

Report

Cabinet

Part 1

Date: 15 November 2017

Subject **Transporter Bridge Heritage Lottery Bid**

Purpose The purpose of this report is to seek Cabinet approval to submit a stage 1 Heritage Lottery bid for repairs, restoration and improvements to visitor facilities at the Transporter Bridge.

Author Culture and Continuing Learning Manager

Ward General

Summary The report sets the scope of the project that has been developed as a potential Heritage Lottery Bid. The key developments for which funding is sought include repairs to a number of structural elements of the Bridge, the restoration of the gondola, repainting, improvements to the site and interpretation and a new visitor centre. The project will also provide a programme of activities and events following the completion of the main phase of capital works.

The report concludes that further investment in repairs and maintenance will be necessary to maintain the Bridge as a safe structure, and Heritage Lottery funding offers the Council the opportunity of maximising the value of its investment. The grant applied for will be in the region of 10 million pounds. A sum of approximately £1.25 million will need to be identified in the capital programme if the application is successful. Heritage Lottery Funding is oversubscribed and there is no guarantee that a bid will be successful; nevertheless the potential benefits make the application worthwhile. The success rate for applications is around 30%. The proposed improvements to the visitor experience and the increased profile a successful bid will bring, will improve the trading position for the future.

The notes that the application process is in two stages, but success at stage 1 means that the final stage 2 application is very likely to be successful. There is a review process and HLF will advise regarding revisions that need to be made between stages 1 and 2. HLF fund the development work between stage 1 and 2, and so proceeding to stage 2 requires a binding commitment. The funding package sought is substantial and project of this nature needs commitment and support. The bridge will make a compelling case for funding and is very likely to be successful. When taking this decision, the Council needs to be mindful of the full implications of moving to stage 2.

Proposal **To approve the submission of a Stage 1 lottery application to the Heritage Lottery Fund and to identify a potential £1.25 million in the Council's capital programme for the matched funding requirement at stage 2.**

Action by Culture and Community Learning Manager

Timetable Immediate

This report was prepared after consultation with:

- Strategic Director Place
- Head of Regeneration, Investment & Housing
- Newport Norse
- Culture and Continuing Learning Manager
- Heritage Lottery Fund Representatives
- Friends of Newport Transporter Bridge
- Residents and Visitors

Signed

Background

- 1.1 Newport Transporter Bridge stands sentinel over the lower reaches of the River Usk and is the most iconic structure on Newport's skyline. Newport Transporter Bridge is one of six remaining operational transporter bridges worldwide. There are two other examples of this type of bridge in Britain, one at Middlesbrough, which has recently undergone a major refurbishment with Heritage Lottery funding and is operational, and a disused example in Warrington.
- 1.2 Gwent County Council, the authority responsible for highways prior to the 1996 reorganisation of local government, led a restoration project and attracted significant grant funding from Cadw and European sources after serious defects were identified in the 1980s. A major programme of repairs was carried out. The main cables were replaced including the anchorage bolts after they were found to be in poor condition. Steel work was replaced where corrosion had taken hold; the main wooden walk-way along the boom was replaced with a steel grating, new access stairways installed on each tower and the motor house rebuilt.
- 1.3 Further repairs, including replacement of the traveller rails and cosmetic repainting, were carried out in 2010 prior to the Ryder Cup being held in Newport.
- 1.4 In January 2016 officers met representatives of the Heritage Lottery Fund. The meeting was held to discuss potential Heritage Lottery Fund bids from Newport and a proposal to fund repairs and improved interpretation at the Transporter Bridge was included in the discussions. Heritage Lottery Officers confirmed that an application for the Transporter Bridge would be of interest, and providing criteria for funding could be met, they would welcome a bid.
- 1.5 The Transporter Bridge will be an unusual bid and the nature of the heritage will make the bid stand out from other applications typically submitted by big national and metropolitan museum and galleries. Additionally, Newport is in a HLF development area, which will help. In Wales, the major HLF projects have been driven by the National Museum of Wales and there have been comparatively few major grant applications submitted by the local authority sector; this point will also help our application.

