

Agenda

TOURISM AND LEISURE COMMITTEE



Date:	Thursday, 3 November 2016 at 6:30 pm
Venue:	Town Hall, St Annes, FY8 1LW
Committee members:	<p>Councillor Cheryl Little (Chairman) Councillor Tim Ashton (Vice-Chairman)</p> <p>Councillors Christine Akeroyd, Jan Barker, Brenda Blackshaw, Julie Brickles, Maxine Chew, Richard Fradley, Paul Hodgson, Sandra Pitman, Vince Settle, Raymond Thomas.</p>

Public Platform

To hear representations from members of the public in accordance with council procedure rule 11.
To register to speak under Public Platform: see [Public Speaking at Council Meetings](#).

	PROCEDURAL ITEMS:	PAGE
1	Declarations of Interest: Declarations of interest, and the responsibility for declaring the same, are matters for elected members. Members are able to obtain advice, in writing, in advance of meetings. This should only be sought via the Council's Monitoring Officer. However, it should be noted that no advice on interests sought less than one working day prior to any meeting will be provided.	1
2	Confirmation of Minutes: To confirm the minutes, as previously circulated, of the meeting held on 8 September 2016 as a correct record.	1
3	Substitute Members: Details of any substitute members notified in accordance with council procedure rule 24(c).	1
	DECISION ITEMS:	
4	Lytham Hall Capital Grant Monitoring Report	3 - 42
5	Lowther Gardens Trust – Annual Report and Renewal of Service Level Agreements Including New Subsidy Request	To follow
6	Variation to Licence for Lytham Proms Ltd	44 - 53
7	Approval for Grant Funded Scheme for Implementation of a Health Walk on Blackpool Road North Playing Fields, St Anne's	54 - 61
	INFORMATION ITEMS:	
8	Developing a Policy on Events Including Club Days, Festivals and Concerts	62 - 63

Contact: Lyndsey Lacey-Simone - Telephone: (01253) 658504 – Email: democracy@fylde.gov.uk

The code of conduct for members can be found in the council's constitution at
<http://fylde.cmis.uk.com/fylde/DocumentsandInformation/PublicDocumentsandInformation.aspx>

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DECISION ITEM



REPORT OF	MEETING	DATE	ITEM NO
DEVELOPMENT SERVICES DIRECTORATE	TOURISM AND LEISURE COMMITTEE	3 NOVEMBER 2016	4
LYTHAM HALL CAPITAL GRANT MONITORING REPORT			

PUBLIC ITEM

This item is for consideration in the public part of the meeting.

SUMMARY

The report provides the annual update on the expenditure of the £300,000 capital grant awarded to Lytham Hall in August 2011. It also provides information on the withdrawal of the remaining £1.7 million Heritage Lottery Grant and £1 million commitment from Lancashire County Council which has led to the Restoration Project being postponed.

The report includes concerns that have been raised about the Governance and financial management of the Restoration Project by Heritage Trust for the North West, the amount of external funding the Heritage Trust for the North West has received for Lytham Hall and how the restoration of Lytham Hall will be managed and delivered in the long term.

The Chief Executive of the Heritage Trust for the North West has been invited to the meeting to present further details and address questions from the committee.

RECOMMENDATIONS

1. That the committee determine whether they can be confident that the capital grant awarded to Lytham Hall has being spent in accordance with the Heads of Terms as at April 1st 2012 on the restoration project based on the information and evidence put before them.
2. That the Tourism and Leisure Committee request from the Heritage Trust for the North West that Fylde Council Officers have access to the Moore Stephens Report prepared by the Heritage Lottery Fund for consideration at its next meeting.
3. That the Tourism and Leisure committee are assured that any issues arising from the Moore Stephens report are addressed by the Heritage Trust for the North West.
4. That the Heritage Trust for the North West put in place a clear plan of action to restore Lytham Hall's historic buildings, landscapes and structures to enable Lytham Hall to become a major tourism destination on the Fylde Coast.

SUMMARY OF PREVIOUS DECISIONS

Tourism and Leisure Committee – 7 January 2016

Lytham Hall Progress Report – Coastal Revival Fund

1. To recommend to the Finance & Democracy Committee the approval of a fully funded addition of £47,000 to the Councils 2015/16 Capital Programme towards the restoration of Lytham Hall to be met

from a grant from the Coastal Revival Fund of the same amount.

2. To agree that, subject to approval of the addition to the Capital Programme by the Finance & Democracy Committee as described above, the delivery of the project is to be achieved through the engagement of consultants/contractors and suppliers to deliver the various elements of the project in line with the Councils financial regulations and contract rules and procedures.

3. To recommend to the Finance & Democracy Committee the approval of one single payment of the grant upon the receipt of supporting invoices from Lytham Hall (Heritage Trust North West).

Tourism and Leisure Committee – 12 November 2015

Lytham Hall Capital Grant Monitoring Report

1. To note the capital grant awarded to Lytham Hall is being spent in accordance with the Heads of Terms as at April 1st 2012 on the restoration project and the required monitoring information has been made available.

2. To agree in principle that the Council will act as accountable body for the Coastal Revival Fund project should it be approved by the Department for Communities and Local Government.

Cabinet – 15 January 2014

Lytham Hall Capital Grant Monitoring Report

1. To note that the capital grant awarded to Lytham Hall is being spent in accordance with the Heads of Terms (as at April 1st 2012) on the restoration project and that the required monitoring information has been made available.

2. To note the offer of the tour of Lytham Hall with any interested members contacting Darren Bell who will organise a visit to the venue through the Project Manager to see the latest development work and future plans.

Cabinet – 27 June 2012

Lytham Hall Capital Grant Monitoring Report

1. To note that the capital grant awarded to Lytham Hall is being spent in accordance with the Heads of Terms as at April 1st 2012 on the restoration project and that the required monitoring information has been made available.

2. To request that a further capital monitoring report at the end of the current financial year 2012/13 to ensure the grant continues to be spent in accordance with the Heads of Terms and to confirm that the restoration project remains on target.

3. To take up the offer of a tour and presentation of the Hall as part of the monitoring process and extend the invitation to any other elected members that wish to attend.

Cabinet – 28 June 2011

Lytham Hall

RESOLVED to confirm the acceptability of the additional information received from Heritage Trust for the North West on the restoration project for Lytham Hall, and that the financial support committed by the Council be released subject to the receipt of the capital receipt referred to in the report.

Council meeting – 28 March 2011

Reports from Committees; 2 - Cabinet

“1. To agree the recommendation of Cabinet in principle, to a capital grant of £300,000 being made to the Heritage Trust for the North West for the Lytham Hall restoration fund, subject to further detailed information being available to the council on:

- a) financial arrangements for the appeal fund
- b) public access
- c) project timetable
- d) other funding contributions

2. Recommendation 1 to be subject to the receipt of an equivalent additional capital receipt being identified in the council’s capital programme.”

Cabinet – 23 March 2011

Capital Funding Request

1. That, the Cabinet agrees, in principle, to a capital grant of £300,000 being made to the Heritage Trust for the North West for the Lytham Hall restoration appeal conditional upon the successful sale of Clifton (Lytham) Housing Association Ltd and the council receiving the capital receipt.

2. That the Council be recommended to agree an addition to the capital programme in accordance with recommendation 1, to be fully funded from the Clifton (Lytham) Housing Association sale receipt.

3. To disapply the recovery and call-in procedure as a consequence of the need to refer this matter to a meeting of the full Council.

CORPORATE PRIORITIES	
Spending your money in the most efficient way to achieve excellent services (Value for Money)	√
Delivering the services that customers expect of an excellent council (Clean and Green)	√
Working with all partners (Vibrant Economy)	√
To make sure Fylde continues to be one of the most desirable places to live (A Great Place to Live)	√
Promoting Fylde as a great destination to visit (A Great Place to Visit)	√

REPORT

1. Lytham Town Trust own Lytham Hall and lease it to the Heritage Trust for the North West on a 99 year lease. The Heritage Trust for the North West manage Lytham Hall on a full repairing lease on behalf of the Lytham Town Trust.

2. In August 2011¹ the Council agreed to pay a one off capital grant of £300,000 to Lytham Hall to support the Heritage Lottery Fund (HLF) Restoration Project. This included restoration of the historic buildings and landscapes; sustaining investment in the long term through delivery of a management and maintenance plan; and increasing the use and footfall of the facility through the delivery of an activity development plan, to ensure the continued accessibility of Lytham Hall and associated Country Park.
3. In accordance with the Heads of Terms agreed as a requirement of the capital grant an annual monitoring report is submitted to the Council and financial records made available for inspection. This is the fourth monitoring report that has been produced.
4. Following the payment of the £300,000 grant from Fylde Council a copy of the financial accounts of the Heritage Trust for the North West (HTNW), the company which is managing the Lytham Hall restoration project (along with a number of restoration projects in the North West of England) has been received. Lytham Hall was awarded grant of £2.441m from the Heritage Lottery Fund, along with the capital grant from Fylde Borough Council of £300,000, towards the total project cost of £5.984m. Table 1 details the sources of funding originally anticipated which make up the total scheme budget of £5.984m. In March 2013 the Heritage Lottery Fund gave the Trust permission to commence the scheme.

Table 1 – Sources of funding for Lytham Hall

Source	Original target amount £	Amount received £
Heritage Lottery Fund	2,441,200	716,869
Lancashire County Council	1,000,000	0
Fylde Borough Council	300,000	300,000
Lytham Town Trust	100,000	0
Lancashire Environmental Fund	40,000	40,000
Veolia	28,828	28,828
Charitable Trust Donations		
Getty Trust	50,000	50,000
Pilgrim Trust	25,000	0
Monument Trust	200,000	200,000
Country Houses Foundation	96,000	28,800
Volunteer contribution	633,000	See note below
Non cash contributions	197,520	0
Public Appeal/Fundraising	115,000	115,000
Further donations	249,025	36,287
Heritage Trust for the North West	508,864	241,320
Totals	£5,984,437	£1,757,104

Volunteer time amounting to £633,000 and gifts in kind totalling £109,691 were claimed @ 41% as part of the £716,869 HLF grant.

5. Within the Heritage Trust for the North West's unaudited financial statement for the year ended 31st March 2015 (see appendix 1A) the accounts show (page 20) Fylde Council's grant as deferred income with £268,512 remaining at 31st March 2014 and £131,108 remaining of Fylde's contribution on 31st March 2015. A copy of the audited report and financial statement for the

¹ The decision in principle to make the grant was agreed by members in March 2011 with the agreement entered into to pay the grant in August 2011.

year ended 31st March 2015 has been requested and will be circulated prior to the meeting as appendix 1B if they become available.

6. Since the [last monitoring report in November 2015](#) at which significant progress was being reported with the restoration of the Historic Hall and Grounds the scheme has suffered a significant setback with the announcement in August 2016 that the Heritage Lottery Fund had withdrawn its remaining grant of £1.7 million pounds (see Appendix 2 - Heritage Trust for the North West Press Release).
7. Following the announcement in August 2016 the Council have undertaken a preliminary review of the situation to ascertain:
 - It was noted that Lancashire County Council has withdrawn its original in principle pledge contribution to invest £1m in the refurbishment of Lytham Hall. What are the reasons for this?
 - Why the Heritage Lottery Fund has withdrawn the £1.7m grant?
 - What the Council's £300,000 match fund contribution has been spent on and what remains?

HERITAGE LOTTERY FUND

8. Officers have contacted Susan Bowers the Heritage Lottery Funds Deputy Director of Operations to ascertain the reason for the Heritage Lottery Fund retracting the grant. Susan Bowers confirmed that in April 2016 the Heritage Trust for the North West re-applied to the Heritage Lottery Fund to consider reducing the scale of the project. The reason behind this was that the Heritage Trust North West did not have the required match funding for the approved Heritage Lottery grant.
9. The case was taken back to the Heritage Lottery Board who refused the reworked application on the grounds that they were concerned about the financial viability of the Scheme.
10. The original project consisted of works to the building and works to the grounds. The HLF is satisfied that the works to the grounds have been done. However the works to the hall have not. The HLF will provide feedback to the Heritage Trust for the North West after taking stock and investigating what has been completed to date to determine if it complies with the grant conditions.
11. The HLF has commissioned a governance report by Moore Stephens (an accounting consultancy working on behalf of the HLF) that officers have requested a copy of from Heritage Trust for the North West. The HLF has not ruled out future applications in relation to Lytham but have decided to close down the existing project and then the next steps will be for Heritage Trust for the North West to decide how it wants to progress.

