

CAPITAL BOARD

19 June 2023

COUNTY MUSEUM AT HARTLEBURY CASTLE

Recommendation

- 1. The Strategic Director for People recommends that the Capital Board:**
 - a) Note the report on the potential future options for delivery of the County Museum**
 - b) Note a verbal update on the outcome of discussion from the Joint Museum Committee**
 - c) Provide direction on specific additional information requested for the July Capital Board**

Background

2. Worcestershire County Council holds two 60-year leases for the area making up the County Museum at Hartlebury Castle, both of which end in early 2026. The landlord is Hartlebury Castle Preservation Trust with whom WCC collaborates to open the site to the public as a popular visitor destination.

3. High level reviews have been carried out to consider the property options at lease end, along with a condition survey to manage WCC's repairing obligations. This work has been supported by property consultants and was reported to Corporate Landlord Board on 23/4/23.

4. Over the past few years, the County Museum has significantly increased and evidenced its work supporting health outcomes for local residents. The vision for the next chapter of the County Museum is for space and programmes of work that attract earned income, grant funding and commissioning from primary care networks and WCC-commissioned partners. This business model, further developed with external funding, will increase the museum's contribution to the key WCC priority to increase healthy life expectancy and support positive health outcomes for residents. This, alongside investment in energy efficiency, will enable the revenue costs of the service to reduce.

5. A further report will come to the Capital Board in July, which will include additional information on the preferred option (when decided) regarding property requirements and options, current property and lease end issues, external funding opportunities, and a business plan.

6. Under the Joint Museums Service terms of reference, the Joint Museums Committee consider the operation of an effective museum service and recommend a preferred option to Cabinet. A decision on the options is on the forward plan for Cabinet on 28 September.

7. The Joint Museums Committee report is attached as an appendix and includes further details on a number of risks and the cost of borrowing information.

Options

8. The options for consideration are laid out below. Property costs are based on metre squared estimates and development costs are estimated for the building size. Further detail regarding these options is included in the appended Joint Museum Committee report.

Option A	Remain at Hartlebury Castle, North wing, admin block and new build Transport Gallery	<p>A redeveloped Worcestershire County Museum at Hartlebury Castle, continuing as a visitor destination but also developing learning and health programmes meeting needs of Worcestershire residents.</p> <p>This option meets the funding priorities of the National Lottery Heritage Fund, plus other smaller funders.</p>	<p>CAPITAL Property costs £2-3million Museum and energy sustainability development costs £1million</p> <p>Likely external funding at 60-70% of project costs. WCC's contribution could range from £990K - £3million depending on success of application to Heritage Lottery and other external funders.</p> <p>REVENUE Long-term reduction in energy costs and increased income</p>
Option B	Relocate to County Hall - within existing building (ground floor pavilion) and part new build	<p>A new County Museum within County Hall, improving the public access to County Hall and the Council's assets. Focused on learning and groups and access to the County's collections.</p> <p>This option does not meet the funding priorities of the National Lottery Heritage Fund but will meet other smaller funder priorities.</p>	<p>CAPITAL Property costs £7million Museum development costs £0.7million</p> <p>REVENUE Annual lost revenue (pavilion potential tenant) £95k</p>
Option C	New build alongside the Countryside Centre at Worcester Woods	<p>A smaller Worcestershire County Museum at Worcester Woods, together developing as a visitor destination with shared facilities.</p> <p>This option does not meet the funding priorities of the National Lottery Heritage Fund, but will meet other smaller funder priorities.</p>	<p>CAPITAL Property costs £5.4mill Museum development costs £0.5million</p> <p>REVENUE Potential long-term efficiencies of services working closer together</p>
Option D	Mothball option, close the County Museum and move all of the	Museum closure and loss of all service.	<p>REVENUE Year 1 transformation cost £350k</p>

	collection to storage	This option does not meet any external funder priorities.	Annual reduction in revenue £84k; loss of all income
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9. A longer list of options was considered at the first review which enabled the development of the short list of options above. These included:
- Relocation elsewhere and new build to support other civic museums or developments in the County – discarded due to cost
 - Do-nothing – new lease, same lease area, minor refurb linked with lease end works – discarded due to asbestos issues and works required to existing transport gallery.
 - Larger development of new galleries at existing Hartlebury site – discarded due to cost

