

ABERDEEN CITY COUNCIL

COMMITTEE Education, Culture and Sport Committee DATE 27th May 2010

DIRECTOR Annette Bruton

TITLE OF REPORT Progress report on proposals to redevelop Aberdeen Art Gallery and Report on improving access to the Museums and Galleries Collections.

REPORT NUMBER ECS/10/054

1. PURPOSE OF THE REPORT

This report is part of a proposal “to make (the Art Gallery) fit for purpose in the 21st Century so that it can continue to play a major role in positioning Aberdeen as a world class cultural centre.”¹

The meeting of Council on 24th June 2009 agreed in principle to support the redevelopment of the Art Gallery. Officers have progressed proposals, funded by the Marguerite McBey Trust, to address previously identified building-related matters, ensure that the Art Gallery is fit for purpose, and highlight the major contribution James McBey made to 20th Century art.

We briefed Gareth Hoskins Architects to identify how to “improve, rejuvenate and preserve the Art Gallery complex”, including essential repairs and modernising the building, as well as considering aspirations to increase access to the Collections and enhance the environmental conditions. Major temporary exhibitions will then continue to be able to be hosted in the city.

The report also explains the work in hand to assess the best way of providing suitable accommodation for the Collections when not being exhibited. The two projects are separate, yet complementary. Their being considered together will ensure that full consideration can be made by the Committee.

The report also refers to the City Centre Development Framework and the location and significance of the Art Gallery in that context.

2. RECOMMENDATIONS

The Committee:

1. Notes the work to date;
2. Remits the report to the Finance and Resources Committee on 17th June, to consider funding the Conservation Statement, estimated cost, £19,644

¹ From the Vision for the Art Gallery, agreed by the Project Board, 25h March 2010

- + VAT, for the Art Gallery, if required as part of the proposed Stage One Application to the Heritage Lottery Fund;
3. Instructs officers to prepare a Capital Business Case for further consideration and report to the Education, Culture and Sport Committee on 16th September and Finance and Resources Committee on 28th September, to include recommendations on the most appropriate option to redevelop the Art Gallery, and on the commitment the Council is being requested to make at that stage;
 4. Instructs officers to report to a future meeting of the Committee on how best to improve access to the Museums and Galleries Collections.

3. FINANCIAL IMPLICATIONS

The Museums and Galleries Service is both a Collection of National Significance and an Accredited Museum; these assist when applying for external grants and the Service does have a strong track record in levering in funds. However, the scale of funding required to achieve a redeveloped Art Gallery and a purpose-built or refurbished building for a Museums Collection Centre is a considerable challenge, especially in the current and predicted financial climate. This is compounded by the demands on the funding streams to the Lottery, resulting from the Olympic Games in London in 2012.

It is important to reflect that the Art Gallery is a key “anchor” building in the City Centre and that its location contributes to the cultural and wider vibrancy of the area. Visitors to the Gallery generate income for retail and catering outlets nearby and by investing, the Council will be supporting local business and commerce. While economic impact assessments are undertaken for incoming sporting or cultural events, officers are unaware of any formulae to calculate how a visit to the Gallery might generate other spend locally. However, citizens and incoming visitors will be contributing to the wider City Centre through their spending in the area. The likely cost of providing a new build facility to house the collections held in the Art Gallery alone, were it to be closed for full redevelopment would be in the region of £1.6 million.

Funding for the Art Gallery redevelopment would be sought from the Non Housing Capital Programme in the 2013/2014 financial year and in the following 2 financial years.

- i) Build costs, including fees, etc.

Estimates

Aberdeen Art Gallery	- £24.5 million
Museums Collections Centre	- £10 million
Total	- £34.5 million

The projects are not currently included within the Non Housing Capital Plan, which is fully committed and subject to very heavy demand. The ongoing capital and interest repayments on the full projects costs of £34,500,000 would be approximately £2,543,600 per annum, in addition to any other increased revenue costs associated with larger building capacity, were it to be funded from the Capital Plan.

