



Report To:	Cabinet
Date:	28 th April 2026
Subject:	Pride in Place Programme Delivery
Purpose:	To accept the UK Government's Memorandum of Understanding to enable delivery of the ten-year Pride in Place programme for Spalding to commence in 2026/27. Delegated authority arrangements are also requested to ensure effective and lawful use of public funds under the programme and that robust decision-making arrangements are in place throughout the subsequent investment periods.
Key Decision:	Yes
Portfolio Holder:	Cllr Nick Worth, Leader
Report Of:	Maria Cotton, Assistant Director (Culture and Regeneration)
Report Author:	Jon Burgess, Programme Manager (Economic Growth)
Ward(s) Affected:	Spalding Wygate, Spalding St John's, Spalding Monks Road, Spalding St Mary's, Spalding St Paul's, Spalding Castle.
Exempt Report:	No

Summary

This paper seeks Cabinet approval to accept the UK Government's Memorandum of Understanding to enable the local authority to undertake the lead contracting and accountable body requirements to progress delivery of the Pride in Place programme for Spalding. It will ensure that the spend decisions recommended by the Spalding Neighbourhood Board are subject to appropriate compliance and assurance work by the Council prior to contracting and meet the requirement to ensure effective and lawful use of the allocated public funds.

Recommendations

That Cabinet:

- Recommends that Council amends the Capital and Revenue budgets to reflect the funding as set out in Section 2 of this report and delegates authority to the Director of

Finance and Section 151 Officer to vary the Council's Capital and Revenue base budgets for projects under the parameters of the Pride in Place programme for Spalding.

- Approves that the Council be the accountable body for the Pride in Place programme for Spalding and delegates authority to the Council's Director of Finance and Section 151 Officer to sign the Memorandum of Understanding for the Pride in Place Programme in Spalding, as attached at Appendix 2.
- Notes that it is the responsibility of the Spalding Neighbourhood Board to consider and recommend how the funding is allocated to individual projects. The Cabinet will be kept notified and updated with the Board's priorities, approved projects, allocations and spend profile and monitoring of risks and benefits on regular basis.
- Delegates authority to the Council's Director of Finance and Section 151 Officer to approve the Board's recommended expenditure, following due diligence and in consultation with the Director of Economic Development and Leader of the Council.
- Delegates authority to the Council's Director of Economic Development to enter into all associated delivery contracts and grant funding agreements on behalf of the Council in consultation with the Council's Director of Finance and Section 151 Officer and the Leader of the Council.

Reasons for Recommendations

- To enable the Council to receive the annual funding allocations under the Pride in Place Programme and support the Spalding Neighbourhood Board to progress with the delivery of the subsequent investment periods.
- To ensure that all public funds associated with the programme delivery are used lawfully, effectively and in line with Government rules and relevant Council procedures.
- To ensure transparent, consistent and robust decision making and appropriate due diligence is undertaken on the recommended funding awards prior to formal contracting and expenditure.

Other Options Considered

- To not accept the Pride in Place funding for Spalding
- To work with the Spalding Neighbourhood Board to identify an alternative accountable body structure for the governance and management of the approved funding

1. Background

- 1.1 Spalding has been allocated the award of up to £20million of new grant funding over a ten-year period under Phase One of the Pride in Place Programme (formerly Plan for Neighbourhoods and Long Term Plan for Towns). The programme forms part of the UK Government's wider Pride in Place Strategy published on the 25th September 2025 which is intended to represent a new way for government to work in partnership with communities and neighbourhoods, empowering them with the tools and levers to drive meaningful change that reflects their priorities.

- 1.2 Decision-making responsibility on how and where this new funding is spent sits with Spalding Neighbourhood Board, working in partnership with South Holland District Council. The Neighbourhood Board must develop a plan for their local area and distribute funding to the projects to deliver on this vision. All activities supported by the programme must be shaped and informed by undertaking meaningful, iterative engagement with the local community, ensuring that any future investment reflects local need and evidencing that that people’s priorities have been acted upon.
- 1.3 The submission of the Neighbourhood Board’s Regeneration Plan for Spalding was approved by Cabinet on the 24th November 2025, following a widespread programme of community consultation to ensure that any future investment reflects local need and evidencing that local people’s priorities have been acted upon. Cabinet has also previously received a report on the 8th July 2025 to approve delivery arrangements for the capacity funding received under the programme to date and help move the programme towards the first year of delivery commencing in 2026/27.
- 1.4 The intervention area for the Pride in Place funds has been determined by the UK Government and is intentionally targeted on delivering new investment into the Spalding town boundary, rather than the wider South Holland District. As such, this is a Spalding specific programme and funding cannot be distributed to projects in other towns or villages. At least 51% of the Neighbourhood Board representation must be from people who live or work in Spalding and the beneficiaries of the investment are intended to be within the redline boundary provided at Appendix 1.
- 1.5 The Leader of the Council is appointed onto the Neighbourhood Board to represent South Holland District Council.

2. Report

- 2.1 On the 31st March 2026, the Council received a Memorandum of Understanding (MoU) from the UK Government to enable the local authority to undertake the lead contracting and accountable body responsibilities to deliver the Pride in Place programme for Spalding. The MoU is attached at Appendix 2.
- 2.2 In order to undertake the programme arrangements and requirements, approval is needed to accept the terms of the Memorandum of Understanding as attached at Appendix 1. It is therefore requested that Cabinet provides authority for the Council’s Section 151 Officer to sign the MoU on behalf of South Holland District Council.

2.3 Financial Implications

- 2.4 The Pride in Place programme is due to release the following funds to the accountable body for Spalding over the next ten years. This provides the basis of the recommendation to vary the Council’s capital and revenue budgets under the parameters of ‘Pride in Place for Spalding up to the limit of the provisions set out below.

Grant type	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35	35/36	Total
Revenue funding (capacity)	150	0	0	0	0	0	0	0	0	0	600
Revenue funding (grants)	232	256	432	432	432	432	437	450	450	450	3,999
Total revenue funding	382	256	432	432	432	432	437	450	450	450	4,599
Capital funding (grants)	360	1,736	1,605	1,605	1,605	1,605	1,605	1,605	1,605	1,605	14,936
Total	742	1,992	2,037	2,037	2,037	2,037	2,042	2,055	2,055	2,055	19,535

- 2.5 To allow the Government to undertake periodic spending and performance reviews, the funding model will be delivered across three investment periods:
- Period 1: 2026–27 to 2029–30 (4 years)
 - Period 2: 2030–31 to 2032–33 (3 years)
 - Period 3: 2033–34 to 2035–36 (3 years)
- 2.6 The local authority retains responsibility and accountability for ensuring that all expenditure is managed in line with public sector financial principles and is compliant with procurement law and subsidy control requirements. As such, it is recommended that delegated authority is given to the Council’s Director of Finance and Section 151 Officer to approve the expenditure decisions recommended by the Neighbourhood Board prior to contracting in consultation with the Director of Economic Development and the Leader of the Council.
- 2.7 Governance and Assurance**
- 2.8 It is expected that the spend allocations recommended by the Spalding Neighbourhood Board will be delivered via either a direct Council led commission or by passporting funds to a local community group, business or other appropriately constituted organisation to deliver the approved activities and investments.
- 2.9 The Council will therefore need to undertake a range of duties to ensure that robust, consistent and transparent decision-making arrangements are in place prior to the contracting of any approved spend. Contracts for the delivery of new works, goods or services undertaken directly by the Council will be managed in accordance with the local authority’s adopted contract and financial procedure rules. Where the delivery is to be undertaken indirectly via an external partner, the Council will require a signed grant funding agreement to be in place prior to commencement which will clearly set out the requirements of all parties in undertaking the agreed investment and activities.
- 2.10 It is therefore recommended that delegated authority is given to the Director of Economic Development to enter into all of the necessary contractual arrangements and grant funding agreements to deliver the approved programme of investment.

3. Conclusion

- 3.1. The Pride in Place programme requires the local authority to act as the accountable body responsible for overseeing the management and use of public funds. The Spalding Neighbourhood Board is required to provide strategic direction and make recommendations on project selection and prioritisation of spend. The delegated authorities recommended within this report will ensure that the Council undertake an appropriate level of due diligence on the proposed spend decisions prior to contracting and reserve the right to withhold approval of any proposal that does not meet the necessary legal requirements.
- 3.2. The latest policy guidance for the Pride in Place programme sets out an expectation that the Neighbourhood Board should look to move to a community led delivery model by Year Three of the programme (by March 2029). As such, the role of the local authority may be subject to change over the delivery period but the recommendations in this report set out the immediate recommendations and requirements needed to progress delivery in Year One of the programme in 2026/27.

Implications

South and East Lincolnshire Councils Partnership

Cumulatively, the South and East Lincolnshire Councils Partnership is due to receive up to £80m of new investment for the local area over the next ten financial years under the Pride in Place Programme. This represents a significant opportunity to provide enhanced places and better outcomes for the residents, businesses and visitors of South and East Lincolnshire and to achieve economies of scale in the delivery of coordinated approach to linked interventions across four towns in the Partnership area. Boston, Skegness and Spalding are included in Phase One of the current Programme. Mablethorpe is allocated under Phase Two of the programme, due to commence delivery from April 2027.

Corporate Priorities

The Pride in Place programme provides the opportunity for existing Council and public services to deliver additional benefit in the approved towns under the agreed themes and proposed interventions. Group Managers and service leads will be consulted as part of the development and delivery phase.

Staffing

Initial project management resources have been approved by the Neighbourhood Board to enable the Council to proceed with the recruitment and employment of a dedicated programme manager and programme coordinator post to help deliver the Spalding programme (roles to be shared with the Boston Neighbourhood Board). Additional programme management support to be provided by the substantive Economic Development directorate with additional associated support services from PSPS Ltd.

Workforce Capacity Implications

The delivery of the Plan may require additional capacity within the teams. Capacity implications of any actions included in the regeneration plan will need to be considered and monitored on ongoing basis.

Constitutional and Legal Implications

The Council will act as the accountable body for the funds with responsibility for ensuring that public funds are distributed fairly and effectively, and that funds have been managed in line with the Nolan Principles and Managing Public Money principles. The Council will also be responsible for compliance with legal responsibilities in relation to subsidy control, state aid and procurement. As an accountable body, the Council must comply with the Subsidy Control Act 2022 when administering public money under the programme.

The Council may need to recover funding from project deliverers where subsidy control has not been complied with. The Council will be responsible for ensuring that all funding is managed in accordance with relevant public contract regulations.

Data Protection

Any exchange of data and information with Neighbourhood Board and other partners will be subject to data protection regulations.

Financial

As set out in Section 2 of the report

Risk Management

The key risks to be managed in the process of the submission of the Regeneration Plan are:

1. Capacity – to prepare the Regeneration Plan in compliance with the guidance and in timescales prescribed by the Government.
2. Inclusive engagement – Spalding communities from all quarters have an opportunity to influence the Regeneration Plan.
3. Partnership – relationship between the Council, the Neighbourhood Board and partners is constructive and collaborative to maximise the benefits of the community.
4. Deliverability – the Regeneration Plan is aspirational and deliverable to ensure the desired outcomes are achieved.
5. Accountability – the Council as accountable body is responsible for compliance to a range of issues as identified in the legal implications above.

Stakeholder / Consultation / Timescales

The Neighbourhood Board membership was reviewed in March 2025 in alignment with the priority themes of the Plan for neighbourhood. The Leader of the Council, Cllr Nick Worth, sits on the Neighbourhood Board for Spalding. Engagement with stakeholders and communities is part of the programme of activities that the Neighbourhood Board is leading in preparation of the Plan. The Regeneration Plan submitted (and approved by Cabinet in November 2025) provides detailed evidence of stakeholder engagement undertaken to date and of further scheduled activities. The guidance for the Pride in Place programme makes clear that the Board is expected to undertake stakeholder engagement and consultation across the full 10-year funding period to ensure Plans are aligned to emerging priorities.

Reputation

The Programme presents a positive and good news story for increasing Pride in Place in Spalding. It places the Council in a positive position at the heart of a partnership with the Neighbourhood Board and MHCLG to drive and deliver meaningful change for the community. The investment builds on a successful track record with Government in delivering major regeneration programmes in Spalding via the previous Towns Fund and Levelling Up funds.

Contracts

The local authority in each place will act as the accountable body for the funds with responsibility for ensuring that public funds are distributed fairly and effectively, and that funds have been managed in line with the Nolan Principles and Managing Public Money principles. They will also be responsible for compliance with legal responsibilities in relation to subsidy control and procurement.

Crime and Disorder

Safety and security is one of the key themes as part of the Plan for Spalding.

Equality and Diversity / Human Rights / Safeguarding

Equality, inclusivity and accessibility are key principles for the preparation of the Plan for Spalding.

Health and Wellbeing

Health and Wellbeing is one of the key priority themes for the Plan for Spalding.

