Economy, Culture and Tourism Scrutiny Panel

DATE 23/01/2025

REPORT OF Carolina Borgstrom, Director of Economy,

Environment & Infrastructure

SUBJECT Kasbah Partnership Schemes in Conservation Areas

(PSiCA) 1 Review & Update on New Grant Scheme

(PSiCA 2)

STATUS Open

CONTRIBUTION TO OUR AIMS

The programme of regeneration at the Kasbah Conservation Area on the Port of Grimsby from January 2019 to March 2024 has made a significant contribution to the Council's strategic objective of a 'Stronger Economy' by supporting the economic reuse of heritage assets, including both listed and unlisted buildings. This has supported the effective management and maintenance of heritage assets within the Conservation Area, and has helped to sustain the development of specialist heritage skills and employment in the area.

The programme also made a significant contribution to the Council's 'Stronger Community' objective by creating new opportunities for North East Lincolnshire residents to access and appreciate the area's heritage, and contributing to its 'sense of place'. This has also supported health and wellbeing objectives. The economic re-use of historic buildings, utilizing their embodied energy rather than replacement with new buildings, also contributes to the Council's sustainability objectives.

EXECUTIVE SUMMARY

This report reviews the delivery of a programme of regeneration on the Kasbah Conservation Area which ran from January 2019 to March 2024 as part of the Greater Grimsby Heritage Action Zone. It highlights key outputs and achievements up to 31st March 2024, lessons learned and next steps, including an update regarding Partnership Schemes in Conservation Areas phase 2 (PSiCA2).

MATTERS FOR CONSIDERATION

1. BACKGROUND AND ISSUES

Between 2018 and 2024 the Council, in partnership with Historic England (HE), Associated British Ports (ABP) and other key stakeholders, delivered a transformational programme of culture and heritage-led regeneration across Grimsby via the Greater Grimsby Heritage Action Zone (HAZ). This formed part of the wider programme of investment and support for the economic regeneration of Grimsby though the Grimsby Town Deal.

A key focus of the HAZ programme was Grimsby Docks and the Kasbah Conservation Area (CA), which was added to the national Heritage at Risk (HAR) register as soon as it was designated by the Council as a CA in 2017. This was due to the high levels of

vacancy (73%) and the poor and declining condition of the historic buildings.

Through the HAZ, a Partnership Schemes in Conservation Areas (PSiCA) repair grant scheme for the Kasbah CA has been jointly delivered by NELC, HE and ABP. The scheme ran from January 2019 to March 2024, and was open to current and future tenants who wished to play a key role in reviving the area through heritage-led regeneration. The aims of the scheme were to:

- Encourage new businesses to the area.
- Halt further deterioration in building condition.
- · Create jobs and bring buildings back into use.
- Promote the heritage of the area.
- Create new facilities and improve the environment for those that work in the area.

Although grants were focussed on the repair and re-use of vacant buildings by new tenants, it was also extended to current tenants, such as Alfred Enderby Ltd, who shared the vision to improve the historic area. Grants to local businesses through the scheme have supported structural and external repairs, with grant recipients undertaking internal works and fit-out at their own expense.

As part of the wider programme of regeneration for the Conservation Area, it also created new opportunities to access and appreciate the area's heritage and contribute to its 'sense of place', including Heritage Open Days events organised by ABP in September each year which regularly see approximately 2000 visitors to the area.

Key Outputs

The PSiCA scheme saw a wide range of projects delivered, with the grant funds being fully deferred by the end of the scheme, and all aims met via the projects that were supported. Specific outputs by the end of the scheme in March 2024 were as follows:

- 17 grants awarded
- 24 buildings improved. Of these, 15 had a full programme of repairs, five had minor weather-proofing works, and four had phase one investigative and enabling works.
- 3610.79m2 of commercial floorspace improved / created
- 3 new leaseholders and 12 sub-tenants
- 38 jobs created, and 22 safeguarded either through repairs to ensure the business is able to continue to operate from the premises, or by creating a new and sustainable base for the business on the Kasbah, with room to expand.
- 1425 construction person weeks across the projects, helping to safeguard the construction industry
- 20 contractors trained in lime-pointing and have gone on to use the training at

PSiCA-funded projects.

