

ECONOMIC PROSPERITY SCRUTINY COMMITTEE 3rd DECEMBER 2019

COASTAL COMMUNITIES ROUND 5 PROJECT

REPORT OF THE EXECUTIVE DIRECTOR OF CITY DEVELOPMENT

1. Purpose of the Report

- 1.1 To provide the Economic and Prosperity Scrutiny Committee with an update on the delivery of the Coastal Communities Round 5 project.

2. Background

- 2.1 In 2008 the Council initiated the Seafront Regeneration programme and over the last 10 years has implemented a programme of infrastructure improvements to the seafront.
- 2.2 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 the £1.5m Sea Change funded project and has continued with further funds from the Council, the Coastal Communities Fund (Rounds 1 and 3) and the Heritage Lottery Fund.
- 2.3 The works undertaken to date have been well received and indeed have won national awards for their design and the quality of environment achieved.
- 2.4 As part of the earlier project to restore Roker Pier and Lighthouse, and open it up as a visitor attraction, the Sunderland Seafront Trust ("the Trust"), was established as an independent charitable company to provide the governance for the volunteer group responsible for taking visitors on tours of the Roker Pier tunnel and lighthouse. The Coastal Communities Fund Round 5 Project (CCF5) will see the role of the Trust expanded.
- 2.5 In summary the key elements of the CCF Round 5 Project are:
- 2.6 Sunderland Seafront Trust expansion - The Project will expand the role of the existing charitable Trust. The Project will redevelop a number of vacant assets into commercial floorspace which will then transfer to the Trust by way of long leases for it to manage as the intermediate landlord and to give it a sustainable income for the future. The commercial floorspace will also create new food and beverage facilities at the seafront. A lead officer for the Trust will be recruited to undertake the expansion and operate the Trust moving forward the costs of which will be funded through the Project in the first two years and in the future through income generated.
- 2.7 Creative Industries - As a principal project partner to the Council, Sunderland Culture Limited will support the growth of a cluster of creative entrepreneurs, artists and creative businesses benefitting the

two Coastal Community Team areas. The Project will deliver events, workshops, skills development including business support, residencies and mentoring opportunities.

- 2.8 It was confirmed in April 2019 that CCF grant of £819,999 had been secured. The total cost and funding sources for the Project is £1,399,999 as set out below:

Funding Source	Capital £m	Revenue £m	Total £m
CCF Grant	£451,550	£368,449	£819,999
Sunderland City Council	£440,000		440,000
Sunderland Culture		£140,000	140,000
TOTAL	£891,550	£508,449	£1,399,999

3 Current Position

- 3.1 Cabinet has considered two reports on the CCF5 project (one in July 2019 and one in November 2019). In summary Cabinet agreed to:

- enter into Partnership Agreements with Sunderland Culture to deliver the creative industries element of the CCF5 project, as set out in 2.8 above;
- appoint consultants to support preparatory work in relation to the proposed Sunderland Seafront Trust, business plan, and marketing activities;
- procure and appoint a contractor(s), and where appropriate consultants, to deliver the proposed scheme works in respect of the Bay Shelter, Seaburn; the former toilet block, Roker; the proposed Beach Huts, Seaburn; and infrastructure works at Seaburn Camp;
- enter into leases for the letting of the Bay Shelter, the former toilet block and the tram shelter; and,
- make a capital contribution towards the redevelopment (to be undertaken by the tenant) of the Tram Shelter, Seaburn.

- 3.2 Cabinet also agreed to receive further reports on the final Business Plan and sustainable operating model, including detailed governance, accountability and performance management arrangements for the Sunderland Seafront Trust, setting out details regarding the transfer of the five named assets through the grant of long leasehold interests to the proposed Trust on appropriate terms including in relation to the final Business Plan and Operating Model. Cabinet has agreed that the named assets will not transfer to the Seafront Trust until the Business Plan, operating model, and governance has been approved by Cabinet, at a future meeting.

- 3.3 Following the Cabinet approval in July 2019, along with the further approvals in November 2019, progress is being made to deliver the

different elements of the CCF5 project. These can be broken down into the three work streams set out below.

- 3.4 Work Stream One: Capital Assets. This work stream will see the redevelopment of the following assets: the Tram Shelter, Seaburn; the Bay Shelter, Seaburn; and, the former toilet block, Roker, to create restaurant/café space. Twelve beach huts will also be developed on the promenade at Seaburn along with infrastructure investment to support the visiting touring caravans to Seaburn Camp. As set out above Cabinet has agreed to seek tenants for these assets, on terms to be agreed.
- 3.5 Work Stream two: Sunderland Seafront Trust expansion. This work stream will see the recruitment of a lead officer for the Trust. This person, in conjunction with the Council and the Trustees, will then be responsible for further developing the existing role of the Trust, and specifically preparing the detailed Trust business plan. CCF5 grant of £43,449 will provide funding for this in the first two years.
- 3.6 Work Stream Three: Creative Industries. As set out above Sunderland Culture Limited is the key partner for the delivery of this part of the Project. Sunderland Culture will support the growth of creative entrepreneurs, artists and creative businesses. The project will deliver events, workshops, skills development including business support, residencies and mentoring opportunities. Businesses receiving support through this programme will access a package of bespoke activity from Sunderland Culture.
- 3.7 Facilities will be provided to support new entrants and developing SMEs/creatives, with accessible affordable space to establish their practice/business. This space will provide both peer to peer and professional support, with access to training and skills development. Sunderland Culture will work with partners and venues across the city to provide access to venues to promote, display, perform and sell work. This is anticipated to include 15 internships for emerging creative practitioners and 6 residencies for artists.

4.0 Role of Sunderland Seafront Trust

- 4.1 As set out above, the Trust was originally established as an independent charitable company to provide the governance for the volunteers who operate the Roker Pier tunnel and lighthouse tours. Following the engagement sessions with local stakeholders in 2015 it was identified that priority should be given to establishing a new organisation to take forward the leadership of the seafront. Since this was identified by stakeholders, the Council has explored how this opportunity could be realized and consider what specifically this entity could do.
- 4.2 In order to ensure some flexibility in terms of the future role of the Trust, as it was agreed this should be shaped jointly by the existing Trustees, the Council and other local stakeholders, the precise detailed function of the Trust was not set out in the CCF5 funding application. There is, however, four identified key functions that the Trust will deliver going forward:

- 4.3 Act as the Coastal Communities Team. A key objective for the Ministry of Housing, Communities and Local Government is to see local areas set up and actively operate Coastal Communities Teams (CCTs). The intention is that these CCTs will lead local communities and develop effective forward strategies for their areas. Whilst Sunderland currently has two CCTs, one for High Street East (old Sunderland), and one for Roker and Seaburn, neither have managed to date to successfully become self-sustaining. A key objective of developing the Trust is to give this body direct responsibility to operate the CCT for Roker and Seaburn. The old Sunderland CCT has recently been merged with the Heritage Action Partnership Team in order to give it a delivery mechanism and governance structure.
- 4.4 Roker Pier and Lighthouse. As set out above, the Trust was originally established as part of the previous Heritage Lottery funded Roker Pier project to provide the governance to operate the tunnel and lighthouse tours led by volunteers. This core role will continue going forward.
- 4.5 Marketing and Promotion. To ensure that the opportunity that exists at the seafront is maximised for all, including business, voluntary sector and other community organisations, the Trust will be tasked with working with the community partners to promote the seafront area.
- 4.6 Working with the city centre CCT to support coordination of the two CCT's activities as well as the wider relationship between the city centre and seafront, continuing the work that will commence through the CCF5 project.

5.0 Transfer of assets to the Trust

- 5.1 As set out above the proposal is to transfer the following assets to the Trust by way of the grant of a long lease: The Bay Shelter, Seaburn; the Seaburn Camp; the former tram shelter, Seaburn; Kitty's Café, Seaburn; and the former toilet block, Roker.
- 5.2 These leases will only be granted once the Council is satisfied that the final Business Plan for the Trust is sufficiently robust to ensure that the key functions set out earlier can be delivered. This will include full consideration of the Business Plan, and Operating Model, by Cabinet at a future meeting.
- 5.3 The Trust is a charitable company limited by guarantee. As part of the development of the Trust a detailed appraisal of the precise future operating model for the Trust will be explored. This will be a key part of the business plan, and again the Council will need to agree this before the leases are granted to the Trust. This will include future Council representation on the board of the Trust.

6.0 Recommendation

- 6.1 The Committee is recommended to consider and comment on the delivery of the proposals set out in this report.

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