

# **Management Committee**

## **19<sup>th</sup> September 2017**

### **MEMO project funding request**

#### **For Decision**

#### **Briefholder**

Cllr Kosier

#### **Senior Leadership Team Contact:**

M Hamilton, Strategic Director

**Report Author:** Nick Thornley

#### **Statutory Authority**

Localism Act 2011 – ‘general power of competence’

#### **Purpose of Report**

1. To present a request for funding the Creative Director of the MEMO project.

#### **Recommendations**

2. That Members consider an appropriate response to the MEMO funding request.

#### **Reason for Decision**

3. To consider financial support towards the £1.6 million cost of developing the MEMO project.

#### **Background and Reason Decision Needed**

4. A request for £300,000 has been received from the MEMO project, detail attached at Appendix A. £1 million has been awarded to the development phase (feasibility, design and planning, fundraising, etc.) of the project by the Dorset LEP, providing £600,000 match funding can be secured. £80,000 has been awarded by the County Council.
5. The estimated cost of the project is £15.8 million.
6. The original MEMO project has evolved into a new project working with Albion Stone and the Eden Project and called ‘The Journey’. It is estimated

that there will be 325,000 visitors per annum and that 79 FTE and all year jobs will be created. Further project details are presented in the appendix.

## **Implications**

### **Corporate Plan**

Building a Stronger Economy

### **Financial**

There is currently £255,623 from the reserves set aside for once off projects that is not yet allocated to a scheme, and therefore could be available to support this request. There is another report elsewhere on this agenda also requesting use of this funding. As Reserves are a once off source of funding, once they are allocated to a project, they cannot be used to support other projects or schemes. Spending the reserves will result in a loss of investment income of around 4%, or £4,000 for each £100,000 spent.

### **Equalities**

No impact

### **Environmental**

The project makes use of a disused quarry and has support for the environment as one of its key aims.

### **Economic Development**

It is estimated that the project when complete will create 79 year round FTE jobs.

### **Risk Management (including Health & Safety)**

Not relevant.

### **Human Resources**

No impact.

## **Consultation and Engagement**

The project will carry out further consultation and engagement as part of the development phase.

## **Appendices**

Appendix A: Funding request from MEMO.

## **Background Papers**

N/A

## **Footnote**

Issues relating to financial, environmental, economic and equalities implications have been considered and any information relevant to the decision is included within the report.

**Report Author:** Nick Thornley

**Telephone:** 01305 252474

**Email:** nthornley@dorset.gov.uk

**Date:** 05.09.17

## **Appendix A**

**'The Journey': £300K capital funding request to complete 16 month  
£1.6m pre-contract phase May '17 – August '18**

- **£1m has been confirmed by the Dorset LEP, £220K by Canadian philanthropist, Sue Lyons, and £80K by Dorset County Council**
- **the £300K requested would see the pre-contract phase fully funded and thereby guarantee the full LEP grant of £1m for Weymouth & Portland**
- **If successful, a decision before 1st September 2017 would result in maximum efficiency of progress (by avoiding the possibility of a 'stop-start' process)**
- **funding required between Sept '17 and April '18 – with a positive decision there is possibility of flexibility on drawdown dates over the remainder of this and next financial years subject to agreement with LEP and other funders.**

### **Overview**

'The Journey' is a new £15.8m project to create a world-class visitor attraction on the Isle of Portland set in a spectacular labyrinth of mine tunnels 17m underground and opening in spring 2020.

The project is the fruit of a new partnership between MEMO, Albion Stone and the Eden Project and represents an evolution of the original MEMO concept. 'The Journey' will be housed in 9m high tunnels of Albion's mines accessed from the original MEMO site (Bower's Quarry) and will present a unique ancient/modern, real/virtual, interpretative experience without parallel anywhere in the world. The project is dedicated to biodiversity, a subject which is destined to remain an important global issue into the long term and which is exquisitely appropriate to the evolutionary story embedded in the cliffs of the Jurassic Coast.

### **Outcomes**

1. 325K visitors p.a. (75% new visitors);
2. 79 direct year-round tourism jobs created (fte);
3. £24m GVA p.a.;
4. ongoing programme for 30 apprentices in the Portland community which currently has incidence of NEETS among 16-24 year olds at more than 50% above the national average;
5. extension of tourist season;
6. 'genius loci' - authentically bring together stone industry and geological interest as otherwise disparate aspects of the heritage offer of the island;

7. showcase two complimentary interpretative art forms – stone carving and virtual & augmented reality – on which the Isle of Portland and Bournemouth's two universities enjoy unquestionable international reputation;
8. private investment levered at a ratio of 1:3, thereby providing a new blueprint for culture-led regeneration projects (which in the past have been typically more than 80% funded from the public purse cf. Turner Gallery, Margate and Hepworth Gallery, Wakefield);
9. pioneering the post-extraction use of mines on Portland, thereby unlocking significant areas of new employment space over the coming decades in fulfilment of the aspirations of the Portland Economic Vision Board;
10. bringing the Eden Project brand to Dorset to the benefit of the tourism sector across the Borough and county-wide with considerable multiplier effect.
11. with Eden comes an exceptional culture of local procurement (in excess of 80% achieved at the Cornwall site) which will help support and protect up to 1000 jobs in the regional supply chain.

