

## DUNDEE CITY COUNCIL

**REPORT TO:** Leisure, Arts and Communities Committee - 23 March 2009  
**REPORT ON:** Dundee Industrial Heritage Ltd - Revenue Support 2009-2010  
**REPORT BY:** Director of Leisure and Communities  
**REPORT NO:** 179-2009

### 1.0 PURPOSE OF REPORT

- 1.1 To submit to the Committee a request for renewal of Revenue Grant funding to Dundee Industrial Heritage Ltd for the year 2009-2010.

### 2.0 RECOMMENDATIONS

- 2.1 That the Committee approves the level of Revenue Grant funding amounting to £63,000 as set out in the report.

### 3.0 FINANCIAL IMPLICATIONS

- 3.1 The funding recommended is £63,000 from the Leisure and Communities Department 2009-2010 Revenue Budget as shown in the budget at Appendix 1.
- 3.2 The terms and conditions of Revenue Grant funding will be contained within a Service Level Agreement for 2009-2010 between Dundee City Council and Dundee Industrial Heritage Ltd.

### 4.0 MAIN TEXT

- 4.1 Dundee Industrial Heritage Ltd (DIH) operates two of Dundee's premier tourist Attractions - Discovery Point and Verdant Works. It is a charitable company and is the trading body of Dundee Heritage Trust. The principle activity of the company is the restoration and exhibition of articles deemed to be important and relevant to the conservation of the City of Dundee's Industrial Heritage, and for the education of the public

#### 4.2 Review of the year 2008-2009

##### **Capital Works and New Projects**

The Verdant Works building and gallery refurbishments are now complete at a cost of £140,000. The building works included repairing areas damaged by leaks, changes to water drainage to prevent further problems and refurbishing the toilets. The galleries were improved with new graphics, film shows, computer interactives and hands-on interactives. DIH will now target marketing around these new developments at the start of the 2009/2010 season.

The two year RRS Discovery Restoration & Conservation Project will be complete by May 2009. The project was primarily funded by the Heritage Lottery Fund (£528,000) with a £10,000 contribution from Dundee City Council and the balance of £145,000 coming from the Trust's own fundraising efforts. As well as remedial conservation work to repair decayed and damaged areas of the hull and decks, the ship's temperature and humidity control systems along with the bilge pumping arrangements have been improved. These measures will substantially help to move

forward the preventative conservation. An element to the works has been to open up more of the ship below decks to the public. This includes the engine room, the Bosun's Cabin and the whole length of the hold areas. These spaces have been restored and interpreted to improve the visitor's appreciation of both the ship and life on board for the men who served on her.

A large new collections store was built at Verdant Works in the Summer of 2008. The £14,500 cost was 50% funded by Museums Galleries Scotland. The new store will accommodate the ever-growing jute collections as well as allowing DIH to store existing objects in better conditions. A new computerised environmental monitoring system for all the collection stores is running successfully.

### **VisitScotland**

Both Discovery Point and Verdant Works retained their VisitScotland 5 star Visitor Attraction status. The VisitScotland Visitor Information Centre is now situated at Discovery Point and the partnership between the two organisations is working well.

### **Accreditation**

The Trust learnt at the beginning of March 2009 that they had successfully obtained Full Accreditation status for both their museums. This is a significant achievement.

The Trust benefited from its new status as a holder of Recognised Collections of National Significance, both jute and polar, with the award of a £40,000 grant for new project work. A complete digitization of the jute photographic collections has been achieved and new computer interactives, which utilise these images, have been installed in the galleries at Verdant Works. A new large showcase in the foyer at Discovery Point means that more of the polar collections are now on public display.

### **Exhibitions**

The Trust continues to run a programme of temporary exhibitions at both museums. Some are produced in-house and others are on loan from outside organisations. They also provide exhibition space free of charge to community groups. During 2008-2009 they hosted shows from Dundee Photographic Society, the Original Art Group (seven Tayside Artists), Art Angel (an innovative arts project for people who have mental health issues) and the National Library of Scotland. The latest which opens on 7 March is "Face to Face: Polar Portraits", a major touring exhibition from the Scott Polar Research Institute at the University of Cambridge. Discovery Point is the only Scottish venue for this exhibition.

### **Collaborations**

Dundee Heritage Trust continues to collaborate with a range of heritage and arts organisations both in the city and in the wider world. A few examples include their support for the inaugural Tay Roots Festival for people whose ancestors came from Angus and Dundee. They also collaborated with Dundee Rep and Grid Iron Company of Edinburgh on the exciting "Yarn" theatrical event at Verdant Works. They are also involved with the choreographer Thomas Small and The Space on a dance project at Discovery Point that involved both professional dancers and adult and child amateurs from the community.

### **PR/Marketing**

As well as press and radio pieces on their activities over the past year, DIH have been featured on a number of TV programmes including BBC History and BBC Schools documentaries. The Antiques Roadshow also gave them excellent exposure both for Discovery and Verdant Works. They have also featured on various news items concerned with the ship's restoration project. DIH marketing consists in the main now of web site information and leaflets. They distribute in excess of 360,000 leaflets throughout Scotland each year. Various joint marketing initiatives are in place, for example, with Great Scotland, Glamis Castle, Scottish Transport Heritage Marketing Association.

