

<b>Subject:</b>	<b>Royal Pavilion Estate Capital Project Phase 2</b>		
<b>Date of Meeting:</b>	<b>30 November 2017</b>		
<b>Report of:</b>	<b>Executive Director Economy, Environment &amp; Culture</b>		
<b>Contact Officer:</b>	<b>Name:</b>	<b>Richard Davies</b>	<b>Tel: 01273 296825</b>
	<b>Email:</b>	<b>Richard.davies@brighton-hove.gov.uk</b>	
<b>Ward(s) affected:</b>	<b>All</b>		

**FOR GENERAL RELEASE**

**1. PURPOSE OF REPORT AND POLICY CONTEXT**

- 1.1 The Royal Pavilion Estate was bought by Brighton Corporation in 1850 and today is Brighton & Hove's cultural heart, uniquely combining a historic Royal Palace and Regency Garden, a museum, art gallery and three performing arts spaces at Brighton Dome. Brighton Dome & Festival Ltd (BDFL) has a lease on the Brighton Dome, Corn Exchange and Studio Theatre.
- 1.2 The council and BDFL signed a Memorandum of Understanding on 18 August 2014, to formalise the joint working with the Royal Pavilion & Museums (RPM) and underpin the delivery of the phased capital works to the Royal Pavilion Estate that aim to secure its long term future and financial viability. The fundraising campaign has so far included successful bids to Arts Council England (ACE), the Heritage Lottery Fund (HLF), Coast to Capital Local Growth Fund and private trusts and individuals.
- 1.3 This report summarises the progress made to date on the project, describes the planned Phase 2 works and accompanying funding strategy and seeks agreement to submit a Round 1 and 2 funding bid to Heritage Lottery Fund (HLF) and other bids to public and private trusts and commits the council to provide match funding to support these bids.

**2. RECOMMENDATIONS:**

- 2.1 That Policy & Resources Committee notes the progress made to date on the Royal Pavilion Estate capital project and the works taking place at Brighton Dome to complete Phase 1 outlined in paragraph 3.4.
- 2.2 That Policy, Resources & Growth Committee agrees that a Round 1 Heritage Lottery Fund bid is submitted for Phase 2 works as described in paragraph 3.8 and that, should this bid be successful, a Round 2 bid then be prepared and submitted to the Heritage Lottery Fund.
- 2.3 That Policy, Resources & Growth Committee notes that Historic England has placed the Grade II listed Royal Pavilion Garden on the At Risk Register and the Royal Pavilion & Museums has commissioned a Conservation Plan and Management & Maintenance Plan to address the issues raised and put in place

measures for future conservation and management of the Garden to achieve substantial improvements and the removal of the Garden from the At Risk register.

- 2.4 That Policy, Resources & Growth Committee earmarks £1.0million of unallocated capital resources to support the Royal Pavilion Estate Capital Project Phase 2.

### **3. CONTEXT/ BACKGROUND INFORMATION**

- 3.1 The Memorandum of Understanding signed by the council and Brighton Dome & Festival Ltd (BDFL) on 18 August 2014 proposes to redevelop and improve the Royal Pavilion Estate as a world class cultural and heritage site by integrating the Royal Pavilion, Brighton Dome, Brighton Museum & Art Gallery, Courthouse, Corn Exchange and Studio Theatre with their historic setting, improving the world class centrepiece of Brighton & Hove's cultural quarter. This redevelopment will seek not only to improve the Royal Pavilion Estate, but also restore some of the connectivity between the Dome, the Brighton Museum & Art Gallery and the Royal Pavilion, which will enable further co-working in the future on the delivery of cultural events and celebration of the parties' unique heritage.
- 3.2 The proposed capital improvement works prepared through this initiative aim to significantly enhance the quality of the Estate's visitor offer and the heritage in its care, delivering a legacy of sustainability and resilience, which will safeguard its future
- 3.3 The phased approach to the capital works responds to current issues and funding opportunities. The total cost of all three phases is estimated at circa £32 million. It should be noted that if other funding streams become available for future phases of works then this may alter the phasing.
- 3.4 Phase 1 works started on site in February 2017 following approval by Policy, Resources & Growth Committee in October 2016 and will achieve the restoration of Brighton Dome's Corn Exchange and Studio Theatre along with developing an Estate-wide Interpretation Strategy and Brand Identity. Capital works are programmed to be completed in Autumn 2018.
- 3.5 Phase 2 works of the Royal Pavilion Estate capital project focus on the Garden and the Royal Pavilion. This report is seeking a commitment of £1m: £0.5m for works to the Garden and £0.5m for works to the Royal Pavilion.
- 3.6 Phase 2 works to the Garden will follow on from recommendations of the Conservation Plan and Management & Maintenance Plan, due to be completed in March 2018, which has recently been commissioned to address the challenges that have led to the inclusion of the Garden on Historic England's Heritage at Risk Register. The installation of a securable boundary, which delineates the Royal Estate from its surrounding areas is a potential option in ensuring that the Garden is safe and that the ambition is achievable for it to play its part in the Royal Pavilion Estate vision as a place;
- where all ages can engage and learn about the importance of gardens and green spaces in urban areas through new interpretation bridging the past with the present;

