

# Regeneration

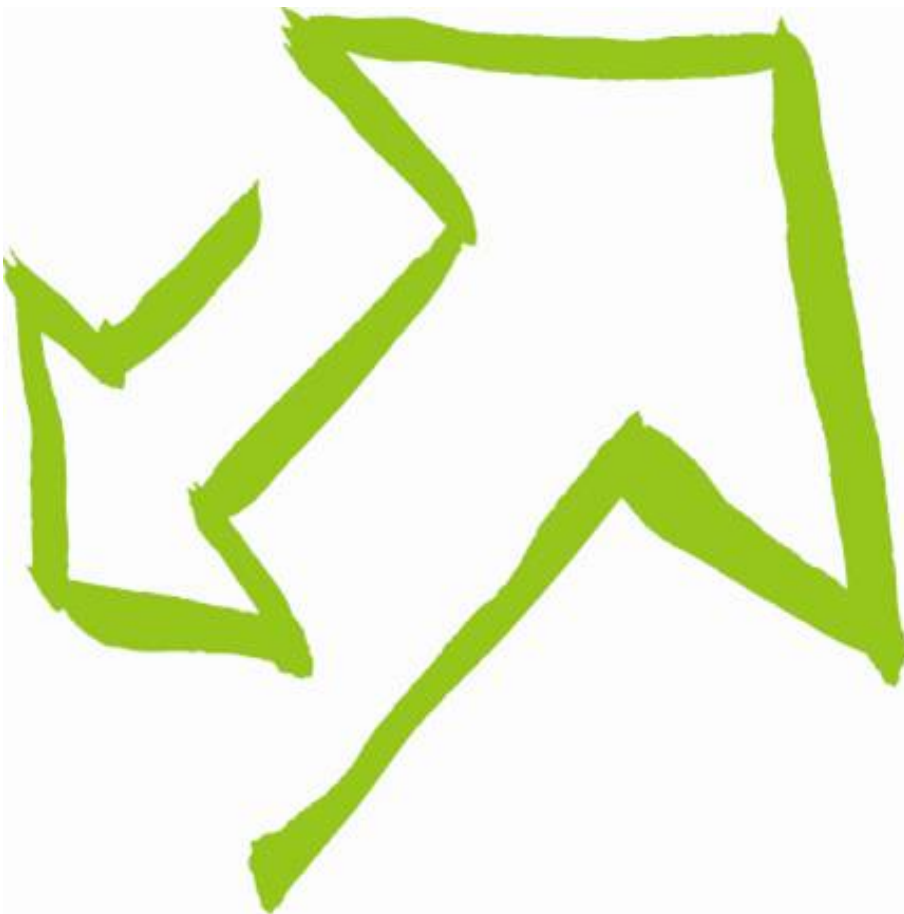
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# Inspection

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Boston Borough Council

February 2010



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# Service Inspections

This inspection has been carried out by the Audit Commission under section 10 of the Local Government Act 1999 and is in line with the Audit Commission's strategic regulation principles. These principles embody the objectives of our Strategic Plan and Strategic Regulation. They also reflect the principles from *The Government's Policy on Inspection of Public Services (July 2003)*. Audit Commission service inspections should:

- focus on public service outcomes from a user perspective;
- act as a catalyst to help inspected bodies improve their performance;
- concentrate inspection work where it will have most impact, so that it is proportionate and based on an assessment of risk;
- be based on a rigorous assessment of costs and benefits, with a concern for achieving value for money both by the inspected organisation and within the inspection regime itself;
- be, and be seen to be, independent of the inspected organisation;
- report in public, using impartial evidence to inform the public about the performance of public services so as to enhance accountability;
- involve collaborative working with other inspectorates and external review agencies to achieve greater coordination and a more holistic approach to the assessment of performance by audited and inspected bodies;
- share learning to create a common understanding of performance that encourages rigorous self assessment and better understanding of their performance by inspected organisations;
- be carried out objectively by skilled and experienced people to high standards and using relevant evidence, transparent criteria, and open review processes; and
- enable continuous learning so that inspections can become increasingly effective and efficient.

We assess services using published key lines of enquiry (KLOE) to inform our judgements. The KLOEs can be found on the Audit Commission's web site at [www.audit-commission.gov.uk](http://www.audit-commission.gov.uk).

This report is issued in accordance with the Audit Commission's duty under Section 13 of the 1999 Act.

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# Summary

- 1 Boston Borough Council's services that deliver its regeneration aims are judged as 'fair'. Over the past five years it has maintained a focus on regeneration which has been based on a good understanding of the needs of the town and its residents. It has demonstrated community leadership in working with partners to promote community cohesion. This has helped to address tensions associated with the town's large migrant community. It is also targeting services at areas of greatest need through its Placecheck<sup>1</sup> programme, although the scope and scale of this has been limited.
- 2 The Council has a good relationship with major employers in the town like the college and port although actions tend to be more reactive rather than based on long-term strategic planning.
- 3 There have been some notable successes in developing cultural assets, such as St. Mary's Guildhall and the Haven arts centre although there hasn't been a strategic approach to maximise the significant cultural and heritage potential of the town to increase visitor numbers.
- 4 The vitality of Boston town centre has made steady progress over the past few years. Developments like Pescod Square have helped to increase the number of people visiting the town and improve rental growth and occupied retail units. The Council invested considerable effort into the redevelopment of West Street, but this is currently postponed due to the economic downturn. This has in turn delayed associated plans, for example, a major review of car parking, and proposals for a new bus station, and the market square environmental enhancement scheme.
- 5 The Council is making progress in transport and access. Close partnership working with the county council is delivering improved traffic management, expanded bus services, road widening and plans for a distributor road.
- 6 Limited progress has been achieved in developing an enterprise culture<sup>2</sup>, although the Council is now working more closely with partners, and the Boston Enterprise Centre is an example of a more focused approach in this area.
- 7 The Council has had mixed success in attracting inward investment and ensuring businesses grow. Private sector led retail development has taken place in Boston, but commercial and industrial development has been more limited. Plans for a more highly-skilled and diverse employment base have not materialised although employment levels have remained relatively high, despite the current recession. Companies are reporting growth in employment but earnings remain low compared to other areas. There has been a steady growth in the physical infrastructure for growing businesses with developments like Sutterton Enterprise Park, Kirton Distribution Park and Endeavour Business Park. However, some prime development sites along the Haven corridor in the centre of Boston remain underutilised or derelict.

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<sup>1</sup> Placecheck is a local community engagement project where the Council consults with local people to identify their concerns and priorities for their area and then target services and resources to help address these.

<sup>2</sup> Enterprise culture - commonly means promoting initiative and innovation in the wider community leading to higher numbers of, and more resilient, new businesses (as measured by start ups and survival rates)

