

## EXTRACT FROM COMMUNITY COMMITTEE - 15 MARCH 2007

C69

### **MUSEUM SERVICE: HERITAGE QUEST CENTRE AND HERITAGE LOTTERY FUND**

The Committee was given details of the proposed application to the Heritage Lottery Fund (HLF) for the Heritage Quest Centre Project. It was planned to apply in June 2007 for 72.5% of the project costs. The Council was being asked to agree a capital contribution spread over the three years of the project totalling £150,000, in order to secure HLF support. Other matched funding was in place, and the Heritage Quest Trust would be applying for landfill tax grants concurrent with the application to the HLF. The decision from the HLF would take a minimum of 6 months, so approval at this stage did not commit the Council irreversibly, as the project would depend on the HLF's decision. However, progressing the application at this stage would maximise chances of obtaining HLF funding while retaining grants already offered as matched funding within a reasonable timescale.

Members accepted that this was a worthwhile project but expressed concern at the increased demand on reserves. Also, the contribution had increased by £60,000 and there were a number of uncertain projections as to possible income. Also, if the project overran the Council might be committed to additional spending.

The Director of Resources said that £60,000 was already in the Capital Programme, the additional £90,000 would have to be financed by external borrowing which would equate to a revenue implication of about £8000 per annum. The Museum Creator said that a 10% contingency had been built into the project cost and confirmed that £150K would be the maximum contribution from the Council. Considerable effort was being made to secure matched funding.

The Chairman said that he had been involved with the Museum since 1995. It had an outstanding set of officers who had worked incredibly hard to formulate this bid. The financial commitment of the council would give a chance to provide something worthwhile in the district. He reiterated that no money would be spent unless the Lottery bid was successful.

RECOMMENDED to the Operations Committee that

- 1 officers prepare and submit a formal application to the Heritage Lottery Fund for the Heritage Quest Centre Project,
- 2 Capital funding totalling £150,000 is committed to the project over a three year period: £60,000 in 2007/08; £50,000 in 2008/09 and £40,000 in 2009/10.

## **EXTRACT FROM OPERATIONS COMMITTEE – 22 MARCH**

OP50

### **MUSEUM HERITAGE QUEST CENTRE : INTERIM REPORT AND TIMETABLE**

(Councillor S Jones had declared an interest in so far as he was a member of the Museum Resources Centre Project Team).

The Chairman with the consent of the meeting advanced this item since members of the Museum Society were present to speak.

The meeting was provided with copies of the recommendation by the Community Committee to the Operations Committee that officers prepare and submit the Heritage Lottery Fund application and commit funding to the project. A paper by the Museum Curator was also circulated giving estimated running costs, savings and income generation from the Heritage Quest Centre, with assurances about the low level of consequential staff requirement.

The Museum Society representatives stressed the importance of the project to the future of the Museum. The Museum Society had fund-raised for a long time to achieve this project and made contributions from its own funds as well as buying in relevant expert advice using a windfall legacy. Use of the Society's own funds was restricted by the Charity Commission at present but the facility of the Resource Centre would lift the Museum into a different category for the purposes of using its own funds and making grant applications to major fund-holders.

Arising from Members' questions the Museum Curator explained that the Museum was very selective about its acquisitions but was nevertheless compelled to deal properly with artefacts from local sites which were being destroyed or had already been destroyed. The Museum also, to retain accreditation, had to report within a year on issues to which the Resource Centre was the comprehensive answer, and the Heritage Lottery Fund had expectations which needed to be met to obtain funding; their decision would be in about six months time.

Councillor Wilcock raised concern about capital risk and the Curator referred to the 10% contingency in the budget. Members noted that management of the project would be, throughout, by the Curator, the Architect and Property Advisor/Consultant and one of the Council's Accountants.

Councillor Gayler stressed that the Council had to prioritise use of its capital resources. He proposed that the Community Committee's recommendations be accepted subject to amendment of recommendation 2 to read "Capital funding totalling £100,000 is committed to the project, £60,000 in 2007/8 and £40,000 in 2008/9".

He added that though not ideal, it was necessary to prioritise capital resources, even though this was after the budget had been set. Councillor Gayler's proposal was seconded and discussed.

Councillor Ketteridge asked about revenue costs and Councillor Gayler questioned whether land already in the possession of the local authority could in fact be counted towards the contribution made by the Council. The Museum Curator undertook to revisit this to make sure that there was no possibility of counting the land already in possession of the local authority.

Councillor Ketteridge said he felt it was wrong to proceed with such a project not knowing where the council stood financially and Councillor T Knight seconded this observation.

The Director of Resources stressed that £60,000 was already within the capital programme and the real issue was that the revenue implications were around the additional £90,000 requested. He estimated that the costs of those were the equivalent of around £8,000 per annum or 25p per annum added to band D of the Council Tax. In answer to a question from Councillor Ketteridge he affirmed that there would be no additional revenue cost in 2007/08 since the revenue implications of the £60,000 already approved for that year had been built into the budget. The additional revenue implications of the extra £90,000 or whatever the Council agreed would come on stream in 2008/09 and beyond.

The Chief Executive advised Members regarding procedural matters reminding the meeting that the recommendation would have to be forwarded to Council. He nevertheless assured Members that, if it was possible to find information before the Council meeting to support a larger award, information would be brought to the Council to enable any amendment. It would in any event be necessary to pass a resolution to amend the Capital Programme.

RECOMMENDED that the Council

- 1 asks officers to prepare and submit a formal application to the Heritage Lottery Fund for the Heritage Quest Centre Project
- 2 approves capital funding totalling £100,000 for the project: £60,000 in 2007/08 and £40,000 in 2008/09