FYLDE BOROUGH COUNCIL'S £300K MATCH FUND CONTRIBUTION

12. The Chief Executive for the Heritage Trust for the North West (Mr John Miller) has been asked for a breakdown of where and how Fylde Council's financial contribution has been spent with supporting evidence.
13. Mr Miller's response is that 'Fylde Borough Council's contribution has been used to match the contribution from the HLF of £716,869 (41% of expenditure incurred of £1,757,104). At 31 March 2016 virtually all the £300,000 contribution from Fylde Council had been spent'. Mr Miller stated that HTNW is waiting for the HLF to close down the project and once this is done a full audited statement can be forwarded to Fylde Council. Mr Miller will be attendance at the meeting to outline in more details how the grant from Fylde Council has been spent

LANCASHIRE COUNTY COUNCIL'S £1 MILLION CONTRIBUTION

14. On the 6th March 2013 Lancashire County Council wrote to the Chief Executive of the Heritage Trust North West (see Appendix 3 Lancashire County Council Financial Support for the Heritage Trust North West) regarding the decision taken by LCC to, in principle, provide additional loan guarantee, a £1 million investment into Lytham Hall and to provide revenue funding for the operational costs of the Heritage Trust North West. In order for the decisions set out above to be implemented a number of actions needed to be undertaken by the Heritage Trust North West including the drafting of a Development Plan.
15. On 7th July 2015 Mr Miller attended a meeting concerning the withdrawal of the pledge by Lancashire County Council to provide a grant of £1million for Lytham Hall. The Heritage Trust for the North West subsequently wrote to Lancashire County Council requesting confirmation of the withdrawal of funds.
16. Lancashire County Council's Chief Executive confirmed to Sara Hilton from the Heritage Trust North West that it was HTNW's inability to meet LCC's reasonable conditions that led to the delay in this project and that it is failure of the Trust's Board to come forward, as requested, with a clear plan for disposal of properties and other options for raising funding to close the financial gap that has led to the current position.
17. On the other hand the Chief Executive for the Heritage Trust for the North West (Mr John Miller) has stated that the Trust proposed to borrow funds from the Architectural Heritage Fund and asked LCC to act as the guarantor. LCC understandably required some security and asked the Trust to agree a Disposal Strategy. This was produced by Petty's Estate Agents and approved by the Trustees of HTNW. Subsequently the Trust did not need to ask LCC to act as guarantor and therefore there was no need to comply with the request. LCC has subsequently accepted this when it agreed (3 years later) to offer an unconditional grant of £300,000 for the project (see paragraph 22 below).

LYTHAM TOWN TRUST

18. The Chairman of Lytham Town Trust, David Gill and Stanley Kitt, who is also a member of Lytham Town Trust and an ex-Trustee of the Heritage Trust for the North West, have raised a number of concerns about the Heritage Trust for the North West which require further clarification. These are:
 - Governance of the Heritage Trust for the North West
 - Financial Management of the Heritage Trust for the North West
 - The amount of external funding support the Heritage Trust for the North West have received for Lytham Hall
19. The Chief Executive of the Heritage Trust for the North West (Mr John Miller) was asked for a list of Trustees, the number of occasions the Trustees meet and how Trustees are appointed (see appendix 4 Governance information).

HERITAGE TRUST FOR THE NORTH WEST PROPOSED WAY FORWARD

20. The Trustees of HTNW intend to apply for the new HLF Resilient Heritage Grant (just announced) to help the Trustees to put forward a robust business case for Lytham Hall. When this is complete the HTNW intends to submit a new application to the HLF taking into consideration recent developments and ideas for an improved scheme. Other funding partners have expressed an interest in a new application that HTNW will be approaching for support.

SUMMARY

21. In summary it is difficult to reach a conclusion as to whether the capital grant awarded to Lytham Hall has been spent fully in accordance with the Heads of Terms based on the evidence supplied through the preliminary review, further work is required to gain a full picture of the situation. Mr Miller has reassured the council on a number of occasions through the annual monitoring report and onsite presentations that the grant has been spent in accordance with the Heads of Terms, and these assurances have been accepted. In light of recent events, Mr Miller has been requested to provide further information, in writing, to substantiate previous information provided. These assurances have been promised but remain outstanding at this point. Mr Miller will be in attendance at the meeting to provide an update on the spend of the whole project to date and the outcomes that have been achieved. The Heritage Lottery Fund has engaged Moore Stephens to carry out a governance report on the project and the findings should assist with a way forward for the restoration of Lytham Hall.
22. The Heritage Lottery Fund has stated it has not ruled out further financial support for Lytham Hall. Lancashire County Council has offered £300k in match funding to support the reworked application in April 2016. The issues around the governance and financial management of the Heritage Trust for the North West require further understanding. The major funders and supporting organisations including Lytham Town Trust, Fylde Council, Lancashire County Council and the Heritage Lottery Fund will continue to meet with the Heritage Trust for the North West to establish a way forward for the project. The Chief Executive of the Heritage Trust for the North West has stated that the Trustees of HTNW are fully committed to see the project through. The present set-back affords opportunities to review the work to ensure Lytham Hall is a sustainable, accessible facility enjoyed by all.

IMPLICATIONS	
Finance	<p>In August 2011 Fylde Council agreed a capital sum of £300k to support the Lytham Hall Heritage Restoration Project, which was paid in 2011/12.</p> <p>The latest unaudited accounts of the Heritage Trust for the North West (at 31 March 2015) show that at that date a sum of £131,108 of this grant remained unspent. It is anticipated that within the 2015/16 accounts this figure will be significantly reduced to reflect the additional expenditure incurred since March 2015.</p>
Legal	None at this stage
Community Safety	None
Human Rights and Equalities	None
Sustainability and Environmental Impact	None
Health & Safety and Risk Management	None

LEAD AUTHOR	TEL	DATE	DOC ID
Darren Bell	01253 658465	16 th October 2016	

LIST OF BACKGROUND PAPERS		
Name of document	Date	Where available for inspection
T & L committee agenda & minutes	7 January 2016	CMIS > Meetings Calendar
T & L committee agenda & minutes	12 November 2015	CMIS > Meetings Calendar
Cabinet agenda & minutes	15 January 2014	CMIS > Meetings Calendar
Cabinet agenda & minutes	27 June 2012	CMIS > Meetings Calendar
Cabinet agenda & minutes	28 June 2011	CMIS > Meetings Calendar
Council agenda & minutes	28 March 2011	CMIS > Meetings Calendar
Cabinet agenda & minutes	23 March 2011	CMIS > Meetings Calendar

Attached documents

1. (A) Heritage Trust for the North West – Report of the Trustees and unaudited financial statement for the year ended 31/3/15
(B) Heritage Trust for the North West – Report and financial statements for the year ended 31/3/15 (to follow)
2. Heritage Trust for the North West – Press release August 2016
3. Letter from Lancashire County Council to Heritage Trust for the North West regarding financial support for Lytham Hall
4. Governance information in relation to Heritage Trust for the North West

Company Number 01397038
Charity No: 508300

HERITAGE TRUST FOR THE NORTH WEST
(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENT

For the year ended 31st March 2015

Ainsworths Limited
Chartered Accountants
and Statutory Auditors
Charter House
Stansfield Street
Nelson
Lancashire
BB9 9XY

Telephone No: 01282 695111
Fax No: 01282 697734

**HERITAGE TRUST FOR THE NORTH WEST
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT AND FINANCIAL STATEMENTS
For the year ended 31st March 2015**

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**HERITAGE TRUST FOR THE NORTH WEST
(A COMPANY LIMITED BY GUARANTEE)**

TRUSTEES AND OFFICERS

For the year ended 31st March 2015

TRUSTEES (DIRECTORS)

L E Stanworth (Chairman)
M J R Bannister (Vice Chairman)
M F W Blundell
G A Burras
L G Coop
Dr. S A Harrop
M R B Johnstone
S C Kitt
J F D Pierce
D Tattersall
J Turner

COMPANY SECRETARY

E M J Miller

BANKERS

The Co-operative Bank plc
PO Box 101
1 Balloon Street
Manchester
M60 4EP

REGISTERED OFFICE

Park Hill
Barrowford
Nelson
Lancashire
BB9 6JQ

COMPANY NUMBER

01397038

CHARITY NUMBER

508300

AUDITORS

Ainsworths Limited
Chartered Accountants
and Statutory Auditors
Charter House
Stansfield Street
Nelson
Lancashire
BB9 9XY

**HERITAGE TRUST FOR THE NORTH WEST
(A COMPANY LIMITED BY GUARANTEE)**

TRUSTEES' REPORT

For the year ended 31st March 2015

The trustees present their annual report and the audited financial statements for the year ended 31st March 2015.

CORPORATE STATUS

The company was incorporated under the Companies Act on 31st October 1978 under the name Lancashire Heritage Trust Limited. The company is a private company limited by guarantee and not having a share capital, exempted by the Secretary of State from the requirement to use the word "limited" in its name. The liability of each member is limited to an amount not exceeding £1.

The company was registered as a charity on 14th December 1978 under the provisions of the Charities Acts (Charity number: 508300).

TRUSTEES

The trustees who served during the year were as follows:

L E Stanworth (Chairman)	M R B Johnstone
M J R Bannister (Vice Chairman)	S C Kitt
M F W Blundell	J F D Pierce
G A Burras	D Tattersall
L G Coop	J Turner
Dr. S A Harrop	

PRINCIPAL ACTIVITIES AND REVIEW OF THE YEAR

The principal activities of the company are to promote and preserve for the benefit of the people of the North West of England and of the nation at large, whatever of the English historical, architectural, natural, social or scientific heritage which may exist in or near to the aforesaid region, and to advance the education and the cultural development of the public in these matters, and to undertake such other charitable activities as may benefit the inhabitants of or visitors to the area. The company has also established various trading activities designed to enhance and subsidise the charitable activities of the trust.

REVIEW OF THE WORK OF HERITAGE TRUST FOR THE NORTH WEST 2014/15

In the past year the company has undertaken the restoration of three buildings at risk:

Lomeshaye Bridge Mill (Whitefield Conservation Area, Nelson)
Bank Hall, Bretherton, Chorley (Grade II*)
Lytham Hall (Grade I)

LOMESHAYE BRIDGE MILL, NELSON, LANCASHIRE

Barnfield Construction were appointed by competitive tender as the main contractor, and the trust's building construction company acted as subcontractor making 78 windows, re-pointing the exterior, roof repairs and some internal works. Work commenced in October 2014 and at the year end was nearly complete. The project was awarded a grant of £760,000 from the Heritage Lottery Fund Townscape Heritage Initiative. The Architectural Heritage Fund agreed a loan of £100,000 to assist with the cash flow, which has been repaid.

**HERITAGE TRUST FOR THE NORTH WEST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)
For the year ended 31st March 2015**

BANK HALL, BRETHERTON, CHORLEY, LANCASHIRE (GRADE II* BUILDING AT RISK)

It was hoped that work would commence in the Autumn of 2014, but the complex legal agreements between five partners have created delays. The work is being funded by the Heritage Lottery Fund who awarded an increase in the grant in December 2014, and by the proceeds of Enabling Development. Urban Splash has been appointed the trust's preferred developer. The trust's role will be to act as facilitator and be responsible for the management of the site after completion.

LYTHAM HALL, LYTHAM ST ANNES, FYLDE (GRADE I BUILDING AT RISK)

This is by far the most complex of the three projects. The first phase, the restoration of the South Prospect Garden is complete. This forms part of the 78 acres of Registered Parkland. Work has included the restoration of a 17th century Prospect Mount, a Grade II Listed brick wall, a 19th century Parterre, felling of 300 trees in woodland which had been neglected for over 100 years to reveal specimen trees and the original garden footprint, and reinstate original paths.

The next phase is the restoration of the exterior of the Hall. This will involve reroofing, repairs to the windows, the brick work and removal of paint from the stonework.

A Project Manager, an Activity Plan Officer, and a Volunteer and Training Co-ordinator have been appointed. One of the hallmarks of the project has been the number of volunteers involved, many undertaking professional tasks.

OTHER ACTIVITIES

The company has continued to operate Pendle Heritage Centre, its flagship project established in 1978. The company no longer receives any revenue support from Pendle Borough Council and is developing plans to generate more income from the site to ensure it is sustainable. A separate limited company has been established, and currently awaits registration as a charity.

