

Name of meeting: Cabinet
Date: 21st August 2018
Title of report: Dewsbury Townscape Heritage Initiative Grant Application DTHI-012 The Black Bull

Purpose of report

To seek approval for a Dewsbury Townscape Heritage Initiative (THI) grant towards improving The Black Bull, Dewsbury.

To seek delegated authority for the Strategic Director, Economy and Infrastructure to authorise payment of the grant upon receipt of a completed application and all necessary supporting information from the applicant.

Key Decision - Is it likely to result in spending or saving £250k or more, or to have a significant effect on two or more electoral wards?	No
Key Decision - Is it in the Council's Forward Plan (key decisions and private reports?)	Yes (Private Appendix 2)
The Decision - Is it eligible for call in by Scrutiny?	Yes
Date signed off by <u>Strategic Director</u> & name Is it also signed off by the Acting Service Director for Finance IT and Transactional Services? Is it also signed off by the Service Director for Legal Governance & Commissioning?	Karl Battersby - 8.08.2018 Eamonn Croston - 8.08.2018 Julie Muscroft - 8.08.2018
Cabinet member portfolio	Cllr Peter McBride - Economy

Electoral wards affected: Dewsbury East

Ward councillors consulted: Cllrs E. Firth, P. Kane and C. Scott

Public or private: Public (Appendix 2 in private)

Appendix 2 of this report is in Private, as the information it contains, relates to the financial or business affairs of persons (or the Authority holding that information); and specifically, information relating to the applicant's financial status and contractors' tender prices. It is considered that disclosure of the information would

adversely affect the companies concerned. The public interest in maintaining the exemption, which would protect the interests of the Council and the company, outweighs the public interest in disclosing the information and providing greater openness in the Council's decision making.

1. Summary

Dewsbury Townscape Heritage Initiative (THI) is a five year, Heritage Lottery Fund (HLF) regeneration programme in partnership with Kirklees Council which aims to:

- preserve and enhance certain key buildings located within the Conservation Area, through grant assistance;
- stimulate economic activity through creating a quality environment;
- raise awareness of Dewsbury's heritage through training and education.

Kirklees Council was awarded £2m by the HLF, matched by a further £1.7m from Kirklees Council to make a total fund of £3.7m initially over five years. The match funding element is already factored in to the Council's capital plan. The Dewsbury THI was formally launched in June 2014 and was extended to run until end of December 2019.

During the course of the THI programme, The Black Bull public house prominently located in Dewsbury town centre became vacant, becoming increasingly dilapidated and was put on the market for sale. It was highlighted as a property that could benefit from THI funding and brought in to the programme in year 5.

The new owners of The Black Bull, Mood Developments who specialise in the restoration of Heritage Pubs, purchased the property in September 2017 and have submitted a grant application for the restoration and rehabilitation of the property. It is eligible for grant funding and if approved will operate as a public house and restaurant. This grant is subject to Cabinet and HLF approval.

The proposed scheme is consistent with work undertaken to other properties throughout the THI scheme, delivering a uniformity of high quality traditional frontages, which considerably enhances the streetscape, improves perceptions therefore adding to the economic confidence in the town.

Appendix 2 which is to be considered in private, contains details of the tenderer selected to carry out the proposed works.

2. Information required to take a decision

Property owners and tenants (with a minimum of a 10 year lease) can apply for grant aid funding for works on their properties which can include:

- i. Exterior repairs to properties, including structural works;
- ii. The restoration and reinstatement of architectural features, such as traditional shop fronts;
- iii. Bringing empty space within buildings back into use, such as unused space above shops or derelict parts of buildings.

THI grant rates are as follows:

- where a property is in use, the grant may cover up to 75% of the cost of eligible repair and structural works, and 90% for reinstatement of architectural features
- for vacant properties and floor space, the grant is calculated using a 'Conservation Deficit Formula', based on current value, end value and cost of eligible works.

The project at The Black Bull is based on a 'bringing vacant floor space back into use Grant' for the restoration and rehabilitation of the whole of the property, with works to include:

internal reconfiguration, new internal stairs, toilets, kitchen, managers flat, basic provision of heating, lighting, fixtures and fittings throughout, fire escape, roof, windows & doors, stonework & rain water goods, pigeon deterrents, decoration, utilities and drainage.

The scheme received full planning permission and listed building consent on the 29th March 2018 (2018/62/90378/E).

This will be the 8th grant awarded under the THI Scheme, 4 have successfully been completed to date, with 3 currently on site.

An outline of the grant application can be found in Appendix 1 of this report. Appendix 2 (in private) outlines the financial aspects of the grant application that is due to be submitted.

3. Implications for the Council

Early Intervention and Prevention (EIP)

No implications

Economic Resilience (ER)

The THI project contributes to two of the three key themes of Economic Resilience:

- Economic Competitiveness and profitable business
- High quality places, environment and infrastructure.

