

Subject:	Regeneration Investment	Status:	For Publication
Report to:	Cabinet	Date:	26 th November 2014
Report of:	Health, Housing and Regeneration Manager	Portfolio Holder:	Regeneration, Tourism and Leisure
Key Decision:	<input checked="" type="checkbox"/> Forward Plan <input checked="" type="checkbox"/>	General Exception <input type="checkbox"/>	Special Urgency <input type="checkbox"/>
Community Impact Assessment:	Required:	Yes	Attached: Yes
Biodiversity Impact Assessment	Required:	No	Attached: No
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1.	RECOMMENDATION(S)
1.1	Members note the positive progress and opportunities brought about through strong partnership work for these projects.
1.2	Members approve financial support to the regeneration projects detailed in the report.
1.3	All future negotiations and minor amendments to be delegated to the Director of Business in consultation with the Portfolio Holder.

2. PURPOSE OF REPORT

2.1 To seek funds to support the delivery of two key regeneration projects in the borough.

3. CORPORATE PRIORITIES

3.1 The matters discussed in this report impact directly on the following corporate priorities:

Priority 1: Regenerating Rossendale: This priority focuses on regeneration in its broadest sense, so it means supporting communities that get on well together, attracting investment, promoting Rossendale, as well as working as an enabler to promote the physical regeneration of Rossendale.

Priority 2: Responsive Value for Money Services: This priority is about the Council working collaboratively, being a provider, procurer and a commissioner of services that are efficient and that meet the needs of local people.

Priority 3: Clean Green Rossendale: This priority focuses on clean streets and town centres and well managed open spaces, whilst recognising that the Council has to work with communities and as a partner to deliver this ambition.

4. RISK ASSESSMENT IMPLICATIONS

4.1 All the issues raised and the recommendation(s) in this report involve risk considerations as set out below.

- Investment in the Whitaker project is phased and the risks are evaluated throughout phase 1 which assesses the sustainability of the project and strength of the operational business case which supports the larger investment from both the Council and Heritage Lottery Fund.
- Investment in Ski Rossendale is on the basis of a loan. The repayment schedule has been agreed with Ski Rossendale Limited and is affordable within their projected business plan. Whilst leased to the operator, the site remains within the Council's ownership and investment in the facilities will increase the overall value of the site.

5. BACKGROUND AND OPTIONS

5.1 The Council has the Corporate Priority of Regenerating Rossendale and we do this by both working directly with funders and also working with and supporting partners with the development of projects.

5.2 There are two projects which have now reached the point where the Council is being asked to make an investment, by the way of match funding, to enable the projects to proceed.

The Whitaker

5.3 During 2011 the Council sought a new partner to operate and manage Rossendale Museum. The Whitaker Organisation was appointed and began operation in March 2012.

5.4 Since this time the functions and facilities at the Museum have gone from strength to strength. The Whitaker Organisation has introduced a successful café into the premises, new contemporary exhibitions, theatre and music. To accommodate some of these events the Whitaker Organisation have been given permission to use the yard of the adjacent parks department depot which is housed in the original barn and stables block associated with what is now the museum.

5.5 When we sought a new partner we did so in the belief that the Museum, buildings and parkland had much greater potential to become a key facility for Rossendale and a key attraction for visitors. The working approach taken by the Whitaker Organisation has proven this to be the case.

5.6 During 2014 Council Officers have been working with the Whitaker Organisation on the development of a bid for Heritage Lottery Funding with the aim of bringing the barn and stables block back into more appropriate use as ancillary building to the museum.

5.7 Heritage Lottery Fund provided £9,000 of kick start funding to support the process of developing a bid and some of this was used to commission an architect to work with the team to draw up initial concept designs for the project. Following a national architectural competition Day Architectural Ltd in partnership with Purcell were appointed to work with the project team.

5.8 Meetings with the area officer from Heritage Lottery have been held and, on the whole, feedback has been very positive.

