



URGENT BUSINESS

THURSDAY, 16 JULY 2009

Please find enclosed an Urgent Business Notice in connection with the following:

1. **Morecambe Townscape Heritage Initiative (THI) 2: A View for Eric** (Pages 1 - 13)

The Chief Executive, in consultation with the Leader of the Cabinet and the Cabinet Member with Special Responsibility for Economic Development and Tourism, has been asked and has agreed to make a decision in accordance with the City Council's Urgent Business Procedure.

Details of the above decision and the reasons for urgency are set out in the attached Notices and report.

Additionally the Chief Executive (in consultation with the Chairman of the Overview and Scrutiny Committee) has been asked to waive call-in in accordance with Overview and Scrutiny Committee Procedure Rule 17(a). The Chairman of the Overview and Scrutiny Committee was in agreement with the decision to waive call-in.

Queries regarding this document

Please contact Tom Silvani, Democratic Services - telephone (01524) 582132 or email tsilvani@lancaster.gov.uk.

Gillian Noall,
Head of Democratic Services,
Town Hall,
Dalton Square,
Lancaster LA1 1PJ

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Our reference: GN/TS/UB73
Your reference:

Councillor Stuart Langhorn,
Leader of Cabinet,

HEAD OF DEMOCRATIC SERVICES

Councillor Evelyn Archer,
Cabinet Member with Responsibility for
Economic Development & Tourism.

Town Hall
Dalton Square
Lancaster
LA1 1PJ

DX 63531

15th July 2009

Dear Councillor,

URGENT BUSINESS – Morecambe Townscape Heritage Initiative 2: A View for Eric

Members are requested to consider the attached report, advising that the Heritage Lottery Fund have offered the Council a contract for a second Townscape Heritage Initiative in Morecambe and seeking the authority to proceed

A Townscape Heritage Initiative (THI) is part of the Heritage Lottery Fund's (HLF) grant giving programme to help communities regenerate conservation areas displaying particular social and economic need throughout the United Kingdom. The Council delivered a highly successful first THI for Morecambe in the period 2003 to 2008. Through this the Council grant aided the restoration of some seventy properties within the Morecambe Conservation Area, drove up repair standards and most notably helped achieve the restoration of the grade II* listed Midland Hotel.

The HLF has now offered the Council a contract for a second in Morecambe – "A View for Eric", one of only a small number to be offered a second award for the same area since THIs were launched in 1998 and one of only two in England to be awarded a grant during this year's application round. This contract award comes as the conclusion to a two-stage funding application progressed by officers in Planning Services over the last two years. The second stage of the project received development funding from the HLF (£25,000) and also the North West Regional Development Agency (NWDA) (£20,000).

The HLF contract offer is for £923,000 in funding over five years from contract commencement. The offer is conditional, including that the Council must evidence 50% match funding before the HLF will authorise a start.

The reason for urgency is that The HLF requires that the Contract be signed by 17 July 2009. This means that a decision on whether the Council should contract must be made before the scheduled cabinet meeting in July and hence the need to use the Urgent Business Procedure.

The recommendations are:-

- (1) That the Corporate Director (Regeneration) is authorised to contract with the Heritage Lottery Fund for the Townscape Heritage Initiative.**
- (2) Subsequent to this that subject to the required amount of match funding being secured the Head of Planning Services is authorised to apply to the HLF for Permission to Start.**
- (3) That the Head of Financial services make the necessary revisions to the Council's Capital and General Revenue Fund to accommodate for THI delivery.**
- (4) That the Overview & Scrutiny Chairman be consulted with a view to waiving call in, in accordance with Overview & Scrutiny Procedure Rule 17, to enable immediate implementation.**

The approval of the Chief Executive in consultation with the Chairman of the Overview and Scrutiny Committee has also been sought to this action in accordance with Overview and Scrutiny Committee Procedure Rule 17(a).

I would be grateful if you could complete the attached slip, signifying whether you are in agreement with the recommendation or not, and return it to the Town Hall as soon as possible. In the meantime, could you please telephone Tom Silvani on 582132, or e-mail tsilvani@lancaster.gov.uk, with your decision.

Yours sincerely,

HEAD OF DEMOCRATIC SERVICES

Enc.

