

# **Capital Project - Repairs and Renovations to 51-57 High Street, Margate**

<b>Cabinet</b>	28 January 2021
<b>Report Author</b>	Natalie Glover - Project Manager
<b>Portfolio Holder</b>	Cllr Ruth Duckworth
<b>Status</b>	For Decision
<b>Classification:</b>	Unrestricted
<b>Key Decision</b>	Expenditure
<b>Reasons for Key</b>	Capital Project - value of the external funding exceeding £250,000
<b>Ward:</b>	Margate Central

## **Executive Summary:**

This report provides background information in order to seek Cabinet's approval to commit £750,000 of external funding to deliver a capital renovation project for 51-57 High Street Margate via an open (competitive) tender process. This project is externally funded by the Ministry of Housing, Communities and Local Government and is required to be delivered within the set criteria and restrictions of the Towns Fund programme.

The £750,000 is allocated within the capital programme and this report seeks Cabinet's approval to commit these funds and deliver the project.

## **Recommendation(s):**

1. That Cabinet permit the expenditure of the allocated budgets for the agreed capital project to renovate 51-57 High Street, Margate;
2. That Cabinet give delegated authority to the Director of Regeneration to negotiate and agree the contract documents;
3. That Cabinet gives delegated authority to the Director of Law and Democracy, in consultation with the Director of Regeneration, to sign the contract documents and any other necessary documents to give effect to this decision.

## **Corporate Implications**

### **Financial and Value for Money**

A budget of £750,000 has been added to the Capital Programme by virtue of the Members Decision Notice approved on 6 January, 2021. This report seeks approval to spend against the allocated budget in line with the Council's procurement rules.

## **Legal**

The buildings involved are included in a Joint Venture with Homes England. This Decision Notice will be subject to a side letter being received by Homes England permitting the capital works in accordance with the terms and conditions within the Joint Venture agreement.

## **Corporate**

The capital works to 51-57 High Street are required to enable the buildings to be safely brought back into use. These works will ensure that the site is safe and secure and will reduce the risks the asset poses to the Council.

This project delivers against the Council's priority for Growth. Enabling the buildings to be brought back into use specifically delivers against:

- Encourage the rejuvenation of our high streets by supporting the growth of our creative industries.
- We will further support the regeneration of our High Streets by working with partners.

The potential opportunity that 53-57 High Street provides is identified in the recently submitted [Margate Town Investment Plan](#) as part of the Town Deal submission. These works will help to unlock its potential to support workspace in the high street and a place for engagement and skills development.

## **Equality Act 2010 & Public Sector Equality Duty**

*Members are reminded of the requirement, under the Public Sector Equality Duty (section 149 of the Equality Act 2010) to have due regard to the aims of the Duty at the time the decision is taken. The aims of the Duty are: (i) eliminate unlawful discrimination, harassment, victimisation and other conduct prohibited by the Act, (ii) advance equality of opportunity between people who share a protected characteristic and people who do not share it, and (iii) foster good relations between people who share a protected characteristic and people who do not share it.*

*Protected characteristics: age, sex, disability, race, sexual orientation, gender reassignment, religion or belief and pregnancy & maternity. Only aim (i) of the Duty applies to Marriage & civil partnership.*

Due to the limited relevance to the Public Sector Equality Duty it is not possible to further this aim of the duty. However, the proposal is non-discriminatory and does not contravene equality legislation.

## **CORPORATE PRIORITIES**

This report relates to the following corporate priorities: -

- Growth

## **1.0 Introduction and Background**

- 1.1 In the Prime Minister's speech 'Build Build Build' on 30 June 2020, it was announced that the Government would be bringing forward £5 billion of capital investment projects including £96m to accelerate investment in town centres and high streets. This aimed to provide all the towns selected for Town Deals with £500k-£1m to spend on projects such as improvements to parks, high streets, and transport. The funding was allocated on a population size basis, with Margate receiving £750,000.
- 1.2 The Government was encouraging projects that support towns in responding to immediate challenges, including capital schemes that would provide improvements to town centres including repurposing empty commercial properties.
- 1.3 Following a recent decision to include this £750,000 grant funding from the Ministry of Housing Communities and Local Government (MHCLG) in the Capital Works Programme, a further decision is now required for the spending of these grant monies on a capital renovation project for 51-57 High Street Margate. The project is to align with the Towns Fund Further Guidance provided by MHCLG in June 2020.

## **2.0 Capital works**

- 2.1 It was identified that 53-57 High Street provided a significant opportunity to provide improvements to the town centre by bringing back into use and repurposing an empty commercial property. The site is an oversized retail unit for which there is no retail demand for and the aim is to bring it back into use, whilst creating footfall in the Lower High Street and creating greater linkages between the Old Town, High Street and the reestablishment of a commercial frontage onto Cecil Square.
- 2.2 The capital works being proposed as part of the project include;
  1. replacing the roof, ensuring the building is watertight, protecting it from further deterioration;
  2. the stripping out of the internal materials and fittings which will enable access to the Asbestos Containing Materials that require removal
- 2.3 Delivering the capital works will enable the vision for the building to be more clearly defined in line with any repurposing of the high street and town centre. It is proposed that the building could form part of a portfolio of assets in a new Creative Land Trust that is proposed within the Margate Town Deal Town Investment Plan submitted to the Government on 11 December, 2020.
- 2.4 The buildings involved are included in a Joint Venture with Homes England. If these works are not undertaken, the building will continue to deteriorate. This Decision will be subject to a side letter being received by Homes England permitting the capital works in accordance with the terms and conditions within the Joint Venture agreement.

- 2.5 This capital project fits strategically with the Council's corporate priorities and values by:
- Supporting inward investment;
  - Promoting sustainability and growth of local enterprise;
  - These works will help to sustain and grow the creative sector in Thanet, providing opportunity for economic recovery and contributing to the delivery of the Margate Town Deal and the levelling up agenda.
- 2.6 Delivery of this capital project will lead to reduced repairs bills due to water ingress to the structure and mitigating Asbestos Containing Material' management, representing potential revenue savings for the Council.

### **3.0 Options**

- 3.1 To agree to commit £750,000 of external funding to deliver a capital renovation project for 51-57 High Street Margate via an open (competitive) tender process.
- 3.2 To not commit £750,000 of external funding deliver a capital renovation project for 51-57 High Street Margate via an open (competitive) tender process. If this option is chosen there may be a requirement to return the funding (as this funding is project specific and is undertaken through a letter of agreement between the council and MHLG).
- 3.3 The project being taken forward has to deliver against the [Towns Fund Further Guidance](#), which means that the £750,000 funding could not be spent on other existing schemes within the programme.

Contact Officer: Natalie Glover (Project Manager)

Reporting to: Louise Askew (Director of Regeneration)

### **Background Papers**

*Towns Fund Further Guidance:*

<https://www.gov.uk/government/publications/towns-fund-further-guidance>

### **Corporate Consultation**

**Finance:** Clive Bowen (Finance Manager)

**Legal:** Estelle Culligan (Director of Law and Democracy)