

Report of the Assistant Director (Communities and Equalities)

Portfolio of the Executive Member for Culture, Leisure and Tourism

## **Proposed temporary uses of part of Castle Car Park**

### **Summary**

1. This paper seeks approval for two temporary uses of part of Castle Car Park during 2019.

### **Recommendations**

2. The Executive is asked to:
  - Agree the proposed use of part of the car park subject to planning permission and other relevant statutory approvals and, in the case of the Viking Hall proposal, the additional measure set out in paragraph 38.
  - Delegate to the Assistant Director Legal and Governance the drawing up of the necessary leases

### **Background**

3. Lunchbox Theatrical Productions Limited (LTP) sited the pop-up Rose Theatre on part of Castle Car Park between May and September 2018. LTP have approached the Council with a proposal for a further season in 2019.
4. The Council has also been approached by Bifrost Entertainments with a proposal to site a Viking Hall on part of the car park between 18 January and 3 May 2019.

### **The Proposals**

#### **The Rose:**

5. Over the summer the Rose attracted 80k visitors to the four plays staged. In addition, the Shakespearean village adjacent to the theatre which provided free wagon entertainment and an Elizabethan garden attracted a further 20k visitors. 67% of the

visitors were from Yorkshire, 21% were from elsewhere in the UK and 12% were international. 9k school children attended the shows with 3k attending free thanks to the Rose Bursary Scheme.

6. The productions received excellent coverage in national newspapers and other media including through social media. This coverage reinforced York's position as an excellent visitor destination with first class cultural product. Audience feedback was also excellent, the experience being rated 4.9 on Trip Advisor.
7. Within the city Make It York and the BID report good feedback from businesses. The revised parking arrangements worked well and footfall in the city is reported to have been generally up. Venues including Clifford's Tower have reported visitor number exceeding target over the summer. The Castle Museum, on the other hand, reported a drop in visitor numbers. It will be important to address issues of visibility of the museum if the Rose is to return in 2019 to make sure that casual visitors are not deterred from visiting. The Theatre Royal was very positive about working with the Rose reporting that it gave staff, volunteers and the young people that work with them a new perspective on how theatre can be manifested in York.
8. The new proposal would replicate the 2018 event with the theatre showing 4 new plays, the "taste village" and a variety of small scale entertainment taking place throughout the season. 80k to 90k visitors are anticipated. The relevant dates for 2019 are 26 May - 10 September 2019 inclusive of set-up and take-down.

### **The Viking Hall:**

9. Bifrost Entertainment Ltd. propose the installation of a Viking themed theatrical experience with a Viking Great Hall and courtyard theatre creating an immersive performance space with a capacity of approximately 100 people per show. The installation would also include a Viking themed homestead featuring food and beverage outlets, box office, sheltered and unsheltered seating, entertainment and demonstration stage and the potential for a craft and skills market.
10. With the working title, Vikings: The Shield Wall Sagas, this experiential theatre will plunge visitors into the most exciting periods of history, delivering a unique and immersive, theatrical experience, with 360 degree sets, live actors, and special effects.
11. The project has a capacity to attract a total of 44,800 patrons over the 11 week performance period. During peak season (February &

Easter half term) the theatre would run 7 days a week. During the 4 week off peak period the attraction will operate over 3.5 days.

12. The build period would begin on 21 January with launch on 8 February. Schools weeks would be offered w/c 11 February and 1 April. Load out would commence on 29 April with the site being released on 3 May.

### **Fit with Castle Gateway**

13. The Castle Gateway masterplan was approved by the council's Executive in April 2018, providing a long term spatial plan for the regeneration of the area. At the heart of the masterplan is the closure of Castle Car Park to create a new area of high quality public realm - a beautiful setting for the city's heritage assets that reflect the historical context and significance of this area of regional and national importance. This space would meet the public's aspirations to be able to sit, relax, eat, drink and enjoy, and would also host different events throughout the year.
14. The first stage in delivering the masterplan is to provide alternative car parking in a multi-storey car park (MSCP) at St George's Field, which will in turn allow the closure and redevelopment of Castle Car Park. Work is currently underway to prepare a planning application for the MSCP for submission. In the meantime, it is important to promote Castle Car Park on a temporary basis as an events space. This will help to break the public perception of the area as a car park, attract interest from potential future commercial events partners, and build confidence in the delivery of the masterplan. It will also allow further monitoring of the impact on parking. The initial analysis of the 2018 Rose Theatre suggests that car parking was displaced to other council owned car parks at St George's Field and Piccadilly, which is a positive outcome and is conducive with the long term masterplan car parking strategy.
15. The successful hosting of the Rose Theatre in 2018 has already begun to positively challenge the perception of what Castle Car Park could be, and we are seeking to build on that success next year through a programme of events to be hosted on the car park throughout the year. The use of the space by more formal large scale visitor attractions, through the proposed return of the Rose Theatre and the immersive Viking experience, would reinforce the future vision for Castle Car Park whilst covering the council's car parking income and attracting both residents and visitors to this resurgent part of the city.