Climate Change and Environment Impact Assessment

None

Acronyms

None

Appendices

Appendices are listed below and attached to the back of the report:

Appendix 1 – Spalding Pride in Place Investment Boundary

Appendix 2 - Pride in Place for Spalding: Memorandum of Understanding

Background Papers

Background papers used in the production of this report are listed below: -

[Pride in Place Programme: prospectus - GOV.UK](#)
[Spalding Regeneration Plan – submission copy](#)

Chronological History of this Report

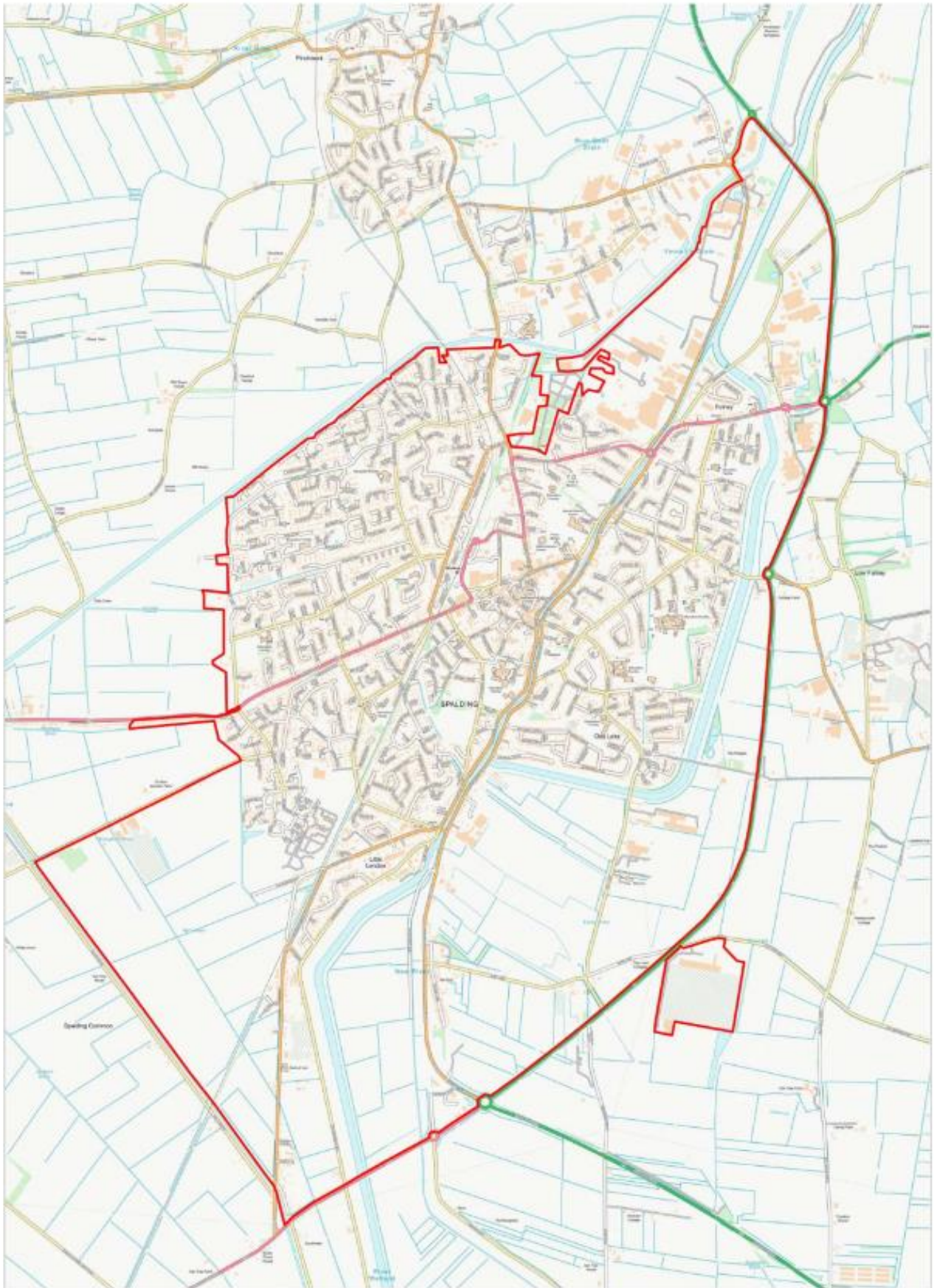
A report on this item has not been previously considered by a Council body.

Previous Cabinet reports have agreed recommendations on the use of programme capacity funding (31st July 2025) and the submission of the Regeneration Plan for Spalding (16th November 2025)

Report Approval

Report author:	Jon Burgess, Programme Manager (Economic Growth) <u>Jon.Burgess@e-lindsey.gov.uk</u>
Signed off by:	Maria Cotton, Assistant Director (Culture and Regeneration) <u>Maria.Cotton@e-lindsey.gov.uk</u>
Approved for publication:	Cllr Nick Worth

Appendix 1 – Spalding Pride in Place Investment Boundary



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