

Record of Decisions

Paignton Picture House

Decision Taker

Cabinet on 26 November 2024.

Decision

1. That, subject to Council approval of recommendation 2. below, Cabinet approves:
 - (i) the Council enters into the tripartite agreement with the Arts Council England and the Paignton Picture House Trust, in accordance with the draft agreement as set out at Appendix 2 and subject to (vi) below;
 - (ii) the Council acts as the accountable body for the Delivery Partnership;
 - (iii) the Council indemnifies the Paignton Picture House Trust that the project will be delivered with reasonable skill and care and provides a clear and agreed mechanism for the Paignton Picture House Trust to have oversight of any decision the Council makes in executing the project including the right to dispute decisions through a defined escalation process of adjudication and arbitration;
 - (iv) the Council requires a charge to be made on the freehold title of the Paignton Picture House under the same terms as that required by the Art Council England but for a period of 20 years;
 - (v) the formalisation of the Delivery Partnership by the creation of a Project Delivery Board with Terms of Reference negotiated with the Paignton Picture House Trust and the Arts Council England that reflects the delivery requirements of (i, ii, iii); and

The Project Governance Structure under the Project Delivery Board to include:

- a) Ensure the Council has oversight of all expenditure associated with the project where the Council's underwriting risk is exposed.
 - b) That the Council has the ultimate authority to approve, review and reject payments to all contractors, suppliers and the Trust, necessary to deliver the project.
 - (vi) that the actions necessary to facilitate the agreements in (i, ii, iii, iv, v) through negotiation with the Paignton Picture House Trust and the Arts Council, and the wider supply chain, are delegated to the Director of Regeneration, in consultation with the Cabinet Member for Place Development and Economic Growth, the Director of Finance and the Monitoring Officer, and signed/in consultation with the Council's Statutory Officers as the nature of each agreement or action requires by the Council's Constitution.
2. That Cabinet recommend to Council the following:
 - (i) that an additional £900,000 be allocated from the Future High Street Fund to delivery of the Paignton Picture House project and

- (ii) that the Council underwrites the delivery of the project up to a maximum of £1.6m, to be funded from unsupported borrowing, if required. The Council will limit the financial liability through robust cost oversight of the project and seek to secure any other applicable funding sources.

Reason for the Decision

The proposals ensured that the project was developed in order to contribute towards meeting the objectives of the Paignton Town Centre Masterplan.

Implementation

The decision in respect of 2 above will be considered at the Council meeting on 5 December 2024. The decision in respect of 1 above will come into force and may be implemented on 9 December 2024 unless the call-in procedure is triggered (as set out in the Standing Orders in relation to Overview and Scrutiny).

Information

The freehold of the building was acquired by the Paignton Picture House Trust in 2015 with the intent to regenerate the site and put it back into operation as a film and arts centre.

The surrounding area has seen falling property values in immediate and adjacent areas that have been recorded since 2008 and change was required to reuse the buildings to provide catalytic regeneration to the centre part of Paignton along with Station Square and Crossways redevelopment.

To deliver the full restoration of the Paignton Picture House as part of the regeneration of Paignton Town Centre, a tripartite partnership between Torbay Council, the Arts Council England and the Paignton Picture House Trust was required.

At the meeting Councillor David Thomas proposed and Councillor Jackie Thomas seconded a motion that was agreed unanimously by the Cabinet, as set out above.

Alternative Options considered and rejected at the time of the decision

- To do nothing; this option was discounted due to the risk that the grant funding already secured was time limited and without it the building would remain unrestored and continue to be listed on Historic England's, Heritage at Risk Register.
- For the Council to grant fund only, this option was discounted as the Arts Council England required evidence that the whole scheme was funded including the currently pledged but unsecured funding contributions.
- To underwrite the costs of the scheme and for the Council to take the Capital Cost Risk, this was the preferred option and was considered the best option that would give security to all funders that the scheme would be delivered as required by the Listing Building Consent. This option would also ensure that £5m of external grant funding was secured for the Project and the regeneration of Paignton Town Centre.

Is this a Key Decision?

No

Does the call-in procedure apply?

Yes

Declarations of interest (including details of any relevant dispensations issued by the Standards Committee)

None

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29 November 2024

Signed: _____ Date: _____
Leader of Torbay Council on behalf of the Cabinet