

High Street Heritage Action Zone (HSHAZ) Evaluation

Case Study Appendix: Middlesbrough




Historic England

HSHAZ Evaluation

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January 2025

Reviewed and approved by:	
Signature:	_____
Name:	<u>Graham Russell</u>
Job Title:	<u>Chief Executive</u>
Date:	<u>January 2025</u>

Purpose of the case study

This case study is not an evaluation of the Middlesbrough HSHAZ scheme. The purpose of the case studies as a whole is to provide insights to inform the overall HSHAZ programme evaluation.

This case study appendix reviews the outputs achieved through the HSHAZ scheme against its stated targets and assesses likely value for money using government compliant methodologies. The review is based on:

- the monitoring data collected by project teams within submitted scheme plans;
- a facilitated discussion with the local project team and HSHAZ Project Officers using an agreed consultation guide to review successes, challenges and lessons learned;
- a site visit; and
- the expression of interest submission.

1 Strategic context

1.1 Context and need for investment

The Middlesbrough HSHAZ scheme was allocated £986,000 funding from Historic England for the capital strand and £160,000 funding from Historic England for the cultural strand. The capital strand was expected to generate £1,000,000 match funding from Middlesbrough Council and £83,000 match-funding from other sources¹.

The HSHAZ area was focused within Middlesbrough’s **Historic Quarter**, the original commercial centre of Middlesbrough. Serving as a primary gateway, it includes the Grade II listed railway station and remains a key transit point for most visitors. The Historic Quarter was designated as a conservation area in 1989 and has been on Historic England’s Heritage at Risk Register since 2012 as a result of vacancy and neglect.

High streets across the UK face similar challenges. Competition from online shopping and retail parks, rising vacancy rates, and the negative consequences of deprivation—such as homelessness and crime are widely recognised as contributing factors to the difficulties experienced by high street communities and businesses. These macro trends are complemented by local trends. In Middlesbrough, the local context also included the importance of the HSHAZ area’s role in shaping visitors initial perceptions of Middlesbrough as the area “welcomes” visitors from the train station².

1.2 HSHAZ scheme objectives

Middlesbrough's Historic Quarter serves as the main gateway to the town centre and has suffered from blight, poor perceptions and prolonged decline. Recognising the importance of revitalising this heritage-rich area, Middlesbrough Council aimed to enhance visitor and commuter experiences, address market challenges and enable the economic re-use of historic assets. It was also envisaged that delivering heritage-led regeneration would generate new employment and attract new investment.

Investment was seen as essential to overcoming the conservation deficit that has held back the maintenance and repair of heritage properties in Middlesbrough and would contribute to unlocking the Historic Quarter’s economic potential.

1.3 Strategic alignment

Table 1-1: Middlesbrough HSHAZ – alignment with strategic priorities		
Policy/Strategy	Objective/Description	Alignment
Middlesbrough Council Draft Local Plan 2024	The Council developed the Draft Local Plan to set out a strategy, vision and planning framework for the future development of Middlesbrough based on a robust evidence base considering the projected population change for the area and assessing the level of	The HSHAZ directly supports both objectives B and G of the Local Plan:

¹ These allocations are from the first available scheme plans (Y1Q4 for the capital strand and Y2Q2 for the cultural strand)

