

Regeneration Culture and Adult Education Scrutiny Committee – 16 January 2013.

Report of the Director of the Urban Environment

Glass Museum – Project Development

Purpose of Report

1. To update the Scrutiny Committee on progress in relation to the Glass Museum project – previously reported to this Committee on 3 March 2011.

Background

2. In recent years Dudley MBC has explored options to unite the celebration of the Borough's glass heritage onto one site thereby creating a unique and world class attraction. At present, the Council operates two sites: Broadfield House Museum and Red House Cone. In addition the archives and reserve collection are located at the Borough Archives and Himley Hall.
3. The initial impetus behind the project arose from the Council's 2009 – 10 Budget which identified a potential savings option for future years relating to the amalgamation of the Red House Cone and Broadfield House facilities on the Red House Cone site. Considerable coverage was given to this proposal and a campaign launched to ensure that this did not amount to the closure of the Museum without a suitable replacement and culminated in a resolution at Council which supported the development of an improved Glass Museum.
4. More recently, a number of interest groups have supported the proposition to consolidate all operations at the Red House Cone and White House Cone sites. This change has been largely stimulated by bringing the White House Cone option into the equation (to provide a potentially larger facility at Wordsley), following an approach from the site owners, and through the subsequent establishment of the British Glass Foundation (BGF). The ensuing collaborative approach of all parties has developed a shared commitment to the realisation of the proposition.

Development of Proposals

5. The last report to the Scrutiny Committee in March 2011 updated Members on the development of the proposal, specifically;

- The assessment of overall capital costs and potential funding sources undertaken by L & R Consulting;
 - An assessment of the practicalities of providing an underground tunnel between the two sites;
 - Work carried out by Complex Developments Ltd., the owners of the White House site, having developed a European Regional Development Fund (ERDF) funding application.
 - The Council had completed purchase of the Red House Cone site.
6. At that stage the proposal was for Complex Developments Ltd., to secure, with the Council as Accountable Body, ERDF grant to refurbish the heritage core of the White House Cone complex as a museum shell and to build an underground pedestrian tunnel under High Street next to the canal road bridge to link the White House Cone to the Red House Cone site. Dudley MBC would then purchase this and apply Heritage Lottery Fund (HLF) grant funding to fit out the shell for museum and related uses, and further refurbish the Red House Cone site.
7. Under this proposal the collections and staff from Broadfield House would be relocated to the White House Cone/Red House Cone complex and Broadfield House would be sold with the capital receipt used as a contribution towards the Council's match funding for the project. In addition it was hoped that both the reserve collection together with the Glass Archive would be relocated to the White House Cone/Red House Cone complex.
8. Since the last report to Cabinet and Scrutiny Committee the Council and its partners have had to deal with a changing financial climate, both in terms of the Council's own resources and abilities to fund developments, and also the changing landscape of external funding. Furthermore, in the absence of any certainty that ERDF and HLF funding timelines could be successfully reconciled to put together a funding package which would deliver an operational facility, the risks to the Council as Accountable Body would be very significant.
9. The Council's concern necessitated a fresh approach to the project and, as such, the site owners, working with the British Glass Foundation, have established a revised proposal.

Current Position

10. From the Council's perspective one of the main goals it has had to achieve in light of the changing financial climate is to reduce the financial risks associated with the project.

11. To this end the revised outline application recently submitted by Complex Developments Ltd., to the ERDF 'open call' for bids, places no requirement on the Council for either capital nor revenue funding for the proposal.
12. In summary the scheme would see Complex Developments Ltd., undertake a development of the listed buildings for residential, office/workshop and museum use. The museum space would be approximately 50% larger than currently available at Broadfield House, but the under road link has been removed from current plans.
13. If successful the plan would be for Complex Developments Ltd., to sell the new museum to the British Glass Foundation, whilst the Council's only obligation would be to transfer Broadfield House to the BGF and allow them to dispose of the asset in order that the receipt could be used to fund the purchase of the new museum.
14. In addition to the ERDF application, Complex Developments Ltd., are also looking to submit an application to the Heritage Lottery Fund's new 'Heritage Enterprise' scheme when it opens to application in early 2013, with the purpose that such funding would enable improved display for the collection and potential revenue support for the sites' operation.
15. There is an obligation on the British Glass Foundation to produce a robust business plan outlining how they would operate a new museum on the White House Cone site and there could be a request for some Council support in the initial period of its operation

Finance

16. The cost of the work undertaken by L & R Consulting has been found from resources held by the Directorate of the Urban Environment.
17. The current proposal reduces the financial risk on the Council as it places no requirement on the council to provide any match funding towards the ERDF project submitted by Complex Developments Ltd., The Council's only obligation would be to contribute the proceeds of the sale of Broadfield House in order for the British Glass foundation to purchase the new museum on the White House Cone site from Complex Developments Ltd.,
18. The British Glass Foundation will have to produce a comprehensive business plan (including costings) detailing how they will operate a new museum on the White House Cone site. Whereas a financial contribution from the Council may be expected, this needs to be considered in the context of £170,000 revenue savings per annum currently factored into Museums Service budgets from 2014/15 as a result of any transfer of responsibility

Law

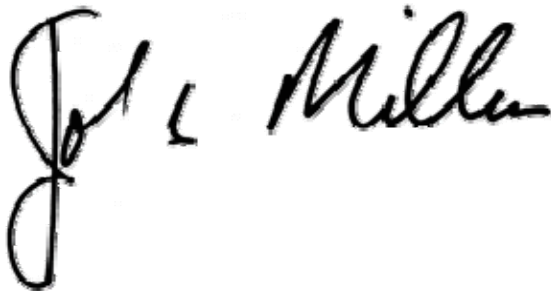
19. Section 2 of the Local Government Act 1980 enables the Council to do anything which is likely to achieve the promotion or improvement of the economic, social and environmental well-being of the area.
20. The Council provides museums under the provisions of the Public Libraries and Museums Act 1964.

Equality Impact

21. The proposals within this report comply with the Council's policy on equality and diversity.

Recommendations

22. That the Scrutiny Committee for Regeneration, Culture and Adult Education notes the contents of this report and comments accordingly.

A handwritten signature in black ink, appearing to read 'J.B. Millar'. The signature is written in a cursive style with a large initial 'J'.

J.B. MILLAR
Director of the Urban Environment

Contact Officer: Duncan Lowndes,
Assistance Director Culture & Leisure
duncan.lowndes@dudley.gov.uk

Phil Coyne
Assistant Director Economic Regeneration & Transportation
Phil.coyne@dudley.gov.uk

List of Background Papers