- Buildings previously valued at £0 or removed from the business rates list because they were 'beyond economic repair' are now liable for business rates, equating to approximately £47,430 additional rates payable per year, prior to any small business rate relief (n.b. some still awaiting revaluation).
- Schedule of priority urgent works for 12 buildings developed with ABP, and funding from their capital budget committed.
- 10 new businesses on the Kasbah, as well as three CIC / not-for-profit organisations now based there.
- Overall intervention rate (PSiCA grant / total project costs) was 31%, although this includes the Peterson's project for which PSiCA funding was only 12% of total costs, the rest being grant-funded by National Lottery Heritage Fund (NLHF), Architectural Heritage Fund (AHF), and NEL UK Shared Prosperity Fund (UK SPF).

Achievements

The Kasbah PSiCA scheme has been very successful, having seen repairs to more buildings than originally expected, despite the impact of the coronavirus pandemic and other world events. This has provided spaces for several new businesses as well as enabling existing tenants to improve and expand their businesses through extension into additional buildings. The profile of the Kasbah has also been raised, with continued interest from both businesses and local people wishing to reconnect with the area's heritage. Open days and events are always very well attended, and the reactions and feedback from the most recent open day were very positive. Key achievements by March 2024 include:

- Annual Heritage Open Day always very well attended, with approximately 2000 visitors per year in 2023.
- Outreach and engagement through the PSiCA scheme has changed the view of the Kasbah from being an area of decline to an area of growth, and where people's pride in their family's connection to the docks and Grimsby can be given expression.
- The Kasbah is becoming a vibrant business area, particularly for the creative industries. It is now considered to be a growing creative cluster, with many of the PSiCA-funded buildings being used as studios and creative workspaces.
- The Heritage Action Zone and PSiCA have resulted in a change of opinion locally within ABP, leading to a strong strategic partnership with NELC and HE, a priority repair programme, ABP funding of a CA Management Plan, and development of a masterplan / long-term strategy, with ABP now driving forward a sustainable long-term vision for the area in close consultation with NELC/HE.
- The Peterson's Project, which was the catalyst for both the Heritage Action Zone and the PSiCA, marked the start of significant funding from National

Lottery Heritage Fund (NLHF) in North East Lincolnshire, and has seen a Grade II Listed Smokehouse fully repaired and removed from the at risk register.

- There is increasing confidence from prospective tenants and investors, as well
 as from funders such as NLHF. For funders, this is only partly due to the impact
 and achievements of the projects themselves. To a much larger extent it is due
 to the strong partnership developed with ABP, NELC and Historic England, and
 confidence that ABP are now fully committed to the regeneration of the area.
- Collaboration between funders, stakeholders and businesses on the Kasbah has been cited as national best practice and has provided a platform for work delivering a range of Council priorities e.g. Unseen Arts work encouraging participation in physical activity and Creative Start's work supporting the recovery community.

Please see Appendix 1 for details of specific PSiCA-funded projects.

Lessons Learned

A number of lessons have been learned from the Kasbah PSiCA scheme, many of which are common to heritage-led regeneration and grant schemes in general. Often these are opportunities rather than risks and many could also be considered to be achievements. They include:

- Developing a strong working relationship with the landowner and leaseholders alike is critical to delivering an effective programme.
- 'Handholding' of grant recipients is often required: business owners don't
 usually have the time or experience to manage a 12-18 month capital repair
 project whilst also running a business. In most cases the Council's project
 manager has needed to step in, and project manage most of the grant-funded
 projects to ensure delivery on time and on budget.
- Effective engagement is key to a successful scheme: ensure all stakeholders
 are kept updated and made aware of the wider programme. Effective
 engagement is also about getting the message out to the right people at the
 tight time. For this scheme, engagement was much more successful when the
 area was referred to as the 'Docks' or 'Fish Docks' rather than using the
 designated Conservation Area name of 'Kasbah', as many local people do not
 recognise this name.
- Flexibility and pragmatism are essential: some applicants were charitable
 organisations, who often have large numbers of enthusiastic and highly skilled
 volunteers. However, it is essential to remember that volunteers are undertaking
 activities in their own time and may need to prioritise other parts of their life.
 Programmes thus need to be flexible so that they can be given the time and
 support needed to realise their vision.
- Repair schemes such as this ideally need to form part of a wider masterplan to enable better assessment of project viability and proposed new uses. The PSiCA was initially a little too 'organic', without an overall strategic direction

other than to bring buildings back into use. All other funders, and the majority of applicants, had asked if there was a masterplan or a vision for the future development of the Port so that they could understand how their investment would form part of this.

