

Agenda Item No. 4(g)

**DERBYSHIRE COUNTY COUNCIL**

**MEETING OF CABINET MEMBER – HIGHWAYS, TRANSPORT AND  
INFRASTRUCTURE**

**7 February 2017**

Report of the Strategic Director – Economy, Transport and Communities

**FUNDING FOR CRESWELL CRAGS AND CRESWELL HERITAGE TRUST**

- (1) **Purpose of Report** To seek the Cabinet Member's approval to:
- 1.1 Allocate £38,000 to Creswell Heritage Trust as Derbyshire County Council's contribution to its core funds for the financial year 2016-17.
  - 1.2 Create an earmarked reserve of £75,000 for the purposes of offsetting Derbyshire County Council's future funding contribution to Creswell Heritage Trust's core costs.
  - 1.3 Assist Creswell Heritage Trust in pursuing World Heritage Inscription for Creswell Crags by leading on the process to the point of Technical Review in the autumn/winter 2017.
- (2) **Information and Analysis**

**Core Funding 2016-17**

Derbyshire County Council (DCC) has annually made a core funding contribution to Creswell Heritage Trust (CHT) of £38,000. This funding is matched by Nottinghamshire County Council which gives CHT a total contribution of £76,000 to its core costs.

DCC's contribution comes from the Countryside Service budget which has been significantly reduced over the last three years to meet its share of overall Council budget reductions. As a consequence, 2016-17 is the last financial year that the funds will be available from this source. Nottinghamshire County Council is also under similar budgetary pressures.

**Core Funding 2017-18 to 2019-20**

It became apparent to the end of the 2013-14 financial year that CHT was running at a considerable deficit. If it was not for CHT's reserves and heightened financial contributions from the County Councils, CHT would have become insolvent.

CHT was encouraged by the County Councils to apply for a Transition grant from the Heritage Lottery Fund (HLF). This is funding to assist previous recipients of grants from the HLF to review their structure and operating model to ensure their sustainable future. CHT was successful with its application to the HLF.

As part of the project funded by the Transition grant, the National Trust was commissioned to produce a report setting out how CHT can become a self-reliant financially sustainable entity. The report contained a business plan/strategy that took account of the budgetary pressures faced by CHT's local authority core funders.

The report identifies a range of measures that could assist the Trust in growing its income generating potential such that Derbyshire and Nottinghamshire County Councils core funding contribution would reduce to zero by 2020-21. Each Council, however, would need to contribute £38,000 in 2017-18, £25,000 in 2018-19 and £12,500 in 2019-20 whilst the measures to generate this additional income are implemented. This is a total of £75,500 from each County Council.

To address DCC's core funding contributions, it is proposed that an earmarked reserve is created of £75,000 and to supplement this with £500 from the Countryside Service's revenue budget for 2017-18. This will address the Council's on-going commitment to CHT until the end of the financial year 2019-20. It is not envisaged that DCC will need to contribute to the core costs of CHT beyond this point.

It is proposed that DCC's core funding to CHT from the earmarked reserve is released quarterly against agreed performance criteria and assurance of Nottinghamshire County Council's match funding. It is proposed that the performance criteria are set around:

- CHT's revenue projection to get it to a financially sustainable position; and
- the appropriate stewardship of the site reflecting its historic, natural and geological significance, as well as ensuring health and safety.

At the beginning of December 2016, a new Director started at CHT. Officers from DCC will be working with the new Director to develop Key Performance Indicators (KPI) that can be used to measure progress of the Trust. If progress is on target, it is proposed that funding could be released quarterly over the next three financial years. These KPIs will be reported to the Cabinet Member in the first quarter of the next financial year (2017-18) for approval and progress against these KPIs reviewed and reported annually. Approval for the £500 from the Countryside Service's revenue budget for 2017-18

towards CHT's core costs will also be sought in the first quarter of the next financial year.

### **World Heritage Inscription**

Creswell Crags was included on the United Kingdom's World Heritage tentative list in 2011. The CHT had 10 years from 2011 to pursue inscription onto the United Nations Educational, Scientific and Cultural Organisation (UNESCO's) World Heritage List. So far, CHT has submitted information to a State Party (Central Government) Technical Review. The review identified two weaknesses:

1. The Outstanding Universal Value (OUV) of the site was not clearly articulated.
2. There was no clearly defined buffer zone.

Following the Technical Review, CHT's then Director worked with DCC's Conservation and Design Section to develop a draft buffer zone proposal to support any future Inscription bid. However, this work was halted as the financial problems of CHT became apparent and the Trust needed to focus on this issue rather than pursuing Inscription.