- where all ages can learn about how the garden provides habitats for a variety of species and the importance of enhancing and protecting biodiversity.
  - which is an exemplar of how citizens come together to care for their heritage through volunteering to undertake tasks ranging from gardening, to upkeep of basic infrastructure, to greeting visitors and telling stories of the Royal Estate and the city.
- 3.7 As well as the requested council's commitment of £0.5m for the Garden, works will be costed on completion of the Conservation Plan and Management & Maintenance Plan and funding sought from private trusts and individuals to meet the full cost before proceeding. The intention is to fast track the works to the Garden to address the issues that lead to the Garden being placed by Historic England on the At Risk Register. Whatever works are carried out to the Garden, including any boundary treatment, entry will remain free.
- 3.8 Phase 2 works in the Royal Pavilion will focus on;
- restoring the King's Apartments and surrounding rooms including the King's bathroom;
  - Improving heritage protection systems within the Pavilion in line with recent recommendations;
  - Upgrading visitor facilities and infrastructure which will enhance the visitor experience; and
  - Improving conservation facilities to better safeguard the collections and facilitate public access.
- 3.9 The proposed HLF Round 1 bid will be for works to the Royal Pavilion. It is anticipated that these will be circa £6.0 to £7.0 million while the HLF bid is anticipated to be for £4.5 million. Costs are being reviewed currently with appropriate specialists. The council is requested to commit £0.5million to the works to the Royal Pavilion to demonstrate commitment to the project and additional match funding for the HLF bid will be sought from private trusts and individuals.
- 3.10 If the HLF Round 1 bid is successful the Development Stage of works would commence in autumn 2018 to prepare the HLF Round 2 bid for submission in autumn 2019 with the aim of works starting on site in 2020.
- 3.11 Phase 3 works will include refurbishment and some updated interpretation of Brighton Museum & Art Gallery, new interpretation and activity within Brighton Dome and creation of new learning facilities.

#### **4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS**

- 4.1 The options for the Royal Pavilion and Royal Pavilion Garden are set out in Appendix 1.
- 4.2 If the Do Nothing approach is taken it is likely that the Royal Pavilion Garden will lose its listed status, which would jeopardise wider estate improvements and risks a loss in visitor numbers.
- 4.3 Option 1 is the preferred option as it will deliver considerable benefits and address the issues that led to the Garden being placed by Historic England on

the At Risk Register. It provides a realistic approach to match funding and offers the greater chance of success. Option 2 would require closing of the Royal Pavilion and considerable match funding to be raised, which at present appears to be unachievable.

## **5. COMMUNITY ENGAGEMENT & CONSULTATION**

- 5.1 The initial unsuccessful HLF submission for the whole Estate was informed by a series of consultation and engagement sessions, which included workshops, presentations and surveys undertaken with a variety of stakeholders. In relation to the Garden, a number of stakeholder workshops, including one solely for young people, have been held. A public exhibition took place in Jubilee Library in November 2014 to gather further feedback along with an online survey on the council's consultation portal.
- 5.2 Further consultation on the proposed works to the Garden including a potential boundary treatment for the Estate will be carried out early in the New Year.

## **6. CONCLUSION**

- 6.1 To achieve funding from trusts and private individuals for the recommended improvements to the Garden that will come out of the Conservation and Maintenance and Management Plans will require a financial commitment from the council.
- 6.2 Submitting a Round 1 HLF bid for the Royal Pavilion will be an important step to achieving the vision for the Royal Pavilion Estate and be the catalyst for delivering restoration and badly needed improvement works. This will continue and build on the achievements of Phase 1 works that are now being delivered on site at Brighton Dome. Without the council's financial commitment to provide match funding it is unlikely that the HLF bid will be successful and restoration of the Royal Pavilion and the wider improvements including the bringing together of the Estate will not be delivered.
- 6.3 Doing nothing can be expected to have serious implications for the future condition of the Royal Pavilion and Garden and jeopardise the Garden's listed status.
- 6.4 Supporting the proposed Round 1 HLF bid for Phase 2 works will be the next step in achieving the overall vision of the Royal Pavilion Estate.

