

This Report will be made public on 22 January 2019

Report Number **C/18/67**

To: Cabinet
Date: 30 January 2019
Status: Non- key Decision
Responsible Officer: Katharine Harvey, Chief Economic Development Officer
Cabinet Member: Councillor Collier – Cabinet Member for District Economy

SUBJECT: “Spirit of the Leas” Folkestone Coastal Park Heritage Lottery Fund Stage Two Grant Application

SUMMARY:

Following Cabinet approval in September 2016, a Stage One grant application was submitted to the Heritage Lottery Fund (HLF) for a project to improve access to Folkestone’s Coastal Park. The Stage One application was successful and the HLF awarded FHDC a development grant of up to £40,300 to support a Stage Two submission. This report seeks Cabinet approval for the submission of a Stage Two application and to approve a match funding contribution over the period of the project from June 2019 to November 2020.

REASONS FOR RECOMMENDATIONS:

Cabinet is asked to agree the recommendations set out below because approval is required :

- a) For the submission of a Stage Two HLF application
- b) For the match funding required from FHDC towards this project.

RECOMMENDATIONS:

1. To receive and note report C/18/67.
2. To agree to the submission of a Stage Two HLF application.
3. To agree in principle to underwrite the value of the Section 106 contribution earmarked towards the project.

1. INTRODUCTION

- 1.1 The Folkestone Coastal Park “Spirit of the Leas” project aims to restore historic routes and structures in the Coastal Park and along the Leas, as well as to develop an understanding and appreciation within the community of the roles played by the Park, Leas Cliff Hall and the Leas in Folkestone’s development as a coastal resort.
- 1.2 This project is one component of the Council’s programme for the future enhancement of Folkestone Town Centre. In particular, this project will improve connectivity between the town centre and the Lower Leas Coastal Park, to realise the full potential of this key asset for both visitors and residents alike.
- 1.3 Following submission of a Stage One application in October 2016, the HLF granted the Council an 80% development grant of up to £40,300 to support the development of a Stage Two application, with the balance to be drawn from the 2017/18 Economic Development team budget.
- 1.4 Agreement was sought from Cabinet in June 2017 (C/17/14) to draw down the HLF Stage Two development grant and to commence work towards a Stage Two application, This was because:
 - support was necessary to accept the Stage Two development grant and for prioritising resource within the Economic Development team to develop the application; and
 - there was a requirement for match funding from FHDC towards the project
- 1.5 The Cabinet agreed:
 - To the submission of a Stage Two HLF application providing all match funding required was found from sources other than the District Council.
 - To Officers adopting a proactive approach to identifying and securing external match funding contributions to deliver the necessary project funding and delivery requirements.
 - That a report returned to Cabinet before submission of the Stage Two application.

2. THE “Spirit of the Leas” PROJECT

- 2.1 The project aims to enhance connectivity and movement flow between the town and seafront. It comprises the following elements, which includes both capital works and engagement activities, which are of particular importance to HLF.
 - The restoration of the cliff-paths either side of the Leas Cliff Hall to improve access between the park and town-centre to encourage new users, re-establish views of the park and Hall, and relieve pressure on other routes such as the Pulhamite Zig-Zag Path.
 - The restoration of heritage features including the Leas subway, air-vents from the Hall’s predecessor the Leas Shelter, and the manufacture of a pattern of the Leas lamp-columns from which new columns will be able to be cast.

- The interpretation of the Leas Cliff Hall and Leas cliff-top promenade's built and social heritage.
 - The engagement of people through activities centred on music, dance, fashion, architecture and archaeology.
- 2.2 The Coastal Park and Leas comprise one of the district's main "free-to-enter" attractions. The Park has achieved Green Flag status since 2007 and is rated by Trip Advisor as the 9th best out of 862 "things to do" in Kent, attracting some 500,000 visitors annually. Recent 2017 estimates suggest that average day visitor spend in the district is £30. Therefore, assuming visits to the Park are generally of a half-day duration, the Park could be attracting around £7.5 million annually.
- 2.4 The proposed improvements to the Park will help to increase the Park's attractiveness and connectivity with Folkestone town centre to visitors and residents, thereby supporting the local economy.
- 2.5 The project fits well with Corporate Plan priorities and supports the Economic Development Strategy by :
- Enhancing Folkestone as a visitor destination and make it enhance its attractive as a place for inward investment;
 - Improving connectivity in Folkestone between the town and seafront;
 - Maximising the economic benefits of the coast through encouraging the full enjoyment of the asset.
- 2.6 This project also supports the four objectives of the district's recently adopted Heritage Strategy (C/18/57) by:
- Demonstrating the District Council's leadership role in championing and promoting the rich heritage of the district and supporting heritage-related activity.
 - Seeking funding to support the management of the Leas Cliffe Hall, the Victorian subway and Leas Promenade heritage assets and undertaking activities to promote their historical importance
 - Using the district's historic environment and heritage to enhance Folkestone's place-making activities by improving connectivity between the town centre, and the Lower Leas Coastal Park.
 - Realising and capitalising on the economic and social potential of the district's rich historic environment, heritage assets and heritage activity.

