

## **Report for Resolution**

**Report to** Executive  
30 June 2010  
**Report of** Assistant Director – City Development  
**Subject** Grant Request from Norwich Historic Churches Trust

---

9

### **Purpose**

To seek approval for the allocation of funds to grant matched funding to the NHCT.

### **Recommendations**

To approve the allocation of £20,000 as a grant from the non-housing repairs and maintenance budget to the NHCT in 2011/12.

### **Financial Consequences**

The NHCT manages the redundant churches at zero net cost to the council.

The grant would be a one-off payment within financial year 2011/12 and this request seeks a commitment from the Council to allocate the necessary funds in advance of the normal process for agreeing future years capital expenditure.

### **Risk Assessment**

The grant will secure up to £300,000 funding from English Heritage to repair one of the trust's best performing properties in income terms. Without the EH grant the church will become unsafe for occupation and the trust will lose the income.

Loss of the income could destabilise the financial viability of the trust. Failure of the trust is likely to result in the responsibility for repairs and maintenance of the churches reverting back to the council.

### **Strategic Priority and Outcome/Service Priorities**

The report helps to meet the strategic priority "Strong and prosperous city – working to improve quality of life for residents, visitors and those who work in the city now and in the future" and the service plan priority to maximise the value of the council's assets.

### **Contact Officers**

Carol Marney

01603 213463

## Background Documents

None

# Report

## Background

The council owns 32 redundant churches. It relies upon the Norwich Historic Churches Trust to manage the properties. The council used to give a regular grant to the trust but this has been withdrawn in recent years.

St Michael at Coslany requires extensive repairs to the tower. The flintwork is loose and some stones have fallen as a result of the cold winter. This situation is likely to worsen rapidly unless works are carried out to arrest the erosion by re-bedding the flints in new mortar.

The business case below outlines the request for funding and the impact to the council if funding is not forthcoming.

### ***BUSINESS CASE***

PROJECT DETAILS			
Project Ref		Project Title	St Michael at Coslany Grant for Tower Repairs
Project Manager (report author):			Carol Marney
Programme			Repairs and Maintenance 2011/12
Programme Manager:			Carol Marney
Project Sponsor:			Anne Bonsor
Project Description			
Brief description of the project			
A £20,000 contribution to the Norwich Historic Churches Trust to match fund a significantly higher grant from English Heritage to fund the repairs of the tower at St Michael Coslany which houses the Inspire Centre.			

### ***OUTCOMES***

<b><i>Strategic Links, Project Objectives</i></b>	
Justify how the project links to the programme (if applicable) and contributes to Corporate Objectives	
<b><i>Corporate Plan Objectives</i></b> see appendix A for checklist	<b><i>Yes/No?</i></b>
Strong and Prosperous City	Yes
Safe and Healthy Neighbourhoods	Yes
Opportunities for All	Yes

Aiming for Excellence	No
Unitary Status	No
<b><i>Project Objectives and outcomes</i></b>	
High level objectives to be delivered	
<p>Successful grant application to English Heritage by the NHCT</p> <p>A safe repair to the Tower</p> <p>The church remains open, securing £12,000 pa income to the trust.</p>	

Options, Proposals and Benefits		
Options		
Statement regarding options considered for achieving the desired outcomes.		
Option 1 – Give grant of £20k to NHCT which will match fund a significantly higher grant from English Heritage.		
Option 2 – Refuse to give grant – NHCT will need to find matched funding from other sources which is unlikely and will not be able to demonstrate the support of the council in repairing a property that belongs to the council.		
Proposal		
Description of recommended option.		
Agree to grant £20k to the NHCT for the repair of the tower at St Michael at Coslany.		
Timescales		
High Level Implementation Plan identifying Key Milestones for delivery..		
Confirm in writing to NHCT that grant will be made	June 2010.	
Deadline that application has to be made to EH by NHCT	<b>7<sup>th</sup> July 2010</b>	
Give grant to NHCT	April 2011.	
Financial benefits		
Description	Cashable	Non cashable
The trust will benefit from a large grant from EH in the region of £300k.		