5.9 Rossendale is within the Pennine Lancashire Priority area for Heritage Lottery and whilst the bidding process remains competitive they are keen to support appropriate projects which would bring investment into the Pennine Lancashire area.

5.10 The Whitaker project will focus on the refurbishment of the barn and stables block creating additional exhibition, function and training space. The refurbished buildings would be linked directly to the museum via a newly created café block which would also serve as the main entrance to the premises.

5.11 The estimated costs for the whole project are £1.95million and the potential grant from Heritage Lottery would amount to 90% of this cost. The Council would need to contribute the remaining 10% (£195,000).

5.12 If the bid for heritage lottery was successful, the project would be split into two phases.

Phase one has been costed at £100,000 and the Council's contribution would be £10,000. Phase one focusses on the development of more detailed plans, surveys, widespread consultation, thorough testing of the business plan particularly looking at the future sustainability of the facility and a detailed refurbishment plan. These are then submitted to Heritage Lottery Fund as a bid for phase 2 funding. Phase 2 funding provides for all of the works costs associated with the project and would be in the region of £1.85million including a contribution from the Council of £185,000.

5.13 An expression of interest has been submitted to Heritage Lottery and the outcome will be known in January 2015. If successful the project would be completed during 2017.

Ski Rossendale

5.14 Ski Rossendale has been one of Rossendale's premier and unique attractions for over 40 years and has been managed and operated by Ski Rossendale Limited a Social Enterprise Organisation since 2011.

5.15 For some time the site has suffered from underinvestment and, since taking over the site, Ski Rossendale Limited have made their best endeavours to improve the facilities of the site.

5.16 During 2014, Officers from the Council have been working with the Directors of Ski Rossendale Limited to develop a bid for Sport England's Improvement Fund.

5.17 The bid would fund a resurfacing and extension to the current nursery slope and a fully redeveloped reception and changing area with a café/restaurant on the first floor.

5.18 The total cost of the project is £500,000 and the grant available from Sport England is £375,000. Ski Rossendale Limited have asked to Council to support the project in the form of match funding to provide the balance of £125,000.

5.19 It is proposed that the £125,000 match funding is provided in the following way. The Council holds £97,200 s106 funding which is appropriate to this development and this will be provided in the form of a grant to the project. The balance of £27,800 will be provided in the form of a repayable loan to Ski Rossendale Ltd.

5.20 It is unlikely that the capital costs will be incurred before 2015 and officers will need to meet with Ski Rossendale Directors to discuss the terms of any assistance provided.

COMMENTS FROM STATUTORY OFFICERS:

6. SECTION 151 OFFICER

6.1 Ski Rossendale: The matched funding of £27,800 will be in the form of a loan to Ski Rossendale with repayment terms (period, interest, security) yet to be determined.

6.2 The Whitaker: The initial matched funding of £10k from Council together with £90k of grant funding will be used to develop a sustainable business case (Phase 1) to support the release of c. £1.7m of grant funding. The initial £10k from Council will be funded from in year revenue savings in the first instance. The funding of the remaining £185k from Council will be determined once Phase 1 has been completed.

7. MONITORING OFFICER

7.1 Legal implications have been included with the report.

8. POLICY IMPLICATIONS AND CONSULTATION CARRIED OUT

8.1 These projects contribute directly to the Council's 'Regenerating Rossendale' priority. The Council plays a key enabler role in the promotion of the borough and its physical regeneration.

8.2 Consultation has been carried out the relevant Portfolio Holder.

8.3 An equality impact assessment has been undertaken and no adverse negative or disproportionate impacts have been identified for any protected equality groups as a result of implementing this policy decision. Although not targeted at any specific equality groups, there will be a wider community benefit as a result of supporting these regeneration projects.

9. CONCLUSION

9.1 Regenerating Rossendale is one of the Council's Key Corporate Priorities and the two projects which are the subject of this report are focussed on realising the real potential of two of Rossendale's key attractions.

No background papers