3. DEVELOPMENT OF THE STAGE TWO APPLICATION

- 3.1 The HLF awarded FHDC a development grant of 80% of the total costs of developing a Stage Two application, which were estimated would be a total cost of £50,000. The actual cost has been £37,125 and the breakdown is shown in Appendix 1.
- 3.2 The work undertaken to develop the Stage Two application has included:
- **Finalising the cost estimates for the capital works.** This has included costs for the paths, subway and lamp columns and to restore the views

and to landscape the area, including thinning and replanting pine trees. Should the HLF application be successful, the capital works will need to be procured. Consequently a project contingency cost has also been included in the Stage 2 application costings.

- **Developing an interpretation and activity plan.** The development of these has involved:
 - liaising with over 20 groups
 - a site visit for residents and groups
 - an online survey to elicit views on proposals, which resulted in 110 responses
 - a focus group for older people
 - the development of a video by FE students
 - press and social media about the project
- **Demonstrating how the project will be delivered, including** setting out the project's delivery structure
- **Finalising the sources of funding** for the project
- **Finalising the project timetable**

3.3 Further details of the above elements of the project are shown in Appendix 2.

3.4 A meeting with HLF took place on 6th December 2018 to review the Stage Two Application material and to provide comment. This was a very positive meeting with the work undertaken by the lead officer, Dave Illsley commended. FHDC has been encouraged to submit a Stage Two application.

4. **PROJECT MATCH FUNDING**

4.1 The Stage One application identified that the district council would provide up to 20% of match funding towards this project, which was more than the 5% minimum required by HLF(C/16/30 para 1.6). This was agreed because of the competitive nature of the applications and that this higher contribution would bring a greater likelihood of success.

4.2 The success of the project at Stage One resulted in HLF awarding an 80% grant towards developing a Stage Two application and a potential grant of £466,700 towards the final 'Spirit of the Leas' project.

4.3 As a result of the Stage Two project development work, a total project cost has now been established at £606,920. With a maximum HLF grant of £466,700 towards the final project, there is an outstanding match funding requirement for £140,220 (23%).

4.4 The HLF requires projects of this nature to be maintained by the grant recipient for a period of at least five years. The match funding contribution therefore includes estimated maintenance costs. The Stage Two development work has clarified these to be £36,750 over the minimum five

year period, whereas previously these had been identified at £18,000. These funds will be allocated from the appropriate annual Grounds Maintenance budget streams.

- 4.5 Further to the agreed actions from the Cabinet meeting on 21 June 2017, other potential match funding contributions towards this project have been sought. This has included approaches to the Roger De Haan Charitable Trust, Magnox Industries and the Folkestone Town Council. As a result, a funding commitment of £20,000 has been secured from Folkestone Town Council, leaving an outstanding requirement of £83,470 from FHDC.
- 4.6 Further internal investigations have been made into the potential of using some of the s106 Folkestone Seafront funds as a match funding contribution towards this project. £100,000 of s106 funds have been earmarked specifically towards improving paths and access within the Lower Leas Coastal Park. A separate identified S106 contribution is also available towards bringing the Leas Cliff lift back into use at a future point in time. Therefore it is proposed that these funds are used for the remaining match funding requirements for the project. However, because the release of these s106 funds are predicated on specific numbers of homes coming forward, due to some economic uncertainty there is a requirement for FHDC to underwrite these funds in case they are unavailable within the required timeframe for this project.
- 4.7 Cabinet is therefore requested to agree in principle to underwrite the use of the Folkestone Seafront s106 funding contribution towards the Spirit of the Leas project, in order to deliver the project as set out in the timetable shown in Appendix 1. If the HLF funding bid is successful, the proposed scheme is expected to run from 1 September 2019 to 30 November 2020. Before this, Cabinet will be required to consider a separate report seeking formal budget approval from full Council for the whole scheme to be included in the General Fund Capital Programme.

5. RISK MANAGEMENT ISSUES

5.1

Perceived risk	Seriousness	Likelihood	Preventative action
The council decides not to submit a stage 2 application due to dissatisfaction with level of match funding secured	High – loss of officer time over lengthy period and £10,000 development contribution from FHDC; although submission does not guarantee success significant funds will be lost to other heritage projects in the south east region with adverse impact	Low	FTC has agreed to contribute £20,000 towards the project FTC contribution is to come from Folkestone Seafront s106, which has already been

	on the council's reputation and risks to future bids for HLF grants.		earmarked for path improvements in Leas Coastal Park
The Stage 2 application is not successful	High – loss of officer time over lengthy period and £10,000 development contribution from FHDC.	Low	The HLF has said that it is rare for a round two submission to be rejected provided that applicants work closely with them during the development stage. There has been a close working relationship established with the HLF officer and the meeting in December to review the stage 2 application material was very positive

6. LEGAL/FINANCIAL AND OTHER CONTROLS/POLICY MATTERS

6.1 Legal Officer's Comments (DK)

There are no legal implications arising directly out of this report other than those already identified in the report. The match funding payments required of the Council towards the project are clearly an important undertaking and one which must be honoured by the Council.

