

# Margate Town Deal: Project Grant to Third Parties

<b>Cabinet</b>	28 April, 2022
<b>Report Author</b>	Louise Askew, Director of Regeneration
<b>Portfolio Holder</b>	Cllr Reece Pugh, Deputy Leader and Cabinet Member for Economic Development
<b>Status</b>	For Decision
<b>Classification:</b>	Unrestricted
<b>Key Decision</b>	Yes
<b>Reasons for Key</b>	An executive decision which involves the incurring of expenditure exceeding £250,000
<b>Ward:</b>	All wards in Margate

## Executive Summary:

This paper requests the approval of Cabinet to agree to provide the grants identified in the Margate Town Deal Investment Plan and subsequent business cases to third parties, to deliver projects already identified and approved. As the Accountable Body, Thanet District Council will receive the funding to be allocated against pre-agreed projects. In certain cases, these projects are proposed to be delivered by a third party, through a formally agreed grant. Where these grants exceed £250,000 Cabinet are required to approve these allocations.

## Recommendation(s):

1. Approve the payment of Grants to third parties to deliver the agreed Department of Levelling Up Housing and Communities funded projects. These grant payments are:
  - £6,000,000 capital grant to the Margate Creative Land Trust to deliver the outcomes identified in the Margate Town Investment Plan
  - Up to £900,000 revenue funding for Participation and Engagement as part of the Scaling Margate's Creative and Production Intervention, and delivery of the Creative Land Trust.
  - £500,000 capital grant to GRASS for the Oval Bandstand and Gardens project
2. Each grant agreement is signed as a Deed, by the Director of Law and Democracy and Director of Finance and S151 Officer, and is witnessed by a Member of the Council.

## **Corporate Implications**

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

The Council is the Accountable Body for the Margate Town Deal. The Council has the below in place to deal with matters relating to the funding, management, and assurance protocols are in place to:

- Ensure decisions are made in accordance with good governance principles
- Ensure transparency requirements are met
- Provide a Local Assurance Process
- Receive and account for the funding allocation
- Monitor and evaluate the delivery of individual projects
- Submit regular reports to DLUHC

The Section 151 Officer is required to scrutinise and approve regular monitoring returns (at least six monthly) to DLUHC. These returns will cover actual and forecast spend, alongside output metrics. The grant documents will require the Monitoring and Evaluation reports to be completed by the third party.

### **Legal**

There are no legal implications arising directly from this report.

Annex 1 is a standard grant document which was developed by an external legal team, to give the Council the confidence that the grant will be delivered in accordance with the requirements placed on the Council as the Accountable Body. This document has been shared with Regeneration, Finance and Legal Officers to agree to the draft. Each of these grant agreements will include specific requirements relating to the project and the entity delivering the project. For grants greater than £1,000,000 this will be commissioned through the external legal team.

### **Corporate**

The Margate Town Deal delivers against the Council's corporate priority for Growth, including encouraging the rejuvenation of our towns, creating new employment opportunities and continuing to promote tourism.

### **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.

## **CORPORATE PRIORITIES**

This report relates to the following corporate priorities: -

- Growth
- Environment
- Communities

### **1. Introduction and Background**

- 1.1. The Margate Town Deal projects were identified within the Margate Town Investment Plan, with a Heads of Terms offer from central Government in May 2021. Since then the Council has been working with stakeholders and project deliverers to put together a series of Business Cases, which are compliant with HM Treasury guidance on how to appraise policies, programmes and projects, as set out in their [Green Book](#) guidance.
- 1.2. Under Scaling Margate's Creative Production and Skills the Business Case for the development of a Creative Land Trust has been approved by central government and the first tranche of funding has been awarded to the Council. The Creative Land Trust Board of Trustees is being recruited to, and an asset plan is being developed to support the delivery of the Trust's ambitions. The Charity Commission application has been successful with the Trust now formally set-up as a Charity, and a bank account is being opened. All these elements will enable the Trust to act quickly to purchase or take a long lease on assets in Margate, to help safeguard the future of the creative industries.
- 1.3. The project for the Oval Bandstand and Gardens is being delivered by GRASS following a successful asset transfer by the Council. This project forms part of the wider Coastal Wellbeing intervention, and is part of a mix of projects aiming to support communities in Margate's most deprived ward have better access to community facilities and opportunities to improve their health and wellbeing.
- 1.4. Officers have been actively working with the project teams to develop the Business Case and the projects themselves. Funding is already with the Council, and the ambition from all parties is to start delivery as soon as possible. The paper is considered an Urgent item due to missing the deadline to add this key approval process to the Forward Plan, and the Council does not want to miss out on the momentum by waiting until the June Cabinet meeting in order to award grants, when funding has already been provided.

### **2. Grant Agreements**

- 2.1. To ensure accountability and to safeguard our responsibilities as the Accountable Body, Thanet District Council has commissioned Sharpe Pritchard LLP to develop two forms of grant agreements. These grants agreements aim to ensure we have safeguards in place including:
  - The achievement of the outcomes
  - The delivery of the projects in accordance with our requirements

- The appropriate use of the funds.
- Ensuring that reporting, monitoring arrangements are in place.
- Auditing systems are in place
- Adherence to statutory duties including procurement, EqIA, Data Protection, Fraud and Corruption.

2.2. The first, is a generic grant agreement template which can be adapted for use for grants of below £1,000,000. The second is a bespoke agreement, developed specifically for a project, that is over £1,000,000.

2.3. Each grant agreement is signed as a Deed, and as such would require the signature of the Director of Law and Democracy, and the Director of Finance and S151 Officer, and be witnessed by a Member of the Council.

### 3. Corporate Governance of the Grants

3.1. It is essential that as the accountable body, Thanet District Council has an established process in place to ensure that this money is safeguarded. So in addition to the initial Grant Agreement, internal monitoring processes will be established, overseen by our internal project managers, which will include:

- Receiving and reviewing all financial spends and forecasts
- Reviewing all project milestones to ensure these are being delivered in accordance with the project plan.
- Ad hoc site visits
- Monthly progress meetings
- Audits to ensure appropriate reporting mechanisms are in place.
- Financial audits to ensure propriety of funds.

3.2. All these reporting activities will then be reported to our internal governance structures including the:

- a) Corporate Management Team
- b) Cabinet

Contact Officer: *Louise Askew, Director of Regeneration*

Reporting to: *Madeline Homer, Chief Executive*

#### Background Papers

Extraordinary Cabinet 8th June 2021 Margate Town Deal Update And Next Steps

Margate Town deal webpages: <https://www.thanet.gov.uk/campaigns/margate-town-deal/>

Annex 1: Final Draft Grant Agreement

#### Corporate Consultation

**Finance:** Chris Blundell, Director of Finance

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