URGENT BUSINESS – Morecambe Townscape Heritage Initiative 2: A View for Eric

Councillor Consultation

*I am/~~am not~~ (***please delete as appropriate**) in agreement with the recommendation:-

- (1) That the Corporate Director (Regeneration) is authorised to contract with the Heritage Lottery Fund for the Townscape Heritage Initiative.
- (2) Subsequent to this that subject to the required amount of match funding being secured the Head of Planning Services is authorised to apply to the HLF for Permission to Start.
- (3) That the Head of Financial services make the necessary revisions to the Council's Capital and General Revenue Fund to accommodate for THI delivery.
- (4) That the Overview & Scrutiny Chairman be consulted with a view to waiving call in, in accordance with Overview & Scrutiny Procedure Rule 17, to enable immediate implementation.

Signed: Stuart Langhorn -----

Name: Councillor Stuart Langhorn -----

Position Held: Leader of Cabinet-----

Dated: 16th July 2009-----

Councillor Consultation

*I am/~~am not~~ (***please delete as appropriate**) in agreement with the recommendation:-

- (1) That the Corporate Director (Regeneration) is authorised to contract with the Heritage Lottery Fund for the Townscape Heritage Initiative.
- (2) Subsequent to this that subject to the required amount of match funding being secured the Head of Planning Services is authorised to apply to the HLF for Permission to Start.
- (3) That the Head of Financial services make the necessary revisions to the Council's Capital and General Revenue Fund to accommodate for THI delivery.
- (4) That the Overview & Scrutiny Chairman be consulted with a view to waiving call in, in accordance with Overview & Scrutiny Procedure Rule 17, to enable immediate implementation.

Signed: Evelyn Archer -----

Name: Councillor Evelyn Archer -----

Position Held: Cabinet Member with Special Responsibility for Economic Development and
Tourism-----

Dated: 15th July 2009-----

Chief Executive Decision

*I agree/~~do not agree~~ (***please delete as appropriate**) to exercise my delegated authority and approve:-

- (1) That the Corporate Director (Regeneration) is authorised to contract with the Heritage Lottery Fund for the Townscape Heritage Initiative.
- (2) Subsequent to this that subject to the required amount of match funding being secured the Head of Planning Services is authorised to apply to the HLF for Permission to Start.
- (3) That the Head of Financial services make the necessary revisions to the Council's Capital and General Revenue Fund to accommodate for THI delivery.
- (4) That the Overview & Scrutiny Chairman be consulted with a view to waiving call in, in accordance with Overview & Scrutiny Procedure Rule 17, to enable immediate implementation.

Signed: Mark Cullinan-----
Chief Executive

Dated: 16th July 2009-----

Please return to: Tom Silvani,
Democratic Services,
Town Hall,
Dalton Square,
LANCASTER. LA1 1PJ

Ref: UB73

Contact: Gill Noall
Telephone: (01524) 582060
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E-mail: GNoall@lancaster.gov.uk
Our reference: GN/TS/UB73
Your reference:

HEAD OF DEMOCRATIC SERVICES

Councillor Gilbert,
Chairman of the Overview
and Scrutiny Committee.

Town Hall
Dalton Square
Lancaster
LA1 1PJ

DX 63531

15th July 2009

Dear Councillor,

URGENT BUSINESS – Morecambe Townscape Heritage Initiative 2: A View for Eric

Members are requested to consider the attached report, advising that the Heritage Lottery Fund have offered the Council a contract for a second Townscape Heritage Initiative in Morecambe and seeking the authority to proceed

A Townscape Heritage Initiative (THI) is part of the Heritage Lottery Fund's (HLF) grant giving programme to help communities regenerate conservation areas displaying particular social and economic need throughout the United Kingdom. The Council delivered a highly successful first THI for Morecambe in the period 2003 to 2008. Through this the Council grant aided the restoration of some seventy properties within the Morecambe Conservation Area, drove up repair standards and most notably helped achieve the restoration of the grade II* listed Midland Hotel.