² Middlesbrough HSHAZ Expression of Interest 2019

	development required to support the needs of this population. It is expected that this plan will be formally adopted in March 2025, where it will replace the town's existing planning policies.	<ul style="list-style-type: none"> Objective B: to revitalise Middlesbrough Town Centre through diversifying the retail and leisure offer, and attracting new urban dwellers, supported by a strong network of district and local centres Objective G: to recognise and value historical and culturally important assets. It also indirectly supports the wider objectives and contributes to the regeneration of Middlesbrough generally.
Middlesbrough Council Strategic Plan 2021-2024	The Middlesbrough Strategic Plan outlines three aims around people, place and business. The plan looks to work with communities and other public services in Middlesbrough to improve the lives of local people. This will be achieved through improvements in housing and infrastructure, creation of employment opportunities for local people, and promotion of investment into Middlesbrough's economy. The delivery of this plan will enhance the town's attractiveness and reputation.	The HSHAZ intervention is well aligned with all elements of the strategic plan with investment in infrastructure, the provision of employment opportunities and an enhancement of the town centre.
Middlesbrough Council Plan 2024 - 2027	<p>The Council's vision for Middlesbrough is a thriving, healthier, safer and more ambitious place where people want to live, work, invest and visit, in particular:</p> <ol style="list-style-type: none"> 1. A successful and ambitious town, maximizing economic growth and prosperity in an inclusive and environmentally sustainable way 2. A healthy place, helping residents to live longer and healthier lives 3. Safe and resilient communities, creating a safer environment where residents can live more independent lives 4. Delivering best value, changing how the Council operates to deliver affordable and cost-effective outcomes for residents and businesses. 	The HSHAZ directly supports a number of the aims within the Council Plan including economic growth and creating a safer environment.
Middlesbrough Council Cultural Strategy 2020	<p>The priorities of Middlesbrough Council's cultural strategy include:</p> <ul style="list-style-type: none"> Physical regeneration – creating a Middlesbrough 'brand' to improve the town's reputation, attract new investment, visitors and residents and to enhance civic pride by transforming and restructuring the city centre to create an iconic and regional destination for media, digital creativity and leisure activity. Social regeneration – working with partners to encourage and empower local communities to increase educational attainment, improve local 	The HSHAZ has the capability to unlock new and emerging cultural activity in Middlesbrough centre.

	health and wellbeing and to generally improve community life.	
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1.4 Activities

1.4.1 Capital strand

Property improvement grants contributed to the repair and reuse of four historic assets and 3,000 square metres of public realm improvements in both Exchange Square and Zetland Road (prominent locations in Middlesbrough town centre). The overall list of projects is presented below:

- **Project 1 Property Improvement Grants** – undertake building repairs, reinstatement of architectural features, bringing buildings back into use and addressing the poor condition of historic assets. Renovation of four properties in the Conservation Area.
- **Project 2 Exchange Square Public Realm Improvements** – repair and restoration of under-utilised public realm.
- **Project 3 Community Engagement** – providing the public with the opportunity to develop a greater understanding of heritage and receive heritage training and skills.
- **Project 4 Community Engagement Project Officer.**
- **Project 5 External Conservation Consultants.**
- **Project 6 Footfall Camera and Monitoring.**
- **Project 7 Conservation Area Appraisal and Management Plan.**
- **Project 8 Zetland Road Public Realm Improvements** – repair and restoration of under-utilised public realm including creative pedestrian crossing artwork.

The forecast expenditure for the capital strand over the four-year programme is set out below. As previously mentioned, as the HSHAZ scheme attracted further match-funding, the total cost of the HSHAZ scheme increased to match these ambitions. Analysis of the cost outlay against outputs is presented in Section 3.

Table 1-2: Capital Strand Forecast Expenditure					
	2020/21	2021/22	2022/23	2023/24	Total
Historic England grant	£13,121	£500,261	£391,219	£81,279	£985,880
Local authority funding	£55,000	£572,000	£218,000	£155,000	£1,000,000
Other matched funding	£0	£34,270	£29,500	£19,886	£83,656
Total	£68,121	£1,106,531	£638,719	£256,165	£2,069,536

Note: Forecast expenditure is from the Y1Q4 scheme plan, which is the first record of the forecast costs for many schemes although it is noted that contract documents may have been more suitable for Middlesbrough; we have used scheme plans for consistency.

