be undertaken under the Localism Act and the Local Government Act 1972.

7. Other Implications

- 7.1 **Risk Management** – There are no perceived risks of submitting the second-round funding bid.
- 7.2 **Contractual Issues** – If the second-round bid is successful, the Council will enter into a funding agreement with HLF. As financial contributions are required from participating property owners, the Council will also need to enter into third-party grant and licence agreements to deliver the works.
- 7.3 **Staffing Issues** – The Townscape Heritage project will create 1x FT and 1x PT post for a minimum of three years each.
- 7.4 **Corporate Policy and Customer Impact** – In addition to supporting the Council’s vision and corporate priorities, this Townscape Heritage project supports the recommendations of the Growth Commission by ‘intensify[ing] community outreach

combining heritage and cultural activities' as well as 'connecting key features such as Barking Station, the heritage areas around the Abbey and the riverside'. The project is also a key priority in the Barking Town Centre Strategy 2015-18 and is in keeping with the policies of the Local Plan.

Consideration has been given as to whether the Townscape Heritage project raises any equalities issues. The project is expected to benefit and be inclusive to all residents and is not considered to have an adverse impact on any protected group.

7.5 Property / Asset Issues – The scheme includes one Council-owned property, 35 East Street, as detailed in Section 2.5.

Public Background Papers Used in the Preparation of the Report: None

List of Appendices:

- **Appendix A** – Plan showing the Townscape Heritage project including high, medium and reserve buildings.
- **Appendix B** – Examples of high priority buildings provisionally included in the Townscape Heritage Project with proposed improvements.