



**Corporate Policy &
Resources Committee**

Date: 19th July 2018

Subject: Market Rasen 3 Year Vision / Strategy and transfer of West Lindsey Area Office to Market Rasen Town Council (MRTC)

Report by:	Executive Director of Commercial & Economic Growth
Contact Officer:	Eve Fawcett-Moralee Eve.Fawcett-Moralee@west-lindsey.gov.uk 01427 676535
Purpose / Summary:	To maximise the benefits derived from housing led growth to create a self-sustaining town with capacity to address social, economic and environmental issues.

RECOMMENDATION(S):

To accept the recommendation from Prosperous Communities Committee to:

1. Approve an "in principle" allocation of £200k funding from the Capital Programme towards the delivery of growth projects detailed within the strategy subject to:
 - Consultation and support for the strategy
 - Setting up of an agreed implementation mechanism e.g. a Charitable Incorporated Organisation
 - Suitable financial regulation

The Executive Director of Resources be granted delegated authority to make the final decision to award funding subject to the above and following consultation with the Chairman of the Corporate Policy and Resources Committee.

2. Approve the recommendation to conclude disposal/transfer of the Area Office to Festival Hall.

IMPLICATIONS

Legal:

All funded projects will be subject to financial and legal scrutiny. Legal advice will be sought prior to the release of any funds.

Market Rasen Area Office:

It is recommended that WLDC proceed with the above transfer once the following due diligence has been applied:

- Surplus Test and Underutilisation Appraisal – to assess current usage
- Formalise Heads of Terms and present to MRTC for approval.

It is intended that any legal costs incurred in the process of transferring the asset will be met by MRTC (to be agreed within heads of terms)

Financial: FIN-68-19-CC

There is £200k in the capital programme to provide Market Rasen Town Council with the opportunity to draw down funds to help unlock projects, £50k in 2018/19 and £150k in 2019/20. This funding is conditional on projects identified in the strategy and that demonstrate measured outputs and link to strategic objectives within the WLDC Economic Development Strategy.

Economic Regen and Finance will agree a process with Market Rasen Town Council/CIO whereby funding requests are submitted and evaluated before funds are released. Expenditure will be classified as REFCUS, in that no tangible asset will be acquired by the council. The expenditure to be incurred by Market Rasen Town Council must be of a capital nature in order for the funds to be released.

It is not envisaged that any WLDC revenue funding will be required to support this project. Any staffing/wider revenue costs incurred will be funded out of existing Economic Regeneration budgets.

Market Rasen Area Office

This building and land are held on the asset register as a surplus asset with a valuation of £138,900. Should the asset be transferred to Market Rasen Town Council, a business case will need to be submitted for approval justifying the potential loss of this asset against any benefits such as:

- ongoing revenue savings (Current Controllable Budget £13,500);
- use of a meeting room and/or kiosk at little/no cost to WLDC;
- lease of roof in order to continue to benefit from the feed in tariff from the solar panels WLDC installed;

It would also be advisable to obtain a current market value for the asset.

Should the asset be sold to Market Rasen Town Council, consideration should be given to opt to tax. If the council does not opt to Tax then the sale will be exempt from VAT, therefore impacting on the partial exemption calculation.

Staffing:

No changes as a result of this report. Any future management, administration and monitoring of a separate delivery vehicle for the Strategy's capital projects will continue with the existing staffing arrangements.

Equality and Diversity including Human Rights:

Consultation process will be openly promoted to ensure the widest possible views from stakeholders/the local community to ensure openness and transparency.

Ambition to establish a separate delivery vehicle for the Strategy’s capital projects (such as a Charitable Incorporated Organisation (CIO)) as a legal entity for the delivery of the three growth projects. The main benefits of a CIO are that it has a legal personality, the ability to conduct business in its own name and limited liability so that its members/trustees will not have to contribute in the event of financial loss.

Expand the range of services, organisations and interventions for more disadvantaged areas of the community, in order address in-equality and provide a sustained and collective contribution to overall improvements in health and living conditions.

Risk Assessment:

N/A

Climate Related Risks and Opportunities:

None

Title and Location of any Background Papers used in the preparation of this report:

West Lindsey Housing Strategy 2018 – 22 (adopted January 2018)

Central Local Lincolnshire Plan 2012-2036 (adopted April 2017)

Call in and Urgency:

Is the decision one which Rule 14.7 of the Scrutiny Procedure Rules apply?

i.e. is the report exempt from being called in due to urgency (in consultation with C&I chairman) **Yes** **No**

Key Decision:

A matter which affects two or more wards, or has significant financial implications **Yes** **No**

1 Background:

1.1 Within the last seventeen years there have been a number of initiatives focusing on Market Rasen's regeneration and future development:

1.2 Market Rasen Development Trust

A limited-by-guarantee company formed in 2001 with a mission: 'to regenerate the town and surrounding area, enabling community development and economic growth to the benefit of all local people. Market Rasen was one of twelve market towns in the East Midlands to be part of the national Market Towns Initiative (MTI). The Market Rasen Development Trust published an Action Plan in 2005 and was successful in engaging with the community, running town events and setting up a community hub which is still operational. The more ambitious plans within the Action Plan were not all realisable due to a lack of match-funding.

