



CABINET

29 JULY 2002

Cultural Quarter

**Report of the Acting Corporate Director of Cultural Services & Neighbourhood
Renewal**

1 Purpose of Report

This report :

1. informs members of the tendering and selection processes used to procure Architectural Services for the new Performing Arts Centre and seeks approval to appoint the preferred Architectural practice
2. informs members of progress made on the options study to select the site for the development of the Creative Industries Workspaces, (Creative Heartlands Incubator Centre – CHIC)

2 Summary

1) Performing Arts Centre.

The tender process for the selection of Architects for the Performing Arts Centre is detailed in the supporting information.

A timetable for the development of the Performing Arts Centre has been established. The timetable is ambitious but has been developed taking full account of other development schemes within the city centre and the timescales established by some of our funding partners that impact on the progression of this project. It is owing to these factors and because it is envisaged that the design for the new Performing Arts Centre will assist in securing further sponsorship and funding that a decision to appoint the architects is required now before the funding package is fully confirmed.

The tender process for the procurement of Architectural Services for the new Performing Arts Centre was undertaken in accord with EU OJEC and Council procurement procedures

2) Creative Industries Workspaces

Information pertaining to the development of the Creative Industries Workspaces is detailed in the supporting information.

Early progression of the Creative Industries Workspaces is critical to further secure the GOEM European Objective 2 / ERDF and EMDA funding as these workspaces have the potential for early draw down of ERDF funding and to deliver the regeneration outputs required by these agencies / sources of funding. Delay on the progression of this project will impact on the funding, ringfenced within these programmes, for the Performing Arts Centre. It is envisaged that construction / refurbishment work will be completed by April 2004, with occupation of the workspaces / units from then onwards.

3 Recommendations

In regard to the new Performing Arts Centre, Cabinet:

- 1) Appoint the Architectural practice to provide the architectural design service for the Performing Arts Centre. (NB The decision on which architectural practice is to be appointed and the value of the contract is included in the supporting information and will be taken on Part B of the agenda)
- 2) authorise the acting Director of Cultural Services and Neighbourhood Renewal to instruct the Architects to undertake design work to RIBA Stage E incurring expenditure up to £600,000 utilising funds allocated to the Cultural Quarter within the Councils approved Capital programme
- 3) authorise the acting Director of Cultural Services and Neighbourhood Renewal, in consultation with the Cabinet Members Working Group, to appoint QS consultants for the Performing Arts Centre at an estimated cost of £100,000 for QS work to RIBA stage E
- 4) authorise the acting Director of Cultural Services and Neighbourhood Renewal, in consultation with the Cabinet Members Working Group, to submit a Stage 2 application to the Arts Council of England for a contribution of £300,000 from the £10 million ringfenced for this project towards the cost of developing the Architectural Design for the new Performing Arts Centre
- 5) authorise the acting Director of Cultural Services and Neighbourhood Renewal, in consultation with the Cabinet Members Working Group, to instruct the architects and QS to progress work on RIBA stages F – L and to determine the form of procurement, seek tenders and accept the tender which is most advantageous to the Council for other consultants to complete the design team at the appropriate time and in accordance with the approved budget and funding profile for the scheme. To that extent contract procedure rules paragraphs 6.1(a), 7.3(a), 7.5 and 8 shall be waived to enable the use of the negotiated procedure as allowed under EU public procurement rules subject to the acting Director being satisfied that all conditions of funding are satisfied and value for money is obtained.
- 6) authorise the Head of Legal Services to enter into the appropriate contracts to progress the design phase of the new Performing Arts Centre

In regard to the Creative Industries Workspaces, Cabinet:



- 1) delegate authority to the acting Corporate Director of Cultural Services & Neighbourhood Renewal; in consultation with the Cabinet Members Working Group to select the most appropriate site for the Creative Industries Workspaces
- 2) authorise the acting Director of Cultural Services and Neighbourhood Renewal, in consultation with the Cabinet Members Working Group, to determine the form of procurement, seek tenders and accept the tender which is most advantageous to the Council, for consultants and contractors (architects, QS etc) as appropriate to progress the design and refurbishment of the former Bus Depot on Rutland Street for the Creative Industries Workspaces Centre, utilising a maximum of £1.3 million from the Councils approved Capital programme. To that extent contract procedure rules paragraphs 6.1(a), 7.3(a), 7.5 and 8 shall be waived to enable the use of the negotiated procedure as allowed under EU public procurement rules subject to the acting Director being satisfied that all conditions of funding are satisfied and value for money is obtained
- 3) authorise the Head of Legal Services to enter into the appropriate contracts to progress the design and construction phases of the Creative Industries Workspaces programme and project

4 Financial & Legal Implications

- 1 Cabinet, at its meeting on 5 November 2001, approved development of the Cultural Quarter in the St George's south area of the City Centre. In doing so Cabinet approved capital funding of £6.6 million, of this sum £5.6 million is allocated within the Capital Programme for the period 2001/02 – 2004/05 and £1 million ringfenced in the Capital Programme for 2005/06. Within this funding £4.4million is to be used for the development of the Performing Arts Centre, of which £480,000 is identified for funding further feasibility and design work, and £1.3 million is identified as a contribution to the Creative Industries workspaces.

Subject of Expenditure	Overall level of Expenditure	LCC Contribution	Contribution from other sources
Design Development – Performing Arts Centre	£600,000 to RIBA Stage E	£300,000	£300,000 (ACE) Subject to application
Quantity Surveyor – Performing Arts Centre	Estimated at £100,000 to RIBA Stage E	£100,000	
Creative Industries Workspaces	£4.75 million	£1.3 million	£3.45 million (Objective 2 / EMDA) applications for funding submitted

2 Risk Assessment

The appointment of MACE Limited to provide project management and project development support to the 1st phase of the Cultural Quarter has enabled a proactive approach to the management of risk. A detailed Risk Management Schedule has been prepared which enables the Project Board to focus on the key

areas of risk.

In order to progress to the next stage of development it is necessary to incur expenditure on architectural design, QS and cost consultancy services for both the Performing Arts Centre (up to £700,000 pending a decision on the stage 2 application to ACE) and the Creative Industries Workspaces up to £200,000.

Work to RIBA stage D is essential to the submission of the a Stage 2 application to ACE without which the £10 million ringfenced for this project cannot be drawn down to support the project.

Any delay in the process at this stage will not improve the position with regard to the status of funding applications as the main funder (ACE) requires work to progress to RIBA stage D before final agreement is given. This is not considered a major risk. Furthermore any delay, could worsen the situation by undermining the confidence of funding partners in the scheme.

For the purpose of this report the main area of risk relates to finalising the funding package which is set out in detail in the supporting information. (This is being considered on Part B of the agenda as it contains exempt information.

5 Consultations

The following have been consulted in the writing of this report:

Mark Noble, Chief Financial Officer
Jayne Tysoe, Head of Finance (Cultural Services & Neighbourhood Renewal)
Joanna Bunting, Assistant Head of Legal Services
Lynne Cave, Acting Service Director, Property
Kishor Tailor, Service Director, Regeneration

Alan Parkes & Peter Gibson-Leitch, MACE Project Management

6 Report Author

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DECISION STATUS

Key Decision	Yes
Reason	Capital Expenditure of more than £1 million
Appeared in Forward Plan	No, the matter is being considered under Rule 14 of the Access to Information Procedure Rules of the Constitution
Executive or Council Decision	Executive (Cabinet)