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**To: Leadership Board**

**On: 19 February 2020**

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**Report by: Chief Executive and Director of Finance and Resources**

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**Heading: Paisley Museum Project: Award of Grant Funding**

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## **1. Summary**

- 1.1 The redevelopment of Paisley Museum and Art Gallery is the signature project of the Paisley Heritage Asset Strategy, approved by the Council in January 2014. In June 2019 the Leadership Board approved the submission of a Round 2 grant application to the National Lottery Heritage Fund (NLHF) for £3.83m towards a total grant award of £4.9m as part of a £42m redevelopment scheme.
  - 1.2 The NLHF Scotland Committee considered the Round 2 funding application at their meeting on 30 November 2019 and approved the award of a grant of £3.83m.
  - 1.3 The purpose of this report is to inform the Board of the successful outcome of the Round 2 grant application to the NLHF. The next steps in the grant application process require the authorisation of the Board to accept the grant award and deliver the project accordingly.
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## **2. Recommendations**

- 2.1. It is recommended that the Board:
    - i. authorises the Chief Executive to accept the National Lottery Heritage Fund (NLHF) Round 2 grant award of £3.83m and coordinate the delivery of the project accordingly.
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### **3. Background**

- 3.1. The redevelopment of Paisley Museum and Art Gallery is the signature project of the Paisley Heritage Asset Strategy, approved by the Council in January 2014. Renfrewshire Council has committed a capital investment of £24.1m to the Paisley Museum project. The vision is to create a visitor experience of international quality, the signature project of Paisley's regeneration strategy, telling the inspirational stories of Paisley, its heritage and its pattern.
- 3.2. In September 2017 the project received a Round 1 grant award from NLHF for £1.06m and the Council authorised the Chief Executive to accept the grant and the associated terms and conditions on behalf of the Council.
- 3.3. In June 2019 the Leadership Board approved the submission of the Round 2 application for £3.83m and on 30 November 2019 NLHF Scotland Committee approved the award.
- 3.4. The Museum project will include:
  - Repair and re-interpretation of all 4 buildings on the site (Museum, Observatory, Transit House and Philosophical Society Building)
  - Full upgrade to all existing galleries
  - Space to host temporary exhibitions and programmable events
  - A new build extension housing a reception area, and a destination café
  - Revitalised and relocated shop
  - Physical access issues and circulation will be resolved ensuring the visitor experience is enjoyed by all visitors and meets their needs
  - Installation of new efficient mechanical and electrical plant systems
  - Landscaped area to the west and rear of the Museum
  - Satisfactory level of interactivity and interpretation of collections for visitors
  - Collections completely redisplayed and reinterpreted throughout the museum, resulting in a 100% increase in the collections on display.

### **4. Approved Project Scope**

- 4.1 The project vision and outcomes are:
  - i. Cultural tourism developed as a result of the internationally recognised Paisley pattern being reconnected with its place
  - ii. Increased economic activity and investment in the town centre
  - iii. Perceptions transformed and civic pride restored
  - iv. Paisley's profile re-established as a creative, innovative, radical place, prepared to think differently, with the museum at its heart
  - v. Local participation in sustained growth and development of the content and activity of the museum, building community confidence and ownership

## 4.2 Full Business Case:

The Full Business Case (FBC) for the 2019 scheme projects 125,000 visits each year, a significant increase from the current low base of 36,500. The overall economic impact of the project on Renfrewshire over 30 years is £79million and will support jobs through capital spending and through revenue and visitor spending.

## 5. Programme

- 5.1 In May 2018 a number of consultant teams were appointed including architects AL\_A and in November 2018 exhibition designers, Opera Amsterdam, were appointed. The Museum closed to the public in September 2018 and the decant of the collections in the museum and library was completed in January 2019. A programme of advance enabling works was completed in July 2019.
- 5.2 In August 2019 the two-year development process came to completion. This phase has involved local community participation in the project. Four local advisory panels have been established (Community, Access, Education and Junior) and the project has worked with over 1,000 individuals over 100 events as part of the co-production process. NLHF have described this as 'sector-leading'.
- 5.3 Construction work is scheduled to begin in 2020 and be completed in 2022/2023.

## 6. Funding Strategy

- 6.1 As previously outlined to the Board, the proposed funding strategy continues to focus on developing and demonstrating the robustness and deliverability of the funding approach. Outlined below is a summary of the funding package as previously agreed with the Board:

<b>Funding Source</b>	<b>Amount</b>	<b>Status</b>
Renfrewshire Council	£24.1m	Secured
National Heritage Lottery Fund	£4.9m	Secured
Scottish Government	£2m	Secured
Historic Environment Scotland	£2m	Not yet secured
Scottish Government (RCGF Grant)	£4m	Secured
Fundraising (private and other grant donations)	£5m	Ongoing

- 6.2 Positive active dialogue continues with Historic Environment Scotland to agree an appropriate timetable for a submission of a grant application for £2m towards the total project costs. It is anticipated that the application will be submitted over the coming months with the outcome known by the end of 2020.

- 6.3 In January 2019 a Capital Appeals Team was established. The team consists of Campaign Director, Fundraising Manager and a Fundraising Executive. The Paisley Museum Reimagined Ltd has now been registered as a charity and trustees appointed. A fundraising strategy has been drafted for approval by the Trustees. The campaign will seek to secure £5 million of the overall funding requirement. The delivery of such campaigns has proved to be a successful element in delivering overall funding arrangements in many similar heritage projects of this nature. It would be intended that this element would include seeking to develop links and opportunities to secure a level of contribution from a UK government level, similar to successes secured by other museum and heritage projects.
- 6.4 This strategy has scoped and assessed £5 million as being a realistic target that would look to be secured over a 2 to 3 year period. It is recognised that campaigns of this nature will operate in a competitive fundraising environment and will carry risk. Ultimately there would be a need for the Council to stand behind the fundraising target should the full net £5 million not be achieved from other sources.
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## **Implications of the Report**

### **1. Financial**

The proposed financial commitment from the Council towards the total project costs of £42 million is £24.1 million which is deliverable from resources already committed by the Council to heritage regeneration projects within Paisley town centre. Should other elements of the funding strategy fail to fully deliver the targeted contributions, in particular the fundraising strategy, there would be a requirement for the Council to build into its financial planning arrangements the impact of meeting the outstanding funding requirement in order to maintain delivery of the full project proposal.

### **2. HR and Organisational Development**

There are significant recruitment requirements for the delivery of the project, the costs of which are incorporated into the overall project budget. The majority of project development and delivery staff have now been recruited.

### **3. Community Planning**

- Our Renfrewshire is thriving – Progressing cultural and heritage-led regeneration projects results in a stimulus to the local economy via contracts won and visitors and user numbers. The Museum project will significantly support the objectives to develop Renfrewshire's economy, including its Town Centres as thriving places, supporting local places, businesses and communities. The project aims to deliver one of the most accessible Museums in the country and run significant programmes to reach audiences irrespective of age or physical, health or financial position.

- Our Renfrewshire is well - The delivery of actions through the Museum project have the potential to positively impact on physical, emotional and mental health and wellbeing. Implementing the project will assist Renfrewshire citizens to have a positive attitude to their community. Museum content will be developed in partnership with communities, ensuring that the Museum has a strong community identity and there will be new roles and opportunities for Museum volunteers.
- Our Renfrewshire is safe - Working in partnership with public and private sector stakeholders and organisations to achieve positive outcomes.
- Reshaping our place, our economy and our future - The Museum project will secure the restoration and productive re-use of town centre buildings which will contribute to supporting growth and sustainable jobs. Increased footfall and the associated increased use of the High Street offers potential benefits to traders, assisting the economy of Paisley Town Centre. The project will contribute to meeting the outcomes of the Community Plan to;
  - i be one of the best locations in Scotland to invest, in terms of its people, businesses and local communities;
  - ii have a growing local economy creating employment for a well trained, qualified and motivated workforce where unemployment is reduced and employment opportunities are growing;
  - iii be the best connected local economy in Scotland, internationally, nationally and regionally; and
  - iv have attractive environments and successful town centres created through successful area regeneration that contributes positively to local community and economic growth.

#### **4. Legal**

A memorandum of understanding is being developed with the Paisley Arts Institute to research fully the ownership of parts of the Museum's collection where clarity is still required. This will also seek to establish clear management arrangements for the Institute's operational needs.

#### **5. Property/Assets**

The project significantly extends and refurbishes Paisley Museum. Future running and maintenance costs have been estimated in the OBC and will be refreshed during the Full Business Case planning, supported by the Council's continued role as the owner of the building and from new revenue streams that will support the future Museum and service.

#### **6. Information Technology**

Provision of ICT infrastructure in the new Museum will require specialist and sophisticated skills and will evolve during the future design phases. The Museum will need to be supported by a robust Collections Management system and web site.

**7. Equality & Human Rights**

The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report because for example it is for noting only. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.

**8. Health & Safety - None**

**9. Procurement**

All commissions will be procured through the appropriate procedures set out in the Council's Standing Orders Relating to Contracts. The Services of the Central Procurement Unit have been engaged to develop a Procurement Strategy for the coming phases of the project if approved

**10. Risk**

The programme actively monitors key risks and issues associated with delivery in accordance with the Council's Project Management Framework. There are inherently significant risks in a project of this scale and nature, around financial assumptions, funding availability and return on investment. Risks are identified and mitigating actions and allowances have been made and will be continually monitored. The work on advancing the project will give particular attention to reducing and mitigating these risks.

**11. Privacy Impact - None**

**12. COSLA Policy Position - None**

**13. Climate Risk** - With cognisance of Historic Environment Scotland's most recent guidance: '*A Guide to Climate Change Impacts: On Scotland's Historic Environment, Our Place in Time, 2019*', the repair and maintenance of Paisley's historic fabric through the Museum project will contribute to the restoration and repair of buildings and will improve the performance of properties over time.

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**List of Background Papers**

- (i) Report to Economy and Jobs Policy Board, 29 January 2014, Paisley Heritage Asset Strategy
  - (ii) Report to Economy and Jobs Policy Board, 11 November 2015, Regeneration of Paisley Town Centre - Paisley Museum
  - (iii) Report to Leadership Board, 8 June 2016, The Regeneration of Paisley Town Centre – Paisley Museum Project
  - (iv) The Paisley Museum : Vision and Masterplan, and Outline Business Case prepared by Metaphor and BOP Consulting.
  - (v) Report to Leadership Board, 30 November 2016, The Regeneration of Paisley Town Centre – Paisley Museum Project
  - (vi) Report to Leadership Board, 20 June 2017, The Regeneration of Paisley Town Centre – Paisley Museum Project
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