Legal Services have been informed by the Heritage Lottery Fund that the terms and conditions upon which it requires beneficiaries to undertake prior to accepting a grant are not negotiable.

6.2 Finance Officer's Comments (LH)

The financial implications are set out in sections 3 and 4 above. As stated there are no financial resources set aside in forward plans at this stage. If the HLF funding bid is successful, full Council will be required to formally approve a budget for the whole scheme for it to be included in the General Fund Capital Programme

6.3 Diversities and Equalities Implications

There are no diversities or equalities implications arising.

7. CONTACT OFFICERS AND BACKGROUND DOCUMENTS

Councillors with any questions arising out of this report should contact the following officer prior to the meeting

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Email: katharine.harvey@folkestone-hythe.gov.uk

DRAFT

**Appendix 1: Spirit of the Leas HLF Project: Stage Two Application
Development Costs**

Capital Works RIBA 3 Designs	Martello	£18,000
Ecology Survey	Lloyd Bore	£1,150
Landscaping proposals	Lloyd Bore	£7,970
Interpretation proposals	ARC	£5,700
Focus Group	Consultant & Room Hire	£955
Cliff Path Feasibility Study	Canterbury City Council	£2,350
Activity Plan video	The Edge, Folkestone College	£1,000
TOTAL		£37,125

Appendix 2: The Spirit of the Leas Project

Project Costs

Project Cost Items	Cost
Capital Works	
Landscape Works (ecological supervision, tree thinning and replanting)	£30,000
Restore Subway	£85,426
Restore Path east	£117,737
Restore Path west	£102,050
Lamp Columns and Air Vents	£44,456
Professional Fees (Produce RIBA 4-7 information and tender package)	£21,900
Capital Costs Sub-total	£401,569
Evaluation	£9,000
Interpretation	
Design & install on-site interpretation	
Restructure F&HDC Leas & Coastal Park Webpages (F&HDC)	
Aural Journey (Jim Jam Arts)	
Schools Seashore Pack (KWT & St Marys School)	
Interpretation Costs Sub-total	£47,270
Activity Projects	
Before the Leas (CAT)	
Exploring the Leas (CAT)	
Decades & Dance (CAT)	
The Leas Through Young Lenses (Timelocked)	
Class & Space Conference (Timelocked)	
Leas Research Group (Timelocked)	
Town Meets Country (WCCP)	
Schools History Workshops (SHW)	
Community Theatre (Jim Jam Arts)	
Music Through The Century (Folkestone Festivals)	
Seashore Events Kent Wildlife Trust	
Folkestone & District Local History Society Exhibition	
Primary Participation (St Mary's Primary)	
Spirit of the Leas Project Newsletter (EKC)	
Spirit of the Leas Merchandising Project (EKC)	
Skills Training Programme with FE College	
Planning CPD and Project Manager Conservation Training	
Activity Projects Costs Sub-Total	£59,615
Contingency 7.5%	£38,809
Inflation at 2.5%	£13,907
5 Years Increased Maintenance	£36,750
TOTAL PROJECT COSTS	£606,920

Project Delivery Structure

The former Folkestone THI Manager, Richard Piper will be allocated responsibility as project manager. The post of project manager for the

Folkestone THI scheme was hosted by F&HDC and successfully combined a mix of capital (private and public realm) works and a very wide variety of community activities including conservation skills training with East Kent College, work with primary schools, community groups, volunteering. The THI scheme has recently ended but the scheme manager who is a qualified surveyor with wide experience of working with heritage and community groups gained through the THI scheme has been retained by F&HDC.

The Spirit of the Leas Project Manager (PM) will report to John Bunnett, Corporate Director for Place and Commercial and will be supported by an in-house project delivery group with representatives from the main operational teams including:

- Grounds Maintenance
- Engineers
- Community Locality Officers
- Communications

The Project Manager will ensure that the project will be delivered correctly in terms of procurement and other governance matters by working with our in-house finance, procurement, planning and HR teams.

The Project Manager will maintain links with external stakeholders including HLF, Folkestone Town Council (a funder) and the wider community including groups such as the Creative Foundation which is planning the next Triennial to take place during autumn 2020, some aspects of which are expected to take place on the Leas and in the Park.

Tasks will be split into four main areas – Capital Works, Action Plan (Projects) Action Plan (Interpretation) and Intern Opportunities.

Funding Summary

Total Project Cost	£606,920
Project Funding Sources	
HLF (based on Stage One approval)	£466,700
Folkestone Town Council	£20,000
FHDC 5 Years Maintenance	£36,750
FHDC S106 Folkestone Seafront contribution	£83,470

