



BOGNOR REGIS TOWN COUNCIL

TOWN CLERK Glenna Frost, The Town Hall, Clarence Road,

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Dear Sir/Madam,

EXTRAORDINARY MEETING OF THE TOWN COUNCIL OF BOGNOR REGIS

I hereby give you Notice that an Extraordinary Meeting of the Town Council of Bognor Regis will take place in the Council Chamber at the Town Hall, Bognor Regis at **6.30pm on TUESDAY 14th AUGUST 2018**.

All Members of the Town Council are **HEREBY SUMMONED** to attend for the purpose of considering and resolving upon the business to be transacted as set out hereunder. An opportunity will be afforded to **Members of the Public** to put **Questions** to the Committee during an adjournment shortly after the meeting has commenced. (NOTE: Members of the public will be asked to provide their names and addresses and are encouraged to put questions in advance in writing. Priority will be given to written questions. Questions should be restricted to the functions of this Committee.)

Refreshments will be available and any donations to the Mayor's Charity will be gratefully received.

Chairman/Town Mayor

Town Clerk

DATED THIS 7th DAY OF AUGUST 2018

AGENDA AND BUSINESS

1. Apologies for Absence
2. Declarations of Interest
Members and Officers are invited to make any declarations of Disclosable Pecuniary and/or Ordinary interests that they may have in relation to items on this agenda and are reminded that they should re-declare their interest before consideration of the item or as soon as the interest becomes apparent and if not previously included on their Register of Interests to notify the Monitoring Officer within 28 days. Members and Officers should make their declaration by stating:
 - a) the item they have the interest in
 - b) whether it is a Disclosable Pecuniary or Ordinary interest
 - c) the nature of the interest

- d) if it is an Ordinary interest whether they intend to leave the room for the discussion and vote
 - e) if it is a Disclosable Pecuniary interest, and therefore must leave the room for the discussion and vote, whether they will be exercising their right to speak on this matter under Public Question Time
3. ADJOURNMENT for public question time
 4. To ratify amended costs for architectural services for the Town Hall and to receive information regarding a potential funding stream to assist with the investigative work regarding potential uses of the building - Min. 80 refers
 5. Preserving the Heritage of Bognor Regis - to receive a report following the Members Briefing held 3rd July 2018 including:
 - Procurement of the Royal Hotel Bognor Regis: Options Appraisal
 - Opportunities for Joint Venture Partnering
 6. To resolve to move to Confidential Business (SO. 31.1)
 7. To receive an update on future office provision

Agenda item 7 will contain confidential items and requires a resolution to exclude public & press.

**THERE IS A LIFT AVAILABLE AT THE TOWN HALL FOR ACCESS TO
THE COUNCIL CHAMBER IF REQUIRED**

AGENDA ITEM 4

BOGNOR REGIS TOWN COUNCIL
EXTRAORDINARY COUNCIL MEETING - 14th AUGUST 2018

AGENDA ITEM 4 - TO RATIFY AMENDED COSTS FOR ARCHITECTURAL SERVICES AND TO RECEIVE INFORMATION REGARDING A POTENTIAL FUNDING STREAM TO ASSIST WITH THE INVESTIGATIVE WORK REGARDING POTENTIAL USES OF THE TOWN HALL - MIN. 80 REFERS

REPORT BY THE DEPUTY CLERK

FOR DECISION

Members will recall that at the Council Meeting held 2nd July it was agreed to accept a quotation for architectural services from Company A at a cost of £3,600 plus VAT (Min. 80 refers).

It must be noted that the incorrect report, which included reference to the fee of £3,600, was displayed at the meeting and the correct figure that Members should have considered was £3,800 plus VAT. This slightly higher figure is still substantially lower than the other quote received of £4,850 plus VAT and therefore, on the assumption that the lower quote is still the preferred provider, Members are invited to ratify the additional expenditure of £200.

DECISION

Members are invited to **RATIFY** the additional expenditure of £200 for the architect services.

Having decided to proceed with the architect services, at the Members Briefing held 3rd July 2018, information was received regarding a potential grant funding stream from Architectural Heritage Fund (AHF) which may be appropriate for the activities to be undertaken by the Town Council in relation to the Town Hall.

The funding stream is called a Project Viability Grant (PVG) and offers match funding of up to £7,500 to fund studies to look at potential uses for a building and at its current condition and to produce a Viability Report to a standard template.

The primary purpose of the Project Viability Grant is to enable the grant recipient to work out whether a proposed use for a building will be economically viable. The grant will contribute towards the cost of exploring different options for reuse or testing a single option. If relevant to the project, it should provide sufficient information to calculate the likely conservation deficit (the gap between the project cost and the end value of the building, if indeed one exists). On completion of the work funded by AHF, they ask the recipient to bring the results together in a Project Viability Report. This will need to be produced and agreed by AHF before claiming payment of the grant.

AHF require the Project Viability Report to bring together the results of the work undertaken to explore the options that have been identified for the

building. This should include the work AHF have funded, together with other research and consultation undertaken with other funding or from the Council's own resources.

The areas that are likely to be explored include:

- the options to utilise the building for community enterprise and their pros and cons, taking into account the heritage significance and repair needs of the building
- basic market research to determine the demand for the services or activities that your project could offer and whether these would generate sufficient income to make the building and business sustainable in the long-term
- the potential positive outcomes of your project, for example for the community, local economy and historic environment, and how these might fit with the requirements of funders and investors.

Examples of the type of questions that will need to be addressed through the Project Viability Report include:

- a) Heritage significance of property
- b) Why the building is at risk and why now is the time to save it
- c) Ownership background/future prospects
- d) Summary of condition
- e) Emergency repairs including costs
- f) Situation of building - a picture of the local area, and wider context if relevant, to show the social and economic environment in which the building and business will be developed. It should provide an overview of what it is about the local area or wider catchment that offers potential for the project to succeed, addressing both opportunities and any barriers that exist. What is it about the situation of this building that will make it a good prospect for the community and funders to invest in? Relevant information may include:
 - Character of local area: rural, residential, retail, offices, industrial
 - Is the building isolated or on a busy high street, which could affect footfall
 - Are there good local transport links/nearby parking
 - Is it a thriving area, with nearby properties/businesses occupied and in use, or the reverse
 - Is the area changing, through new housing development or employers moving in (or out)
 - Existing local facilities that may compete or be complementary. And/or gaps in provision.
 - Immediate physical surroundings: are there any physical access issues eg lack of vehicle access, or neighbouring properties that may be affected by any proposals
- g) What is the opinion of the appropriate heritage body (local planning authority, Historic England) on an approach to repair and conversion
- h) Options for use - a maximum of three options in any detail, concentrating on need/demand for each option and prospects for long-term sustainability. Should include use, works necessary, and pros & cons

evidenced by market research, community consultation, expert opinion etc to ascertain need/demand

- i) Economic development outcomes and outputs of the preferred option
- j) Calculation of the conservation deficit (if appropriate)

At the end of the process the recipient should be in a position to make an informed decision on whether the organisation should commit to further cost, risk and effort in developing the project. There is a standard template viability appraisal form to help with this part of the submission and this is available to download from the AHF website.

Members should note that whilst the PVG may fund up to 50% of the costs, the exercise will include expenditure in excess of the already agreed architect fees.

If Members are minded to pursue this option in relation to the Town Hall, or any other project, it is recommended that the specialist Project Support Officer for AHF South East, Tessa Hilder, be invited to attend a meeting to discuss and advise on any potential application for a Project Viability Grant.

Alternatively, if Members would prefer not to explore further the AHF Project Viability Grant, Members are invited to note that the instruction to Company A for the architectural services as noted previously at a cost of £3,800 plus VAT will be progressed with the full cost to be met by the Town Council.

DECISION

Do Members **AGREE** to invite the Project Support Officer for AHF South East to attend a meeting to explore an application for a Project Viability Grant in relation to the Town Hall?

OR ALTERNATIVELY

Members are asked to **NOTE** that the Council will proceed with the previously agreed acceptance of the quotation from Company A for architectural services with the expenditure of £3,800 funded fully by the Council.

**BOGNOR REGIS TOWN COUNCIL
EXTRAORDINARY TOWN COUNCIL MEETING - 14th AUGUST 2018**

AGENDA ITEM 5 - PRESERVING THE HERITAGE OF BOGNOR REGIS - TO RECEIVE A REPORT FOLLOWING THE MEMBERS BRIEFING HELD 3rd JULY 2018 INCLUDING:

- Procurement of the Royal Hotel, Bognor Regis: Options Appraisal
- Opportunities for Joint Venture Partnering

REPORT BY THE TOWN CLERK

FOR DECISION

INTRODUCTION

Following the Members briefing on the 3rd July including a meeting with Public Sector Partnerships and Jess Steele from Jericho Road Solutions, the following report provides information for Members to further consider the issues relating to the Procurement of the Royal Hotel.

It also includes information on windfall opportunities arising from the discussions with PSP including opportunities for wider partnership arrangements and growth with neighbouring local councils.

PROCUREMENT OF THE ROYAL HOTEL

Building on their previous track record of preserving the heritage of Bognor Regis and to develop local heritage projects, the Council identified the Royal Hotel as an asset worthy of protection which led to a prefeasibility study. The conclusion from which resulted in exploring opportunities of project development of the Hotel including possible grant aid with support from Jess Steele of Jericho Road Solutions and access to private sector funding through a PSP Partnership.

