

## **DUNDEE CITY COUNCIL**

**REPORT TO: ARTS AND HERITAGE COMMITTEE – 20 AUGUST 2001**

**REPORT ON: DUNDEE INDUSTRIAL HERITAGE LTD**

**REPORT BY: DIRECTOR OF ARTS AND HERITAGE**

**REPORT NO: 535-2001**

### **1.0 PURPOSE OF REPORT**

1.1 To provide an update to Elected Members regarding the position of Dundee Industrial Heritage Ltd. (DIH).

### **2.0 RECOMMENDATION**

2.1 It is recommended that Members note the current position regarding Dundee Industrial Heritage Ltd as outlined in the report.

### **3.0 FINANCIAL IMPLICATIONS**

3.1 There are no direct financial implications arising from this report. It is likely however that Dundee Industrial Heritage will seek additional financial support from the City Council to sustain its current operations. This situation will be closely monitored and a further report prepared later in the financial year.

### **4.0 EQUAL OPPORTUNITIES 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 LOCAL AGENDA 21 IMPLICATIONS**

5.1 The organisation's principle activity is the provision of museum and heritage services to the public, to encourage visitors to Dundee, and to safeguard the City's rich industrial heritage.

### **6.0 BACKGROUND**

#### **6.1 Current Position**

6.1.1 Report 365-2001 to the Arts and Heritage Committee on 18 June 2001 outlined Dundee Industrial Heritage Ltd's responsibility for managing premier tourist attractions in Dundee, Discovery Point, Verdant Works and The Old Steeple. The Report noted the difficulties DIH Ltd are now facing. Despite short term restructuring resulting in annual savings of £45,000, the organisation projects a deficit of £28,647 across all functions for 2001/02. This follows an outturn for 2000-2001 which indicated a deficit of £89,129. The Board of Dundee Industrial Heritage Ltd are agreed that this position is unsustainable and have indicated that the closure of Verdant Works is an option that may have to be considered unless a more sustainable revenue equation can be identified.

6.1.2 The Arts and Heritage Committee agreed to remit the Director of Arts and Heritage to work with Dundee Industrial Heritage to further develop a case to the Scottish Executive for financial support, and along with the Director of Finance to progress a solution and report back to committee in due course. In addition the Committee approved grant funding of £26,000 for 2001-2002.

## 6.2 Progress

There has been significant activity over the summer period towards identifying long term solutions to secure the future of Verdant Works and Dundee Industrial Heritage Ltd.

6.2.1 Dundee Industrial Heritage have launched a "Save Verdant" campaign which has so far raised £35,000 to help support the future of Verdant Works. Dundee City Council recess sub-committee agreed to support the campaign with a contribution of £5,000.

6.2.2 Following written approaches to the Deputy Minister for Sport, Arts and Culture, Alan Wilson, from the City Council and Dundee Industrial Heritage, the Deputy Minister met with DIH Ltd and local MSP, John McAllion. The Deputy Minister was supportive of DIH Ltd and has requested further information on the strategic approach by the organisation and support from local partners including the City Council. The Convener of Arts and Heritage has subsequently confirmed the Council's commitment to working with DIH Ltd and has invited the Deputy Minister to visit Dundee to experience the City's cultural renaissance and visit a range of local attractions. The Director of Arts and Heritage is currently in communication with the Deputy Minister's office to arrange an appropriate programme.

6.2.3 Dundee City Council, in conjunction with Scottish Enterprise Tayside and the main Dundee visitor attractions (including DIH Ltd), have recently agreed to appoint consultants "Yellowbook" to undertake a short term exercise to consider opportunities for closer collaboration between local visitor attractions. One focus of the study will be to look at opportunities for sharing resources with a view to reducing operational costs at DIH Ltd and other attraction providers. It is anticipated that the study and recommendations will be available in October/November 2001.

6.2.4 Dundee City Council's commitment to Dundee Industrial Heritage Ltd was further confirmed at a cross-party meeting of elected members with DIH Ltd on 16 August. DIH Ltd were reassured that Dundee City Council acknowledges the important role Discovery and Verdant play in the City's tourism infrastructure and remain committed to working with DIH Ltd to ensure a positive solution.

6.2.5 The cross-party meeting with DIH Ltd again highlighted that the Director of Arts and Heritage and the Director of Finance will continue to work with the organisation to progress a solution and report back to committee in due course.

## 7.0 **CONSULTATION**

The Chief Executive, Director of Support Services, Director of Finance, and Director of Corporate Planning have been consulted on this report and are in agreement with its content.

## 8.0 **BACKGROUND PAPERS**

None.

Director of Arts and Heritage \_\_\_\_\_ Date \_\_\_\_\_