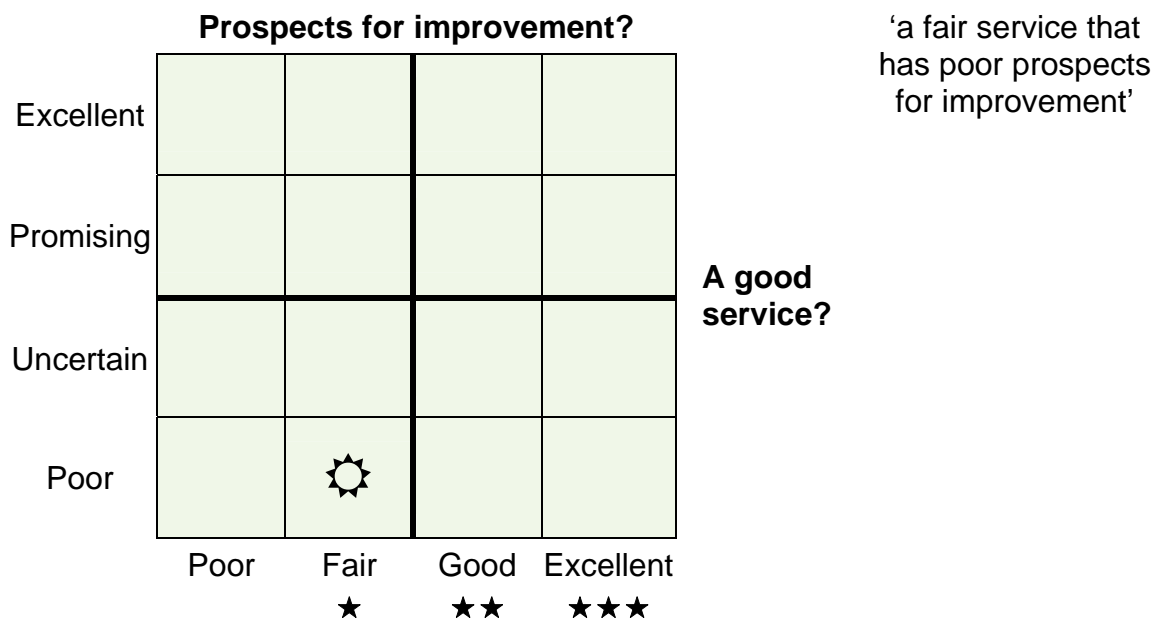
## Summary

- 8 The Council has struggled to deliver value for money and achieved a score of 1 out of 4 ('performs poorly') for its use of resources in the Audit Commission assessment in 2008/09. The Boston Area Regeneration Company (BARC) which was set up to deliver the masterplan objectives has delivered tangible outcomes but much of the investment in BARC has been used to explore funding opportunities and develop plans. BARC is currently being wound up and until alternative delivery arrangements are in place to take the work of BARC forward it is not clear if the Council obtained value for money from the BARC venture.
- 9 The Council has poor prospects for improving beyond a fair service in the delivery of its regeneration ambitions. It has a mixed track record in delivering its regeneration objectives. Some major projects like the West Street redevelopment have not gone ahead for reasons that are largely beyond the control of the Council. A range of smaller scale projects, such as redevelopment of Pescod Square, the Boston Enterprise Centre and St Mary's Guildhall have been achieved. But refurbishment of the Market Square, while progressing, has taken a long time to deliver. There are some significant inward investment projects at various stages of development that have the potential to generate jobs and prosperity in the borough.
- 10 There has been a lack of a clear and consistent political vision driving regeneration and plans for what the Council wants to achieve are unclear. There is no up to date economic development strategy to align plans to the changing economic climate. However, there are signs that strategic planning and performance management arrangements are improving. The Council is making some progress in achieving the priorities set out in the community plan. For example, plans for improving transport in the town are well-advanced, and progress is being made on plans to improve the attractiveness of the town, although plans for developing the town's cultural and heritage attractions are less clear. The lack of clear delivery plans makes it difficult to manage or monitor progress.
- 11 Key performance information reveals a mixed picture with the Council's track record of improvement, although performance indicators that relate to the Council's wider regeneration priorities show a generally positive trend.
- 12 The Council has limited leadership, management, staff and financial capacity. However, it recognises these shortcomings and is taking steps to address them. It has established a voluntary improvement board to help focus improvement in the areas of leadership, prioritisation and performance management. The Council enhances limited capacity by working well with partners. It is exploring alternative ways of providing services to improve quality and value for money.
- 13 Some major projects, like the Boston Barrage and Market Square refurbishment are planned and funded and will have a positive regenerative impact.

# Scoring the service

14 We have assessed Boston Borough Council as providing a 'fair', one-star service that has poor prospects for improvement. Our judgements are based on the evidence obtained during the inspection and are outlined below.

Figure 1 Scoring chart<sup>1</sup>



Source: Audit Commission

15 The service is a fair, one star service because:

- the Council consults well with the local community to identify and respond to needs;
- the infrastructure to support growing and inward investing businesses, for example business parks, is in place and continues to be developed, with steady progress in attracting and retaining employment opportunities for local people;
- there has been recent success in delivering reduced traffic congestion, improving transport links within Boston and in car parking; and
- the vitality of Boston town centre has made steady progress over the past few years with retail development taking place and more shoppers visiting.

<sup>1</sup> The scoring chart displays performance in two dimensions. The horizontal axis shows how good the service or function is now, on a scale ranging from no stars for a service that is poor (at the left-hand end) to three stars for an excellent service (right-hand end). The vertical axis shows the improvement prospects of the service, also on a four-point scale.

## Scoring the service

However:

- the Council and its partners have not worked well together in developing an enterprise culture, although focus is improving, for example with the development of the Boston Enterprise Centre and recent enterprise initiatives;
- the Council has had limited impact in stimulating commercial and industrial inward investment and business growth;
- there has been minimal progress in enabling higher skill levels, reducing reliance on agriculture, improving pay and the added value of jobs;
- key town centre development sites along the Haven waterway remain either underutilised or derelict;
- there is a lack of clarity about mutual long term plans with key partners, such as how the Council and college can support the skills agenda, and the role of the port in the local economy;
- although some key heritage buildings like St. Mary's Guildhall have been restored many heritage buildings in Boston remain underutilised and underinvested in and there has not been effective development of Boston as a destination for cultural and heritage tourism; and
- the Council has provided poor value for money in the delivery of its economic development and wider regeneration outcomes.

16 The service has poor prospects for improvement because:

- the delivery of some improvements, such as the market place refurbishment and the promotion of new business start-ups, are taking a long time;
- plans for regeneration are often vague, do not focus on outcomes and targets are not SMART and the borough does not have an up to date economic development strategy;
- the Boston Area Regeneration Company will be wound up in March 2010 and while alternative arrangements are being agreed in partnership with Lincolnshire County Council it is not clear how effective these will be;
- recent external assessments have revealed significant shortcomings in financial, leadership, management and staff capacity and performance management; and
- the recent staff survey reveals poor morale and negative perceptions about the Council.

However:

- performance indicators that relate to the Council's wider regeneration priorities show a generally positive trend;
- performance management is showing improvement from a low base and there are signs that a more focused approach to performance management is beginning to emerge;
- plans for improving transportation and access are making progress;

- there are funded plans and strong commitment from partners to deliver key regenerative projects such as the marketplace refurbishment and barrage;
- the Council enhances limited capacity by working well with partners; and
- the Council is actively exploring alternative forms of service delivery to improve value for money and quality of service.

# Recommendations

17 To rise to the challenge of continuous improvement, councils need inspection reports that offer practical pointers for improvement. Our recommendations identify the expected benefits for both local people and the Council. In addition, we identify the approximate costs<sup>1</sup> and indicate the priority we place on each recommendation and key dates for delivering these where they are considered appropriate. In this context, the inspection team recommends that the Council should do the following.

### Recommendation

- R1** Ensure that the community plan vision for the regeneration of the borough is supported by SMART and robust action plans that set out clear, challenging and realistic targets. To include:
- reviewing and restating the political and strategic priority to be placed upon regeneration;
  - matching the scale of ambition to available resources of the Council and partners;
  - focusing available resources at areas that will have the greatest impact;
  - reflecting current economic conditions; and
  - producing service delivery plans which clearly focus on the areas the Council is responsible for.

The expected benefits of this recommendation are:

- improved clarity and increased likelihood of the Council delivering the regeneration ambitions set out in the community plan; and
- greater clarity around responsibility and accountability for actions for councillors and officers.

The implementation of this recommendation will have high impact with low costs. This should be implemented by June 2010.

<sup>1</sup> Low cost is defined as less than 1 per cent of the annual service cost, medium cost is between 1 and 5 per cent and high cost is over 5 per cent.

**Recommendation**

**R2** Develop an up to date local economic strategy that recognises the barriers but takes account of the economic strengths and opportunities of the borough, and the capacity of the Council and its partners. This will reflect key factors that impact upon the borough's economy, such as:

- the economic recession;
- stimulating a greater enterprise culture;
- addressing the low-skills, low-waged economy; and
- recognising and promoting the economic potential of the large migrant community.

This needs to align with the countywide economic assessment, and establish links and common goals in key areas with partners within and beyond the borough.

The expected benefits of this recommendation are:

- providing a current analysis and evaluation of economic conditions in the borough;
- focusing the actions of the Council and its partners on common goals; and
- make the most of opportunities and changes that have emerged in the last five years since the Masterplan was produced.

The implementation of this recommendation will have high impact with low costs. This should be implemented by April 2010.

**Recommendation**

**R3** Make rapid progress in identifying the strategic partnership and the delivery teams for the borough's regeneration objectives. To include:

- transitional arrangements for the replacement of BARC;
- establishing clear terms of reference, objectives, governance arrangements and monitoring criteria;
- ensuring that a wide cross-section of business, voluntary, public sector and statutory partner views are represented; and
- exploring opportunities for working with partners within the sub-region.

The expected benefits of this recommendation are:

- ensuring continuity in delivering Masterplan objectives via BARC legacy funding and existing plans and proposals;
- providing the Council and partners with access to a wider pool of skills and knowledge; and
- ensuring that regeneration activity is informed by a wide cross-section of views.

The implementation of this recommendation will have high impact with low costs. This should be implemented by April 2010.

## Recommendations

### Recommendation

- R4** Develop and implement systems to support the understanding, monitoring, delivery and review of the full value for money of the regeneration activities of both the Council and its partners. To include:
- ensuring continuous evaluation of key activities;
  - clarity over timeframes for delivery of outcomes; and
  - clarity over the rationale for use of Council funds and assets and their contribution towards delivering objectives.

The expected benefits of this recommendation are:

- full understanding of the value for money provided by services;
- improved targeting of actions and funds giving greater value for money to areas most in need of improvement action;
- improved value for money of services; and
- ability to demonstrate value for money of the service to the public.

The implementation of this recommendation will have high impact with low costs. This should be implemented by October 2010.

### Recommendation

- R5** Strengthen performance management arrangements by:
- fully embedding the performance management framework and ensuring councillors, managers and staff are aware of and comply with their responsibilities;
  - ensuring action plans and service delivery plans contain clear, challenging and SMART targets; and
  - ensuring appropriate and robust performance monitoring of action plans and service delivery plans by councillors and officers.

The expected benefits of this recommendation are:

- the ability to monitor and manage performance, and take remedial action when required; and
- the strengthening of a performance management culture and a greater awareness of roles and responsibilities in planning, delivering and monitoring regeneration activities.

The implementation of this recommendation will have high impact with low costs. This should be implemented by April 2010.

