

BABERGH DISTRICT COUNCIL

TO: Cabinet	REPORT NUMBER: BCa/18/79
FROM: Councillor John Ward, Cabinet Member for Finance	DATE OF MEETING: 7 March 2019
OFFICER: Lee Carvell, Corporate Manager - Open for Business Team	KEY DECISION REF NO. CAB109

BUSINESS RATES RETENTION PILOT - SUDBURY TOWN CENTRE PROJECTS

1. PURPOSE OF REPORT

- 1.1 To seek Cabinet approval to use up to £100,000 of Business Rates Retention finance allocation to grant support a major new town centre renaissance project – the St.Peter’s Cultural & Arts Centre ‘Built for Exchange’ Regeneration.

2. OPTIONS CONSIDERED

- 2.1 To decline the request for grant funding. This may leave a significant gap in the regeneration project team’s ability to reach their match fund target for making a Stage 2 Heritage Lottery Funding (HLF) application by March 2020, and thus jeopardise the whole £2.5m project.
- 2.2 Explore other potential funding sources to raise the required amounts. We have sign-posted the Churches Conservation Trust (CCT) to New Anglia LEP and reviewed other possibilities for funding elements of the project. Many have already been reviewed by the CCT/Friends of St.Peter’s (FoSP), may not be viable in the required timeframe nor meet requisite criteria. Appendix A (Confidential) makes further reference to funding sources.
- 2.3 Approve the request at a level which is gap funding up to the £100k requested, subject to suitable conditions or pre-requisite requirements being met to the satisfaction of the delegated officer, as contained within the recommendation at 3.2. Funders will be looking for strong governance structures with defined outcomes.

3. RECOMMENDATIONS

- 3.1 That Cabinet approve use of up to £100,000 from the Business Rate Retention allocation for Sudbury Town Centre projects for supporting the St. Peter’s ‘Built for Exchange’ Regeneration Project Heritage Lottery Funding Phase 2 application, due for submission by March 2020; and
- 3.2 That delegation be given to the relevant Strategic Director with responsibility for Economy and Business Growth, in liaison with the Cabinet Portfolio Holder for Finance, to resolve via agreement appropriate criteria and conditions to enable the grant funding to be released.

REASON FOR DECISION

To tangibly support significant town centre renaissance and investment in line with established priorities and strategies – benefitting local communities, the visitor economy and local businesses.

4. KEY INFORMATION

- 4.1 St. Peter's Church is the most prominent building in the heart of Sudbury town centre, and is currently used as a community, cultural and arts venue and meeting space. It has not been used as a place of public worship since 1972, although the Grade 1 listed building is still consecrated. It is located at the top of Market Hill within Sudbury's Conservation Area and hosts an array of events for the local community – from farmers' markets, to craft fairs, to concerts and recitals. It is run by a volunteer group, the Friends of St Peter's (FoSP), which was formed in 1976 when the Church was vested with the Churches Conservation Trust.
- 4.2 It is estimated that St.Peter's attracts around 60,000 visitors and users per annum and the building can currently seat up to 400 persons within its auditorium. It is the largest community space in the town centre, and has significant potential to grow as a visitor destination, an all-ages community use facility and a catalyst for development of the wider cultural, leisure and night time economy for Sudbury, South Suffolk and beyond.
- 4.3 Babergh District Council together with its partners has been leading the renaissance of Sudbury through its 'Vision for Prosperity' project, aligned investment strategy and intended programme of town centre growth and regeneration projects. This is supported through the establishment of a County, District and Town officer's delivery group and the re-established Sudbury Steering Group of elected councillors, business and other local group representatives.
- 4.4 The Regeneration Project for St.Peter's is developed by the Churches Conservation Trust together with the Friends of St. Peter's (FoSP). The project has already, with the backing of Babergh District Council, secured £275k from Phase 1 Heritage Lottery to develop a Phase 2 Application (for submission by March 2020) which seeks a further £1.6m of HLF match funding towards an overall project value of £2.5m.

The Regeneration of St. Peter's 'Built for Exchange' Project (Summary)

- Repair and Regenerate St.Peter's, improving the fabric of the building, the facilities on offer and attracting new and untapped groups to the venue – commercial businesses, families and young people
- Providing a facility and a programme that is used and valued by all
- Create a heritage experience that interprets the stories of Sudbury which will appeal to a local, national and international audiences
- Engender Community Cohesion through providing opportunities for local people to meet, exchange ideas and share memories
- Corporate and private hirings to support the sustainability of the site (meetings, receptions and celebratory events)
- Replanting the garden for community use and as complementary to broader town centre street scene and public realm improvement work

