



DRAFT PORTFOLIO HOLDER DECISION NOTICE

PROPOSED INDIVIDUAL DECISION BY THE PORTFOLIO HOLDERS FOR ECONOMIC DEVELOPMENT AND FINANCE & ORGANISATIONAL DEVELOPMENT

TOPIC – RELEASE OF CAPITAL GRANT TO WINCHESTER CATHEDRAL

PROCEDURAL INFORMATION

The Access to Information Procedure Rules – Part 4, Section 22 of the Council's Constitution provides for a decision to be made by an individual member of Cabinet.

In accordance with the Procedure Rules, the Chief Operating Officer, the Chief Executive and the Chief Finance Officer are consulted together with Chairman and Vice Chairman of The Overview and Scrutiny Committee and any other relevant overview and scrutiny committee. In addition, all Members are notified.

If five or more Members from those informed so request, the Leader may require the matter to be referred to Cabinet for determination.

If you wish to make representation on this proposed Decision please contact the relevant Portfolio Holder and the following Democratic Services Officer by 5.00pm on Thursday 16 January 2014.

Contact Officers:

Case Officer: Eloise Appleby, Assistant Director (Economy and Communities), tel 01962 848 181, email eappleby@winchester.gov.uk

Democratic Services Officer: Nancy Graham, Tel: 01962 848 235, ngraham@winchester.gov.uk

SUMMARY

- In 2012, the Chapter of Winchester Cathedral announced an appeal for £19 million to support major repairs, the development of its education facilities and research into the mortuary chests.
- The Council received a letter asking for a contribution of £100,000 over four financial years. This was agreed as part of the annual budget process ([CAB2453](#) – 13 February 2013 refers).
- Officers are preparing a Funding Agreement, based on the Council's standard requirements for project grants. This will include the requirement to

acknowledge in all publicity and promotion of the works the contribution made by the Council. The Cathedral will also be required to communicate regularly with Ward Members, the Portfolio Holder and relevant officers to inform them of project progress.

- Under the Agreement, the Cathedral will also be encouraged to create opportunities to involve and engage a wide cross section of local residents in the project. This would include supporting the Council's ambition to provide more workplace opportunities for jobseekers and encouraging those who have not previously visited the Cathedral – especially from our less privileged neighbourhoods – to discover it for the first time.
- It is proposed to release the first annual payment of £25,000 in early 2014, followed by 3 further payments of £25,000 in future financial years at times to be agreed with the Cathedral, in line with the cashflow requirements of the project.
- The Funding Agreement will set out the dates of the three remaining annual grant payments, with a view to aligning these payments with key project milestones at the Cathedral. Since the contribution to the Cathedral appeal was approved, Chapter has also been successful in securing a Heritage Lottery Grant of £10.5 million which will support the major repairs programme and the creation of three new exhibitions which will enhance its interest as a visitor attraction, helping to sustain revenues over the years to come. The Council has a tradition of seeking to support those organisations which help themselves, and this is clearly a good example.
- Winchester Cathedral is recognised as a cornerstone of Winchester's economic, social and cultural life, and the decision to grant aid the refurbishment programme help to ensure that it continues to fulfil this function for many years to come. As such, the grant will be supporting delivery of all three of community outcomes in the current Winchester District Community Strategy.

PROPOSED DECISION

- a) That approval is given under Financial Procedure Rule 6.4 to incur capital expenditure of £100,000 funded from the Major Investment Reserve, payable in 4 equal annual instalments commencing in January 2014.
- b) That responsibility for the drafting of a Funding Agreement with the Cathedral Chapter be delegated to the Assistant Director (Economy and Communities), in consultation with the Chief Finance Officer, the Head of Legal Services and the Portfolio Holder for Economic Development.

RESOURCE IMPLICATIONS:

The total sum of £100,000 is in the approved Capital Programme over a period of four financial years (CAB2453 refers). The financial implications are shown in the table below.

Cathedral roof appeal	2013/14	2014/15	2015/16	2016/17	Total
	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
Prudential Indicators					
Estimates of Capital Expenditure:					
<u>Non - HRA</u>	25	25	25	25	100
Financed by:					
Major Investment Repairs (MIR)	25	25	25	25	100
Ratio of Financing costs to Net Revenue Stream:					
Non - HRA	0.00%	0.00%	0.00%	0.00%	
Incremental Impact of Capital Investment Decisions					
Increase / (decrease) in Council Tax - Band D	0.00	0.00	0.00	0.00	
Revenue Implications					
<u>Income</u>					
<u>Expenditure</u>					
Revenue Expenditure Funded from Capital Under Statute	25	25	25	25	100
Net Cost of Services	25	25	25	25	100
<u>Financing & Investment Income & Expenditure</u>	negl.	negl.	negl.	negl.	negl.
(Surplus)/ deficit on Provision of Services	25	25	25	25	100
<u>Movement in Reserves</u>					
Major Investment Reserve	25	25	25	25	100

There are no additional implications arising from this Decision Notice.

REASON FOR THE PROPOSED DECISION AND OTHER ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

As indicated above, the Cathedral plays a key role in the life of the Winchester District and wider Hampshire. It is a recognised driver for the visitor economy, and has transformed the 'off peak' winter season over recent years through its popular ice rink and Christmas market. However, it also underpins Winchester's reputation as a fine historic city which encourages businesses to locate themselves here; parents to send their children to study here and creative industries practitioners to cluster in the area. The 'Cathedral effect' permeates throughout the local economy,

in fact. The planned works at the Cathedral will serve to enhance the visitor experience but also to sure up the building for future generations to enjoy and admire.

For many local people, however, the Cathedral is also a concert venue; a setting for exciting community events and spectacles such as Hat Fair and the 2012 live screens, and a venue for meeting friends and family. It is a social and cultural hub for the area, and enjoyed by very many local residents whether they consider themselves to be 'church goers' or not.

Finally, and equally importantly, the Cathedral is one of the finest church buildings in the UK and sits at the heart of the District's impressive line-up of architectural treasures. There is no regular source of funding for Cathedral core costs or running repairs, so the long term health of the building is reliant on external funding to support ambitious repair and development projects such as that now in hand.

At a time when the Council is adopting a new Cultural Strategy ([PHD542](#), published 16 December 2013, refers) there is sound logic to the decision to support the District's most iconic historic buildings.

No alternative options have been considered in this case because match funding was an essential requirement of the Heritage Lottery Fund.

FURTHER ALTERNATIVE OPTIONS CONSIDERED AND REJECTED FOLLOWING PUBLICATION OF THE DRAFT PORTFOLIO HOLDER DECISION NOTICE

n/a

DECLARATION OF INTERESTS BY THE DECISION MAKER OR A MEMBER OR OFFICER CONSULTED

n/a

DISPENSATION GRANTED BY THE STANDARDS COMMITTEE

n/a

Approved by: (signature)

Date of Decision

Councillor Robert Humby – Portfolio Holder for Economic Development

Councillor Stephen Godfrey – Portfolio Holder for Finance & Organisational Development