

DEAR NICK. DORMOTT,

PLEASE FIND ENCLOSED A COPY OF THE GRANT
AWARD LETTER (DEVELOPMENT ROUND) FOR PROJECT HG-08-19260
AS WELL AS THE STANDARD TERMS OF GRANT.



with compliments

KIND REGARDS,

LANI SHAMASTI
TEAM ASSISTANT.

THANET DISTRICT COUNCIL MAIL CENTRE		FILE/NO
ATTENTION	20 JAN 2012	

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Awarding funds from
The National Lottery®



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17 January 2012

Our Ref: HG-08-19260

Susan Marsh
Secretary
The Dreamland Trust
35 Hawthorn Road
Droylsden
Manchester
M43 7HU

Dear Susan

Restoration of Dreamland Margate

Your application has now been assessed, and I am delighted to inform you that we have decided to award you a grant of up to £3,000,000.00 *{Three million pounds}* (36% of the total eligible project cost of £8,302,440.00) towards the restoration of Dreamland Margate. More specifically, we will monitor your progress against the following:

Approved Purposes

- Restore to operational standard the Grade II* Scenic Railway
- Partly restore the undercroft of the Grade II* Dreamland cinema complex
- Restore the Grade II menagerie cages
- Provide a learning zone and exhibition space in existing buildings
- Renew visitor facilities and reintroduce landscaping to the amusement park
- Provide signage and interpretation throughout the site
- Restore to operational standard seven classic amusement park rides and acquire a further eight rides
- Engage people, particularly young people, in celebrating Youth Culture
- Provide employment and training opportunities
- Provide opportunities for people to volunteer

Part 1 of this letter sets out how we will work with you during the delivery phase of your project.

Part 2 deals with the legal aspects of the grant that we are offering. It refers to the standard terms of grant that you accepted when you signed the declaration on the application form.

Part 3 advises you on the next steps.

Part 1 – How we will work with you

Delivering your project

You will need to deliver your project in line with the proposals set out in your application. We will contact you shortly to arrange a start-up discussion, when we will agree a timetable for progress reporting and grant payment requests.

Keeping in touch

We will be monitoring your progress against the approved purposes of our grant and any areas of risk we have identified. This will help us to understand how well the delivery is advancing and alert us to any issues.

We have appointed Kevin Heaton of MDA Ltd to carry out project management monitoring of your delivery phase on our behalf. He will become your main point of contact with HLF during your delivery phase.

Please read the attached 'Managing your grant' guidance. This requires you to:

- obtain our permission to start the delivery phase;
- submit progress reports at a frequency agreed between us when we have our start up discussion;
- request your grant;
- provide a completion and evaluation report when you have finished the delivery phase;
- procure goods, works and services in accordance with EU procurement regulations.

The forms that you will need for requesting permission to start, requesting your grant and reporting your progress and completion should be **accessed and submitted via your online account** (https://forms.hlf.org.uk/officeforms/HLF_Projects.ofml), in the same way that you supplied your application form. Please note that you will also need to send us a signed hard copy of your Permission to start form.

Part 2 – The legal section

Grantee: The Dreamland Trust whose registered office is at 35 Hawthorn Road Droylsden Manchester M43 7HU (registered company number 6936961) and Thanet District Council of Cecil Street Margate Kent CT9 1XZ

Project Reference Number: HG-08-19260

Grant

The attached appendix 1 sets out the principal elements of the approved purposes to which the Heritage Lottery Fund (HLF) has agreed to contribute along with anticipated partnership funding.

Please be aware that if you spend less on your delivery project than the approved project budget, we will reduce the final grant payable. Any reduction will be in proportion to HLF's grant contribution.

Standard terms of grant

We will pay you the grant subject to you complying with our standard terms of grant which formed part of your application; the additional grant conditions (if any) set out below; and with the conditions and requirements set out in 'Managing your grant'.

