

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:

3133

Author:

Alice Ullathorne

Department:

Development and Growth

Contact:

Alice Ullathorne

(Job Title: Heritage Strategy Officer, Email: alice.ullathorne@nottinghamcity.gov.uk, Phone: 0115 8761993)

Subject:

People's Hall Development Stage Funding

Total Value:

£181,778 (£153,000 from the Heritage Lottery Fund and £27,978 in officer time) (Type: Revenue)

Decision Being Taken:

- 1 To accept the Heritage Lottery funding offer for stage 1 funding for the People's Hall Enterprise Hub
- 2 Delegate authority to the Chief Planner to negotiate and sign the funding agreements with the Heritage Lottery Fund and the project partners as described within the funding and match parameters set out below to enable the efficient delivery of the Stage 1 Development phase, including the appointment of a temporary Project Officer.

Reasons for the Decision(s)

- 1.1** An application was made by the Creative Quarter to the Heritage Lottery Fund's (HLF's) Heritage Enterprise scheme in February 2016 to develop plans to create an Enterprise Hub in the People's Hall on Heathcote Street. This could secure the future of a grade II* listed building that is at Risk and bring c. 6,000 sq. ft. of high-grade commercial floorspace onto the market in the city, generating additional jobs and business growth as well as additional business rate revenue for the Council.
- 1.2** The People's Hall project would promote growth and support businesses in line with the work of the Nottingham Growth Plan and the Nottingham Heritage Strategy.
- 1.3** HLF have now made an offer of £153,800 to Nottingham City Council to lead on the Development Stage of the People's Hall project. Acceptance of the grant offer is a Delegated Decision, as it involves revenue income and expenditure between £50,000 and £999,999.
- 1.4** To accept this decision would bring in £153,800 of Heritage Lottery funding, with £26,978 Nottingham City Council in-kind match (officer time). This provides sufficient resources to complete the Development Phase work. This phase will review the scope and full cost of the project as the £1.6m HLF grant earmarked for the delivery phase is insufficient to cover the whole cost. There will be no capital match from NCC but other funding streams will be fully explored. The project would not progress if full funding cannot be found. The City Council has successfully managed similar projects and is familiar with the terms and conditions of HLF grant. Funding for a project officer post is included in the grant and staff resources will be reprioritised as required to support the Development Phase.
- 1.5** The Development Stage will also now include feasibility work on creating a Nottingham Heritage Trust as a potential delivery vehicle for the capital project. The creation of a Heritage Trust is a key action within the Nottingham Heritage Strategy. If the project proves viable the Nottingham Heritage Trust could, subject to a further approval processes, submit the stage two application to the HLF and manage the Delivery Phase of the project.
- 1.6** The benefits of accepting the grant and taking forward the Development Stage are:
- Increasing likelihood of bringing back into use a disused and highly significant, Grade II* listed property in a key area of the city (Creative Quarter),
 - Bring c. 6,000 sq. ft. of high-grade commercial floorspace onto the market in the city, generating additional jobs and business growth as well as additional business rate revenue for the Council.
 - Further improve Nottingham City Council's growing reputation with the Heritage Lottery Fund as an authority that is pro-active in safeguarding its heritage.
 - Helping to retain £1,655,500 of lottery monies already ring-fenced for Nottingham and avoid this funding being lost to the area and going back into a UK-wide pot.
 - The intervention is time-limited to the project development phase without a commitment to manage project delivery.
 - Use the project to test feasibility of establishing a new Building Preservation Trust for the City (subject to further approval), a key aim of the city's Heritage Strategy and one which would take significantly more time to achieve without this opportunity.

Other Options Considered:

Not To Accept The Grant.
 If the grant were declined the development phase funding and potential main grant offer of £1.5m would be lost to Nottingham. People's Hall would be added to the Heritage at Risk register and a new HLF funding scheme would need to be developed with support from NCC officers; entailing significant work with no guarantee of success. The building would continue to decline without effective use potentially leading to enforcement action being necessary to secure the future of the building.

Leave the project to the private sector
 The future of the building has not been safeguarded by the Private Sector to date (it has been vacant for a decade) because of the large conservation deficit to secure the condition of the building. It is unlikely that the Private Sector would secure the future of the building in the short to medium term leading it to become a high-profile Building at Risk in the city centre.

Background Papers:

Published Works:

Nottingham Heritage Strategy, Nottingham City Council Time and Place Plan, Heritage Enterprise Programme Guidance Notes

Affected Wards:

Bridge

Colleague / Councillor Interests:

None

Consultations:

Those not consulted are not directly affected by the decision.

Crime and Disorder Implications:

The project should create a better and safer environment by bringing about repairs and environmental improvements to the People's Hall. This will decrease the perception of crime at the property, increase footfall and dwell times on the street, reduce opportunities for anti-social behaviour and engender a sense of pride in the area.

Equality:

EIA not required. Reasons: Consulted with Equality and Diversity team on 24/10/2017 to see if an EIA was required and they confirmed it was not required for this project

Social Value Considerations:

As this decision relates solely to accepting the offer of grant funding, there are no direct procurement implications, and so Social Value Considerations do not apply at this stage.

Decision Type:

Portfolio Holder

Subject to Call In:

Yes

Call In Expiry date:

25/04/2018

Advice Sought:

Legal, Finance, Procurement

Legal Advice:

HLF funding will be subject to grant conditions, failure to comply with which could result in withdrawal or clawback of some or all the funding.

The original application for HLF funding and offer of grant was made by/to Creative Quarter Nottingham Ltd (CQ) who decided not to accept the grant. The report author advises that HLF, CQ and the council now wish to transfer the project for the development phase to the council. To this end, the parties intend to enter into a Deed of Novation releasing CQ from the grant application and Grant Contract which would be novated to the Council.

The development phase is intended to identify the most appropriate organisation to deliver the Approved Purposes. The report author proposed that as part of the delivery phase, a building preservation trust is set up to deliver the next phase. The trust would then apply to HLF for funding for the delivery phase and if successful, would become the Grantee under the Grant Contract with no liability on the Council for the delivery of phase two.

It is anticipated that the council will have representation on the board of trustees of the newly established trust but it will be necessary to ensure that the trust satisfies the Charity Commission requirements for independence and that there is no conflict of interest. Advice provided by Mrs O'Bradaigh (senior solicitor) on 08/02/2018.

Finance Advice:

This decision seeks approval to incur expenditure to facilitate the development stage of the People's Hall Enterprise Hub redevelopment. The total cost £0.182m will be funded by a Heritage Lottery Fund (HLF) grant £0.154m and £0.028m in NCC officer time.

Confirmation of grant award has been received from the HLF which has been granted to NCC to facilitate the early stages of the Peoples Hall development. NCC will need to ensure all the terms and conditions of the grant are adhered to, to minimise the risk of claw-back, including any reporting requirements. The service are required to ensure appropriate controls are in place to minimise the risk of overspending as any overspends would need to meet by the service.

Finance will assist the service where necessary to provide support and to ensure appropriate accounting and treatment of all income and expenditure.

Advice provided by Chanelle Poyser (Commercial Business Partner) on 30/01/2018.

Procurement Advice:

There are no significant procurement concerns with the decision being sought. Where any elements of the project require quotations or tenders to be obtained, Procurement will support the client to undertake these in accordance with Contract Procedure Rules. Advice provided by Sue Oliver (Category Manager - Procurement) on 26/10/2017.

Signatures

Jane Urquhart (PH for Planning, Housing and Heritage)

SIGNED and Dated: 17/04/2018

David Bishop (Deputy CE, CD for Development and Growth)

SIGNED and Dated: 06/04/2018