1.4.2 Cultural strand

The cultural strand was largely delivered through the Celebrating Hidden Middlesbrough activities led by Navigator North. The programme aimed to uncover heritage stories from the buildings, people and places in Middlesbrough town centre. The activities included:

- **Project 1 Artist Commissions** – four commissions delivered at the Tunnel Gallery the railway pedestrian underpass) and available virtually.
- **Project 2 The Masham** – High Street project space conceived in the Masham to showcase the cultural programme and connect audiences with artists.
- **Project 3 Exchange Square Residency** – artist and researcher responding to the history of the Exchange Square. Production of ceramics to be claimed by the public in exchange for a day of time given to a Middlesbrough-based voluntary organisation.
- **Project 4 Middlesbrough Collection Artist Commissions** – working with communities to uncover hidden Middlesbrough stories.
- **Project 5 Zetland Road Residency** – creation of ‘Zetland Ink’ and a series of abstract drawings based on the community’s experience of navigating heritage spaces.
- **Project 6 Additional Activities** – including project management, PR and marketing, evaluation, photography and filming of activities, project designer, print and advertising costs and more.
- **Project 7 Project Management** – cost variation one.
- **Project 8 Project Management** – cost variation two.

There was no forecast expenditure for the cultural strand at the early stages of the programme, prior to actual delivery. The first scheme plan made available was in the second quarter of the second year of the programme. This forecast expenditure is presented in the table below.

Table 1-3: Cultural Strand Forecast Expenditure					
	2020/21	2021/22	2022/23	2023/24	Total
Historic England grant	£0	£70,336	£89,369	£0	£159,705
Local authority funding	£0	£0	£0	£0	£0
Other matched funding	£0	£0	£0	£0	£0
Total	£0	£70,336	£89,369	£0	£159,705

Note: Forecast expenditure is from the Y2Q2 scheme plan, which is the first record of the forecast costs. The evaluation of the programme would be enhanced by accurate forecasts from the start of the programme. After review by the project team, the figures do not include the cost of the Pilot Programme which delivered Project 1 above.

2 Project delivery and management

The HSHAZ was delivered by Middlesbrough Council who appointed a project manager with support from staff across the council.

The Historic England team supporting the delivery of Middlesbrough HSHAZ included a HSHAZ project officer, a project lead and a senior responsible officer. Beyond this, there was additional input from Historic England's partnerships team, development advice team, listing and business teams and the technical conservation team.

The cultural strand of works was led and delivered by Navigator North who worked with the council and several other stakeholders including Tees Valley Arts, Middlesbrough Institute of Modern Art (MIMA), The Auxiliary and Platform A Gallery. The Masham, as Navigator North's project space on Middlesbrough High Street, played an essential role in the delivery of the programme.

3 Project progress

3.1 Overview

This section assesses the Middlesbrough HSHAZ against its stated costs, outputs, and objectives.

As set out in Section 1, the earliest capital scheme plan was in Y1Q4, and the earliest cultural scheme plan was in Y2Q2. The target costs and outputs have changed over time due to change requests. The final scheme plans typically suggest that the programme is delivered exactly on budget for every project with the exact level of outputs delivered.

To allow a comparison against the envisaged targets at the start of the HSHAZ programme, our assessment focusses on the delivered outputs and outturn costs against the targets from the earliest available information. Therefore, the original target figures for the capital strand are from Y1Q4 and cultural strand are from Y2Q2.

3.2 Capital strand

The Middlesbrough HSHAZ capital strand saw investment of £2,342,000 in the various projects which was 13 per cent above the forecast spend of £2,070,000. The Middlesbrough HSHAZ overspent on its original Historic England allocation by 8 per cent.

Local authority funding was 8.7 per cent more than the forecast amount and other matched funding more than double the original assumption (and was predominantly raised during the programme's final year).

Table 3-1: Middlesbrough HSHAZ Capital Strand – annual spend performance					
	20/21	21/22	22/23	23/24	Total
Forecast expenditure					
Historic England grant	£13,121	£500,261	£391,219	£81,279	£985,880
Local authority funding	£55,000	£572,000	£218,000	£155,000	£1,000,000
Other matched funding	£0	£34,270	£29,500	£19,886	£83,656
Total forecast spend	£68,121	£1,106,531	£638,719	£256,165	£2,069,536
Outturn expenditure					
Historic England grant	£13,121	£579,800	£391,220	£81,278	£1,065,419
Local authority funding	£58,160	£120,159	£271,100	£637,908	£1,087,327
Other matched funding	£500	£11,111	£42,862	£135,232	£189,705
Outturn capital spend	£71,781	£711,070	£705,182	£854,418	£2,342,451

Project 7 – conservation area appraisal and management plan was removed from the scheme with funds reallocated. It should be noted that the Zetland Road Public Realm Improvements only spent 8 per cent of its forecast Historic England amount. However, it was supported by nearly £300,000 of local authority match funding to ensure its delivery.

