

Report of Head of Asset Management

Report to Director of City Development

Date: 16 May 2016

Subject: Proposed Reconfiguration and Refurbishment, West Yorkshire Playhouse

Capital Scheme Number: 32019

Are specific electoral Wards affected? If relevant, name(s) of Ward(s): City and Hunslet	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Are there implications for equality and diversity and cohesion and integration?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Is the decision eligible for Call-In?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

Summary of main issues

1. In August 2015, the City Council with support from the West Yorkshire Playhouse (the Playhouse) submitted a Stage 1 application to Arts Council England (ACE) for a grant award towards the cost of the proposed reconfiguration and refurbishment of the West Yorkshire Playhouse building (the proposed works). In January 2016, ACE confirmed that it will provide the Council with a Development Grant of up to £300,000 towards the costs of developing an Agreed Development Plan and, to invite the Council to make a Stage 2 application for the Capital Project as set out in its Stage 1 application.
2. It is proposed that the cost of developing the Agreed Development Plan required in support of the Stage 2 application to ACE will be funded by the Development Grant of up to £300,000 from ACE, up to £74,000 from the Playhouse and £333,287 from contributions received by LCC, with the balance (£77,847) being expenditure incurred directly by the Playhouse
3. This report seeks approval to a fully funded injection of £374,000 into the Capital Programme (Capital Scheme No. 32019), to fund the preparation of the Stage 2 application to ACE for the proposed reconfiguration and refurbishment of the West Yorkshire Playhouse building, with £300,000 from ACE and £74,000 from the Playhouse.

Recommendation

4. The Director of City Development is requested to approve a fully funded injection of £374,000 into the Capital Programme (Capital Scheme No. 32019) to fund the preparation of a Stage 2 application to ACE for the proposed reconfiguration and refurbishment of the West Yorkshire Playhouse building.

1 Purpose of this report

- 1.1 The purpose of this report is to seek approval to a fully funded injection of £374,000 into the Capital Programme (Capital Scheme No. 32019) to fund the preparation of a Stage 2 application to ACE for the proposed reconfiguration and refurbishment of the West Yorkshire Playhouse building.

2 Background information

- 2.1 The Council's Executive Board at its meeting in July 2015 agreed as owner of the Playhouse building to act as lead in the management, procurement and delivery for the proposed works at the Playhouse and in doing so, to be the applicant to and if successful, the recipient of a grant award from ACE towards the cost of the proposed works to the Playhouse.
- 2.2 In August 2015, the City Council submitted an application to ACE for the proposed refurbishment and reconfiguration of the Playhouse. The proposed works seek to re-orientate the theatre towards the city by creating a new glass extension and high impact entrance at ground level opposite the proposed John Lewis car park and Victoria Gate development. In addition, new performance and community spaces would be opened, along with a reconfiguration of the office and back of house areas to facilitate new commercial spaces and improved access. A refurbishment of the two current auditoria is also proposed, with investment in both outdated theatre equipment and, in the near obsolete and increasingly expensive plant and machinery of the Playhouse building itself. The extension of the public areas, opening up the brick work and increasing disabled access and routes into and through the building are proposed to create a porous, open and welcoming destination and underpin both the Council's and the Playhouse's commitment to greater engagement with Leeds' communities and the city.

3 Main issues

- 3.1 As part of the Stage 1 application to ACE, the Council sought a development grant totalling £300,000 towards the cost of the preparation of the Stage 2 application to ACE, with the balance of the funding to be shared with contributions received by the LCC (£333,287) and the Playhouse (up to £74,000), with the balance (£77,847) being incurred directly by the Playhouse. In January 2016, ACE confirmed that it will provide the Council with a Development Grant of up to £300,000 towards the costs of developing an Agreed Development Plan and, to invite the Council to make a Stage 2 application for the Capital Project as set out in its Stage 1 application in order to be assessed for a grant of up to £6.333m (rounded).

3.2 A separate report has been submitted to and approved by the Chief Officer Culture and Sport for authority to enter into a Development Grant Agreement with ACE for the receipt of the £300,000 development grant.

3.3 The Director of City Development should note that at the date of report preparation the estimated cost of preparing the Stage 2 application to ACE is £785,134 inclusive of fees, surveys and fundraising costs. The cost of preparing the Stage 2 bid will be funded by a combination of the £300,000 grant from ACE, £74,000 from the Playhouse and £333,287 from contributions previously injected into the City Council's Capital Programme, with the balance of £77,847 being met by expenditure incurred directly by the Playhouse.

4 Corporate Considerations

4.1 Consultation and Engagement

4.1.1 The Executive Members for Economy and Culture and Regeneration, Transport and Planning have been consulted and are supportive of the recommendation contained in the report.

4.1.2 The West Yorkshire Playhouse Project Board has been consulted and is supportive of the recommendation contained in the report.