The HLF has now offered the Council a contract for a second in Morecambe – "A View for Eric", one of only a small number to be offered a second award for the same area since THIs were launched in 1998 and one of only two in England to be awarded a grant during this year's application round. This contract award comes as the conclusion to a two-stage funding application progressed by officers in Planning Services over the last two years. The second stage of the project received development funding from the HLF (£25,000) and also the North West Regional Development Agency (NWDA) (£20,000).

The HLF contract offer is for £923,000 in funding over five years from contract commencement. The offer is conditional, including that the Council must evidence 50% match funding before the HLF will authorise a start.

The reason for urgency is that The HLF requires that the Contract be signed by 17 July 2009. This means that a decision on whether the Council should contract must be made before the scheduled cabinet meeting in July and hence the need to use the Urgent Business Procedure.

The recommendations are:-

- (1) That the Corporate Director (Regeneration) is authorised to contract with the Heritage Lottery Fund for the Townscape Heritage Initiative.**
- (2) Subsequent to this that subject to the required amount of match funding being secured the Head of Planning Services is authorised to apply to the HLF for Permission to Start.**
- (3) That the Head of Financial services make the necessary revisions to the Council's Capital and General Revenue Fund to accommodate for THI delivery..**
- (4) That the Overview & Scrutiny Chairman be consulted with a view to waiving call in, in accordance with Overview & Scrutiny Procedure Rule 17, to enable immediate implementation.**

The approval of the Chief Executive, in consultation with the Leader and relevant Cabinet Member has been sought to this action.

Subject to this approval, I would be grateful if you could consider the immediate implementation of this course of action and agree to waive the right of call-in, in accordance with Overview and Scrutiny Committee Procedure Rule 17(a). Please complete the attached slip signifying your decision and return it to the Town Hall as soon as possible. In the meantime, could you please telephone Tom Silvani on 582132, or e-mail tsilvani@lancaster.gov.uk with your decision.

Yours sincerely,

HEAD OF DEMOCRATIC SERVICES

Enc.

URGENT BUSINESS – Morecambe Townscape Heritage Initiative 2: A View for Eric

*I agree/~~do not agree~~ (***please delete as appropriate**)

To this matter being treated as a matter of urgency in accordance with Overview and Scrutiny Committee Procedure Rule 17(a) and therefore not being subject to call-in.

Signed: *J. Gilbert*

Dated: 15th July 2009

Chief Executive Decision

*I agree/~~do not agree~~ (***please delete as appropriate**) to this matter being treated as a matter of urgency in accordance with Overview and Scrutiny Committee Procedure Rule 17(a) and therefore not being subject to call-in.

Signed: Mark Cullinan-----
Chief Executive

Dated: 16th July 2009-----

Please return to: Tom Silvani
Democratic Services,
Town Hall,
Dalton Square,
LANCASTER. LA1 1PJ
Ref: UB73

CABINET

**Morecambe Townscape Heritage Initiative (THI) 2: A View
for Eric
URGENT BUSINESS**

Report of Head of Planning Services

PURPOSE OF REPORT			
To report on the Heritage Lottery Fund's contract offer for a second Townscape Heritage Initiative in Morecambe and to seek authority to proceed.			
Key Decision	<input checked="" type="checkbox"/>	Non-Key Decision	Referral from Cabinet Member
Date Included in Forward Plan	8 July 2009		
This report is public			

RECOMMENDATIONS

- (1) That the Corporate Director (Regeneration) is authorised to contract with the Heritage Lottery Fund for the Townscape Heritage Initiative.
- (2) Subsequent to this that subject to the required amount of match funding being secured the Head of Planning Services is authorised to apply to the Heritage Lottery Fund for Permission to Start.
- (3) That the Head of Financial Services make the necessary revisions to the Council's Capital and General Revenue Fund to accommodate for delivery of the Townscape Heritage Initiative.

