

# North Tyneside Council

## Report to Cabinet

### Date: 9<sup>th</sup> May 2016

#### ITEM 6(a)

Title: Spanish City  
Heritage Lottery Bid

Portfolio(s): Elected Mayor  
Deputy Mayor

Cabinet Member(s): Mrs Norma  
Redfearn  
Councillor Bruce  
Pickard

Report from Service  
Area:

Business and Economic Development

Responsible Officer:

Paul Buie – Head of Business and  
Economic Development

Tel: 0191 643 6091

Wards affected:

Whitley Bay

## PART 1

### 1.1 Executive Summary:

This report seeks approval to accept the offer of grant aid from the Heritage Lottery Fund for financial support towards the restoration of the Spanish City Dome. Cabinet approved the submission of the detailed Stage 2 bid to Heritage Lottery Fund (HLF) in November 2015. The decision was received from the National Board of the Heritage Lottery following their board meeting on 22<sup>nd</sup> March. Details of the grant conditions attached to the financial offer are included as an appendix.

### 1.2 Recommendation(s):

It is recommended that Cabinet delegate authority to the Head of Finance in consultation with the Head of Law and Governance and the Deputy Mayor to accept the offer of £3.476m of Heritage Lottery grant towards the restoration of the Listed Spanish City Dome on terms which are acceptable to the Authority;

### 1.3 Forward Plan:

Twenty eight days notice of this report has been given and it first appeared on the Forward Plan that was published on 4<sup>th</sup> April 2016.

### 1.4 Council Plan and Policy Framework

This report relates to the following priority in the 2014/18 Our North Tyneside Plan

Our Places:

Our Places will be places that people like living in and will attract others to either visit or live in.

Work with residents, communities and businesses to regenerate the Borough.

We will do this by:

Working with private sector developers and residents to regenerate the Spanish City Island.

## **1.5 Information:**

### **1.5.1 Background**

1.5.2 The restoration of the Spanish City Dome has been a long standing ambition of the Authority. Work has been undertaken to submit a detailed Stage 2 Heritage Lottery bid for grant aid towards the full restoration of the building. The bid was submitted in December 2015 to meet the deadlines set by the Heritage Lottery Fund with their anticipated formal decision due in late March 2016. This process has run in parallel with the requirement to appoint a preferred operator for the building to meet the requirements of the HLF prior to the final formal submission of the Stage 2 bid documents.

1.5.3 The HLF National Board met on 22<sup>nd</sup> March 2016 to discuss the Spanish City Dome restoration project. The Authority was informed verbally on 23<sup>rd</sup> March that the bid for £3.4m of grant aid had been successful and that the Authority would receive a formal offer and requisite grant conditions in due course. An emailed version of the formal offer and documentation has been received. The details of the conditions attached to the grant offer are attached as an appendix to this report.

## **1.6 Decision options:**

The following decision options are available for consideration by Cabinet:

### Option 1

To accept the offer of £3.476m of grant aid from the Heritage Lottery Fund towards the restoration of the Spanish City Dome, subject to the terms and conditions listed in the grant offer letter.

### Option 2

To not accept the offer of grant aid from the Heritage Lottery Fund and not to take forward the restoration of the Spanish City Dome.

## **1.7 Reasons for recommended option:**

Option 1 is recommended for the following reasons:

Without the acceptance of the Heritage Lottery grant towards the restoration of the Spanish City Dome, the building would not be able to be brought back into use and would remain derelict; the recently appointed preferred operator would also be lost.

## 1.8 Appendices:

Appendix: Heritage Lottery Grant Offer Letter and Conditions

## 1.9 Contact officers:

Graham Sword, Senior Manager – Regeneration, Tel 0191 643 6421

Julie Bews, Regeneration Project Manager, Tel 0191 643 6428

Vicki Dixon, Senior Manager, Investment and Commercial Finance, Tel 0191 643 5723

David Anderson, Principal Accountant Commercial Finance, Tel 0191 643 5722

Sarah Heslop, Manager Legal Services Property, Tel 0191 643 5456

## 1.10 Background information:

The following background papers/information have been used in the compilation of this report and are available at the office of the author:

- (1) [Cabinet Report dated 16 August 2005 - Whitley Bay Regeneration](#)
- (2) [Cabinet Report dated 18 April 2006 - Spanish City Island/Whitley Bay Seafront Regeneration](#)
- (3) [Report to Cabinet dated 13 November 2007 - Whitley Bay Regeneration Update](#)
- (4) [Cabinet Report dated 8 March 2010 - Whitley Bay Regeneration Spanish City Development CPO](#)
- (5) [Report to Cabinet 11 October 2010: The Coast Strategic Regeneration Framework](#)
- (6) [Cabinet Report dated 11 April 2011 - Spanish City Development Opportunity](#)
- (7) Cabinet Report dated 11 April 2011 - Spanish City Development Opportunity – Final Bid Evaluation Report (exempt report)
- (8) Cabinet Report dated 12<sup>th</sup> November 2012 - Coastal Regeneration report including Spanish City Progress and external funding (exempt report)
- (9) [Cabinet report dated 8 July 2013 - Coastal Regeneration Strategy and Spanish City Island Regeneration](#)
- (10) Cabinet report dated 10 March 2014 - Whitley Bay Seafront and Spanish City Island Regeneration Update and Compulsory Purchase Order (exempt report)
- (11) [Cabinet report dated 12 January 2015 - Appointment of Contractor for Spanish City Dome](#)
- (12) Cabinet report dated 12 January 2015 - Spanish City Dome Heritage Lottery Fund (exempt report)
- (13) Cabinet report dated 8<sup>th</sup> June 2015 – Spanish City Procurement.  
[http://www.northtyneside.gov.uk/pls/portal/NTC\\_PSCM.PSCM\\_Web.download?p\\_ID=560793](http://www.northtyneside.gov.uk/pls/portal/NTC_PSCM.PSCM_Web.download?p_ID=560793)
- (14) Cabinet report dated 18 November 2015 – Spanish City Heritage Lottery Bid and Appointment of a Preferred Operator – Supplementary Report (exempt report)

## **PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING**

### **2.1 Finance and other resources**

£3.473m HLF funding is included in the approved 2016-2019 Investment Plan as part of the Coastal Regeneration Scheme project (this is slightly different to the final grant award of £3.476m and will be updated accordingly). The amounts contained in the approved plan for the Whitley Bay Dome are set out below:

	<b>2016/17 £m</b>	<b>2017/18 £m</b>	<b>2018/19 £m</b>	<b>Total £m</b>
Council Contribution	3.054	2.105	-	<b>5.159</b>
Coastal Community Fund (CCF)	2.112	-	-	<b>2.112</b>
Heritage Lottery Fund (HLF)	3.473	-	-	<b>3.473</b>
<b>Total</b>	<b>8.639</b>	<b>2.105</b>	-	<b>10.744</b>

The HLF funding is providing approximately 33% of the approved costs of the works to the Dome.

As the capital income and expenditure associated with this project are included in the Authority's approved Investment Plan, it will be monitored as part of the Authority's normal financial management process. Any variations to the budget will be reported as part of the bi-monthly monitoring reports to Cabinet. In addition, both the delivery and financial performance of the project will be managed by Members and Senior Officers through the Investment Programme Board.

There are not envisaged to be any additional revenue implications arising from the proposal for the Authority in addition to existing budgets.

### **2.2 Legal**

The grant funding terms shall be reviewed and negotiated if necessary to ensure there are no onerous terms for the Authority.

### **2.3 Consultation/community engagement**

2.3.1 There has been extensive public engagement in relation to the Spanish City Island Regeneration Scheme. The success of this regeneration scheme is seen by the local community to be important for residents as well as having significant positive benefits for the wider seafront area and adjacent town centre.

The latest plans for the building restoration have been displayed at the Whitley Bay Master Plan engagement events in the Whitley Bay Customer First Centre in December 2014 and July 2015; they were also displayed in the other Customer First Centres across the borough and were made available for comment on the Authority's website.

Consultation on the emerging potential range of uses for the Dome was undertaken in October 2015 through the Residents Panel and the Authority's own corporate staff e-mail address book. The results of this consultation was analysed and presented to the HLF to support the Stage 2 bid. Analysis of the responses identified a total of 1,196 responses received of which 993 were complete and usable in the research. This was an excellent response, and much higher than expected. Between 65-70% of respondents said they are likely or highly likely to visit / use the various facilities / services at the Dome (food and drink, arts and culture, events, conferences, weddings etc), with high levels of

potential repeat visits. Respondents felt that the proposed mix of end uses will appeal to a wide range of audiences, interests, and budgets, so a good model for driving footfall to the Dome.

## **2.4 Human rights**

2.4.1 There are no Human Rights issues arising from this report.

## **2.5 Equalities and diversity**

Equality and diversity issues have been considered and addressed during the development of the project with further work to be undertaken during detailed design stage. This scheme will have a significant positive impact upon the quality of life for the residents of this community; provide an improved environment which will encourage more visitors; support existing businesses located in the area; and provide accommodation for the preferred operator which will in turn bring employment and training opportunities for local people.

## **2.6 Risk management**

2.6.1 A risk register has been compiled by the Strategic Risk Adviser and is the subject of monthly review by the Whitley Bay Regeneration Project Board. A further specific risk register has been prepared which was submitted with the HLF bid which sets out both the construction and operational risks associated with the restoration project.

2.6.3 Should Cabinet not approve the recommendations as set out in paragraph 1.2 a risk has as identified in paragraph 1.7.

## **2.7 Crime and disorder**

2.7.1 The Dome building has been subject to a number of vandalism attacks which have caused some damage internally. Externally the building is well protected, however, bringing forward the restoration and reuse of the building will have a positive benefit by increasing footfall and natural surveillance in this part of the seafront area.

## **2.8 Environment and sustainability**

2.8.1 The regeneration scheme will result in a much improved environment for the local community and businesses, greatly improving this part of Whitley Bay and encouraging people to visit our coastline.

2.8.2 The Dome is a grade 2 listed building therefore the use of materials is restricted to protect the heritage value. Discussions will take place with the conservation officers and English Heritage to ensure there is a balance between the protection of the heritage asset and the use of sustainable materials in the restoration works.

### **PART 3 - SIGN OFF**

- Deputy Chief Executive  X
- Head(s) of Service  X
- Mayor/Cabinet Member(s)  X
- Chief Finance Officer  X
- Monitoring Officer  X
- Head of Corporate Strategy  X