

Margate Town Deal Board Agenda

- Date:** 12 April, 2022
- Venue:** Virtually, via Google Hangout
- Present:** Brian Horton, David Smith CBE, Cllr Reece Pugh, Madeline Homer, Sir Roger Gale MP, Adam Bryan, Eddie Kemsley, Sam Causer, Stephen Darrer, Clarrie Wallis.
- In Attendance** Louise Askew, James Clapson, Gabriella Stewart, Chris Paddock (PRD Ltd), Dan Lindsay (ekosgen).
- Apologies:** Jesse Tomlinson, Lesley Game
- Declaration of Interest:** EK raised that the Dreamland Business Case is on the agenda.

1. Welcome and any Declarations of Interest

Chair Brian Horton welcomed members of the Board. There were no new declarations of interest.

2. Chair Update

Chair is involved in the recruitment process for the Trustees of the Creative Land Trust - and there has been a good level of interest

3. General Update

- **W/G Feedback** - LA had not heard back about the business case yet, and would request for further info
- **53-57 High Street** - LA informed the Board that the works were now complete. As part of the Welcome Back Fund the Council were going to wrap the windows, while finalising the Margate Digital Levelling Up Fund project.

LA - the CLT application to the Charity Commission has been approved, which is very good news. This now ensures that £6m will be delivered against the charitable objectives.

Chair: we should acknowledge the gratitude of the Board to all of those who were involved in delivering it. It is a significant milestone for the Trust, and the Margate Town Deal Board.

4. Business Cases: External Assurance

Dan Lindsay from ekosgen:

DL - Advised that ekosgen is a company that specialises in developing and reviewing business cases. Dan has worked for a number of towns with their Towns Fund bids.

Reviewing the four remaining business cases has been an iterative process, reviewing at the early stage enables the resolution of issues early on.

The detailed assessment of the business cases has been against the criteria set out in the five criteria/cases:

- Check the strategic alignment with the Town Investment Plan
- Ensure there is value for money and best use of public funding
- Specifically three of the cases relate to deliverability of the scheme - financial, commercial and management cases

The business case structure provides a good tool to flag risks, gaps and dependencies. DL's role is to review the business case and flag any areas outstanding through the assurance process.

DL's main findings were that there was still some outstanding information needed to be provided, including:

- The Theatre Royal - it was recommended that there should be review stages through the next development phase, the process of review will help to reduce the risks, particularly those connected to the opportunities 19 Hawley Square provides.
- Dreamland - The Business Case has a robust strategic and economic case, but gaps were identified, which need to be addressed in order to be able to provide assurance for the funding. This is largely because the project is at an early stage.

It was recommended that an approach is agreed with the council to confirm the timescales related to the programme of works, agreeing a timetable before significant public investment is incurred

5. Endorsement of Destination Dreamland Business Case

LA - the approach is to consider the short term processes that need to be agreed between Dreamland, the Accountable Body and the Chair. We have until 19 April, if necessary, can ask for more time to go through the recommendations highlighted by DL.

EK - Both the Council and Dreamland need the milestones and review stages to be agreed before the funding is approved.

AB - there is a lot of work completed in the development of all the business cases in a short period of time - it's probably more important to have assurance that the processes are in place rather than having everything finalised. The Board should be happy to know that the correct governance is in place and the projects will be returning to the Board at certain points.

SC - What mechanisms would there be to get the money back if it doesn't go well? Is there an update on the sale of Dreamland?

LA - clawback requirements would relate to all the projects; they will need to have the right mechanisms in place through the grant agreements. The Council has commissioned a legal

team to put together a generic grant agreement, which will then have specific elements within the agreement that relates to the project.

Action: LA to get clarity on the point of putting a charge on a property to claw money back if needed.

DS - this has got a robust economic and financial case. The business case has got a lot of project management elements. KCC believes it ticks a lot of the good management boxes.

DL - the recommendation is not suggesting that all the costs need to be known before an agreement can be made, it's about being able to give assurance that there is an understanding of what will be delivered.

EK - without public funding the project is not viable and the premises will be left empty for the foreseeable future. The heritage deficit is significant in the Dreamland cinema.

Chair – we recognise the importance of the building to Margate's future. The Council needs DL's issues covered to allow them to sign it off as the accountable body.

LA: suggests the Council works with Dreamland to make sure the challenges raised in the external assurance are dealt with before the submission of the summary document, and the Board allows the Chair to sign the Summary Document off. Then share the information with the Board.

Chair – we will want to see the issues resolved to DL's satisfaction in relation to the external assurance.

The Chair requested authority from the Board to sign off on behalf of the Board once the assurance has been given from DL.

If necessary, LA will speak to Iain McNab about extending the deadline for Dreamland to ensure all elements are agreed.

The Board agreed this.

6. Endorsement of Active Movement and Connections Business Case

LA: added more to the Business Case, it now includes the drawings and prioritisation journey. There is a good mix of schemes included. The Business Case tries to articulate the relationship between the District and County councils, including who will deliver the programme of works. This was picked up by DL.

All the schemes will go through a formal consultation process. KCC has an internal approval process. The milestones are quite high level, and these will be worked up into a more detailed plan.

