



CABINET REPORT

Report Title	DELAPRE ABBEY RESTORATION PROJECT
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AGENDA STATUS: PUBLIC

Cabinet Meeting Date:	11 January 2017
Key Decision:	Yes
Within Policy:	Yes
Policy Document:	No
Directorate:	Regeneration, Enterprise and Planning
Accountable Cabinet Member:	Cllr Tim Hadland
Ward(s)	Delapre

1. Purpose

- 1.1 To report to Cabinet the conclusion of the necessary agreements between the Borough Council and the Delapre Abbey Preservation Trust in relation to the restoration of Delapre Abbey.
- 1.2 To seek approval to convert a previously agreed revenue loan to Delapre Abbey Preservation Trust of £100,000 into a revenue grant.

2. Recommendations

That Cabinet:

- 2.1 Notes the conclusion of the necessary agreements between the Borough Council and the Delapre Abbey Preservation Trust in relation to the restoration of Delapre Abbey.
- 2.2 Resolves to convert a previously agreed revenue loan to Delapre Abbey Preservation Trust of £100,000 into a revenue grant, to be funded from in-year underspends within the Regeneration Enterprise and Planning Directorate in order to assist the Trust in establishing its operations for the opening of the Abbey later this year.

3. Issues and Choices

3.1 Report Background

- 3.1.1 The restoration of the Grade II* Listed Delapre Abbey is a key heritage project for the Council and will see the Abbey opened to the public for the first time in its 900 year history
- 3.1.2 The Abbey will open offering educational spaces, a shop, exhibition space, a cafe/restaurant as well as offering a specific exhibition around the Battle of Northampton as part of the Wars of the Roses which was fought in Delapre Park in 1460.
- 3.1.3 The Abbey will enhance the public park in that it will include improved public convenience toilets and increase the usage of the park whilst attracting regional and national visitors to Northampton.
- 3.1.4 Close links are being developed between the Trust who will operate the Abbey and the Museums Service to ensure compatibility and joint working.
- 3.1.5 Cabinet will be aware that the Council was awarded £3.6m of Heritage Lottery Funding (HLF) towards the overall project costs the restoration works and activity costs. The bid was agreed by Cabinet on the 8th May 2013.
- 3.1.6 Cabinet previously considered and approved reports on 21st October 2015, and 13th April 2016 and 7th December 2016 regarding project progress and necessary decisions.
- 3.1.7 A full financial assessment is in progress to cover further capital and revenue implications to the Authority. A full consolidated position will be reported to Cabinet in due course.

3.2 Issues

Legal Agreements with Delapre Abbey Preservation Trust (DAPT)

- 3.2.1 Cabinet have been previously advised that a number of Legal Agreements between Delapre Abbey Preservation Trust and the Borough Council are required and approval given by Cabinet to these being agreed by officers after consultation with relevant Cabinet Members or the Leader.
- 3.2.2 These agreements were finalised and agreed on both sides just before Christmas. The documentation sets out the terms with regards to the property matters between the Council and DAPT and also sets the basis of how the Trust and the Council will work well together within the partnership. With regards to the property matters, at this point the Agreement for Lease has been concluded, with the long term lease and the four licenses to complete before the 7th working day following the practical completion of landlord's works. This is in order to ensure that the details of the final leases and licenses reflect the final completed physical project correctly.
- 3.2.3 The completion of this documentation has enabled DAPT to submit a Heritage Lottery Fund resilience bid application for revenue support.

Revenue Implications - DAPT

- 3.2.4 Cabinet previously approved a revenue cash flow loan facility of £100,000 at its meeting on 21st October 2015. The final DAPT business plan approved by the Trust board in summer 2016 which supported repayments of this loan was based on the facility opening in the autumn of 2016.
- 3.2.5 Delays to completion of the construction project and therefore the opening date have meant that DAPT currently and for some time will have no income from the Abbey whilst some staffing and operating expenditure will continue to be incurred. In order to reduce revenue pressures that would be created for DAPT by paying interest and repayments on this funding, it is recommended that this facility is amended to become a revenue grant of £100,000.
- 3.2.6 The business plan for DAPT is being reviewed to take into account the changed opening circumstances and to ensure that the Trust is made operational in a sustainable manner. Once the revised business plan is finalised this will clarify more accurately the impact of the delay, which combined with the outcome of the HLF resilience bid application referred to in 3.2.3 will allow Cabinet to fully consider the impact of the construction delay on the revenue operations of DAPT.

3.3 Choices (Options)

- 3.3.1 Cabinet can choose to approve the £100,000 revenue grant to DAPT to assist with their finances necessary to make the Abbey operational during the delay in completion physical restoration of the Abbey. This would enable the Trust to continue to work towards a successful opening. This is the recommended option.
- 3.3.2 Cabinet could choose not to provide the £100,000 as a grant. Continuing with the provision of a loan at this stage is unlikely to be viable for the Trust as this would increase revenue pressures and in itself require further support to DAPT as a consequence.

4. Implications (including financial implications)

4.1.1 Policy

- 4.1.1 The recommendations within this report do not set policy or have implications on existing policies.

4.2 Resources and Risk

Risks

- 4.2.1 The delay in physical completion of the restoration project has created financial risks to DAPT and NBC, which are being assessed. These risks need to be mitigated by the Council supporting the Trust through this period and ensuring that costs on the Council are managed.
- 4.2.2 The Council would face greater risks if it were not to continue to support DAPT in reviewing and developing their business plan and creating a sustainable Delapre Abbey for the public.

4.2.3 As noted in paragraph 3.2.6 there is a risk the HLF resilience bid is unsuccessful. If this is the case DAPT would face further revenue pressures

Resources

4.2.4 This report identifies a £100,000 revenue implication for the Authority. This will be funded from underspends within the Regeneration, Enterprise and Planning Directorate.

4.3 Legal

4.3.1 The agreements referred to in paragraph 3.2 of this report are legally binding and commit the Council to the funding arrangements, the taking of a long term lease of Delapre Abbey and the granting of the licences

4.3.2 The potential state aid implications of providing a grant to DAPT have received a high level assessment by the Council's legal advisors. The initial analysis demonstrates that any risks are minimal.

4.4 Equality and Health

4.4.1 No specific health or equality matters have been raised by these proposals.

4.5 Consultees (Internal and External)

4.5.1 Council officers, the DAPT Director and LGSS Finance have all been involved within the review of the additional capital works required and there has been regular liaison with DAPT Trustees and HLF officers

4.6 How the Proposals deliver Priority Outcomes

4.6.1 The successful restoration of the Grade II* listed Delapre Abbey is the key heritage priority for the Council.

4.7 Other Implications

4.7.1 None

5. Background Papers

5.1 Cabinet Report dated the 8th May 2013, 21st October 2015, April 2016 and 7th December 2016.

5.2 Delegated Officer Decision 22nd December 2016 – signing of legal agreements

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