

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Executive Member for Policy and Resources
Date:	25 April 2019
Title:	Invest in Hampshire
Report From:	Director of Corporate Resources and Director of Culture, Communities and Business Services

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Purpose of this Report

1. The purpose of this report is to seek approval to:
 - a revised contribution from the Invest in Hampshire Fund towards the Hampshire Cultural Trust's project to create a Cultural Hub in the Old Grammar School building, Gosport. This was subject to a report on 24 July 2018 when a sum of £400,000 was awarded subject to external funding conditions. In light of the results of the wider funding bids, and advice received from funding bodies, the Trust has come forward with a revised and phased funding approach;
 - a final grant contribution towards the Countess of Brecknock Hospice Trust of up to £50,000 to provide start-up and garden equipment for the planned opening in early 2020, estimated to cost £50,000 in total. A grant of £25,000 be approved as a 50% contribution with the remaining balance up to a further £25,000 dependant upon the success of the fundraising activity.

Recommendations

2. To award the Hampshire Cultural Trust a revised grant of £375,000 from the Investing in Hampshire fund towards the development of a cultural hub in the Old Grammar School building, Gosport, as outlined in Appendix 2 of this report. That this grant is made contingent upon securing the funding arrangements set out in the application (see Appendix 2 – Funding arrangements including match funding).
3. To award a final grant of up to £50,000 to the Countess of Brecknock Hospice Trust to provide start-up and garden equipment for the planned opening in early 2020, estimated to cost £50,000 in total, £25,000 to be approved as a

50% contribution with the remaining balance of up to £25,000 dependant upon the success of the fundraising activity.

Contextual Information

Gosport Old Grammar School

4. The Hampshire Cultural Trust is an independent Trust which manages, operates and develops the County Council's cultural assets and offers.
5. The Old Grammar School, Gosport is a listed building of local significance located in Gosport Town Centre and is owned by the County Council. The building is currently poorly utilised and in need of refurbishment. The proposed project would create a sustainable local use. The building is very close to the Council's Discovery Centre and the proposed Cultural Hub would complement the facilities and services provided in the Discovery Centre.
6. Gosport Town has a negative socio-economic profile and of the 35 lower output areas in Gosport 20 are in the most deprived nationally in terms of education, skills and training.
7. As an important and valued part of Hampshire the County Council has actively invested in the Borough to support initiatives that address this context. This project represents further commitment, in partnership with others, to draw in external investment to support the town.
8. The building's history as a site of continual education or cultural provision for over 100 years also opens up additional funding opportunities. Arts Council England (ACE) have approached HCT to initiate an immediate conversation about future plans for and potential investment in the site, as Gosport is an area of active focus for the funder. ACE considers Gosport as a key candidate for funding within their new small capital fund, set to open in April 2019.
9. The redevelopment of the Old Grammar School building in Gosport seeks to address local deprivation through the development of an arts and cultural heritage offer. Through this project the building will be made available to deliver high quality and accessible experiences not available anywhere else locally. This project forms an important part of Hampshire Culture Trust's wider social impact agenda, as presented and warmly received by the County Council's Culture and Communities Select Committee on 25 February 2019. A copy of that presentation is attached (Appendix 3).

Countess of Brecknock Hospice Trust

10. The Countess of Brecknock Hospice Trust has successfully raised the target sum of £4.2 million to substantially extend and enhance the facilities, of which £550,000 was awarded from the Invest in Hampshire Fund. Achieving this target is an exceptional achievement. Construction is progressing with a

planned handover by October which will aim to see the facility operational in early 2020.

11. Fundraising activity has now turned towards ensuring the start-up equipment is in place and that the gardens are ready on a one-off funding basis and also the more significant challenge of attracting sufficient funds on a recurring basis to meet the contribution to running costs.

Finance

12. With regard to the Old Grammar School, HCT has come forward with a revised and reduced funding bid following the report on 24/7/18 when a figure of £400,000 was awarded. The Trust has received further advice from key funders which has led to the development of a phased approach to the project. The overall project cost is now £1.25m plus fees of up to £124,000. The Trust plans to raise the bulk of the funding through external grant funding applications including to the Heritage Lottery and Arts Council. This will see external investment of £1.25 coming into Gosport in support of the project. The Trust itself will contribute £100,000 and Gosport Borough Council have already confirmed their match funding contributions.
13. In support of the project, the building would be leased to the Trust saving the Council at least £40,000 of operating costs a year. Investment in the building will also improve the condition of the asset and associated maintenance liability.
14. The revised grant request of £374,000 includes a figure of up to £124,000 to cover the cost of fees associated with delivery of the project.
15. With regard to the Hospice, it is recommended that a sum of up to £50,000 is awarded to support the one-off costs, £25,000 awarded now as a 50% contribution leaving the Trust to aim to attract the remaining 50%, the further up to £25,000 will be allocated depending upon the success of that fundraising. It is further noted that the Trust will also need to focus full attention on attracting the funds to support the recurring running costs which cannot be supported through the terms of this grant fund.

