

Bolsover District Council

Meeting of the Executive on 24th June 2024

Update on Bolsover District Regeneration Fund

Report of the Portfolio Holder for Growth

Classification	This report is Public.
Report By	Karen Hanson Chief Executive

PURPOSE/SUMMARY OF REPORT

To update Executive on the £15million Regeneration Fund allocation and seek approval for a range of recommendations regarding project management and delivery, including the acquisition of properties within the proposals.

REPORT DETAILS

1. Background

- 1.1 The Regeneration Fund was allocated to the District Council in the Autumn Statement of 2023. This is a fund of £15million for ‘place-based’ regeneration within the District boundary. Following the announcement, a letter was received from the Minister for Levelling Up which confirmed that the fund needed to be spent by March 2026 and that further guidance would be provided to the Council in January 2024.
- 1.2 The Economic Development Team within Dragonfly Management (Bolsover) Ltd, commenced work with the Council, to identify and appraise appropriate options for the regeneration funding. Working alongside the Executive and acting on previous Department for Levelling Up, Housing and Communities (DLUHC) feedback on the District’s Levelling Up Fund (LUF) round 2 feedback, the Council implemented a methodical approach to appraising the potential options. This process included:
- Strategic Review – Deep diving into all previous thinking – including the LUF round 2 bid – progressed to develop potential funding options.
 - Stakeholder Engagement – including workshops and meetings with the Executive and officers respectively.
 - Options Appraisal – Analysing the strengths and weaknesses of proposed options, considering DLUHC delivery criteria and stakeholder views.
 - Analytical Capability Building – ensuring funding options can be better evidenced through data and analysis as required by DLUHC.

- 1.3 The Government guidance was received on 16th January 2024 and requested an initial outline of projects be submitted by 31st January 2024 (within 11 working days). The initial Investment Plan was submitted to DLUHC on 31st January 2024, in accordance with the deadline.
- 1.4 Initial positive feedback was received from DLUHC on 27th February 2024. This contained additional, more comprehensive guidance and a request that further extensive project information be submitted by the 29th March 2024 to set out how the Fund will be directed to best meet the strategic priorities for regeneration of the place, across the District.
- 1.5 Following extensive correspondence and discussions with the Levelling Up Team at DLUHC, the MP for Bolsover and the Minister for Levelling Up, the Council's submission was finally approved on 22nd May 2024.
- 1.6 The Council is currently awaiting the Memorandum of Understanding in relation to the administration of the Fund.

2. Project Update

- 2.1 The projects which have been agreed and make up the package of intervention have been considered based on their alignment to, and their ability to deliver, the strategic priorities within the provided timescale of the Fund (delivery up to 31st March 2026). The projects will directly deliver economic, social, and environmental benefits to our residents, businesses, and visitors.
- 2.2 A summary of the eight projects is included in **Appendix 1**, which sets out the project summary, financial allocation to each project, and the key milestones over the coming weeks.
- 2.3 To ensure that the projects can be completed within the timescales of the Fund, work has commenced to put resources in place for the delivery teams, but there is a need to acquire three properties – the former White Swan Public House, Bolsover, 36/36a Market Place, Bolsover and also the former Co-Op site in Bolsover.
- 2.4 The project proposal for the White Swan, Bolsover is to acquire and refurbish the former public house, which has sat empty on the high street for more than 7 years and convert it into a community building. The building will provide flexible accommodation focussing on community facilities on the ground floor, providing access to personal advice for finance, health, well-being, and support services. The first floor of the building will provide workspace. The project will fund the acquisition of the freehold for the property, as well as undertake the full internal and external refurbishment, creating a more aesthetically pleasing building, which is located on the main façade and gateway to the town.
- 2.5 Formerly a veterinary practice, 36/36a Market Place is a retail unit to the ground floor, with residential upper floors currently vacant and unoccupied. The Fund will invest in the refurbishment of the building and bring it back in to use as a retail unit – acting as a pop-up maker space for local artists and creatives to retail from on a short-term basis to test the market for new products and services. The project will fund the acquisition of the freehold for the property, as well as

undertake the full internal and external refurbishment, creating a ground floor prime retail unit on the main façade and gateway to the town. It will include the refurbishment of the upper floors to create new town centre living. The end user for this building will be the start-up and SME business community, wanting to bring new products to the customer and to test market appetite. This will link to the artisan markets, bringing new creatives and makers to the town of Bolsover.