A small increase in Historic England funding was invested on the property improvement grants to improve some of the major buildings in Middlesbrough's Historic Quarter and the Exchange

Square public realm improvements. Additional funding was also allocated to community engagement (including the engagement officer) to increase public participation with the scheme. Overall, the Historic England spend was higher than the original projections. However, this was supported by an increase in match funding from the local authority and other sources to ensure outputs were maximised.

Table 3-2: Middlesbrough HSHAZ Capital Strand – spend performance by project				
	Outturn expenditure	Forecast as of Y1Q4	% of forecast target (RAG)	% of new target
Project 1 Property Improvement Grants	£347,377	£336,564	103	100
Project 2 Exchange Square Public Realm Improvements	£571,570	£542,000	105	100
Project 3 Community Engagement	£36,862	£13,000	284	100
Project 4 Community Engagement Officer	£42,321	£40,750	104	100
Project 5 External Conversion Consultants	£35,300	£40,416	87	100
Project 6 Footfall Camera and Monitoring	£9,949	£9,949	100	100
Project 7 CA Appraisal and Management Plan	£0	£3,200	-	-
Project 8 Zetland Road Public Realm Improvements	£22,039	£0	-	100
HE Grant (sub-total)	£1,065,419	£985,880	108	100
<i>LA Funding</i>	£1,087,327	£1,000,000	109	100
<i>Other match funding</i>	£189,705	£83,656	227	100
Total	£2,342,451	£2,069,536	113	100

Note: Assessment status is green for <=100%, 100%<amber>=110% and red for >110%

Middlesbrough HSHAZ largely delivered or exceeded its output targets and a range of outputs were realised by the scheme. A total of four historic buildings or heritage assets were repaired/conserved against a target of just five, and 2,887 square metres of vacant or underused commercial floorspace were brought back into use (which was not included within the original targets). A series of supplementary activities were carried out to support the major capital works in the Historic Quarter, including town guides and trails, interpretation boards and displays, consultation events and activities, engagement events, public events, school education activities and professional training activities.

The capital strand almost met its target of delivering 3,800 square metres of public realm improvements through the works at Zetland Road (1,000 square metres) and Exchange Square (2,000 square metre). These two schemes complement each other, as well as the ongoing railway station works. The works include new paving, lighting, planting and a pedestrian crossing featuring local artwork.

Only ten list entry properties were amended from an original target of 17 and the conservation area appraisal did not go ahead. Unfortunately, no Heritage at Risk assets were removed from the list as originally forecast.

Table 3-3: Middlesbrough HSHAZ Capital Strand – output performance				
	Achieved outputs	Forecast as of Y1Q4	% of forecast target (RAG)	% of new target
Heritage at Risk (HAR) assets removed from the register	0	1	0	
Number of historic building or heritage asset repaired/conserved	8	5	160	100
Public realm area improved (sqm)	3000	3800	79	100
Vacant / underused commercial floor space brought back into use (sqm)	2887	0		100
Number of amended list entries	10	17	59	71
Number of town guides/heritage trails	4	1	400	100
Number of boards / displays	21	0		100
Number of heritage/archaeological research studies	5	5		100
Number of artworks/installations	0	2	0	
Number of new or revised historic area assessment/conservation area appraisal	0	1	0	
Number of consultation events/activities (including online)	19	0		100
Number of engagement events/activities (including online)	34	42	81	100
Number of public events/activities (e.g. open day)	23	3	767	100
Number of school educational events/activities	6	3	200	100
Number of other professional training activities	1	0		100
Number of training sessions provided to volunteers	0	3	0	0

Note: Assessment status is green for <=100%, amber for 65-100%, and red for <65%

3.3 Cultural strand

As stated above, the evaluation of the cultural strand performance is made difficult by a lack of information in terms of original targets and expected spend.