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# Report

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## Context

### The locality

- 18 The borough of Boston is in south-east Lincolnshire and is bordered by the east coast and The Wash and by East Lindsey, South Holland and North Kesteven districts. It covers an area of 362 square kilometres and is the smallest District, after Lincoln city, within Lincolnshire. Like much of Lincolnshire it is sparsely populated. It is a small borough in terms of population compared to the average for districts in England. It is an area of significant farming and food production and centres on the town of Boston, a port and ancient market town. There are no other towns within the Council's area.
- 19 The borough has been growing over the past ten years at a faster rate than the East Midlands region or England as a whole. It is predicted to carry on growing faster than the region and country through to 2020. The borough has seen a significant increase in the number of people of retirement age.
- 20 Also the area attracts a large number of migrant workers, largely from the European Union states of Portugal and Eastern Europe. ONS estimates placed the Borough's population at 61,000 in 2008, an increase of 4.7 per cent since 2002. Local studies, in part based on GP registrations, estimate that the population of migrant workers in the borough is between 10,000 and 20,000 on top of the 55,000 living in the borough in 2001. The Council has been placed in the top five councils nationally for A8<sup>1</sup> citizens registered per thousand of the population.
- 21 Boston faces a number of challenges to economic development that include geographical isolation, low wages, low levels of innovation, an economy heavily reliant on traditional industry and a low skills base. Transport links are not good and remoteness from the main transport corridors such as the A1 and East Coast mainline have hindered development in the borough. These factors, together with the large influx of migrant workers present significant challenges for a small council with limited resources.
- 22 Boston has areas of relative wealth and of deprivation. It was ranked the 109th most deprived area out of 354 nationally in 2007 and has deteriorated since 2004. Its unemployment rate in August 2009 was 4 per cent but this remains lower than the national average of 4.2 per cent. Many of those employed earn below both regional and national average wages. About a third of all households include at least one person with a limiting long term illness and there are below average levels of literacy and numeracy.

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<sup>1</sup> A8 - the eight accession countries to the EU in 2004

## Report

- 23** The Environment Agency has identified a large proportion of Boston and the surrounding area as at significant risk of flooding. A development strategy for the Lincolnshire coast is currently being drawn up. It will have a major impact on the Borough's future prosperity as it will influence the future scale of housing growth and investment in the area.

### The Council

- 24** Boston Borough Council has 32 Councillors. Following the May 2007 elections the Council comprised 25 Boston Bypass Independents, 5 Conservatives and 2 Independents. As at October 2009, the representation has changed to 18 Boston Bypass Independents, 6 Conservatives, 4 Better Boston Group members, 3 independents and 1 British National Party. The Council moved to a leader and cabinet model in 2000. The cabinet consists of the leader of the Council and eight portfolio holding councillors, including a portfolio holder for regeneration, planning, sport and cultural services.
- 25** Transport has been a key political issue in the borough for many years. Boston Bypass Group were a strong local voice before the 2004 masterplan. In 2007 25 of the 32 councillors elected were elected as Boston Bypass Independents. It is unusual in local government for an independent administration to be voted in on a key local issue and for many key political posts to be made up of newcomers to local government.
- 26** The chief executive left the Council in July 2009 and an interim chief executive is in place. The rest of the corporate management team consists of two strategic directors and a director of resources. The Council employs 350 staff, 270 full-time equivalent across all services.
- 27** The Audit Commission assessed the Council as 'fair' following its 2004 Comprehensive Performance Assessment. In the 2009 organisational assessment the Council was assessed as performing poorly. It scored 1 out of 4 for managing performance and 1 out of 4 for use of resources ('performs poorly').

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### The scope of the inspection

- 28** The agreed scope of this inspection is covered by the Audit Commission's generic key lines of enquiry for regeneration inspections. We agreed with the Council the inspection would focus on the progress achieved against key regeneration objectives set out in the 2004-2009 corporate plan. We also assessed the prospects of delivering the future ambitions identified in the 2008-2018 Boston Community plan. This is explained in more detail in the next section.
- 29** We use the term 'economic development' in this report to mean a narrower focus on how businesses and the labour market develop to create greater individual and collective prosperity. The term 'regeneration' is used here in a wider sense to cover economic development but also improvement of the physical environment and community development.

- 30 Much of the work the Council has done in the past to deliver its economic aims is delivered by the Economic Development Team. However, the wider objectives of regeneration cut across many areas the Council is responsible for, and our inspection has not simply focused on the work of the Economic Development Team. The Council funds several teams including partnership strategy and support, economic and community development officers and planning policy officers, - all essential to the delivery of its regeneration effort. The Council currently has a small planning policy and economic development team, and works closely with partners to deliver direct services.

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# How good is the service?

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## What has the Council aimed to achieve?

- 31** In 2004 the Council agreed a strategic framework covering eight themes to address the vision of *'An accessible, vibrant and attractive historic borough with a unique tourism offer, a good range of employment opportunities and a high quality of life for residents.'*
- 32** This framework then shaped the resulting Boston Masterplan, agreed by local sub-regional and regional regeneration partners. This sets out the vision for the future economic development of the borough of Boston, with the financial support of Boston Borough Council, East Midlands Development Agency and Lincolnshire Enterprise (the Sub-regional Strategic Partnership at the time).
- 33** Shortly after this plan was agreed, the Council agreed its own corporate contribution to the masterplan and its wider objectives, covering the timeframe 2004-2009. Our fieldwork, and this inspection report will cover the achievement of economic and social outcomes for regeneration for Judgement One. This will be linked to the following themes in the Council's 2004-09 corporate plan.
- The borough - a prosperous and progressive place: to invest, retain and grow business, local skills, port development.
  - Boston town - an attractive and vibrant place: town centre vitality, conservation and environmental enhancement, congestion and transport links.
  - The borough – a place for everyone: promoting social inclusion and involvement, and a focus on migrant workers.
- 34** The other corporate priorities for the period 2004 to 2009 cover a clean and green, and safer borough. These are important to improving the quality of life in the borough but are unlikely to trigger the regeneration set out in the masterplan, and therefore not included in this inspection. The Council also had a priority to make itself a listening and improving organisation. Progress in achieving some of this priority is covered in the section of the report titled 'Is the Council meeting the needs of the local community and users?' and in Judgement Two.
- 35** In Judgement Two we focus on the Council's stated future ambitions. These are set out in the 2008-2018 Boston Community plan which aims to make Boston a *'modern, vibrant and dynamic place to live, work and visit – a better destination for residents, shoppers, visitors, commerce and industry'*

- 36 The plan contains six priorities. As above, we have agreed to include three priorities within the scope of this inspection as they most closely contribute towards economic and social outcomes linked with regenerating the borough. These are:
- Getting around - Reduce traffic congestion, and improve transport links locally and with the East Midlands.
  - Making Boston a destination - A more attractive and vibrant town centre, and promote Boston, raising the town's profile as a tourist destination for shoppers and visitors across the UK.
  - Generating prosperity - Improve the range and quality of jobs, and promote food and agricultural industry, develop the port and waterways, increasing skills.
- 37 The Council has worked within the Boston Area Partnership, the Borough's local strategic partnership (LSP) for many years. But partners agreed to establish a specialist urban regeneration company (URC) as the key means of delivery for a broad range of projects and initiatives in the masterplan. BARC was launched in April 2006, as the East Midlands' first URC, and one of the first nationally in a rural area.
- 38 The need for BARC came from the recognition the 2004 masterplan was ambitious, that not all of it naturally fell to the Council to lead on. As well as this the ability at Boston - a small district council - would be stretched to deliver this challenging regeneration agenda.
- 39 Regeneration plans set in place in 2004, reviewed in 2006 and reshaped 2008 are broadly consistent with one another. There is a growing focus on improving the principal town in the borough, Boston, and on making sure it functions more effectively as a sub regional centre<sup>i</sup>. A retail study of the town (2007) signalled there are signs it is losing out to other towns locally. Boston has not played to its natural advantages, including its quality of life, its coastal and waterways location and its built heritage.
- 40 The Council has not achieved significant housing led regeneration in the borough in the past, and future plans are uncertain due in part to difficulties in putting in place a strong planning framework to guide development.
- For the past five years private housing development has been reasonably buoyant with a growth in house building well above the level anticipated in county plans. But out of date local planning policy has meant wider community benefits have not been maximised.
  - Boston put in a robust bid but was not successful in 2006 in securing new growth point status<sup>ii</sup> while three other towns and cities in the county have. Growth point status is attracting extra external resources to other areas in the county increasing their attractiveness to developers.
  - The strategic housing inspection in 2009 identified the Council has not effectively used the £25 million capital receipt to develop more affordable housing and the Council's housing strategy is out of date and not regularly reviewed.

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<sup>i</sup> Sub regional centre is a term used by spatial planners to define a town or city that performs a particular set of functions under 14 headings including entertainment, transport, townscape, retail.

<sup>ii</sup> New growth points were locations agreed with the government that would be able to achieve 20 per cent higher levels of housing growth than the level otherwise agreed through the regional spatial strategy. They include Lincoln, Grantham and Gainsborough in Lincolnshire.

## How good is the service?

- The borough has other potential constraints. The regional spatial strategy review now requires a Lincolnshire coastal study to be conducted. This is designed to inform how development takes place in areas of the borough that could be affected by future flooding. Completing this study is holding up development of future planning policy in the borough.
- As with many other areas currently the rate of housebuilding in the borough has slowed down.