<b>Other benefits</b>		
Non financial benefits to be delivered		
<p>The repair will enable the trust to keep the building open and continue to achieve a good rent from the Inspire Centre. This rent is a significant contribution to the trust's annual income, without it the trust's financial position would be fragile.</p> <p>The Inspire Centre remains open, delivering a valuable educational service to 30,000 young people every year.</p>		

<b>COSTS AND RESOURCES</b>			
<b>Estimated Costs</b>			
Breakdown of expected cost elements and funding sources.			
Cost element	(£'s) One off	(£'s) On going	Funding source
<i>Grant</i>	<i>£20,000</i>		<i>Capital Programme</i>
<b>Resources</b>			
Summary of resource requirements			
<i>None – grant to NHCT</i>			

## ***RISKS***

### ***Risks***

List of risks to the success of the project.(see Council Risk Management Strategy)

If NHCT do not receive the grant from NCC then they will not be eligible for grant funding from EH. EH may grant in the region of £300,000.

Without the grant the tower will not be repaired. An area of flintwork fell recently and the trust may have to install a fan to protect from further falls. The tower will eventually become so unsafe that the church will have to be closed.

This will result in a loss of income to the trust and the strong possibility that the liability for repairs will come back to the council.

Project Sponsor: Anne Bonsor

Signed:

Date: 15 June 2010

## Appendix A. Evaluation criteria

<b>Evaluation Criteria (to be completed if project is proposed to be part of the Capital Plan)</b>		
<i>Project Risk – to Council reputation of not carrying out project</i>	<i>Low, Medium, or High?</i>	<i>Med</i>
<i>Project cost</i>	<i>Low (&lt; £50,000) Medium (&gt; £50,000&lt; £250,000) High (&gt;£250,000)</i>	<i>Low</i>
<i>Estimated no of Norwich Citizens impacted/benefiting/using?</i>	<i>Low (&lt; 500) Medium (&gt; 500 &lt; 5000) High (&gt; 5000)</i>	<i>High</i>
<i>Asset creation</i>	<i>Will the project create a new Council asset worth more than the project cost?</i>	<i>No</i>
	<i>Will the project create a new Council asset worth less than the project cost?</i>	<i>No</i>
<i>Asset description (new or existing – please list all assets created or affected)</i>	<i>Prevents the Council from gaining a liability i.e. the failure of the NHCT would result in management of the redundant churches reverting to the council</i>	
<i>Asset value (for assessing capitalisation only)</i>	<i>Does the expenditure substantially lengthen the useful life of the asset(s)</i>	<i>Yes</i>
	<i>Does the expenditure substantially increase the open market value of the asset(s)</i>	<i>No</i>
	<i>Does the expenditure substantially increase the extent to which it will be used for the purposes of (or in conjunction with) the functions of the LA</i>	<i>No</i>
<i>Efficiency of service</i>	<i>Will the project save money or increase the efficiency of an existing Council asset or service?</i>	<i>No</i>
<i>Income generation</i>	<i>Low (&lt; £25,000 pa)? Medium (&gt;£25,000&lt; £100,000 pa)? High (&gt; £100,000 pa)?</i>	<i>N/A</i>
<i>External funding sources</i>	<i>Low (&lt; 25% of project cost)? Medium (&gt; 25% &lt; 50% of project cost)? High (&gt; 50% of project cost)?</i>	<i>High</i>

	<i>Is the external funding secured?</i>	No
<i>Impact on revenue funding</i>	<i>Will the project reduce Council revenue costs once it is completed?</i>	No
<i>Will the project require Council revenue funding once it is completed?</i>	<i>Low (&lt;£5,000 pa)</i> <i>Medium (&gt;£5,000 &lt; £25,000 pa)</i> <i>High (&gt;£25,000 pa)</i>	No
	<i>Is the Council Revenue funding secured?</i>	N/A
<i>Project management</i>	<i>Has the Council carried out a similar project before?</i>	Yes
	<i>Have others carried out a similar project before?</i>	Yes
	<i>Does the Council have the staff resources available now to carry out the project?</i>	N/A
	<i>Has a risk assessment been carried out for the project?</i>	By NHCT
<i>Level of risk to delivery of project?</i>	<i>Low, Medium, or High?</i>	Low
<b><i>For use by Financial Services only</i></b>		
<i>Has a component of the fixed asset which is being treated separately for depreciation purposes and depreciated over its individual useful life been replaced or restored</i>		
<i>Does the expenditure relate to major inspection or overhaul of the fixed asset that restores the benefits of the asset that have been consumed by the Authority and have already been reflected in depreciation</i>		