2. The Reasons for the Proposal

- 2.1 Further works are needed to keep the Bridge in working order. Budget limitations in the 1990s restoration project meant that some works that ideally should have been included in the scope of the restoration project were postponed. The outstanding repair works include:
 - The east side approach viaduct – girder works
 - Replacement of corroded oblique stiffening cables on the main boom
 - Replacement of the boom anchor cables that span the Southern Distributor Road on the West side
 - The traveller framework
 - Reinstatement of a number of original decorative features that have been lost during unsympathetic repair works.
 - Repairs to the Gondola
 - Investigation of movement in the Westside abutment
- 2.2 A successful application to the Heritage Lottery Fund will provide the capital funding necessary to carry out these works.
- 2.3 If the Transporter Bridge is to thrive as a visitor attraction, investment is also required in interpretation and visitor facilities. The interpretation centre built as part of the 1990s restoration project is too small.

- 2.4 The Museum holds a fine archive of photographs and plans, including a number of hand coloured builders plans, and these deserve to be displayed in an appropriate space. Basic facilities, particularly the toilets, are inadequate. The bridge has welcomed increasing numbers of coach parties in recent years and the one accessible toilet does not meet the demand of a large group arriving at one time. Additionally, there is not the space to gather 50 visitors to provide a short orientation talk and this is currently carried out on the coach prior to disembarkation.
- 2.5 Visitors come to see the Bridge year round and there needs to be a more substantial interpretation experience for these visitors when Bridge is not operating.
- 2.6 The Heritage Lottery Fund expects a number of outcomes for their funding and these are:

Outcomes for Heritage

With Heritage Lottery Funding, the heritage will be

- better managed
- in better condition
- better interpreted and explained
- identified/recorded

Outcomes for People

With Heritage Lottery Funding, people will have:

- developed skills
- learnt about heritage
- changed their attitudes and/or behaviour
- had an enjoyable experience
- volunteered time

Outcomes for Communities

With Heritage Lottery Funding:

- negative environmental impacts will be reduced
- more people and wider range of people will have engaged with heritage
- your local area/community will be a better place to live, work and visit
- your local economy will be boosted
- your organisation will be more resilient

- 2.7 Achieving a number of these outputs is conditional on funding being awarded, and the larger the grant awarded, the greater number of outputs expected. While HLF sees the repair and restoration as the key driver for the project they also want to see a comprehensive audience engagement project including plans for maximising formal and informal learning opportunities. A fully funded two year activity programme will need to be included alongside the repair and restoration work.
- 2.6 If the proposal is approved it will be important develop a 'team Newport' approach.
- 2.7 Accepting a grant will mean a long term commitment to operating the bridge and this obligation will have to be weighed against the benefits the funding will bring if offered. A commitment to a level of subsidy that maintains operation will have to be signalled to HLF.

3. The Benefits Expected

- 3.1 The key benefit HLF grant funding provides is access to additional capital funding to repair and conserve the Bridge. It is possible to gear up the value of any local investment by a factor of between 5 and 10 times. Published HLF grant advice suggests they will pay 90% of eligible project costs, but in reality they prefer to see a larger proportion of local funding, with more partners involved and officer advice is that the grant sought should be a maximum of **80%** of eligible project costs.
- 3.2 The Transporter Bridge is operating successfully as a heritage attraction despite little investment in interpretation and visitor facilities. Investing in these aspects will help drive business leading to greater sustainability for the future. The visitor experience offered at the bridge is unusual and even with little investment the bridge is consistently highly rated on trip advisor.
- 3.3 The proximity of the Bridge to the Pillgwenlly community and the community's sense of ownership will help the bid, particularly if some imaginative thinking can find ways to involve the local population more directly through activities and training.

4. Legal Implications

- 4.1 There are no legal implications arising from submitting a bid. However, success at stage 1 means the Council will be obligated if it is to proceed to stage 2. A legal agreement will have to be signed if the bid is successful and the Council's commitment to the continued operation of the bridge will underpin this agreement.

5. Timescales

- 5.1 The submission deadline is December 1st 2017. The broad concept is set out for the stage 1 application together with a project budget, outline delivery plan and project delivery details. If successful, the council will then be invited to submit a second stage more detailed application. There's an expectation that the second stage application will take between twelve months and eighteen months to prepare and so the earliest possible date funding might become available is summer 2019. There is a review process at which HLF can advise changes or ask for major revisions. 95% of applications completing the stage 1 process succeed at stage 2.
- 5.2 A Trustee will visit in March prior to a decision being made at the end of April. The Council is likely to be informed of the decision in June. Three outcomes are possible; outright rejection, an invitation to reapply in December 2018 or success and an invitation to proceed to stage 2.