The overall spend for the cultural strand was £159,705. The largest project was ‘additional activities’ which included project management, PR and marketing, strand evaluation, photography and film of activities, employment of a project designer, marketing print costs and online and print advertising costs. The largest single activity project was Project 2 which established the Masham as a creative space on Middlesbrough’s high street.

Table 3-4: Middlesbrough HSHAZ Cultural Strand – spend performance

	Outturn expenditure	Forecast as of Y2Q2	% of forecast target (RAG)
Cultural strand			
Project 1 Artist Commissions	£16,000	£16,000	100
Project 2 The Masham	£25,000	£25,000	100
Project 3 Exchange Square Residency	£23,000	£23,000	100
Project 4 Middlesbrough Collection Artist Commissions	£7,500	£7,500	100
Project 5 Zetland Road Residency	£7,197	£7,000	103
Project 6 Additional Activities	£41,044	£41,240	100
Project 7 Project Management	£18,765	£18,765	100
Project 8 Project Management	£21,200	£21,200	100
HE Grant	£159,705	£159,705	100
<i>LA Funding</i>	£0	£0	
<i>Other match funding</i>	£0	£0	
Total	£159,705	£159,705	100

Note: Assessment status is green for <=100%, 100%<amber>=110% and red for >110%

Overall, the Middlesbrough cultural strand delivered against all its output targets with activities focusing on community events. Exhibition of artist in residence works were open for a total of 118 days with artists employed on the project for a total of 90 days.

Navigator North has reported that during the two years of the programme, there were 4,470 visitors (in person) to events and exhibitions and 2,982 volunteer hours.

Table 3-5: Middlesbrough HSHAZ Cultural Strand – output performance

	Achieved outputs	Forecast as of Y2Q2	% of forecast target (RAG)
Cultural Strand			
Number of artworks / installations	5	5	100
Number of artists in residence days	90	90	100
Number of exhibition open days	118	118	100
Number of interpretive boards/displays	2	2	100
Number of consultation events/activities	1	1	100
Number of engagement events/activities	26	26	103
Number of heritage/archaeological research studies	1	1	100
Number of public events/activities	19	19	100
Number of school educational events/activities	1	1	100
Number of other professional training activities	36	36	100

Note: Assessment status is green for <=100%, amber for 65-100%, and red for <65%

4 Value for money

A value for money assessment has been undertaken in line with HM Treasury Green Book, Ministry of Housing, Communities and Local Government (MHCLG) Appraisal Guide, and relevant departmental guidance such as the Department for Culture, Media and Sport (DCMS) Capital and Heritage Framework. As set out within the MHCLG Appraisal Guide, projects should be appraised based on a **Benefit Cost Ratio (BCR)**³.

Monetised costs and benefits from over the HSHAZ programme have been converted to 2024/25 prices using the Gross Domestic Product (GDP) deflators. As all benefits and costs have been inserted in Year 0 with appropriate 2024/25 values applied, there is no discounting required in the analysis. The economic cost calculations are based on the public sector investment, with private sector investment accounted for in the land value uplift calculations. Zero optimism bias has been applied as the costs are known and have been expended. Additionally, no optimism bias has been applied to the benefits as the analysis is based on actual outputs. However, the uncertainty in any values is explained.

The following benefits have been monetised, with 71.5% additionality applied based on guidance for regeneration through capital projects and image/culture:

- **Land value uplift (capital strand):** Land value uplift (LVU) is MHCLG's preferred approach to valuing the benefits of development. It is the difference between the new value – (after investment) – and its previous value. MHCLG's land value estimates for policy appraisal have been applied to the land brought back into use for commercial uses.
- **Amenity (capital strand):** Consistent with the MHCLG Appraisal Guide, new open spaces in an urban environment have an economic benefit of £128,658 per hectare per annum (2024/25 prices). It has been assumed that 10% of the public realm delivered as part of the programme are new open spaces. In line with recent appraisals, 50% of per hectare value (£64,329) has been applied to remainder of the public realm which relates to improvements of existing spaces.
- **Labour supply (capital and cultural strand):** The employment generated by the floorspace brought back into use within the capital strand has been calculated using industry-standard employment densities. The artists into residence in the cultural strand have been converted into Full-Time Equivalent jobs based on the number of days supported. The number of jobs created have been calculated using employment densities and in line with MHCLG guidance, a local GVA per worker figure is applied to the jobs taken up by new entrants. In line with guidance, it is assumed 10% of jobs will be occupied by new entrants and there will be a 40% welfare impact for these jobs with the benefit experienced across five years.
- **Wellbeing benefits from new employment (capital and cultural strand):** Investment is likely to generate permanent employment opportunities onsite, which are known to have a positive impact on individuals' wellbeing when moving from unemployment into employment. Values from Green Book's Supplementary Wellbeing Guidance have been applied to the new entrants.

³ The BCR can be interpreted as the estimated level of benefit per £1 of cost. It is used as the core element in the measure of Value for Money (VfM) when interventions involve a net cost to the public sector.

- **Cultural use (capital and cultural strand):** As set out in the Culture and Heritage Capital Evidence Bank, which is cited in the Green Book Wellbeing Guidance, these benefits relate to the willingness to pay of local residents to attend cultural events and assets. This value has been applied to the attendees to engagement and cultural activities, as well as forecasted attendees to artworks/installations.
- **Heritage use and non-use – historic buildings conserved (capital strand):** Use and non-use benefits from the historic buildings or heritage assets repaired/conserved have been estimated using benefit transfer approaches from the DCMS Cultural and Heritage Capital Evidence Bank. ‘The Economic Value of Heritage: A Benefit Transfer Study’ considered use and non-use values from works to improve the maintenance and conservation of historic buildings in various cities, a similar initiative to the historic building conservation works in the HSHAZ programme. We have applied the use value to the estimated footfall in each HSHAZ from the mobile phone data and the non-use value to residents in the local authority (minus the users).
- **Wellbeing benefits from volunteering (capital and cultural strand):** As set out in the Green Book Supplementary Guidance for Wellbeing, volunteering is associated with enhanced wellbeing, with the value estimated using the subjective wellbeing valuation approach cited in this government guidance. The core from the Wellbeing guidance has been applied to the volunteer hours.
- **Wellbeing benefits from education and social programmes (capital and cultural strand):** The Green Book Supplementary Guidance for Wellbeing shows that life satisfaction improves based on participation in education and social development programmes. The core value from the Wellbeing guidance has been applied to attendees at education events and training sessions.
- **Wage premium benefits from education completions (capital strand):** The programme has led to apprenticeship opportunities throughout the construction phase and other construction training events. There is a wealth of existing evidence showing the positive impact of training and qualifications on employment and earnings. Wage premium effects from previous Department for Business, Innovation, and Skills research has been applied to the number of apprenticeship and training completions in the programme, with the benefit lasting for three years which is a cautious approach.
- **Active mode (capital strand)⁴:** The interpretation boards and digital displays will deliver wayfinding benefits for residents and visitors which can be measured using Department for Transport guidance. The benefits arising from these improvements have been measured using the DfT Active Mode Appraisal Toolkit over a 30-year appraisal period. The visitors to the enhanced area have been calculated based on the mobile phone footfall data.
- **Strategy development (capital strand):** There has been substantial resource allocated to the wide range of feasibility, research, heritage and conservation management studies. Our

⁴ The active mode benefits have been monetised for the capital strand based on the delivery of enhanced public realm and permanent installation boards/digital displays. The interpretation displays from the cultural strand are assumed to be temporary and therefore, has formed part of the non-monetised assessment

assessment has assumed that future development studies are likely to at least deliver benefits in line with their costs, given that they have been led by local partners in line with need.

- **Distributional benefits (capital and cultural strand):** The approach used to calculate distributional effects is that set out in the HM Treasury Green Book, based on equivalised disposable household income and welfare weights (the estimate of the marginal utility of income). The Green Book distributional weighting framework is constructed using data from the DWP Households Below Average Income (HBAI) dataset. For Middlesbrough, there is a distributional weight of 1.4:1.