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## Is the Council meeting the needs of the local community?

- 41** Overall the Council has made satisfactory progress in listening and responding to the needs of the local community about regeneration. In challenging circumstances it has developed a clear understanding of the changing needs of local people and has responded to them. It has developed better ways of working more closely with individual communities, is working well with other organisations locally towards agreed goals and is addressing the needs of those who are in most need of help.
- 42** Over the past ten years the Council has consistently understood the need to regenerate the area. Ambitions were set out in the LSP's 2004 masterplan for the area, covering physical, social and economic regeneration. This was then translated into the Council's own contribution to this as set out in the 2004-09 corporate plan. This provides a good starting point for focusing councillors' and officers' regeneration activities.
- 43** The masterplan was ambitious, broad in scope, and struck a fair balance between what the borough needed and what local people wanted. It was developed from a thorough assessment of local strengths and weaknesses, and consultation with the community and stakeholder organisations. This meant it was locally distinctive, and took full account of community and partner ambitions as well as showing need.
- 44** Since the 2004 masterplan an understanding of demographic changes in the borough has developed rapidly and effectively within the Council and LSP partners in recent years. This includes an understanding of the needs of migrant workers and the increasingly ageing population. These needs are now considered in service design and developing policy, such as focusing on intergenerational activities to help people get on well together.
- 45** The Council is improving the way it looks at the regeneration needs of specific neighbourhoods, and tailoring solutions to the needs of these different localities. The Lincolnshire Research Observatory analysis of the national place survey for the borough shows clear distinctions in views over congestion, getting on well and feelings of belonging across six areas of the borough. The Council has recently developed a stronger area-by-area regeneration approach through its 'Placecheck' project. This approach began in Daisy Dale, a neighbourhood in south east Boston, and further neighbourhoods are now involved. It involves working with the local community to identify local quality of life issues, and then developing solutions. Funding is provided to help with implementation. It is early days, but the Daisy Dale pilot has led to changes in traffic priorities, and some successful community events that bring people together.

- 46 Partners work effectively with the Council to meet the needs of people disadvantaged by their circumstances. The recession has led to a stabilisation in the numbers of people arriving and leaving the borough for employment purposes, but the economic downturn has had an impact across all communities. The Council continues to work closely and with clear objectives with other local organisations like the Council for Voluntary Services (CVS) and Citizens' Advice Bureau (CAB) who also support people in difficulty. In addition the Council is now also working closely with Shelter to provide on-the-spot legal advice for those getting behind with mortgage and rent payments. These partnerships make good use of experienced people who can provide these specialist services better.
- 47 Overall, consultation on regeneration projects with local people is adequate. Public consultation to inform the Council's plans is good. There is less direct consultation with the business community but the Council works with partners to seek the views of local businesses. The Council also sets about reaching out and engaging people in some clever and innovative ways. As part of the recent 11 Million day, children from local primary schools were successful in capturing public interest in green issues through street surveys, much more so than their adult counterparts. Bringing community meetings into a perceived 'no go' public house in one neighbourhood broke down barriers between different groups of residents. The Big Boston Clean up produced huge public interest and involvement, and has been praised nationally, showing some issues clearly resonate with local people.
- 48 The Council and its partners through the LSP have strengthened their focus on developing community cohesion and engagement. Significant resources direct from the government have helped, but partners have been able to build on a strong foundation of joint working with the local housing association, CVS and CAB. The Council was ahead of many district councils in its appointment of a community cohesion officer with a senior manager to drive forward its plans in this area. Plans are up to date, responsibility for them is shared and delivery is monitored.
- 49 The Council is making slow but steady progress in addressing equalities issues. It met the Level 2 Equalities Standard target it set itself for 2008/09. Since then it has adopted the new equalities framework, and is making progress towards a 2010 external assessment. Over the past year Equality Impact Assessments have been used effectively in many areas resulting in clear priorities for improvement. Actions coming from these assessments are having a good impact, like a consultation toolkit and an annual consultation week, raising the standard for engaging with service users for all services. This approach is supported by a training programme, and corporate equalities working group.
- 50 People in the borough have a low interest in civic involvement and decision making to do with public services. The Council has a track record of consulting adequately, sometimes well, with different communities of place and interest. But it struggles to overcome what is seen as local apathy when it comes to keeping interest by involving people. Some 'good ideas' developed by the Council or supported by its advisors lack local ownership beyond the Council. This can be seen in the early failure to develop a broad partnership of stakeholders in a Boston town centre partnership, a void the BID<sup>1</sup> partnership has subsequently partially filled.

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<sup>1</sup> BID - Business Improvement District - See section titled Town centre vitality for more detail

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### What has the Council achieved in creating a prosperous and progressive place?

**51** Overall, the Council has performed adequately over the past five years in striving for greater prosperity and making the borough a more progressive place. The focus on enterprise culture has strengthened, but it is too early to see any track record of achievement. The infrastructure to support growing and inward investing businesses is in place and continues to be developed. There has been steady progress in attracting and keeping employment opportunities for local people, and employment rates have remained high and unemployment low. But plans to create higher skill levels, reduce reliance on agriculture, improve pay and the added value of jobs have not materialised. Relationships between the Council and its College and Port partners have been supportive but they have not been productive. After five years, there remains a lack of clarity about mutual long term plans, including how the Council can support the skills agenda, and the role of the port in the local economy.

#### Developing an enterprise culture

**52** In the last two years there has been a much stronger focus on developing an enterprise culture in the borough. This builds on good work by key individuals, now being brought together with the help of the Council's economic development team. The impetus has arisen since building of the Boston Enterprise Centre. The centre provides a focus for enterprise support, as well as workspace for start ups and home based businesses graduating into managed workspace. It has also provided a focus for more general business support linked to companies struggling because of the economic downturn of the past twelve months.

**53** Partnership working in this area has strengthened. The Council and partners like Boston College and Business Link are now doing more together. They are having a wider impact and thinking more strategically. Enterprise Week ran in 2008 and 2009 in the borough with a growing participation in awards and 'dragon's den' style competitions. In 2008 the Council organised a focus group for migrant workers thinking of starting their own businesses. Partners are beginning to focus on inspiring Boston's young entrepreneurs as well as developing services that target home-based businesses and those businesses that are likely to remain below the VAT threshold. This shows a keenness to develop tailored enterprise services to match local needs and opportunities, but it is too early to judge how successful this strengthened enterprise focus is, or whether it matches the scale of the challenge.

**54** The Council has not performed well in helping businesses to start up and grow. It has not worked well with partners, often working by itself and reactively. This is important because the borough's track record in new business registrations rate in recent years is lower than neighbouring areas, around 15 per cent below that of the regional average and 20 per cent below the national average. The number of VAT registered businesses in the borough has remained stable at 2000, with the number of registrations and de-registrations each year about equally matched.

### Inward investment and business growth

- 55 The Council has ensured sites and property are available for growing businesses in the area. The rate of take up of these has been steady. This indicates the Council and its partners are working well together to improve the attractiveness of the borough for business investment. The range has improved in recent years, with the development of the County Council led Sutterton Enterprise Park and Kirton Distribution Park. This ensures a good supply of modern, accessible serviced sites. All sites are promoted as part of a wider offer by Invest Lincolnshire, a county-wide inward investment service,
- 56 In Boston town itself, the Council has had some success in encouraging the take up of business property. Endeavour Business Park on the edge of Boston has gone some way towards meeting its original objectives in the type of businesses locating there, and the level of uptake of sites on the park. There is also a rapidly growing stock of private sector small and medium sized industrial units, for example, at Riverside Industrial Park. This shows demand for some types of property is buoyant.
- 57 Good progress has been made to reuse previously developed 'brownfield' land for housing and business development. In both cases the percentage of brownfield land reused is reaching or exceeding regional guidelines of 60 per cent. This means less greenfield land is needed in the borough. Development on brownfield land results in more attractive sites which has had a regenerative impact on the immediate area.
- 58 The Council has not increased the prosperity in the borough. Its plans focused on creating higher skill levels, reducing reliance on agriculture, improving pay and the added value of jobs, none of which has happened. However the track record on unemployment within the borough has been relatively good, with Boston's position remaining close to the average for similar areas in recent years. In addition the borough has kept high levels of employment with 80 per cent or more of working aged adults in jobs, which was 5 per cent above regional and national averages in 2008. This means there is a risk the Council's ambitions have not been in step with the wider changes to the local, regional and national economy.
- 59 Important development opportunities in the town remain untapped, despite Council efforts. Limited progress is made to secure development of key sites along the Haven corridor in the centre of Boston. These sites remain either underutilised or derelict. They are in prime locations but do not add anything economically or visually to the area. The Council has completed some early studies, has maintained discussions with landowners and potential developers but none of these sites have been redeveloped in the past five years.

### Building on opportunities - the College and the Port

- 60 Partners support each other, where possible. The Council has also helped the Learning and Skills Council develop a network of learning communities in the borough, and the College and Port both sit on the BARC board. The Council recently worked well with the College over an intensive period when the College was looking to redevelop its main facilities away from the current site. With Council support the College explored more options more quickly than it would otherwise have been able to do on its own.

