



# Public Document Pack

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9 December 2021

## **POLICY AND FINANCE COMMITTEE**

A meeting of the Policy and Finance Committee will be held in the **Council Chamber & Blue Room, Arun Civic Centre, Maltravers Road, Littlehampton, BN17 5LF** on **Thursday 9 December 2021 at 6.00 pm** and you are requested to attend.

Members: Councillors Gunner (Chair), Pendleton (Vice-Chair), Cooper, Dixon, Oppler, Roberts, Seex, Stanley and Dr Walsh

### **AGENDA – SUPPLEMENT PACK – URGENT ITEM – LEVELLING UP FUND PROJECTS**

4. Items not on the agenda that the Chair of the meeting is of the opinion should be considered as a matter of urgency by reason of special circumstances – Levelling Up Fund Projects (Pages 1 - 6)

**Please find attached an urgent report for tonight's meeting.**

Arun District Council has been successful in its bid for Levelling Up Fund funding of £19,424,597. This report seeks approval to formally accept the grant offer, enter into a Memorandum of Understanding / funding agreement, and to draw down the funding awarded. The report also seeks approval of the heads of terms for the procurement of consultants to progress the projects.

This report is being presented as an urgent item in order to be able to progress the Levelling Up Fund projects, in line with the timescale set by central government. The Council needs to demonstrate its commitment to delivering the projects in accordance with terms and conditions to safeguard the funding award. The appointment of external consultants is necessary to support the Council with both projects and Committee approval is required before this can take place.

Note : If Members have any detailed questions, they are reminded that they need to inform the Chair and relevant Director in advance of the meeting.

Note : Filming, Photography and Recording at Council Meetings – The District Council supports the principles of openness and transparency in its decision making and permits filming, recording and the taking of photographs at its meetings that are open to the public. This meeting may therefore be recorded, filmed or broadcast by video or audio, by third parties. Arrangements for these activities should operate in accordance with guidelines agreed by the Council and as available via the following link [Filming Policy](#)

## ARUN DISTRICT COUNCIL

### REPORT TO AND DECISION OF POLICY & FINANCE COMMITTEE ON 9 DECEMBER 2021

**SUBJECT:** Levelling Up Fund Projects

**REPORT AUTHOR:** Rachel Alderson, Principal Landscape & Project Officer  
**DATE:** December 2021  
**EXTN:** 01903 737946  
**AREA:** Services

#### **EXECUTIVE SUMMARY:**

Arun District Council has been successful in its bid for Levelling Up Fund funding of £19,424,597. This report seeks approval to formally accept the grant offer, enter into a Memorandum of Understanding / funding agreement, and to draw down the funding awarded. The report also seeks approval of the heads of terms for the procurement of consultants to progress the projects.

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#### **RECOMMENDATIONS:**

The Committee is requested to:

1. Approve the heads of terms of the consultant procurement process, as set out in the report, for the Alexandra Theatre and Littlehampton seafront and riverside project, subject to Full Council approval of recommendation 3; and
2. Approve the budget virement shown at paragraph 2.2 in the Proposals section totalling £19,424,597 to allow the Council to account for the grant award and associated spending, subject to Full Council approval of recommendation 3.

The Committee is requested to recommend that Full Council:

3. Accepts the Levelling Up Fund grant award of £19,424,597 for improvements to the Alexandra Theatre, Bognor Regis and the public realm at Littlehampton seafront and riverside;

4. Approves authority to enter into a Memorandum of Understanding / funding agreement with central government and approve the drawdown and expenditure of external funding, and that the terms and conditions of the Memorandum of Understanding / funding agreement are to be reviewed and agreed by Legal Services in consultation with the Monitoring Officer;
5. As per Part 4 – Officers Scheme of delegation (4.3 to 4.7 refers) and under Part 7 of the Council’s constitution, delegate authority to the Director of Place and Director of Services to plan, drawdown as well as make budgetary decisions on the expenditure of external spending of Levelling Up Funds in accordance with the terms and conditions and in consultation with the Chair of Policy and Finance Committee and the S151 Officer; and
6. Give authority for the Policy and Finance Committee to manage and lead on the Levelling-Up fund as part of its named key plan objectives and strategies.