## **7. FINANCIAL & OTHER IMPLICATIONS:**

### Financial Implications:

- 7.1 The Revenue and Capital Budget Planning and Resources Update report to this committee in July 2017 included identification of £7.5m unallocated capital resources, of which £2.5m has subsequently been committed to support a new social work case management IT system. It is proposed to earmark £1.0m of these resources to support the Royal Pavilion Estate Capital Project Phase 2 as outlined in this report. This would result in remaining unallocated capital

resources of £4.0m subject to further allocations included on this committee agenda.

- 7.2 If the recommendations to this report are approved, then detailed project costs, expenditure profile and financial implications will be reported to this committee at a later date once more robust information becomes available.
- 7.3 Officers will seek to identify opportunities to maximise external funding sources for the capital project. External funding is potentially an important source of income, but funding conditions need to be carefully considered to ensure that they are compatible with the aims and objectives of the council.
- 7.4 It is anticipated that the project will have cashable benefits by increasing opportunities for income generation and reducing costs. It is likely that most of these cashable benefits would impact on the proposed charitable trust for arts and culture which is due to commence from April 2018, and therefore support the trust to be more financially sustainable in the future.

*Finance Officer Consulted: Steven Bedford*

*Date: 31/10/17*

Legal Implications:

- 7.5 The Memorandum of Understanding between the BDFL and the Council says that the parties will agree which of the parties will undertake the work. The Council is carrying out the Phase 1 works and it is likely that the parties will agree that the Council will carry out the Phase 2 works to the Royal Estate. If the Council carries out the works it will procure all the contracts necessary in accordance with its Contract Standing Orders and the Public Contracts Regulations 2015.

*Lawyer Consulted: Alice Rowland*

*Date: 15/11/17*

Equalities Implications:

- 7.6 The proposed works to the Royal Pavilion will improve access to facilities. The improved educational space provided within the overall project will further increase access for schools and others to the Royal Pavilion Estate activities.

Sustainability Implications:

- 7.7 The proposed capital works will result in upgrading of the historic buildings to improve the building fabric and result in reduced on-going maintenance costs.

Risk and Opportunity Management Implications:

- 7.8 The principal risks include the continued deterioration of the fabric and quality of both the Royal Pavilion and Garden and the loss of the Garden's listed status. Both of these would contribute to reducing future resilience and may adversely affect continued use by visitors and residents.

Public Health Implications

- 7.9 Protecting the Garden and improving control of its use will improve environmental conditions with a beneficial effect on people's enjoyment of the green space.

### **SUPPORTING DOCUMENTATION**

#### **Appendices:**

1. Royal Pavilion – Outline Options

#### **Documents in Members' Rooms**

1. None

#### **Background Documents**

1. None

## Royal Pavilion - Options

	Option 1	Option 2	Option 3
<b>Description of the Option</b>	Under £5million ask to HLF Project focussed on capital works to two discreet areas, Kings Apartments and Conservation Studios plus general interpretation, infrastructural and visitor facility improvements	Over £5million ask to Heritage Lottery Fund, larger scale project incorporating improvements to additional areas including, Deckers, Banqueting Room, all second floor rooms	No Capital investment
<b>Costs and resources</b>	Proposed overall bid c. £6/7million with c. £4.5million ask from HLF  Pre bid works in the region of £20k can be funded within core budget	Potential overall bid in excess of £10 million  Work will necessitate full closure of Royal Pavilion for in excess of one year. Income generated within Royal Pavilion per annum £3.5million  Pre bid works in excess of £40k	£0 capital out lay Higher ongoing energy costs due to poor environmental controls within the building Additional security costs to meet loan requirements Ongoing staff and resource costs maintaining failing facilities e.g. toilets Potential damage to interiors due to siting of public catering above state apartments Declining visitor numbers due to increased poor feedback and dated offer resulting in income loss
<b>Cashable Benefits</b>	Ability to remain open throughout works and maintain visitor income Increased Income on reopening due to profile Increased ability to generate secondary	Increased Income on reopening due to profile Increased ability to generate secondary spend through catering, retail. Increased potential for event income	No visitor disruption

