

ANNEX 2



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Our ref JW/dts

By Post & Email

29 January 2009

Dear John

The Barbican Auditorium, York Request for Professional Advice

Thank you for your email dated 27 January addressed to my colleague Jon Milward. As I mentioned in our telephone conversation yesterday, I am a Partner in Drivers Jonas' Leeds office and would lead this instruction in the event that the Drivers Jonas team is appointed.

In this submission, we aim to demonstrate that Drivers Jonas has put together a team of property and other technical consultants with the expertise to advise City of York Council (the Council) in respect of the Barbican Auditorium site.

We understand from the Brief that you are seeking a consultant who can bring expertise and, specifically, has a successful track record in:

- Marketing commercial property; and
- Providing market analysis of the theatre, entertainment and commercial leisure industries.

In this respect, the team is comprised of senior professionals from Drivers Jonas, David Pratley Associates and Pan Leisure Consulting Ltd.

You have asked us to provide you with the following information:

- CV's for the proposed team;
- Confirmation of team availability;
- Details of our hourly fee rates and the approximate costs of providing the advice requested.

During our telephone conversation you also mentioned that it might be useful for us to provide a method statement which would provide the Council with an indication of our proposed approach to working with the Project Board and this project from inception to completion. I also therefore set out in this letter the scope of professional advice offered which we would hope to discuss and refine with the Project Board, in the event that we are successful.

Background

We understand that the Council owns the Barbican Auditorium. We also understand that the Council has now terminated negotiations with Absolute Leisure Ltd with effect January 2009 and that they are looking for alternative future options for the Barbican Auditorium. We are also aware of the development plans for the other parts of the Barbican site (the former 'wet side').

If appointed, we would intend familiarising ourselves in greater detail with the site, the physical characteristics of the Auditorium and its current condition as your tender invite suggests. We would also

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wish to discuss with the Project Board the progress of discussions with Barbican Venture York Ltd in respect of the former 'wet side' in order to gain a full understanding of where proposals for the entire site currently stand.

1) DRIVERS JONAS TEAM

The Drivers Jonas team is comprised of the following parties:

Drivers Jonas

I would be the Partner responsible for the instruction. I am a Partner within the Leeds office of Drivers Jonas and head up that office. I am a qualified Planning and Development surveyor (MRICS) with over 10 years post-qualification experience. I am also in charge of the Leeds Development team which provides a range of development consultancy and agency advice to both public and private sector clients across the north of England. I will be assisted by Alex McCallion as Senior Surveyor. Alex is an experienced surveyor who assists me on most instructions. As a resident of York, Alex has a first hand knowledge and understanding of the City and issues surrounding the Barbican Auditorium.

Drivers Jonas will be the lead consultant responsible for the delivery of the services. Drivers Jonas' technical role will be to advise on all matters relating to the marketing of commercial property and will consider alternative uses for the Auditorium other than those relating to theatre/entertainment and commercial leisure. These specialist markets will be examined by David Pratley Associates (theatre/entertainment) and Pan Leisure Ltd (conferencing and leisure).

David Pratley Associates

David Pratley Associates was formed in 1996 as a management consultancy practice specialising in the management of change in the cultural sector. Its work spans three principal fields in change management: the creation of new cultural organisations and buildings, the transformation of cultural organisations at different points in their lifestyle, and the development of new models for public funding and delivery of cultural services. Its clients extend across the UK and include central and local government, non-governmental public bodies, educational institutions and companies in the arts, media and heritage sectors.

The practice is led by David Pratley who will provide advice on the market for theatre/entertainment uses. David will be assisted by Stephen Browning as Senior Consultant.

Pan Leisure Ltd

Pan-Leisure Consulting Limited, led by Eileen Hinson, is widely recognised for its professional and pragmatic solutions within the leisure and tourism industries. The company has a proven track record for innovation in areas ranging from tourism destination development and visitor attractions to development including commercial leisure, sports stadia and urban regeneration.

Eileen Hinson will provide advice on the market for complimentary e.g. conferencing and other leisure uses in the Auditorium.

Full team CV's are enclosed with this letter, as requested. We also enclose practice profiles for each member of the Drivers Jonas team to illustrate the breadth and depth of experience that exists in each of the three specialist fields.

3) SCOPE OF PROFESSIONAL ADVICE

Whilst not a strict requirement of the tender invite to provide a method statement, we feel it good practice to illustrate the scope of professional advice that we consider the Council will require to inform how the specialist component parts of the Drivers Jonas team will work together to deliver the Council's requirement – a report to the Executive in March on the Barbican's potential in the current market to attract cultural and/or leisure/conference-based uses. Having explored the market potential for the Barbican we will prepare a report on future options for the Barbican and provide summary conclusions and recommendations.



In preparing this report activities will include:

Data Review

- Analysis of the York property market in the context of the current economic climate. Identification of alternative uses for surplus land;
- Market Research – focusing on trends in sectors of relevance to any future uses e.g. performing arts/entertainment; events; conferences; hospitality and sport;
- Data Review – to embrace 1) a review of policies and strategies of relevance including: Local Plan (emerging LDF), cultural/sports/tourism strategies and 2) a review of the historic performance of the property including: visitor numbers (preferably by facility); revenue streams; and operating costs;
- Review of current facilities – taking into consideration: location; access; adjacent site uses; mix and quality of facilities;
- Analysing the market for venues, product and audiences in York to see if there is any viable niche for The Barbican. We would need to look at financial and performance reports for other venues and measure total known audiences against MOSAIC/Acorn data for potential audience catch. This will show up whether there is a market or not;
- Soft Market Testing – based on identified market opportunities to contact key leisure/entertainment operators to determine: a) their interest in the location and b) their potential interest in the property;
- To consider what lateral impact such a programme might have on other venues, particularly those supported financially by the Council elsewhere;
- To identify whether there are third sector/voluntary sector bodies in York which might form an operating trust;
- Taking on board work by the rest of the team on other uses, to identify what level of operating subsidy might be required by any operator and to propose sources for that subsidy.

Preparation of report to Council

- Preparation of the final report to include summary conclusions and recommendations and presentation of same to the Council.

2) CONFIRMATION OF AVAILABILITY

The team would be available for an inception meeting with the Council in the week commencing 2 February 2009 at a time convenient to the Project Board. Team members would also be available next week to inspect the site and buildings and to familiarise themselves in greater detail with the site's history.

I confirm that the Drivers Jonas team has the resource, capability and expertise to complete this instruction.

3) PROPOSED WORKING ARRANGEMENTS

Drivers Jonas is appointed by the Council under the Framework Agreement for the Provision of Property Related Professional Services – OJEU Ref 2006/5/219 – 235469

In order to provide value for money to the Council we would propose using the hourly fee rates agreed under that Framework, *discounted by a further c.15%*, to complete this commission.