

EXECUTIVE DIRECTOR OF ECONOMY AND PLACE**SUNDERLAND HERITAGE ACTION ZONE PARTNERSHIP GRANT SCHEME****1. Purpose of the Report**

- 1.1 The purpose of this report is to update members on a forthcoming Cabinet report to request approval for the delivery of the Heritage Action Zone Partnership Grant Scheme, and to delegate authority to make all grant offers to third parties to help further the City Council and Historic England funded scheme.

2. Background

- 2.1 Sunderland's Historic High Streets Heritage Action Zone (HAZ) was established in 2017 following a successful bid from the Council to Historic England. It aims to address the heritage needs of the City Centre's and Old Town's declining historic High Streets and their environs, more specifically addressing Heritage at Risk across the zone and providing the catalyst to stimulate the area's wider economic growth.
- 2.2 The HAZ includes 2 entire conservation areas, the adjoining Old Sunderland and Old Sunderland Riverside Conservation Areas, and part of the adjacent Sunnyside Conservation Area, all of which are on Historic England's Heritage at Risk Register. It is focused along the Historic High Street and Fawcett Street where economic decline is most evident and there is the greatest concentration of heritage assets at risk or in poor condition in the central area of the City, but where there is also commitment to build upon previous and existing heritage-led regeneration initiatives and successes in a more collaborative resource-focused approach to the area's historic environment.
- 2.3 The HAZ is a cross-sector partnership comprising Sunderland City Council, Historic England, Sunderland Culture Ltd, Tyne and Wear Building Preservation Trust, The Churches Conservation Trust, and Sunderland Heritage Forum. A HAZ Delivery Plan has been produced and collectively agreed by the partnership and sets out a five year programme (2017-2022) of linked projects and activities through which the aims of the HAZ will be achieved. Projects include a series of building repair and conservation projects and project development work to prioritise and define these building projects, research projects and engagement and promotion.
- 2.4 The Partnership Grant Scheme is a vehicle for delivering key elements of the HAZ Delivery Programme and ensuring its aims and outputs are achieved. The Scheme is focused on that part of the HAZ within the City Centre, High Street West and Fawcett Street, and has been designed to primarily deliver two of the key repair and restoration projects identified in the HAZ Delivery

Plan. These two projects take in the two landmark city blocks of Mackie's Corner and 170-175 High Street West. Both groups have been largely vacant and deteriorating for many years and are considered to be at-risk, but both are strategically positioned, have landmark qualities and offer huge regenerative potential. Their repair and restoration is therefore critical to the overall success of the HAZ. The Scheme also includes a traditional shop front reinstatement scheme for Fawcett Street and High Street West, targeted primarily at the Elephant Tea Rooms due to its landmark position and architectural quality, and potentially other listed buildings in the streets subject to sufficient funds being available in the overall scheme budget. A Plan showing the scheme boundary and target properties is provided in Appendix A.

- 2.5 The Partnership Scheme comprises funding from the Council and Historic England to make grants available to property owners / tenants for structural and external repair and improvement works to historic buildings, including roof and stonework repairs and the reinstatement of architectural details and features such as shop fronts and windows.
- 2.6 The Partnership Scheme would deliver substantial benefits to the environment and economy of this part of the City Centre. It would bring in investment to support local businesses who own or trade from important historic buildings and regenerate landmark City Blocks and buildings within the City Centre Investment Corridor and at key strategic locations in the HAZ and wider City Centre. It will be key to stimulating the revival of Fawcett Street and the eastern stretch of High Street West and wider Sunnyside area.

3. Current Position

- 3.1 The Council has applied for £390,000 from Historic England. The £890,000 project was proposed as a capital new start as part of the Capital Programme Planning Report to Cabinet 21 November 2018, including Council match funding of £500,000. The project was subsequently approved by Council as part of the Capital Programme 2019/20 to 2022/23 report on 6th March 2019. Of the Council match funding £460,000 will be allocated to the grant fund to give an overall Partnership Grant Scheme budget of £850,000. The remaining £40,000 will be retained for associated project support costs to run the scheme, including professional fees and additional survey work.
- 3.2 The grant application to Historic England was accompanied by a Delivery Plan for the Scheme that explains how and when the grant funding is expected to be spent over the 5 years of the scheme, including grant allocations and delivery timescales for the priority projects, as well as setting out the aims of the scheme, its outputs and how it will be managed, monitored and evaluated. Grants will be offered at a rate of 75%, thus leveraging in a minimum of £284,000 private sector funding, with estimated grant awards ranging from £20,000 to £350,000, with the majority of projects expected to receive grant offers of over £50,000. It is envisaged that 4 projects comprising 9 properties in total will be able to be grant funded within the scheme budget.

- 3.3 The Application and Delivery Plan was approved by Historic England at their February 4th Team Meeting. It is expected a grant offer letter will be issued to the Council in March 2019. The Partnership Grant Scheme will then run from April 2019 until April 2024.

Third Party Grant Applications

- 3.4 Part 4 FPR16 of the Council Constitution states that,

16.6 The approval of Cabinet must be sought before Chief Officer's provide assistance to any third party by way of loan, grant or guarantee of over £50,000 to any one body in any one financial year.

- 3.5 The majority of the target projects in the Partnership Grant Scheme, including all priority projects, would typically require formal Cabinet approval before a grant offer can be issued. This coupled with the need to receive Historic England approval for any grant over £20,000 means that a grant applicant could wait 3-4 months for a funding decision. Delegating approval to award grants would streamline the application process and reduce the risk of projects not being delivered in line with the Delivery Plan work programme timetable and year by year funding profile.

4. Consultation

- 4.1 The Council's Conservation Team has worked closely with Historic England and the owners of the key projects (Mackie's Corner and 170-175 High Street West) in developing the Partnership Scheme. This has included detailed discussions on the scope of works which would be eligible for grant, and supporting on-going project development work in preparation for the grant scheme to enable grant applications to be submitted as soon as the scheme commences.
- 4.2 Consultation has taken place with the HAZ Partnership Team, including Sunderland Heritage Forum, Sunderland Culture, as well as the Tyne and Wear Building Preservation Trust (owner of 170-175 High Street West).
- 4.3 The Deputy Leader of the Council, Cabinet Member for Housing and Regeneration, Cabinet Member for Communities and Culture, and Ward Councillors, have been briefed on the Partnership Scheme and wider HAZ.
- 4.4 Further consultation with property owners, business operators and users within the scheme area will be undertaken at the beginning and end of the Partnership Grant Scheme through a customer perception questionnaire as part of the monitoring and evaluation of the scheme.

5. Conclusion

- 5.1 The Partnership Grant Scheme provides the means for delivering key elements of the HAZ Delivery Programme. It will provide substantial regeneration benefits to the environment and economy of this part of the City

Centre, and is key to stimulating the revival of Fawcett Street and the eastern stretch of High Street West and wider Sunnyside area.

- 5.2 Delegating authority to the Executive Director of Economy and Place to make all third party grant offers will simplify the application process, reduce waiting time for funding decisions, and support the prompt commencement on site of grant funded projects in line with the scheme Delivery Plan. The application documents would still be scrutinised by the Project Team in line with the Delivery Plan and a delegated decision report prepared to evidence the funding decision made. Grant applications would further be referred to Historic England for approval before a grant award is made, adding an additional level of scrutiny.

6. Recommendation

- 6.1 The Scrutiny Committee is asked to consider and comment.

Appendix A: Map of Partnership Grant Scheme area and target projects