## How good is the service?

- 61 In one area of the Council's ambitions, 'to support the development of the port of Boston', there has been progress with trade at the port. The total tonnage handled by the Port has increased steadily since the year ending September 2004, the point at which new owners took over running the port. However it is not clear what role the Council has had in supporting this growth.
- 62 There are few achievements resulting from the partnership working of the Council, the College and the Port. Relationships have been mutually supportive but they have not been productive. Partnership working has mainly focused on developing physical infrastructure, for example the proposed redevelopment of the college. However, these projects have not gone ahead because of issues beyond the direct control of partners. There is limited progress in developing mutual long term plans, such as expanding the port, supporting the skills agenda, and promoting business investment.

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## What has the Council achieved in creating an attractive and vibrant place?

- 63 Overall, the Council has made limited progress in delivering improvements to make Boston an attractive and vibrant place and therefore attract people to visit, invest and live in the borough. There have been major achievements in improving the natural environment in partnership with others and in improving one or two key buildings but the borough as a destination has not seen any significant increase in economic activity as a result. The vitality of Boston town centre has made steady progress over the past few years with signs of stronger retail activity. There has been recent success in delivering reduced traffic congestion, improving transport links within Boston and in car parking in line with 2004 aims. Significant town centre environmental improvements remain at the planning stage.

### Borough heritage and tourism

- 64 For a small council, it has been active in helping preserve and improve key heritage buildings, but huge challenges remain. It has secured funding, acquired a building and then passed it on to a trust to secure its future, as well as doing emergency works and technical surveys. It has ensured key buildings, like St Mary's Guildhall, are brought up to date to meet modern standards. It has used its own funding to attract significant external resources, where suitable. The borough has four buildings on the national 'at risk' register<sup>1</sup>. However, a larger number (8 per cent) of the 494 listed buildings in the borough are identified as being 'at risk' according to the Council's own annual monitoring reports. This means that, while widely recognised as an opportunity, many heritage buildings in Boston remain underutilised and underinvested in.
- 65 There is mixed progress in improving the borough's natural environment and built heritage assets encouraging physical and economic regeneration. There are some high profile successes in improving assets in the borough, but these assets, individually or together, have not led to more visitors, increased visitor spending, overnight stays or triggered private sector investment.

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<sup>1</sup> English Heritage have published a list called 'heritage at risk register' since 1998. This lists buildings known to English Heritage to be at risk through neglect and decay, or vulnerable to becoming so.

- 66 Over the last five years, there have been major achievements in improving quality of and access to the natural environment in partnership with others. These include supporting the development of Boston Woods, Freiston Shore nature reserve and Frampton RSPB reserve, where visitor numbers have more than doubled since its opening in early 2009. These bring social, health and economic as well as environmental benefits to the area as more people visit these facilities and spend money locally in rural shops, pubs and restaurants.
- 67 The Council and its LSP partners have successfully completed the first steps in opening Boston's waterways as part of a sub regional network. In March 2009, the £8.5 million Black Sluice lock and café opened in Boston. This is the largest investment so far of the Lincolnshire waterways project in the borough. This forms part of what is Europe's largest waterways regeneration scheme, and includes the Boston barrage, a scheme which also provides 'one in three hundred year' flood protection to Boston. This will improve leisure opportunities and the attractiveness of the borough which will bring in more visitors.
- 68 Early plans are being developed to reduce the Council's carbon footprint to minimise climate change. Through a countywide and area-wide approach the Council has clear targets in place to reduce carbon emissions. It is working with the Carbon Trust, as part of the East Midlands Carbon Management Programme, to develop projects that will help it to meet a 20 per cent reduction by 2014. Energy efficiency reviews of all Council's buildings are complete. Projects and plans are yet to be fully developed but the Council is clear where to concentrate its efforts. This includes reducing emissions from leisure buildings, Council vehicles and the crematorium. Planned projects include a cremator replacement programme, vehicle replacement, upgrading CCTV and voltage optimisation. This will not only reduce the Council's carbon footprint but in some cases it will also reduce the running costs of vehicles and buildings.
- 69 The Council is also doing work to inspire and enable others to reduce their carbon footprint. It is in discussions to develop a renewable energy plant and the Port is interested in specialised servicing of the off-shore wind industry. Work with the business community is limited but the Council keeps energy efficiency in the public eye through regular campaigns. These include supporting families as part of an energy savings challenge, and working with school children.
- 70 There has not been effective development of Boston as a destination for cultural and heritage tourism. Some attractions are popular. The town's parish church, St Botolph's has 100,000 visitors a year. But there has been limited work to bring attractions together as part of a wider package of heritage and cultural activities. This means visitors miss out on the full experience the town centre could potentially offer and as a result spend less time and money there than might otherwise be the case.

## How good is the service?

### Town centre vitality

- 71** The Council has made steady progress to increase the vitality of the town centre. This can be seen in the increasing number of people coming into Boston to shop. There has been a general trend of improvement, with a 33 per cent rise in town centre shoppers in the past three years. Some shopping areas are reporting higher spending, and rental growth for the town centre was the third highest in the Midlands in 2007. The number of vacant retail units was increasing but declined significantly last year, is lower than the national average of one in ten empty units, and is improving in contrast to most areas. This shows the town centre is a more desirable place for both businesses and residents.
- 72** The role the Council has played has been important in improving town centre vitality. The Council has ensured prospective private sector developers are encouraged and supported. It has made sure that when redevelopment takes place it creates a good outcome for the community. There has been a succession of important retail developments, including Pescod Square, Boston Shopping Park, Pump Square and proposals for Red Lion Street. These ensure the retail mix is refreshed to meet changing demands, while keeping a strong presence of independent retailers who understand local trading conditions.
- 73** The Council has also shown its determination to take on big challenges to trigger regeneration as well as supporting smaller scale developments. It has invested much time and effort in making plans over the past four years to redevelop West Street, as part of a wider town centre regeneration strategy. The Council has recognised for several years<sup>i</sup> that the town centre will lose out in the future, with higher spending shoppers going to neighbouring towns unless a major development happens. However, the Council's plans for West Street are on hold, and because of the scale of this redevelopment, many other plans linked to it are held up. These include a major review of car parking, a new bus station, and the market square environmental enhancement scheme. Most of these projects are progressing but on a smaller scale.
- 74** The Chamber of Commerce, the Council and partners have worked well to bring together the business community. They have formed a Business Investment District<sup>ii</sup> (BID) partnership. Although with a low turn out, the BID vote succeeded in late 2008, and more businesses are now aware of and are supporting the plans. Businesses are now funding a town centre manager and three wardens, and there are early signs of improved community safety, reduced shop lifting and a better shopping environment following the successful Big Boston Clean up in April.

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<sup>i</sup> Tribal Boston Retail study 2007 commissioned by BARC

<sup>ii</sup> A Business Improvement District is agreed through a vote by those businesses within the defined zone. All businesses in the zone then pay a 1 per cent increase in their business rates for five years into a central pot to fund improvements agreed by the businesses. Boston BID has prioritised access, cleanliness, image and security.

- 75** Progress on other key town centre regeneration projects is mixed. Markets are an important element of the shopping attraction in Boston and the Council has worked well to improve facilities, management arrangements and occupancy rates at the smaller Bargate Market. But occupancy rates in the main market place have been declining. There have been County Council led improvements to street furniture, but no major overhaul of the market place itself although much discussion has taken place about this. Changes to the quality and pricing of car parks is resulting in some positive outcomes. But town centre signage, general street-scene clutter, and the tidying up of shop fronts are all areas where less progress is made than planned.

### An open and accessible place

- 76** There has been positive progress to reduce traffic congestion and improve transport links within Boston. More recent progress is because of the focus on transport issues brought about by the current majority group of councillors. In partnership with the County Council, the Borough Council has ensured that short term step by step improvements have taken place, and that further medium term improvements will take place. The Council has also identified a means of securing a Boston bypass or distributor road in the longer term through the statutory planning framework. A memorandum of understanding between the two partners clarifies what is expected. This brings local ambitions in line with county ambitions as set out in the Local transport plan and sets out clear plans for the future.
- 77** Councillors in the new political administration of the Council in 2007 were quick to ensure their 27 transport related proposals shaped Boston's agreed transport strategy. The Council has been instrumental in the success of these schemes by advising on improvements, including providing leadership on contentious issues like bus route cut-through in the pedestrianised Strait Bargate. Improvements include an 'Into Town' bus service where passenger numbers have more than trebled to 26,000 passengers a month in the past eighteen months, and the turning off of traffic lights in the town to prevent tailbacks. Officers and members all now report a noticeable improvement in congestion, in journey times and air quality.
- 78** Car parking provision is beginning to improve. This includes improvements to the quality, pricing and security of, and signage within, the Council's car parks. The 2007 car parking review showed the Council's car parks are underutilised, had low public satisfaction and were of mixed quality. Some steps have been taken, but a more major overhaul with a clearer strategy has been linked to plans to develop a new multi-storey car park, and plans are on hold for this.
- 79** The borough's plans for taking over civil parking enforcement are progressing well compared to other districts in the county. This places the Council in a good position to influence on-street parking shortly, currently heavily used in favour of public and private car parks. This will improve pedestrian safety, reduce congestion and allow the Council to regulate parking in the town more effectively.