1. Introduction

- 1.1. A Townscape Heritage Initiative (THI) is part of the Heritage Lottery Fund's (HLF) grant giving programme to help communities regenerate conservation areas displaying particular social and economic need throughout the United Kingdom. The Council delivered a highly successful first THI for Morecambe in the period 2003 to 2008. Through this the Council grant aided the restoration of some seventy properties within the Morecambe Conservation Area, drove up repair standards and most notably helped achieve the restoration of the grade II* listed Midland Hotel.
- 1.2. The HLF has now offered the Council a contract for a second in Morecambe – "A View for Eric", one of only a small number to be offered a second award for the same area since THIs were launched in 1998 and one of only two in England to be awarded a grant during this year's application round. This contract award comes as

the conclusion to a two-stage funding application progressed by officers in Planning Services over the last two years. The second stage of the project received development funding from the HLF (£25,000) and also the North West Regional Development Agency (NWDA) (£20,000).

- 1.3. The HLF contract offer is for £923,000 in funding over five years from contract commencement. The offer is conditional, including that the Council must evidence 50% match funding before the HLF will authorise a start.
- 1.4. THI 2 will aim to deliver conservation-led regeneration in a tight target area in the city centre of the Morecambe Conservation Area on Marine Road Central and just behind (see attached plan). This will support the wider ongoing regeneration of Morecambe to meet corporate priorities and help deliver to the new Investment Framework. It will enable the Council to:
 - distribute grant towards the appropriate repair and restoration of properties (subject to application)
 - deliver public realm works (to a maximum of approximately 20% of total THI expenditures)
- 1.5. The HLF requires that the Contract be signed by 17 July 2009. This means that a decision on whether the Council should contract must be made before the scheduled cabinet meeting in July and hence the need to use the Urgent Business Procedure.

2.0 **Proposal Details**

Physical works

- 2.1 The THI must meet rigorous heritage objectives and should bring about quantitative and demonstrable improvements to the built fabric within the defined THI area. Grant aid must be targeted and can only be applied to eligible works. The first THI helped drive up standards and secure community acceptance of these and the new THI must achieve and improve on the standards achieved to date.
- 2.2 The new THI will not be a means by which owners can undertake the repair and maintenance work that is rightly their own responsibility. The Council should help ensure owners meet their responsibilities through pro-active planning compliance work with the aim that that the appearance of all properties within the THI area are brought up to a baseline level of acceptability that meets regulatory requirements. This will help support the THI and mitigate risks that improvements to properties secured through the THI are not negated by the condition and appearance of other properties.
- 2.3 Public realm works should be focused on securing improvements to the streetscene over and above what can reasonably be achieved through standard highway works. Officers have prepared outline proposals for public realm works with the priority being part of Victoria Street and its environs whereby available funding can be maximised through investing a Section 106 Planning contribution from Morrisons totalling £127,000 and currently held under the Capital Programme.

Administration and delivery

- 2.4 The Council's experience in delivering the first THI should inform how it delivers the second. A Project Team approach that draws on several skill areas will be essential. This will be a significant area of work for the Council and Planning Services will lead.
- 2.5 The HLF match-funding requirement is very serious. Alongside the application process to HLF, officers have been working to secure match-funding commitments from third parties. This work is still ongoing but significant progress has been made and officers anticipate that the match-funding requirement can be met within a matter of weeks. To date an outline approval has been secured from the NWDA for significant capital and revenue contributions that would come direct to the Council and, subject to detailed arrangements, capital support from Lancashire County Developments Ltd. Both the NWDA and LCDL were partners in the first THI scheme and their contributions to the scheme in terms of financial investment and value added to the project was invaluable. The Council should welcome all partners coming forward in support of this initiative.
- 2.6 As stated in the introduction to this report the HLF Contract is conditional. Inter alia this means that the match funding requirement need not be met by the time of making the Contract but must be met before the HLF will give a Permission to Start (after which the Council can open its grant scheme and also make direct expenditures). The HLF expects that the Council will be able to apply for a Permission to Start relatively soon after contracting.