VOLUNTEER CONTRIBUTIONS

The company relies on voluntary help for many of its activities. Based on the Heritage Lottery Fund's formula to quantify volunteer contributions, the amount in monetary terms in the year ending 31st March 2015 was £956,166 (2014: £944,328).

EXTERNAL COMMITTEES

The Chief Executive has continued to represent the company on a number of external panels. These include the Manchester Historic Buildings and Conservation Area Committee and the National Committee of the Association of Preservation Trusts (APT) and the NW and South Pennines branch of APT.

SUBSIDIARY COMPANY RESULTS

As stated in Note 9, the trust operates two trading subsidiaries; L.H.T. Enterprises Limited and Conservation Services NW Limited. The results for the year are set out in Note 9. During the year management charges of £71,660 (2014: £18,765) and £54,311 (2014: £9,091) were received from L.H.T. Enterprises Limited and Conservation Services NW Limited respectively. The trustees considered the results to be satisfactory.

RELATED PARTIES

Heritage Trust for the North West owns 100% of two subsidiaries; L.H.T. Enterprises Limited, Conservation Services NW Limited and exerts dominant trustee influence over a further two subsidiaries; Greater Manchester Building Preservation Trust Limited and Cumbria Building Preservation Trust Limited. The five companies work together in pursuit of the charities objectives.

**HERITAGE TRUST FOR THE NORTH WEST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)
For the year ended 31st March 2015**

METHOD OF APPOINTMENT/ELECTOR

The trustees have the power to appoint/elect new trustees.

RESERVES

The trustees believe the new asset position is sufficient for the future needs of the company. However, these levels are to be reviewed annually.

RISK MANAGEMENT

The trustees have assessed the major risks to which the charity is exposed, in particular those related to the operation and finance of the company, and are satisfied that systems are in place to mitigate our exposure to major risks.

FINANCIAL STATEMENTS

The accounts for the year ended 31st March 2015 are appended herewith. There were net outgoing resources for the year of £438,371 (2014: Net incoming resources £128,522).

BRANCHES

Bank Hall Action Group has continued to support the company's efforts to save Bank Hall and Heysham Heritage Association has supported the company's efforts to maintain a Heritage Centre in Heysham Village.

The above groups are disclosed as being branches of the main charity. Each individual entity holds a separate bank account. The funds held are not included within the accounts as they are immaterial.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the financial statements in accordance with applicable law and United Kingdom accounting standards.

Company law requires the trustee directors to prepare financial statements for each financial year which give a true and fair view of the financial position of the company during the year and of its financial position at the end of the year. In preparing those financial statements, the trustee directors should follow best practice and:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The trustee directors are responsible for keeping proper accounting records which disclose with reasonable accuracy the financial position of the company and which enable them to ascertain their financial position and to ensure that the financial statements comply with the Companies Act 2006 and the Charities Act 2011 and regulations thereunder. They are also responsible for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the trustees are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each trustee director has taken all the steps that he or she ought to have taken as a trustee director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**HERITAGE TRUST FOR THE NORTH WEST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)
For the year ended 31st March 2015**

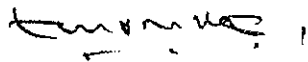
SMALL COMPANY EXEMPTIONS

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

CHARITY REQUIREMENTS

This report has been prepared in accordance with requirements set down by the SORP 2005.

By Order of the Board



E M J MILLER – Company Secretary

Date: 4th March 2016

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

HERITAGE TRUST FOR THE NORTH WEST (A COMPANY LIMITED BY GUARANTEE)

For the year ended 31st March 2015

We have audited the group financial statements of Heritage Trust for the North West for the year ended 31st March 2015 on pages 8 to 24 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the Trustees' Responsibilities Statement set out on page 4, the trustees' (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs and of the group as at 31st March 2015 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with the United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities;
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
HERITAGE TRUST FOR THE NORTH WEST (continued)
(A COMPANY LIMITED BY GUARANTEE)**

For the year ended 31st March 2015

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the trustees' report.

Ian Dugmore (Senior Statutory Auditor)
for and on behalf of Ainsworths Limited
Chartered Accountants and
Statutory Auditors
Charter House
Stansfield Street
Nelson
Lancashire
BB9 9XY

Date: 4th March 2016

HERITAGE TRUST FOR THE NORTH WEST
(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
For the year ended 31st March 2015

	Note	Unrestricted Funds	Restricted Funds	Total Funds 2015	Total Funds 2014
		£	£	£	£
INCOMING RESOURCES					
Activities in the furtherance of the charity's objects:-					
Revenue grants received		1,305,618	3,057	1,308,675	440,491
Capital grants received		6,818	-	6,818	-
UK investment income:-					
Rents received		120,806	-	120,806	105,156
Interest received		3	-	3	-
Other incoming resources:-					
Trading activities		726,132	-	726,132	273,853
Services provided		78,730	-	78,730	60,424
Activity income		65,460	-	65,460	68,014
Donations		21,534	7,121	28,655	103,905
Other income		14,413	-	14,413	16,464
TOTAL INCOMING RESOURCES		2,339,514	10,178	2,349,692	1,068,307
RESOURCES EXPENDED:					
Cost of activities in furtherance of the charity's objects					
	2	219,868	3,041	222,909	156,380
Trading and other activity costs	2	996,045	-	996,045	576,954
Governance costs	2	159,187	4,032	163,219	154,151
Finance costs		81,643	-	81,643	52,300
TOTAL RESOURCES EXPENDED	3	1,456,743	7,073	1,463,816	939,785
NET INCOMING/(OUTGOING) RESOURCES FOR THE YEAR		882,771	3,105	885,876	128,522
GAINS ON INVESTMENTS					
Revaluation of fixed assets investments		15,000	-	15,000	-
Impairment of fixed assets investments		-	(1,339,247)	(1,339,247)	-
NET MOVEMENT IN FUNDS		897,771	(1,336,142)	(438,371)	128,522

**HERITAGE TRUST FOR THE NORTH WEST
(A COMPANY LIMITED BY GUARANTEE)**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
For the year ended 31st March 2015**

	Note	Unrestricted Funds	Restricted Funds	Total Funds 2015	Total Funds 2014
		£	£	£	£
NET MOVEMENT IN FUNDS		897,771	(1,336,142)	(438,371)	128,522
Transfers between funds		5,140	(5,140)	-	-
		902,911	(1,341,282)	(438,371)	128,522
TOTAL FUNDS brought forward		1,321,607	1,457,733	2,779,340	2,650,818
Reclassification transfers		(49,743)	49,743	-	-
TOTAL FUNDS carried forward	17	2,174,775	166,194	2,340,969	2,779,340

There are no acquisitions or discontinued operations in the year.

There are no other recognised gains or losses other than those shown in the Statement of Financial Activities.

**HERITAGE TRUST FOR THE NORTH WEST
(A COMPANY LIMITED BY GUARANTEE)**

**BALANCE SHEETS
31st March 2015**

	Note	Group		Company	
		2015	2014	2015	2014
		£	£	£	£
FIXED ASSETS					
Tangible assets	5	38,465	23,619	22,521	7,954
Heritage assets	6	1,245,321	1,234,440	1,261,926	1,251,045
Investment property	7	3,385,567	3,890,803	3,408,943	3,914,179
Investments in subsidiaries	9	-	-	501	501
		<u>4,669,353</u>	<u>5,148,862</u>	<u>4,693,891</u>	<u>5,173,679</u>
CURRENT ASSETS					
Stocks	10	25,748	32,817	18,318	18,546
Debtors	11	276,650	185,648	228,319	144,846
Cash at bank and in hand		<u>53,459</u>	<u>1,053</u>	<u>52,709</u>	<u>488</u>
		355,857	219,518	299,346	163,880
CREDITORS: Amounts falling due within one year	12	<u>(2,237,424)</u>	<u>(1,426,205)</u>	<u>(2,161,662)</u>	<u>(1,356,802)</u>
NET CURRENT LIABILITIES		<u>(1,881,567)</u>	<u>(1,206,687)</u>	<u>(1,862,316)</u>	<u>(1,192,922)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,787,786	3,942,175	2,831,575	3,980,757
CREDITORS: Amounts falling due after more than one year	13	(428,103)	(1,144,468)	(428,103)	(1,144,468)
Provision for liabilities and charges	14	<u>(18,714)</u>	<u>(18,367)</u>	<u>(18,714)</u>	<u>(18,367)</u>
NET ASSETS		<u>2,340,969</u>	<u>2,779,340</u>	<u>2,384,758</u>	<u>2,817,922</u>
FUNDS					
Restricted	16a	166,194	1,457,733	163,137	1,457,733
Unrestricted	16b	1,481,379	643,211	1,528,225	681,793
Revaluation reserve	16b	<u>693,396</u>	<u>678,396</u>	<u>693,396</u>	<u>678,396</u>
	17	<u>2,340,969</u>	<u>2,779,340</u>	<u>2,384,758</u>	<u>2,817,922</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Trustees on 4th March and were signed on its behalf by:



L E Stanworth
(Chairman)

**HERITAGE TRUST FOR THE NORTH WEST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st March 2015**

1. ACCOUNTING POLICIES

a) *Basis of accounting*

The financial statements have been prepared under the historical cost convention and comply with the Statement of Recommended Practice "*Accounting by Charities*" and applicable accounting standards and Statement of Recommended Practice 2005. The particular accounting policies adopted by the trustees are described below.

The Trust has taken advantage of the provisions of section 474(1) of the companies Act 2006 and has prepared an income and expenditure account instead of a profit and loss account.

As a small company, the Trust has taken advantage of the exemption from preparing a cash flow statement.

The accounts are prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

b) *Basis of consolidation*

The consolidated accounts of the group incorporate the accounts of the company and its subsidiaries, LHT Enterprises Limited, Conservation Services NW Limited, Greater Manchester Building Preservation Trust Limited and Cumbria Building Preservation Trust Limited. The results of trading activities of the subsidiaries are summarised in the Consolidated Statement of Financial Activities.

c) *Incoming resources*

All income is accounted for on a receivable basis, and stated after trade discounts and VAT.

Specific grants received for the purchase and/or improvement of fixed assets are accounted for as restricted funds when receivable.

d) *Expenditure*

Expenditure is classified under the principal categories set out in the Statement of Recommended Practice.

Management and administration costs are those incurred in connection with the management of the company's assets, organisational administration and compliance with constitutional and statutory requirements.

e) *Fund accounting*

General funds are available for use at the discretion of the trustees in furtherance of the general objectives of the company.

Designated funds are those which have been set aside at the discretion of the trustees for specific purposes. The purpose and use of the designated funds are set out in the notes to the financial statements.

Restricted funds are funds subject to specific restriction imposed by donors or by the purpose of the appeal in which the funds are raised.

f) *Investment properties*

In accordance with SSAP 19, no depreciation or amortisation is provided in respect of freehold or leasehold investment properties. This is a departure from the requirements of the Companies Act 2006, which requires all properties to be depreciated. In the opinion of the trustees this departure is necessary for the financial statements to give a true and fair view in accordance with the applicable accounting standards, as properties are included in the financial statements at their open market value.

**HERITAGE TRUST FOR THE NORTH WEST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31st March 2015**

1. ACCOUNTING POLICIES continued

g) *Other tangible fixed assets*

Tangible fixed assets are capitalised at their purchase price.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Capital projects and tenants improvements	10/25% on net book values
Plant, fixtures and fittings	20% on net book values
Motor vehicles	25% on net book values

h) *Heritage assets*

The company's collection of Heritage Centres and Historic Visitors Centres are included in the accounts at their market value. The assets are held in the support of the Charity's primary objective of promoting and preserving historical buildings and construction techniques.

Depreciation is not provided against Heritage Assets in line with FRS 30.

i) *Investments*

The financial statements reflect bank interest receivable during the year. Credit is taken for interest accrued but not received at the balance sheet date.

j) *Stocks*

Stocks are valued at the lower of cost and net realisable value.

k) *Repair fund*

A provision equivalent to 5% of the costs incurred to date on Park Hill is to be set aside each year to provide for the ongoing maintenance and repair of buildings on the site.

l) *Pension costs*

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions payable for the year are charged in the profit and loss account.

m) *Taxation*

The company is a registered charity and is therefore exempt from Income Tax and Corporation Tax under the provisions of Section 505(1) of the Income and Corporation Taxes Act 1988.

**HERITAGE TRUST FOR THE NORTH WEST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31st March 2015**

2. RESOURCES EXPENDED

	Charitable objectives		Trading & other activity		Governance		Total	Total
	Unrestricted	Restricted	Unrestricted	Restricted	Unrestricted	Restricted	2015	2014
	£	£	£	£	£	£	£	£
Preservation and maintenance heritage property	202,700	3,041	-	-	-	-	205,741	117,690
Cost of sales and service delivery	-	-	372,478	-	-	-	372,478	-
Staff wages and nic	-	-	468,891	-	120,637	4,032	593,560	535,108
Rent and rates	-	-	9,278	-	-	-	9,278	6,735
Light and heat	4,235	-	35,260	-	-	-	39,495	34,531
Insurance	-	-	41,823	-	853	-	42,676	44,694
Telephone	-	-	7,285	-	-	-	7,285	8,321
Motor expenses	-	-	19,614	-	1,488	-	21,102	22,004
Travelling expenses	-	-	-	-	1,119	-	1,119	2,166
Advertising and publicity	-	-	60	-	-	-	60	2,457
Postage, printing and stationery	-	-	-	-	4,708	-	4,708	4,715
Equipment hire	4,307	-	390	-	-	-	4,697	15,202
Repairs and renewals	7,060	-	7,784	-	-	-	14,844	37,521
Cleaning expenses	-	-	6,696	-	-	-	6,696	8,346
Security costs	-	-	6,389	-	-	-	6,389	2,297
Trade subscriptions and licences	-	-	-	-	2,564	-	2,564	1,291
Training expenses	-	-	-	-	-	-	-	271
Accountancy	-	-	6,272	-	-	-	6,272	6,187
Legal and professional fees	-	-	4,654	-	13,254	-	17,908	18,116
Auditors' remuneration	-	-	4,800	-	3,950	-	8,750	2,950
Sundry expenses	-	-	1,047	-	-	-	1,047	848
Bank charges	-	-	-	-	8,466	-	8,466	8,803
Depreciation	1,566	-	3,244	-	2,148	-	6,958	7,232
Loss on disposal of fixed assets	-	-	80	-	-	-	80	-
	219,868	3,041	996,045	-	159,187	4,032	1,382,173	887,485

3. ANALYSIS OF TOTAL RESOURCES EXPENDED

a) Analysis	Staff Costs £	Other £	Depreciation £	2015 Total £	2014 Total £
Direct charitable expenditure	-	221,343	1,566	222,909	156,380
Other expenditure:					
Trading and other activity costs	468,891	523,910	3,244	996,045	576,954
Governance costs	124,669	36,402	2,148	163,219	154,151
Finance costs	-	81,643	-	81,643	52,300
	593,560	863,298	6,958	1,463,816	939,785

**HERITAGE TRUST FOR THE NORTH WEST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31st March 2015**

3. ANALYSIS OF TOTAL RESOURCES EXPENDED (continued)

b) <i>Staff costs</i>	2015 £	2014 £
Wages and salaries	552,900	501,595
Social security costs	<u>40,660</u>	<u>33,513</u>
	<u>593,560</u>	<u>535,108</u>

4. INFORMATION REGARDING EMPLOYEES AND TRUSTEES

The average number of persons employed during the year, including the trustee directors was as follows:

	2015	2014
Full time	15	15
Part time	<u>27</u>	<u>27</u>

The average number of employees analysed by function during the year was as follows:

Charitable services	37	34
Management and administration	<u>5</u>	<u>5</u>
	<u>42</u>	<u>39</u>
Number of employees as at year end	<u>42</u>	<u>42</u>

No trustees or persons related or connected by business to them have received any remuneration from the charity during the year. No trustees were reimbursed with expenses incurred on behalf of the company. No staff were paid over £60,000 during the year.

**HERITAGE TRUST FOR THE NORTH WEST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31st March 2015**

5a. TANGIBLE FIXED ASSETS – GROUP

	Projects and tenants improvements £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
COST OR VALUATION					
At 1 st April 2014	32,066	-	245,894	21,936	299,896
Additions	-	16,715	5,169	-	21,884
Disposals	-	-	(855)	-	(855)
At 31 st March 2015	32,066	16,715	250,208	21,936	320,925
DEPRECIATION					
At 1 st April 2014	32,066	-	227,395	16,816	276,277
Charge for the year	-	934	4,743	1,281	6,958
Depreciation eliminated on disposal	-	-	(775)	-	(775)
At 31 st March 2015	32,066	934	231,363	18,097	282,460
NET BOOK VALUE					
At 31 st March 2015	-	15,781	18,845	3,839	38,465
At 31 st March 2014	-	-	18,499	5,120	23,619

5b. TANGIBLE FIXED ASSETS – COMPANY

	Projects and tenants improvements £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
COST OR VALUATION					
At 1 st April 2014	32,066	-	138,091	6,241	176,398
Additions	-	16,715	-	-	16,715
Disposals	-	-	-	-	-
At 31 st March 2015	32,066	16,715	138,091	6,241	193,113
DEPRECIATION					
At 1 st April 2014	32,066	-	130,335	6,043	168,444
Charge for the year	-	934	1,164	50	2,148
Eliminated on disposal	-	-	-	-	-
At 31 st March 2015	32,066	934	131,499	6,093	170,592
NET BOOK VALUE					
At 31 st March 2015	-	15,781	6,592	148	22,521
At 31 st March 2014	-	-	7,756	198	7,954

**HERITAGE TRUST FOR THE NORTH WEST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31st March 2015**

6. HERITAGE ASSETS

	Group Total £	Company Total £
COST OR VALUATION		
At 1 st April 2014	1,234,440	1,251,045
Additions	10,881	10,881
At 31 st March 2015	<u>1,245,321</u>	<u>1,261,926</u>
 NET BOOK VALUE		
At 31 st March 2015	<u>1,245,321</u>	<u>1,261,926</u>
At 31 st March 2014	<u>1,234,440</u>	<u>1,251,045</u>

Heritage assets relate to the company's collection of Heritage Centres and Historic Visitors Centres. The assets are held in the support of the company's primary objective of promoting and preserving historical buildings and construction techniques. The directors valued these assets at their open market values at 31st March 2015.

There is an ongoing programme of capital expenditure at Pendle Heritage Centre, Heysham Heritage Centre and Higherford. These are all grant-aided.

In addition the company owns the collections at the Pendle Heritage Centre which are not valued as they are held for exhibition purposes and are held in perpetuity.

**HERITAGE TRUST FOR THE NORTH WEST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31st March 2015**

7. INVESTMENT PROPERTY

	Group Total £	Company Total £
COST OR VALUATION		
At 1 st April 2014	3,890,803	3,914,179
Additions	819,011	819,011
Disposals	-	-
Revaluation	15,000	15,000
Impairment	(1,339,247)	(1,339,247)
At 31 st March 2015	<u>3,385,567</u>	<u>3,408,943</u>
NET BOOK VALUE		
At 31 st March 2015	<u>4,334,144</u>	<u>4,357,520</u>
At 31 st March 2014	<u>3,515,133</u>	<u>3,538,509</u>

The trustee directors revalued the properties at their open market values at 31st March 2015.

If investment properties had not been revalued they would have been included at the following historical cost within the accounts:

	Group £	Company £
At 31 st March 2015	<u>3,836,570</u>	<u>4,125,775</u>
At 31 st March 2014	<u>3,017,559</u>	<u>3,306,764</u>

8. OPERATING LEASE COMMITMENTS

During the year the company had the following operating lease commitments:

Lytham Hall: Leased at £1 per annum over 99 years. The lease expires on 31 December 2097.

Park Hill: Leased at £10 per annum over 90 years. The lease expires on 31 March 2081.

Due to the historic nature of the buildings the trustees do not believe it is possible to establish a marketable rental value for the properties.

**HERITAGE TRUST FOR THE NORTH WEST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31st March 2015**

9. INVESTMENTS

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Unlisted investments:				
L.H.T. Enterprises Limited				
2 ordinary shares of £250 each at cost	-	-	500	500
Conservation Services NW Limited				
1 ordinary share of £1 at cost	-	-	1	1
Greater Manchester Building Preservation Trust	-	-	-	-
Cumbria Building Preservation Trust	-	-	-	-
	<u>-</u>	<u>-</u>	<u>501</u>	<u>501</u>

The investment in L.H.T. Enterprises Limited represents 100% of the issued share capital of the company. Its principle activity is that of carrying on the business of a general commercial company on behalf of the parent company. The parent company receives all profits made by the company.

The investment in Conservation Services NW Limited also represents 100% of the issued share capital of the company. The principle activity is that of the construction, preservation and repair of property. The parent company receives all profits made by the company.

The company controls the other above named building preservation trusts, by way of dominant influence. These building preservation trusts do not have any share capital as they are limited by guarantee. They all have the same charitable objectives as Heritage Trust for the North West.

The following is a summary of the trading subsidiaries' results for the year:-

	L.H.T. Enterprises Limited		Conservation Services NW Limited	
	£	£	£	£
Turnover		499,748		548,453
Expenditure:				
Cost of generating funds	428,088		494,232	
Cost of management and administration	<u>71,660</u>	<u>499,748</u>	<u>54,311</u>	<u>548,453</u>
Surplus/(Deficit)		<u>-</u>		<u>-</u>

**HERITAGE TRUST FOR THE NORTH WEST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31st March 2015**

10. STOCKS

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Goods for resale	25,748	32,817	18,318	18,546
	<u>25,748</u>	<u>32,817</u>	<u>18,318</u>	<u>18,546</u>

11. DEBTORS

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Trade debtors	97,000	43,243	619	8,123
Amounts due from subsidiary undertakings	-	-	19,834	-
Grants receivable	124,613	136,723	124,613	136,723
Other debtors	33,263	-	72,003	-
Prepayments	21,774	5,682	11,250	-
	<u>276,650</u>	<u>185,648</u>	<u>228,319</u>	<u>144,846</u>

12. CREDITORS: amounts falling due within one year

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Trade creditors	343,601	160,039	200,407	49,214
Bank loans and overdrafts	613,500	207,185	652,835	210,546
Amounts due to subsidiary undertakings	-	-	69,452	140,181
Other creditors	131,460	132,522	126,337	79,929
Other taxes and social security	11,994	41,983	2,785	7,561
Accruals and deferred income	131,218	26,202	104,195	11,097
Mortgage loans	2,467	-	2,467	-
Other loans	1,003,184	858,274	1,003,184	858,274
	<u>2,237,424</u>	<u>1,426,205</u>	<u>2,161,662</u>	<u>1,356,802</u>

**HERITAGE TRUST FOR THE NORTH WEST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31st March 2015**

13. CREDITORS: amounts falling due after more than one year

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Deferred income	131,108	268,512	131,108	268,512
Bank loans and mortgages	21,995	496,956	21,995	496,956
Loans: Lytham Town Trust	275,000	275,000	275,000	275,000
Loans: Architectural Heritage Fund	-	104,000	-	104,000
	<u>428,103</u>	<u>1,144,468</u>	<u>428,103</u>	<u>1,144,468</u>

The deferred income relates to a grant received from Fylde Borough Council.

The Lytham Town Trust loan is interest free with no repayment date.

The bank loans and mortgages are secured by a first legal charge over certain freehold investment properties of the charity.

14. PROVISION FOR LIABILITIES AND CHARGES

	Group and Company 2015 £	Group and Company 2014 £
Provision for the maintenance of Pendle Heritage Centre	<u>18,714</u>	<u>18,367</u>

15. RESULTS OF PARENT COMPANY

As permitted by Section 408 of the Companies Act 2006, the income and expenditure account of the parent company is not presented as part of these financial statements.

The parent company's net outgoing resources for the financial year amounted to £433,164 (2014: Net incoming resources £130,762).

**HERITAGE TRUST FOR THE NORTH WEST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31st March 2015**

**16a. MOVEMENT IN RESTRICTED FUNDS
GROUP**

	1 st April 2014 £	Income £	Expenditure £	Investment gains and (losses) £	Transfers between funds £	Reclass- ification transfers £	31 st March 2015 £
Various restricted funds	1,136,313	7,121	(7,073)	(1,339,247)	(395)	203,281	-
Heysham Heritage Centre	75,575	-	-	-	-	(75,575)	-
Slaidburn Heritage Centre	77,963	-	-	-	-	(77,963)	-
Lytham Hall (Stage II)	167,882	-	-	-	(4,745)	-	163,137
Rose Castle (Project Officer)	-	3,057	-	-	-	-	3,057
	<u>1,457,733</u>	<u>10,178</u>	<u>(7,073)</u>	<u>(1,339,247)</u>	<u>(5,140)</u>	<u>49,743</u>	<u>166,194</u>

**16a. MOVEMENT IN RESTRICTED FUNDS (Continued)
COMPANY**

	1 st April 2014 £	Income £	Expenditure £	Investment gains and (losses) £	Transfers between funds £	Reclass- ification transfers £	31 st March 2015 £
Various restricted funds	1,136,313	7,121	(7,073)	(1,339,247)	(395)	203,281	-
Heysham Heritage Centre	75,575	-	-	-	-	(75,575)	-
Slaidburn Heritage Centre	77,963	-	-	-	-	(77,963)	-
Lytham Hall (Stage II)	167,882	-	-	-	(4,745)	-	163,137
	<u>1,457,733</u>	<u>7,121</u>	<u>(7,073)</u>	<u>(1,339,247)</u>	<u>(5,140)</u>	<u>49,743</u>	<u>163,137</u>

**HERITAGE TRUST FOR THE NORTH WEST
(A COMPANY LIMITED BY GUARANTEE)**

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31st March 2015

**16b. MOVEMENT IN UNRESTRICTED FUNDS
GROUP**

	1 st April 2014 £	Income £	Expenditure £	Investment gains and (losses) £	Transfers between funds £	Reclass- ification transfers £	31 st March 2015 £
Designated:							
General fund	33,978	-	-	-	-	(33,978)	-
Maintenance of Pendle Heritage Centre Fund	18,367	-	-	-	347	-	18,714
David Knightley Trust	220,246	-	-	-	-	-	220,246
Undesignated:							
General fund	370,620	2,339,514	(1,456,743)	-	4,793	(15,765)	1,242,419
Revaluation reserve	678,396	-	-	15,000	-	-	693,396
	<u>1,321,607</u>	<u>2,339,514</u>	<u>(1,456,743)</u>	<u>15,000</u>	<u>5,140</u>	<u>(49,743)</u>	<u>2,174,775</u>

**16b. MOVEMENT IN UNRESTRICTED FUNDS (Continued)
COMPANY**

	1 st April 2014 £	Income £	Expenditure £	Investment gains and (losses) £	Transfers between funds £	Reclass- ification transfers £	31 st March 2015 £
Designated:							
General fund	33,978	-	-	-	-	(33,978)	-
Maintenance of Pendle Heritage Centre Fund	18,367	-	-	-	347	-	18,714
David Knightley Trust	220,246	-	-	-	-	-	220,246
Undesignated:							
General fund	409,202	1,473,716	(582,681)	-	4,793	(15,765)	1,289,265
Revaluation reserve	678,396	-	-	15,000	-	-	693,396
	<u>1,360,189</u>	<u>1,473,716</u>	<u>(582,681)</u>	<u>15,000</u>	<u>5,140</u>	<u>(49,743)</u>	<u>2,221,621</u>

Maintenance of Pendle Heritage Centre Fund: A fund to preserve the sites of historical and architectural interest at Park Hill which include the former farmhouse, the Cruck Barn, the Walled Garden, the Park Hill Barn and the Park Hill Cottages.

**HERITAGE TRUST FOR THE NORTH WEST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31st March 2015**

17. ANALYSIS OF ASSETS AND LIABILITIES BETWEEN FUNDS

GROUP

	Restricted Funds £	Unrestricted funds Designated £	Unrestricted funds Undesignated £	Total 2015 £
Tangible fixed assets	163,137	257,674	4,248,542	4,669,353
Current assets	3,057	-	352,800	355,857
Current liabilities	-	-	(2,237,424)	(2,237,424)
Long term liabilities	-	-	(428,103)	(428,103)
Provisions	-	(18,714)	-	(18,714)
	<u>166,194</u>	<u>238,960</u>	<u>1,935,815</u>	<u>2,340,969</u>

COMPANY

Fixed assets				
Tangible	163,137	257,674	4,272,579	4,693,390
Investments	-	-	501	501
Current assets	-	-	299,346	299,346
Current liabilities	-	-	(2,161,662)	(2,161,662)
Long term liabilities	-	-	(428,103)	428,103
Provisions	-	(18,714)	-	(18,714)
	<u>163,137</u>	<u>238,960</u>	<u>1,982,661</u>	<u>2,384,758</u>

18. BRANCHES

Bank Hall Action Group and Heysham Heritage Association are branches of Heritage Trust for the North West.

Both branches hold separate bank accounts but no other assets. The results are not consolidated in the financial statements of the main charity as they are immaterial.

Cash and bank balances held at 31st March 2015 were:

	2015 £	2014 £
Bank Hall Action Group	2,108	2,001
Heysham Heritage Association	<u>5,446</u>	<u>6,171</u>
	<u>7,554</u>	<u>8,172</u>

19. MEMBERS

The company is a company limited by guarantee but not having a share capital. The liability of every member is limited to an amount not exceeding £1.

**HERITAGE TRUST FOR THE NORTH WEST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31st March 2015**

20. RELATED PARTY DISCLOSURES

During the year Heritage Trust for the North West paid for various expenses on behalf of L.H.T. Enterprises Limited, Conservation Services NW Limited, Greater Manchester Building Preservation Trust Limited and Cumbria Building Preservation Trust Limited, its subsidiary companies. These subsidiaries also paid for various expenses on behalf of Heritage Trust for the North West. All these payments were recharged to the correct company via the inter-company accounts.

As at 31st March 2015 Heritage Trust for the North West owed £64,525 (2014: £70,672) to L.H.T. Enterprises Limited in respect of these transactions.

As at 31st March 2015 Heritage Trust for the North West was owed £7,983 by (2014: £24,415 was owed to) Conservation Services NW Limited in respect of these transactions.

As at 31st March 2015 Heritage Trust for the North West was owed £11,851 by (2014: £42,977 was owed to) Greater Manchester Building Preservation Trust Limited in respect of these transactions.

As at 31st March 2015 Heritage Trust for the North West owed £4,927 (2014: £2,117) to Cumbria Building Preservation Trust Limited in respect of these transactions.

To Follow:-

Item 4 Appendix 1(B) - Heritage Trust for the North West – Report and financial statements for the year ended 31/3/15

HERITAGE TRUST *for the* NORTH WEST

PRESS RELEASE

RESTORATION WORK SUFFERS A SETBACK

RESTORATION work at Lytham Hall has been dealt a blow with the announcement that the Heritage Lottery Fund has withdrawn a grant of £1.7million. .

The vital cash grant has been turned down by the Lottery after reviewing a revised application to develop the Grade One Hall and parkland, which is the former ancestral home of the Squires of Lytham, the Clifton family.

The original restoration scheme, unveiled in 2011, was costed at £5.9 million but following a series of delays and a reduction in funding from other sources, significant savings had to be found and a revised application submitted to complete the work which started in earnest in 2013.

The grant would have enabled the *Heritage Trust North West (HTNW) – which for the past 20 years has been responsible for the hall on behalf of the *Lytham Town Trust under a 99 year lease agreement - to undertake the restoration of the hall and enhance its visitor facilities.

Now HTNW's Lytham Hall project manager Simon Thorpe has said: "We need to take time to review our plans, consider different ideas, and talk to our funding partners. In the meantime its business as usual with the café and parkland open 7 days a week and more big events in the calendar."

Essential work to the exterior and interior of the Grade One-listed Georgian mansion which was originally due to begin in 2015 and be completed by December 2017, will now be postponed even further.

The prime aim remains to protect the historic building from further deterioration and also enhance income-generating activities within the hall and grounds, which are rapidly becoming one of the Fylde Coast's most popular tourist destinations.

Mr Thorpe said: "The withdrawal of the Lottery Fund support for this project is massively disappointing. We did not secure all the match funding that was envisaged for the original scheme and this has been compounded by the changes in the economic climate.

Nevertheless Mr Thorpe said that there had been three years of restoration work, for which an army of dedicated volunteers, staff and non-stop fund raisers, should be rightly proud.

To date some £1.8m of the original £5.9million budget has been spent, including extensive clearance works on the 78 acres of park grounds and woodlands with the creation of the South Prospect garden, the restoration of the Mount view point and the installation of new paths and drainage.

Mr Thorpe said: "There is a huge amount of local support for Lytham Hall. It is such a wonderful place, and I am constantly amazed at the enthusiasm and dedication of the volunteers and supporters. We are no longer a hidden gem but fast becoming one of the Fylde's most popular tourist attractions with over 30,000 visitors last year and a busy calendar of what's on events.

"Staff and Trustees of the both charities are determined to put the Hall on a sound footing for the future and are now taking time to consider revised proposals to deliver the restoration of the hall which will hopefully include a new bid to the Lottery."

Mr Thorpe added: "It is deeply disappointing news but we can be proud of all that we have achieved so far and we are determined to finish the restoration.

Notes to Editors:

Lytham Hall was the home of the Clifton family for over 400 years. The present building designed by John Carr of York for Thomas Clifton, was built between 1752 and 1764 and is a splendid example of Georgian architecture. The house sits in 78 acres of wooded parkland.

The Hall is a Grade I Listed building with many Grade II Listed buildings within the grounds, and the parkland is on English Heritage's Register of Historic Parks & Gardens. The Hall is currently on the English Heritage *Heritage at Risk Register* because of concern over its condition.

*Lytham Town Trust acquired the Hall in 1997 with the aid of generous support from British Aerospace. The Trust leases the Hall to Heritage Trust for the North West (HTNW) to operate and manage.

*HTNW is a Building Preservation Trust whose aims are to restore and find appropriate new uses for Buildings at Risk in the North West. Its headquarters are at Higherford Mill near Nelson. In 1996 it merged with the North West Building Preservation Trust and has since developed projects across the region in Greater Manchester, Merseyside and Cumbria.

For more information please contact:

Lytham Hall Project Manager Simon Thorpe – 07442 497347
Lytham Town Trust Chairman David Gill – 07768 295300



Tel. (01772) 531053

Fax. (01772) 536601

e-mail:

sean.mcgrath@lancashire.gov.uk

Mr John Miller
Heritage Trust North West
Park Hill
Pendle Heritage Centre
Barrowford
Lancashire BB9 6JQ

Your ref

Our ref

Date

HTNW/SMc

6th March 2013

Dear Mr Miller

Lancashire County Council Financial Support for the Heritage Trust North West

I write further to recent correspondence from Martin Kelly, Director of Economic Development, Lancashire County Council, regarding the decision taken by the County to, in principle, provide additional financial support to the Heritage Trust North West.

As set out in Martin Kelly's letter, and as we have discussed, the County Council decision focused on three key areas

- An in principle agreement to increase the Heritage Trust North West's Loan Guarantee from £500,000 to £1,000,000.
- An in principle agreement to investment £1,000,000 in the refurbishment of Lytham Hall
- An in principle agreement to provide revenue funding for the operational costs of the Heritage Trust North West.

In order for these decisions to be implemented a number of actions need to be undertaken by the Heritage Trust including the drafting of a Development Plan, agreed by the Trust Board. The Development Plan will include

- An Asset Disposal Strategy setting out a schedule for the disposal of Identified Trust property assets in order to reduce the Trust's reliance on loans to undertake activity
- An agreement to the County Council taking a charge over Trust property assets, as identified in the Asset Disposal Strategy, to a value sufficient to cover potential liabilities from the £1,000,000 Loan Guarantee
- An agreement to the proceeds of sale of any Trust properties, to be either:
 - Applied directly in reduction of AHF loans, and the guarantee from LCC reduced by the same amount, or
 - Set aside for loan repayment at a later date

Once the above actions have been undertaken the County Council will then be able to proceed with the increase in the Loan Guarantee level which will facilitate the Trust.

Sean McGrath Head of Economic & External Relations
Office of the Chief Executive • 2nd Floor Christchurch Precinct, PO Box 78, County Hall, Preston,
PR1 8XJ

undertaking the refurbishment of Lytham Hall. The County Council will then also be in a position to make a grant to support the refurbishment work.

In order to continue to support the ongoing work of the Trust the County Council wishes to enter into further discussion regarding revenue support. It is envisaged that all County Council financial support will be managed through a Service Level Agreement.

Yours sincerely

A handwritten signature in black ink, appearing to read 'SM', with a stylized flourish at the end.

Sean McGrath
Head of Economic & External Relations

Governance information in relation to Heritage Trust for the North West

List of Trustees (including County Councillors)

Mr M J R Bannister,

Mr M F W Blundell,

Mr G A Burras,

Mr L G Coop,

Cty Cllr C Henig,

Cty Cllr M R B Johnstone,

Mr J F D Pierce,

(Chairman) Mr L E Stanworth,

Mr J Turner,

The Trustees historically have met a minimum of 3 times a year. For various reasons, the Trustees have recently met less frequently but have met the terms of the Constitution which stipulate one meeting per year. There is also an Executive which meets when required to take urgent decisions, and appraises finance matters. The County Councillors are appointed annually. The other Trustees serve for a period of 3 years (on a rotation basis and are eligible for re-election). In recent years a number of Trustees have resigned due to ill health or in two cases relocating to other parts of the Country. Trustees come from across the North West and represent the Trust's work across Cumbria, Lancashire, Greater Manchester and Merseyside.

HTNW is going through a period of transition, and a Trustees Sub-Committee is currently reviewing the Constitution and other Governance matters such as a skills audit and will shortly be advertising for new Trustees to join the Board. A new handbook is being prepared.

Succession planning is constantly being considered. Currently the Trustees are involved in setting up separate independent charities for specific projects to reduce the amount of work within Heritage Trust for the North West and bring on new Trustees, spread the load and widen the representation. Two new Boards are in place and these bodies have been meeting 4 times a year, reducing the need for HTNW meetings in the short term.

DECISION ITEM

REPORT OF		MEETING	DATE	ITEM NO
DEVELOPMENT SERVICES DIRECTORATE		TOURISM AND LEISURE COMMITTEE	3 NOVEMBER 2016	5
LOWTHER GARDENS TRUST – ANNUAL REPORT AND RENEWAL OF SERVICE LEVEL AGREEMENTS INCLUDING NEW SUBSIDY REQUEST				

PUBLIC ITEM

This item is for consideration in the public part of the meeting.

Please note that the Lowther Gardens Trust report is TO FOLLOW

DECISION ITEM

REPORT OF	MEETING	DATE	ITEM NO
DEVELOPMENT SERVICES DIRECTORATE	TOURISM AND LEISURE COMMITTEE	3 NOVEMBER 2016	6
VARIATION TO LICENCE FOR LYTHAM PROMS LTD			

PUBLIC ITEM

This item is for consideration in the public part of the meeting.

SUMMARY

Lytham Proms Ltd are one of the companies that has developed Lytham Festival into a major annual event over recent years enhancing the reputation of the borough and bringing significant economic gain to the area. The original lease with Lytham Proms Ltd for the use of the Green during the Lytham Festival was based on three consecutive nights of live concerts, the variation proposes increasing the number of nights of live concerts for Lytham Proms Ltd to support further development of Lytham Festival.

RECOMMENDATION

1. That the committee approve the following variation for the remaining 13 years of the licence with Lytham Proms Ltd for use of Lytham Green during Lytham Festival:
 - i) The 'Concert Period' to be increased from three (3) consecutive live music events to a minimum of three (3) and a maximum of five (5) entertainment events during the licence period.
 - ii) To increase the public liability insurance requirement in section 2.16 of the licence from £5 million to £10 million.

SUMMARY OF PREVIOUS DECISIONS

June 2014 – Approval to grant licence to Lytham Proms Ltd for use of Lytham Green.

CORPORATE PRIORITIES	
Spending your money in the most efficient way to achieve excellent services (Value for Money)	✓
Delivering the services that customers expect of an excellent council (Clean and Green)	
Working with all partners (Vibrant Economy)	✓
Make sure Fylde is one of the most desirable places to live (A Great Place to Live)	✓
Promoting Fylde as a great destination to visit (A Great Place to Visit)	✓

REPORT

1. Lytham Festival has become a nationally recognised major event held in Lytham attracting high quality artists performing on the main stage on the Green and in various smaller events around the town over the period of a week. Working effectively with various partners including the council, local community groups and local businesses, Lytham Proms Ltd have transformed a three-night concert event into a week-long festival catering for all interests, age groups and artistic tastes.
2. In 2015 the event was rebranded by the group of partners to Lytham Festival in recognition of the music concerts joining up with other events across Lytham including art, comedy, poetry and indoor music events. The partnership secured Arts Council funding to pilot a more diverse artistic festival. Lytham Proms Ltd were partners in the bid to the Arts Council and agreed to support the concept of a week-long festival. As part of the extended offer a request was made for an additional live music event on the Green for 2015 which was granted under delegated powers.
3. The additional live music event enabled Lytham Proms Ltd to maximise use of the expensive infrastructure for the iconic arena; to spread the risk in the event of cancellation; and to increase income used to finance many of the other events staged with partners during the week-long Lytham Festival which has also become a showcase for new up and coming talent in the local area. Fylde Council benefitted through a greater fee for the same period of use of the Green because the licence links the fee for using the Green to ticket sales. The fee structure enables the council to realise the maximum return from additional tickets sales.
4. The Lytham Festival format in 2015 proved to be a big success for all the partners, the Fylde economy, the reputation of the area and the vast majority of local residents. The format was repeated in 2016 which included a further request for an additional live music event and the screening of a major cinema release on the Green that was granted under delegated powers.
5. The additional entertainment on the Green has a number of benefits including:
 - a. maximise the use of the stage and supporting infrastructure already in place without any longer period on site;
 - b. increase revenue associated with the event spent in the local community including overnight stays and longer term return business;
 - c. diversify the range of music performed and extend the offer to a wider audience;
 - d. develop new up and coming talent from the local area by supporting the fringe venues during the Festival week;
 - e. enhance the reputation of the event on a regional and national basis making Lytham festival a marquee event for the summer;
 - f. enhance the reputation of the area and return business to the local area;
 - g. enable the continuation of the format that has been successful as Lytham Festival with other partners;
 - h. increased ticket sales linked to the rental for the Green increasing the fee income to the council, maximising the use of the asset;
 - i. the council is required to be self-sufficient by 2020 and should seek to maximise income from arrangements to stage events, Lytham Festival is currently the only event licence from which the council gets a direct financial payment;

- j. the council benefits from additional revenue associated with the event, directly with services charged to the event and indirectly by revenues generated from car parks, licensing of temporary events etc.
 - k. the additional major artist events significantly increase the footfall throughout the borough;
 - l. spread the risk in the event of inclement weather or other reasons for cancellation;
 - m. offset the loss made on some of the fringe venues and artists offered as part of the wider Festival;
6. Lytham Festival has become the major event for Cuffe & Taylor (Lytham Proms Ltd) in a very busy calendar of live events across the country, the company has decided to focus on making Lytham Festival better each year to further enhance the reputation of the event and the local area. The additional live music event has become part of the offer and provides Lytham Proms Ltd with greater flexibility and finance to support the rest of Lytham Festival including a key partnership with Lytham In Bloom. The ambition is to make Lytham Festival one of the most desirable music and art festivals in the summer calendar attracting top artists and offering a diverse range of new talent, retro artists and alternative entertainment.
 7. Although the licence requires £5 million of public liability insurance, Lytham Proms Ltd have been providing £10 million of public liability insurance in recognition of the additional live music events in the last two years. It is proposed that if the variation in the number of live music events is agreed then the public liability requirement in the licence should be varied from £5 million to £10 million.
 8. The Festival brings a financial income to the council in the form of a commission on ticket sales. Extending the festival will bring increased income to the council through these arrangements which is consistent with the approach to commercialism advocated in the recent Peer Review and the measures required to be a self-sufficient council by 2020.
 9. The Green also benefits from a full maintenance overall following the festival, funded by the organisers at no cost to the Council, the cost is approximately £8000 and includes aerating the ground, re-seeding areas, fertilising and general levelling. The works benefit other events including the 1940's celebrations and the St Georges Day event.
 10. Fylde Council is a lead partner with Lytham Proms Ltd working closely to support Lytham Festival as part of our commitment to events, tourism and support to the local economy. The Festival is the major event in the annual calendar with the data provided in Appendix 1 to the report includes evidence of the impact from the Festival. The format of Lytham Festival over the last two years has proven to be a success with year on year improvements in the logistics, the quality of the offer, the number of people attending and the reputation of the event as well as the local area.

IMPLICATIONS	
Finance	The Council has an arrangement with Lytham Proms Ltd in respect of the 'Proms' event whereby the Council receives commission on ticket sales. If admissions numbers increase as a consequence of an extension to the Proms event it is anticipated that the level of commission will also increase. Although it is not possible at this stage to predict the extent of any such changes to the Council's commission income, these will be reflected in future updates to the Financial Forecast as and when they are known.
Legal	The legal implications of variations to the licence are included in the report
Community Safety	Public liability insurance will be increased to £10 million to account for an increase in the number of events on the Green
Human Rights and Equalities	There are no equality or human rights implications
Sustainability and Environmental Impact	There are no direct sustainability or environmental implications from the report
Health & Safety and Risk Management	There are no direct health & safety or risk management implications

LEAD AUTHOR	TEL	DATE	DOC ID
Allan Oldfield	01253 658500		

LIST OF BACKGROUND PAPERS		
Name of document	Date	Where available for inspection

Attached Documents

Appendix 1: Lytham Festival Impact



LYTHAM FESTIVAL

music · comedy · culture

Overview

In the six years since the first Lytham Proms with Lesley Garrett, Lytham Festival is now well established as an annual national music event.

Lytham Festival continues to evolve within the music festival space that it occupies in the country; enhancing its artistic portfolio to broaden the audience, attract new audiences whilst providing reasons for existing audiences to engage with more of the Festival throughout the week.

Additional nights

Last year an additional night of entertainment was added to the 'Proms Arena' increasing it from three nights to four nights; this was kindly permitted by the Council as the opportunity had arisen to have Faithless perform an exclusive outdoor concert.

The artist provided the Festival the opportunity to engage with a new audience. A territorial exclusivity clause was added to the artist contract and data showed that a new audience came from all over the country.

The appearance of Faithless also allowed Lytham Festival the opportunity to be recognised within the main stream festival market, and engaged with both a different demographic and artists that previously did not have either the Festival or the town on their radar, which inevitably resulted in 2015 being one of the best years since the Festival began.

It added nicely to the Heritage, 80s & 90s and Proms evenings and allowed the opportunity for dialogue with artists with more relevance, and wider appeal.

We capitalised quickly on the benefits of the Faithless performance with a deal that would see 'Noel Gallagher's High Flying Birds' take to the Thursday night stage at Lytham Festival 2016.

Thursday 4th August 2016 saw over 10,000 people buy a ticket to come and enjoy Noel Gallagher in Lytham.



Thursday night at Lytham Festival after two successful years is now positioned to attract a different and additional genre to the original three nights, a genre that will continue to attract new customers and visitors as well as providing existing customers with a different choice and style of music.

Benefits – Additional Days

Lytham Festival has become a well established week-long event. This is positive, but equally commercially challenging to develop a multi-site Festival where often elements are not viable as stand-alone projects.

Additional days mean–

- Increased opportunity to book top artists years in advance
- Enable additional use of the stage and site; sharing the risk for the broader Festival as well as providing some flexibility for different scenarios that may present, such as weather
- Positive economic impact for the local business; 20% of Lytham Festival customers stay in local hotels, spending on average £98.00
- Development of genres of music, attracting additional new audiences
- Increased rental and revenue to Fylde Council
- Higher footfalls within the town, resulting in increased spending in local business
- Additional national, regional and local PR and advertising, increasing the visibility of the town



Lytham Festival TV

This year saw the launch of Lytham Festival TV – a new professional live broadcast of the week-long Festival that attracted over 18,500 viewers!

The majority of viewers were based in the United Kingdom, but Lytham was seen in the United States, Germany, Spain and even Japan!

Almost 47% of the total viewers tuned in to the Thursday night, Noel Gallagher's High Flying Birds.

Local Talent

A key opportunity and responsibility that Lytham Festival holds is to encourage local talent.

This year saw over 20 local bands and artists become involved and perform during the Festival week. The Hub featured young performers such as Emily Rhodes whilst local lad Jack Frimston brought his band The Tailormade, crowned the 'Best Buskers in London' by Mayor Boris Johnson, to perform at Stage Too in support of Lemar.

Partners

This year we established further new local partnerships and continued to enhance relationships existing partners.

The Festival Hub came to life in the square as a result of a significant £15,000 investment by Lytham Festival which employed 10 temporary local staff. The Festival Hub in partnership with Lytham in Bloom became a centre show peace and was extremely well received by the National Judges. In addition to the investment of £15,000 on the Festival Hub, Lytham Festival also made a cash donation of £2,000, a charity auction prize for a Meet & Greet and VIP Experience at a Rod Stewart Concert (raising £5,000) and donated a days labour by 20 of the Cuffe & Taylor team to assist Lytham in Bloom in preparing the town for judging.

Lytham Festival works with local partners all year round. With Lytham Business Partnership we deliver the Christmas Lights Switch-on – now a well established, free to attend event, attracting well over 2,000 people. We allocate free of charge our Senior Event Manager who spends up to 10 weeks working with the partnership, organizing and delivering the event. We also provide a number of the Switch-on celebrities at our cost, investing £10,000 on talent for last years event alone.



A partnership with Trinity Hospice sees Lytham Festival make an annual cash donation of £10,000 to the hospice in return for volunteers time at the festival. The volunteers assist in a variety of ways, including ticket scanning, litter picking and customer service roles.

Lytham Hall is now an established key partner for the Festival. Together we have delivered two years of wonderful outdoor picnic cinema that has been attended by 1,500 people. It's a partnership that will further develop in years to come.

Fylde Borough Council and Lytham Festival along with the Arts Council and others joined forces to deliver the Counterpart trail. Twelve specially commissioned art interventions were located around Lytham. A wonderful success with almost 6000 people participating.

In addition 2000 people attended gigs and shows during the Festival Week at Lowther Pavilion. In 2016 alone Cuffe & Taylor directly donated £12,500 to Love Lowther Campaign by donating all the box office receipts from the Collabro concert to the theatre, without any deductions.

This work is undertaken as part of the sincere thank you we extend back to the people and businesses of Lytham for their support throughout the year.

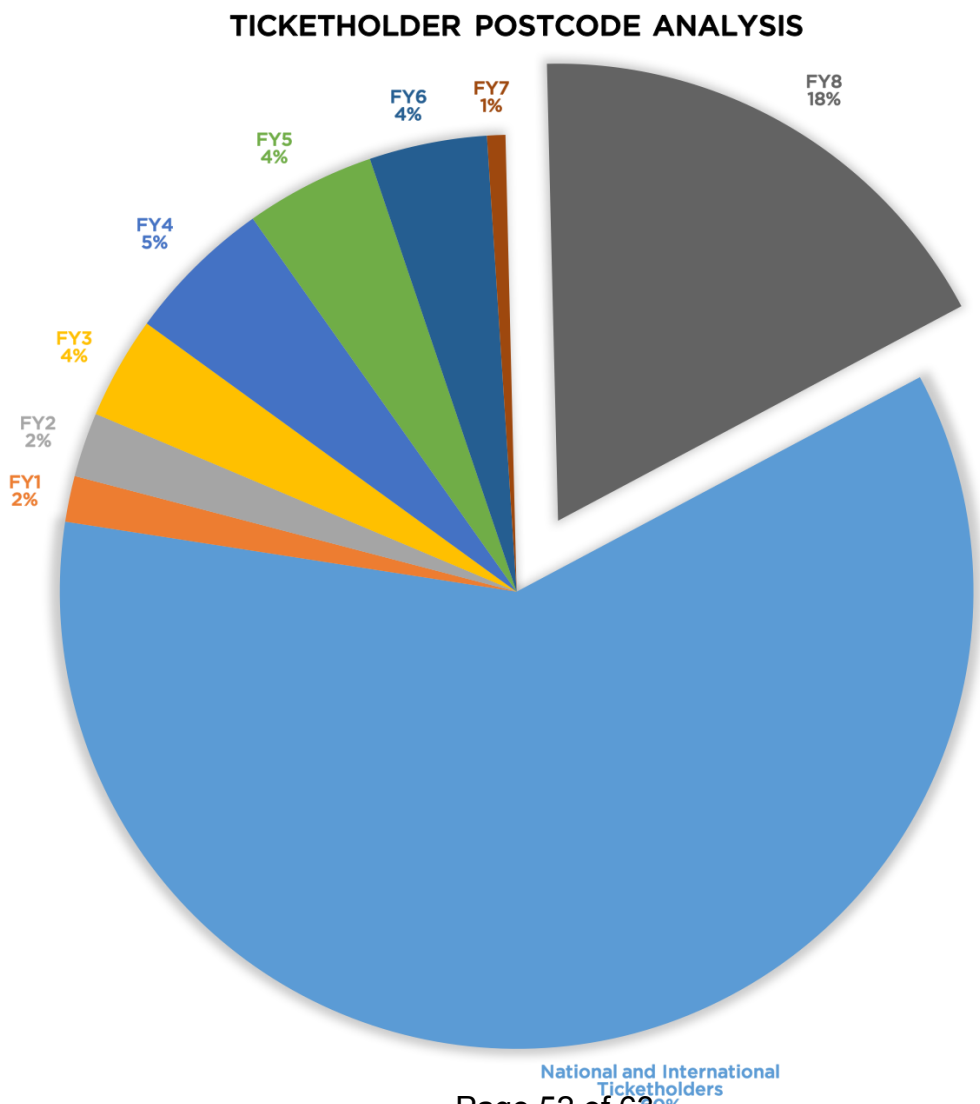


Supported using public funding by
**ARTS COUNCIL
ENGLAND**

Facts & Figures

- Lytham Festival employs over 450 people throughout the week long event, many of whom are local young people and students.
- This year the Festival Hub employed a team of 10 local people who worked for more than 650 hours as ambassadors of the Festival and the Town.
- 18% of visitors to the Lytham Festival were local to the area and came from FY8, 22% were from other FY Codes, and the remaining 60% travelled from the rest of the country or further afield.
- The local economy and business in Lytham will have seen an economic benefit of over £4,919,154* as a direct result of Lytham Festival.

*Based on official data provided by UK Music





The Future

The wonderful success of the additional nights over the last two years demonstrates that there is an appetite for the Festival to further develop.

The support is from local people as well as the many visitors who make the annual trip to the town.

With an economical impact this year of almost £5 million pounds, Lytham Festival with support of residents, businesses and all its partners is in a unique and no doubt envied position to be able to further develop and strengthen this great event.



DECISION ITEM

DEVELOPMENT SERVICES
DIRECTORATE

TOURISM AND LEISURE COMMITTEE

3 NOVEMBER 2016

7

APPROVAL FOR GRANT FUNDED SCHEME FOR IMPLEMENTATION OF A HEALTH WALK ON BLACKPOOL ROAD NORTH PLAYING FIELDS, ST ANNE'S

PUBLIC ITEM

This item is for consideration in the public part of the meeting.

SUMMARY

This report provides details of a grant funded scheme for improvements to the playing fields on Blackpool Rd North, St Anne's and recommends inclusion to the Capital Programme in 2016/17 to be fully funded from the Tesco 'Bags of Help' grant of £12K secured by the Parks Development Team on behalf of the Blackpool Rd North friends group.

Officers from the Parks Development Team have been working in partnership with the Blackpool Rd North friends group during 2016, on a community project to improve the facilities on the existing playing field.

This small project is part of a larger Masterplan to improve the whole site, and specifically relates to the creation of a 'health walk' around the perimeter of the site to encourage all members of the community to use the area.

The £12K grant was secured from the Tesco 'Bags of Help' fund and needs to be spent by the end of March 2017. The larger project of general improvements to the children's play area, landscaping, parking and drainage is currently going through the ten stage process of the community parks improvement programme and all elements of the scheme will be delivered by the Parks Development Team to ensure value for money and competent installation. There is no requirement for supplementary external funding for this part of the project.

This report describes the details of the grant funding and summarises and details the procurement procedure and project management of the scheme by the Parks Development Team.

RECOMMENDATION

The Tourism and Leisure Committee is requested:

1. to give consideration to the proposal and recommend to the Finance & Democracy Committee that the Council agree to act as accountable body for the proposed capital scheme;
2. to recommend to the Finance & Democracy Committee an addition to the 2016/17 capital programme in the sum of £12,000, to be fully funded from the Tesco 'Bags of Help' grant as detailed in the report;
3. to authorise the proposed expenditure in respect of the scheme to undertake improvements to Blackpool Road North Playing Fields as detailed in the report, subject to the Finance and Democracy Committee approving that the scheme be added to the capital programme for 2016/17.

SUMMARY OF PREVIOUS DECISIONS

There have been no previous decisions relating to this issue.

Spending your money in the most efficient way to achieve excellent services (Value for Money)	✓
Delivering the services that customers expect of an excellent council (Clean and Green)	✓
Working with all partners (Vibrant Economy)	✓
To make sure Fylde continues to be one of the most desirable places to live (A Great Place to Live)	✓
Promoting Fylde as a great destination to visit (A Great Place to Visit)	

REPORT

BACKGROUND

1. Blackpool Rd North Playing fields is leased to Fylde Council on a 999 year lease from Lytham Town Trust. The site is popular with the local community which has led to the creation of a 'Friends group' whose ambition is to improve and development the facilities on the site.
2. Fylde Council has received and is holding £9,000 sum of an overall £12,000 Tesco 'Bags of Help' grant. This has been secured through a bid submitted by the Parks Development Team with a view to funding improvements to the site. The remaining £3,000 sum will be paid to Fylde Council on successful completion of the project, which has a deadline of 31st March 2017.
3. Officers from the Parks Development Team have been working in partnership with Blackpool Road North Friends Group throughout 2016. The group are following the 10 stage community parks improvement process, which will lead to a final Masterplan and funding strategy, relating to improvements to the children's play facilities and improved landscaping, drainage and sports facilities at the site. Officers will continue to work with the Friends group to support the wider aims for the site.

SCHEME DETAILS

4. The existing site is largely given over to the enjoyment of football and sports activities. It is felt that the addition of a new health walk, will provide access around the perimeter of the site and will improve accessibility for all users. The path will be constructed of self – binding gravel, on a sub base of aggregate with timber edging. The group plan to add tree planting, litter bins and benches around the health walk, as well as route markers to encourage further active participation. The group are currently actively seeking further external funding streams for these items, as part of the funding strategy.
5. The aim of the project is to provide an alternative facility, which is inclusive to all members of the community for passive recreation. The Health walk will promote walking, jogging and running as well as offering opportunities for people to stop and sit and relax.
6. It is felt by the group that encouraging all members of the community will encourage interaction of older people with young people, which will improve community benefit in both physical and mental health.

A COST BREAKDOWN OF THE SCHEME

Blackpool Rd North, St. Anne's	
Build Specification as described in the brief	Net Figure (£)
Materials	£9,200
Hire of Equipment & Plant	£2,800
TOTAL (Net)	£12,000

THE METHOD AND COST OF FINANCING THE SCHEME

7. The existing 'Tesco Bags of Help' Grant has been awarded and allocated to this scheme:

Development	Award
Blackpool Road North Playing Fields Health Walk	£12,000
Total	£12,000

FUTURE REVENUE BUDGET IMPACT

8. Due to the type of construction, on-going maintenance of the path will be minimal and will be covered from existing parks maintenance revenue budgets.

RELEVANT VALUE FOR MONEY ISSUES

9. In order to ensure that value for money is achieved three quotations have been sought for all goods and services in accordance with the Council's contract procedure rules. Due to the nature of the work, cost implications and community based nature of this project, members of the Parks Development Team have approached HMP Kirkham Prison, who have agreed to provide the labour aspect of the build, at no cost, thus maximising the Tesco funding grant.

RISK ASSESSMENT

10. A risk assessment has been carried out to identify and mitigate any risks associated with the project which is attached as Appendix 1.

VIABLE ALTERNATIVES

11. The community group could have applied for the funding of the scheme, but it was felt that using the design, procurement and project management resources of the Parks Development Team would provide the best value for money.

PROCUREMENT PATH (AND ANY DELEGATIONS AS REQUIRED)

12. Officers from Parks Development Team have led the procurement process. Initial quotations to implement the whole scheme were sought from 3 suppliers. Only two suppliers responded and the cost implications were such that alternative methods to construct the path were investigated, as the quotes far exceeded the budget.
13. To ensure maximum value for money of the £12,000 Tesco grant, Officers decided to partner with the HMP Kirkham outreach team, who have kindly offered to carry out the labour element free of charge, and to spend the grant on materials, equipment and plant hire.

14. Three quotations have been sought for the supply of materials, equipment and plant hire to the full value of £12,000. This is in accordance with the Council's contract procedure rules as no individual element exceeds £10,000.