The monetised benefits from the capital and cultural strand are shown below. The main capital strand benefits arise from land value uplift and labour supply benefits from the commercial floorspace brought back into use, the heritage benefits from historic buildings conserved, and the amenity/active mode benefits from the significant public realm schemes alongside new interpretation boards. The cultural strand benefits arise from attendees to events delivered during the HSHAZ programme and wellbeing benefits from the wide-ranging volunteering programme to support programme delivery.

	Capital strand	Cultural strand	Total Middlesbrough HSHAZ
Land value uplift	£437	-	£437
Amenity	£232	-	£232
Labour supply	£975	£2	£977
Wellbeing from employment	£71	£1	£71
Heritage Use	£248	-	£248
Heritage Non-Use	£126	-	£126
Cultural use	£23	£57	£80
Education wage premium	-	-	-
Wellbeing from education	£6	£1	£7
Wellbeing from volunteering	£16	£44	£60
Active mode	£743	-	£743
Strategy development	£68	-	£68
Distributional analysis	£1,092	£38	£1,130
Total benefits	£4,049	£142	£4,190

The below table demonstrates the results on the cost-benefit analysis. Middlesbrough HSHAZ is assessed to have an **overall BCR of 1.59:1**, considered **‘medium’** value for money (1.5:1<BCR<2.0:1). The cultural strand has a BCR of 3.54:1 and the capital strand has a BCR of 1.66:1.

Table 4-2: Middlesbrough HSHAZ – Evaluation Summary Table

	Capital strand	Cultural strand	Total Middlesbrough HSHAZ
A. Present Value Benefits (£m)	£4.05	£0.14	£4.19
B. Present Value Costs (£m)	£2.44	£0.18	£2.62
C. Net Present Social Value (A-B)	£1.57	-£0.04	£1.57
D. BCR (A)/B)	1.66:1	0.76:1	1.59:1
E. VfM category	Medium	Poor	Medium

We have also considered the following non-monetisable benefits using a seven-point scale from 'large adverse to large significant' within the MHCLG Appraisal Guide. These non-monetised benefits include:

- **Legacy impacts** – moderate beneficial (important benefit but will not on its own significantly impact on VFM)
- **Image and community perceptions** – moderate beneficial (important benefit but will not on its own significantly impact on VFM)
- **Cultural sector development** – slight beneficial (Small benefit unlikely to have material impact on VFM)

Overall, the Middlesbrough HSHAZ project represents '**medium**' value for money based on the monetised BCR and the non-monetised benefit assessment. The cultural strand delivered a wide range of activities, working closely with local artists and community groups to encourage residents to learn about the history of Middlesbrough and devise future plans for the high street. This strand could represent acceptable value for money if these activities are continued due to the connections made during the HSHAZ programme.

5 Insights, lessons learned, and legacy impacts

As set out in the Purpose of the Case Study section, this document is not an evaluation of the Middlesbrough HSHAZ scheme. Its main purpose is to review achieved outputs, assess likely value for money, and identify successes and challenges arising from a facilitated workshop.

5.1 Key successes

The completion of two substantial public realm schemes at Zetland Road and Exchange Square have **enhanced the attractiveness of key gateways in the town**. One of the main aims for the Exchange Square public realm works was for the community to agree that public realm is more inviting, has an identity and complements the area. Prior to the works, individuals were neutral or disagreed with the statement, “Exchange Square creates a good first impression of Middlesbrough.” Following the works, all responses at least agreed with the statement, with 25% strongly agreeing. HSHAZ funding has also unlocked commercial space at 1 Albert Road (392 square metres), Zetland Hotel (402 square metres), 2-3 Exchange Place (1,393 square metres), and 2-6 Albert Road (700 square metres), helping to meet the demand for flexible office space.

