

**Executive Board City Centre Committee****19 FEBRUARY 2013**

<b>Title of paper:</b>	<b>Nottingham Castle – Development Project – Progress Update</b>	
<b>Director(s)/ Corporate Director(s):</b>	John Kelly – Corporate Director Hugh White - Director	<b>Wards affected:</b> All
<b>Report author(s) and contact details:</b>	Nigel Hawkins – Head of Culture and Business Management Tel 0115 8764969	
<b>Other colleagues who have provided input:</b>	Ian Greatorex - Finance Business Partner for Communities Department - Tel 0115 8763703 Glen O'Connell – Director of Legal and Democratic Services – Tel 0115 87 64330	
<b>Relevant Council Plan Strategic Priority:</b> (you must mark X in the relevant boxes below)		
World Class Nottingham	<b>X</b>	
Work in Nottingham	<b>X</b>	
Safer Nottingham		
Neighbourhood Nottingham		
Family Nottingham		
Healthy Nottingham		
Leading Nottingham		
<b>Summary of issues (including benefits to citizens/service users):</b>		
<p>In November a bid was submitted to the Heritage Lottery Fund (HLF) in respect of improvements and development of Nottingham Castle. The proposals have been derived following extensive work by the business led Castle Working Group, public consultation and a range of specialist advice provided as part of the scheme's initial scoping.</p> <p>The work to redevelop Nottingham Castle forms part of the City's key ambition expressed for Nottingham Castle to become a world class heritage attraction and nationally significant centre for learning about protest and rebellion. At the same time it tells the story of Nottingham Castle and its role in shaping the history of Britain together with the stories of the key people who have lived and worked here.</p> <p>The scheme accords closely with the broader strategic goals and ambitions of the City Council, in the Council Plan, City Growth Plan and is complementary to the recent City Deal for the Creative Quarter. The proposals also take into account outcomes and objectives in the City's emerging Spatial Plans, Retail Strategy and Nottinghamshire's Destination Management Plan for future tourism growth.</p> <p>The proposal and scope of the ambition for Nottingham Castle development would represent a step change in the way that the City is perceived and following redevelopment could act as a major economic regenerator for the Castle Quarter area of the City.</p>		

<b>Recommendation(s):</b>	
<b>1</b>	The City Centre Committee endorse the vision and key themes as agreed by Executive Board on 20 <sup>th</sup> November 2012 and support the development of Nottingham Castle noting progress being made.
<b>2</b>	To support the integration of the Nottingham Castle development within the regeneration of the wider Castle Quarter area and City Centre strategies in terms of delivering new tourism opportunities / accessibility/ facilities, new public spaces and appropriate development.
<b>3</b>	To report back to the City Centre Committee following the outcome of the Heritage Lottery Fund Bid decision in April 2013.

## **1. BACKGROUND**

On the 30<sup>th</sup> November 2012 Nottingham City Council submitted a comprehensive bid to the Heritage Lottery Fund (HLF) in order to secure funding for the redevelopment of Nottingham Castle. The total cost of the redevelopment scheme is estimated at £26 million with the initial bid to the HLF seeking to secure a £1 million contribution towards a £1.5 million detailed design phase required, prior to being able to submit a stage two application to the HLF for a large capital contribution to assist in undertaking the scheme.

The proposals for the redevelopment were developed working with a business led partnership led by Professor Ted Cantle and from a large public consultation exercise undertaken. The concept plans for the Castle consisting of:-

- Improved Gatehouse entrance, re-establishing medieval moat and bridge.
- Customer welcome centre, with café, reception and retail outlet.
- Groundwork's to the Castle site.
- New Ducal Palace two storey extension, with Robin and the Rebels discovery gallery.
- Improved access and interpretation of the sites caves.
- Re-laid out museum and improved temporary exhibition galleries for touring international exhibitions.
- Improved Ducal Palace café offer.
- Lift access between Castle site and Brewhouse Yard.
- Revamped handling and collections stores in the Waterworks Building.
- Revitalised Museum of Nottingham Life.
- Improved use of technology for display and interpretation to encourage participation using 3D projectors and smart phone and tablet technology within a "future-proofed" equipment

The bid contains the following 3 core themes:

### **Theme 1 - Nottingham Castle: Mediaeval fortress to Ducal Palace today**

- To uncover and tell the rich and multi-layered history of the Castle site over the centuries (learn).
- To open up access to experience the Caves and understand their history (explore).
- To reveal more of the mediaeval site and improve the area to allow greater access for activities and events (participate).
- To provide exciting access between the Castle site and Brewhouse Yard / Waterworks site and across into the City Centre (link).

## **Theme 2 – Robin and the Rebels: Protest, Rebellion and the rise of Democracy (New interactive and participative gallery)**

- To use Robin Hood to help lead visitors through 1,000 years of the history of Nottingham, to explore national issues around protest, rebellion and democratic freedoms, citizenship and civil engagement, involving people with the present as well as the past
- To stimulate through debate, participation, reflection, challenge and incorporate users' contributions
- To bring the story of mediaeval Nottingham Castle to life in an exciting and fun way that will appeal to all the family.

## **Theme 3 - Creative City: Building upon the existing Ducal Palace Art Galleries**

- To understand the founding vision of the current museum by exploring how creative design continues to stimulate manufacturing and the Nottingham economy
- To enhance access to and improve understanding of the Museum's extensive heritage and art collections
- To use and celebrate the cultural connections of the world, to Nottingham

## **2. Progress Update**

Since submission of the bid to HLF on the 30<sup>th</sup> November 2012 a range of work has continued to take place in order to progress this development.

This work includes;

- (i) Stakeholder and interest groups engagement - a variety of ongoing engagement meetings and briefings have taken place to support both the national profile for the scheme, alongside more local resident and business support. Examples include the chair of the Castle Working Party, Professor Ted Cantle visiting the Secretary of State for Culture, Media & Sport in January, Invest in Nottingham Club briefings and hosting local / park residents briefings. Plans are also being developed with the Invest in Nottingham Club to present the proposals at a forthcoming London event in March.
- (ii) Considerable work has been taken place to fully integrate the Nottingham Castle development into broader Castle Quarter and City Centre scheme proposals and future planning and spatial themes work currently taking place. This includes: a recent workshop across the council; integration with emerging development proposals on adjoining / nearby sites; area property disposals (Castlegate), and the initiation of designs for new public realm improvements for Castle Road.
- (iii) Work has commenced to scope out and then procure the necessary professional team requirements in order to progress the detailed feasibility work if the HLF bid is successful.
- (iv) Advice has been taken through PWC and Freeth Cartright to help develop a suitable Charitable Company for future operation and to help lead the fundraising strategy that the scheme requires.

- (v) Considerable preparation work is ongoing to ensure the bid is placed in the strongest position for the forthcoming HLF Trustee site visit.

### **3. REASONS FOR RECOMMENDATIONS (INCLUDING OUTCOMES OF CONSULTATION)**

The proposals look to address declining visitor numbers to the site and through a significant programme of investment realise the potential for Nottingham Castle to become a World Class heritage attraction and significant economic catalyst for the regeneration of the city.

The investment will also safeguard against future maintenance liabilities of the Castle and enhance both visitor and City residents' appreciation of the history and national significance of Nottingham's role in delivering social justice.

An extensive public consultation exercise was undertaken which re-emphasised the expectations and ambitions that people would like to see Nottingham Castle better fulfil.

### **4. OTHER OPTIONS CONSIDERED IN MAKING RECOMMENDATIONS**

Do Nothing - This option would result in the following:-

- A continuation in the decline of visitor numbers.
- A decline in income to the City.
- A need to increase the subsidy required for the maintenance and running costs.
- A failure for Nottingham Castle to achieve its full potential as a visitor attraction.

Apply to the HLF based on a series of regional applications for more modest funding – This option would result in the following:-

- A significant risk through a repeated programme of competitive bidding rounds.
- Increased management and project costs due to the multiple projects being managed over a longer period of time.

### **5. FINANCIAL IMPLICATIONS (INCLUDING VALUE FOR MONEY/VAT)**

A high level business case has been developed looking at the implications for the management of the redeveloped Nottingham Castle site (post development). The business case recognises that the most cost efficient management arrangement would need to be pursued, and the business case has modelled the operation on a Trust style management arrangement.

The capital cost of the scheme is estimated to be £26.0m based upon an independent assessment of cost. **Table 1** shows the indicative profiled expenditure on the project.

**Table 1 – Capital expenditure analysis – Castle project**

Description	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	Total
	£m	£m	£m	£m	£m	£m	£m	£m	£m
Feasibility study	0.750	0.750							<b>1.500</b>
Build costs			1.250	7.500	7.500	7.500	0.400	0.350	<b>24.500</b>
<b>TOTAL</b>	<b>0.750</b>	<b>0.750</b>	<b>1.250</b>	<b>7.500</b>	<b>7.500</b>	<b>7.500</b>	<b>0.400</b>	<b>0.350</b>	<b>26.000</b>

The capital financing is as yet unsecured.

A high level business case for the future operation of the Castle concluded that it should be operated by a Trust, based on prediction of future income generation and operating costs concludes that the Castle project will reduce the current subsidy of the service from 2022/23 with a projected break-even position from 2025/26.

**6. RISK MANAGEMENT ISSUES (INCLUDING LEGAL IMPLICATIONS AND CRIME AND DISORDER ACT IMPLICATIONS)**

The City Council has legal powers to undertake this project. More detailed legal comments were made within the Executive Board report dated 20 November 2012.

**7. EQUALITY IMPACT ASSESSMENT**

Has the equality impact been assessed?

Not needed (report does not contain proposals or financial decisions)

No

Yes – Equality Impact Assessment attached

**8. LIST OF BACKGROUND PAPERS OTHER THAN PUBLISHED WORKS OR THOSE DISCLOSING CONFIDENTIAL OR EXEMPT INFORMATION**

None.

**9. PUBLISHED DOCUMENTS REFERRED TO IN COMPILING THIS REPORT**

Executive Board Paper – 20<sup>th</sup> November 2012