## How good is the service?

- 80 The Council with the county council works adequately to encourage the use of alternative forms of transport to the car. Car ownership was above average, and public transport felt to be poor in 2004. Since then the Council has promoted and supported the Boston Challenge to encourage car sharing, walking, cycling and bus travel but Council, business and community 'green travel plans' are at an early stage of development.
- 81 It is not clear how all decisions about car parking in Boston in the past few years contribute to overarching aims. Decisions have been made in a piecemeal way, such as car parking pricing for the market place. It is unclear how the balance is struck between achieving income targets for the Council, enhancing the street-scene, reducing congestion, encouraging economic vitality, and encouraging public transport.

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## What has the Council achieved in creating a place for everyone?

- 82 Over the past five years the Council has worked hard to help all people in the borough play a full part in building a prosperous economy and flourishing community. Its role in this has helped to achieve real results that businesses and the public will recognise.
- 83 People in the borough now have a more positive outlook about the area in which they live. Residents' survey ratings of the area are still below average compared to similar areas, but this rating has improved considerably in the last two years. Their feeling of belonging within their immediate neighbourhood is above average. Local people also rate 'mutual respect' and 'getting on with each other' more highly than they did two years earlier. This is significant as the borough has seen demographic changes in recent years which can affect people's attitude towards each other and towards where they live.
- 84 The Council is helping communities get on well together. It has steadily developed and put in place a programme of activities to bring people together and break down barriers between them. At a neighbourhood level, through the 'Placecheck' approach, summer barbeques have been organised to bring people together from different communities. Recent years have also seen larger scale events, like Heritage open days, party in the park and a community showcase day attracting large numbers of people. During St Botolph's 700th anniversary celebrations in 2009, the Council helped to broaden the celebration, so that the whole of the town centre played a part, and the wider community felt the social as well as economic benefits. This helps build a sense of pride and belonging in the borough.
- 85 Council services have responded well to the demands coming from the rapid rise in local population in the last few years. Estimates for population growth between 2001 and 2007 in the county indicate higher levels of growth (7 per cent) than elsewhere in the region (5 per cent) or nationally (4 per cent). Independent research<sup>1</sup> suggests that many more people live in the borough than this population estimate predicts largely because of the arrival of Eastern European migrant workers and their families since 2004. Local services have responded to the needs of this growing local population. Council services make greater use of translation and pictorial information, and use of native speakers of other languages in the borough. This ensures there is better access to services by those with different language needs or cultural backgrounds.

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<sup>1</sup> Lincolnshire Research Observatory Jan 2009, Population patterns in Lincolnshire report

- 86** The Council and its partner organisations have taken action to improve the welfare of the whole community. It has challenged where standards of behaviour are unacceptable to local communities, like overflowing bins and poor parking associated with houses in multiple occupancy. The Council is also working much harder to make sure all people are safe from harm and ensure living conditions are adequate. This means the approach to identifying, monitoring and managing houses in multiple occupation has strengthened, and work has taken place to clear building sites and country parks of people camping or sleeping rough. These measures ensure people's safety and enjoyment of their local environment.
- 87** The Council is working hard to ensure the local and national media present a balanced picture of life in the borough. The Council's communications service has been busy presenting positive messages about the value of diversity in the community and the positive economic value of a borough that is growing in size. This is important to the wellbeing of people living locally but also improves the image of Boston as a place to visit and invest.
- 88** The Council is working hard to understand the needs of economic migrants. It has helped develop understanding at local, regional and national level on economic migration. The Council led for the county in publishing a myth-busting leaflet about migrants in the community to all households. The Council gained national recognition when a voluntary code for employers of migrant labour was launched with a visit by a government minister to the borough in November 2008. The borough recently hosted a meeting of the Regional Migration Forum looking at better ways to collaborate across the East Midlands. These activities ensure the borough contributes to and benefits from the work others do to improve the quality of life for all members of the community.

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### Does the Council deliver value for money?

- 89** The Council has provided poor value for money in the delivery of its economic development and wider regeneration outcomes for the period 2004-2009. Achievements as described in the previous section of this report represents mixed success in these ambitions. There is a weak track record in investing its own resources, and those of match funding partners on infrastructure and services that then deliver the agreed outcomes. There are successes that have a lower profile, but there are also high profile investments that it is too early to judge their success or have not delivered the intended outcomes. There has been too little attention to reviewing value for money.

## How good is the service?

- 90 The Council has received critical feedback on its ability to deliver value for money from the Audit Commission and from the public in 2008/09. The Audit Commission's Value for Money conclusion and its use of resources assessment identified that some areas of performance were below minimum standards. For example, the Council does not fully understand its costs in comparison to similar councils. Specifically, it has started to analyse its costs but this has not yet led to any real change in service delivery. In addition, local people believe the Council provides poor value for money. In the 2008 national Place Survey fewer local people said the Council provides good value for money than in most other district council areas in England. In this case assessments against national standards and local opinions reach the same conclusion over value for money.
- 91 BARC represents poor value for money as a means of delivering the economic development and wider regeneration aims of the borough. It is a significant weakness that value for money of the first three years' operation of BARC, and its £400,000 running costs, have not been regularly reviewed independently. BARC's own reports show there are achievements that would not have happened or would have happened less effectively without BARC. But there is limited information about the performance of BARC's projects or scrutiny of its outcomes. Against an expectation to deliver regeneration outcomes over the first three to five years it represents poor value for money.
- 92 The Enterprise Centre is not providing the outcomes or value for money originally intended, although it is an asset with great potential. It cost £3.7 million, with a £755,000 capital contribution from the Council. The borough is now able to develop its enterprise infrastructure more strongly, and work more coherently with a wider network of centres across the county, and with regional and national business support specialists. The centre has been open twelve months. It is now nearly full and on a firmer financial footing. But plans had to change to find tenants due to limited interest from small businesses during the recession. Less than half its capacity now reflects the client base originally intended, since over half its original capacity is taken up by a public sector body and not private sector enterprises. However, the business support role provided by the centre, such as providing training and conference facilities to local businesses, has not been compromised by this change in tenancy.
- 93 Cultural and heritage assets the Council has invested in are not currently providing value for money. These assets have attracted significant Council and other public investment in the past few years. St Mary's Guildhall and the Haven Gallery are positive additions to what Boston can offer. However, business and marketing plans have been weak, financial contributions by the Council continue to be high and such investment does not match present community priorities, as confirmed in a recent round of budget consultation with the public. Although recent market testing shows that these assets are viable in the longer run, the way that they are run at the moment represents poor value for money.

- 94 Corporate governance and financial management have been weak in overseeing the funding and delivery of regeneration activity. The relationship between BARC and the Council has been difficult, and financial regulations not always followed. There are also examples where capital resources have been spent on projects that have then needed higher levels of revenue support because of over-optimistic assumptions, or unrealistic plans.
- 95 There are also funds available for regeneration purposes that have remained unspent over a long period. This represents a lost opportunity. The Council has had a £4.3 million regeneration fund since 1999, of which £1.1million has been spent so far on regeneration, with a further £2.2 million currently committed to leisure rather than on regeneration.
- 96 The Council has not targeted its limited regeneration funds effectively. While the Council has had access to a £4.3 million regeneration fund for ten years, there are few assets such as land or buildings the Council can bring to the table to increase the likelihood of regeneration. Some, like the Assembly Rooms in the Market Square, have limited commercial value if their use is to be in keeping with their heritage setting, unless there is further major investment. For others, there is no clear rationale for their long term retention, like Corporation Farm and the Council's 28 industrial units. This means there is a risk that the Council's scarce resources are not used in a way that makes the biggest contribution to the delivery of corporate goals.

# What are the prospects for improvement to the service?

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## What is the Council's track record in delivering improvement?

- 97** The Council's track record in delivering regeneration aims is mixed overall. Performance indicators are variable, although those that relate most closely to the priorities set out in the community plan are generally positive. The delivery of some improvements, such as the market place refurbishment and promoting new business start-ups, are taking longer than planned.
- 98** The Council's track record in delivering its regeneration objectives is mixed and progress is slow. For example, the market place refurbishment was originally identified as a regeneration objective in the June 2004 Masterplan. It was also highlighted as a priority in the September 2006 Masterplan refresh, the November 2007 town centre study and the February 2008 community plan. An application for ERDF funding was submitted in October 2008. The Council is consulting local people and partners on the detail of the project and building work is scheduled to start in January 2011. It is therefore taking a considerable time to deliver this key regeneration project.
- 99** Partners have criticised BARC delivering few regeneration outcomes. There are tangible achievements that have been delivered by BARC. These include delivering the Boston Enterprise Centre on time and within budget, helping to secure £2 million funding for the market place refurbishment as well as funding and supporting the development of BID. However, a significant part of BARC spending was used to fund feasibility studies. It is not clear whether these studies will eventually result in regeneration outcomes for local people at this stage.
- 100** Key performance information reveals a mixed picture with the Council's track record of improvement. The new business registration rate matches the worst performing 25 per cent of councils, though improved slightly in 2007 - the most recent year for which data is available. However, the percentage of small businesses showing employment growth has shown a steady improvement over recent years and at 14.2 per cent matches the best performing 25 per cent of councils. The percentage of people who say they are 'satisfied' or 'very satisfied' with the area as a place to live has gone up to 72 per cent in 2008/09 from 62 per cent in 2006/07. This is still among the worst performing 25 per cent of councils. 55 per cent of local people believe people from different backgrounds get on well together which matches the worst performing 25 per cent of councils. But this is a significant improvement on the previous year's figure of 38 per cent and reflects the effort the Council and its partners have put into promoting community cohesion.