Public Sector Partnerships (PSP) offered a unique joint venture partnership opportunity backed by institutional investment funds managed by Cabot Square Capital. The model required a four-stage process;

1. Explore-Looking at project viability
2. Examine-Agreeing project strategy, returns and timetable
3. Evaluate- Stress testing to validate achievement of aims
4. Engage -Including project delivery and realisation of outcomes.

PSP were keen to develop a relationship with the Council and to test the relational partnering concept with a Town Council (previous relationships having been with Principal authorities).

The partnership structure would include a central partnership board comprising 50% Council and 50% PSP. Also including an operations board to include Council and PSP officers.

The model has been operating in 21 other councils across the country and the benefits included the local authority being able to access funds, skills and resources for the project ensuring better outcomes are achieved more quickly.

AGENDA ITEM 5

There would be no risk to the Council and projects would only proceed with unanimous approval of the whole central partnership board. Prior to project initiation the Council could walk away from the project at any time. In essence the PSP model allows the local authority to work in partnership with the private sector and access funding for projects at no risk to themselves.

The appropriateness of procuring the Royal Hotel using this model was discussed in detail and PSP was of the view that it would be unlikely to satisfy the first stage of the model in terms of project viability and return on investment. PSP did however offer to redirect the Council to an alternative funding stream for the project. It is however unlikely that such funding could match the low interest rates offered by the Public Works Loan Board.

PSP went on to emphasise that they would still wish to work with the Council on other projects, but it would be far more viable if other local councils became involved in the partnership, with several local councils and PSP working towards delivery of a large project. Members at the briefing agreed that this should be considered further and ideas for larger sub regional projects be considered. Furthermore, that a presentation be made on relational partnering at a future meeting of JWAAC to gauge interest from neighbouring authorities and to identify dream projects for the future. The Clerk was authorised to contact JWAAC to make the necessary arrangements.

Councillors then discussed the project with Jess Steele from Jericho Road Solutions who had vast practical experience of grant support for preserving building and structures, and who in particular had supported the Bognor Regis Pier restoration project including successful grant applications.

Jess confirmed that she also works for the Architectural Heritage Fund providing grants to protect local heritage.

In relation to the possibility of receiving grant aid for procurement of the Royal Hotel, Jess advised as follows:

Before embarking on any project, the Council must be clear about the rationale/purpose of taking it on and there needs to be a clear benefit to the community of embarking on the project. Particularly as all of the funding streams look for applications with clear vision, not just protecting heritage.

The Council need to know the benefits from the project; What is the driving force behind the decision to take a project on and are there other buildings that could be more suitable as a project?

Jess noted that the Royal Hotel was not listed but was in a Conservation area, which she thought was significant in terms of A.L.F. funding who use listings as a filter when assessing applications.

In conclusion Jess considered that the Council may wish to look at other buildings that may be more likely to be successful when applying for grant aid i.e. buildings that are already listed such as the Town Hall.

AGENDA ITEM 5

In consequence the Deputy Clerk investigated the opportunity of applying for A.L.F. funding for the Town Hall and this is considered in detail at Agenda item 4.

CONCLUSION

In pursuing their commitment to preserving the heritage of the Town, the Council were keen to preserve the Royal Hotel from conversion to residential development. A prefeasibility study was undertaken leading Members to agree to explore opportunities for further consideration. In particular the Clerk was asked to investigate possible grant aid and support from Jericho Road Solutions. Also, to investigate the potential for partnership working with PSP who bring with them significant private sector funding. Unfortunately, PSP considered that the Royal Hotel project fell below their threshold of project viability. However, they did express a strong desire to work with the Council and to develop the relational partnering model with Town and Parish councils on other projects. It is being suggested that the Council may wish to join with other neighbouring local councils to deliver a larger sub regional project.

In relation to advice from Jericho Road Solutions, Jess Steele suggested that other heritage projects could have a greater chance of success with Heritage Lottery fund than the Royal Hotel and in particular suggested the possibility of an application for the Town Hall which is grade 2 listed.

In light of the two main areas of funding not being viable in relation to the procurement of the Royal Hotel project, Members are asked to consider whether further options should be considered or whether the Royal Hotel project be terminated.

Also, whether or not to continue a relationship with PSP and investigate the opportunities to partner with neighbouring local councils working toward a larger sub regional project.

DECISION

In light of the project unlikely to succeed for grant funding and not being viable for a project with Public Sector Partnerships, Members are requested to consider the following: -

To investigate further options relating to procurement of the Royal Hotel.

To terminate the project.

To consider further work with Public Sector Partnerships including identification of potential sub regional projects and presentation to SALC on opportunities for joint working and development of relational partnerships with PSP.