

CABINET

**Council Assets Funding Report
9th November 2010**

Report of Head of Property Services

PURPOSE OF REPORT				
To update Cabinet on items considered by the Council Assets Task Group.				
Key Decision	<input type="checkbox"/>	Non-Key Decision	<input type="checkbox"/>	Referral from Cabinet Member
Date Included in Forward Plan				
This report is public				

RECOMMENDATIONS OF COUNCILLOR LANGHORN

- (1) To approve the various recommendations as set out in the report below.

1.0 Introduction

- 1.1 At the meeting on 7th October 2008, Cabinet considered a report from the Council Assets Task Group and approved a number of recommendations including requesting a further report setting out the resource implications of taking forward recommendations 4(a)-(g) of the Task Group report.
- 1.2 This report sets out the actions and resource implications that relate to each individual recommendation.

2.0 Proposal Details

- 2.1 *(a) That the Charters of Lancaster be relocated to the Records Office in Preston for conservation, storage and safekeeping whilst ownership remains with the City Council, and enquiries be made with the Record Office as to the complimentary copies they would be prepared to produce.*

There is a minor cost of opening up the storage cabinets which can be contained within existing budgets. Once the cabinets are opened up the Records Office would remove the charters to Preston for storage and preservation. This would be done at no cost to the City Council, in the same way that there is no charge made for the large quantity of City Council records

already held there.

Recommendation: That the Charters be relocated to the Records Office in Preston for conservation, storage and safekeeping.

- 2.2 *(b) That an application be made for heritage funding to produce copies of all of the City's historic charters for public display.*

The county council has taken a closer look at the charters and assessed their size and the cost of copying which, as it has turned out to be a smaller sum than they previously thought likely, they will absorb this cost. The county council will supply the city council with a colour print actual size of each charter and also with copies of the images for our future use on CD. The printed copies would be simply that – there would be no replica seals etc attached. If at some future point the city council identified the need for a copy with a replica seal attached the county council would be able to do that but it would take time. At some point some of the charters will also receive substantial conservation work and after that the county council would be able to make copies which are likely to be of higher quality than those they can produce pre-conservation.

Recommendation: That the council accepts the offer of county council to produce an initial printed copy of each charter with a CD of images for future use, and to request further copies after conservation works have been completed.

- 2.3 *(c) That the original 'Williamson Family Tree' currently stored in the Legal Services strong room be transferred to the Records Office for conservation, storage and safekeeping and enquiries be made with regard to commissioning a copy for future display in Williamson Park, subject to the agreement of the Williamson Park Board.*

This copying work referred to in 2.3(b) above would not include the Williamson Family Tree as it is too large to reproduce on the county council's equipment. Any copy would need to be produced by a specialist digitisation company. Since a key reason for having a digital copy created, would be to allow use of the document in interpretation work at the Park and possibly other locations, it might be possible to build the cost of copying in to a larger project seeking outside funding for example from the Heritage Lottery Fund. If the city council decided to produce such an application to an external funder, or indeed an application to allow use of the charters in community or outreach projects, the county council has indicated that they would be happy to work with, and where possible advise, the City Council with its application. In terms of the cost of producing a copy of the Tree this might well be in the region of £500 to £1000 for a high quality copy produced in a safe, non-destructive manner.

Recommendation: That the Williamson Family Tree be transferred to the Records Office for conservation, storage and safekeeping and that should the city council wish to take forward a project relating to Williamson Park in future, to accept the assistance offered by the county council to fund such a project including the preparation of a copy of the family tree.

- 2.4 *(d) That consideration be given to finding innovative means of funding a*

rolling repair programme for the oil paintings and other restorative works to non-fixed assets in Lancaster Town Hall; including that a percentage of the hiring fees for the Banqueting Suite, Ashton Hall and tours of Lancaster Town Hall be channelled into the existing renewals reserve.

There are various potential options for the Council to consider to fund the maintenance and/or restoration of the non-fixed assets.

Last year the income from room hire was £54K which was substantially in excess of the estimate. Under the current Financial Regulations it is possible to use 50% of any additional income over and above the budget; half of the surpluses from 2010/11 onwards could be transferred into the existing renewals reserve. However, the Council's budget process is designed to minimise recurring variances from budgets so it may be that this mechanism does not yield significant resources.

Alternatively, if the Council decides to dispose of surplus furniture (see (g) below) income from the disposal could be used. This could only happen if the income from an individual item does not exceed £10K as it would then be treated as a capital receipt and could in turn, only be used to fund capital expenditure. From the information currently available the vast majority of items are under this threshold although this would have to be monitored on a case by case basis.

The third option is to establish an ongoing revenue budget for the repair and maintenance of heritage assets. This would have the advantage of ensuring that resources were in place to complete the plan of works, however, its inclusion would be subject to prioritisation by Members. The cost/benefit of this will be clearer once a survey of the non fixed assets has been completed (see e below).

Finally, and more straightforwardly, the Council's existing Renewals Reserve could be used to fund any minor works needed. The current unallocated balance on the reserve is estimated to be around £21K at the end of this year.

Recommendation: That the existing renewals reserve be used to fund the cost of any maintenance and / or restoration, subject to the outcome of survey.. In due course a planned programme would be developed which will allow Members to decide on an appropriate specific budget if need be.

