



Title of meeting: Culture, Leisure and Economic Development Decision Meeting

Date of meeting: 17 October 2022

Subject: Landing Craft Tank 7074 provision for future maintenance

Report by: Director of Culture, Leisure and Regulatory Services

Wards affected: ALL

Key decision: No

Full Council decision: No

1. Purpose of report

1.1 This report describes the provision in place for the maintenance of Landing Craft Tank 7074.

2. Recommendations

It is recommended that:

2.1 The Cabinet Member notes the positive response to Landing Craft Tank 7074 since it opened as part of The D-Day Story.

2.2 The Cabinet Member approves the transfer of the surplus made through the operation of Landing Craft Tank (LCT) 7074 to a "sinking fund" as set out in the project Business Plan.

2.3 The Cabinet Member notes that the responsibility for the maintenance of LCT 7074 rests with the National Museum of the Royal Navy Operations and the responsibility for the maintenance of the canopy which protects the ship and the two D-Day tanks displayed on board rests with Portsmouth City Council.

2.4 The Cabinet Member notes that provision is made in the LCT 7074 project Business Plan for annual maintenance of LCT 7074, the canopy and tanks and that the sinking fund described at 2.1 will be used for the more significant interventions that will be required every three to five years or so.



3. Background

- 3.1 Delivery of the Landing Craft Tank (LCT) 7074 project - Resurrecting a D-Day Hero - began in late 2018 following the award of £4.5 million by the National Lottery Heritage Fund to the National Museum of the Royal Navy - project lead and owner of the ship.
- 3.2 The council has proactively supported and facilitated the project on a range of fronts, although formally its main role has been the delivery of the project Activity Plan, and since May 2021, the operation of LCT 7074 as an integral part of The D-Day Story.
- 3.3 The final project reports and grant claim are now with the National Lottery Heritage Fund (NLHF). The main focus in the lead up to the NLHF's end of September deadline was the completion of the legal documentation - Lease and Operator Agreement - which sets out the role and responsibilities of the two partners - Portsmouth City Council and the National Museum of the Royal Navy. One of the key obligations for the partnership is the cost of maintaining the heritage - ship and tanks and the canopy which protects both.

4. Reasons for recommendations

- 4.1 Response to LCT 7074 both from first time and returning visitors has been universally positive with the Landing Craft adding a complimenting aspect to the existing D-Day Story experience. The public location of the Landing Craft has also captured the imagination and seen considerable positive interest from the passing public on a regular basis. The daily management and operation of the LCT 7074 has provided learning and development opportunities for numerous members of staff and now supports the core of the museums volunteering team which is continuing to grow. The forthcoming introduction of guided tours showcasing the entire history of LCT 7074 will allow the visitor experience to be enhanced further.
- 4.2 Over 58,800 visitors have stepped onboard LCT 7074 since its opening in December 2020. This includes visitors of all ages and originating from all around the UK and abroad. Summer 2022 has seen a significant return of international visitors to the museum following a reduction in covid restrictions and during this time LCT has proved popular in particular with groups visiting from the USA and Canada.
- 4.3 Reaction to LCT 7074 and to the experience onboard has continued to remain positive from a wide range of visitors. From those with personal connections to the ship from family members who served on landing craft to those who visited it as 'Landfall' to those with no prior knowledge, LCT 7074 gains consistently positive comments through Trip Advisor, Google and through comments relayed to staff and volunteers on board: "Wow! Wow! Wow! This is a world class experience. To be able to see the last surviving landing craft from D-Day was an unforgettable and memorable experience." Trip Advisor.



- 4.4 The project Business Plan, prepared by external specialists Tricolor, sets out the revenue budgets for the operation of LCT 7074 over a ten-year period. The provision for maintenance costs for LCT 7074, the canopy and the D-Day tanks is based on the Management and Maintenance Plans produced for each: i.e. an annual figure for ongoing costs and at intervals a larger amount to cover more significant interventions -repainting the ship for example. The ongoing costs are paid for by revenue budgets. The Business Plan indicates that a surplus will be made each year. The surplus will accrue to build up a reserve or sinking fund that will be used for the more costly work that will be needed to maintain the ship, canopy and tanks. In 2021/22 the surplus was £80,000. The next step is to put in place a vehicle to oversee how the sinking fund is spent. (It should be noted that the surplus is likely to be less in future years as the operation of LCT 7074 is currently part-funded by the NLHF project grant and as the annual maintenance budgets are more fully spent).
- 4.5 The aim is to generate enough funds through the surplus, gifts and grants to maintain the ship, tanks and canopy. However, should funds not be forthcoming the responsibility for each one of these elements will fall to one of the partners: NMRNO the ship LCT 7074; PCC the canopy and two tanks. Other than that, the two partners will work together to ensure the successful operation of LCT 7074 as an attraction and maintenance of the heritage assets -ship and tanks- to the highest possible standard.
- 5. Integrated impact assessment**
- 5.1 Integrated Impact Assessment (Appendix 1)
- 6. Legal implications**
- 6.1 The operator agreement governs that PCC shall manage the operational revenue budget which may be used towards some routine maintenance of the LCT 7074, canopy and tanks in accordance with the Business Plan. It continues that PCC and NMRNO shall establish a sinking fund for required non-routine and/or major maintenance of LCT 7074, the canopy and the tanks which exceed the operational revenue budget.
- 6.2 Any funding from PCC to the project should be considered in relation to PCC's duty of best value to ensure appropriate use of public money. Noting that LCT 7074 shall remain the ownership of NMRN and the tanks to PCC.
- 6.3 Legal advice as to any annual payment by PCC should be sought, particularly in light of any relevant subsidy control and/or procurement legislation. Internally, the Council's constitution and Contract Procedure Rules must be adhered to.

7. Director of Finance's comments

7.1 The established principle for the creation of earmarked reserves is that the sums allocated are linked to a programme of planned works overtime. If the contributions fluctuate, the partners would be responsible to make such contributions to the sinking fund to ensure it maintains a positive balance.

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Signed by:
Stephen Baily
Director of Culture, Leisure and Regulatory Services

Appendices:

Appendix 1. Integrated Impact Assessment

Background list of documents: Section 100D of the Local Government Act 1972

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by on

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Signed by:
Cabinet Member for Culture, Leisure and Economic Development