Grants Criteria

16. A copy of the criteria used for considering grants from the Investing in Hampshire fund is attached as Appendix 1 to this report.

REQUIRED CORPORATE AND LEGAL INFORMATION:**Links to the Strategic Plan**

Hampshire maintains strong and sustainable economic growth and prosperity:	no
People in Hampshire live safe, healthy and independent lives:	no
People in Hampshire enjoy a rich and diverse environment:	yes
People in Hampshire enjoy being part of strong, inclusive communities:	yes

Other Significant Links

Links to previous Member decisions:	
<u>Title</u> Invest in Hampshire	<u>Date</u> 2018-07-24
Direct links to specific legislation or Government Directives	
<u>Title</u>	<u>Date</u>

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

<u>Document</u>	<u>Location</u>
None	

EQUALITIES IMPACT ASSESSMENT:

1. Equality Duty

The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited by or under the Act with regard to the protected characteristics as set out in section 4 of the Act (age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation);
- Advance equality of opportunity between persons who share a relevant protected characteristic within section 149(7) of the Act (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic within section 149(7) of the Act (see above) and persons who do not share it.

Due regard in this context involves having due regard in particular to:

- The need to remove or minimise disadvantages suffered by persons sharing a relevant protected characteristic that are connected to that characteristic;
- Take steps to meet the needs of persons sharing a relevant protected characteristic that are different from the needs of persons who do not share it;
- Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

2. Equalities Impact Assessment:

No negative impact has been identified.

FUNDING CRITERIA FOR INVESTING IN HAMPSHIRE

The following criteria should be taken into account when considering a request for funding.

1. Assistance will be considered only in response to direct applications from properly constituted organisations seeking assistance. The application must show that the organisation is properly and legally organised and has its own bank account. Funding would only be awarded if the proposal was to support activity within agreed County Council priorities.
2. Applications will only be considered for specific capital projects for the improvement or maintenance of significant assets or facilities within Hampshire, within agreed priorities and where other substantial funding exists.
3. Other applications will be considered at the absolute discretion of the Leader where he considers that the award will make a contribution for the wider benefit of Hampshire and its residents.
4. The wider economic benefits to the residents of Hampshire should be considered together with any complementary benefits for Hampshire County Council. Awards would normally only be given to projects within the remit of Policy and Resources.
5. Awards will not usually be made in respect of applications from the following:-
 - Government Institutions
 - Schools
 - Overseas and out of County organisations which have no direct Hampshire involvement
 - Bodies requesting funds for onward distribution to other charities e.g. mayoral appeals, carnivals, fetes, or for their own fundraising events.
6. Apart from exceptional circumstances, the requesting body would be expected to provide their own funding towards the project.
7. As a general rule, grants in excess of £250,000 will not be awarded unless significant benefits and funding are available. In exceptional cases, where the benefits are significant and directly relate to services and functions close to the County Council's key objectives, then an award greater than the level above would be considered.
8. Given the longer term nature of capital projects, requests can be considered well in advance, but funding will only be released once evidence of capital expenditure has been provided to the County Council or other arrangements made consistent with the agreement of the Director of Corporate Resources.

Hampshire Cultural Trust – Gosport Old Grammar School

Applicant	Hampshire Cultural Trust
Name / Location of Project	Gosport Old Grammar School, Walpole Rd, Gosport PO12 1NS
Summary of Project / Bid	<p>The redevelopment of the Old Grammar School building in Gosport seeks to address local deprivation through the re-imagining of an arts and cultural heritage offer. Through this project the building will be unlocked to deliver high quality and accessible experiences not available anywhere else locally. This project forms an important part of Hampshire Culture Trust’s wider social impact agenda, as presented and warmly received by the County Council’s Culture and Communities Select Committee on 25 February 2019. A copy of that presentation is attached (Appendix 3).</p> <p>An investment of £1.35m will enable the development of a museum, updated learning spaces and a new café and retail space, with accompanying activity plan.</p> <p>The building’s prime high street location and the associated footfall is crucial to the success of the museum, café and retail spaces, as well as the existing gallery. The site’s proximity to the Discovery Centre also begins to build a critical mass in cultural services in the area and paves the way for collaborative service delivery.</p> <p>The museum will make public the regionally significant collections held by HCT, with exhibitions designed in partnership with community members. The development of a café and retail offering will help reduce threshold fear for new visitors, provide a new source of income and incentivise repeat visitation.</p> <p>Updated learning spaces will better meet the needs of local community organisations, visitors participating in formal schools programs and informal family and adult learning offers. These spaces will also enable the venue to host resident companies. In a well-established industry model, these artistic and creative businesses will be provided with spaces for offices and creative development and in return they will join the local creative economy and contribute to the programmatic offer of the venue.</p>

	<p>While there are limitations to adaptive re-use of a heritage building and considerations with regards to the aging of the infrastructure, the local significance and history of the building add authenticity to the museum, gallery and learning programs planned.</p> <p>The building's history as a site of continual education or cultural provision for over 100 years also opens up additional funding opportunities. Arts Council England have approached HCT to initiate an immediate conversation about future plans for and potential investment in the site, as Gosport is an area of active focus for the funder. ACE considers Gosport as a key candidate for funding within their new small capital fund, set to open in April 2019.</p> <p>Overall the investment in Gosport's Old Grammar School will enable Hampshire Cultural Trust to continue to open the doors to culture for those who may be yet to experience its benefits.</p>														
Funding Requested	£374,000 which includes in-kind professional fees up to £124,000	Financial Year	2019-20 and 2020-21												
Funding Arrangements (including matched funding)	<table border="0"> <tr> <td>Gosport Borough Council</td> <td style="text-align: right;">£100,000</td> </tr> <tr> <td>Hampshire Cultural Trust</td> <td style="text-align: right;">£100,000</td> </tr> <tr> <td>National Lottery Heritage Fund</td> <td style="text-align: right;">£130,000</td> </tr> <tr> <td>Arts Council England</td> <td style="text-align: right;">£90,000</td> </tr> <tr> <td>Trusts and Foundations</td> <td style="text-align: right;">£248,000</td> </tr> <tr> <td>VAT rebate</td> <td style="text-align: right;">£208,000</td> </tr> </table>			Gosport Borough Council	£100,000	Hampshire Cultural Trust	£100,000	National Lottery Heritage Fund	£130,000	Arts Council England	£90,000	Trusts and Foundations	£248,000	VAT rebate	£208,000
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What are the benefits for Hampshire Residents?	<p>Gosport is a recognised area of deprivation, with 15% of its LSOAs in the bottom 20% of districts according to the 2015 Index of Multiple Deprivation (IMD). Residents of Gosport are less likely to have attained higher qualifications, with 28% of residents achieving an NVQ of 4 or above in 2017, compared with 41% in the South-East region and 39% in Great Britain. Average weekly earnings for residents in Gosport are also 4% below the national average, and 12% below the average for the South East.</p> <p>Research has shown that young people from low income families who engage formally and informally with arts and culture are more likely to achieve degree level qualifications and are twice as likely to grow up to volunteer and vote. Levels of subjective wellbeing are</p>														

	<p>known to be higher in those who engage with arts and culture.</p> <p>For Gosport then, a region with low attainment and areas of identified deprivation, fit for purpose cultural and heritage facilities and associated programs are strongly linked to the agenda of regeneration and neighbourhood change.</p> <p>Hampshire residents will also benefit from improved access to objects which document and explore their history. At present, the Gosport collections are disbursed across town at the Old Grammar School, Discovery Centre and Town Hall, and some are held at HCT headquarters in Winchester where environmental conditions are more appropriate. This dispersion makes access to the collection difficult, a challenge which could be overcome by the development of a museum.</p>
<p>What are the complementary benefits for HCC?</p>	<p>The Old Grammar School, which is a listed building of great local significance, is in the ownership of the County Council and up until recently was jointly used and occupied by the Library Service and Cultural Trust. The Library no longer requires the use of the building and this project would see the building retained for longer term community use and benefit.</p> <p>Ongoing, the programming for the venue would be designed as complementary to the offer of the Discovery Centre. Initial discussions between the two teams have identified strong opportunities for collaboration.</p>
<p>Any other relevant factors?</p>	<p>A HLF application was submitted in late 2018, and was ultimately unsuccessful. A revised scope of works has been developed to reduce the cost of the project in line with advice from HLF.</p> <p>The VAT rebate is only accessible to the project in the instance that HCC leases the site to HCT and undertakes the project management for the works.</p>