As mentioned, a new Director has recently started at CHT and his focus is on ensuring that the Trust is financially sustainable and is appropriately managing the asset. While this is achievable, it will take all his time over the next year leaving very little time to progress works towards World Heritage Inscription. Unfortunately, the timeframe for developing a bid to UNESCO is now becoming tight. To this end, it is proposed that the newly formed Conservation, Heritage and Design Service (CHaDS) at DCC assists CHT in compiling the information for the next State Party Technical Review in the autumn/winter 2017. It is proposed that CHaDS lead on the process until the next Technical Review.

To be in a position to submit documentation to the next Technical Review the following activities will be required:

- Coordinating and partly funding a delegation from UNESCO Paris to Creswell Crags to explore whether existing and possible new quarrying activities in Derbyshire and Nottinghamshire would preclude Creswell Crag from being considered for inscription. This delegation would also review the preliminary OUV narrative to see if it is significant enough to justify Inscription.
- If UNESCO Paris gives a 'green light', commission a comparative study of other European, particularly Northern European, ice age sites to underpin the uniqueness and significance of Creswell Crags.

- Review the draft buffer zone that was developed by DCC's Conservation and Design Section after the last Technical Review with other partners, including Historic England.
- Compile the OUV narrative.
- Submit Technical Review documentation to the State Party.

World Heritage status will not bring any additional funding to the site. It will, however, help raise the profile of the site nationally and internationally and can be used as a badge of quality. World Heritage Inscription should help underpin any business plan/strategy for the site securing the future of CHT and the appropriate stewardship of the asset.

DCC's Conservation and Design Section and Derwent Valley Mills World Heritage Site Partnership Team are to merge into a new service from 1 April 2017 – the CHaDS. This Service will be ideally placed to support CHT as it will have the archaeological expertise and be familiar with UNESCO's requirements. However, this work will need to be carefully programmed in to ensure that the new Service has the necessary capacity to do this alongside its existing work streams.

If after the next Technical Review CHT is told to develop the inscription documents for submission to UNESCO, then an evaluation will need to be undertaken to see how this can be resourced.

(3) **Financial Considerations** DCC's contribution for this financial year of £38,000 is available from the Countryside Service Revenue budget.

As part of the 2015-16 revenue outturn report, £75,000 was identified for the creation of an earmarked reserve to offset DCC's future core funding contributions to CHT. The funding is currently held in the Economy, Transport and Environment underspend general reserve.

With regards to the DCC contribution to the UNESCO Paris delegation, the County Council has an earmarked reserve of £40,000, as approved by Cabinet on 21 January 2014 (Minute No. 16/14 refers), to assist CHT with the costs of developing a World Heritage Inscription bid. It is proposed that this reserve is used to offset DCC's contribution to the delegation costs. Approval for any expenditure will be the subject of a future Cabinet Member report.

(4) **Social Value Considerations** Creswell Crags is of historic, natural and geological significance. It is also a beautiful recreational resource for the local and wider communities of Derbyshire. The trading arm of CHT provides employment for staff from the local area.

The history, ecology and geology of Creswell Crags are nationally important and understanding its significance at any level, from academic to a general

visitor, enhances a visit to the site. However, that aside, it provides beautiful backdrop for informal recreation.

In preparing this report the relevance of the following factors has been considered: legal, prevention of crime and disorder, equality and diversity, human resources, environmental, health, property and transport considerations.

(5) **Key Decision** No.

(6) **Call-In** Is it required that call-in be waived in respect of the decisions proposed in the report? No.

(7) **Background Papers** Held on file within the Economy, Transport and Environment Department. Officer contact details - Adam Lathbury, ext 39791.

(8) **OFFICER RECOMMENDATIONS** That the Cabinet Member approves:

- 8.1 Core funding of £38,000 for Creswell Heritage Trust for 2016-17 to be met from the Countryside Services Revenue budget, subject to this being matched by Nottinghamshire County Council.
- 8.2 The transfer of £75,000 from the departmental general underspend reserve to a newly created Creswell Heritage Trust earmarked reserve against which future contributions for 2017-18 – 2019-20 can be drawn provided that Creswell Heritage Trust achieves agreed performance targets.
- 8.3 Derbyshire County Council's Conservation, Heritage and Design Service supporting Creswell Heritage Trust in pursuing World Heritage Inscription up until the next Technical Review in autumn/winter 2017.
- 8.4 In principle, funding Derbyshire County Council's contribution to a United Nations Educational, Scientific and Cultural Organisation (UNESCO's) Paris delegation to Creswell Crags from the earmarked reserve that was created to assist Creswell Heritage Trust pursue World Heritage Inscription subject to a further report being presented outlining proposed detailed expenditure.

**Mike Ashworth**  
**Strategic Director – Economy, Transport and Communities**