SC - the proposals in the Business Case are the same as the first list of projects. The Business Case has been filled out and tells a sensible story, but not sure the route from Cecil Square to the Winter Gardens is a relevant route. The focus should be on the Old Town, Cecil Square and Northdown Road, rather than the route between them. It's a shame that the first sketch hasn't taken into account concerns along the way.

LA - there was data and evidence behind the proposed routes - have changed some of the schemes following challenges at the Board. There will be consultation on the schemes, and fine tuning of the designs. The brief to KCC was directly from the Town Investment Plan, about enabling people to move around. It focused on addressing the pinch points, and unlocked funding to be used in Cliftonville. Putting some of the schemes together could reduce the cost, and therefore enable more funding in other parts of the plan.

CW - would the communities in Northdown Road be well served by the plans?

LA - the schemes are about moving people into Cliftonville and we understand that there are challenges to encourage people to move around, particularly through improved wayfinding.

Chair – we want to revisit the conversation with KCC about what else Highways can bring to this, other sources of funding, the potential to leverage investment.

Chair - the Board had reassurance from DL that the proposals are fit for purpose.

SC - is there wiggle room to change the sites such as Trinity Square - he could not endorse that scheme.

Chair - there would be an inevitable revisit in the future as part of the more detailed work to see how far the money would go.

LA - Trinity Square was identified as a pinch point - as with all the business cases this would be revisited.

Agreed: Endorsed by the board.

7. Endorsement of Theatre Royal Business Case

LA - more work was put into the revised draft for the Theatre Royal following the last Board meeting. LA understands that there are concerns that the Council will be managing the theatre, and that the £2m is not enough to create a hub for the performing arts, and the time scale needs to be made clearer.

The Council has no intention to run the Theatre Royal and will go to the market to identify an operator.

LA had robust conversations with the National Lottery Heritage Fund, some conversations with the Arts Council about drawing together other funding bodies, and the project has developed a good relationship with the Theatre's Trust. The Council will continue to work with the stakeholders that have helped develop the Business Case. The plan is to leverage private investment into 19 Hawley.

CW - would urge caution around trying to seek private investment

LA - noted that there are challenges in engaging the private sector to work on listed buildings, however there is a business opportunity, and the Council would be looking at what deal could be offered for the building, to continue to enable subsidy support for the Theatre Royal.

RG - has considerable reservation about this Business Case. £2m to stimulate a massive amount of investment will not work. If it's going to work, then someone with expertise should be brought in to drive the process from the very beginning, to say what needs to be spent, and in what order. There needs to be a clear statement that the Council will go into partnership with someone who knows what they are doing. Unless it is part of a much bigger arts plan it will not work.

MH - the Council have no intention to try and run the Theatre and would agree that we need an operator with the relevant expertise.

Chair - many of these concerns are addressed in the document and that they could be made easier to find.

CP - agreed all in the same place, the business case is designed to draw down the money, there also needs to be a longer term business plan. When the partners were brought together, they said they were keen to form a cluster.

In the development of the Business Case other examples for similar sized theatres have been looked at, for example Harrogate.

The aspiration is to create a cluster, built around the Theatre, with a Creative Director to oversee the improvements in the Theatre, and to build the capacity and a programme to excite potential investors.

DS - problem with current draft, it starts with a professional costing of what needs to be done to bring the building up to a good standard. Immediately there will need to be some value engineering to deliver within the £2m envelope. The business case should focus on the whole project vision not just justifying the work on the Theatre. There is an opportunity to reorganise the wording of the Business Case to do justice to what is trying to be achieved - a strong performance arts space.

Chair - cost price inflation is very uncertain at the moment.

LA - The team has been talking to some national theatre operators to inform the Business Case.

Take on board the challenges and risk around the unknowns, there is no option to do nothing. The Strategic Case could further emphasise the hub status.

Chair - all want the same thing - CP to revisit the narrative to make it clearer and liaise with DL.

Chair - asked the Board to give the Chair the authority to sign off with MH and S151, subject to CP reflecting the shared position articulated by MH, RG and DS in the document.

The Board Agreed.

Action: after the Easter break the Chair would meet with members of the Board to consider how to secure long term custodianship and investment for the Theatre Royal.

Actions	Responsibility	
Board Members to make videos with Thanet District Council's Communications team to raise the public profile of the Board.	LA/ Board	Ongoing
Board Members to advise NG if they have skills to help bring projects forward.	Board	Ongoing
Inward Investment Prospectus - request opinions and information needed from the Board (top 10)	LA	After submission of business case Summary Documents
Final Monitoring and Evaluation report to be shared with the Board	LA/NG	April
Share the list of successful CLT Trustees following the completion of the engagement exercise with the Board for information.	LA	May
Update the Margate Town Deal website in relation to the broader creative sector	NG	April
Draft letter from BH to Cllr LG (as Chair) regarding 20mph zone	NG	Following submission of the Summary Documents
Produce delivery/project plans for MTD Projects	LA / NG	After submission - May
Get clarity on the point of putting a charge on a property to claw money back if needed.	LA	May
Chair would meet with members of the Board to consider how to secure long term custodianship and investment for the Theatre Royal.	Chair	April/May