Annual capital and interest repayments would be as follows:

	<u>Capital Value</u>	<u>Annual Repayments</u>
Art Gallery	£24,500,000	£1,806,300
Collection	£10,000,000	£737,300

As indicated, other potential funding options will be presented to a future committee as part of the Capital Plan Business Cases for both the Art Gallery and the Museums Collections Centre, which will include the whole life costing of the project.

The Revenue costs will be offset partly by existing revenue budgets, energy efficient aspects and potential income generation.

ii) Grant funding

Both the Art Gallery redevelopment and a Museums Collection Centre would be eligible to apply for Heritage Fund Lottery grants, although the value the City Council would wish is beyond the annual allocation, which for all of Scotland is currently £20 million. Achieving a Stage One grant from the Fund will enable access to funding to develop the more detail application, as well as progress potential funding streams, prior to the Stage Two application (which requires to be lodged within 18 months thereafter). However, it should be noted that the Stage One and Two grants are inclusive, covering the total grant made by the Fund. Please note the need for a Conservation Statement, estimated to cost £19,644 + VAT referred to in section 6 and the recommendation. Officers are currently in the process of approaching potential funders of this work and will advise Committee on the current situation pertaining at the meeting. This work will be undertaken by Gareth Hoskins Architects as part of the terms of their engagement.

A number of other potential funders have been identified, however not, as yet, approached. Should the preferred location for the Museums Collections Centre be in an area of regeneration, there may be possible funding opportunities which can be progressed.

iii) Capital Receipts and Re-allocating Expenditure

The proposals are intended to better use the limited funding available to the Council. The redevelopment project will reduce the current ongoing and remedial expenditure on the fabric of the Art Gallery. The creation of one integrated Museums Collection Centre, operating one collection, in place of the current

dispersed arrangements, with expected reduced travel, utility and rates costs. It will also provide additional public-facing facilities at minimal additional cost.

The Council needs to relocate the reserve collection housed at Frederick Street; a Capital receipt from the sale of the site will be achieved and part of the funding received is allocated to re-house services currently in the WhiteSpace building. Investing this into the redevelopment proposal would be most cost effective.

The Kittybrewster roof requires expenditure of £100,000 and also replacement of the environmental equipment at another £100,000, although it is recognised that the roof will require repair which ever service uses the building. The roof repair is included in this year's building repair programme.

A fuller cost benefit analysis will be undertaken of all the options for a Museums Collections Centre.

iv) Other sources of funding

The Capital Business Cases will include consideration of how the Council might fund the proposed developments as well as discuss whether there are opportunities to provide joint accommodation, or shared services with partners.

4. SERVICE & COMMUNITY IMPACT

Single Outcome Agreement

SOA1 - *Economic Development & Culture, Arts & Sports– impacts on Tourist industry and Business.* Museums and Galleries provide access to heritage collections and works of art to both local citizens and visitors to the City. Historic buildings such as Provost Skene's House are tourist attractions in their own right. The venues, together with the Collections contribute to the City's ability to promote Aberdeen as a great place to live and work.

SO6 – *contribute to health and mental well being, providing access to heritage and art to stimulate and improve mental skills and inform healthy living.* Museums and Galleries provide reminiscence information and opportunities to access works of art for senior citizens. The recommendations of this report will increase opportunities for access to heritage information and artefacts.

SO7 – *contribute to improving quality of life in regeneration areas.* Museums and Galleries provides opportunities to access to quality services

SO10 – *museum collections contain and make available community and local information and histories.* Oral history of Grandholm Mill and provision of information panels for the Grandholm site. The recommendations of this report will increase opportunities for local communities to access heritage artefacts contained in museum collections

SO12 - *value and enjoy our built and natural environment and protect it enhance it for future generations.* Museum services record and interpret the built environment, including the Sites and Monuments Record and care of public art and sculpture.

