

Bath & North East Somerset Council

DECISION MAKERS:	Councillor Charles Gerrish – Cabinet Member for Finance & Efficiency	
DECISION DATE:	On or after 27 May 2017	EXECUTIVE FORWARD PLAN REFERENCE
		E2972
TITLE:	Cleveland Pools Trust Capital Grant	
WARD:	Bathwick	
AN OPEN PUBLIC ITEM		
List of attachments to this report: none		

1 THE ISSUE

- 1.1 To enable the Cleveland Pools project to proceed to the next stage, and for the funding package for the scheme to be assembled, the Council needs to release a further £50K of its already earmarked capital funding. This will supplement £100K already released and enables progress to be made, with a further £200K remaining provisionally approved and available to support delivery of the scheme.
- 1.2 Although the release of this £50K of funding had previously been approved it was conditional and potentially onerous for the Trust.
- 1.3 The purpose of this report is to release this £50K to the Trust and not require repayment if the scheme should fail to proceed, unless the Trust has surplus funds. This report updates single member decision E2727. This is not a new allocation but just an simplification of the terms.
- 1.4 A small £50K due diligence budget is also to be created from the original allocation.

2 RECOMMENDATION

- 2.1 The Cabinet Member agrees that a further £50K grant, which was allocated in the February 2014 Budget report, be approved for immediate release to the Cleveland Pools Trust.
- 2.2 In addition the Cabinet Member agrees the remaining £50K of this original allocation should be set aside to fund the Council's due diligence work (to support the further grant of £200K, which at this stage has only provisional approval pending the Trust completing its business case and securing sufficient other external funding).

3 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)

- 3.1 In the February 2014 Council Budget, a provisional item of £200K was provided for grant funding towards the match funding requirement for the Cleveland Pools scheme.

£100K of this funding has already been released to enable the project to be developed, a business plan to be produced, and a planning application made.

- 3.2 Cleveland Pools Trust has provisional support from HLF and Historic England. A further £200K was included in the 2017 Council Budget as a provisional capital sum to support delivery of the project. This brings the total set aside for this project by the Council to £400K of which £100K has been spent.
- 3.3 Planning consent has recently been obtained but more work needs to be completed by the Trust to enable the final submissions for funding. This work is intended by Cleveland Pools Trust to be completed over the summer. Preparations for the delivery phase and, in particular, drawing up tender documents will also be required.
- 3.4 In the event the project does not proceed, this and the previous single member decision will mean £200K will potentially become a revenue reversion cost. This is no different from the position already approved in 2015 and this variation lowers this risk.

4 STATUTORY CONSIDERATIONS AND BASIS FOR PROPOSAL

- 4.1 All statutory considerations have been met.

5 THE REPORT

- 5.1 As part of the Budget approved by the Council in February 2014, Capital Funding was provided as set out below for this project:

Cleveland Pools Trust, in partnership with the Prince's Regeneration Trust, English Heritage and the Council will be submitting a bid in April 2014 to the Heritage Lottery Fund to restore the country's only surviving Georgian lido and reclaim them for outdoor swimming. A provisional item is included for £200K to provide grant funding towards the match funding requirement for this scheme in the event this bid is successful and subject to conditions to be agreed.

- 5.2 An initial £100K has already been approved by single member decision and paid. Cleveland Pools Trust was awarded a grant for the HLF for the development phase of this project.
- 5.3 This single member decision is to confirm that the further £50K can be paid from the original 2014 capital allocation, with the remaining £50K from that allocation set aside for Council due diligence, property and legal work. The only change for the Cleveland Pools Trust is to remove the condition making this repayable if the project does not proceed. That condition will now only apply if the Cleveland Pools Trust has surplus funds in those circumstances. The due diligence budget for the Council is also a refinement of the previous decision. This is not new money, just an allocation of previously approved money.
- 5.4 If the project secures sufficient external funding for its development phase, and is regarded as having a viable development plan and business model, a further £200K set aside in 2017 may be payable by the Council but subject to a further single member decision. An asset transfer may also be required to enable the project to proceed. The land is owned by the Council.

6 RATIONALE

- 6.1 The grant will enable the Trust to secure £4.5M of external funding to restore this important building and bring it back into effective use.

7 OTHER OPTIONS CONSIDERED

- 7.1 None.

8 CONSULTATION

8.1 The consultation was undertaken as part of the February 2014 and 2017 Council Budget reports.

Ward Councillor; Cabinet colleagues; Stakeholders/Partners; Section 151 Finance Officer; Chief Executive; Monitoring Officer.

9 RISK MANAGEMENT

9.1 A risk assessment related to the issue and recommendations has been undertaken, in compliance with the Council's decision making risk management guidance.

9.2 There is a risk that the Cleveland Pools Trust will not be awarded the main grant from the Heritage Lottery Fund and the project cannot be completed. In this event the capital grant will be subject to revenue reversal.

Contact person	<i>Andrew Pate, Strategic Director – Resources – telephone 01225 477300</i>
Background papers	<i>E2727 Cleveland Pools Trust Capital Grant - Single Member decision report – 31st January 2015</i>
Please contact the report author if you need to access this report in an alternative format	