3.0 Details of Consultation

- 3.1 Officers have consulted widely in preparing the THI proposal and the HLF funding applications, including engaging in a substantial process of community engagement in the summer of 2008 and liaising with potential funding partners and other stakeholders, both public and private.
- 3.2 The summer 2008 community engagement on "A View for Eric" involved public exhibitions on the central seafront to gauge reactions to the then emerging THI proposal as supported by design visioning work commissioned from Garsdale Design Ltd. This round of engagement was well publicised and proved to be highly successful. All members were invited. It elicited strong support for the principles of the THI and the visions set out and also useful suggestions as to how the Council might best tailor the THI and achieve best value.
- 3.3 Pre-dating the 2008 engagement is earlier work with Poulton Neighbourhood Management and through this with local community representatives and ward councillors to scope the area for the proposed THI and the extent and nature of interventions through the THI to improve public realm. This work informed the definition of a tight THI area in order to maximise investment impact within the very heart of the town. It also informed the priority for public realm works on Victoria Street (and if possible Skipton Street) in order to strengthen linkages from the transport hub of the town (central parking areas and the railway station) and the seafront through to the main shopping area centred on the Arndale.
- 3.4 Officers propose to undertake a further round of public engagement as part of THI launch publicity.

4.0 Options and Options Analysis (including risk assessment)

- 4.1 Option 1 is to contract with HLF as per the Contract Award. Subject to the relevant contract conditionality, most pertinently relating to securing match funding, the Council will then be able to run the THI over five years, run a grant aid scheme for properties in the area and deliver direct public realm works.
- 4.2 Option 2 is not to contract with HLF. This means there will be no THI. Some two years of preparatory work by officers would prove abortive and significant potential external funding for Morecambe's regeneration would be lost – both the HLF element and prospective match to this.
- 4.3 The first tier of risks relate to the Council's ability to secure the required match funding and make a start on the THI. Officers consider that the match-funding requirement can be met within a time frame acceptable to the HLF. The second tier relates to the likely level and rate of grant take up. Several factors will affect this. Experience with the first THI for Morecambe suggests that the exacting works standards and criteria as set by the HLF and which the Council must follow will be one. Another will undoubtedly be the difficulty posed by the present worsened economic conditions. Related to this a third one will be business confidence. The third tier of direct delivery risks is entirely manageable. Officers are experienced and well practised in heritage conservation and project management and will be able to run an efficient grant aid scheme and works contracts (for public realm). There are no significant financial risks. All grants would be made under specific contracts with third parties placing all works and cost risks on applicants. Public realm works will be delivered via contracts that place cost risks with the contractor.

5.0 Officer Preferred Option (and comments)

- 5.1 Option 1 is strongly preferred, as this will maximise investment into Morecambe and further regeneration through conserving and enhancing the built fabric in the very centre of the town. The project can be the next visible step in Morecambe's regeneration and clearly fits to regional and local policy objectives, including the Lancaster District Core Strategy (adopted July 2008) that identify the regeneration of Morecambe as a matter of sub-regional importance to be delivered in part through heritage-led regeneration. Delivery risks can be managed satisfactorily through proper project management including for considered project planning and continued close engagement with the local community and key stakeholders.

6.0 Conclusion

- 6.1 A THI provides for investment into the existing built fabric of a town and an opportunity to restore and celebrate heritage assets. The Council has been given an opportunity to deliver a second THI for Morecambe. A "View for Eric" should support and take forward regeneration activity and help achieve for the landward side of the Promenade the rejuvenation that the Council has achieved seaward.

RELATIONSHIP TO POLICY FRAMEWORK

The proposal is entirely consistent with the Council's objectives as contained in the Corporate Plan and with its new Investment Framework.

CONCLUSION OF IMPACT ASSESSMENT

(including Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing)

There are no significant implications.

FINANCIAL IMPLICATIONS

The Council's General Revenue and Capital budgets for 2009/10 and subsequent years will be updated accordingly once match funding has been secured and confirmation of grant funding has been given. The THI will be funded wholly from external sources except for a match funding contribution of £50,000 from the City Council in staff costs which has already been provided for in the current General Revenue Fund budget. No spending commitments should be entered into until the Council has attained Permission to Start on this project, (and met all the conditions accordingly).

SECTION 151 OFFICER'S COMMENTS

The Section 151 Officer has been consulted and has no further comments to add.

LEGAL IMPLICATIONS

Legal Services will assist in completing the required contract documentation if the preferred option is approved.

MONITORING OFFICER'S COMMENTS

The Monitoring Officer has been consulted and has no further comments

BACKGROUND PAPERS

Planning Services files

Contact Officer: Julian Inman
Telephone: 582336
E-mail: jinman@lancaster.gov.uk
Ref:

