

GUILDHALL BACKGROUND INFORMATION – Annex A

For CSMC Scrutiny meeting Monday 14 September 2015

Introduction

1. Consideration of the future use of the Guildhall complex became urgently necessary in January 2012, when Cabinet approved the Admin Accom. project review report. This report presented the findings of a further review of council's future accommodation needs and recommended a proposal to move political groups, the leader of the council and the chief executive out of the Guildhall and into West Offices, with use of the Guildhall retained only for full council meetings (in the council chamber) held on average only bi-monthly.
2. Until this point the ongoing use of the Guildhall as an office base for staff and the members had been assumed.

Background Documents 1) –

Cabinet agenda – Jan 2012 – item 7 report - Revision to the Council's Administrative Accommodation Strategy

3. As a response to this ongoing review, and to inform the future re-use of the Guildhall, as the council's Head of Design Conservation and Sustainable Development I was able to secure funding for and agreement to the production of a Heritage statement and options appraisal for the complex – working in partnership with English Heritage. This work was completed in February 2012, and provides a comprehensive evidence base line in relation to the historic significance of the complex.
4. A summary of the statement of significance is attached, with the full documents available as background papers. The Options Appraisal report highlighted the areas where there was the potential to make alterations to the complex to facilitate new uses and to open up public access to the Riverside.

Background Documents 2) –

Heritage Statement / Views Analysis / Options Appraisal reports - ©PMT Feb 2012.

5. As a response to this work it was agreed that a further exploration of the relationship between the Guildhall complex and the wider riverside could be helpful in realising the long held City ambition to create a more publicly accessible riverside, and in maximising the potential and value of the complex for the benefit of the City. Cabinet agreed to sponsor an RIBA Open Ideas Competition in May 2012.

Background Documents 3) –

Cabinet agenda - May 2012 – item 9 - Exploring Opportunities for the Future of the Guildhall.

6. The competition entries were exhibited at York Explore and the winner announced in Dec 2012. The public exhibition of the competition shortlist demonstrated an overwhelming public support for creating a public space on the riverside and making the complex more accessible.
7. The winning entry was selected (unanimously by the judging panel) because it created a new public space on the riverside, with the proposed new commercial development set back around this, respecting the existing Guildhall buildings which stand so dramatically and prominently on the riverside.

Background Documents 4) –

RIBA Open Ideas Competition - Winning Entry by Rob Loader Architect – Dec 2012.

8. The council subsequently vacated the Guildhall complex in March 2013; with staff and members moving into West Offices. Large areas of the complex, which were previously used as offices became vacant. Use of the council chamber has continued for full council meetings and the Guildhall main hall has continued to attract bookings for a range of festivals and events, achieving a gross income of c£40,000 per annum. However, the net cost to the council of the vacant complex, excluding staff time in management, has been in the region of £125,000 per annum. This figure includes £64,000 in Business rates, where the complex does not qualify for exemption because it is in partial use.

Background

9. In July 2013 Cabinet agreed to investigate the re-use of the Guildhall as a Digital Media Arts Centre. A brief existed from Science City York (SCY) where there had been negotiations to create a facility in the

Bonding Warehouse. That building has ultimately been successfully converted into office and residential units. The office element is now occupied by the developer Grantside and Anaplan – a high growth Creative Business.

Details here :

<http://www.grantside.com/project.php?id=1>

<http://www.officelovin.com/2014/10/23/a-look-inside-anaplan-york-offices/>

10. The Cabinet approval of July 2013 required the following :

Investigation of the feasibility of creating a Digital Media Arts Centre in the Guildhall as part of a mixed use development

- ***Demolition of the hutments***
- ***Archaeological investigation***
- ***Consultation on future use***

Background Documents 5) –

Cabinet agenda - July 2013 – item 13 - Future of the Guildhall Complex.

11. ***The following feasibility work has been undertaken in response :***

- October 2013 - Initial feasibility work instigated
- Dec 2013 - Project Manager seconded
- March 2014 – Feasibility work completed and final reports issued.

Background Documents 6) –

Architect's Feasibility report March 2014

- April 2014 – HLF bid submitted
- April 2014 – Cabinet in private - update presentation.
- June 2014 – demolition of hutments
- July / Aug 2014 – Archaeological evaluation of site
- July 2014 – HLF outcome

12. The lack of HLF grant funding approval required a re-consideration of the scheme and a revision of the feasibility study.

- Aug – Oct 2014 – preparation of revised scheme

13. The revised scheme demonstrated that a proposal with a reduced capital cost could still achieve the majority of outcomes and this option was reported to Cabinet in Dec 2014.

Background Documents 7) –

Architect's Feasibility report - revised option - Dec 2014

The key features of the feasibility study works were :

14. Analysis of the suitability of the Guildhall complex for use as a Digital Media Arts Centre.
15. An assumption that Council use and public access to key elements of the building (specifically including the council chamber) and riverside would be secured and maintained.
16. An early finding was that office space rentals alone would not be sufficient, to make the development viable, but that a business club / virtual office offer could supplement this and would in fact suit the layout of the building and the use of the public and other spaces in the building
17. Study of comparator venues and dialogue with commercial interests running these venues suggested that the Guildhall complex could offer a venue uniquely suited to a creative industries hub offering characterful office environments in a unique building and with the benefit of being centrally located in York.
18. A complex business model was developed, based on the primary use being a Digital Media Arts Centre, but looking at combinations of office rentals, business club membership and virtual office services, with some associated meeting room / venue hire based on commercial management of the spaces and other associated commercial uses (cafe/bar and restaurant elements) to provide a mixed use development on the riverside. Other options were not considered / evaluated, and this work was presented to Cabinet in Dec 2014, and reviewed by scrutiny in January 2015.

Background Documents 8) –

Cabinet agenda reports – Dec 2014

***Background Documents 9) –
Scrutiny Agenda reports - Jan 2015.***

19. Mindful of the feedback from the scrutiny process and the requirement to secure additional project funding, further feedback from the HLF was sought to inform a revised bid. This was submitted in May 2015 with Heritage Focus. Further work with the LCR LEP secured an in principle funding offer of £1m towards the delivery of the Digital Media Arts Centre.

***Background Documents 10) –
Heritage Lottery Fund Round 1 Bid – May 2015.***

Current Position

20. Further to the July 2015 – Executive update report, it was agreed that the project be reviewed the other use options considered as follows :

Option 1 – Grade A generic office, probably requiring new build annex, where refurb is unlikely to produce the quality of office required.

Option 2 - A commercially focused scheme - likely to revolve around restaurants / cafe bars and leisure uses.

Option 3 - A new build annex with generic Grade A office and introducing residential or holiday let accommodation on upper levels.

Option 4 – A refurbished annex option with a serviced office / virtual office offer to the broader creative industries sector.

20.1. Background Documents 11) –

20.2. Executive – agenda item 1 – July 2015 – Guildhall project update.

21. The potential for these alternative uses is being evaluated and will be set out in more detail in a report to the further scrutiny meeting scheduled for 16th Sept 2015 at 5.30pm.

22. Additional and further information will necessarily be presented to the meeting.
23. The scrutiny findings will be presented to Executive in October 2015.