6. Staffing Issues

- 6.1 A revision of the staff structure will be required if the stage 1 bid is successful as the project will impact on the bridge's operation long term. HLF will require a full time project manager to be appointed to oversee the development of a stage 2 project.

7. Financial Summary

- 7.1 There are no financial implications arising from submission. However, the following points will need to be considered before an application is submitted.
- 7.2 The council will have to provide match funding should the bid be successful. In exceptional circumstances HLF will fund 90% of the eligible project costs however most cases they expect a more significant contribution from the applicant body. **To date there is a substantial shortfall in the identified matched funding.** Welsh Government has been approached with a request for assistance and the Minister for the Environment and Economy confirmed that he would be open to an approach once we know the outcome of the stage 1 application.

- 7.3 Developing a stage two application is funded by HLF but a percentage of matched funding will be required. A considerable proportion of the professional fee element will be required to be spent developing stage 2, but any money spent on preparing the stage 2 bid is recoverable from the overall project budget. However, while a stage one pass is an indication of likely success at stage 2, and element of risk has to be accepted.
- 7.4 It will be possible to attract funding from other bodies to help increase the value of the matched funding.
- 7.5 A fundraising drive will be required including a popular appeal.

8 Anticipated Project Budget

Project Budget	
Major Structural Repairs and Refurbishments	£ 7,312,000
Restoration of Annexe buildings	483,000
Provide new visitor centre fit out and interpretative works	575,000
Context enhancement works	342,090
Total	£8,712,000
Contingencies, prelims , overheads and profit	<u>£1,763,000</u>
Professional fees including stage 2 development	<u>£1,463 000</u>
Activity Plan	<u>500,000</u>
Display Interpretation	<u>500.000</u>
Total	£12,938,000

Project Budget Breakdown	
Total Budget	£12,938,000
HLF Contribution (80%)	10,350,400
Balance - Matched Funding Requirement	2,587,600
<i>Charitable Trust (not confirmed)</i>	200,000
<i>Industrial Material Grant (not confirmed)</i>	30,000
<i>Fundraising Campaign (not confirmed)</i>	100,000
<i>Other Historic Building Grants (not confirmed)</i>	
<i>Regeneration Funding (not confirmed)</i>	
<i>Other Welsh Government (not confirmed)</i>	£1,007,600
NCC Capital Fund	£1,250,000

9 Risks

Risk	Impact of Risk if it occurs* (H/M/L)	Probability of risk occurring (H/M/L)	What is the Council doing or what has it done to avoid the risk or reduce its effect	Who is responsible for dealing with the risk?

Matched Funding Gap There's approximately £1 million funding gap in the proposed project funding breakdown	M	H	<p>Fundraising will be a key task for the project manager. Agencies like Wolfson will only consider applications once a stage one pass has been achieved. In the meantime a popular fundraising campaign should be initiated. There is a two – two and half year period to bridge the funding gap.</p> <p>Some of the existing revenue budget can be rolled up into the project, but not all.</p> <p>Welsh Government have assisted some projects outside identified grant giving schemes from time to time and a persuasive argument must be made to Welsh Government to assist with this project.</p>	Culture & Continuing Learning Manager.
Cost Control	M	H	<p>The Norse cost plan has been sense checked. Some allowances will be rechecked prior to grant submission</p> <p>Some value engineering work can be carried out to control budget</p>	Culture and Continuing Learning Manger / Newport Norse.

10 Links to Council Policies and Priorities

10.1 Investment in the Transporter Bridge is aligned with the Well-being of Future Generations (Wales) Act 2015 a Wales of vibrant culture and thriving Welsh language” theme and the duty it places upon public bodies to “promote and protect culture, heritage and the Welsh Language”. The Well-being and Future Generations Act will underpin the Councils policies and priorities into the future. Additionally the act places a duty to work collaboratively with other public bodies to achieve its goals and development of a bid will demonstrate a collaborative approach.