Property Key Points

10. Existing Transport Gallery
- Currently the Transport gallery and workshop is closed to the public/ staff due to asbestos fibres management.
 - Work has been carried out to the Activity Rooms to allow continued use of these spaces whilst a longer-term decision is taken. These are used predominately by school parties and provide an income for the site.
 - To bring the remainder of the spaces back into occupation the same clean of the spaces, sealing or replacement of the existing roof is required. However in addition a specialist environmental clean will be required of all the artefacts and items within the spaces. This includes all the Gypsy caravans and other exhibits in the gallery and all items, tools, equipment, materials etc within the workshop.
 - Cost for cleaning of the exhibits has not yet been obtained. A management survey is being progressed to provide further information on costs and process.
 - Feasibility options are being progressed to consider the options available to the Council to bring the collection back into public display.
11. Existing lease obligations - Repairs – Tenant liability
- Significant works are required at the Museum in line with the Councils existing repairing obligations under the lease, including the resolution of the Transport Gallery noted above. An allowance has been made in the current years capital programme to carry out some of these works, however additional funding will need to be allocated over the next two years to complete the necessary works.
 - Costs are based on a recent condition surveys of the sites however formal dilapidation surveys will be prepared by the Landlord and negotiations on works are likely to be required.
 - Whether the Council takes a new lease or ceases occupation of the County Museum Hartlebury Castle site in 2026, the existing repairing obligations for the site will need to be addressed by the Council. If a new lease is taken it may be possible to negotiate a long period over which to carry out the identified work.

Supporting Information

- Appendix:
Joint Museums Committee report 15/6/23 plus anticipated timeline

Contact Points

Specific Contact Points for this report

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Report to: Joint Museums Committee, 15 June 2023

Report of: Museums Manager

Subject: WORCESTERSHIRE COUNTY MUSEUM FUTURE OPTIONS

1. Recommendation

- 1.1 That the committee note the information regarding options for the future of Worcestershire County Museum, and**
- 1.2 The committee recommend to Worcestershire County Council their preferred option for consideration at a meeting of the Cabinet in September**

2. Background

- 2.1 The Worcestershire County Museum is a popular destination as part of the wider offer to local residents and tourists at Hartlebury Castle. It brings significant visitor spend into Worcestershire, with associated benefits for local businesses and local employment. For decades, a visit to the museum was an important trip for Worcestershire school children and this tradition continues with a lively formal and informal education programme that supports classroom learning, creativity and an understanding of Worcestershire's history.
- 2.2 As reported to this committee at its last meeting, the museum team have been reviewing the opportunities to further develop the County Museum offer, so that the benefits of a museum visit can be translated into an evidence-based programme that supports the health and wellbeing of local residents through commissioned support, social prescribing and other community programmes.
- 2.3 The Joint Museums Committee has delegated powers to manage the operation of an effective museum service. Significant decisions by either local authority regarding their museums should first be considered by this committee and then, in the case of the County Museum, be reported to Worcestershire County Cabinet including a recommendation from the joint committee.
- 2.4 Worcestershire County Council is also the sole trustee of the Tickenhill Collection, the founding collection of the County Museum now held in charitable trust. The two County Council members of this committee

hold the responsibility to ensure that decisions that impact the Tickenhill Collection are considered appropriately as the charity trustee. The charitable objective is: *The maintenance and administration of the Tickenhill Collection which shall be placed or kept in such one or more public rooms, halls, museums or other places for exhibition in Worcestershire or elsewhere and that it shall be kept open for inspection by the public. Also to lend the said collection or any part thereof for public exhibition or for educational purposes.*

- 2.5 As noted by this committee at their meeting in September 2022, Worcestershire County Council holds two leases for the area making up the County Museum at Hartlebury Castle, both of which end in early 2026. The landlord is Hartlebury Castle Preservation Trust with whom we collaborate to open the site to the public as a visitor destination. These are full repairing leases and the costs of any outstanding obligations will need to be negotiated at lease end. A condition survey has recently been carried out and Worcestershire County Council's property team are working on a programme of works leading up to the lease end, keeping the landlord informed. This is included in the County Council's capital programme.
- 2.6 The County Museum's Transport Gallery, which includes a display of the county's internationally-significant Vardo collection has been closed to staff and the public for several months for essential maintenance, including the assessment and management of the low-risk asbestos present in its building fabric.
- 2.7 The Cider Mill at the County Museum has also been fenced off to prevent close public access in recent years. This property was relocated from another site during the early years of the Council lease. It would require major structural works to make it safely accessible. Alongside a review of its condition, a significance review is underway to assess if the County Museum is the best long-term home for this building. This assessment will be brought back to this committee at a later stage.
- 2.8 The property and museum teams have undertaken a review of options for the County Museum. Two phases of review, both at high level, have been carried out, considering the service in relation to various property options. In addition to the options set out below, the first phase review considered other locations in the county that were in areas of redevelopment or close to other potential heritage partners. Those not included below did not meet the necessary space opportunity criteria or had unrealistic cost levels. These reviews were supported by property consultants.

3. Options for Consideration

3.1 The table below sets out the options reviewed. Property costs are based on metre squared estimates and development costs are estimated for the building size.