2.5 (e) *That an updated inventory and where appropriate, condition survey of the City Council's fixed assets be undertaken.*

James Thompson, a reputable firm of Auctioneers and Valuers from Kirby Lonsdale recommended by the County Council's Museum Service have been approached to provide an estimate of costs to carry out this work. They will charge an hourly rate and estimate that the work will cost approximately £300 for Lancaster Town Hall £150 for Morecambe Town Hall and £150 for the furniture in store at St Leonards House. In total £600 should be enough to fund this work and this can be found from existing revenue budgets.

A full inventory and condition survey of the non fixed assets would be very useful for insurance purposes and in targeting any future spending on repair or restoration work as referred to in 2.4 (d) above. At present many of the

Council's non fixed assets are not insured and such a survey would help to quantify the costs and benefits of doing this. It would also highlight the most urgent items of concern and allow the Council to prepare an action plan for the remedial works. Depending on the results of the survey, it might be that a further report is required to outline the options for managing the assets.

Recommendation: That a full inventory, valuation and condition survey of the non-fixed assets be procured with the results and implications reported back to Members in due course if necessary.

- 2.6 *(f) That attempts are made to exhibit more of the Council's assets including the relocation to, and display of, the Morecambe Music Festival silverware in Morecambe Town Hall.*

As changes in the use of accommodation take place, it would now be most appropriate to have a modern display unit situated in the Customer Services area or somewhere in the entrance hall. A suitable display case could be found for under £1000 and it is suggested that this could be funded from the income received from the disposal of surplus furniture should that be approved.

Recommendation: That a modern display unit be acquired using funds from the disposal of surplus furniture.

- 2.7 *(g) That consideration be given to the future use/storage including the possibility of disposal of some items of furniture in view of the limitations on space within the town halls as a consequence of the Access to Services Review and that Department for Culture, Media and Sport (DCMS) guidance be followed in the event of any disposal.*

There is no specific reason to retain the items that we have in store. None of the storage areas are ideal for storing antique furniture and the condition of the assets stored is deteriorating. An initial inspection has been undertaken by local valuers recommended by the Museums Service to give a guide to prices expected with many items in the £100-300 range. The proceeds from the sale could be used to fund the restoration works to the oil paintings and other non fixed assets (see 2.4 (d) above) and/or the display unit referred to in 2.6 above.

Recommendation: That all the surplus furniture be identified for disposal and that the income be used for the acquisition of a display unit as referred to in 2.6 above.

3.0 Details of Consultation

- 3.1 There has been no consultation as such but the report has been prepared where appropriate in conjunction with information received from the Records Office.

4.0 Options and Options Analysis (including risk assessment)

	Option 1: is to approve the various recommendations as set out in the report above.	Option 2: is to do nothing.
Advantages	This would result in the safekeeping of historic charters in the Records Office whilst obtaining copies for display locally. A condition survey would allow Officers to develop options for the ongoing maintenance of non fixed assets assets.	No further work on this project would be required.
Disadvantages	Some officer time would be required to implement these recommendations	This would result in the charters remaining as existing and continuing to deteriorate even though there is an opportunity to transfer them to the Records Office at no cost. There would be no copies available for public display. No funding would be sought for restoration of paintings etc whilst silverware would not be displayed and old furniture would remain in storage.
Risks	None identified	The charters would remain stored in unsatisfactory conditions and continue to deteriorate. If funds are not made available for restoration the condition of the non fixed assets of the council will also continue to deteriorate. If the old furniture remains in storage it will incur accommodation costs in doing so.

5.0 Officer Preferred Option (and comments)

5.1 The officer preferred option is Option 1 as this will promote the maintenance and/or restoration of the non-fixed assets and the safekeeping of the historic charters.

6.0 Conclusion

6.1 The recommendations contained within this report present a starting point for safeguarding the City's non fixed assets. If implemented they will be instrumental in preserving these assets in good condition for future

generations to enjoy.

RELATIONSHIP TO POLICY FRAMEWORK

There is no direct relationship to the current policy framework.

CONCLUSION OF IMPACT ASSESSMENT

(including Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing)

There are no immediate impact assessments which are relevant.

LEGAL IMPLICATIONS

There are no legal implications arising from this report.

FINANCIAL IMPLICATIONS

As referred to above.

Further review of the financial implications would be required once the results of the initial survey are available.

OTHER RESOURCE IMPLICATIONS

Human Resources:

There are no HR implications arising out of this report.

Information Services:

There are no IS implications arising out of this report

Property:

Property Services have prepared this report and have no further comments to add.

Open Spaces:

There are no open space implications arising out of this report

SECTION 151 OFFICER'S COMMENTS

The s151 Officer has been consulted and her comments reflected in the report.

MONITORING OFFICER'S COMMENTS

The Monitoring Officer has been consulted and has no further comments.

BACKGROUND PAPERS

Report of the Council Assets Task Group
Sept 2008
Report to Cabinet 7th October 2008 re
Council Assets

Contact Officer: Sheila Hall

Telephone: 01524 582512

E-mail: shall@lancaster.gov.uk

Ref: