

NORTH SOMERSET COUNCIL DECISION

DECISION OF: MIKE SOLOMON EXECUTIVE MEMBER FOR CULTURE AND LEISURE AND DIRECTOR OF PLACEMAKING AND GROWTH



WITH ADVICE FROM: ASSISTANT DIRECTOR PLACEMAKING AND GROWTH IN ACCORDANCE WITH DELEGATED AUTHORITY 23/24 DP 74

DECISION NO: 23/24 DP 534

SUBJECT: SUBMISSION OF AN APPLICATION TO THE ARTS COUNCIL CULTURAL DEVELOPMENT FUND FOR TROPICANA FIT-OUT COSTS

KEY DECISION: NO

REASON: Submission of bid does not represent commitment to expenditure

BACKGROUND:

North Somerset has been an Arts Council England [Priority Place](#) since 2021 and, together, North Somerset Council and Arts Council England have developed a set of shared priorities to drive forward cultural placemaking in the area which includes securing the long term future of the Tropicana.

The Levelling Up funding will mainly be used for structural repairs to the site to withstand a 20-plus year contract and lease, plus works to increase capacity to support viability. Thus, there are likely to be insufficient funds to make the building fully ready for an operator to use.

The recommendation is to apply for additional funds to enable additional works that will make the site fully useable as a multi-use events and cultural destination delivering year-round activities. The Arts Council's Cultural Development Fund has been identified as a potential source of funding.

A selection of types of capital works which could be carried out if a funding bid is successful:

- Installation of a lift to the first floor
- Flexible system to divide up the ground floor gallery
- Additional design features for the gallery
- Design features for the first floor (currently office space)
- Works to north roof terrace to enable use
- Staging, lighting and sound equipment

The Fund also includes revenue funding for activities including start-up costs, community engagement and investment in excellent cultural events and activities. It is recommended that this revenue, if successful, be used to offset any additional costs / losses which the operator might incur by allowing community culture and arts organisations to utilise the space.

DECISION:

- To apply to the Cultural Development Fund for £2.7m; comprising £2m capital and £700,000 revenue.

REASONS:

On completion of the works the Council will appoint an external operator to run the site with a sustainable business model to help secure its long-term future. However, there are insufficient LUF funds to complete some works to the building that an operator would need to enable them to start to use the building (fit-out costs). The cost of additional works is estimated to be more than £2m. By applying for additional funding the Council broadens the field of potential operators.

Applying for revenue funding will also make the proposition more attractive to an operator which is particularly important in the early stages of the operation of the site.

The maximum that can be applied for in total is £5m including £700,000 revenue allocation, however, as the fund is extremely competitive with a total fund for England of £15.2m, it is believed that the Council would be less likely to be successful with a bid for the full £5m. It has therefore been agreed to apply for £2.7m in total.

PROJECT MANAGEMENT

Project management costs will be factored into the funding bid.

OPTIONS CONSIDERED:

Not applying to the fund was considered, however, as there are insufficient funds to complete the works listed above there would be additional costs on the operator to complete them thus affecting the attractiveness of taking on the site.

FINANCIAL IMPLICATIONS:

Funding profile:

Total project costs:	£11.37m
Cultural Development Fund:	£2.7m
Match LUF	£6.27m
Match NSC	£2.4m

LEGAL POWERS AND IMPLICATIONS

NSC must comply with the timescales of the programme which are:

- Activities must start between **1 November 2024** and **1 April 2026**
- Activities must end no later than **31 March 2028**.

It is proposed that the CDF funded project start date is June 2025, when procurement of the designers and project team will begin, then designs will be drawn up with the preferred Tropicana operator. CDF funded works should be completed by no later than Nov 27. These dates will align with the procurement of the Tropicana operator.

In addition, the Arts Council expects the building to be used for a minimum period of 20 years from the date of the funding agreement as set out in the terms and conditions of the programme.

As per Financial Regulations section 3.34 and 3.37

- 3.34 If a capital project involves bidding for funds from any external body approval shall be required to agree in principle to the scheme and its revenue and capital impact before any formal bid is made to any relevant body.
- 3.37 For schemes requesting funding between £1,000,000 and £5,000,000, the **Executive Member(s)** in consultation with the relevant **Director** and the **Section 151 Officer** shall be required to agree in principle to the scheme and its revenue and capital impact before any formal bid is made to any relevant body for any schemes.

CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS

The LUF (and, if successful, CDF) construction projects aim to improve energy efficiency and support the Council's carbon zero target.

CONSULTATION

The decision to submit a full application for this funding was made in consultation with the Leader of the Council and Executive Member for Spatial Planning, Placemaking and Economy.

RISK MANAGEMENT

A full risk management process is in place for all the LUF projects. This will be updated for the Cultural Development Fund with respect to the Tropicana.

EQUALITY IMPLICATIONS

Have you undertaken an Equality Impact Assessment? This will be completed during the project procurement and design stage if the funding bid is successful.

CORPORATE IMPLICATIONS

This project supports the corporate strategic objective of 'Our towns and villages are thriving and sustainable places to live, work and visit'.

APPENDICES

None.

BACKGROUND PAPERS

None.

SIGNATORIES:

DECISION MAKER(S):

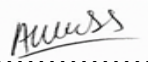
Signed:  Executive Member for Culture and Leisure

Date: 13 May 2024

With advice from

Signed:  Assistant Director Placemaking and Growth

Date: 13 May 2024

Signed:  S151 Officer

Date: 13 May 2024