

North Somerset Council

Report to the Place Policy and Scrutiny Policy

Date of Meeting: 23rd November 2022

Subject of report: Weston placemaking funding applications and investments

Town or Parish: Weston-super-Mare

Officer presenting: Jenny Ford, Head of Placemaking & Development

Recommendation: to note the updates on funding bids and provide comment on potential investments.

1. Summary of report

1.1 This report provides information on funding applications to the Levelling Up and Cultural Development Funds. It provides background on the intended use of funding and invites member comment and discussion.

2. Policy

2.1 The proposals in this report support delivery of the Corporate Plan priority of creating a Thriving and Sustainable Place and delivery of the vision and objectives set out in the SuperWeston Placemaking Strategy adopted in September 2020.

3. Details

Funding applications

3.1 In July 2021, the Council submitted a bid to Round 1 of the government's Levelling Up Fund (LUF) to support investment in a range of projects across Weston-super-Mare. Details were provided in a report to Full Council on 19th July 2021.

3.2 The bid was unsuccessful, however feedback from government contacts was that it had been a strong proposal and that the council should consider re-submitting a similar bid to the second round of the fund.

3.3 In line with that advice, a bid was submitted to round 2 of the LUF in July 2022 for a sum of just under £20m. The aims of the bid were stated as to:

- Boost the visitor economy by investing in much-loved but deteriorating heritage assets to create national visitor attractions and creative hubs.
- Reinvent and diversify our town centre, supporting our creative economy, independent retailers and food & drink innovators.
- Deliver wayfinding and quick win public realm improvements to increase footfall and spend and boost local pride in the quality of our environment.

3.4 Specific projects included investments in:

- The restoration of buildings at Birnbeck Pier.
- Enhancement of events spaces at the Tropicana to create an attractive four-season facility and increase the capacity to 8,000 people.
- The completion of the restoration of Marine Lake.
- Refurbishment and refit of six high-street units associated with the Sovereign Centre.
- Wayfinding improvements across the town, including elements to encourage active and sustainable travel.
- Improvements to Grove Park.

3.5 A decision on the bid was due in “autumn 2022”. It is now expected possibly in December.

3.6 The LUF bid included match-funding of £2.4m from North Somerset Council (bringing the overall budget up to around £22m). If successful, the council would be required to commence works by the end of the financial year and to complete them by 31st March 2025. It is unknown whether government will offer any flexibility on this, given the delay in decision-making, but an officer project group has been established to look at the priorities and options for early spend.

3.7 In addition to the LUF bid, officers in July submitted an Expression of Interest to the Arts Council England (ACE) Cultural Development Fund (CDF). This was for £4.8m and was successful in passing through the Expression of Interest stage. A full application is required by 18th November and a decision will be made in February / March 2022. Completion of projects must be achieved by 31st March 2026.

3.8 The CDF Expression of Interest proposed £2.95m capital investment to improve existing facilities in the Tropicana and £1.15m capital for a small-scale cultural facility at Birnbeck, with the intention that the latter would help generate income for the wider Birnbeck scheme. It requested £700k revenue (the maximum amount possible) to support delivery and programming.

Tropicana

3.9 The Tropicana is included in both of the bids detailed above. Investment is proposed to be split so that the CDF bid and/or any NSC funding is focused on:

- Essential works to ensure that the building is sound and waterproof.
- Upgrades to heating and ventilation to improve sustainability and reduce running costs. This will also improve the useability of the building, as the current systems are so noisy that they has to be turned off during events.
- Works to increase the capacity of internal spaces and to improve their functionality and flexibility of use.

3.10 LUF funding would focus more on external spaces, improving the surfaces, site capacity, and ability of events organisers to ‘plug and play’.

3.11 The exact range of projects will vary according to the funding available and will be considered by the Executive or Council (depending on value) prior to the scheme moving ahead.

- 3.12 To inform this work and wider considerations about the future operation of the Tropicana, a soft-market testing type exercise will take place over the next 2 – 3 months. This will be an opportunity for potential future operators to talk to the council about what they might want to do with the venue, and which investments would be most important to them. It will include consideration of the council retaining the operation in its ownership, or running it through a suitable arms-length organisation.
- 3.13 The exercise is not intended to be restrictive as to the ideas that may be put forward, other than that those putting forward ideas must be in a position to deliver them (i.e. should be a potential operator); that the proposals must align with the objectives of the SuperWeston placemaking strategy and help diversify the 'offer' in the town; and that they must demonstrate a long-term financially viable future.
- 3.14 This exercise may result in a formal procurement exercise or commercial negotiations. A report will be brought to Executive / Council in due course, as required.

4. Consultation

- 4.1 The proposals in these bids are based on priorities identified through the development of the SuperWeston Placemaking Strategy (see <https://superweston.net/>). This included extensive engagement activity with more than 5,000 responses from residents, businesses and visitors.
- 4.2 Stakeholder engagement has taken place with key partners including the Weston Place Agency, the North Somerset Enterprise Agency, Culture Weston, the RNLI, local businesses, the Town Council and the Business Improvement District. Letters of support have been received from a wide range of these business and community organisations.
- 4.3 Local MPs for Weston and North Somerset have been briefed and are supportive. They have provided letters of support to the bids and have committed to further lobbying activity to promote the proposed investment.
- 4.4 The soft market testing exercise for the Tropicana is in itself a form of consultation, however further engagement with members and partners will be required prior to any decisions being taken.

