

DUNDEE CITY COUNCIL

REPORT TO: Leisure and Arts Services Committee – 21 March 2005

REPORT ON: Dundee Industrial Heritage Ltd

REPORT BY: Director of Leisure and Arts

REPORT NO: 183-2005

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 2005-2006, and an additional payment drawn from the Council's Quality of Life Fund submission to the Scottish Executive.

2.0 RECOMMENDATION

2.1 That the Committee approves the level of revenue grant funding amounting to £28,704 for the year 2005-2006.

2.2 That the Committee further approves a payment of £32,500 drawn from the Council's Quality of Life Fund submission to the Scottish Executive, as approved in Special Policy and Resources Committee Report No. 67-2003, 20 January 2003.

3.0 FINANCIAL IMPLICATIONS

3.1 The funding recommended, as shown in the Budget at Appendix 1, is £28,704.

3.2 This expenditure will be met from the Leisure and Arts Department's revenue budget 2005-2006.

3.3 The sum of £32,500 has been identified in the Council's submission to the Scottish Executive Quality of Life Fund for the enablement of free access by Dundee school children to Verdant Works.

3.4 The terms and conditions of revenue grant funding will be contained within a Funding Agreement 2005-2006, between Dundee City Council and Dundee Industrial Heritage Ltd.

4.0 LOCAL AGENDA 21 IMPLICATIONS

4.1 Dundee Industrial Heritage's facilities at Discovery Point and Verdant Works allow access to services which are not achieved at the expense of the environment and which are accessible to all.

5.0 EQUAL OPPORTUNITIES IMPLICATIONS

5.1 The organisation's principal activities are the provision of museum and heritage services for all the public, the encouragement of visitors to Dundee, and the safeguarding of the city's rich industrial heritage.

5.2 Additional external funding from the Quality of Life Fund will enable free access by Dundee school children to Verdant Works.

5.3 The Funding Agreement 2005-2006 will contain requirements that Dundee Industrial Heritage Ltd practises equal opportunities in respect of its public and staff.

6.0 MAIN TEXT

- 6.1 Dundee Industrial Heritage Ltd 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 principal 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 to the education of the public.
- 6.2 Admissions in the year were down 3% on the previous year, but catering, letting, retail and car parking income increased. The Gift Aid on Admissions Scheme also produced additional income. A number of cost saving initiatives resulted in further reductions in overheads and administrative costs.
- 6.3 There is a year round programme of events and workshops including weaving, recycling, National Science Week, Indian arts, crafts and drama. Verdant Works also currently holds the Sandford Award for Heritage Education which recognises excellence in educational services at heritage sites.
- 6.4 A business plan has been prepared covering the development of the derelict part of Verdant Works known as the High Mill, as student accommodation. A subsidiary company Verdant Lofts Ltd has been formed to advance this project with the object of producing a new revenue source which will contribute to the ongoing financial viability of Verdant Works.
- 6.5 The benefits gained from the restructuring of the company in the previous financial year continue to produce positive results. This sound financial base now allows the organisation to embark on a number of major projects which will maintain and improve its facilities. These are RRS Discovery restoration, a new gallery "Forgotten Years" and a new auditorium. Heritage Lottery Funding will be sought for the first two, and other Trusts will be applied to for the auditorium. The organisation's capital budget includes a further £80,000 for 2005-2006 which will be funded from internal resources.

7.0 CONSULTATION

- 7.1 The Chief Executive, Depute Chief Executive (Finance), Depute Chief Executive (Support Services) and Assistant Chief Executive (Community Planning) have been consulted on this Report and are in agreement with its contents.

8.0 BACKGROUND PAPERS

- 8.1 None

**STEVE GRIMMOND
DIRECTOR OF LEISURE AND ARTS
25 FEBRUARY 2005**

Budget 2005-2006

(Based on Discovery Point visitors 64,474. Verdant Works visitors 15,617)

	2005/06
Income	
Admissions	283,371
Lettings / Catering	278,356
Retail	163,972
Car Park	115,000
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Total	840,699
Corporate Support / Fundraising	10,500
Direct Costs	310,651
Indirect Costs	696,451
Facility Improvements	24,797
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Net Operating Profit / Loss	(155,903)
Grant Income	
Marketing Grant (ERDF)	52,750
Dundee Heritage Trust Contribution	24,746
DCC Revenue Grant	28,704
DCC Quality of Life Grant	32,500
Friends Donations	2,000
Gift Aid	40,000
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Total Grant	180,700