The project has been carefully scaled to the existing transport infrastructure of the island, and to the current fundraising climate and anticipates an opening in 2020. Visitor numbers are pegged to the comparator of Portland Bill which currently receives 350K annual visitors, and the business model structure is based on the seasoned (20 years +) performance of the Lost Gardens of Heligan which attracts similar annual visitor numbers.

### **Evolution from original MEMO concept to 'the Journey'**

The Journey has evolved from the original £30m MEMO concept to build an ongoing global Monument recording all modern species extinctions into the future against the backdrop of the international status of the Jurassic Coast. In that process, MEMO has over the past years galvanised high level, and international support and participation from: celebrated architect Sir David Adjaye, the UN, IUCN (the International Union for the Conservation of Nature), the Royal Society, HRH Prince Philip, Rohan Silva (former Senior Policy Advisor to David Cameron), Sir Tim Smit (co-founder of the Eden Project), Sir Ghilleain Prance (former Director of Kew Gardens and MEMO Chair), Maria Wilhelm (head of James Cameron's Avatar Alliance Foundation) and esteemed biologist E.O. Wilson (often described in the US press as the 'heir of Darwin').

Significant progress has been made on the original project:

- raising in excess of £500K (with over 90% from private sources) to reach a full planning application for David Adjaye's spiral design;
- planning permission unanimously granted in 2012 and implemented, 2015;
- high profile events at St. Paul's Cathedral, London Zoo, the UN Building in New York, UNEP Headquarters in Nairobi, and Buckingham Palace.
- securing a 125 year lease on the site for a peppercorn rent from the Crown Estate.

However in straitened times the scale of the £30m fundraising task, combined with the lack of plausible options for phasing the architectural development, proved difficult. In response in Spring 2015, the Trustees began to look at the possibility of housing the visitor experience in Albion's mines. The mine offers multiple additional advantages, without jeopardising the value of progress already made, and led to the adoption of 'the Journey' concept by the Trustees and the forging of the new partnership with Albion and Eden in May 2016.

## **Advantages of the mine**

- nearly 50% reduction in the capital cost together with a much higher ratio of commissioned content to building infrastructure;
- the mine has inherent 'Indiana Jones' charisma and therefore 'pulling power' with projected visitors approximately double the original scheme.
- accessibility from Bower's Quarry, thereby securing the value of the existing lease and planning permission;
- geologically stable, free of gas, above the water table, and entirely free of vertical shafts – all ideal characteristics for successful tourism after use;
- the mine is perfectly suited for the deployment of chosen media: stone carving and projected digital media;
- mine allows for better scalability of the project;
- mine has inspired and engaged the Eden Project thus precipitating the shift in their position from supporters to participating partners & site operator.

## **Outline delivery timetable**

1. May '17 – August '18: £1.6m, 16-month pre-contract phase.
2. Sept '18 – April '20: 20-month fit out phase leading to soft opening in May '20.

## **Spending plan May 2017 – August 2018**

1. **Feasibility:** May '17 – August '17 — total budget £250K (**LEP contribution: £250K**)

Deliverables:

- 1. Project Delivery Plan including risk register.
- 2. Overall Master Programme.
- 3. Content journey and proposed mix of media formats.
- 4. Site layout with covering information on visitor logistics, visitor flow, showing back of house locations, project workability etc.
- 5. Key Business assumptions summary – blended spend, visitor profile, spread of visitors (weekly, monthly, annually) dwell time, repeat visitor, regional multiplier effect etc.
- 6. Outline business plan/model for 1/5/10 year cycles plus sensitivity review.
- 7. Heads of Terms with five parties being three landowners and two Partners.
- 8. Health and Safety: 'public in the mines' report by independent authority.
- 9. LA Planning Pre-Application, formal update and understanding.
- 10. Wrap-up document / brochure of IFS including content workshops outputs. Soft and hard copies.

2. **Development:** Sept '17 – March '18 – total budget £787.5K  
Full business case / Design up to Planning / Fundraising

3. **Planning and Procurement:** April '18 – August '18 – total budget £562.5K  
Resubmit and amend planning permission / Procurement / Fundraising

## **Conditions of LEP grant**

The full LEP grant of £1m is contingent on raising matched funding of £600K. Pledges amounting to £300K have now been confirmed. Therefore the £300K requested from the Borough Council is the last piece of the 'funding jigsaw' for the pre-contract phase and would guarantee that the LEP grant comes to Weymouth and Portland in full.

### **Pre-contract phase May '17 – August '18 funding summary**

- £1m – LEP grant
- £220K pledge confirmed by Canadian philanthropist and MEMO Trustee, Sue Lyons
- £80K pledge confirmed by Dorset County Council
- £300K *requested from Weymouth and Portland Borough Council*
- **£1.6m total**

The £1.6m total is additional to the value already built up in the project with the Crown Estate lease, the implemented planning permission, proof-of-concept events and the high profile and international constituency of support.

**Sebastian Brooke**  
**MEMO, Creative Director**  
**2nd July 2017**