## What are the prospects for improvement to the service?

**101** Performance indicators for 2007/08 that relate to the Council's wider regeneration priorities show a generally positive trend:

- levels of litter are better than average while graffiti and flyposting are improving and match the best performing 25 per cent of councils, although satisfaction with the cleanliness of public space is below average;
- the percentage of brownfield land that is derelict is improving and matches the best performing 25 per cent of councils;
- satisfaction with museums and galleries is above average and has improved significantly over two years;
- percentage of conservation areas with an up-to-date character appraisal is above average; and
- the percentage of major planning applications determined within 13 weeks has improved and matches the best performing 25 per cent of councils, the speed of determining all other planning applications is above average.

**102** Plans for regeneration do not specifically address the sizeable migrant population and the contribution that they can make to the local economy. The Council has been successful in promoting community cohesion. But the focus on the economic potential presented by the large migrant community has been limited. A greater focus on this group in the Council's economic development objectives will benefit community cohesion and boost the local economy.

**103** The Council's overall performance has declined significantly over the last year. Performance improved on 51 per cent of performance indicators in 2007/08 compared to a national average of 58 per cent ranking the Council 330th out of 388 authorities. Indicators in the 'best' quartile were 7 per cent below average, a drop of 11 per cent from the previous year. Over the past three years the Council ranked 338th out of the 388 authorities with performance improvement 6 per cent below average. This means that Boston is not improving at the pace of other councils.

### How well is the Council managing performance in order to deliver its ambitions

**104** Overall, performance management is showing recent improvement. Coming from a low base, there are signs that a more focused approach to performance management is beginning to emerge, although this is not yet embedded. Although the Council sets out a vision for regeneration in the community plan the detail of how this will be achieved is unclear. Specific economic development aims have not been recently reviewed or set out to reflect the current economic climate or changes in demographics. Plans are often vague, do not focus on outcomes and targets are not SMART. Projects are not routinely evaluated to ensure they are achieving targets and meeting the council's aims.

## What are the prospects for improvement to the service?

- 105** In the 2009 organisational assessment the Council scored one out of four for managing performance. This was based upon work carried out in the first half of 2009. The assessment highlighted that although a framework for managing performance is in place it is not yet fully used by all managers, and not enforced by senior managers and members. As a result only 55 per cent of indicators reached the targets the Council set itself last year. Performance reports identify where services are not performing as well as they should be, but it was found that this information was not being acted upon to make sure that performance improves. A staff appraisal process has been adopted, but only 29 per cent of appraisals were completed at the time of the assessment, making it very difficult for the Council to direct and manage the performance of staff. The 2009 use of resources assessment found that corporate risks and those of partners are not fully assessed in advance. This means the Council does not clearly identify the potential barriers that could prevent it from achieving its priorities and therefore take action to reduce these risks.
- 106** The more recent work carried out as part of this inspection found that performance management has improved since the organisational assessment. There is greater scrutiny of performance by senior managers and councillors and service managers are required to account for under performance and explain the steps they will take to address it. An integrated financial and performance monitoring report is presented to cabinet each month. This highlights financial performance and progress in relation to council priorities and service targets. As at September 2009, 77 per cent of these targets were being achieved. As at November 2009 96 per cent of staff appraisals had been completed for 2009/10. Despite these successes councillors and managers acknowledge there is still some way to go before a performance management culture is fully embedded.
- 107** The Council uses external reviews and the experience of others to improve services. Its continuous improvement plan has been amended to include the recommendations of the cultural services inspection in 2008 and the strategic housing inspection in 2009 as well as an IDeA peer efficiency review. For example, one of the recommendations of the cultural services inspection was for independent market testing and the Council has recently undertaken this. Delivery of actions in the improvement plan is now monitored by cabinet and the corporate management board. This will help to ensure that required improvements are monitored and achieved.
- 108** Political leadership and vision in relation to regeneration has not been strong. The leading group was elected in 2007 on a manifesto of 'Getting Boston Moving by getting a bypass built for Boston'. It is not true to say that they are a single-issue party as they also support priorities that relate to regeneration, for example:
- short-term traffic-flow improvement;
  - a better bus service;
  - a review of car parking charges; and
  - better public toilets.

## What are the prospects for improvement to the service?

However, they were politically inexperienced and lacked a clear long-term vision for regeneration in the borough. There is a reliance on officers and BARC to take the lead on regeneration issues. A lack of consistent leadership is due to frequent changes of the portfolio holder with responsibility for regeneration. However, this situation is changing as the leading group become more experienced, and a short and medium term vision for regeneration is set out in the community plan. However, this is largely officer-driven, is vague on the outcomes that the council and its partners are seeking to achieve and where targets do exist they are not challenging. There is therefore a lack of clarity in relation to the Council's regeneration aims and as a result it is unclear what tangible and significant outcomes will be delivered.

- 109 The Council's future plans for regeneration are emerging. The community plan sets out the priorities of the Council and its partners in the local strategic partnership and the actions by which they intend to achieve these priorities. However, plans are often vague, do not focus on outcomes and targets are not SMART. The borough does not have an up to date economic development strategy. The borough's 2004 masterplan was reviewed in 2006 and this provides a broad direction.
- 110 Specific economic development aims have not been recently reviewed or set out to reflect the current economic climate, the emerging county-wide strategy, local opportunities relating to labour intensive sectors or the significance of the large local flexible labour force. Therefore while the Council has set out a broad ambition for regeneration this has not been fine-tuned to reflect changing circumstances. There is a risk that regeneration objectives are out of step with the current needs of businesses and employees.
- 111 There has been a general lack of rigour and transparency in the way funds are allocated. There is no agreed framework for appraising projects as suitable for the regeneration fund. The Council's capital programme includes regeneration projects but these have not been routinely evaluated to ensure they remain of the highest political and strategic priority. Such weaknesses represent a reputational risk to the council and affect the Council's ability to demonstrate value for money.
- 112 The Council's plans for the three priorities that relate to regeneration are set out below.

### Future plans - Getting around

- 113 Plans for improving getting about the borough are making good progress. The Council's vision for 2018 is to reduce congestion, promote public transport and cycling and stimulate business interest in a more accessible town centre. Some plans are well advanced and close to being delivered. For example, road widening of the A16 is due to start in January 2010 which is designed to ease traffic congestion in the town. However, proposals to promote cycling and walking are less advanced. A walking and cycling audit is now complete and plans are being developed to implement the findings but funding is yet to be agreed. Progress against this action is behind schedule and so the intended benefits have been delayed.

## What are the prospects for improvement to the service?

- 114** The Council has made progress in influencing transport initiatives in the town. In partnership with the county council it has made clearer long-term plans for a distributor road to ease traffic congestion. The Council has brought a clear focus on transport issues and has worked closely with the county council to progress this priority. Road widening, expanded bus services and plans for a distributor road are examples of this focus. £10 million investment in local transport plan initiatives, £2.5 million of which comes from Boston Borough Council, gives confidence that these schemes will be delivered.
- 115** The Council is at an early stage of developing plans for improving car parking and the bus station. It had intended that a multi-storey car park and a new bus station would be delivered as part of the West Street development and is currently exploring alternative ways of achieving these. This means there are no clear plans currently for achieving either. Therefore there is a risk that key regeneration objectives will not be delivered in the timeframe set out in the community plan.

### Future plans Making Boston a destination

- 116** The Council is making some progress in developing plans for making Boston a destination, and these are at different stages of development.
- 117** In the short term improvements are already happening or are imminent that will have an impact on the town centre. The BID action plan provides a framework and additional funding for the partnership to improve the attractiveness of the town. It will deliver improvements in accessibility, cleanliness, security, image and promotion of the town centre.
- 118** The Council is currently consulting local people on market place refurbishment. There are still major issues to be resolved, such as traffic access and parking, but £2 million funding is in place, including £450,000 contribution from the Council. It is likely that a scheme will be delivered that will enhance the attractiveness of this key asset. The details of the scheme are yet to emerge and so the regenerative impact is unclear.
- 119** Medium term plans for developing the town's cultural and heritage attractions are less clear. The future of key cultural assets like the Guildhall and the Haven gallery will be determined by the current market testing and potential outsourcing of cultural services. These are quality attractions but local people complain about their limited opening hours (Weds-Sat 10.30 to 3.30). They are central to the Council's ambition of developing the town's cultural quarter but plans for their future management and promotion are currently unclear. There is no strategy for developing and promoting the enormous cultural potential of the town, although one is currently being developed. There are some derelict sites alongside the Haven waterway which will have even more potential once the water level is regulated by the barrage, but there is no strategy for developing these areas to maximise the cultural attraction of the town centre. The same is true for the assembly rooms which occupy a key location next to the market square and St Botolph's church. The Council is struggling to find a sustainable future role for this landmark building that will complement the other cultural assets that characterise the town centre.