## **1. BACKGROUND:**

### **1.1. Bid submission and grant award**

A report was presented as an urgent item to Full Council, at the meeting on 17 March 2021, in relation to an invitation by the Government to submit funding bids to the HM Treasury Levelling Up Fund. The funding programme was launched to address the needs of individual places and the strategic case for investment, particularly aimed at coastal communities and deprived areas.

The Council submitted a bid to the Levelling Up Fund for the Alexandra Theatre in Bognor Regis and Littlehampton seafront and riverside landscape improvements. The bid was submitted in June 2021 and notification was received in late October that the Council’s application for £19,424,597 had been successful.

The total grant award is broken down as follows:

<b>Project</b>	<b>Professional Fees</b>	<b>Capital Works</b>	<b>Total</b>
Alexandra Theatre, Bognor Regis	£1,469,060	£10,721,336	£12,190,396
Littlehampton Seafront & Riverside	£460,340	£6,773,861	£7,234,201

### **1.2. Project Scope**

The scope for each project is summarised below:

Alexandra Theatre, Bognor Regis - to revitalise the theatre and strengthen its role as a community hub. This will be achieved through:

- Increased seating capacity
- Additional arts/cultural floorspace
- New gallery and control room spaces
- Changing Places toilet facility
- Enhanced façade to the building
- Improved energy efficiency

Littlehampton Seafront & Riverside - to transform the seafront and riverside open space and boost economic regeneration in the town. This will be achieved through:

- New social hub, concessions building and showers
- Improved car park landscape
- Changing Places Toilet facility
- Additional walkways and performance space
- Creation of play activity social spaces
- Additional areas of soft landscape and ornamental planting

1.3 Looking at the scope of the overall project, it is clear that it contains service areas that would normally be reported into several different Service Committees. Paragraph 3.1.3 of the Constitution at Part 3 – Responsibilities for Functions reads “Where a function does not clearly fall within the remit of one particular Service Committee, the Policy & Finance Committee shall direct which Committee shall deal with the function, or deal with the matter itself”.

1.4 Section 1.4 of this report explains the deadlines that the Council needs to work to in completing the numerous projects contained within the Levelling-Up Fund and in maintaining the programme that will be put into place. Under the Committee system it would be impossible to manage dissecting this project to report into the various service committees and meeting the numerous deadlines working to the Committee timetable in place. It is felt that in recognition of the need to deliver the projects by the Government’s deadline of March 2024, the Policy & Finance Committee be responsible for overseeing all aspects of the Levelling-Up Fund project.

#### 1.5. External resources

As part of the funding awarded an allocation for professional fees has been included for each project. The expertise of external consultant teams is required to support the Council in the delivery of the projects. The appointment of consultants would be on the basis of the RIBA Works Stages 0-7, which are the UK’s definitive model for the design and construction process of a project.

The consultants will review existing concept designs and work with stakeholders to refine the schemes ahead of public consultation and the submission of planning applications. The consultants will then prepare tender documentation for procurement of the construction contracts and assist in the delivery and completion of the projects on site.

Due to the scale of the professional fees, tenders for consultants will be invited either through a framework or the Find a Tender Service. Submissions will be evaluated on both price and quality.

## 1.6. Programme

Within the grant award the Government has set the requirement that the schemes are completed by March 2024. To maintain this programme, it is vital to progress the projects as quickly as possible and put in place the relevant resources. Reports providing further detail for each project will be presented at future meetings of the Policy and Finance Committee.

## 1.7. Funding Agreement & Payments

Following the successful bid to the Levelling Up Fund it will be necessary to comply with a range of terms and conditions and therefore enter into a funding agreement with the funding body. A Memorandum of Understanding will form the legal agreement between the Council and Government; this will reference the recently submitted project management update template, which confirmed the required financial profile, delivery outputs and milestones each project is to achieve. These will form the basis of the project monitoring by the Levelling Up Fund during the delivery of the projects. Grant payments will be made six months in advance and will commence in February 2022.