OBJECTIVES, OUTPUTS AND OUTCOMES

15. Objectives, Outputs and Outcomes:

- Provide, safe and inclusive facilities
- Achieve the ambitions of the local community
- Improved access for all
- Clean and Green – “Deliver high quality parks and open spaces”
- Great Place to Live – “Support and promote volunteers effort to improve their local community”

DRAWINGS AND PLANS

16. A plan showing the proposed layout of the health walk is included in Appendix 2.

CONCLUSION

17. The proposal is to work in partnership with HMP Kirkham to construct a new healthy walk as detailed in this report at Blackpool Road Playing Fields, St Annes, and to purchase the relevant materials and plant hire to the value of £12,000 for completion before 31st March 2017.

IMPLICATIONS	
Finance	<p>The Committee is requested to recommend to Finance & Democracy Committee a fully funded addition to the 2016/17 capital programme in the sum of £12,000, to be fully-funded from a Tesco 'Bags of Help' Grant as detailed in the report.</p> <p>The Committee is also requested to recommend to Finance & Democracy Committee to agree to the Council acting as accountable body for the scheme as detailed in the report.</p> <p>Furthermore, the Committee is requested to authorise expenditure in 2016/17 of £12,000 in respect of the proposed scheme to construct a Health Walk on Blackpool Road North Playing Fields subject to the necessary approvals from the Finance & Democracy Committee, and the letting of the contract as set out in the report.</p>
Legal	None arising from this report
Community Safety	Provision of modern, accessible facilities is important in terms of providing diversionary activities
Human Rights and Equalities	None arising from this report
Sustainability and Environmental Impact	Due to the type of construction, on-going maintenance will be minimal and will be covered from existing parks maintenance revenue budgets
Health & Safety and Risk Management	The quotation requests included Health and Safety information which will be developed by HMP Kirkham prior to starting on site to safeguard the public and contractor personnel.

LEAD OFFICER	TEL	DATE	
Johanna Wood	01253 648636	12 th October 2016	

LIST OF BACKGROUND PAPERS		
Name of document	Date	Where available for inspection
none		

Appendices

1. Committee Risk Assessment
2. Detailed Design and illustration

Appendix 1

Committee Risk Assessment Template

Directorate: Development Services		Date of Assessment: 12 October 2016		
Section: Parks & Greenspace		Assessment Team: Lisa Foden & Johanna Wood		
Assessment Activity / Area / Type: Improvements to the recreation area and associated landscape improvement works at Blackpool Road North, St. Anne's				
Do the hazards create a business continuity risk? No				
RISK DESCRIPTION	RISK SCORE (Likelihood x Impact)	RISK MITIGATION	RESIDUAL RISK SCORE (Likelihood x Impact)	RISK OWNER / RISK REGISTER
Increased maintenance implication for Fylde Borough Council.	4	Fylde Borough Council leases the site and acts as Owner/Tenant. As such maintenance implications will lie with FBC however, the maintenance of such a pathway is minimal	3	Lisa Foden
Failure of contractor to deliver to specification	9	The project will be managed by the Senior Development Officer in the Parks Development Team to ensure competent project delivery and budget management.	6	Johanna Wood

Possibility of personal injury to the public during the construction period.	8	A pre-contract health and safety plan will be developed with HMP Kirkham to ensure the safe operation within the site. Areas of active construction will be fenced off and information provided about safety aspects of the construction site. HMP Kirkham will carry five million pounds public liability insurance.	6	Johanna Wood
The new health walk fails to meet community or stakeholder aspirations.	6	The existing facility does not meet the need of the local community. This project is being developed in partnership with local residents and they will be involved throughout the project	3	Johanna Wood
Increased risks to the public as a result of the development.	6	A full risk assessment will be completed before the area is open to the public.	4	Johanna Wood
Project not delivered on time and funding not utilised.	9	Officers work closely with HMP Kirkham to ensure timely start on site.	6	Johanna Wood
Project overspend	9	Project officer to monitor & control costs and to procure materials and hire the plant.	6	Johanna Wood

Risk Likelihood

6 = Very High

5 = High

4 = Significant

3 = Low

2 = Very Low

1 = Almost impossible

Risk Impact

1= Negligible

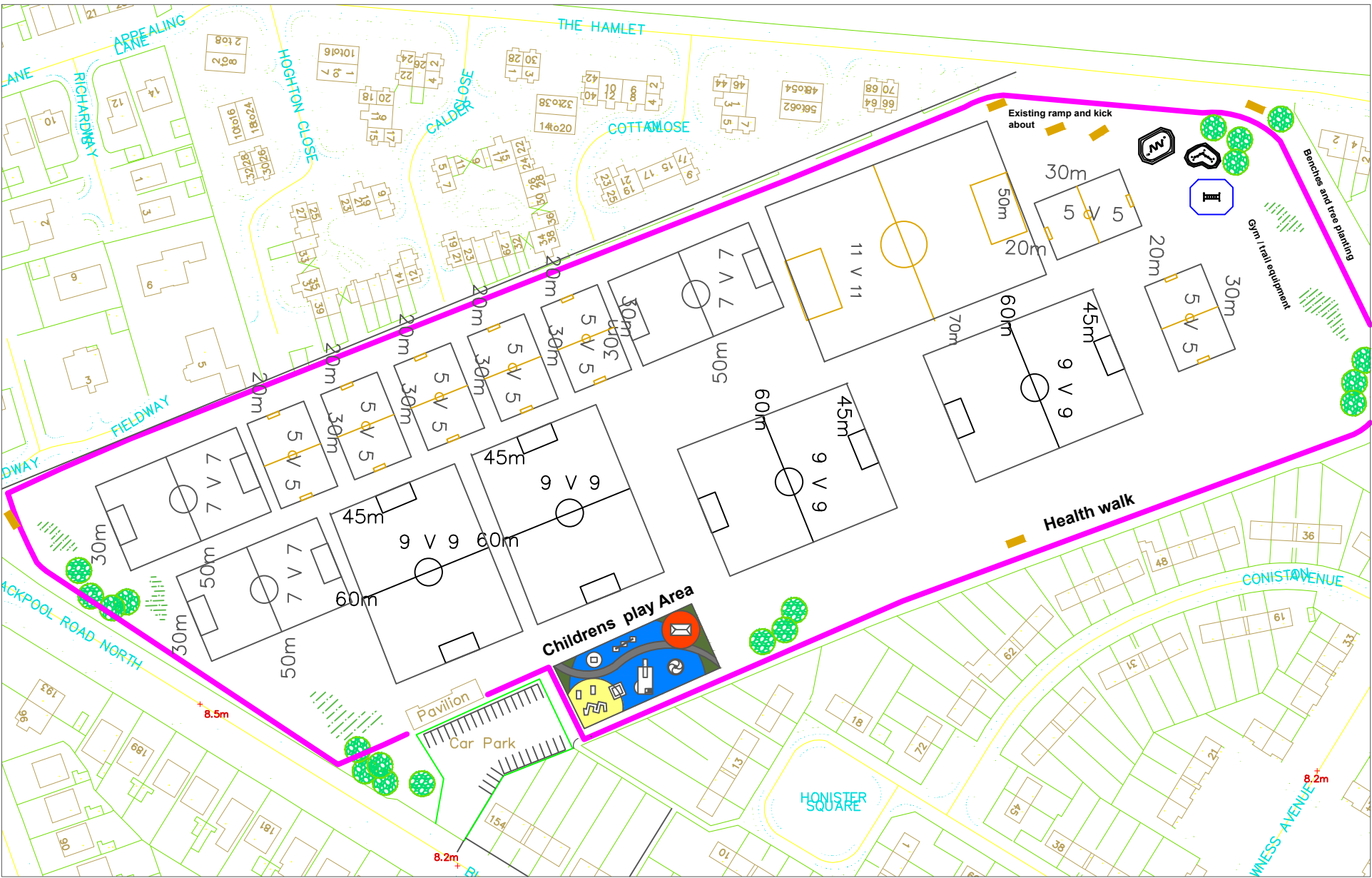
2 = Marginal

3 = Critical

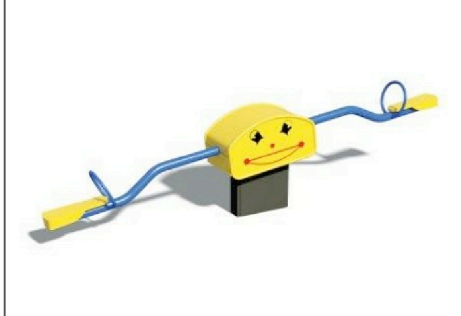
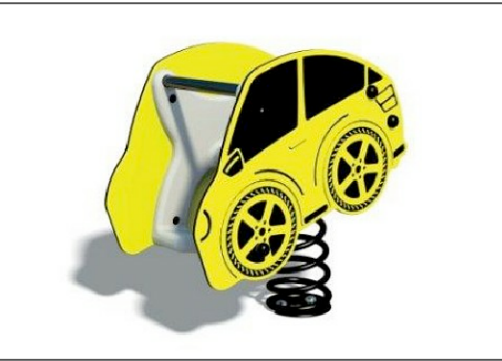
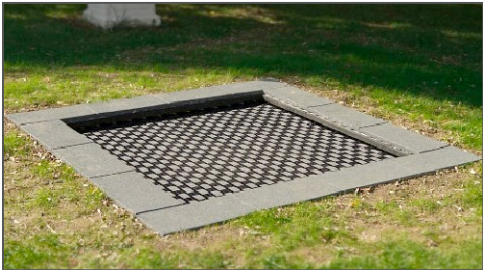
4 = Catastrophic

Multiply the likelihood by the impact and if the score is above 12 then mitigating action should be undertaken to reduce the risk. This action should be recorded and monitored in either a directorate or corporate risk register.

Blackpool Road North Playing Fields Concept 1

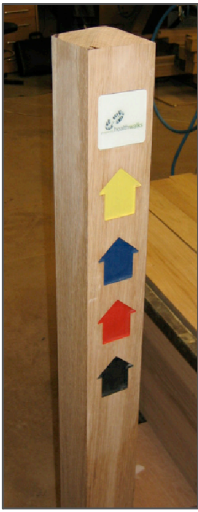
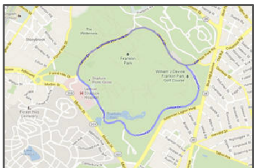


Play Ideas Toddler & Junior:



Play Ideas Older Children & Adults:

Health Walk:



in association with :
Friends of Blackpool Road North Playing Fields

INFORMATION ITEM



REPORT OF	MEETING	DATE	ITEM NO
DEVELOPMENT SERVICES DIRECTORATE	TOURISM AND LEISURE COMMITTEE	3 NOVEMBER 2016	8
DEVELOPING A POLICY ON EVENTS INCLUDING CLUB DAYS, FESTIVALS AND CONCERTS			

PUBLIC ITEM

This item is for consideration in the public part of the meeting.

SUMMARY OF INFORMATION

In June 2016 the Tourism and Leisure Committee approved the development of a policy on events including club days, festivals and concerts. To achieve this the committee agreed to the hosting of a workshop involving all members of the Tourism and Leisure Committee to facilitate this work. This information item is to update members of the committee on the progress of this work.

There have been two workshop sessions held with committee members on 7 July 2016 and 13 October 2016. The sessions have covered all aspects of event management, including:

- What is an event?
- Non event uses of council land/property
- Role of the council in events (why/how)
 - As licensing authority
 - As landowner
 - Providing support for events
 - The council's role in tourism coordination
- Current approaches to events
- Application/Processing/Consideration/ Determination
- Event planning and logistics
- Previous decisions taken
- Significant events held
- Summary of current policy position
- Existing support for events
- Charging for commercial events
- Best practice
- What improvements/changes?
- A new policy for events at Fylde

The work in the two sessions has given members an important insight into the council's current role in events, and enabled them to provide officers with an 'initial steer' on the direction of the draft events policy. The feedback from many members attending, has been that the sessions have been informative and helpful in improving their knowledge and understanding of the council's current role and approach to events. There is a further final workshop planned for early December 2016 in which a draft policy will be discussed in detail. Once the approach and procedures are agreed, a final events policy will be prepared and presented to the T&L committee in January 2017.

SOURCE OF INFORMATION

Director of Development Services

LINK TO INFORMATION

[Tourism and Leisure Committee 2 June 2016](#)

WHY IS THIS INFORMATION BEING GIVEN TO THE COMMITTEE?

To update members on the progress of work to develop a policy on events including club days, festivals and concerts.

FURTHER INFORMATION

Contact Paul Walker, tel: 01253 658431