## What are the prospects for improvement to the service?

- 120** Some major schemes have stalled while others are at an early stage of development. The major West Street redevelopment was postponed due to the economic downturn and there are currently no alternative plans to revive it. The £79 million modernisation of Boston College has been suspended due to Learning and Skills Council funding being unavailable. While these factors have been beyond the control of the Council they have had a significant impact on its plans for regeneration of the town and due to the scale of these projects it has not been possible to find alternative options.
- 121** Some projects are promising, though with longer timeframes. The Boston Barrage scheme will bring a number of benefits such as improving the attractiveness of the Haven waterway and town centre, strengthening flood defences and providing leisure and amenity opportunities. It is at an early stage with appraisal work currently being undertaken. The Council and its partners are confident that the scheme will go ahead and the county council has allocated £11 million funding. But it is not scheduled for completion until 2016 and so it will be some time until the anticipated benefits are realised.

### Generating prosperity

- 122** Larger scale plans that are potentially transformational have either stalled, been revised or are a long way from delivery. This means that there is a risk that the level of intended jobs and wealth creation will not take place. However, the Council has responded by promoting smaller scale projects, such as the market place refurbishment and continued inward investor activity on established industrial parks.
- 123** There are some significant inward investment projects at various stages of development that have the potential to generate jobs and prosperity in the borough. These include:
- Boston Renewable Energy Project - this is a £48 million scheme to be built within two years providing green energy for 10,200 homes (10.5 MW), with all fuel either being waste wood or sewerage with the majority being sourced within 1 kilometre of the proposed site on the Riverside Industrial Estate. There will be construction jobs followed by 29 permanent positions;
  - a planning application is being developed for substantial private sector investment at the Kirton distribution site; and
  - a specialist manufacturing company is exploring the possibility of relocating to the Borough in 2010 with the potential to create between 50 to 70 jobs. Temporary office accommodation has been offered at the Boston Enterprise Centre.

While these developments are all at an early stage it is encouraging that the borough is attracting investment interest, particularly in light of the national economic downturn.

## What are the prospects for improvement to the service?

- 124** The Enterprise Centre will not deliver the outcomes that it was intended to in the short to medium-term but has significant longer-term potential. The building of the Boston Enterprise Centre has been successful and it provides a focus for enterprise in the borough. But the struggle to attract new and small businesses during the recession and the subsequent occupancy by a public sector body means that its intended business support role has been reduced. However, its business support role remains unaffected and it will be a valuable resource for supporting new and growing businesses as the economy improves.
- 125** The Council is fully engaged with partners and is arguing its case for sustained development in the borough robustly. The emerging coastal strategy will have a significant impact on where and what development can take place in the borough. The strategy and proposals for development will not be published until later in 2010 and so the implications for Boston are not yet known. However, the Council is doing all that it can to ensure that the strategy will not damage future development potential.
- 126** There is uncertainty over how regeneration projects will be identified and delivered in the future. BARC was set up to deliver the regeneration ambitions in the masterplan. Despite significant issues around governance and value for money it was successful in bringing key stakeholders together and providing a focus for driving regeneration activity in the town. The Council acknowledges that its economic development capacity is limited and there is an agreement that it will work closely with the county council until alternative arrangements to BARC are identified and agreed. The future for delivering regeneration activity is therefore unclear.

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## Does the Council have the capacity to improve, in line with its ambitions?

- 127** Overall, financial, leadership, management and staff capacity is stretched. Ambitions do not match the limited resources available to the Council and its partners. The Council is aware of current shortcomings and has chosen to set up an improvement board with external representatives to address these. The Council is developing its management capacity and in some cases it enhances limited capacity by working well with partners. Staff morale is low, although a current restructure is designed to embed a performance management culture amongst middle managers. The recent market testing of sport and leisure and cultural services indicates that the Council is prepared to challenge the way services are provided to improve value for money.
- 128** The Council maximises its limited capacity through effective partnership working. Most partners are positive about the ambition and enthusiasm of officers and feel that for a small council with limited resources it makes an effective contribution to regeneration. There are a range of areas where partners feel the Council has worked effectively with others. These include:
- being supportive and proactive and working closely with the Environment Agency in the building of Black Sluice Lock;
  - working positively with the Council of Voluntary Services on the community cohesion agenda and widening this out to the BAP;

## What are the prospects for improvement to the service?

- being committed to delivering environmental projects, such as working with the Wash Estuary Strategy Group on the Green Infrastructure Masterplan and helping the RSPB to develop Frampton nature reserve;
- working with the county council in support of the transport strategy and committing £2.5 million to it, and
- working with the Chamber of Commerce and town businesses in the development of BID.

Effective partnership working is helping the Council to achieve a greater impact with its limited resources.

- 129** Recent external assessments have highlighted weaknesses in the Council's capacity. The October 2009 organisational assessment rated the Council as performing poorly. It highlighted that a lack of clear political direction and arguing between councillors is affecting key decisions being made properly. At senior management level there is a lack of capacity and resources to drive improvements forward. Staff feel they are not getting the leadership they need to deliver the improvements needed. These corporate weaknesses are also apparent within the regeneration service. There is a lack of clear strategic direction to focus the service on achievable outcomes. While the Council has identified an ambitious vision for regeneration, known limitations in leadership, planning, performance management and resources means that it is uncertain that the scale of this ambition can be achieved.
- 130** The Council is taking steps to address managerial capacity. The interim chief executive has introduced a new management structure to address shortcomings. This streamlines the senior management structure and is expected to achieve £140,000 per year savings to reinvest in front line services. The restructure also recognises that the Council needs to become much more performance driven. The emphasis is on promoting a performance culture in which managers take responsibility for improving the performance of their services, achieve savings and identify the most appropriate way of delivering services. This includes shared services or in partnership with the private sector where appropriate. It is too early to say how managers will react to this challenge, but the Council recognises that a fundamental change of culture and attitudes is needed if the performance of the Council is to improve.
- 131** Financial capacity is stretched. The Council has been steadily using reserves to fund revenue expenditure. The Council set a balanced budget for 2009/10 but has drawn heavily on its regeneration reserve to achieve this. The regeneration reserve originally came from receipts from the sale of the Council's housing stock in 1999. It totalled £4.3 million and was intended to support regeneration projects. The reserve had already been substantially reduced in 2008/09 by the use of £1 million to repay a loan on the Princess Royal Sports Arena. The result is that money that was intended to support regeneration or be used as leverage to attract additional funding has been used to offset the Council's financial difficulties.
- 132** Cost reduction in services is taking place. Service managers are carefully reviewing opportunities to reduce service budgets to reach corporately agreed targets. There has been good progress during 2009/10 in finding £1.8m in savings but some savings are resulting from cuts in services rather than greater efficiencies. Managers are looking more closely at integrating value for money into annual service and financial planning.

## What are the prospects for improvement to the service?

- 133** The Council is aware of its shortcomings and is taking steps to address them. It has recognised major improvements are needed and has set up an improvement board to help address current weaknesses. The improvement board, which includes the Improvement and Development Agency, Government Office, Audit Commission and representatives from other councils will focus on strengthening leadership, clarifying priorities and embedding performance management. It met for the first time in October 2009 and so it is too early to say what impact it will have.
- 134** There are signs that the Council's political leadership is improving. Much resource and officer time has gone into member development and equipping councillors with the necessary skills to undertake their roles. Managers state that they now receive clear direction and support from cabinet members and that councillors are more rigorous in scrutinising and challenging performance. This is helping to focus councillors and managers on improving performance and achieving targets.
- 135** The March 2009 staff survey reveals that there are still significant staff concerns that the Council needs to address, and in many areas the situation is deteriorating. Fewer staff feel committed to the Council, believe the Council is focused on improving services or feel they are treated fairly and with respect than the previous year. Staff are feeling more positive about senior management and how approachable they are. But there has been a decline in both personal and team morale in the last year, with only 25 per cent of staff saying their morale has improved. It will be difficult for the Council to deliver improvements unless it can address the concerns of staff.
- 136** The Council is making progress in improving its financial outlook. There remains major work to do in challenging the way it plans and provides services if it is to meet its financial goals, maintain the quality of services and achieve its priorities. It is currently reviewing and updating its medium-term financial plan and has identified impending and potential financial pressures facing the Council and proposed measures to address these. In developing a financial strategy for 2010/11 and beyond a number of challenging options are proposed. These include:
- exploring the most appropriate delivery arrangements for all services;
  - developing a more strategic approach to managing its asset portfolio;
  - identifying new funding streams and refining service and financial planning to focus on value for money; and
  - a review of performance standards and improved service development plans.
- This process is still at an early stage and so it is not yet clear what the outcome will be.
- 137** The Council is beginning to enable others to manage its services. There are examples of recently agreed small-scale shared management arrangements, including the management of markets, nature reserves, and allotments. However, the recent market testing of sport and leisure and cultural services shows that the Council is committed to change and is prepared to explore alternative forms of service delivery to improve value for money.

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# The Audit Commission

The Audit Commission is an independent watchdog, driving economy, efficiency and effectiveness in local public services to deliver better outcomes for everyone.

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