The refurbishment of The Black Bull will contribute to the attractiveness and competitiveness of the business by improving the appearance of the premises, thus being more welcoming to customers and improving the perception of the area. There is also a wider benefit to this work in terms of it being consistent with other grant aided improvements that have been undertaken throughout the THI area. The scheme will enhance the streetscape and raise the quality of the town centre environment, particularly in this key central location of the town centre, which has been problematic.

Improving Outcomes for Children

No implications

Reducing demand of services

No implications

Other (eg Legal/Financial or Human Resources)

Financial

The THI was initially a five year programme, extended until end of December 2019. The Council is committed to providing £1.7m match funding to the project. This match funding is already factored in to the Council's capital plan.

The Council is committed to paying the grant to the applicant in full, which the Council will then claim 54% back from the HLF. Claims are made to the HLF each quarter, at the end of the quarter.

The THI programme was given approval to commence third party grant payments, as approved by Cabinet on 23rd September 2014. Under that decision, grants in excess of £50,000 must be individually approved by Cabinet - hence this report. This is the first empty property grant in the programme and specific due diligence information is required. This work is ongoing and the grant will be offered subject to confirmation that there are no issues following due diligence.

The application process has received approval from the Council's Audit, Procurement and Legal teams, as well as from the HLF.

Legal

Legal implications relate to the Council agreeing to the conditions applied by the HLF for release of grant funding. A grant agreement shall be drawn up by the Council's legal team, which incorporates both the conditions of the Council and the HLF. The conditions are consistent with similar previous schemes and focus on the eligibility, 'clawback' situations, and keeping the property in good repair.

'Clawback' is applied to ensure that no profit is made as a result of the grant, should the property be sold. Applicants are made aware of the risk of clawback which is a part of the grant agreement, and the Council subsequently takes a legal charge on the property.

Legal have confirmed that the application can be submitted as it is in compliance with the European Union 'State Aid' General Block Exemption Rule (GBER), of Article 53.

The applicant will enter into an agreement with the Council for the grant; the agreement for the works is between the applicant and contractor. The applicant is then responsible for paying the contractor and a 10% retention is also held until final completion of the project.

4. Consultees and their opinions

Local ward cllrs are very supportive of the application: "We are delighted to welcome Mood Developments to the town, and look forward to seeing the development of what has always been an iconic building. Leeds based Mood Developments have recognised the potential the town has to offer, particularly given the short travel time to Leeds and we are delighted with the confidence and investment they are bringing".

Cllr Cathy Scott also added: "I am happy to support this application and the investment. This is another opportunity for an empty building to be brought back into use, it also reaffirms Kirklees council's commitment to Dewsbury whilst also attracting outside investment too".

5. Next steps

The report will be presented to Cabinet. Subject to Cabinet approval a grant offer will then be made to the applicant and a grant agreement will be drawn up by the Council's Legal Services.

The Applicant must then appoint their contractor for a start on site within three months of acceptance of the grant offer. It is anticipated that works will start in September for completion in January of 2018.

6. Officer recommendations and reasons

It is recommended that Cabinet approve the award of a THI grant in accordance with the amounts specified in Appendix 2; and that delegated authority is given to the Strategic Director - Economy and Infrastructure, to authorise actual payment of the grant, subject to receipt of a completed application form, satisfactory completion of the due diligence process and all necessary supporting information being supplied and in accordance with the terms of the grant agreement.

Subject to Cabinet approval it is recommended that delegated authority is given to the Service Director - Legal Governance & Commissioning, to enter into and seal all grant agreements legal charges and ancillary documents relating to the grant.

7. Cabinet portfolio holder's recommendations

Councillor Peter McBride supports the proposal as an integral part of Dewsbury town centre regeneration and hopes this grant will encourage further investment from new businesses.

Cllr McBride recommends Cabinet approve the award of a THI grant in accordance with the amounts specified in Appendix 2; and that delegated authority be given to the Strategic Director - Economy and Infrastructure to authorise actual payment of the grant, upon receipt of a completed application form and all necessary supporting information.

8. Contact officer

John Lambe - Dewsbury THI Officer
john.lambe@kirklees.gov.uk
Tel: (01484) 221000

9. Background Papers and History of Decisions

Appendix 1 (public): The Black Bull Grant Overview Form
Appendix 2 (private): The Black Bull Grant Overview Form - Financial Summary

Cabinet Decision 23rd September 2014 - Dewsbury Townscape Heritage Initiative:
Council permission to offer third party grants:

<https://democracy.kirklees.gov.uk/Data/Cabinet/201409231600/Agenda/Cabinet20140923DecisionSummary.pdf>

10. Service Director responsible

Karl Battersby
Strategic Director - Economy and Infrastructure
karl.battersby@kirklees.gov.uk
Tel: (01484) 221000

**Dewsbury Townscape Heritage Initiative
Grant Application The Black Bull**

Grant Overview Form

Property - Grant Ref: DTHI-012

The Black Bull, 11 Market Place, Dewsbury, WF13 1AE

Applicant (s): Mood Developments Ltd.

