

CABINET

20 September 2022

Title: Urgent Action - Loan and SCIL Grant to Studio 3 Arts for Major Arts Centre Development Project at the Galleon Centre	
Report of the Cabinet Member for Community Leadership and Engagement	
Open Report	For Information
Wards Affected: Gascoigne	Key Decision: No
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Accountable Director: Alison Stuart, Chief Legal Officer	
Accountable Strategic Leadership Director: Fiona Taylor, Acting Chief Executive	
Summary: <p>Studio 3 Arts is a vibrant community arts organisation with an ambitious creative programme that reaches people across Barking and Dagenham and beyond. The charity delivers key components of the borough's equalities, diversity and inclusion programming, as well as youth mentorship and leadership schemes in partnership with the GLA and other key stakeholders.</p> <p>Studio 3 Arts operate out of the LBBB-owned former Galleon Community Centre, Boundary Road, Barking. The site historically suffered from a lack of street presence, dingy, uninsulated spaces, worn and unreliable services and facilities that did not reflect the scale, ambition and quality of the work produced. Associated with the massive urban change in the area, the significant potential for Studio 3 Arts to attract greater numbers of residents and visitors to Barking Town Centre and to act as the creative glue of an emerging new community, Studio 3 Arts secured external funding of £1.63m towards the redevelopment of the former Galleon Community Centre into a world class arts centre.</p> <p>The works at the Galleon Centre are reaching the final stages. However, despite the significant fund-raising, the price of materials has increased exponentially throughout the building works due to the pandemic and other national/global economic pressures, placing enormous pressure on the project budget. Significant unforeseen costs from highways related to the exterior pavement have also arisen at the late stages of the building programme. For these reasons, Studio 3 Arts approached the Council regarding a possible loan / grant funding to finalise the project. Following discussions and appropriate due diligence by the Council, it was proposed that the Council provide Studio 3 Arts with a loan of £200,000 to reach the final snagging stage of the project and a grant of £156,000, via the Strategic Community Infrastructure Levy, to cover the balance of the outstanding project costs.</p> <p>As the commitment to providing the funding was time critical and as the Cabinet was not meeting until 20 September 2022, the Chief Executive agreed that it would be</p>	

appropriate to approve the financial support package under the Urgent Action provisions of Part 2, Chapter 16, paragraph 4 of the Constitution. It was also necessary to apply the Special Urgency arrangements as set out in Part 2, Chapter 17, paragraph 15 of the Constitution as the matter qualified as a 'key decision' and had not been publicised in advance on the Council's Forward Plan in accordance with the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012. The detailed report which formed the basis of the Chief Executive's decision is set out at Appendix 1 to this report.

In line with the Urgent Action and Special Urgency provisions, the Chair of the Cabinet and the Chair of the Overview and Scrutiny Committee were consulted prior to the Chief Executive taking the action on 22 August 2022 and the matter is being reported to this meeting for information.

Recommendation(s)

The Cabinet is asked to note the action taken by the Chief Executive, in accordance with the Urgent Action procedures set out in Part 2, Chapter 16, paragraph 4 and the Special Urgency provision under Part 2, Chapter 17, paragraph 15 of the Council Constitution, in relation to approving a loan of £200,000 and a grant of £156,000, via the Strategic Community Infrastructure Fund levy, to Studio 3 Arts towards the redevelopment of the former Galleon Community Centre, Boundary Road, Barking, into a world class arts centre.

Reasons

To accord with the requirements of the urgency procedures contained within the Council Constitution.

Public Background Papers Used in the Preparation of the Report:

- Letter signed by the Chief Executive dated 22 August 2022 entitled "Urgent Action under Part 2, Chapter 16, paragraph 4 of the Constitution – Studio 3 Arts Loan and Grant"
(<https://modgov.lbbd.gov.uk/Internet/ecSDDisplay.aspx?NAME=SD4705&ID=4705&RPID=13144933>)

List of appendices:

- **Appendix 1** - Report entitled "Loan and SCIL Grant to Studio 3 Arts for Major Arts Centre Development Project at the Galleon Centre"