1.3 Market Rasen Business Improvement Group

A Community Interest Company (CIC) incorporated in August 2012, run by volunteer Directors from local business and community groups. MR BIG were successful in winning the first round of Porta's Pilot funding and were one of twelve towns nationally to be granted £100k of funding to regenerate the town centre. They won a further £110k through the government's High Street X Fund in 2013. Four 'promises' formed the basis of a two-year action plan: Put the Market Back in Market Rasen; Town Tidy; Marketing; High Street Sustainability. A review of progress and strategy for year 2 highlighted the success of monthly markets, branding and marketing for the town and a national award-winning heritage tour. The MR BIG CIC was dissolved in July 2017 and its legacy and remaining budget is being taken forward by a newly-formed Town Partnership (with Lincolnshire Chamber of Commerce) and Market Rasen Town Council.

1.4 Neighbourhood and Community Plan 2013 to 2016

During 2013 the Town Council led discussions with stakeholders including Market Rasen Development Trust and MR BIG on the development of a town plan. There are only limited papers from these discussions and the Plan was not advanced. In 2016 West Lindsey District Council and the Town Council explored the option of developing a Neighbourhood Plan. The Town Council agreed to focus efforts on producing the current Vision and Strategy rather than a Neighbourhood Plan.

1.5 Vision Group Report

In April 2013 West Lindsey District Council commissioned Rose Regeneration to develop a vision for Market Rasen. A number of meetings with stakeholders were held and a report published in July 2013 (not available on-line). The Report highlighted the challenges facing the town and the opportunities, via a community-led plan, to engage investors and develop a strong brand for the town and secure its future strategic development.

1.6 Market Rasen Town Council

The Town Council's Vision and Strategy is partly a legacy from previous initiatives but largely based around projects and activities that have commenced within the last few years. Since May 2015, the Council has continued to work with an external consultant to develop discrete projects such as:

- Festival Hall;
- Police Station & Magistrates Court;
- Development of the town Vision and Strategy.

These projects depend upon and are limited to the passion and drive of the individuals involved in their development. The risk is that these, along with other proposed projects will not realise their full potential due to funding and resource constraints. The end result creates a perception that a lot of money is spent on projects that never actually come to fruition. It is hoped that the current Strategy, with support from West Lindsey District Council, will provide a resilient framework for the town's development.

2 Lessons Learnt:

2.1 The above initiatives have served as catalysts for action in terms of the town's development, but the weakness has been in ensuring these are done in a cohesive, planned, strategic way with continued succession planning built in.

2.2 Past initiatives have shown:

- Strong endeavours from individual organisations but limited success from those individual organisations in working together for a common goal – i.e. the town's future.
- A disconnect between West Lindsey District Council's ambitions for the town's development and the town (residents and businesses) engaging with this agenda.
- A perception that Market Rasen is worse off than other towns – Brigg, Gainsborough, Caistor – and that West Lindsey 'favours' Gainsborough to the detriment of Market Rasen.
- Stop / Start progress which give the perception that 'nothing works' in Market Rasen.

2.3 Steps to mitigate these weaknesses could include:

- **A clear, cohesive strategy for the town's growth and future development**, with buy-in from all parts of the community. (The Three-Year Vision provides a framework of aspirations and this will be developed into a delivery plan with outcomes and timelines.)
- **Public 'buy-in' from WLDC** - Support and funding from West Lindsey District Council to demonstrate commitment to the town's development. (Visible and tangible support like the WLDC funded Wolds Festival in October 2016 along with support for the Vision and its delivery.)
- **Building a team approach** with all parts of the community working together and learning to put the common goal (the town's development) first rather than individual agendas. There has to be a 'bottom-up' and detailed approach as a team. Past initiatives have failed because they were 'top-down' and did not

bring people on board. (This will require clear communication and transparent decision-making around the delivery of the Vision.)

- **Leadership, knowledge and skills to deliver the Vision.** The delivery mechanism for the Vision (i.e. an independent body such as a CIO) will need the right knowledge and skills (legal, business, and community) and strong leadership to gain the trust of the town's community. Support is also required from West Lindsey District Council in identifying suitable people and balancing the leadership needed to deliver the Vision whilst involving all parts of the community.
- **Good PR and clear communication** between partners in delivering the Vision. Support from West Lindsey District Council communications teams in publicising positive stories, events, and progress on the delivery of the Vision's priorities.

3 Market Rasen – Role of the Town:

3.1 The vision within the emerging West Lindsey Housing Strategy 2018-2022 is that ***“Everyone has access to good quality housing which meets their housing need and aspiration, in a pleasing environment which enables a healthy lifestyle.”*** This means that everyone should have the opportunity to access good quality housing whereby they can build happy, successful and prosperous lives.

3.2 The Central Lincolnshire Local Plan focuses on the delivery of sustainable growth that meets the need for homes and jobs. Within this plan Market Rasen, defined as a market town, will be the focus for significant but proportionate growth. Consequently the role of the town is already changing, as are the pressures that it is experiencing, physically, economically and socially. Residential development land is allocated which can accommodate 640 dwellings.

3.3 To date planning for in excess of 500 new homes has been granted or is in the planning system for determination and the Town Council acknowledge that successfully attracting this investment is the material difference. Whilst this presents a number of opportunities, there are concerns amongst residents about the impact this will have on infrastructure and capacity along with a declining retail offer within the town centre. In recent months West Lindsey District Council have re-evaluated car parking charges in Market Rasen to try and alleviate this issue.

3.4 It is within this context that the 3 Year Vision and Strategy is of such importance. The Plan will articulate a vision for Market Rasen over the next three to five years highlighting how its distinctive strengths should be safeguarded and be central to the future of the town as well as outlining opportunities for development in the short, medium and longer term. These will address some of the existing weaknesses and contribute to the comprehensive improvement of Market Rasen as a place to live, work and invest.

3.5 Market Rasen Town Council is committed to ensuring the vision, strategy and subsequent delivery plan is driven by sound local leadership. This will require good governance and accountability along with robust project management and delivery of measureable economic outputs.

4 The Market Rasen Vision

4.1 Market Rasen Town Council formally adopted the 3 year Vision and Strategic Priorities (see Appendix 1) at full council meeting held on 10th January 2018. The Vision for a strong and vibrant community is organised around the following Strategic Priorities:

- **Environment and Heritage** - Making Market Rasen an attractive place to live, work in and visit.
- **Health and Wellbeing** - Addressing poor health outcomes and social vulnerability.
- **Leisure and Culture** - Giving people of all ages in Market Rasen a wide choice of music, entertainment, theatre and live events
- **Development and Economy** - Ensuring Market Rasen develops the housing, business and commercial capacity for its future growth; helping to address skills deficits.
- **Transport and Access** – Influencing responsible bodies and transport providers to deliver a good quality and affordable service for residents and businesses.

4.2 Market Rasen Town Council agree to work with West Lindsey District Council, town residents and businesses, stakeholders, and appropriate organisations to deliver the Vision's Priorities over the three-year period.

4.3 Point 7.1 of the Town Council's Strategy (Appendix 1) states the Council's ambition to establish an independent social enterprise (such as a Charitable Incorporated Organisation) to deliver the main commercial and capital projects of its three-year vision. Following the period of community engagement on the Strategy (February to June 2018) it has become clear that this ambition needs to be a longer-term aspiration rather than a necessary early step to achieving the immediate and medium term aims and objectives of the Strategy. Point 3 of the attached Progress Report (Appendix 2) gives more detail on the rationale for this change of timeframe and focus.

4.4 Market Rasen Town Council carried out a series of engagement and listening events with community groups, residents and interest groups on the strategic priorities of the Vision document. These activities included open town meetings, face-to-face and on-line surveys, stakeholder and partnership discussion groups. The activities and analysis of the feedback is detailed under point 2 of the attached Progress Report (Appendix 2). In summary, the feedback on the Strategy has been positive and there is strong support for the three growth projects identified: the Festival Hall, the Old Police Station and the Market Place.

5 West Lindsey District Council - Structure & Governance

5.1 The consultation process has been openly promoted to ensure the widest possible views from stakeholders and the local community in order to ensure openness and transparency. West Lindsey District Council officers agreed to work with Market Rasen Town Council in the following areas;

- Development of the Strategy and aligning it to the wider West Lindsey strategic objectives.

- Support for the consultation phase and engagement with the wider Market Rasen community.
- Interim business development services – including HR, systems and development, corporate governance etc.
- Financial regulation and support to set up an independent organisation or Board of Trustees.

5.2 West Lindsey District Council will work with Market Rasen Town Council and other local organisations and stakeholders in supporting the aims of the three-year Vision. The Town Council's ambition is to set up an independent social enterprise to deliver the main capital and growth projects of the Strategy. However, it has become clear through discussions with stakeholders that this ambition has to be a longer-term aspiration if the work on achieving its strategic priorities is to forge ahead. The likely legal structure of a future social enterprise for this purpose would be a Charitable Incorporated Organisation.