Contact: Mr Peter Mason

Architect

Russell Trudgen – Architectural Director

Arctic Associates Ltd, 33 Queen Street, Morley, Leeds, LS27 8EE

Works

The project is based on a 'Vacant Floorspace Grant' for the restoration and rehabilitation of the whole of the property, to include:

- Internal reconfiguration,
- new internal stairs,
- toilets,
- kitchen,
- managers flat,
- basic provision of heating, lighting, fixtures and fittings throughout,
- fire escape,
- roof, windows & doors,
- Stonework & Rain Water Goods
- pigeon deterrents,
- decoration,
- utilities and drainage.

Planning Approval

Planning permission and Listed Building consent Approved 29th March 2018 –

App. No: 2018/62/90378/E –

<https://goo.gl/p3GYJX>

Building Regs - : Ref: 2018/EFP/00542/EL (submitted 29.3.18)

Contractors invited to tender

Roebuck and Holmes

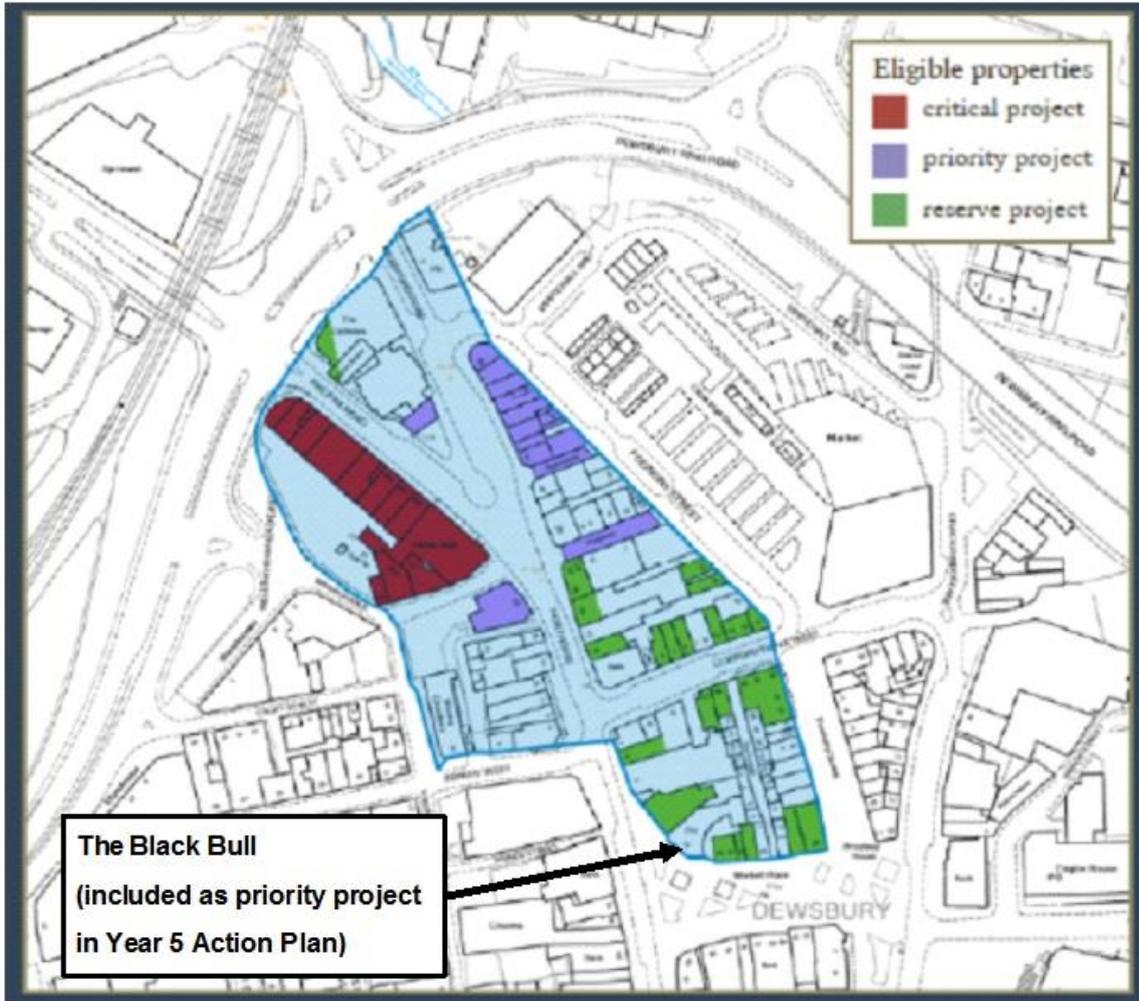
Kerr Interiors

Illingworth & Gregory

Officer Recommendation

Subject to a full tender review to proceed with appointment of contractor Roebuck & Holmes, based on being lowest price and ability to undertake the works, with an award of a THI Grant to the applicant (subject to full grant application and HLF approval) towards total gross project costs.

Property Location



Property:

