

**SUBJECT: RE-IMAGINING GREYFRIARS PROJECT**

**DIRECTORATE: CHIEF EXECUTIVE AND TOWN CLERK**

**REPORT AUTHOR: PHIL QUIGGIN, INTERIM STRATEGIC PROPERTY MANAGER**

## **1. Purpose of Report**

- 1.1 To update members on progress made with the Greyfriars refurbishment project, to approve acceptance of a grant award of £1.95m from National Lottery Heritage Fund (NLHF) jointly with Heritage Lincolnshire and to approve the inclusion of the project within the General Investment Programme.

## **2. Executive Summary**

- 2.1 Members have considered and supported different elements of the Greyfriars project previously, including the approval of a partnership arrangement with Heritage Lincolnshire and the Council's contribution of £200,000 match funding in October 2019, ahead of the first 'development' stage. Then more recently, the acquisition of land and rights from Lincolnshire County Council in May 2022. This report provides an update on progress relating to the second 'delivery' stage and the proposed undertaking of the approved scheme.
- 2.2 In late September, NLHF confirmed their support for the project. Formal notification was received 17<sup>th</sup> October. The grant notification letter includes the terms on which the grant is to be accepted. This includes a requirement specific to local authority grantees, which is covered by this report.
- 2.3 The project also forms part of the Lincoln Town's Fund, with funding of £0.540m secured.

## **3. Background**

- 3.1 Members will recall from previous reports to this committee that Greyfriars has been placed on Historic England's 'Buildings At Risk' register due to its historic significance and deteriorating condition. Due to the Council's limited financial resources, it is therefore essential that external funding is secured to carry out a full refurbishment of the building.
- 3.2 Working in partnership with Heritage Lincolnshire, the Council have been successful in bids to NHLF to fund extensive refurbishment works. The grant is awarded in two parts; the first, smaller element was to undertake the development of a viable scheme. This work, undertaken 2019-2022, was coupled with robust strategies comprising a business plan, activities plan and conservation management plan. In addition, planning consent, listed buildings consent and approval from Heritage England have all been secured.

The second, larger element of the grant, is the subject of this report and follows completion of the development stage and is awarded to fund the delivery stage i.e., the actual refurbishment works and related activities.

#### **4. The Final Project/Scheme Design**

- 4.1 As previously reported, the project will be delivered in a partnership between the Council, as freehold owners of the building and Heritage Lincolnshire, who will lease the building from the Council to include their offices from which they will manage the events space.
- 4.2 The vision is to bring the at-risk, Grade I listed, Scheduled Ancient Monument back into use as a wedding venue, heritage attraction, exhibition, events and conference centre with an in-house café for visitors and customers. The project will transform Greyfriars into a top-class venue for events and activities. The project aims to make this complex and highly significant site as accessible as possible both physically and intellectually, allowing anyone who visits for whatever purpose to experience the heritage and beauty of its unique spaces.
- 4.3 The intention is to create a sustainable future for Greyfriars through its use for wedding ceremonies and receptions, temporary exhibitions and other events, both commercial and community-orientated. The project will also create an innovative heritage attraction which engages people of all ages and abilities in the monastic story of Lincoln and wider Lincolnshire, interpretation is planned throughout the scheme design to tell the story of the building digitally with minimal visual impact. Heritage Lincolnshire will also work closely with local partners and the community to tell other important stories from the county's history. In addition, they will work with the University of Lincoln and Bishop Grosseteste University, offering opportunities for students to engage with the creation of this new attraction from the beginning through to opening. Furthermore, they will also explore the stories of students from the Greyfriars School with children from local schools, connecting them with the history of the building.
- 4.4 The project will repair and adapt Greyfriars to bring it back into use. The capital works will include repairs and restoration to bring the building back into a good condition and modifications to make it fit for purpose as a prestigious venue for events, a heritage attraction and a place of learning. The final scheme design includes a new entrance to the building from the west elevation (nearest to St Swithin's Square) and a new stair/lift core on the north elevation, replacing the existing Victorian staircase. The works will also ensure that that the building is an exemplar of accessibility and inclusivity, with full access to the first floor and a Changing Places facility.

#### **5. Grant Terms / Permission to Start**

- 5.1 The NLHF have issued their Grant Notification Letter, dated 17<sup>th</sup> October 2022. This confirms their £1,951,900 contribution to the delivery of the project and sets out the contractual requirements and how they will monitor the project. The letter is provided in the Part B report on this Agenda.

- 5.2 As the grant will fund both the works and activities to be undertaken following occupation by the tenant, it is awarded jointly to the Council and Heritage Lincolnshire.
- 5.3 The grant expiry date is 30<sup>th</sup> January 2026 and the terms of grant last for 20 years after the project completion date (which will be on or before the grant expiry date).
- 5.4 Certain pre-conditions have to be met before the NLHF will award Permission to Start. Evidence of those conditions will be submitted to the NLHF in due course. Any costs incurred prior to receiving Permission to Start are effectively 'at risk' as the NLHF will only make grant payments once Permission to Start is approved.
- 5.5 In addition to the Standard Terms of Grant, there are further grant conditions (page 3-6 of the offer letter). These require:
- Evidence of the authority under which the grant is accepted
  - Acquisition of the Lincolnshire County Council land
  - If any part of the property covered by the grant is leased or let (and this has to be consistent with the Approved Usage set out in the standard terms) then it must be at full market rent and the income must be used to deliver the project's Approved Purposes or generally for the benefit of the building.
  - That within 28 days of receiving Permission to Start, a restriction be placed on the property ensuring no disposition of the registered estate is to be registered without the consent of the NLHF.
- 5.6 This report aims to satisfy the first of the additional grant conditions, which requires evidence of the formal acceptance of their grant conditions by the Council.
- 5.7 Whilst the NLHF asks for this requirement to be satisfied within 28 days of the date of their letter, we have confirmed that this is not possible on this occasion and received clarification that acceptance by the end of November will be satisfactory.
- 5.8 The Executive minute for this report will satisfy this requirement.

## 6. Timeline

- 6.1 A detailed programme has been developed. In summary the timeline is:

Formal Permission to Start granted	November 2022
Re-tender PM post and re-appoint professional team	November – December 2022
Detailed design work / cost reviews	January – March 2023
Procurement of main contractor	March – July 2023
Main works commence	August 2023
Main works completed	August 2024
Activities, fit-out, evaluation and staffing	August – October 2024
Operation and Activities	October 2024 – August 2025
End of project reporting	October 2025

## 7. Budget and Funding

- 7.1 The project budget submitted with the Round 2 application upon which the award is based totals £3,032,000.

This will be funded as follows:

<b>Organisation</b>	<b>Round 2 £</b>
National Lottery Heritage Fund	1,952,000
Towns Fund	540,000
CoLC contribution	190,000
Heritage Lincolnshire	21,000
Garfield Weston	95,000
Changing Places	40,000
Investors in Lincoln/LEAP	36,000
Pilgrim Trust	25,000
Volunteer time and 5-year management/maintenance	133,000
<b>TOTAL</b>	<b>3,032,000</b>

## 8. Strategic Priorities

### 8.1 Let's enhance our remarkable place

The project is a key scheme in Vision 2025. There are many unique heritage aspects and locations within Lincoln that need to be preserved so that Lincoln's special character is maintained, and the Greyfriars building is one of the Council's key assets. The project will add to Lincoln's heritage offer and be a tourist attraction and will build on the wider regeneration work which is happening through the Heritage Action Zone and is a key project in the Lincoln Town Deal Programme.

### 8.2 Heritage Property Strategy

Under its stewardship role, the Council aims to work with partners to secure external funding to refurbish and repair key heritage assets. This project will restore and bring back into use this historic building.

## 9. Organisational Impacts

### 9.1 Finance (including whole life costs where applicable)

As set out in paragraph 7.1 above, the total cost of the project is £3,032,000. This includes both capital and revenue costs for the building works, as well as operational costs. This figure includes costs that will be incurred by both the Council, who will procure the main works contract and professional teams and by Heritage Lincolnshire who will incur the operational and activities costs. The NHLF grant has been jointly awarded to reflect this division of costs.

The specific costs to be directly incurred by the Council are as follows:

<b>Costs</b>	<b>Capital £</b>	<b>Revenue £</b>	<b>Total £</b>
<b>TOTAL</b>	<b>2,638,220</b>	<b>47,990</b>	<b>2,686,210</b>

The capital costs of £2,638,220 will be funded through the Council's match funding of £190,000, which is already provided for within the General Investment Programme. The remaining amount of £2,448,220 will be funded from external grants, primarily NHLF and the Towns Fund.

The revenue costs of £47,990, equivalent to £9,568 p.a. for 5 years will be funded through the NHLF grant and existing revenue budgets.

The project will be managed and monitored in accordance with the Lincoln Project Management Model (LPMM).

## 9.2 Legal Implications including Procurement Rules

All procurement will be undertaken in accordance with the Council's Contract Procedure Rules and ultimately Public Contract Regulations 2015, as well as the requirements of the NLHF.

The request for a restriction against the title is standard with grants such as these.

A Partnership Agreement with Heritage Lincolnshire is already in place, this will however be reviewed to ensure it complies with the requirements of the grant conditions.

## 9.3 Land, Property and Accommodation

The project will result in significant improvements to an important council asset, and restoration and protection of heritage features which might otherwise have been lost.

The Council will remain as the freeholder owner of the building and will lease to Heritage Lincolnshire, the Heads of Terms for which have been agreed, subject to contract.

## 9.4 Equality, Diversity & Human Rights

The Public Sector Equality Duty means that the Council must consider all individuals when carrying out their day-to-day work, in shaping policy, delivering services and in relation to their own employees.

It requires that public bodies have due regard to the need to:

- Eliminate discrimination
- Advance equality of opportunity
- Foster good relations between different people when carrying out their activities

These have been considered in depth when first developing the project brief, and at all design stages since e.g., provision of a changing places toilet, full access to each floor. A full impact assessment will be completed as part of the LPMM should the grant award be accepted and the project progresses.

## 9.5 Significant Community Impact

The main objectives are:

- the preservation of a Grade I listed, Scheduled Ancient Monument, currently on the Heritage at Risk register
- creation of a heritage attraction, exhibition, events and conference centre,
- more events and involvement opportunities,
- more awareness of the cultural heritage of Greyfriars
- opportunities for community cohesion

## 10. Risk Implications

### 10.1 (i) Options Explored

The Council has to formally decide whether or not to accept the NLHF terms of grant.

### (ii) Key risks Associated with the Preferred Approach

By accepting the terms, the project will continue through to delivery phase. The project is subject to continual review of the risks, and these are reported in the project risk register via the project's Board. The current top risks are considered to be:

1. Costs escalate
2. Delays to Permission to Start negatively affect programme
3. Lack of suitable main contractor.

## 11. Recommendations

11.1 That the Executive note the progress made in developing the Greyfriars project through to its delivery phase.

11.2 That the Executive approves acceptance of the NLHF grant award together with their standard and additional terms of grant.

11.3 That the Executive approve the inclusion of a £2,638,220 capital estimate in the General Investment Programme, with associated funding as set out in paragraph 9.1

**Is this a key decision?** Yes

**Do the exempt information categories apply?** No

**Does Rule 15 of the Scrutiny Procedure Rules (call-in and urgency) apply?** No

**How many appendices does the report contain?** None

**List of Background Papers:** None

**Lead Officer:** Phil Quiggin, Interim Strategic Property Manager  
Telephone (01522) 873513