### **Finance**

### **Education and Outreach**

The Education and Community Outreach Service provides a comprehensive programme of events and activities for schools, community groups and families. The service is run by one member of staff. They aim to provide a variety of resources and experiences which are unavailable in the classroom context. Both Discovery Point and Verdant Works received the Sandford Award for Heritage Education in May 2008. Administered by the Heritage Education Trust, this award recognises quality and excellence in the educational services and facilities. It is held by only four other independent museums in Scotland.

The schools' programme, which included regular workshops, Christmas crafts and Science Week activities, attracted over 6500 pupils during 2008/09, with a further 250 benefiting from outreach visits to the classroom.

DIH continued to provide informal sessions for local community groups, both at their sites and on outreach visits, including out-of-school groups, play schemes, adult learner groups, Brownies, Girl Guides and Scouts. Events for families in 2008/2009 included activities for Easter, Doors Open Day, Halloween and Christmas.

A major family event "Jute and Jitterbugging" was held in May as part of the Show Scotland museums weekend. This commemorated Dundee's role in World War 2 and the part played by the jute industry to the war effort. It featured re-enactments, wartime vehicles, live music and demonstrations of 1940s dances.

Over the past few years their trading income has grown year on year which has more than compensated for the small decline in visitor numbers. However the economic downturn this past year has had a very detrimental effect on all DIH income lines. They are particularly exposed to the effects of the recession as over 90% of their income comes from non public sources.

In spite of a number of significant cost reduction and efficiency measures introduced they will still incur a deficit this year. To compensate they have budgeted at similar levels as 2008/2009 plus they will benefit by having a full year's savings on measures introduced during the course of the past year.

At present DIH is attracting 74% of their visitors to Discovery Point from outwith the Tayside area, with Verdant attracting 46%. 20% of their visitors come from overseas which is of significant benefit to the local economy.

#### **4.3 Major Plans for 2009/2010**

The major project for next year will be the installation of a new AV show for the auditorium at Discovery Point. This £75,000 project has been funded by a number of charitable trusts and the proceeds of Trust fundraising events. DIH are also looking closely at renewable energy opportunities which in addition to reducing their carbon emissions would also help reduce utility costs. This would also tie in with their educational programme in terms of environmental issues, global warming and Antarctica. There will be two temporary polar exhibitions at Discovery Point over the spring and summer of 2009.

If successful with a grant application to the Recognition Fund DIH will hope to extend public access to their polar and jute collections with an on-line database.

After a number of unsuccessful attempts over a number of years to develop the derelict part of the High Mill, the Trust has now applied for permission to demolish the building. The roof has deteriorated to the position where remedial works to the structure cannot be completed due to concerns about safety.

They are expecting another difficult trading year ahead with the possibility of visitor numbers not increasing significantly for some time yet and other trading lines

including conference income being more difficult to secure. Also car park income has dropped significantly over the past two years.

The Waterfront Project whilst having enormous benefits to the organisation in the long term, will over the next four years impact on Discovery Point. They plan to work closely with Dundee City Council and other partners to overcome the expected negative impact on visitor levels and trading during this period.

- 4.4 Dundee Industrial Heritage Ltd sustained 21 full time equivalent jobs in Dundee during 2008-2009 and they are projected to achieve 90% of their income from non public services in 2009-2010.

## **5.0 POLICY IMPLICATIONS**

This report has been screened for any policy implications in respect of Sustainability, Strategic Environmental Assessment, Anti-Poverty, Equality Impact Assessment and Risk Management.  
There are no major issues.

## **6.0 CONSULTATION**

- 6.1 The Chief Executive, Depute Chief Executive (Support Services), Depute Chief Executive (Finance) and Head of Finance have been consulted on this report and are in agreement with its contents.

## **7.0 BACKGROUND PAPERS**

- 7.1 None.

**STEWART MURDOCH**  
**DIRECTOR OF LEISURE AND COMMUNITIES**  
**10 MARCH 2009**

**Dundee Industrial Heritage Limited****Appendix 1**

	<b>Out-turn 2008-2009</b>	<b>Draft Budget 2009-2010</b>
<b>Expenditure</b>		
Direct Costs	352,173	358,778
Indirect Costs	752,805	736,196
<b>Total</b>	<b>1,104,978</b>	<b>1,094,974</b>
<b>Income</b>		
Admissions	251,720	269,100
Lettings / Catering	354,839	355,000
Retail	169,108	170,000
Car Park	117,505	118,000
Corporate Support / Fundraising	11,578	9,500
Gift Aid Revenue	40,028	42,500
Cultural VAT Exemption	27,949	30,000
<b>Sub Total</b>	<b>972,727</b>	<b>994,100</b>
<b>Grant Income</b>		
Marketing Grant (ERDF)	18,400	4,000
Dundee Heritage Trust Contribution	21,850	22,281
DCC - Revenue Support Grant	30,000	30,000
DCC - Quality of Life Grant	33,000	33,000
Friends Donations	5,000	5,000
<b>Sub Total</b>	<b>108,250</b>	<b>94,281</b>
<b>Total Income</b>	<b>1,080,977</b>	<b>1,088,381</b>
<b>Surplus / (Deficit)</b>	<b>(24,001)</b>	<b>(6,593)</b>