

Meeting:	CABINET
Date:	19 th May 2005
Subject:	HEADSTONE MANOR / HARROW MUSEUM & HERITAGE CENTRE
Responsible Officer:	Anna Robinson– Director of Strategy Urban Living
Contact Officer:	Ian Wilson 020 8424 1536 (direct line)
Portfolio Holders:	Environment and Transport Strategic Overview and External Affairs Education and Lifelong Learning
Key Decision:	No
Status:	Part 1

Section 1: Summary

Decision Required

To authorise Officers to prepare and submit a Project Planning Grant application to the HLF for up to £50,000.

REASON: To enable the undertaking of a comprehensive scheme review and prepare a new grant application to the HLF for future works at Headstone Manor/Harrow Museum & Heritage Centre.

To approve the use of an additional £75,000 from the Local Lottery Fund to finance development works on future phases of this project.

REASON: To maintain the current total Capital funding allocation of £1,000,000 arising from the shortfall in grant funding received from the Heritage Lottery Fund.

Reason for report

This report advises Members on the progress made on the repair and restoration works to the 'Ancient Parts' of the Manor House, including the need to undertake some additional urgent works to the 'Remaining Parts'. Associated funding issues, including the implications arising from the shortfall in grant received from the Heritage Lottery Fund are identified.

A framework for the development of proposals for future works, changes to the structure of the Project Steering Group and associated staffing issues are outlined.

The proposal to apply to the HLF for a Project Planning Grant and the necessary matched funding obligations are highlighted for decision.

Benefits

The main benefits that will arise from this decision include,

- The opportunity to build upon the works currently being undertaken on the 'Ancient Parts'.
- To implement improvements to the Council's historic building assets at the Harrow Museum and Heritage Centre.
- The provision of new or enhanced educational historic and cultural resources for the benefit of visitors.
- To assist the Council's Improvement Plan arising from the recent Cultural Inspection and the associated CPA.

Cost of Proposals

- The additional Capital costs for 2005/06 for the matched funding requirement associated with the Project Planning Grant application can be funded from existing resources, subject to the approval of the use of an additional £75,000 from the Local Lotteries Fund.
- Any other Capital and/or Revenue cost implications for future years will be the subject of further reports, following completion of the scheme review.

Risks

- Any delay in submitting the Project Planning Grant application will restrict the opportunities to undertake the scheme review.
- Failure to secure a Project Planning Grant will impact on the budget available for the scheme review, thereby restricting the scope of the proposed study.
- The opportunity to consider current expenditure, as part of the Council's matched funding input to any future full grant application to the HLF is time limited. Any delay in the submission of such an application may, therefore, necessitate the identification of additional sources of matched funding.
- Sufficient staff resources will need to be allocated to the scheme review to meet the necessary targets.
- Failure to undertake some essential works on the site in the near future will result in additional on-going maintenance costs.

Implications if recommendations rejected

It will not be possible to undertake a comprehensive scheme review, or identify the scope of works required in the future.

Additional capital or revenue expenditure requirements may arise from any delay in identifying essential repair and improvement works.

The site will be unable to fulfil its potential as an educational, historical and cultural resource.

Section 2: Report

2.1 Brief History

2.1.1 This project has been the subject of a number of previous reports, to both the Corporate Management Team and Cabinet, highlighting development proposals for the site.

2.1.2 A report was considered by Cabinet on 24th June 2004, where Officer's recommendations to proceed with the repairs to the 'Ancient Parts' were approved. This report also included a framework for the funding of this initial phase of works, and identified the need to secure additional financial provision for future phases of the works.

2.1.3 The first major phase of repairs to the Manor House is currently in progress and this report outlines proposals for the further development of the project.

2.2 Background Information

2.2.1 The contract for the Repair and Restoration of the 'Ancient Parts' commenced in August 2004, following approval to award the contract to Mowlem, Rattee & Kett. Despite the complexities of the repair work and the uncertainties associated with a building of this age and condition, the project has progressed largely in accordance with the original programme and is scheduled for completion in August 2005.

2.2.2 It is expected that the original contract works will be completed within the tender sum £705,101.68, although some additional works have been identified in the 'Remaining Parts' of the Manor House which need to be undertaken as a matter of urgency. These works are likely to add approximately £50,000 to the total cost and are being carried out at this stage on the basis that this will be the most cost-effective approach, whilst also minimising the risk of having to undertake more costly repairs later. The contingency sum included in the overall approved budget provision for the project will be sufficient to cover the cost of these additional works.

2.2.3 The contractor has recently submitted a request for an extension of time, arising from some delays that occurred in the agreement of an appropriate paint specification, together with some changes to the mechanical & electrical works. The management team are in discussions with the contractor over these issues, in an effort to mitigate any delays or additional cost that may arise. It is anticipated that only a part of this claim is likely to be approved, which is unlikely to have a significant impact on the cost of the contract works.

2.2.4 Previous reports have outlined the situation with regard to the original Heritage Lottery Fund Grant Contract, including confirmation that the existing grant was being closed down by the HLF. Negotiations with the HLF have continued for several months, in an attempt to secure the maximum payment of all monies due for works already completed, including the refurbishment of the adjacent Depot buildings into Museum Stores and Offices.