Additional grant conditions

In addition to our standard terms of grant, you must observe the following additional conditions in respect of the Project:

1. Thanet District Council must acquire the freehold ownership of the site before the start of any capital works and by 30 June 2013.
2. Notwithstanding special condition 1 above, we consent to you carrying out further design development for the Project subject to our approval of the work and costs involved.
3. For the avoidance of doubt, the Approved Purposes include the acquisition of various fairground rides as set out in your application.
- 4.1 We will consent to you granting a lease or sublease of the Property or part of it to a wholly owned subsidiary company of The Dreamland Trust once it has been established provided that the subsidiary agrees to be bound by all the terms and conditions of grant insofar as they relate to its leasehold interest in and use of the Property.
- 4.2 You must send us a copy of the subsidiary trading company's Memorandum and Articles of Association once it has been established.

Grant expiry date

You must complete the approved purposes by 31 January 2014

Duration of the terms of grant

The standard terms of grant and the additional grant conditions (if any) will last for 25 years from the date of this letter.

The following documents define the project for which the grant is offered:

1. This letter
2. Your application dated 01 August 2011
3. Documents submitted by you in support of your application including:
 - Activity Plan dated July 2011
 - Conservation Management Plan dated July 2011
 - Business Plan dated July 2011
 - Delivery Plan dated July 2011
 - And all correspondence relating to the application between HLF and the Dreamland Trust

Withdrawal of the grant

We may withdraw the grant if:

- You have already started work on the delivery phase before we have given you our permission to do so, in accordance with the standard terms of grant.

- You do not start work on the delivery phase within 12 months of the date of this letter.

Part 3 – Next steps

The following documents accompany this letter:

- 'Managing your grant' setting out our monitoring requirements
- EU Procurement Regulations guidance
- 'How to acknowledge your grant' guidance
- Introduction: Announcing your grant to media
- Picture this – tips on taking photos
- Template photo call notice

Permission to start

We will only give you our permission to start when certain pre-conditions, defined in the 'Managing your grant' guidance, have been satisfied. These include evidence concerning partnership funding, and the existence of a robust project management organisation and plan. For us to pay your grant requests by bank transfer (BACS), we need to see a copy of a recent bank statement (within the last three months), or a cheque or a paying-in slip for the relevant account, showing the bank's name and address.

Lucy Perry will look forward to receiving your Permission to start form within 20 working days from the date of this letter or as soon as possible thereafter. However, if you have any difficulties in meeting this deadline, please let her know.

Publicity

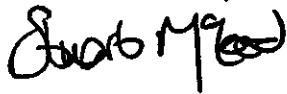
It is important to publicise your award to local media so that lottery players know where their money has gone. However, you must keep your award confidential until we have discussed and agreed your publicity plans. We will publish the fact that you have been awarded a grant on our website within 10 days of the grant being awarded. Your grant officer can assist you with queries about publicity and the media and I have enclosed a template press release which you may find helpful to issue to media once your publicity plans have been agreed.

Please also contact your grant officer as soon as possible to agree the most appropriate location and nature of HLF acknowledgment for your grant both during your project and after its completion. You must make sure you include our logo on any information you produce about your delivery, for example, on public consultation or fundraising information or materials. You must also include our logo on all designs or plans you produce, on all specialist reports or surveys, and on all tender documents that are funded by our grant. Please refer to the enclosed 'How to acknowledge your grant' guidance which explains how to do this.

We wish you every success with your project, and look forward to receiving regular updates.

Please contact your case grant officer Lucy Perry if you have any queries arising from this letter.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Stuart McLeod'.

Stuart McLeod, Head of HLF South East England

cc Nick Dermott, Thanet District Council

Enc

Appendix 1

a) Delivery costs

Further development costs

Cost Heading	Description	Cost £	Vat £	Contingency £ %		Total £
Managing the project	Pre-opening management costs	153,792	0	0	0	153,792
Other	Property costs	46,650	0	0	0	46,650
Other	Loose furniture, staff training etc	40,000	0	0	0	40,000
Other	Office overheads	36,680	0	0	0	36,680
Total Costs		277,122	0	0	0	277,122

