

Open Report on behalf of Richard Wills, Executive Director (Development Services)

Report to:	Value for Money Scrutiny Committee
Date:	12 October 2010
Subject:	Heritage Skills Centre and Lincoln Castle Revealed

Summary:

A programme of works in Historic Lincoln, but largely at the Castle will lead to the regeneration of the area. Tourism is worth over £900m to the county with £117m of that in the city of Lincoln; however both the Lincoln Castle and the Cathedral as visitor attractions are presently performing significantly below their potential. Two projects will see investment of over £20m at the Castle; these will affect an extensive repair programme, open up the buildings to the public, create a visitor attraction of quality and provide a more sustainable operation for the site.

Actions Required:

The Committee is invited to consider and comment on the report and progress with the two projects.

1. Background

1.1 Introduction and Background

The Historic Lincoln Partnership (HLP) was formed in 2004 through signing a Memorandum of Understanding between the County Council, the Cathedral, City Council and English Heritage; it was in recognition of the poor performance of many of the historic buildings in uphill Lincoln compared with other historic cities (e.g. annual Cathedral visitor figures, Lincoln 208,000, Gloucester 360,000, Durham 600,000, York 895,000).

The HLP identified the current state of Lincoln Castle as the main barrier to further development of Lincoln's visitor economy and towards realising Lincoln's aspiration of becoming '...the first choice Cathedral City for visitors'. Lincoln Castle should complement the Cathedral as a major tourist attraction, but the Castle is currently offering a poor visitor experience and the area is failing to fulfil its potential as a tourism destination.

In 2005 Lincolnshire County Council (LCC) was approached by Her Majesty's Courts Service (HMCS) who were concerned by the current Crown Court not being

fit for purpose and asking for our support in helping them relocate. As a tourist attraction and a working court in close proximity are an uncomfortable mix, facilitating their move seemed to be a win-win situation.

Major issues with Lincoln Castle are:

- Its state of repair
- Lack of accessibility
- Restrictions caused by the presence of the Crown Court
- Magna Carta display not reflecting its iconic status
- All the above result in the Castle not offering a quality visitor experience

LCC decided through the lead of Economic Regeneration to seek out external funds for the Castle regeneration. This is largely being done through two key projects: Lincoln Castle Revealed and Heritage Skills Centre.

1.2 Lincoln Castle Revealed

LCC decided to pursue a major funding bid via the Heritage Lottery Fund (HLF). This is a two stage process and at the time of this decision HLF were planning to change their processes so we decided to await the new system. This was released in April 2008 and established that applicants could only submit once a year in September. We had the choice of turning our Round 1 application around in 5 months or submitting in September 2009, for tactical reasons we chose the former. It was an extremely tight turn-round but in February 2009 HLF awarded us a Round 1 Pass, giving us until September 2010 to prepare the second stage (HLF have now asked us to submit in November 2010). HLF gave us £227,640 matched with £356,050 from LCC to work up the Round 2 stage which is infinitely more detailed than the Round 1.

Key elements, including lessons learnt, of the Round 2 process are as follows:

- Mary Powell was designated Programme Manager for all the projects being delivered in uphill Lincoln – this is giving a joined-up approach to all projects. Being led through Economic Regeneration has seen the projects sitting in their wider economic context and HLF particularly commended this approach at Round 1
- Mouchel were appointed as project managers - led by Amanda Newman, who formerly worked for HLF, this inside track knowledge of the system has been invaluable
- A Design team together with quantity surveyors and interpretation specialists were all appointed through the OJEU (Official Journal of the European Union) process – they all specialise in historic buildings and their breadth of experience built up across Britain that they bring to the project is vital; repairing and improving access to the wall walks at Chester for example.
- At the beginning of the process, Wednesday was designated as ‘Castle Day for officers involved with the project with the first Wednesday of the month allocated for the Design team, the second for the Interpretation team, the third for the Project Manager and the fourth for the Castle Internal Steering Group. This has given great clarity and reduced confusion. In addition to this, regular Friday meetings were held by the Working Assumptions Group,

their aim being to test proposals put forward by the other design groups and feedback

- Round 2 involves developing the project to RIBA (Royal Institute of British Architects) Stage D. Numerous reports have been commissioned including structural, archaeological, paint analysis and utilities. As a result we now have a far greater understanding of the state of the building, but also the detail on the back-log of repairs and the best methodology for resolving them. For example, we now understand why the Castle walls are in such a state and that our current repair programme was not solving the problem at source
- Good consultation has been key. An Historic Lincoln Newsletter has been produced quarterly since 2007; 12,000 copies are produced each issue, with 4,200 being sent to a database of interested parties who have asked to be kept informed. An annual Historic Lincoln Workshop was begun in 2008; each one features both morning and evening sessions and around 150 people attend. This has hopefully led to greater understanding of the processes we're going through and has certainly garnered considerable support for the project from the public. Both the Newsletter and Workshop were introduced from lessons learnt from the work of the Lincolnshire Waterways Partnership. The newsletter is invaluable but does require commitment from staff
- We have worked hard on establishing good relationships with our funders. Starting before the Round 1 submission we realised that we needed to build bridges with HLF and much effort has been put in here on both personal relationships and LCC as a whole. We now know that HLF consider LCC's commitment to the Castle project as exceptional

There will be a presentation at the meeting showing some of the plans, but in brief there are three phases to the works: **Castle Walls, Prison and Crown Court**. The Castle walls will be repaired and the issue of water accessing the core will be resolved. A complete wall walk circuit will be created for the first time. Lift access and a new staircase will be created to the east walls, allowing everybody regardless of ability to obtain the classic view from the Castle of the West Front of the Cathedral. New railings will be installed replacing the existing unattractive and heavily rusted ones.

The Prison will provide the ticketing, shop, cafe, site orientation and education facilities. The Crown Court will provide much of the interpretation under the themes of Power, Justice and Accountability. Court Room 1 will be unchanged and used for re-enactments and Court Room 2 will have some changes and will feature an Audio Visual presentation. Court Room 3 will feature interpretation on Magna Carta's 800 year life and impacts, leading into a newly built vault which will have 3 cases containing Magna Carta, Charter of the Forest and a rotating display of documents from the Cathedral in the third. A final space has been designated the Archive Explorer; this model is being increasingly used in museums and the National Gallery has a particularly good example. Resembling an internet cafe it allows visitors to drill down deeper into areas of history that we don't have the space for in our displays, activities geared to children, connections to other visitor activities in the county, audio interviews and film.

The level of access adhering to the Disability Discrimination Act provided throughout the site is very high particularly for a building of this age and we will sell this strongly in marketing of 'new castle.' There will be various types of interpretation. The volunteer guides will continue to provide guiding services but there will also be either a PDA or audio guide (because of the pace of technology we are not committing to what the vehicle might be). We have been to various attractions to use their tours and this has been helpful in clarifying what we do and don't want. Regardless, we are researching the content for whatever IT we end up using

1.3 Financial Situation

The bid at Round 1 was costed at £15.2m. We now have a greater understanding of the extent of repairs and have added in areas not originally within scope such as the cafe and shop in the prison building, which will aid sustainability. The costs to be submitted at Round 2 are £18,960,020

Funding at Round 1 was to be made up as follows:

HLF - £6m
Emda (East Midlands Development Agency) - £4m
LCC - £2.5m
Fundraising - £2.7m

A successful bid to emda for £4m was made, but as they are to be disbanded, this money no longer exists. Our funding package now looks more as follows:

HLF £10m
LCC - £3.5m
ERDF (European Regional Development Fund) - £2.5m
Fundraising - £2,960,020

We have had discussions with HLF regarding asking for more money and we have been very open about the current situation i.e. funding lost but equally new financial avenues we are exploring. They are sympathetic as our position is replicated elsewhere in Britain. They are aware that LCC is completely committed to sticking to the original timetable and that the receipt for Castle Moat House will be added into the project as part of our match funding.

1.4 Risk

The Crown Court

The key risk to the project remains the vacation of HMCS from the court building. The Leader and the local MP have recently met with the Under Secretary of State at the Ministry of Justice who has agreed to re-look at their decision to relocate. The bid to HLF will fail if HMCS do not agree to leave the Castle by March 2013. In this situation LCC will be left as the sole funder of the extensive repair bill with the Castle remaining a poor visitor attraction and the Crown Court continuing to offer

poor justice to the people of Lincolnshire. HMCS documentation Lincoln Crown Court Strategic Outline Case, November 2008 states that:

- It does not comply with the Disability Discrimination Act
- It does not comply with the Human Rights Act
- The lack of separation causes significant security risks
- Security is a major risk for a wide range of potentially affected persons
- Health and Safety and fire risk issues
- All the court rooms and facilities are totally inadequate

The Walls

The optimum period for undertaking lime based repair work is May-November. Due to these restrictions the work to the walls will need to take place over three years. The programme has the contractor being appointed after the HLF decision which means a start date on site of July 2011. The contractor would need a significant lead in time to erect all the scaffolding. Repair work would not then start until September/October and it would have to cease in November. If the contractor was not appointed until after the HLF decision, the walls would have to go through two more winters before any significant repair work was undertaken. We are proposing that the contractor be appointed in March 2011 and that the first season of work be undertaken on the section of wall between Lucy Tower and Observatory Tower. This is the most complex section and it would mean that any cost over runs could be mitigated through reducing the repair work to the north or west wall which is in better condition. HLF have been consulted but LCC run the risk if the bid is unsuccessful of being committed to doing the work.

This southern section of the wall is in the worst condition and the work needs to be done regardless of the success of the HLF bid. It can be funded from LCC's match funding commitment. In addition all the consents including agreements with the Drury Lane residents will need to be in place.

1.5 Other Risks

The project has an extensive risk register which is updated each month at the project managers' meeting. A few areas are mentioned here:

Archaeology – that we might discover findings that bring work to a halt.

Excavations to date have been extensive and we believe that we have a good understanding of the site.