Option A	Remain at Hartlebury Castle, North wing, admin block and new build Transport Gallery	<p>A redeveloped Worcestershire County Museum at Hartlebury Castle, continuing as a visitor destination but also developing learning and health programmes meeting needs of Worcestershire residents.</p> <p>This option meets the funding priorities of the National Lottery Heritage Fund, plus other smaller funders.</p>	<p>CAPITAL Property costs £2.3million Museum and energy sustainability development costs £1million</p> <p>REVENUE Long-term reduction in energy costs and increased income</p>
Option B	Relocate to County Hall - within existing building (ground floor pavilion) and part new build	<p>A new County Museum within County Hall, improving the public access to County Hall and the Council's assets. Focused on learning and groups and access to the County's collections.</p> <p>This option does not meet the funding priorities of the National Lottery Heritage Fund but will meet other smaller funder priorities.</p>	<p>CAPITAL Property costs £7million Museum development costs £0.7million</p> <p>REVENUE Annual lost revenue (pavilion potential tenant) £95k</p>
Option C	New build alongside the Countryside Centre at Worcester Woods	<p>A smaller Worcestershire County Museum at Worcester Woods, together developing as a visitor destination with shared facilities.</p> <p>This option does not meet the funding priorities of the National Lottery Heritage Fund, but will meet other smaller funder priorities.</p>	<p>CAPITAL Property costs £5.4mill Museum development costs £0.5million</p> <p>REVENUE Potential long-term efficiencies of services working closer together</p>
Option D	See appendix		

3.2 'Do Nothing' or 'status quo' at the current site is not an option. For the County Museum to remain at Hartlebury Castle, in the long term, works are required over and above lease obligations. If the Museum is to remain on site the minimum property work required is a replacement roof for the Transport Gallery, however the building itself remains unfit for purpose for display of the significant collection of Gypsy Vardos. It is proposed therefore under option A that the existing gallery is demolished and a new, fit for purpose, gallery constructed.

- 3.3 Option A will retain a lease position and will require Worcestershire County Council to engage with Hartlebury Castle Preservation Trust for a new leasehold interest on the basis of demolition and rebuild of the existing Transport Gallery. It will seek terms which mitigate the risks associated with remaining at the site as part of consideration of the detailed terms for both the property lease and service management agreements.
- 3.4 For options A-C, the next steps will be for the Council's project team to progress the property proposals to concept design stage. The costs noted in table 3.1 are indicative, additional detailed investigation with quantity surveyor input will be available for the County Cabinet decision.
- 3.5 For all options, the museum team will progress work on a service business plan which would include outcomes, potential long-term income streams, and energy solutions to reduce revenue costs. A proposed portfolio of potential external funding will also be prepared for the recommended option. For option A, an Expression of Interest will be submitted to the National Lottery Heritage Fund this summer.
- 3.6 For options A-C, feasibility will be progressed to consider the options available to the Council make it possible to bring the Gypsy Vardos back into public display in the short term.

4 Implications

- 4.1 Financial and Budgetary Implications
All options have both a capital and revenue impact. This report aims to set these out at high-level to enable options to be comparable to support the decision making. Further detail on costings will be assessed on the recommended option with support from external consultants to inform the County Cabinet review.
- 4.2 Legal and Governance Implications
The County Council's legal team have supported the high-level review and will continue to feed into the project working group.
- 4.3 Risk Implications
A risk analysis of the options has been undertaken at high level. The report appendix includes additional information about the main risks identified, which includes some sensitive commercial information.
- 4.4 Corporate/Policy Implications
Should the Council choose to progress with an option which would make significant changes to its museum offer, this will be subject to public consultation.
- 4.5 Equality Implications

Equality implications of the different options have been considered as part of the review. There are both benefits and restrictions to wider access to the museum of all the options, with none believed to outweigh other factors. More detailed equality impact assessments will be undertaken at the next stage of work.

4.6 Human Resources Implications

HR will support the next stage of work as required.

4.7 Health and Safety Implications

The property review includes consideration across the option sites for any H&S implications.

4.8 Social, Environmental and Economic Implications

The County Museum contributes to the social and economic health of the county and options A-C would enable those to develop and grow. Option A would also enable investment to reduce the County Museum's environmental impact and ongoing energy costs.

Ward(s):

Contact Officer:

All wards

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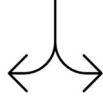
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2023
Cabinet decision on museum options, incl outline costs

<i>Yes to redevelopment</i>
Transport Gallery is cleaned of asbestos, and enabled for development. Potentially a temporary Vardo gallery created
Project plan for redevelopment prepared, incl detailed costings
WCC's financial commitment to future of site must be demonstratable to funders

<i>No to redevelopment</i>
Transport Gallery must be demolished, collections moved to store
Full tenant responsibility costs needed by 2026
Additional store leased
Plan collections retention/disposal

2024
Development phase application submitted to Heritage Lottery Fund



<i>Development phase bid success</i>
Project plan completed, detailed investigation and design
Additional funding sought
New programming developed
Site access prepared, temporary Vardo gallery created if not earlier
Interim management plan for site put in place with HCPT

<i>Development phase bid fail</i>
Review with NLHF, rework and resubmit



2025
Lease negotiations with HCPT

Repair programme or payments agreed
New lease agreed
Long-term management plan agreed

2026
Delivery phase application submitted to Heritage Lottery Fund

<i>Delivery phase bid success</i>
Capital work starts in phases across site
New business model underway
Long-term management plan for site put in place with HCPT

<i>Delivery phase bid fail</i>
Review with NLHF, rework and resubmit
Consider if some work can be started while this is underway