5.3 A proposed new Town Team Partnership, formed from the remaining Market Rasen Business Improvement Group Directors and the Lincolnshire Chamber of Commerce, has recently been constituted. MRTC and WLDC will work with the new Town Partnership to further the Strategic Aims of the Strategy, particularly around the business and economic development of the town.

6 West Lindsey District Council - Financial Support

6.1 West Lindsey District Council is committed to supporting Market Rasen Town Council to communicate and deliver its vision and agreed strategic capital projects in order to deliver economic growth benefits to the area. The Council has therefore ring fenced up to £200k of funding from the capital programme. This will provide Market Rasen Town Council with the opportunity to draw down vital funds to help unlock specified social and economic projects. The funding is designed to help secure or attract external funding either from local organisations and in particular the County Council and Local Enterprise Partnerships or from regional, national and European funding bodies.

6.2 The funding will be conditional and subject to details of agreed capital projects being set out explicitly within the Strategy. This will enable stakeholders and investors to understand how Market Rasen plans to maximise the benefits from housing growth in order to sustain the wellbeing of the town. The strategy will include details of;

- Required funds to unlock projects
- Match funding and/or other sources of funding
- Job creation
- Economic impact assessment and Gross Valued Added (GVA)

6.3 Capital projects will also need to demonstrate measured outputs/outcomes and clearly link back to strategic objectives outlined with West Lindsey District Council Economic Development Strategy.

6.4 Within the Market Rasen Town Council strategy, plans are underway to re-furbish the Festival Hall to create a vibrant community venue for the town. West Lindsey District Council will consider the transfer of their former Area Office as part of the strategy.

6.5 West Lindsey employees have been using the Market Rasen offices on an adhoc basis providing face to face customer services to the residents of Market Rasen along with telephone and self service facilities. This was to be reviewed later in the year but following an intrusion, just over a month ago, it is unlikely that West Lindsey Customer Services will retain a formal presence in the Market Rasen Office and steps are already in place to vacate the building.

6.6 As part of the office transfer strategy West Lindsey District Council aims to negotiate a flexible meeting room booking arrangement with Market Rasen Town Council at little or no financial cost and will continue to review how services are delivered which may result in changes to face to face services in the future. (See Point 6 of Appendix 2 and Appendix 3)

6.7 Disposal of any Council owned assets needs to be compliant with the Physical Assets Disposal and Acquisition Policy November 2012. This policy outlines the disposal process and procedure. The policy allows for disposal to a special purchaser; in this case Festival Hall, Market Rasen if all of the following considerations are addressed:

Criteria	Compliance
True Value	Given the location of the office within the Festival Hall the commercial value is likely to be limited to Class B1 use. A true valuation is to be obtained and it is proposed to apply a well-being test which may offer the potential to sell under value. It is also proposed that WLDC will obtain a lease off the roof as this houses solar panels which were installed by WLDC and yields a feed in tariff. This could be offset against any valuation of the premises.
Special Considerations	Creation of wider regeneration scheme in this case support to the 3 year Vision
Costs and Liabilities	WLDC and MRTC will need to establish heads of terms but it is anticipated that WLDC will have no ongoing costs associated with his asset transfer.
Use & Potential	Addressed in the True Value consideration above but limited to Class B1 use.
Planning & Value	MRTC already have a vested interest in the building given their ownership of the Festival Hall they have the ability to regenerate the entire building as a central project integral to the success of the 3 Year Vision.

All Disposal Options	Proposed freehold transfer of premises to MRTC in addition to the lease back on the roof. Legal advice to be sought as to the best preferred option.
Marketing	Not applicable as it would be an exclusive transfer
Age & Condition Architectural / Historic Interest/Contamination	The building is historically or architecturally significant, rather than a community asset.
Exit Costs	None other than legal costs associated with the retention of the roof by WLDC via a lease.
Third Party Rights	Not applicable

7. Timescales:

7.1 See table below

Action	Who Responsible	Date
Endorse 3-year Strategy for consultation	MRTC	Jan 2018
Research options for establishing an independent delivery vehicle such as a CIO for the capital and growth projects of the Strategy	MRTC / WLDC	July 2018
Complete consultation with key stakeholders, community and business champions. Key capital projects identified	All	Mar-July 2018
Transfer of Area Office to Festival Hall		Sept-Oct 2018
Capital project documentation completed and approved by WLDC	MRTC	July - September 2018
£200k ring fenced and available for drawdown against specific projects or programmes	WLDC Capital Programme	July 2018