SO13 – take a pride in a strong, fair and inclusive national identity. Museum collections are distinctive and offer access to the “real thing” through their programmes of activity and exhibitions. Collections are relevant to understanding our cultural identity and histories. Museums are key providers of cultural opportunities in Aberdeen. The recommendations of this report will increase opportunities and access to museum objects.

SO14 – public services of high quality, continually improving, efficient and responsive to local people’s needs. This includes museum exhibitions and displays, talks and events in response to public demand; working with communities to interpret local heritage. Bringing all the currently dispersed collections under one roof is an efficient way to care for these unique artefacts and artworks. There will also be the option to programme exhibitions and displays at a new storage site.

Vibrant Dynamic & Forward Looking

Aberdeen is an even more attractive place in which to do business – value of museums programmes of activity to creating a city “buzz”; offering businesses unique opportunities for corporate hire of venues.

Aberdeen’s unique granite heritage is protected – parts of the museum collections record the history of granite industry, as well as feature in the Art Gallery building.

Recognise the contribution of Sport, Culture and Arts to promoting the area as a tourist attraction. The Art Gallery is North East’s number one built visitor attraction and is amongst the top 20 free museums visited in Scotland (178,344 visitors in 2009). The Maritime Museum holds 5 Star Museum status from the VisitScotland quality assurance scheme.

To maintain and develop arts and heritage activities and venues which have a positive impact on the social, economic and cultural development of the city.

The specific level of services provided is discretionary for the authority to provide, however the provision of Museums Services is included within the Legislation in Force and measured by a Statutory Performance Indicator and forthcoming qualitative measures. The current SPI is the “Number of visits to/usages of Council funded or part-funded museums per 1,000 population”. Aberdeen’s art gallery and museums service is in the upper quartile for 2008/9.

Continue to drive regeneration and take advantage of regeneration opportunities citywide as they present themselves and identify, in conjunction with the local communities, immediate priorities for regeneration projects.

Equalities & Human Rights Assessment

The service is used by a wide demographic of residents in the City, North East of Scotland and by incoming visitors, both leisure and business. Additional work has been undertaken to increase access to the collections and to the museums buildings in the City. Lifelong learning opportunities around specific collections and exhibitions have been developing in recent years, particularly targeted

around those who have not previously seen museums as a natural place to visit. This has included adults with learning disabilities, older people, young people, ethnic minority groups and adults with physical disabilities.

5. OTHER IMPLICATIONS

The proposed Art Gallery redevelopment will be considerably eased if a new facility is in place before the redevelopment work commences. As referred to elsewhere in the report, the costs and time to complete the redevelopment project will increase if the collections are retained on site, necessitating a phased approach to development rather than a full building development based on vacant possession

The relocation of off-site facilities for museum collections is identified as medium to high requirement as there will be a need to secure an alternative site for the space which will be vacated as a result of the sale of the Frederick Street premises. There is also a priority to invest in the improved environmental equipment at the Kittybrewster site to ensure the continued appropriate environmental conditions to preserve the collections stored at this venue.

A new facility would provide a safe and secure environment for collections and in addition enable the Service to maintain its profile in the city and wider area, by using the facility as an exhibition space. Dundee City Council and Glasgow City Council secured similar offsite facilities prior to the major renovations at the McManus Gallery (Dundee) and Kelvingrove (Glasgow).

6. REPORT

Gareth Hoskins Architects were contracted in August 2009, following a national architectural competition, to prepare a development study. The Vision prepared by the Service for the team at Gareth Hoskins Architects included:

Aberdeen Art Gallery is the premier cultural destination in North East Scotland and the Collections held by Aberdeen Art Gallery and Museums Service and displayed within the Art Gallery are of international significance, standing and quality. They are a valuable asset to the City of Aberdeen by both informing and challenging citizens and attracting cultural tourists to the city. The importance of these collections, built up since 1885, is demonstrated through their "Recognised Collections of National Significance" status awarded in 2007.