## **2. PROPOSAL(S):**

2.1. It is proposed that consultants for the two projects will be procured in accordance with the following heads of terms:

### Alexandra Theatre

- a. Scope: Provision of multi-disciplinary services (including, but not limited to; architecture, engineering, quantity surveying), covering RIBA Work Stages 0-7, required to deliver enhancements to the Alexandra Theatre in Bognor Regis, in accordance with the Levelling Up Fund bid, contained within a budget of £1,469,060.
- b. Duration of contract: 48 months, including defects period.
- c. Form of contract: Arun District Council standard conditions/or selected framework conditions

### Littlehampton Seafront and Riverside

- a. Scope: Provision of multi-disciplinary services (including, but not limited to; landscape architecture, architecture, engineering, quantity surveying), covering RIBA Work Stages 0-7, required to deliver public realm improvements to the seafront and riverside in Littlehampton, in accordance with the Levelling Up Fund bid, contained within a budget of £460,340.
- b. Duration of contract: 42 months, including defects period.
- c. Form of contract: Arun District Council standard conditions/or selected framework conditions

2.2. It is proposed that the Council accepts the grant offer of £19,424,597 in response to the successful Levelling Up Fund bid and approval is given to enter into the agreement, subject to scrutiny of the Memorandum of Understanding terms and conditions by Legal Services in consultation with the Monitoring Officer.

The following virements are required to allow the Council to account for the funding:

	Debit £	Credit £
Alexandra Theatre, Bognor Regis, Professional Fees	1,469,060	
Littlehampton Seafront & Riverside, Professional Fees	460,340	
Alexandra Theatre, Bognor Regis, Capital Spending	10,721,336	
Littlehampton Seafront & Riverside, Capital Spending	6,773,861	
Alexandra Theatre, Bognor Regis, Revenue Grant Income		1,469,060
Littlehampton Seafront & Riverside, Revenue Grant Income		460,340
Capital Grants Income		17,495,197
<b>Totals</b>	<b>19,424,597</b>	<b>19,424,597</b>

### 3. OPTIONS:

1. To approve the recommendations as set out in the report.
2. To not approve the recommendations and delay the commencement of the projects, therefore risking the funding awarded.

### 4. CONSULTATION:

Has consultation been undertaken with:	YES	NO
Relevant Town/Parish Council		✓
Relevant District Ward Councillors		✓
Other groups/persons (please specify)		✓
<b>5. ARE THERE ANY IMPLICATIONS IN RELATION TO THE FOLLOWING COUNCIL POLICIES: (Explain in more detail at 6 below)</b>	<b>YES</b>	<b>NO</b>
Financial	✓	
Legal	✓	
Human Rights/Equality Impact Assessment		✓
Community Safety including Section 17 of Crime & Disorder Act		✓
Sustainability	✓	
Asset Management/Property/Land	✓	
Technology		✓
Other (please explain)		✓

### 6. IMPLICATIONS:

Financial – the grant award is a major financial transaction for the Council. It will require careful monitoring. If spending exceeds the award, the Council can expect to fund this from its own resources. The Council must ensure this does not occur. It is proposed to engage

additional specialist staff to manage the project. Funding will be required for the additional internal resources to deliver the projects – this is subject to a separate report.

Legal – the Council will be required to agree and sign the Memorandum of Understanding / funding agreement in accordance with the terms and conditions.

Sustainability – the sustainability of the projects will be taken into account during the design and construction phases.

Asset Management – the Council will retain responsibility for the completed Littlehampton scheme.

**7. REASON FOR THE DECISION:**

To progress the Levelling Up Fund projects and ensure that the Council meets its obligations under the funding agreement.

**8. BACKGROUND PAPERS:**

[Levelling Up Fund Bid Submission - Economic Committee 8 June 2021, Item 63](#)