

Bath & North East Somerset Council		
MEETING/ DECISION MAKER:	Cllr Patrick Anketell-Jones, Cabinet Member Economic Development	
MEETING/ DECISION DATE:	On or after 6 <sup>th</sup> August 2016	EXECUTIVE FORWARD PLAN REFERENCE:
		E 2885
TITLE:	The Archway Project: World Heritage Centre and Roman Baths Learning Centre	
WARD:	Abbey	
AN OPEN PUBLIC ITEM		
List of attachments to this report:		
N/a		

## **1 THE ISSUE**

- 1.1 At short notice the Heritage Lottery Fund (HLF) has asked the Council for a written up-front commitment that it will run the World Heritage Centre and Roman Baths Learning Centre created by the Archway Project for a minimum of 25 years. This needs to be sent to HLF prior to its trustees considering the Council's Round 2 application for a major heritage grant in late September 2016.

## **2 RECOMMENDATION**

- 2.1 That on behalf of the Cabinet, the Cabinet Member agrees that the Council will run the World Heritage Centre and Roman Baths Learning Centre created by the Archway Project for a minimum of 25 years, subject to Council review of this policy each financial year through business planning as part of its annual budget setting process. (In taking this decision, the Cabinet Member is aware that reversal of this decision will run the risk of the Council being required to pay back in full to the Heritage Lottery Fund's grant of £3.4 million.)

## **3 RESOURCE IMPLICATIONS**

- 3.1 The costs of constructing and operating the Archway Centre represent an investment to realise the educational potential of the Roman Baths and thereby build new and sustainable audiences for future years and in the longer term.
- 3.2 The Council's financial commitment to the project totals:
- A capital investment of £1 Million, c.20% of the total project cost of £5.3 Million;

- Additional on-going operating costs totalling c. £120k p.a., once the facility is fully operational, which are already factored into the Service's business plan for 2019/20 and 2020/21.

- 3.3 The operating costs and service supported borrowing costs related to the capital investment are incorporated in and fully funded by the 5 year Heritage Services Business Plan 2016-21 that was agreed by Cabinet in February 2016. Any decisions on future years' budgets will be decided annually as part of the Council's budget setting process.
- 3.4 No.10 York Street is currently part of the Commercial Estate. Heritage Services pays Property Services a commercial rent to retain the building for the project, Property Services rent it out for short-term pop-up lets which reduces the rent being paid, this reduction will cease once the archway centre development begins and this is factored into the increased costs within the Heritage Business Plan. The ground floor areas of the properties in Swallow Street are already used for the Heritage Services retail warehouse and maintenance workshop and these uses will continue.
- 3.5 The York Street undercroft that connects the York Street and Swallow Street buildings with the Roman Baths are already in the care of Heritage Services.

#### **4 STATUTORY CONSIDERATIONS AND BASIS FOR PROPOSAL**

- 4.1 The Archway Project is subject to statutory considerations in respect of Scheduled Monument Consent, Listed Building Consent, Planning Permission, Building Regulations and Health & Safety requirements. The World Heritage Centre, Roman Baths Learning Centre and associated spaces including the Investigation Zone and Access Zone have been designed to be fully compliant with the disability discrimination provisions of the Equality Act 2010.
- 4.2 The basis for the proposal in the recommendation is that the HLF case officer has requested a written guarantee that, should HLF offer the Council a grant towards the Archway Project, the Council will run the facilities created by the project for at least 25 years.

#### **5 THE REPORT**

- 5.1 The Archway Project will revive some former spa buildings adjacent to the Roman Baths, some of which are in very poor condition, and give them a new lease of life. In them the Council will create a World Heritage Centre and a new Roman Baths Learning Centre with unique underground access into the heart of the Baths. The World Heritage Centre will meet UNESCO's expectation that the Council should interpret the 'City of Bath' World Heritage Site. The Learning Centre will realise the great educational potential of the Roman Baths and perform a long-term marketing role in building the audiences of the future.
- 5.2 In October 2014 HLF awarded Heritage Services a Round 1 grant of £168,000 to work up a full Round 2 application for the Archway Project. A Design Team of architect, quantity surveyor, exhibition designer, structural engineer and mechanical / electrical engineer was assembled. A specialist Project Manager was appointed and an internal project team convened in line with the Council's project management methodology.
- 5.3 Between January 2015 and June 2016 officers have worked on the preparation of the Round 2 application. In January 2016 the project team had to present a progress

report to HLF to secure permission to complete the application. It was only at a regular project liaison meeting in April 2016 that the HLF case officer unexpectedly asked the project team for a written up-front commitment that the Council will run the World Heritage Centre and Roman Baths Learning Centre created by the Archway Project for a minimum of 25 years.

5.4 This issue is one that is normally raised at the time that a grant offer is made which, if the Archway Project application were successful, would be in late September or early October 2016.

5.5 Heritage Services had already assured HLF that:

- (1) the Council has indicated that it wants the project to happen and is committing £1million of capital funds to it;
- (2) the running costs will be only 1-2% of Heritage Services turnover and can be easily absorbed into the wider Roman Baths budget;
- (3) the running costs are already factored into the later years of the Heritage Services 5-year business plan that was approved by Cabinet in February.

## 6 RATIONALE

6.1 It is unclear why HLF has made this request at this late date in the process. However, to have the best chance of securing a grant from HLF, it would be prudent to give them the assurance they seek. It will be important for the case officer to have this confirmation at the time they present the Archway Project application to the HLF trustees; without it, in this very competitive environment, the trustees are more likely to offer their funds to another project whose governing body that has already made this commitment.

## 7 OTHER OPTIONS CONSIDERED

7.1 Not providing the HLF the “up-front assurance” that its case officer has requested will place the Archway Project at significant risk of not securing the funding.

## 8 CONSULTATION

8.1 The s151 officer and Monitoring Officer were consulted during the preparation of this report.

## 9 RISK MANAGEMENT

9.1 A risk assessment related to the issue and recommendations has been undertaken, in compliance with the Council's decision making risk management guidance.

<b>Contact person</b>	Stephen Bird, Head of Heritage Services 01225 477750
<b>Background papers</b>	February 2016 Cabinet: E2811 Heritage Services <u>Business Plan 2016-2021</u> July 2013 Cabinet: E2581 Update on the Heritage Services Capital Investment Strategy
<b>Please contact the report author if you need to access this report in an alternative format</b>	