Our aspiration is to preserve and celebrate the culture and heritage for Aberdeen and to encourage community participation in the City's art gallery through a stimulating programme of exhibitions, learning opportunities and activities. Key to this is the redevelopment of the Art Gallery as an outstanding resource for enjoyment, learning and research, which is accessible to all. The redevelopment of the Art Gallery affords us fresh opportunities to reinterpret the collections by producing new exhibitions illustrating the rich and varied collections, making new connections between objects and art works and by providing a platform for us to host major touring exhibitions that will introduce visitors to new subjects. It will also enable us to bring to the city displays which local people would need to travel quite far to see.

Gareth Hoskins Architects commenced work in November 2009 and have undertaken considerable consultation with staff, other Council Services, including Planning and other bodies, such as Historic Scotland. Public consultation and with the Friends of Aberdeen Art Gallery and Museums has also taken place.

As a result of their investigations and in discussion with officers and the Project Board, chaired by Cllr. Martin Greig, the consultancy has prepared a Development Study and has now presented its final report. All Elected Members were invited to attend a Briefing on 27th May at 11am to hear the options developed within the Study.

Copies of the Development Study have been lodged in the Members Lounge for consideration by members of the Committee.

There are five options proposed to develop the Art Gallery, which are included as an appendix. The Project Board meets on 20th May to discuss the final report and while it still has to make a final recommendation, the estimated costs are based on Option D.

A pre-application has been lodged with the Heritage Lottery Fund (HLF) for the Art Gallery redevelopment only and officers there have advised that they would not expect the Trustees to award an amount higher than £8 million (no other Stage One application in 2009 or 2010 was awarded more than £8,250,000, and that there would need be clear evidence of both financial and strong commitment from the Council. The officers suggested that a commitment of one third of the overall cost from the Council would be a level which would reflect the importance of the project and give the Trustees evidence of its commitment.

They advised that it is important that the project is presented in the context of the wider plans and vision within the city. The bid should also demonstrate why there is a need for the gallery project, including the rationale behind the chosen option, and why it is necessary to deliver it at this time. The developing Development Framework for the City Centre will assist in ensuring the application is as strong as possible.

A key aspect of the Trustees decision will be the level of risk to the proposed project to redevelop the Art Gallery and their officers advised that while the Council might also have a desire to create a Museums Collections Centre, the two projects being inextricably linked would not be advised. The Trustees having an understanding of the Council's plans and commitment, however, will be crucial. To clarify the likely cost of providing a new build facility to house the collections held in the Art Gallery alone would be in the region of £1.6 million. It may be possible to make a separate application for a Museums Collection Centre, as it would be considered in a lesser category, however it would be subject to greater competition, and all the considerations above, in respect of the Council's priority and level of commitment still pertain.

There is no discretion given by the Trustees; they decide only on the amount applied for and do not award any other sum.

The timeline is as follows:

- September 2010 – Stage One Application lodged.
 - February 2011 – HLF Trustees consider the application and advise.
- If successful, then there is an eighteen month period to develop the Stage Two application, which requires to be lodged by:
- 28th September 2012, with a decision given in:
 - February 2013.

Therefore, funding for the Art Gallery redevelopment would be sought from the Non Housing Capital Programme in the 2013/2014 financial year and in the following 2 financial years.

Were the Art Gallery redevelopment to be phased, it would add an additional year and an estimated £1.5 million to the overall cost of the project, as well as having impaired access by users for an extended period.

In order to be able to make a Stage One Application to the Heritage Lottery Fund, a Conservation Statement on the Art Gallery is required. This has been estimated to cost £19,644 plus VAT and consists of a report on the “heritage merit of the site will guide design thinking”. It is out with the scope of the Development Study, currently funded by the Marguerite McBey Trust and there are not funds identified within the Service. The Committee is requested to remit the report to the next meeting of the Finance and Resources Committee to consider funding this aspect of the work, should ongoing work by officers not identify potential funding out with the Council.