Capital work costs

Cost Heading	Description	Cost £	Vat £	Contingency £ %		Total £
Purchase price of items or property	Acquisition of new rides (Waltzer, Grass Cutter, Helter Skelter, Gallopers, Dodgems and smaller children's rides)	540,000	0	0	0	540,000
Repair & conservation work	Restoration of Scenic Railway	2,200,000	0	136,930	6	2,336,930
Repair & conservation work	Works to Cinema lower ground floor	1,210,000	0	75,310	6	1,285,310
Repair & conservation work	Existing ride restoration (including Flying Scooter, Caterpillar, Corblere Wheel, Dive Bomber, Ghost Train, Whip and Junior Whip)	1,235,000	0	0	0	1,235,000
New building work	Upgrading and equipping existing covered accommodation	335,000	0	20,850	6	355,850
Other physical work	Works to park including hard and soft landscaping and services infrastructure	1,075,000	0	66,910	6	1,141,910
Other physical work	Interpretation including graphics and signage	84,400	0	0	0	84,400
Equipment & materials	Furniture, fixtures and equipment	60,000	0	0	0	60,000
Professional fees relating to the above	Project and Cost Management and CDM	229,467	0	0	0	229,467
Professional fees relating to the above	Architect, Landscape Architect and Conservation Architect	162,666	0	0	0	162,666
Professional fees relating to the above	Services and Structural Engineer	110,543	0	0	0	110,543
Professional fees relating to the above	Surveys	80,792	0	0	0	80,792
Professional fees relating to the above	Specialist consultants and advisers	62,850	0	0	0	62,850
Professional fees relating to the above	Approvals and Statutory Inspections	20,000	0	0	0	20,000
Total Costs		7,405,718	0	300,000	4	7,705,718

Activity costs

Cost Heading	Description	Cost £	Vat £	Contingency £ %		Total £
Staff costs	Heritage and Learning Manager, Learning Officer and Learning & Community Assistant	22,820	0	0	0	22,820
Staff costs	Apprentices	6,500	0	0	0	6,500
Training for staff	Staff training	7,875	0	0	0	7,875
Expenses for volunteers	Expenses for volunteers	2,250	0	0	0	2,250

Cost Heading	Description	Cost	Vat	Contingency		Total
		£	£	£	%	£
Equipment & materials	Learning and resources packs	10,000	0	0	0	10,000
Other	Activities and programme	80,555	0	0	0	80,555
Total Costs		130,000	0	0	0	130,000

Additional project costs

Cost Heading	Description	Cost	Vat	Contingency		Total
		£	£	£	%	£
Publicity and promotion	Pre opening marketing	186,200	0	0	0	186,200
Overheads	Uniforms, safety and security	3,400	0	0	0	3,400
Total Costs		189,600	0	0	0	189,600

b) Partnership funding towards delivery costs

Income Heading	Description	Secured	Total (£)
Cash	Sea Change Programme (£3,719,377 less £87,148 for First Round)	Yes	2,152,229
Cash	Thanet District Council borrowing (£1,800,000 less £200,000 set aside for CPO costs)	No	1,600,000
Cash	Thanet District Council Capital	Yes	1,200,000
Cash	Other contributions from Thanet Works	Yes	303,000
Cash	Second Homes Money	Yes	47,119
Non-cash contributions		No	0
Volunteer time	Trustees and other volunteers	No	0
HLF Grant			3,000,000
Total Income			8,302,348

Heritage Grants

Standard terms of grant



Definitions:

- **'we', 'us', 'our'** – the Trustees of the National Heritage Memorial Fund (who administer the Heritage Lottery Fund).
- **'you', 'your'** – the organisation(s) awarded the Grant as set out in the Grant Notification Letter.
- **Application** – any documents or information you send us to support your request for a grant, or submit to us from your Development Work.
- **Approved Purposes** – the purposes for which you applied for a grant and how you intend to carry out those purposes as set out in your Application, but taking account of any changes we and you agree in writing, or that are required by us at any time before we release any of the Grant. These purposes include you getting and using partnership funding as set out in your Application.
- **Approved Usage** – how you said you would use the Property in your Application (allowing for any changes that we may have agreed up to the release of any of the Grant).
- **Development Work** – the production of documents, designs and plans, the provision of information, and the taking of other preliminary steps in the development of the Project between the first and second rounds.
- **First-Round Pass Letter** - our letter confirming that you can proceed to the second round and identifying any Development Work required to enable you to submit a second-round application for a grant from us to support your Project
- **Grant** – the amount set out in the Grant Notification Letter.
- **Grant Expiry Date** – the date by which you must achieve the Approved Purposes as set out in the Grant Notification Letter.
- **Grant Notification Letter** – our letter confirming our Grant award to you.
- **'Managing your grant'** – the documents we publish to guide you and regulate the conduct of the Approved Purposes, insurance, publicity, how we pay the Grant, how we recover the Grant, Project monitoring and changes to the Grant.
- **Project** – the project referred to in your Application that consists of, or includes, the Approved Purposes.
- **Property** – any property that you buy, receive or restore, or property that is otherwise funded by the Grant including intellectual property rights and any documents that you produce or order as part of the Approved Purposes.

- 1 You must use the Grant only for the Approved Purposes, unless you get our approval beforehand.
- 2 You must achieve the Approved Purposes by the Grant Expiry Date.
- 3 You must use the Property, or allow it to be used, only for the Approved Usage.
- 4 As well as these terms of grant, you must follow the conditions (if any) set out in the Grant Notification Letter and meet the conditions and requirements set out in 'Managing your grant'.
- 5 You must carry out the Approved Purposes in line with current best practice and to a standard that is appropriate to a project of importance to the national heritage.
- 6 You must not start work to achieve the Approved Purposes without our approval beforehand.
- 7 You must send us, in line with our instructions, the information we ask for in 'Managing your grant'.
- 8 You must give us any financial or other information and records we may need from time to time on the Grant, the Property, the Approved Purposes (and achieving them) and the Approved Usage.
- 9 You must allow us (or anyone we authorise) to have any access we may need to:
 - a inspect the Property and any work to it;
 - b monitor the conduct and progress of the Approved Purposes; and
 - c monitor the Approved Usage.
- 10 If we (or anyone we authorise) make any recommendations on the matters set out in paragraph 9, you must take those recommendations into account when meeting your obligations to us.
- 11 You must take appropriate steps to monitor your own success in achieving the Approved Purposes and in using the Property for the Approved Usage.
- 12 Before you start any phase of the work needed to achieve the Approved Purposes, you must put in place all necessary contracts with contractors and professional advisers to allow you to finish that phase of the work. Each contract must be on terms that an employer with appropriate experience would enter into with contractors and professional advisers to provide similar work or services for projects of the same size, value, complexity and importance as the Approved Purposes. Building contracts must contain a clause which allows you to withhold part of the contractors' fees on practical completion of the works. If you want any contracts to be on different terms, you must get our approval beforehand.
- 13 If the Approved Purposes involve buying goods or services or getting work done, you must carry out a tendering exercise in line with the requirements set out in 'Managing your grant'.

- 14 You must continue to own the Property and keep exclusive control over what happens to it. You must not sell, let or otherwise part with it or any interest in it, or give any rights over it to anyone else (or take any steps to do so) without our approval beforehand. If we give you our approval, it may depend on any of the following requirements:
 - a That you pay us a share of the net proceeds of selling or letting the Property (we will work out the share in line with the guidelines set out in 'Managing your grant').
 - b That you sell or let the Property at its full market value.
 - c Any other conditions we think fit.
- 15 You must maintain the Property in good repair and condition. If the Approved Purposes include creating, repairing or restoring property, you must maintain the Property in good repair and condition after it has been created, repaired or restored. If the Approved Purposes include the preparation of a maintenance and management plan or a conservation management plan, you must maintain, manage or conserve the Property in accordance with the version of the relevant plan that we have approved.
- 16 You must insure the Property to the standard set out in (and use any proceeds of the insurance in line with) 'Managing your grant'.
- 17 You must keep any objects or fixtures that form part of the Property in a physically secure and appropriate environment.
- 18 You must tell us, in writing, within five working days about any significant loss or damage to the Property.
- 19 You must arrange for the general public to have appropriate access to the Property. You must make sure that no person is unreasonably denied access to the Property.
- 20 Before we make any public announcement of the Grant, you must not issue any public statement, press release or other publicity in relation to the Grant or which refers to us, other than in a form we have approved beforehand.
- 21 Once we have announced the Grant, you must acknowledge the Grant publicly in line with the requirements set out in 'Managing your grant' and our 'How to acknowledge your Grant' booklet. You must fulfil the minimum requirements as set out for the kind of project you are running. You must also provide us with photographs or transparencies or high resolution digital images in electronic format of your Project and meet any other acknowledgements or publicity requirements we may tell you about from time to time.
- 22 You give us the right to use the photographs, transparencies or digital images you send us. You must get any permission you need for you and us to use the photographs, transparencies or digital images before you send them to us or before you use them.
- 23 We may make the purpose and amount of the Grant public in whatever way we think fit.
- 24 We will, up to the Grant Expiry Date, pay you the Grant or any instalment of it in line with these terms of grant and the procedures and terms set out in 'Managing your grant' as long as:

- a the National Lottery continues to operate under the National Lottery etc. Act 1993 (as amended from time to time), and enough funds are made available to us under the Act; and
 - b we are satisfied that you are achieving (and will continue to achieve) or have achieved the Approved Purposes in line with these terms of grant and that you are spending the Grant in proportion to any other funds you receive from other sources for the Approved Purposes.
- 25 You acknowledge that the Grant is the total amount of funds we will provide and will not be increased as the result of you overspending or for any other reason.
- 26 You must repay to us immediately any Grant that we have paid you (and we will stop any future instalments of the Grant) if:
 - a you no longer operate, or you are declared bankrupt or placed into receivership or liquidation;
 - b you have, in our opinion, given us fraudulent, incorrect or misleading information;
 - c you have acted negligently in any significant matter or fraudulently in connection with the Approved Purposes or the Approved Usage;
 - d any competent authority directs the repayment of the Grant;
 - e There is a significant change in your status;
 - f You knowingly withhold information that is relevant to the content of your Application; or
 - g You fail to keep to any of these terms of grant.
- 27 We may decide not to ask you to repay the Grant (or any part of it as we think fit) for the reasons set out in 'Managing your grant' but it is for us to decide whether one of those reasons applies, or not.
- 28 If you achieve the Approved Purposes without spending the full amount of the Grant, you must pay back the part of the Grant you have not spent. We will treat you as spending the Grant in proportion to other funds you were due to receive from other sources for the Approved Purposes.
- 29 If you sell or otherwise part with all or part of the Property without our permission under paragraph 14, or you receive money in some other way as a result of you not following these terms of grant, you may have to pay us immediately a share of the net proceeds (we will work out the share in line with the guidelines in 'Managing your grant') if that share is more than the amount we would otherwise be entitled to under paragraph 26 .
- 30 You may not, and must not claim to, transfer the Grant or any rights under these terms of grant.

- 31 You must take all steps and sign and date any documents as may be necessary to carry out your obligations under these terms of grant and to give us the rights granted to us under them.
- 32 If there is more than one of you, any liability under these terms of grant will apply to you all together and separately.
- 33 We may rely on any of our rights under these terms of grant at any time, even if we do not always choose to do so immediately. If we decide not to rely on one right, we may still rely on any of our other rights under these terms of grant.
- 34 If you need our approval for anything, you must write to us to ask for it. You may only rely on any approval needed under these terms of grant if we (or anyone we authorise) give it to you in writing.
- 35 Any notice, request or other document we or you send to each other under these terms of grant must be delivered or sent by post to the addresses in the Grant Notification Letter, or to any other addresses we may specify.
- 36 Any documents you need to send us under these terms of grant are for our own purposes only. If we approve or accept any documents, this does not mean that we have approved or accepted them for any other purpose.
- 37 These terms of grant will last for the period set out in the Grant Notification Letter.
- 38 These terms of grant cannot be enforced by anybody other than you or us.
- 39 The First-Round Pass Letter might offer to provide you with funding for Development Work. If it does this, then the numbered terms of grant set out above will also apply to that funding but with the following changes:
- a. When they refer to "Approved Purposes" this means your Development Work.
 - b. When they refer to "Approved Usage" this means you using the product of the Development work to further the Project.
 - c. When they refer to a "Grant Expiry Date" this is the date set out in the First-Round Pass Letter by which you must complete the Development Work.
 - d. When they refer to "Grant" this means the amount of funding for the Development Work set out in the First-Round Pass Letter.
 - e. When paragraphs 4, 35 and 37 refer to the "Grant Notification Letter" this means the First-Round Pass Letter.
 - f. Paragraphs 9(a), 9(c), 15, 16 and 17 will not apply.