	<p>spend through catering, retail. Increased potential for event income Lower energy and day to day maintenance costs Reduced need for additional security</p>	<p>Lower energy and day to day maintenance costs Reduced need for additional security</p>	
<b>Non-Cashable Benefits</b>	<p>Improved visitor satisfaction Improved security and fire protection Improved visitor comfort Increased profile Greatly enhance facilities for conservation and collections Ability to host volunteers, apprentices, internship and show conservation in action High profile archive available for public access</p>	<p>Improved visitor satisfaction Improved security and fire protection Improved visitor comfort Increased profile Greatly enhance facilities for conservation and collections Ability to host volunteers, apprentices, internship and show conservation in action High profile archive available for public access</p>	
<b>Risks and Opportunities</b>	<p>Risk- Bid doesn't succeed, 48% success rate for under £5 million bids to HLF</p> <p>Opportunity Increased engagement throughout process as Pavilion remains open, Opportunity to see work in progress will benefit fundraising</p> <p>Improved conditions give ability to secure more permanent loans of original Pavilion material</p>	<p>Risks Match fundraising target much larger and is unachievable</p> <p>Bid doesn't succeed –Low success rates for over £5million awards - 20% only</p> <p>Loss of visitors to the City and other attractions, impact on local businesses</p> <p>Opportunity Improved conditions give ability to secure more permanent loans of original Pavilion material from Royal Collection</p>	<p>Risks Failing visitor facilities resulting in damage to interiors and poor visitor feedback; deterioration of the Royal Pavilion archive currently inaccessible; static offer at Royal Pavilion does not keep up with market expectations; security risk from outdated and inadequate systems; poor environmental conditions resulting in deterioration of collections; Increased risk of damage due to outdated fire protection systems</p>



	from Royal Collection		Opportunity staff energy focussed on smaller scale projects, temporary interventions and programming
--	-----------------------	--	--

### Royal Pavilion Garden - Options

	Option 1	Option 2	Option 3
<b>Description of the Option</b>	Instate a perimeter fence and gates with the ability to shut the Garden at a time to be determined and when ticketed evening events are being held.	Provide 24 hour security 365 days per year Increase litter picking to cover 06.00-22.00	Do nothing.
<b>Costs and resources</b>	Perimeter c. £2million	Revenue 24 hour security c£200,000 per year Litter picking 06.00-22.00 c£70,000 per year Fencing and additional security during events and installations such as Anish Kapoor sculpture and Pride up to c£3,500	No capital outlay however on going daily cost of litter, removal, graffiti removal, additional security for events, higher maintenance costs, higher insurance costs as buildings considered at greater risk
<b>Cashable Benefits</b>	Greater levels of income as hirers will not need to cost in overnight security given the current free access to the Garden at all times.  Ability to host evening outdoor ticketed and charged events  Potential savings in not needing to remove graffiti per year mostly undertaken by staff  Repairing the finger	Some level of increased income	Current level of Garden activity only, may decrease as Garden deteriorates

	<p>post signs c £1000 plus staff time</p> <p>Replacement of broken windows £600 plus staff time</p> <p>Removal of mattresses £200 per year plus staff time</p>		
<b>Non-Cashable Benefits</b>	<p>Improved visitor experience and ability to install permanent interpretation, improved signage etc. without risk of vandalism.</p> <p>Preserve and enhance the experience of historic garden maximising opportunities to learn and engage with the Garden as a resource for wildlife and botany.</p> <p>More time available for the Garden Manager and assistant to tend the Garden and provide talks and public interaction</p> <p>Visual improvement with a consistent boundary rather than different types of railings surrounding</p> <p>Increased general security</p> <p>The ability to close off the space in emergencies</p> <p>Ability to host art installations e.g. Anish Kapoor's Sky Mirror without the need for overnight</p>	<p>People feel safer with security guard presence</p>	

	security		
<b>Risks and Opportunities</b>	<p>Risk: Do not achieve funding with loss of listed status of Garden and negative impact on visitor numbers and ability to fund raise for improvements</p> <p>Opportunity: events in the evening which can be ticketed and raise income for example theatrical, film and musical events Opportunity for business and community partnership working to enhance city centre Opportunities for volunteering, learning &amp; participation</p>	<p>Risks- cannot generate income from ticketed events as unable to close garden without additional staffing and other measures.</p> <p>Sense of arrival on to the Estate is almost non-existent as demarcation with surrounding area is minimal Potential Capital returns of wider RP estate project not realised as profile of estate suffers</p>	<p>Risk- Historic garden Listing is lost Vision for Garden is not achieved as rest of Garden treated differently. Sense of arrival for entire Estate not created. Potential Capital returns of wider RP estate project not realised as profile of estate suffers Risk of damages extends beyond garden to key cultural assets of the city e.g. Museum arson incident 2016 Reputational damage. Need to remove garden features including planting and lawns, that cannot be maintained</p>