11 Options Available and considered

11.1 The Council could elect to continue to invest in the maintenance of the Bridge on an 'as and when required' basis but a number of serious defects are known and substantial capital investment will be required if the Bridge is to be maintained in a safe condition. Over a ten year period the funding needed will far outstrip the identified matched funding requirement. Heritage Lottery Bids are all consuming projects and the Council has to demonstrate it is prepared for the challenge ahead should a Stage 1 application be successful.

11.3 Alternatively, the Council can identify a capital sum and use this to underpin the proposed bid to HLF from a major project grant. If successful, the repair and restoration project will safeguard one of Wales' and the worlds' most important bridge structure for a further generation. A spinoff benefit will be a visitor experience of greater quality which in-turn will make its operation more sustainable for the future.

11.4 A do nothing option is not available to the Council. The nature of the structure and its proximity to a main arterial road means that maintenance cannot be ignored. Additionally, the importance of the bridge is recognised through its grade 1 listed status and as owner, this places certain responsibilities on the Council.

12 Preferred Option and Why

12.1 The preferred option is to proceed to a stage 1 application and anticipate a call on the Council's Capital resources to match fund the bid. There is little risk at this point other than officer time in preparing and writing the bid, while the benefit of a successful application is considerable. However, Cabinet will need to consider the obligations proceeding with the application might bring if successful at stage 1.

Comments of Chief Financial Officer

If agreeing this request for a Stage 1 submission, the Council is intending to progress this project, if successful. Therefore, it will need to be a pre-commitment for the developing new medium term Capital Programme, beginning April 2018.

Any aborted costs incurred in Stage 2 would be chargeable against the Council's revenue budget, in that year.

Any agreed future commitment to on-going maintenance and operations over and above current levels will also need to be funded through the future MTFP and add future budget pressures to the Council's revenue budget.

Comments of Monitoring Officer

There are no specific legal implications at this stage as the submission of the stage 1 HLF bid does not commit the Council to proceeding with the project. However, if the stage 1 bid was successful, then the Council would have to enter into a legally binding commitment to provide the necessary capital match-funding and deliver the agreed objectives of the project. The HLF grant funding would be conditional on these obligations being met and a formal grant agreement would have to be entered into by the Council. This would have to include a commitment to the continued maintenance and operation of the bridge in the foreseeable future and the delivery of the wider community benefits of the proposed scheme.

Comments of Head of People and Business Change

As outlined in the report, investment in the Transporter Bridge is aligned with the Well-being of Future Generations (Wales) Act goal of a Wales of vibrant culture and thriving Welsh language and the duty on public bodies to promote and protect culture and heritage and the Welsh Language. The proposal outlines an opportunity to work in a collaborative way.

There are no staffing implications as a result of this report.

Comments of Cabinet Member

I am supportive of the bid going forward to stage 1 for Heritage Lottery Fund consideration.

Local issues

Not applicable.

Scrutiny Committees

Not applicable.

Equalities Impact Assessment and the Equalities Act 2010

No impact at this stage.

Children and Families (Wales) Measure

Not applicable at this stage.

Wellbeing of Future Generations (Wales) Act 2015

Long term: The Transporter Bridge Project will ensure the long term survival of the most iconic structure on the Newport's city scape and deliver a more sustainable operation once the refurbishment is complete.

Prevention :- The investment in the Transporter Bridge will bring a major investment into the Pillgwenlly quarter of Newport. The increased GVA generated by visitors will have a beneficial impact on the local economy . The Community engagement programme will foster a greater sense of pride in the Bridge and in Newport.

Integration:- The Transporter Bridge is of world importance and its image has been widely appropriated by commercial bodies seeking to identify the City. A major tourist attraction can contribute to making the city a destination of choice for inward investment.

Collaboration:-The nature of major lottery bid inevitably means a collaborative approach between the major heritage and tourist agencies in Wales. Cadw have been consulted as have the Visit Wales and The National Museums of Wales. Additionally an informal relationship exists with the other transporter bridges worldwide evidenced by a joint approach for World Heritage Status.

Involvement:- The people of Newport have been invited to make comment through an online survey while workshop sessions have also been held with the community groups. A wider online survey is currently also being carried out. A number of agencies have also been consulted during the bid development process.

Crime and Disorder Act 1998

Not applicable.

Background Papers

None.

Date: 8 November 2017