2.2.5 The first grant payment, for £117,542.64, was received in February 2004.

2.2.6 The second (final) grant payment application was submitted for the sum of £134,177.57 in March 2004. The HLF originally assessed the amount due as £49,266.72, but have subsequently agreed to authorise an additional payment of £10,776.00. This represents a shortfall of £74,134.85 against this application.

- 2.2.7 Officers had originally understood, based on statements made by the HLF, that the majority of the costs associated with the development of the repair proposals to the Manor House could be reclaimed. In their subsequent assessment of the grant payment application, the HLF have disallowed most of these costs, which were mainly consultants' fees
- 2.2.8 The total payment now received, is £177,585.36 and the grant has been formally closed. No further payment applications will now be considered by the HLF for this current project, although this does not preclude the submission of future applications for further works at Headstone Manor.

2.3 Project Review

- 2.3.1 The loss of the original HLF grant has provided an opportunity to carry out a thorough review of all the original proposals for further phases of the works. An initial appraisal has identified a number of aspects of the original scheme proposals no longer considered appropriate, whilst other works, previously excluded from the grant-aided scheme, are now considered a higher priority.
- 2.3.2 A 'brainstorming' meeting, involving key Members, Council Officers, Arts Culture Harrow and Harrow Heritage Trust, was held in January 2005, at which time all aspects of the original scheme were discussed, in addition to a number of new issues that had not previously been considered. There was a wide consensus of agreement between those present on the key issues that should now form the basis of any future development proposals for the site.
- 2.3.3 Two of the key outcomes from this meeting were the need to have much greater Member involvement in both scheme and strategy development, and the formal identification of specific 'Client' functions for Officers from Urban Living and People First. It is now proposed to restructure the Project Steering Group and formalise the roles and responsibilities of key personnel from the two main Directorates involved with this project.
- 2.3.4 Officers from Urban Living and People First are now formulating a new 'vision statement', which will form the basis of any future scheme development, capital/revenue funding assessments and any new external grant applications. This vision will build on the discussions from the brainstorming meeting in January and will include proposals for the intended usage of the Manor House and its associated buildings. The future use and management of the site will focus on its importance as both an educational and cultural resource.
- 2.3.5 Following the agreement of the 'vision statement' by the Project Steering Group, it is then intended to submit an application to the HLF for a Project Planning Grant. This will be the first step towards formulating a new bid to the HLF for a grant to assist in financing the future development proposals for the site.

2.3.6 The Heritage Lottery Fund have encouraged the Council to submit an application for a Project Planning Grant, to assist in the necessary research and development associated with the future project proposals. These grants, for up to a maximum of £50,000, can only be used for specific purposes, and include a requirement for the applicant to provide some matched funding. It is anticipated that a matched funding amount at least equivalent to the maximum grant available will be required to finance the necessary development work.

2.4 Project Management Structure

2.4.1 The Project Steering Group will, in future, have a more strategic function, comprising Elected Members, Senior Council Officers from the Urban Living and People First Directorates, Arts Culture Harrow and Harrow Heritage Trust. The final composition and terms of reference are currently being formulated, for discussion at the next meeting of the Steering Group in May.

2.4.2 Urban Living will continue to maintain its technical and project management role, whilst People First will focus primarily on the strategic and corporate issues associated with the site and its role as an educational, heritage and cultural resource.

2.4.3 Specialist sub-groups, comprising Council Officers, external partners and consultants (where necessary) will be formed to investigate and report on specific elements of the project proposals.

2.4.4 Volunteers, Friends or Community groups, local Residents, Stakeholders and Visitors to the Museum will also be encouraged to participate in the development of any future scheme proposals.

2.5 Future Scheme Development Proposals.

2.5.1 Many of the earlier scheme proposals are still expected to be included in the future planning for the site although, in some cases, the scope or detail may be changed.

2.5.2 The following 'core' items are likely to remain as essential elements to any future proposals for the site

- Extensive repairs to the 'Remaining Parts' of the Manor House.
- Repairs and strengthening works to the Bridge over the moat.
- De-silting and restoration of the moat and its embankments.
- Display and interpretation of the Manor House as the key exhibit of the Museum and Heritage Centre site.
- Extensive environmental improvements to the grounds of the immediate site and its surroundings, including the restoration of the historic landscape.

2.5.3 Other issues to be taken into consideration, as part of the comprehensive scheme review will include

- Repairs, improvements and possible extensions to the Tithe Barn.
- Repairs and improvements to the Small Barn and Granary to facilitate their increased use as a visitor attraction and educational resource.
- The creation of enhanced or additional catering facilities.
- Drainage, flood alleviation and watercourse management works.
- Improvements to visitor access routes.
- Additional car and coach parking facilities.
- Improved CCTV and lighting.
- Investigate opportunities for the import of additional historic buildings to the site.
- Consideration of appropriate control methods or re-location of the car breakers yard in Pinner View.
- Historic buildings and site maintenance issues.
- Alternative and/or more flexible uses of all the historic buildings on the site.
- Investigation into all commercial opportunities that may exist, either associated with or separate from the core museum activities and functions.
- Consideration of an appropriate charging structure for visitors.