4.2 Equality and Diversity / Cohesion and Integration

4.2.1 An Equality Impact Screening has been undertaken and there is no requirement for a full assessment. The Screening document was presented to Executive Board at its meeting in July. Improved disabled access to the Playhouse and wider community engagement are integral to the development of the proposals.

4.3 Council Policies and City Priorities

4.3.1 Investment in the Playhouse will aid the Council's bid to become European Capital of Culture 2023. It would contribute to both a strong economy and to a compassionate city by both making Leeds a more attractive place to invest but also a better place to live. The Playhouse contributes strongly to Child friendly Leeds, most notably through its Youth theatre and First floor provision. It contributes to Leeds' ambition to be best city by 2030.

4.4 Resources and Value for Money

4.4.1 As part of the Stage 1 application to ACE, the City Council sought a development grant totalling £300,000 towards the estimated cost of the preparation of the Stage 2 application, with the balance of the funding to be shared by contributions already injected into the Councils capital programme (£333,287) and the Playhouse (up to £74,000). The Director of City Development should note that the contributions of £333,287 towards the cost of preparing the Stage 2 application have already been injected into the capital programme and are held on Capital Scheme No. 32019 and are available for expenditure on fees to prepare the Stage 2 application to ACE.

4.4.2 Capital Funding and Cash Flow.

Previous total Injection On this scheme	TOTAL £000's	TO MARCH 2015 £000's	FORECAST				
			2015/16 £000's	2016/17 £000's	2017/18 £000's	2018/19 £000's	2019 on £000's
LAND (1)	0.0						
CONSTRUCTION (3)	252.7			252.7			
FURN & EQPT (5)	0.0						
DESIGN FEES (6)	333.3			333.3			
OTHER COSTS (7)							
TOTALS	586.0	0.0	0.0	586.0	0.0	0.0	0.0
New injection for Approval	TOTAL £000's	TO MARCH 2015 £000's	FORECAST				
			2015/16 £000's	2016/17 £000's	2017/18 £000's	2018/19 £000's	2019 on £000's
LAND (1)	0.0						
CONSTRUCTION (3)	0.0						
FURN & EQPT (5)	0.0						
DESIGN FEES (6)	374.0			374.0			
OTHER COSTS (7)							
TOTALS	374.0	0.0	0.0	374.0	0.0	0.0	0.0
Total overall Funding (As per latest Capital Programme)	TOTAL £000's	TO MARCH 2015 £000's	FORECAST				
			2015/16 £000's	2016/17 £000's	2017/18 £000's	2018/19 £000's	2019 on £000's
Arts Council England	300.0			300.0			
West Yorkshire playhouse	74.0			74.0			
Private Sector Conts	586.0			586.0			
Total Funding	960.0	0.0	0.0	960.0	0.0	0.0	0.0
Balance / Shortfall =	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Parent Scheme Number : 32019

Title : West Yorkshire Playhouse Refurbishment

Revenue Effects

Any revenue implications will be met from existing revenue budgets.

4.5 Legal Implications, Access to Information and Call In

4.5.1 The decision to authorise a fully funded injection of £374,000 into the Council's Capital programme is a Significant Operational Decision and is not subject to Call In.

4.6 Risk Management

4.6.1 There is a risk that the estimated cost of £785,134 to develop the scheme proposals sufficient to be able to submit a Stage 2 application to ACE is not sufficient to fund all the costs associated in developing the Stage 2 scheme design proposals. This will only become apparent upon receipt of the tenders for the appointment of the cost consultant and NEC Project Manager. This risk cannot be completely mitigated and, if the issue arises it may be necessary to either review the consultant's scope of service to comply with the budget available or identify savings in the capital scheme. It should be noted that the Playhouse has indicated

that whilst it may be able to bring forward funding for the development phase of the project from its reserves, it has advised that overall additional funding is unlikely to be available.

- 4.6.2 There is a risk that the Council's Stage 2 application to ACE will be unsuccessful in which case the design costs incurred by the Council and the Playhouse would be abortive. The risk may be mitigated by developing the scheme proposals to comply with the criteria set out in ACE's Stage 2 Guidance notes and, is aligned with ACE's goals for the receipt of a large capital grant from its Capital Investment Programme.

5 Conclusion

- 5.1 In light of Executive Board's decision that the Council will act as lead and assume responsibility for the management, procurement and delivery of the proposed works to the Playhouse and, in so doing, be the applicant and recipient of any grant award from ACE, the Council needs to inject into its Capital Programme contributions from third party organisations towards the estimated cost of preparing the Stage 2 application to ACE.

6 Recommendation

- 6.1 The Director of City Development is requested to approve a fully funded injection of up to £374,000 into the Capital Programme (Capital Scheme No. 32019) to fund the preparation of a Stage 2 application to ACE for the proposed reconfiguration and refurbishment of the West Yorkshire Playhouse building.

7 Background documents¹

- 7.1 None.

¹ The background documents listed in this section are available for download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.