- Take account of local and world events: a number of the creatives now based on the Kasbah had moved back to the area during the coronavirus pandemic. With support from the Grimsby Creates programme, ABP and leaseholders open to working with an emerging creative sector in North East Lincolnshire, they decided to stay and become part of the growing creative community here, taking up studios and workspaces in PSiCA-funded buildings.
- Projects can take a long time to develop: this is especially the case where there
 are multiple funders and stakeholders involved. However, working in
 partnership can result in unexpected opportunities. It wasn't the original
 intention of Great Grimsby Ice Factory Trust to repair and bring back into use a
 smokehouse, but having been given the opportunity and the support to develop
 this project by ABP, they have lead the way for others to become involved,
 setting precedents for the way in which many of the other projects are now
 being delivered.

Next Steps – update on PSiCA 2

While the original PSiCA scheme come to an end in March 2024, strategic partners (NELC, ABP and HE) continued to work together to consider the long-term vision for the Kasbah area, and looked at opportunities to continue the culture and heritage-led regeneration of this internationally significant Conservation Area.

Taking into account the outcomes, achievements and lessons learned from PSiCA 1, the Council was encouraged to apply for a second round (PSiCA 2) to continue the grant scheme. This has now been offered by Historic England, along with a Funding for Capacity Building Grant to support the delivery of the scheme by the Council. A paper was heard at the Council's Cabinet meeting on 15th January to formally accept the funds and open up the new grant scheme, which will run until March 2027.

PSiCA 2 will support additional businesses and CIC's to set up workspaces in the Conservation Area. Applicants will again be able to apply for a grant towards eligible works on an open application basis, and expressions of interest have already been received for ten projects, along with enquiries from others. These are all full refurbishment projects, including the reinstatement of traditional frontages at a number of buildings on Fish Dock Road.

The overall aim is to continue the momentum of heritage-led regeneration developed during PSiCA 1, and in turn, support partners and stakeholders in the wider regeneration of the Kasbah area, improving market conditions to the point that it becomes commercially viable for both landowner ABP, and their leaseholders, to invest in more medium/long-term projects without the need for public funding.

2. RISKS AND OPPORTUNITIES

There are no risks or opportunities associated with the review summarised above.

3. REPUTATION AND COMMUNICATIONS CONSIDERATIONS

4. There are no reputation and communications considerations associated with the review summarised above.

5. FINANCIAL CONSIDERATIONS

Not applicable. Please see Section 7 for an overview of the funding for this scheme.

6. CHILDREN AND YOUNG PEOPLE IMPLICATIONS

Not Applicable

7. CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS

The economic re-use of historic buildings through this scheme, utilizing their embodied energy, rather than replacement with new buildings, contributes to the Council's and ABP's sustainability objectives.

8. FINANCIAL IMPLICATIONS

Funding for the PSiCA 1 Scheme was as follows:

NELC capital programme	£500,000
Historic England capital contribution	£500,000
Historic England additional contribution due to demand	£280,678
ABP: pre-lease and stitch-in-time works	£242,252
ABP project match: Building 74 repairs, & minor works project	£233,060
HE & ABP revenue (contribution to Project Manager costs)	£182,414
Tenant Match*	£1,816,770
TOTAL	£3,755,174

^{*} Includes NLHF, AHF & NEL UKSPF funding for the Peterson's Project

For PSiCA 2 financial implications, please see 15th Jan cabinet report: <u>CB</u> 10/24/02

For PSiCA 2 ABP will again make a revenue contribution to NELC PM costs, and will also contribute to the scheme via pre-lease works as per PSiCA 1 above. In addition, they have committed a significant capital sum for an agreed programme of 'PSiCA-eligible' works across 12 buildings at risk.

9. MONITORING COMMENTS

In the opinion of the author, this report does not contain recommended changes to policy or resources (people, finance or physical assets). As a result, no monitoring comments have been sought from the Council's Monitoring Officer (Chief Legal

Officer), Section 151 Officer (Director of Finance) or Strategic Workforce Lead.

10. WARD IMPLICATIONS

The Kasbah Conservation Area sits wholly within the East Marsh Ward.

11. BACKGROUND PAPERS

Cabinet Decision, 12th April 2019, DN.129

12. CONTACT OFFICER(S)

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