Budget over- runs – the team are aware that in finalising RIBA Stage D costs that if it goes over the £18,960,020 budget then a value engineering exercise will need to take place.

Necessary permissions – the Castle is a Scheduled Ancient Monument and permissions will be required for all the works. The head of the Design Team opened a dialogue with English Heritage in the very early stages of the project, ensuring that we understood what they would allow as soon as possible. This approach has worked well.

Two contractors on site- this is never an ideal situation but has been mitigated through the walls contractor being able to use Castle Moat House.

1.6 Heritage Skills Centre

The HLP had become concerned about the heritage skills agenda. Economic Regeneration together with the Council's Portfolio Holder opened up discussions with the Cathedral Works Department about areas of possible joint working. The opportunity to create a Heritage Skills Centre (HSC) on the internal Castle car park emerged and external funding was secured. Key elements of the project are as follows:

- The HSC is a new build project funded by the ERDF and Single Programme Fund, and led by Lincolnshire County Council on behalf of a partnership, which includes Lincoln College and Lincoln Cathedral.
- The HSC brings together key partners to develop innovative skills training for individuals and businesses, to offer exciting learning opportunities outside the classroom for school pupils, and to significantly enhance the visitor experience of the redeveloped Lincoln Castle area. The HSC will be an important addition to the regeneration of this area and has the capacity to support entrepreneurial activity.
- The objectives of the HSC are to maintain and build the heritage skills base and to promote sustainability. The HSC will operate as an education and training organisation and also provide a venue for training offered by others.
- The work of the HSC will complement and add value to existing education and training in Lincoln.
- The core objectives of the Heritage Skills Centre are to maintain and build the traditional skill base and to promote sustainability.
- The first objective refers to the outcomes and purposes of the HSC to retain existing skills within the workforce, and encourage new generations to see heritage skills as a legitimate and viable career, and promoting general interest in heritage skills so that, over time, the overall skills base is enhanced.
- The second objective relates to outputs and the operation of the Centre (and its building) and refers both to the Centre's viability as a stand-alone operation with minimal subsidy, and its use of materials and energy. More specifically, the Centre will be a sustainable organisation that uses best practices to become self-sustaining within three years of opening. It will also focus on the sympathetic and responsible use of natural resources.
- The building has been designed to be environmentally friendly, but also to sit very discreetly within this historic setting. It is single storey and has a grass roof and walls of hempcrete. The design has caused us some delays, firstly because English Heritage advised that they wanted a traditional design, later deciding that they wanted a contemporary design. Secondly, because the Cathedral and College didn't engage with the process soon enough, the design started with 3 workshops, expanded to 4 and is now 2. One being wet & dirty skills, the other clean and dry.

- The building has a central corridor that has public access allowing viewing windows into the workshops. We are investigating using cameras for showing more detailed work
- The Heritage Skills Centre (HSC) will concentrate on stonemasonry, lime work and stained glass.
- A Business Plan for the HSC is at draft stage. The strategic development of the HSC will be provided by a Steering Group made up of Lincolnshire County Council and other partners as confirmed in a memorandum of cooperation. The Economic Development Portfolio Holder, who also represents LCC on the HLP, will chair the Skills Centre Steering Group. The steering group will report to the Historic Lincoln Partnership and through Lincolnshire County Council's normal governance arrangements.
- During the building phase of the HSC, the memorandum of cooperation will be agreed to strengthen and clarify Steering Group partner roles and responsibilities and governance arrangements during the first years of operation.
- The same design team was appointed for the HSC as Lincoln Castle Revealed. During the OJEU process we were unclear as to whether to have two teams or just one. At interview we decided to go with one team and subsequently we feel that this was the right decision as the two projects inter-relate.
- Finances of the project are as follows:

£650K – ERDF
£600K – LCC
£500K – Single Programme

- Timings on the HSC are:
RIBA Stage C 8/10/10
RIBA Stage D 28/10/10
RIBA Stage E 16/12/10
RIBA Stage F&G 28/2/11
Contractor appointed 5/7/11
Start on Site 2/8/11
Practical Completion 22/5/12

Risks and Lessons Learnt

- Changing from a traditional design to contemporary has involved us in some extra costs and we are applying for an extra £350K funding from ERDF – we believe that a contemporary design allows us the opportunity to produce a more environmentally sustainable building.
- Our progress on the HSC and our developing partnership with the Cathedral on the skills agenda enabled us to submit a successful bid to HLF to run a

bursary scheme over the next five years. This will train students in stonemasonry, lead work and joinery.

- Many of the comments regarding consultation, experienced design team, Wednesday team day, greater understanding of the site mentioned above under Lincoln Castle Revealed are applicable here. Similarly the risks are similar and they operate under a joint risk register; however the HSC can proceed regardless of whether the Crown Court vacate and the project funding is in place, apart from the extension request which is in hand.

2. Conclusion

This report provides the Committee with an update on progress with these two important projects for the uphill area of Lincoln and an opportunity to share its views with the Programme Manager.

3. Consultation

a) Policy Proofing Actions Required

n/a

4. Background Papers

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

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