To date, no approaches have been made to potential grant-making bodies to ascertain the likelihood or otherwise of an application being successful and if so, to what extent. The Heritage Lottery Fund officers advised that they will follow up any prospective grant-making bodies the Council lists, as part of their assessment process. The report planned for the next meeting of the Committee will include information on the success of approaches between now and then.

A funding campaign would be an integral part of a successful redevelopment project, which would require dedicated resources, encourage public and commercial support. The report referred to above, will include proposals for this campaign.

This report outlines progress to date and if the Committee instructs, it is proposed that officers bring to the next meeting, a further report on recommendations for the preferred option and potential funders to be considered.

The Committee at its previous meeting instructed officers discuss the Service’s wish to report on improving access to the Museums and Galleries Collections initially to the Corporate Management Committee, which it did at its meeting on 15th April. The report brought together a number of issues relating to the current and future requirements to house the combined collections of the Museums and Galleries Service and proposed an integrated solution, which would deliver greater potential benefits to the City. The proposals were set in the context of the

proposal to redevelop the Aberdeen Art Gallery, as well as advise on the feasibility of achieving these within the current and future financial climate.

The report advised that having an appropriate solution by the time the Art Gallery project might be expected to commence is an important aspect of the overall project, which is a key aspect of the Estate Strategy and developing Asset Plan of the Education, Culture and Sport Service.

The Corporate Management Team:

1. Agreed that officers develop a detailed brief for a Museums Collections Centre, which will include housing items while not exhibited.
2. Agreed that officers identify potential sites for a Museums Collections Centre, including those which can contribute to community regeneration.
3. Considered an allocation of resource to enable officers to prepare a Capital Business Case for further consideration, in terms of the new Capital Planning Process.
4. Instructed officers to make initial approaches to potential external funders.
5. Instructed officers to report back to the Corporate Management Team on progress at a future meeting.

Following report back to the Corporate Management Team, officers will report to a subsequent meeting of the Education, Culture and Sport Committee.

7. REPORT AUTHOR DETAILS

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8. BACKGROUND PAPERS

Report on Notice of Motion by Cllr Kiddie: Museum of Aberdeen and North East Scotland, Education & Leisure Committee, 30th August 2004.
Policy & Strategy Committee, Development of a Cultural Strategy, 29th September 2004.
Best Value Review – Education & Leisure 16 May 2006 Item 17

Appendix 1

Development Study

Option A: minimal approach

achieves 20% of accommodation requirements

- + improved access/compliance
- + improved servicing & visitor support
- + improved MLA
- no increase in gallery space
- no dedicated Murray/McBey spaces
- intrusive servicing to temporary gallery
- education suite separated from gallery
- no link between cafe and Cowdray hall

approx cost £15.7m

Option B: 'backpack' approach

achieves 50% of gallery requirements

- + all option A improvements
- + increased gallery space
- + new MLA standard temporary gallery
- no dedicated Murray/McBey spaces
- limited temporary gallery flexibility
- education suite separated from gallery
- library separate from staff support

approx cost £18.4m

Option C: 'outside the box'

achieves 100% of accommodation requirements

- + all option A improvements
- + meets all MLA standard requirements
- + dedicated Murray/McBey spaces
- + clear visitor journey/experience
- + additional gallery/restaurant
- education suite separated from gallery
- 'backpack' spaces restricted by existing Building

approx cost £23.8m

Option D: alternative 'outside the box'

achieves 100% of accommodation requirements

- + all option A improvements
- + meets all MLA standard requirements
- + dedicated Murray/McBey spaces
- + clear visitor journey/experience
- + additional gallery/restaurant
- + education suite linked to gallery
- + purpose built education/library/friends & staff facilities discretely at rear

approx cost £24.3m

Option E: extending into RGU Gray's School of Art (original premises – RGU Administration Building)

- all option A improvements
- + dedicated Murray/mcBey spaces
- + additional gallery/restaurant
- + purpose built education facilities linked to gallery
- poor arrangement of temporary gallery with no potential for subdivision
- no clear link to restaurant
- offices at distance from gallery

approx cost £22.7m + site purchase costs