

REPORT TO: Executive Board
DATE: 13 March 2014
REPORTING OFFICER: Strategic Director, Communities
PORTFOLIO: Economic Development
SUBJECT: Norton Priory Heritage Lottery Fund Bid
WARD(S) Borough-wide

1.0 PURPOSE OF THE REPORT

1.1 To seek the approval of the Board to provide financial support in the form of a loan for the Norton Priory Museum Trust so that the bid to Heritage Lottery Fund (HLF) for a new museum building can proceed without delay.

2.0 **RECOMMENDATION: That, if the Trust is unable to raise all of the match funding required, Executive Board agree to underwrite the Norton Priory Museum Trust's HLF bid by providing a loan of up to £300,000 plus interest to be repaid over a period of up to three years commencing 2015.**

3.0 SUPPORTING INFORMATION

3.1 On 26th July the Norton Priory Museum Trust was granted a stage 1 pass from the Heritage Lottery Fund (HLF) for its project *Monastery to Museum 900*. This £5m scheme will conserve the 12th century undercroft and redevelop the museum in response to the deteriorating conditions and the growing risk to the historical assets preserved by the Trust.

3.2 Norton Priory Museum was opened by the Runcorn Development Corporation in 1985 before becoming the responsibility of Halton Borough Council. Although the Council is the freehold landowner of the museum it is operated on the Council's behalf by the Norton Priory Museum Trust.

3.3 Since the museum opened it has been visited by hundreds of thousands of people and is a popular day trip destination. In 2012/13 there were more than 31,000 visits to the museum, many from local and regional Schools.

3.4 By the beginning of the 21st century the original museum building had become inadequate for the needs of the museum trust, the

collections housed within and for the needs of the general public. The museum itself is ageing, unattractive and inhospitable to visitors. The heating system within the museum has failed and leaks through the deteriorating roof are commonplace. As a result, much of the collection was removed to offsite storage in 2011 when mould growth was discovered within the collection, including items on display. Water ingress due to the failing roof of the 12th century undercroft is likewise causing significant damage and is in need of investment before it falls onto the English Heritage 'Buildings at risk register' and ultimately closes to the public.

- 3.5 An application was made to the Heritage Lottery Fund in March 2012. The bid was successful and Norton Priory was given a stage 1 pass. This granted the museum £309,000 to work up the proposal in detail.
- 3.6 Plans have progressed and the stage 2 bid will be submitted on 31st March 2014. The bid is for £3.67m and the Norton Priory Museum Trust has to find £690,392 in match funding. The trust is confident about securing £390,392 by March 2014. However a further £300,000 may not be in place until after July 2014 thereby putting the project at risk.
- 3.7 The HLF need to be assured that the Norton Priory Museum Trust is able to deliver the match funding for the project. The bid would be strengthened if the Council agreed to underwrite the project should the trust not have all of the match funding in place by July 2014. The Executive Board has already agreed that the Council will provide the cashflow for the project. The nature of HLF projects is that money has to be spent up front and then claimed for upon completion of the works. At this stage the HLF only require confirmation that the Council will underwrite stage 2 it is unlikely that the Trust would require any of the funding before 2015.

4.0 **POLICY IMPLICATIONS**

- 4.1 There are no policy implications.

5.0 **FINANCIAL IMPLICATIONS**

- 5.1 If the Norton Priory Museum Trust is unable to secure all of the required match funding for *Monastery to Museum 900* the Council would, if the recommendation is agreed, provide a loan to them of up to £300,000, although the whole amount would not be required immediately. This would be funded by the Council through prudential borrowing.
- 5.2 A legal Agreement would be prepared between the Council and Norton Priory Museum Trust setting out the terms of the loan, which

would include;

- (i) The loan would be repaid to the Council plus interest (to be determined based upon appropriate rates prevailing at the time of taking out the loan) within the lifetime of the project (2014 – March 2017).
- (ii) A repayment profile would be agreed between the Council and the Trust based upon the anticipated receipt of match funding.
- (iii) Irrespective of whether sufficient match funding has been received by the Trust, the outstanding balance of the loan including interest due to the Council will fall due to be repaid by 31st March 2017.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 Children & Young People in Halton

Norton Priory sees more than 8000 children and young people a year through school visits and outreach. The Trust also provides internships and work experience for young offenders from the Thorn Cross Young Offenders Institute as well as from schools, colleges and universities – 5 college placements and 2 undergraduate placements occurred in 2013. Apprentice stonemasons from West Cheshire College work onsite once a week.

6.2 Employment, Learning & Skills in Halton

Norton Priory works in partnership with Country Gardens, part of Halton Borough Council's Adult Services providing employment for people with learning difficulties throughout its cafes and gardens. A £231,000 HLF funded scheme, 'HA2' run from 2005 to 2007 resulted in the recruitment of more than 120 volunteers, while today the Trust boasts some 150 volunteers of whom 60 are active at any one time. Its work with Astmoor Day Services with people with profound learning difficulties led to its shortlisting in the Gulbenkian Museum of the Year Awards in 2005 and is a partnership that still thrives today. 2013 also saw the introduction of traditional skills courses that saw more than 60 participants over 8 courses.

6.3 A Healthy Halton

As well as the many outdoor volunteer opportunities Norton Priory offers to more than 50 people every year, the Trust successfully took part in the 2013 pilot, Natural Health Service Project that provided individuals referred by the NHS with gardening opportunities helping to improve their social and physical wellbeing.

6.4 **A Safer Halton**

There are no Safer Halton implications.

6.5 **Halton's Urban Renewal**

The new building will visually improve the museum environment and that of the local area making it a more desirable location. Evidence from similar HLF funded projects elsewhere and forecasts made by consultant Jura during the development of the round one HLF application indicate a 60% rise in visitor numbers – to exceed 55,000 per year. The HLF funding includes significant marketing and events investment to ensure that this target is achieved and that the profile of the museum rises accordingly. It is anticipated that much of this rise in visitor numbers will come from tourists and day trippers who will contribute to the local economy.

7.0 **RISK ANALYSIS**

7.1 If the Board does not agree to underwrite the project there is a risk that the HLF application might fail. That would leave the museum with an ageing building that is no longer fit for purpose. There would be increased costs incurred just to keep the building open and possibly a decline in revenue to support those costs.

7.2 If the Trust are unable to repay the Council's loan this will place an additional cost burden upon the Council, at a time when the Council is facing severe financial challenges. The legal binding Agreement will therefore mitigate against this risk.

8.0 **EQUALITY AND DIVERSITY ISSUES**

8.1 None identified.

9.0 **LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972**

None