

CABINET MEETING – 15 APRIL 2015
EXECUTIVE SUMMARY SHEET – PART I

Title of Report:

Seafront Regeneration: Update and next phases.

Author(s):

Executive Director of Commercial Development

Purpose of Report:

This report seeks approval to the next phases of the delivery of the Seafront Regeneration Strategy at Roker and Seaburn, including the Round three Coastal Communities project.

Description of Decision:

Cabinet is recommended to:

- a) Approve the enhanced seafront regeneration programme for Roker and Seaburn, and receipt of £0.540m from the Coastal Communities Fund (CCF) and £0.545m from the Heritage Lottery Fund (HLF).
- b) Agree the inclusion of the funding for the CCF scheme and the HLF funding for Roker Pier within the Council's Capital Programme, and approve the resultant variation to the Capital Programme which will be reported to Scrutiny and Council for information.
- c) Authorise the Executive Director of Commercial Development, in consultation with the Cabinet Secretary, to procure and appoint contractor(s) to deliver all required infrastructure works.
- d) Authorise the Executive Director of Commercial Development, in consultation with the Cabinet Secretary, to procure and appoint contractors and/or consultants to deliver elements of the business support, events, and marketing activities of the CCF project where appropriate.

Is the decision consistent with the Budget/Policy Framework? *Yes

If not, Council approval is required to change the Budget/Policy Framework

Suggested reason(s) for Decision:

The delivery of additional and enhanced infrastructure works at Roker and Seaburn are key to the ongoing regeneration of the seafront to provide improved visitor infrastructure and facilitate the ongoing development of Sunderland's coast. The delivery of business support, marketing and additional events through the CCF project will allow existing businesses, new business and the city to ensure it maximises the economic benefits that the seafront can deliver.

Alternative options to be considered and recommended to be rejected:

The alternative option would be to not progress the projects. As set out above £0.540m of external funding has been secured from the CCF and the delivery team is progressing the design stages of the project. To carry out the works contractors must be procured following a competitive tender process.

Impacts analysed:

Equality Y Privacy N/A Sustainability Y Crime and Disorder N/A

Is this a “Key Decision” as defined in the Constitution?

Yes

Is it included in the Forward Plan?

Yes

Scrutiny Committee

SEAFRONT REGENERATION: UPDATE AND NEXT PHASES.

REPORT OF THE EXECUTIVE DIRECTOR OF COMMERCIAL DEVELOPMENT

1.0 Purpose of Report

- 1.1 This report seeks approval to the next phases of the delivery of the Seafront Regeneration Strategy at Roker and Seaburn, including the Round three Coastal Communities project.

2.0 Description of Decision

- 2.1 Cabinet is recommended to:

- a) Approve the enhanced seafront regeneration programme for Roker and Seaburn, and receipt of £0.540m from the Coastal Communities Fund (CCF) and £0.545m from the Heritage Lottery Fund (HLF).
- b) Agree the inclusion of the funding for the CCF scheme and the HLF funding for Roker Pier within the Council's Capital Programme, and approve the resultant variation to the Capital Programme which will be reported to Scrutiny and Council for information.
- c) Authorise the Executive Director of Commercial Development, in consultation with the Cabinet Secretary, to procure and appoint contractor(s) to deliver all required infrastructure works.
- d) Authorise the Executive Director of Commercial Development, in consultation with the Cabinet Secretary, to procure and appoint contractors and/or consultants to deliver elements of the business support, events, and marketing activities of the CCF project where appropriate.

3.0 Background

- 3.1 The Council has initiated and implemented a programme of improvements to the seafront since the approval of the Seafront Regeneration Strategy and the Marine Walk Masterplan and the subsequent adoption of the Seaburn Masterplan.