## **Options**

16. The Executive may agree or refuse these proposed uses of part of the Castle Car Park.

## **Analysis**

### **The Rose:**

17. Around 135 car parking spaces will again be needed to accommodate the pop-up theatre (out of the 318 available) with a further 18 spaces needed by the council to rearrange the remaining car park layout safely.
18. LTP reimbursed the Council for the full cost of the spaces they used. The revised parking arrangements worked well with significant displacement of parking numbers to St George's and Piccadilly. As a result, with the reimbursement from LTP, the Council enjoyed a significant increase in overall parking income.
19. The proposal for 2019 is based on a principle of creating a fair share of the anticipated additional income, allowing LTP to recoup their substantial investment in the project whilst creating a guaranteed return for the Council. LTP will pay the Council at a rate of £1,047 per day. Based on the 2018 experience this will compensate the council for its actual loss of income in the Castle Car Park. The Council will enjoy the benefit of any income derived from disbursed parking in other Council car parks.
20. The arrangement will also include a guarantee for the Council that, should the Council's income for the Castle Car Park for the lease period fall below that of the equivalent lease period this year, i.e. £242,189, LTP will pay the Council compensation to cover the shortfall. This compensation will be capped such that the maximum amount LTP will pay in total will be equivalent to last year's average day rate, i.e. £1,656 per day. A force majeure provision will be included to protect LTP with regard to this compensation in the event of an occurrence outside of their control that forces closure of all or part of the car park for any period during the lease term.
21. The Council will again need to remove a small number of additional spaces in order to operate the remodelled car park safely. The resulting loss of income will be covered by parking dispersed to other car parks.
22. Further work will be undertaken to improve awareness of Piccadilly Car Park, including by, improving signage through the transport capital programme.

23. It is therefore recommended that this proposal is accepted.
24. There may also be potential for the Rose to return again in 2020. If this is the case, officers will work with LTP to develop a proposal in light of the availability of suitable sites.

### **The Viking Hall:**

25. Around 100 car park spaces will be needed to accommodate the Viking Hall. Bifrost will reimburse the Council the full level of income received from the spaces at that time of year since there is much less scope for dispersal during the winter period. The total amount to be paid for the 15 week period will be £136,500.
26. The proposal offers an innovative proposal for an attraction targeting a family audience during the spring - Easter period. It has the potential to provide a significant new attraction within York's overall offer and to complement the existing Viking Festival.
27. Although Bifrost is a young company their management team has significant production and creative experience. Their business plan is based on selling 50% of the capacity with break-even at 22% of capacity. As this is a new type of venture and therefore involves a higher degree of commercial risk the Council has sought additional guarantees about the basis on which the production would go ahead and how payments to the Council would be scheduled (see Risk Management section below).
28. It is therefore recommended that this proposal is accepted.

### **Implications**

#### **Financial:**

29. **Rose Theatre:** The proposed rent of £113,076 (108 days@£1,047 per day) represents the actual lost income from Castle Car Park over the equivalent period in 2018.
30. The proposed daily rate of £1,047 is lower than that received in 2018 (£1,656). This reflects the fact that the actual reduction in income at Castle car park over the period in 2018 was lower than originally assumed. The council will continue to receive the benefit of displaced income across other local car parks. In 2018 Piccadilly and St George's car parks out performed budget between June and August by c£60k.
31. There is also agreement that should actual revenues fall in 2019 compared to 2018 this will be reimbursed by LBT.

32. **The Viking Hall:** The proposed £136.5k rental payment over the 105 day period reflects the income that will be lost from the car park calculated on the basis of income received in the equivalent period in 2018. The higher daily rate of £1,300 per day (compared with the Rose) reflects the fact that there is no evidence relating to disbursement for this particular event or at that time of the year.
33. With regard to business rates both attractions will be assessed separately for business rates. LTP and Bifrost will pay any additional rates over and above those that CYC would otherwise have been assessed to pay for the normal use as a car park.
34. **Property:** The council will enter into leases with LTP and Bifrost Entertainments. The leases will provide that the occupiers are responsible for any damage caused to the car park and that the facility will be handed back to the council in a state by which it can use the site again as a car park
35. There are no other implications.

### **Council Plan 2015-19**

36. The proposals in this paper support the Council Plan aim of *A Prosperous City for All* where:
  - Local businesses can thrive
  - Efficient and affordable transport links enable residents and businesses to access key services and opportunities
  - Everyone who lives in the city can enjoy its unique heritage and range of activities.
  - Visitors, businesses and residents are impressed with the quality of our city

### **Risk Management**

37. In compliance with the Council's risk management strategy the main risks that have been identified in this report are those which could lead to the inability to meet business objectives and failure to meet stakeholders' expectations, which could in turn damage the Council's image and reputation. Measured in terms of impact and likelihood, the risk score has been assessed at less than 16.
38. With respect to the Viking Hall proposal the Council will manage the risk by:

- Scheduling the payment from Bifrost in stages: 40% (£54,600) in advance of the arrival on site, 30% (£40,950) payment on 22 February, 30% (£40,950) on 1 April
- An extra £10k to be paid up front as a deposit to be held for the duration of the occupancy with the Company Director acting as a personal guarantor. Obtaining proof that commercial loans and other funding are in place for the development.
- Obtaining proof that commercial loans and other funding are in place for the development.

## Annexes

### 1. Artist's impression of the Viking Hall

<b>Author:</b>	<b>Chief Officers responsible:</b>		
Charlie Croft Assistant Director (Communities and Equalities)	Neil Ferris Director of Economy and Place  Jon Stonehouse Director of Children, Education and Communities		
<b>Report Approved</b>	✓	<b>Date:</b>	4 October 2018
<b>Specialist implications officers:</b>			
Patrick Looker Finance Manager	Andy Kerr Commercial Project Manager		
Gerard Allen Senior Solicitor	Graham Titchener Head of Parking Services		
Nick Collins Head of Commercial & Operational Asset Mgt			
<b>Wards Affected:</b>	Guildhall		
<b>For further information please contact the author of the report</b>			