5. Financial implications

- 5.1 If successful, these funding applications could secure up to £25m investment in North Somerset.
- 5.2 The bids require match-funding of up to £2.4m from North Somerset Council. This amount is earmarked but not confirmed in the Capital Programme. A formal decision to commit the funding will be required by the Executive prior to entering into any funding agreement, most likely in January or February.
- 5.3 In the event that the council does not secure LUF or CDF funding, the council may or may not wish to choose to commit its own funding to deliver a lesser package of investments. Any such decision will be subject to further reporting and governance.
- 5.4 Support for the delivery of bid commitments will require significant staff time, however the priorities identified are in line with the Corporate Plan and SuperWeston

Placemaking Strategy so would require support in any case. For the CDF bid, some of the costs of this staff time can be counted towards the match-funding.

6. Legal powers and implications

- 6.1 The contents and recommendations of this report do not in themselves have any legal implications.
- 6.2 In the event that either or both of the funding applications are successful, the council will be required to enter into a Grant Funding Agreement (GFA) with government. The GFA will commit the council to delivering the projects to a required timescale, and to providing the necessary match-funding. Entering into the GFA is likely to require an Executive or Council decision, depending on the level of funding awarded.
- 6.3 Legal advice has been taken to ensure that bid proposals comply with Subsidy Control regulations.

7. Climate Change and environmental implications

- 7.1 The applications and proposals include a focus on sustainability and improved environmental performance. This includes upgrades to insulation and energy infrastructure at the Tropicana, and the promotion of active and sustainable travel through wayfinding measures.
- 7.2 The individual projects listed within the bids will be subject to further environmental assessments as and when they come forward, with the aim of maximising sustainability and minimising emissions.

8. Risk management

- 8.1 Detailed and quantified risk registers have been produced for both bids.
- 8.2 At this stage, the key risks of relevance are:

Risk	Mitigation
Failure to secure funding	<ul style="list-style-type: none"> • Use of specialist consultants in preparing bids. • Development of positive relationships with funders to draw attention to North Somerset and secure guidance on bid content. • Lobbying of local MPs. <p>These processes are very competitive and there is no guarantee of success. In such a circumstance, NSC will have to decide whether it is able and willing to invest its own money, and to what degree.</p>
Funding secured is insufficient to deliver the proposals / government awards a reduced amount.	<ul style="list-style-type: none"> • Bids include substantial allowances for inflation and contingencies. • Work on the bid includes costings of individual elements and how these could be prioritised /

Risk	Mitigation
	reduced if required. This would be subject to further NSC decision-making.
Funding is directed towards the “wrong” investments / does not support a long-term sustainable future for the investments	<ul style="list-style-type: none"> • Discussion with members, stakeholders and officer teams on expected uses of funding (including this meeting). • Soft-market testing for Tropicana. • Specialist consultant advice.

9. Equality implications

9.1 An initial Equalities Impact Assessment was carried out in support of NSC’s Levelling Up bid. This identified significant positive benefits for people from groups with one or more protected characteristics and/or other individuals facing disadvantage, including those detailed below.

- Improved access to facilities and across the town for people with disabilities, or other people with mobility issues.
- Improved signage for those with visibility impairments.
- Improved economic opportunities and support (jobs and training) for those on a low income, and/or for individuals from groups with protected characteristics that statistically are likely to have a low income.
- Improved health and wellbeing benefits, including mental health benefits, through encouraging access to the open air and facilities of Weston seafront and town centre.

9.3 These benefits are particularly significant in the context of the data showing high levels of deprivation and disadvantage in Weston, specifically issues in relation to health and employment. Opportunities arising from the scheme – such as employment and training opportunities – will seek to target groups known to be disadvantaged or otherwise unable to easily access the employment market.

9.3 An EIA for the CDF bid is in preparation but is expected to have similar positive impacts. Individual projects within the bids will be subject to more detailed EIAs as part of standard project governance requirements. These will seek to ensure that any negative impacts are addressed and the positive impacts maximised.

10. Corporate implications

10.1 The recommendations of this report support delivery of the Corporate Plan priority of creating a Thriving and Sustainable Place and delivery of the vision and objectives set out in the SuperWeston Placemaking Strategy adopted in September 2020.

10.2 Delivery of projects detailed in this report would have implications for a wide range of council services and functions. Project groups and briefings will ensure representation from all relevant directorates and teams.

11. Options considered

11.1 Not to have submitted bids: this was not pursued, as it would have meant missing the opportunity to potentially secure up to £25m funding. There are limited large-

scale funding opportunities of this type which offer placemaking funding for town centres.

- 11.2 To submit bids focused on other locations or projects: this was considered and was an option considered in more depth in the council report on the Round 1 Levelling Up bid. The projects in Weston were felt to be the most likely to meet the required criteria for the funding and therefore offered the best chance of success.

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Appendices:

N/a

Background papers:

- Report to Full Council, 19th July 2021: Submission of bid to Levelling Up Fund: <https://n-somerset.moderngov.co.uk/documents/s1286/21%20Submission%20of%20Bid%20to%20the%20Levelling%20Up%20Fund.pdf>
- Government website on Levelling Up Fund round 2: <https://www.gov.uk/government/publications/levelling-up-fund-round-2-prospectus>
- Arts Council website on Cultural Development Fund round 3: <https://www.artscouncil.org.uk/our-open-funds/cultural-development-fund-round-three>
- SuperWeston Placemaking Strategy: <https://superweston.net/about/superweston/>