- 2.6 The Fund will also invest in the purchase, demolition, and temporary landscaping of the former Co-Op site in Bolsover. This proposal will enable the reconfiguration of the site to create a temporary public boulevard whilst the opportunity to look at a more comprehensive scheme in this area in the longer term is explored. In the short term, this is enabling the derelict site to be cleared and better utilised, reducing the ASB and negative perceptions of Bolsover.
- 2.7 Discussions and negotiations have taken place with the owners, with prices agreed within the Fund requirements. Initial legal searches and conveyancing has commenced.
- 2.8 Each building has had a preliminary survey to assess the condition, to ensure that the Council can satisfy that it is achieving best value in the acquisition price for each property. Independent valuation advice has also been obtained to qualify the price being asked for the White Swan Public House. There are few comparable properties available, so it has been important to ensure that the agreed purchase price is in line with market conditions for that type of property.
- 2.9 Member approval is required for the acquisition of the properties when the Memorandum of Understanding for the Fund is agreed with DLUHC.

3. Reasons for Recommendation

- 3.1 The purpose of this report is to update Members on the delivery of the £15million Regeneration Fund and seek appropriate approvals to deliver the projects within the tight timescales stipulated by DLUHC for the Fund.

4. Alternative Options and Reasons for Rejection

- 4.1 Members could decide not to proceed with the approvals and property acquisitions outlined within this report, however, this could jeopardise delivery of the projects and ultimately, receipt of the Fund by the Council.

RECOMMENDATION(S)

1. That Executive note the update on the £15million Regeneration Fund provided within the report.
2. That Executive approve receipt of the Regeneration Fund by the Council (subject to the terms of the Memorandum of Understanding).
3. That Executive delegate responsibility for any amendments to the Memorandum of Understanding to the Council's Chief Executive.
4. That Executive note that the Council is the 'Accountable Body' for the Regeneration Fund in accordance with the requirements of the Fund.

5. That Executive approves that the Council's wholly owned company, Dragonfly Management (Bolsover) Ltd can deliver the required outcomes of the Regeneration Fund on the Council's behalf.
6. That Executive approves that Dragonfly Management (Bolsover) Ltd, acting on the Councils behalf, will procure a range of contractors and suppliers, including Dragonfly Development Ltd to deliver the required outcomes of the Regeneration Fund.
7. That Executive approve the purchase of the three properties outlined in paragraph 2.3 of this report, following receipt of the Memorandum of Understanding, within the funding limits for each project and subject to appropriate valuations, value for money and conditions of the Regeneration Fund.
8. That Executive delegate responsibility for the negotiations for the purchase of the three properties outlined in paragraph 2.3 of this report, to the Council's Chief Executive.

Approved by Councillor John Ritchie, Portfolio Holder for Growth

IMPLICATIONS:

Finance and Risk: Yes No

Details:

All expenditure incurred should be met from the grant funding allocated, provided it is incurred in line with the requirements of the Memorandum of Understanding.

On behalf of the Section 151 Officer

Legal (including Data Protection): Yes No

Details:

The individual schemes will require procurement which must be undertaken in accordance with procurement regulations and appropriate policies/procedures. Also each scheme will require input from the Council's Legal Services section or from external legal sources where appropriate.

On behalf of the Solicitor to the Council

Environment:

Details:

The report sets out the work being done to regenerate the District through the Fund, and there will be opportunities to enhance biodiversity and the built environment.

Staffing: Yes No

Details:

Project management and delivery of the Regeneration Fund will be undertaken by Dragonfly Management (Bolsover) Limited (DMBL) within existing resources and the requirements of the Council's Service Level Agreement with DMBL.

On behalf of the Head of Paid Service

DECISION INFORMATION

<p>Is the decision a Key Decision? A Key Decision is an executive decision which has a significant impact on two or more District wards or which results in income or expenditure to the Council above the following thresholds:</p> <p>Revenue - £75,000 <input type="checkbox"/> Capital - £150,000 <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <i>Please indicate which threshold applies</i></p>	<p>Yes</p>
<p>Is the decision subject to Call-In? <i>(Only Key Decisions are subject to Call-In)</i></p>	<p>Yes</p>

<p>District Wards Significantly Affected</p>	<p>District wide</p>
<p>Consultation: Leader / Deputy Leader <input checked="" type="checkbox"/> Executive <input checked="" type="checkbox"/> SLT <input checked="" type="checkbox"/> Relevant Service Manager <input checked="" type="checkbox"/> Members <input type="checkbox"/> Public <input type="checkbox"/> Other <input checked="" type="checkbox"/></p>	<p>Details: Consultation with Members, relevant officers, DLUHC, the Minister and MP has been undertaken</p>

<p>Links to Council Ambition: Customers, Economy, and Environment.</p>
<p>Economy - drive growth, promote the District and be business and visitor friendly.</p> <p>Environment - protect the quality of life for residents and businesses, meet environmental challenges and enhance biodiversity</p>

<p>DOCUMENT INFORMATION</p>	
<p>Appendix No</p>	<p>Title</p>
<p>1</p>	<p>Project summary</p>
<p></p>	<p></p>