- Creating new opportunities for employment, volunteer and young people skills and experience development
 - Develop the strong working partnership between the CCT and FoSP
- 4.5 To meet HLF match-funding requirements, the partnership needs to raise a total of £0.5m by March 2020, and is seeking a grant contribution of £100k from Babergh District Council towards that target. This is potentially achievable through the Retention of Business Rates Pilot scheme allocation for Sudbury already in place to support delivery of growth and resilient communities.
- 4.6 As a town centre regeneration project, it has the potential to make a major contribution towards delivering the Vision for Prosperity. It also supports the visitor economy objectives contained within the Joint Babergh and Mid Suffolk Open for Business Strategy and supports the wider work being led by Babergh District Council to seek Future High Streets Funding for Sudbury, particularly the 'Heritage High Street' element which seeks to bring historic buildings back into community and economic use. The St. Peter's Regeneration Project is projecting an increase of 40,000 visitors and users per annum.
- 4.7 In 2017 the visitor economy was worth approximately £25.5m to Sudbury and supported 588 FTE jobs directly employed within the tourism sector. Development of this sector in combination with increasing accommodation options, including Hamilton Road Quarter mixed use leisure-led scheme and hotel investment at Belle Vue, plus the significant HLF supported project at Gainsborough's House to develop as a National Centre, may significantly increase visitor spend and stay.
- 4.8 Key information extracts from the draft 'Built for Exchange' business plan are attached to this report within Appendix A (Confidential). The draft plan seeks to outline an ambitious but realistic set of proposals which build upon current activity, include targets for new income streams, and reflect the economic realities in Sudbury and the surrounding area. This plan highlights the significant potential opportunities for reinvigorating town centre activity benefiting the broader local economy as well as supporting a sustainable future for the building and leaving a legacy for future generations.
- 4.9 Sudbury generally suffers from a lack of community space and venue options for functions, multi-use events and hirings as outlined in the South Suffolk study commissioned from Carter Jonas. This stated that "there are limited community venue/hire options in Sudbury", reinforcing community feedback from Visioning work engagement.
- 4.10 Existing facilities include the Delphi Centre at Newton Road, which is underutilised and out of the town centre. The Delphi Centre also has significant sustainability challenges given its ancillary and 1960's design and need for significant repair and investment. The Sudbury Masonic Hall, in North Street, is smaller, seating up to 140 guests, and the Sudbury Town Hall's Assembly Room whilst as town-centric as St.Peter's is limited in size and facilities. The long situated Easterns Station Lounge in Station Road was also previously available for community functions and hirings, but is now being redeveloped into residential apartments. The Granary by the Stour in Quay Lane is available for functions and private hire but is limited to 100 guests.

5 LINKS TO JOINT STRATEGIC PLAN

5.1 This project would contribute towards higher level Joint Strategic Plan Refresh (2016-2020) priorities, approved or developing strategies as well as identified delivery projects.

- Shape, influence and provide the leadership to enable growth while protecting and enhancing our environment
- Shape, influence and provide the leadership to support and facilitate active, healthy and safe communities
- Further develop local economy and market towns to thrive
- Targeted grants and funding to support Community capacity building
- Community led solutions to deliver services and manage assets

6 FINANCIAL IMPLICATIONS

Revenue / Capital / Expenditure / Income Item	Total	2017/18	2018/19	2019/20
Expenditure from Retention of Business Rates fund (Unlocking Town Centre Sites – Sudbury)	£100k	Nil	Nil	£100k
Net Effect	-£100k	Nil	Nil	-£100k

7 LEGAL IMPLICATIONS

7.1 None directly from the matters contained within this report. A suitable agreement will underpin the release of any funding, based on established precedents already legally reviewed. Any new agreement will be sufficiently robust to safeguard the use of public funds and will be checked / revised as necessary by shared legal services, commissioning and procurement and finance teams before implementation.

8 RISK MANAGEMENT

8.1 This report is most closely linked with the Council's Corporate / Significant Business Risk No. 2b "We fail to deliver on the aspirations articulated in the Vision for Prosperity". Key risks are set out below:

Risk Description	Likelihood	Impact	Mitigation Measures
Failure to support phase 2 HLF bid will jeopardise a major regeneration opportunity for the town centre and diminish viable links to other funding opportunities such as Future High Streets	Probable	Noticeable	Approval of the recommendations of this report. The necessary economic business case to County for this project as part of business rates retention allocation has already been submitted

Risk Description	Likelihood	Impact	Mitigation Measures
Babergh may commit monies yet the project target may not be reached from other sources, or else the group may return for further funding	Unlikely	Bad	Robust conditional agreement in place underpinning release of funds
Other town centre growth and regeneration projects receive less or no investment from the Business Rates Retention Fund	Probable	Noticeable	Reviewing this project within the broader context of Sudbury Vision aspirations and overall Business Rate Retention fund available/committed for Sudbury and alternative funding mechanisms

9 CONSULTATIONS

- 9.1 Babergh District Council is required to seek approval from Suffolk County Council for Retention of Business Rates spend allocations, on the basis of a suitable business case against set criteria. This has been submitted and outcome awaited.
- 9.2 The new Joint Local Plan is in development, however Policy CS21 of the Babergh Core Strategy outlines that the Council will “protect, safeguard and enhance existing services, facilities and amenities that are important to the sustainability of local communities.”
- 9.3 Finance and Assets and Investments colleagues review of the draft business plan financials and assumptions underpinning that work and any drafted agreement drawn up by shared Legal Services. Commissioning and Procurement Team have also undertaken relevant due diligence background checks.

10 EQUALITY ANALYSIS

- 10.1 Equality Impact Assessment (EIA) not required directly from the matters contained within this report.
- 10.2 Accessibility and facilities for users and groups will form a consideration of the CCT-led regeneration group development project. Building Regulations incorporate accessibility regulations for buildings available to the general public.

11 ENVIRONMENTAL IMPLICATIONS

- 11.1 The St.Peter’s Regeneration Project has potential to positively contribute to street scene and public realm improvements within Sudbury town centre, and contribute towards the broader Vision for Prosperity led programme of co-ordinated projects.

11.2 There may also be options to explore within the regeneration project for energy efficiency schemes, however the Grade 1 listing status of the building may be limiting in that regard.

12 APPENDICES

Title	Location
(a) Key questions and answers about the St. Peter's 'Built for Exchange' Regeneration Project	Attached in Part 2 of the agenda (Confidential)
(b) St. Peter's Project Marketing Literature (Draft)	Attached in Part 2 of the agenda (Confidential)