One of the successes of the cultural strand and the Celebrating Hidden Middlesbrough programme was the **quality and extent of relationships found at both individual and organisation levels**. Both audiences and artists were nurtured, and partners valued each other’s expertise, prioritising time and energy into ensuring cohesive collaboration. This led to strong community connections within the activities in Middlesbrough. The Masham was a positive focus of this collaboration and provided a congenial meeting space for members of the public and partner organisations to converse about the commissioned pieces of work, provoking memories, questions and connections to Middlesbrough.

Throughout the delivery of both strands, the team **raised the profile of the Historic Quarter** through Heritage Open Days events, which were hosted in HSHAZ venues and by partner organisations including Commerce House, Teesside Archives and Navigator North.

5.2 Challenges

Property grants were very difficult to deliver due to the **extensive individual processes and management required for each grant**. Some degree of ‘hand holding’ was required from business owners which increased the requirements of each grant to ensure successful delivery of the project. This meant more resources were required to overcome hurdles and help business owners and landlords to successfully deliver.

Although most of the capital strand outputs were delivered, the project team has noted that **greater flexibility is required to move spend between years**. Their scheme plans have reported that it is unrealistic to expect programme spend to be exactly as forecast each financial year, with no ability to carry over even minor amounts of Historic England funding. Middlesbrough Council has limited control over the progress that independent property owners make and cannot plan for unforeseen external events outside of its control (e.g. the economic climate and pandemic), so should not be penalised when forecast expenditure is not achievable.

It became apparent that the cashflow required to deliver the cultural strand of the programme was also a challenge for Navigator North as a lead partner and, although an agreement was made to release funds up front from Middlesbrough Council to account for this, some late payments from funders (particularly in the programme's second year) caused delays. These cashflow restrictions were also apparent with recipients of property grants where money was unable to be released upfront.

5.3 Legacy impacts

The Middlesbrough HSHAZ is well linked both geographically and thematically to the railway station which has recently been a key focus for regeneration. The location of both the station and the HSHAZ is crucial to the town where it is the first impression of Middlesbrough to visitors. By utilising the historic and heritage assets within the HSHAZ area, the **Historic Quarter has been made a more approachable and visually appealing space to both residents and visitors** travelling through the town centre from the train station.

The improvements to the public realm will ensure that Middlesbrough is a more enjoyable place for visitors and residents to spend time.

Establishment of delivery teams within Middlesbrough Council and with external stakeholders has been strengthened as a result of the HSHAZ programme, establishing new relationships and solidifying existing ones. These relationships will be carried forward and will facilitate further regeneration schemes and initiatives in Middlesbrough. Additionally, having successfully carried out the Middlesbrough HSHAZ, Historic England staff have stated that they would want to work more in Middlesbrough and the surrounding area having seen the possibilities and opportunities presented. **Future collaboration can ensure legacy and longevity of the initiative, helping to deliver the broader regeneration and placemaking strategy for Middlesbrough.**

5.4 Lessons learned

Over the course of the Middlesbrough HSHAZ, it became apparent that successful delivery of a scheme relies on having individuals with sufficient experience in regeneration and heritage. It is crucial for the **delivery team to be well connected within the town and with local businesses to ensure a strong foundation with stakeholders.** These individuals must also have good interpersonal skills, in this case working well with the local business owners and landlords, as it took a significant amount of time to build relationships and instil trust to ensure that the work was meaningful and embedded.

In a similar nature, another key lesson learned from the scheme was that delivery of such a deep and broad programme requires **significant project management time and skill.** The niche nature of such an intervention means an array of individuals with speciality expertise are needed to deliver such a programme of events. This team needs to be set up at the outset.

A specific lesson arising from the capital works programme was the need to identify buildings to include within the scheme based on condition, vacancy, position within the Conservation Area and the wider context of the property. Successful delivery **requires property owners who are genuinely willing to both understand and commit to the grant process.** This is made somewhat difficult by the changing programme level requirements from business owners.

Celebrating Hidden Middlesbrough (the scheme's cultural strand) played an integral role as a 'community weaver' in the neighbourhoods of Middlesbrough and cultural organisations placed community at the heart of activity. The overwhelming theme emerging from the schedule of works is one of connection, collaboration, relationship and building community.