2.6 Funding Issues.

- 2.6.1 The reduction in the grant payments made by the HLF are not expected to have any adverse effect on the current contract works to the Manor House. It had been assumed, when seeking Cabinet approval for financing these works in June 2004, that there would have been more additional unforeseen works needed to stabilise and repair the building than proved to actually be necessary. The contingency sum set aside for this eventuality has currently, therefore, only been partially used, thereby enabling some of this to be used to finance the additional repairs to the 'Remaining Parts'.
- 2.6.2 There is currently no Capital funding approval for expenditure on undertaking surveys, investigations or the seeking of any external advice in association with any of the future phases of this project. The Project Planning Grant, together with the matched funding from the Council, will enable some of these development works to proceed.
- 2.6.3 It is currently envisaged that, in order to satisfy both the matched funding requirement from the HLF, in conjunction with the Project Planning Grant application, and then subsequently prepare a new grant application to undertake the future works, an additional financial contribution of approximately £75,000 will need to be identified for the current financial year. This sum is equivalent to the shortfall in grant funding received from the HLF. Subject to the approval of recommendations contained in this report, this sum will be financed from monies available in the Local Lotteries Fund.

- 2.6.4 To date, only a small proportion of staff costs have been charged directly to this project and no authority has ever been sought from Members to authorise any specific salary allocations to be identified. Urban Living has been financing a full time Project Manager, supported by the Conservation Officer, to manage the current phase of repair works. It is proposed that this arrangement will continue through the scheme development phase, including the preparation of any future grant applications.
- 2.6.5 The recently appointed Group Manager (Community and Culture), will be the primary representative from People First, supported by other staff as necessary.
- 2.6.6 Funding for any staff costs, (whether a part of the current Steering Group or new officers joining from People First), associated with the development of this project will need to be identified and properly charged to the Capital budget in the future, wherever appropriate. The approvals being sought via this report currently exclude any such salary provisions.
- 2.6.7 Subject to the outcome of the Project Planning Grant application to the HLF, the completion of the scheme review and any associated design studies, it is anticipated that a new (full) grant application will be submitted to the HLF sometime during 2006. It is currently envisaged that the Council will be seeking a grant in the region of £2 million for the works proposed.
- 2.6.8 Any future grant application to the HLF will necessitate the provision of at least 25% matched funding from the Council or its partners. It is believed that some of the current expenditure on the repairs to the 'Ancient Parts' will be eligible for consideration as part of the Council's matched funding obligations. The specific funding requirement from the Council cannot be determined until after the scheme review and project appraisal has been completed.
- 2.6.9 Any additional financial issues associated with future phases of work will be the subject of further reports, once their cost implications have been fully considered and evaluated.
- 2.6.10 The project proposals, and any future grant applications, will need to be fully supported by a robust business plan, developed by the Council in conjunction with Arts Culture Harrow and/or any future partners.

2.7 Consultation

- 2.7.1 Details of current and future consultation proposals are incorporated in Section 2.1 to 2.6 of this report.

2.8 Financial Implications

2.8.1 The balance in the Local Lotteries Fund, having so far used a further £311,733 to finance part of the expenditure in 2004/05, currently stands at £552,122.

2.8.2 The use of the remaining approved expenditure (£9,267), together with the additional expenditure approvals sought via this report (£75,000), would leave £467,855 still available for future use.

2.9 Legal Implications

2.9.1 Monies were originally received via the Local Lotteries Fund in 1978-79, when the Council was part of a London Local Lottery Club. Under the provisions of the Lotteries and Amusements Act 1976, the Council has to use the proceeds for the objects for which the Lottery was advertised. This was originally agreed to be for 'leisure and recreation purposes'

2.9.2 This was subsequently further defined as 'to be used for a community project of some size and cost'.

2.9.3 To date, £311,733 from the fund has been used to finance capital works at Headstone Manor, in accordance with earlier Committee authorisations.

2.9.4 In accordance with previously established principles and decisions, the additional use of resources from this fund is, therefore, considered to be appropriate.

2.10 Equalities Impact

2.10.1 The undertaking of the scheme review, and the Council's subsequent ability to improve and enhance the facilities at the Harrow Museum and Heritage Centre, will provide cultural and educational benefits to all members of the community.

Section 3: Supporting Information/Background Documents

3.1 Background Documents

3.1.1 Policy and Resources Committee – 8th February 1994 – Recommendation II

3.1.2 Council – 17th February 1994 – Minute No. 416 – Adoption of Policy and Resources Committee Recommendation II

3.1.3 Policy and Resources Committee – 7th February 1995 – Recommendation III

- 3.1.4 Council – 23rd February 1995 – Minute No. 129 – Adoption of Policy and Resources Committee Recommendation III
- 3.1.5 Cabinet – 18th February 2003 – Minute No.194 – Capital Programme – Current Position and Future Management
- 3.1.6 Cabinet – 24th June 2004 – Minute No.537 & 542 (Part 2) – Proposals for the repairs to the 'Ancient Parts' of Headstone Manor and associated financial framework.