- 3.2 Since its inception, the Council has been successful in securing a range of external funding, which has been matched with Council resources to deliver elements of the programme. This commenced with £1m Sea Change funding, which was matched with £0.5m of the Council's resources, to deliver a first phase of improvements at Marine Walk, Roker. A first phase of improvements was also undertaken at Seaburn, largely funded by North Area Committee with contributions from other Area Committees.
- 3.3 Since this initial investment the Council has gone on to successfully secure CCF (round one) for further infrastructure improvements at Seaburn. Further Council resources have been allocated to Roker where a second phase of infrastructure improvements has been completed.
- 3.4 The works undertaken to date have been extremely well received and indeed have won national awards for their design and the quality of environment achieved.
- 3.5 On 5th November 2014, Cabinet approval was given to undertake all necessary steps to appoint a contractor and project team to deliver the third phase of the Roker Pier, Lighthouse and Tunnel project if funding was secured via a bid to the HLF. This funding would see the Lighthouse fully restored and opened up, along with the tunnel in Roker Pier, as a visitor attraction.
- 3.6 In 2014, a bid was prepared and submitted to CCF, following engagement with the Seafront business community, aimed at addressing seasonality. The project aims to deliver an enhanced scheme, including further infrastructure works at Seaburn (Recreation Park and Cliffe Park). The support of the private sector was a critical part of the CCF bid. The ongoing support of the private sector, in particular for the delivery of the business support, marketing and events elements, will be crucial to the success of the overall project.
- 3.7 Given the tight timescales associated with the CCF project and in order to ensure that the work remains on programme, the project team, with authorisation from the Deputy Chief Executive, has commenced drafting of the procurement specification for the business support element of the project.
- 3.8 On 11th February 2015, Cabinet approval was given for two new capital projects being, Marine Walk Masterplan Phase 3 and also Seafront Lighthouses (Roker Pier and Seaburn) for £1.150m in total.

4.0 Current Position

4.1 CCF Project.

4.1.1 It was confirmed that CCF grant of £0.540m had been secured in January 2015. There are a number of standard funding conditions that apply to the grant, including a requirement that CCF grant and eligible costs are defrayed by December 2016. The total cost of the CCF project is £0.966m as set out below:

Funding Source	Capital £m	Revenue £m	Total £m
CCF Grant	0.221	0.319	0.540
Planned Prudential Borrowing	0.250	0.000	0.250
In Kind – Council (existing budget)	0.000	0.060	0.060
In Kind - Partners	0.000	0.116	0.116
TOTAL	0.471	0.495	0.966

4.1.2 Capital investment is for environmental improvements to the Recreation and Cliffe Park and is to include new and improved events infrastructure.

4.1.3 Revenue funding will deliver a programme of business support, an enhanced events programme, and, a programme of marketing for the seafront.

4.2 HLF Project (Roker Pier).

4.2.1 It was confirmed that the £0.545m HLF grant had been secured in March 2015; this is matched with £0.136m from the Council's own resources, currently in the Capital Programme as part of the Roker Pier and Lighthouse project, and is planned to restore the lighthouse and tunnel. There are a number of standard funding conditions that apply to the grant, including a requirement that HLF grant and eligible costs are defrayed by August 2017.

4.3 Current Capital Programme.

4.3.1 The projects currently in the Capital Programme are as follows:

- i. Marine Walk Phase 3: Investment towards environmental improvements to Marine Walk and new toilet facilities (including an Adult Change Place facility).
- ii. Roker Pier Phase 4: Investment towards Pier railings restoration and replacement.

- iii. Seaburn Lighthouse: Repairs and restoration of the lighthouse on Cliffe Park, Seaburn.

4.4 The project team has been overseeing the design and development of each element of the above programme.

4.5 In order to assist with delivery of the programme it will be necessary to undertake a competitive tender process for the procurement and appointment of external contractors and consultants, where in-house capacity and/or expertise do not exist.

5.0 Reason for Decision

5.1 The delivery of further infrastructure works at Roker and Seaburn are key to the ongoing regeneration of the seafront to provide improved visitor infrastructure and facilitate the ongoing development of Sunderland's coast. The delivery of business support, marketing and additional events through the CCF project will allow existing businesses, new business and the city to ensure it maximises the economic benefits that the seafront can deliver.

6.0 Relevant Considerations

- a) Financial Implications – The cost and funding implications are set out in paragraphs 4.1 to 4.3 above. In accordance with the Council's Financial Procedure Rules, Cabinet may authorise variations to the Capital Programme provided such variations are within available resources and consistent with Council policy. It is proposed that Cabinet authorise the proposed variation, which will be reported to Scrutiny and Council for information as an amendment to the Capital Programme.
- b) Legal Implications – The Head of Law and Governance has been consulted and her comments are reflected in the report.
- c) Policy Implications – The projects form part of the wider Seafront Regeneration Project which is in line with the objectives of the Sunderland Strategy and Economic Masterplan.
- d) Sustainability Impact Appraisal – An impact appraisal has been undertaken.

7. Background Papers

- Seafront Regeneration Strategy
<http://www.sunderland.gov.uk/CHttpHandler.ashx?id=8717&p=0>
- Seaburn Masterplan Supplementary Planning Document
<http://www.sunderland.gov.uk/CHttpHandler.ashx?id=11091&p=0>
- Cabinet report – Roker Pier, Lighthouse and Tunnel: Procurement and Appointment of Contractors
- Cabinet report – Capital Programme 2015/2016 and Treasury Management Policy and Strategy 2015/2016, including Prudential Indicators for 2015/2016 to 2017/2018

